



# BEIRHOLM GROUP

## Corporate Social Responsibility report

This section constitutes Beirholms Væverier's statutory reporting on corporate responsibility cf. §99a of the Danish Financial Statements Act.

This year's CSR report follows the financial year from October till September.



# Foreword

We strive to create the most profitable and sustainable textile solutions in the market, for laundry service businesses, their customers, and end-users.

Our company DNA – Context Engineered Textiles – is the common thread that runs through our entire organisation. It is the thread that binds our organisation to our partners, forming a strong network of interwoven companies. This network is so strong that we sometimes refer to it as ‘*One Company*’.

Together, we continuously develop and upgrade our Context Engineered Textiles, increasing their durability, as well as their potential to reduce processing costs in the laundry. We also ensure our textiles are manufactured according to some of the strictest environmental and social standards – from the raw material all the way to the finished product.

Over the years, we have been fortunate to see that the common thread – our DNA, network, and partnerships – has proven resilient whilst setting new standards in the market. Therefore, we firmly believe that our Context Engineered Textiles strategy is the enabler of future breakthroughs within sustainability in our industry.

When we say ***we activate the full potential of the value creation network to create the most profitable and sustainable textile solutions***, this is what we mean.

# Highlighted news

This year, we want to emphasise 4 important achievements:



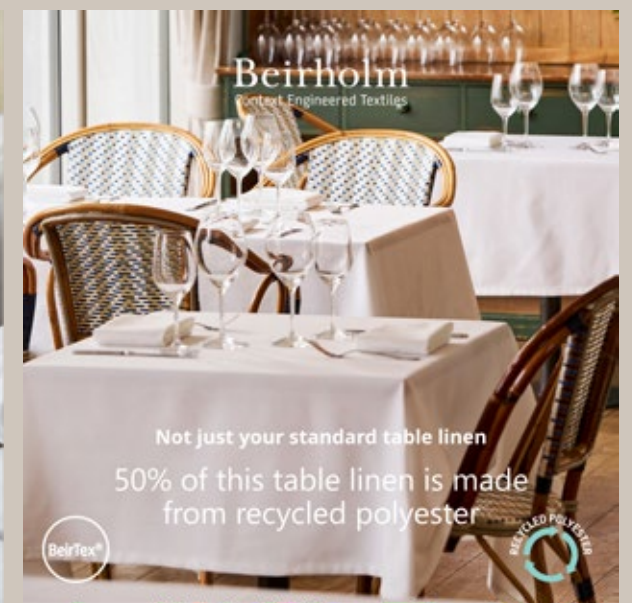
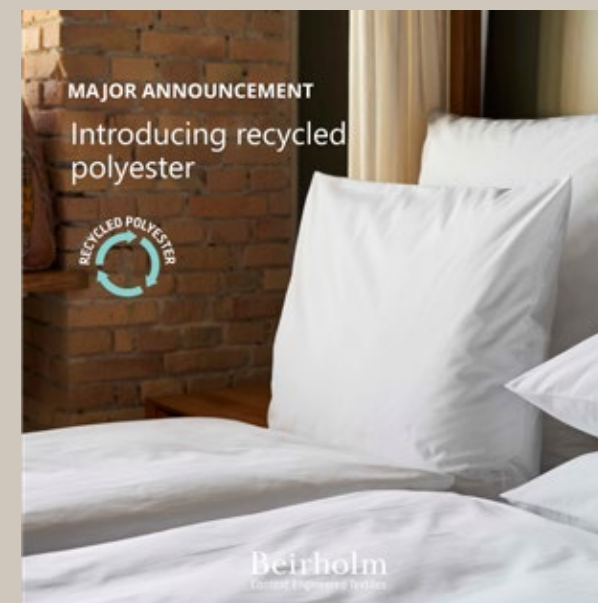
1. In April, we were awarded the platinum rating by EcoVadis, placing us among the top 1% of over 150.000 rated businesses worldwide for sustainability performance.



2. We initiated and completed the first Remanufacturing projects with select customers. Remanufacturing, we believe, is an important initiative, where Beirholm takes back discarded textiles and turns them into new products through remanufacturing. Examples include the conversion from discarded duvet covers to shirts, nurse gowns to bags etc. We aim to expand this initiative from Scandinavia to the broader European market in the next financial year.



3. We have established a label-solution to comply with upcoming Digital Product Passport legislation. We aim to implement the solution in our entire Beirholm Collection of Textiles in autumn 2025. Afterwards, we will launch it for customer-specific labels. Above and beyond future-proofing our performance textiles through compliance with upcoming legislation, customers will be able to show the product journey and product-relevant information such as carbon footprint and certifications through the scan of a QR code.



4. We succeeded in shifting all virgin to recycled polyester. Last year, we made the decision to substitute virgin polyester with recycled polyester in the majority of our Beirholm Collection of textiles—a decision that makes our performance textiles more circular and therefore a more future-proof investment. The decision was followed through this year and by now, the majority of our Beirholm Collection of Textiles come with recycled polyester – per default.



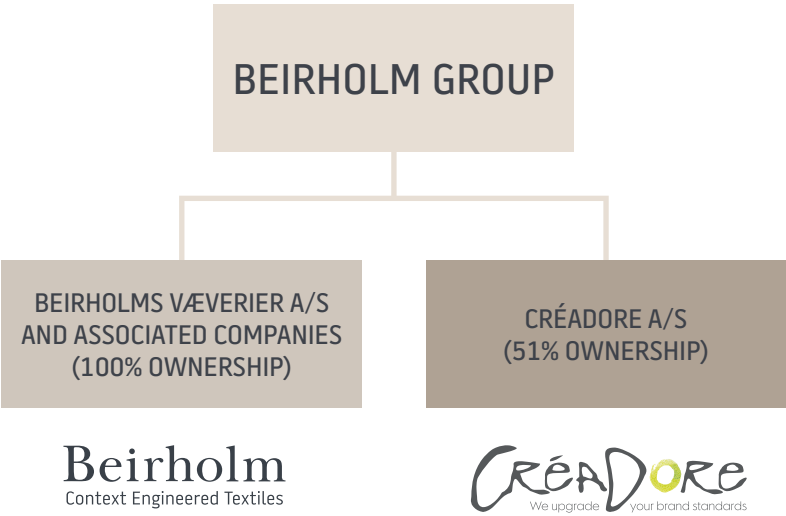
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# Beirholm Group

Unless explicitly stated, the policies, actions, reflections, key performance indicators, statuses, and progress in this CSR report cover Beirholm Group. This includes Beirholms Væverier A/S and its associated companies, as well as Créadore A/S<sup>1</sup>.



<sup>1</sup> The diagram is a simplified version of our company group structure

# Principal activities

## Beirholms Væverier

We are the leading developer and supplier of industrial textiles to the Textile Services industry in Europe – the industry that enables hotels, restaurants, hospitals, care homes, and cruise ships to operate every day.

## Créadore

Créadore is a joint venture between Beirholm and our strategic manufacturing partner, Sapphire. Créadore was established in 2008 to *upgrade the brand standards of global hotel chains*.



# Business model

We activate the full potential of the entire value creation network. We do this by developing and delivering the most profitable textile solutions in the market – for the Textile Services industry, its customers, and their end-users.

## Innovative textile technologies

Amongst our innovations, you will find [BeirTex®](#) textile technology and [Beirholm Pixel Technology®](#).

BeirTex® offers revolutionary durability, a light-weight construction, and that “great cotton feel.” With these qualities, it greatly reduces purchasing budgets, CO<sub>2</sub>-equivalent emissions, and laundry processing times. This results in a very high return on investment for our textile service partners.

Beirholm Pixel Technology® is the latest addition to our portfolio of innovative textile technologies. Trademarked in 2021, it is a revolutionary colour technology for terry products that provides the following 5 benefits:

### 1. Full colour for the life of the product

The zebra-effect is one of the most common reasons our textile service partners receive customer complaints and have to discard their terry products early. Beirholm Pixel Technology® solves this problem by maintaining the full colour of terry products throughout the lifetime of their use. This reduces customer complaints and increases return on the textile investment. In addition, the longer product life reduces waste.

### 2. Great variety of colour options

Beirholm Pixel Technology® makes it possible for our textile service partners to offer a wide range of beautiful and inspiring colours to their hotel, hospital, and care home customers. This enables them to win market share over competitors.



### 3. No need for sorting and separating products

Perhaps the most revolutionary benefit of Beirholm Pixel Technology® is that different coloured terry products can be washed together. White can be washed with blue, blue with red, red with yellow, or all the colours together. This reduces the need for pre-wash sorting and increases laundry efficiency – just what you need when every man-hour and kWh counts!

### 4. It's significantly cheaper!

Beirholm Pixel Technology® is significantly cheaper than other textile technologies on the market. The dyes, the process of dyeing, and the product engineering make it possible to create a highly cost-efficient product. And this means big reductions in purchasing budgets for our textile service partners! What's not to like?

### 5. BeirTex® integrated. Performance guaranteed.

Beirholm Pixel Technology® builds on our BeirTex® technology. So our textile service partners can look forward to extremely durable terry products. Recent performance tests in a real laundry demonstrated that terry towels with Beirholm Pixel Technology® and BeirTex®:

- » Reduced total cycle time (washing and drying) by 26% compared to conventional 100% cotton products.
- » Reduced total cycle time by 5,5% compared to conventional products with 5% more polyester content. Revolutionary!



Our BeirTex® and Beirholm Pixel Technology® textiles are certified according to some of the strictest environmental and social standards in the market. The certifications cover every single step of the supply chain – from raw materials to finished products. For instance, our newest collection of BeirTex® and Beirholm Pixel Technology® textiles are all EU Ecolabel, Green Button, Oeko-Tex® Made in Green, Oeko-Tex® STeP, and Oeko-Tex® 100 certified.

This combination of certifications sets high standards for social and environmental responsibility in the manufacturing process and ensures textiles are safe to use by testing them for harmful substances. With our support of Better Cotton, we also support the growing of more sustainable cotton. And with the decision to implement recycled polyester in the majority of our collection of performance textiles, we are setting a new standard for more circular textiles in the industry.



With Beirholm Pixel Technology®, you can inspire your customers with beautiful colours while ensuring operational-fit advantages in your laundry:

- » Coloured terry without hassle
- » No colour transfer
- » Homogeneous pool that lasts for a long time
- » Possibility to wash different colours together
- » No need for colour sorting
- » Inspiring selection of colours



Beirholm Standard Collection includes a powerful mix of performance and colour technologies, certifications, and more sustainable raw materials.

Raw material



Better Cotton  
Recycled Polyester

Manufacturing partner



Oeko-Tex® Made in Green  
Green Button  
EU Ecolabel

Textile service partner



BeirTex®  
» Performance and durability  
Beirholm Pixel Technology®  
» Colour that lasts  
» Colour that can be laundered with white and other colours - without a problem

End-customer & end-user



BeirTex®  
» Lightweight  
» Great cotton feel  
» Less dust  
Oeko-Tex® 100  
» Safe to use  
» Tested free from harmful substances  
Beirholm Pixel Technology®  
» Colours that inspire

» See page 84/85 for a complete overview over the technologies, certifications, and raw materials that we offer.

# Statutory Corporate Social Responsibility report

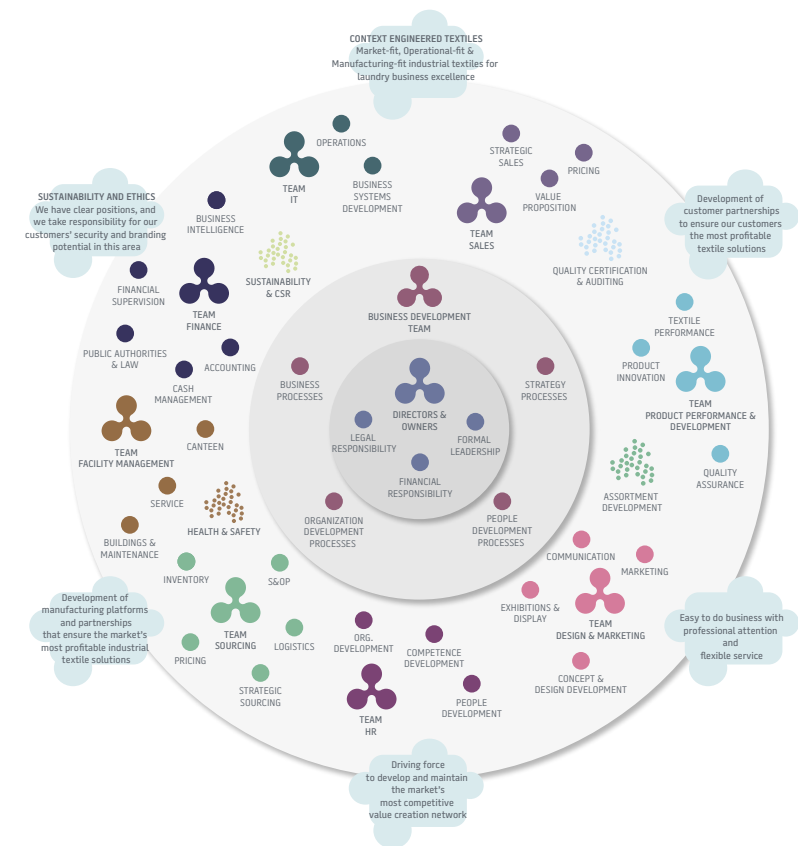
Our CSR strategy, including our Code of Conduct, is based on internationally accepted conventions such as the UN Global Compact, the UN Convention on the Rights of the Child, the UN Universal Declaration of Human Rights, the International Labour Standards of the ILO, and the OECD Guidelines for Multinational Enterprises.

It also aligns to the EU's Best Available Techniques (BAT) and REACH frameworks. This ensures that Beirholm adheres to best practice in energy, water, and chemicals management, and that all our textile products are produced safely.

Beyond these conventions and standards, activating the full potential of a complex value creation network requires us to set an example for the change we expect from our partners, as well as the change we wish to see in the future.

Our approach to sustainability is that sustainability should become *mainstream* and *holistic*. To provide an example, we've decided to introduce recycled polyester into the majority of our Beirholm Collection of performance textiles. As a standard. Now, our laundry customers will enjoy an even more *holistically* sustainable textile investment. With the Beirholm Collection already certified according to EU Ecolabel, Green Button, Oeko-Tex® Made in Green, and Oeko-Tex® 100 while supporting Better Cotton, exchanging virgin polyester with recycled polyester adds significantly to our ideal of holistic sustainability. Since these certifications and recycled polyester comes as a standard (and not just a niche range of products) without any significant added costs, the decision to purchase more sustainable textiles has been made easy—and therefore it will also become *mainstream*.





## Organisation and governance of sustainability and related compliance themes

At Beirholm, we have a dedicated Sustainability Competence Centre, which is responsible for sustainability-related developments and compliance topics. The competence centre consists of members from Sales, Sourcing, Supply Chain, and Marketing. We've chosen this way of organisation because it enables us to take a broad view on sustainability across our supply chain – from customer demands and all the way back to the raw materials, it increases speed of implementation, and it ensures that we catch and become aware of new compliance topics across all of our markets and sourcing regions.

The Sustainability Competence Centre is responsible for the following (but not limited to):

- » CSR reporting
- » Legislation e.g. CSRD, CSDDD, EPR, Extended Producer Responsibility, Digital Product Passport, REACH, General Product Safety regulation, EU Textile Labelling Regulation etc.

- » Certifications & Audits
- » Own initiatives that go beyond auditing e.g. WE Program
- » Training and education internally and externally (customers, manufacturing partners, and other stakeholders e.g. Green Key, Textile Associations etc.)
- » Collaboration with external stakeholders to give input to legislation, receive/sense new compliance requirements etc. These stakeholders include, but are not limited to, Dansk Erhverv, Textile Service Associations, Green Key, Certification schemes, Bureau Veritas etc.

Legislation such as Packaging and Packaging Waste Regulation is handled in collaboration with the Sustainability Competence Centre, Business Intelligence team, IT team, and Sourcing.

Product-related sustainability topics are typically handled in collaboration between the Sustainability Competence Centre, R&D team, Sourcing, and the Product Assortment Centre.

**In practice, Beirholm sets an example in the following ways:**

- » Our organisation is certified according to ISO9001, ISO14001, and ISO45001. These certifications define and set high standards for our quality, environmental, health and safety management systems.
- » The majority The majority of our manufacturing partners hold the EU Ecolabel, ensuring the implementation of EU Best Available Techniques for energy, water and chemicals management on their production sites. As a result, our products adhere to strict environmental standards. In addition, most of our textiles are certified according to Oeko-Tex® Standard 100, ensuring they are not harmful to human health and that they comply with the EU REACH directive for the use of chemicals and substances.
- » We implement our Code of Conduct at our key manufacturing partners. As part of our Due Diligence and certification systems, our key manufacturers are audited by external, independent institutions on a regular basis. The audit scope is based on a country, supplier, product, and business model risk assessment, as well as our Code of Conduct and/or the specific standard as defined by a certification body. After each audit, findings and potential areas of improvement are documented and discussed. Solutions are then devised and prioritized.
- » We have implemented a grievance and remediation mechanism, including a hotline setup for our strategic manufacturing partners. Our partners’ employees can now call the hotline number, in their own language, with complaints related to health and safety at work. We are then obliged, based on our own policy, to take appropriate action.
- » We have analysed the current grievance and remediation structures, systems, and processes of our key manufacturing partners to identify areas for improvement. This is to support progress but also to avoid the risk of undermining their efforts with ours.
- » We maintain the goal of improving our share of certified textiles and preferred raw materials sold each year. To achieve this, we collaborate with our manufacturing partners to introduce new certifications and materials, as well as upgrade current ones. We also price our certified textile solutions favourably to increase their uptake amongst our textile service partners.
- » We aim to increase the share of textiles sold with BeirTex® technology. The technology offers revolutionary durability and the potential to increase output per man-hour in the laundry. It also holds great potential to reduce CO2-equivalent emissions and energy consumption for our textile service partners.
- » We aim to increase the sales of terry textiles made with our Beirholm Pixel Technology®. This revolutionary technology maintains colour over the entire lifetime of the product and enables different coloured products to be washed and dried together. This removes the need for sorting and makes the laundry process easier, faster and more cost-effective.
- » We have joined forces with [the WE Program](#). The WE Program offers an innovative way to give workers a voice that is different to standard audit and checklist methods. Through this alternative approach, they are able to speed up social progress by identifying overlooked areas of improvement that affect the daily lives of workers.
- » We have made the decision to shift from virgin polyester to [recycled polyester](#) in the majority of our Beirholm Collection of textiles—a decision that makes our performance textiles more circular and therefore a more future-proof investment for our laundry partners.
- » Beirholm Group achieved [Platinum status by EcoVadis](#), and therefore ranks amongst the top 5% of companies assessed. Being amongst the top 1% of rated companies, our global hotel chain customers and laundry partners just got a more sustainable upgrade to their textile brand standards.

**Summary**

In summary, our products and strategy aim to support an increase in the share of more profitable and sustainable textiles sold. Our new Beirholm Collection of Context Engineered Textiles is a great example, since they, as default, are EU Ecolabel, Oeko-Tex® Made in Green, Oeko-Tex® STeP, Oeko-Tex® 100, and Green Button certified. To support the growing of more sustainable cotton, we also support Better Cotton.

Finally, we’ve made the decision to substitute all virgin polyester with recycled polyester. You read this correctly. In our Beirholm Collection, all virgin polyester is substituted with recycled polyester. Our R&D Team has achieved a level of whiteness with recycled polyester that enables this change. On top of this, we’ve introduced the flexibility of substituting default raw materials with Organic Cotton, Fairtrade cotton, and Tencel. We also offer the GRS, RCS, OCS, and GOTS certifications.





# Environment

## Climate

### Context: risks & policy

We believe global warming to be the most urgent challenge of our time. If we do not proactively work on reducing our greenhouse gas emissions, we are gambling with our common future.

From a business perspective, the manufacturing of our textiles is particularly exposed to the short and medium-term risks of climate change. In their Fifth Assessment Report (AR5), IPCC points out that, according to prognoses for temperature increases in South Asia, including Pakistan and India (where we source most of our textiles) the temperature increase will probably exceed the global average. This will affect the timing and force of the monsoon rain and will have a derived impact on the agrarian sector's productivity and efficiency.

Economies where the agrarian sector accounts for a considerable share, such as Pakistan and India, are therefore under threat (both countries are among the countries subject to the greatest climate risks according to the Global Climate Risk Index). The supply of cotton (the main raw material of our textiles) could easily become scarce, leading to steep price increases and/or lack of supply.

Our aim is straightforward. We want to play an active role in reducing the carbon emissions of our supply chain, in close collaboration with our manufacturing and textile service partners. We will focus on areas where we can create the most impact, without compromising our business – both now and in the future.

### Goals, actions & progress

- Our carbon footprint strategy is as follows:**
- » Become aware of our own CO<sub>2</sub>e emissions
  - » Define base year and set goals for future reduction
  - » Identify and prioritise initiatives with the highest impact on reduction of CO<sub>2</sub> emissions
  - » Execute on prioritised initiatives and measure and report progress
  - » Discuss and share knowledge with textile service- and manufacturing partners

In FY 24/25, our CO<sub>2</sub>e analysis assessed (covered) 99% of the total kilos of textiles we sold. This means we have achieved our goal to become aware of our own CO<sub>2</sub>e emissions (bullet point 1 above). Our long-term goal is to stay at or above 90% coverage.

| Coverage           | CY 2020 | CY 2021 | CY 2022 | FY 23/24 | FY 24/25 |
|--------------------|---------|---------|---------|----------|----------|
| Beirholms Væverier |         |         |         | 98%      | 99%      |
| Créadore           |         |         |         | 99%      | 99%      |
| Total coverage     | 58%     | 77%     | 95%     | 98%      | 99%      |

**Carbon footprint reduction:**  
More than 99% of our emissions<sup>2</sup> occur in scope 3. Within scope 3, the two main emission sources are “Use of sold products” and “Purchased goods and services,” accounting for 222.314 and 90.386 MT CO<sub>2</sub>e, respectively. This is why we need to work with our manufacturing and textile service partners to create any meaningful impact.

| Scope                                     | CY 2017<br>(base year) | CY 2019 | CY 2020 | CY 2021 | CY 2022 | FY 23/24 | FY 24/25 |
|-------------------------------------------|------------------------|---------|---------|---------|---------|----------|----------|
| 1                                         | 210                    | 218     | 178     | 157     | 194     | 159      | 168      |
| 2                                         | 49                     | 61      | 53      | 49      | 48      | 50       | 53       |
| 3                                         | 189.033                | 232.685 | 152.513 | 158.445 | 279.031 | 245.487  | 257.247  |
| Total CO <sub>2</sub> e (MT) <sup>3</sup> | 189.293                | 232.964 | 152.745 | 158.651 | 279.273 | 245.696  | 257.469  |

<sup>2</sup> We estimate our CO<sub>2</sub>e emissions on the basis of the Greenhouse Gas Protocol. For scope 1 and 2, we rely on internal data converted using publicly available tools from the Greenhouse Gas Protocol. For scope 3, we rely on supplier data, industry statistics, and CO<sub>2</sub>-analyses prepared in collaboration with Bureau Veritas. The FY 24/25 uses the product's transportation footprint as opposed to the footprint gathered directly from logistics partners. This is a change compared to former years. However, the change in accounting only makes up to 2% in difference. Compared to the time and effort saved while still reflecting an accurate picture, we believe this is a good method going forward.

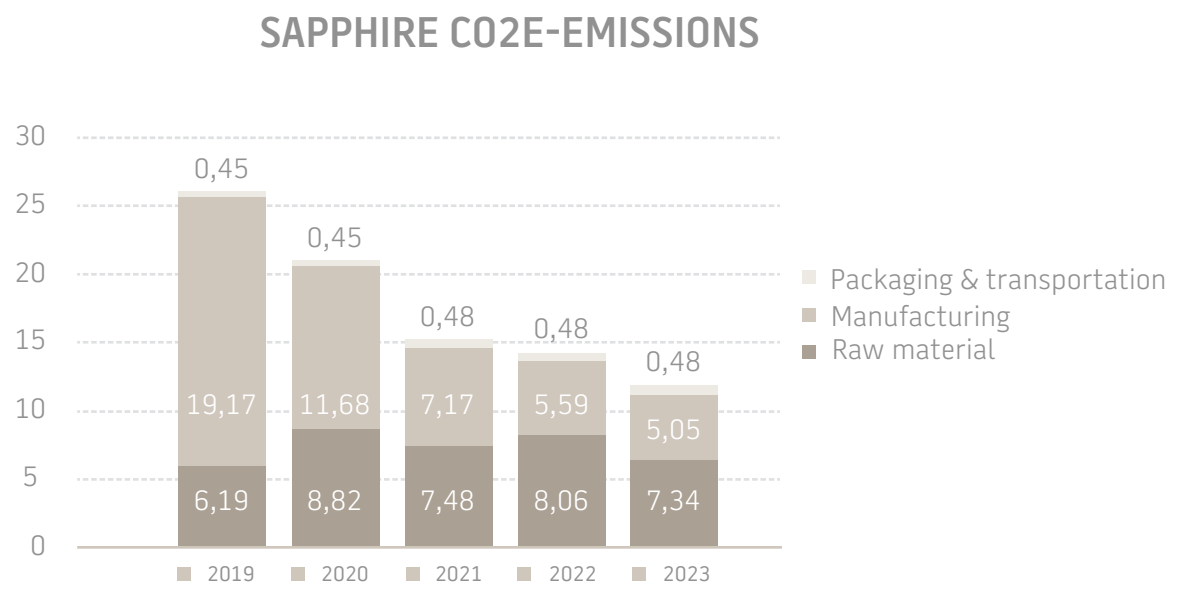
<sup>3</sup> Figures are stated in CO<sub>2</sub>-equivalent emissions in accordance with the Greenhouse Gas Protocol. Natural gas consumption is measured in the period from July till July (in the periods where calendar year was used, gas was measured from March till March). Otherwise, the calendar year (CY) or the fiscal year (FY) acts as the measuring period



|                                        | Beirholm Group A/S<br>Total |                             | Beirholms<br>Væverier A/S<br>(100% equity<br>share) | Créadore A/S<br>(100% equity<br>share) | Créadore A/S<br>(51% equity<br>share) |
|----------------------------------------|-----------------------------|-----------------------------|-----------------------------------------------------|----------------------------------------|---------------------------------------|
| Fiscal year 24/25 breakdown            | CO <sub>2</sub> e (in MT)   | Share of total<br>emissions | CO <sub>2</sub> e (in MT)                           | CO <sub>2</sub> e (in MT)              | CO <sub>2</sub> e (in MT)             |
| Scope 1 total                          | 168                         | 0,1%                        | 153                                                 | 14                                     | 7                                     |
| Mobile combustion                      | 168                         |                             | 153                                                 | 14                                     | 7                                     |
| Scope 2 total                          | 53                          | 0,0%                        | 48                                                  | 5                                      | 2                                     |
| Stationary combustion                  | 53                          |                             | 48                                                  | 5                                      | 2                                     |
| Scope 3 total                          | 257.247                     | 99,9%                       | 236.487                                             | 20.761                                 | 10.588                                |
| Business travel                        | 71                          | 0,0%                        | 68                                                  | 3                                      | 1                                     |
| Employee commuting                     | 272                         | 0,1%                        | 249                                                 | 23                                     | 12                                    |
| End-of-life treatment of sold products | -55.795                     | -21,7%                      | -51.352                                             | -4.443                                 | -2.266                                |
| Use of sold products                   | 222.314                     | 86,3%                       | 203.998                                             | 18.316                                 | 9.341                                 |
| Purchased goods and services           | 90.386                      | 35,1%                       | 83.524                                              | 6.862                                  | 3.500                                 |
| Total emissions                        | 245.696                     | 100,0%                      | 236.688                                             | 20.779                                 | 10.598                                |

To reduce emissions from “Purchased goods and services”, the primary focus is on our textile purchases. We have spent the last four years extracting data and establishing comparable baselines amongst our main suppliers. We have now reached our goal of >90% coverage and have begun sharing the data amongst our manufacturing partners (for them to base their reduction initiatives on). In 2020, one of our strategic suppliers installed solar panel capacity to fuel part of their production with clean, renewable solar energy.

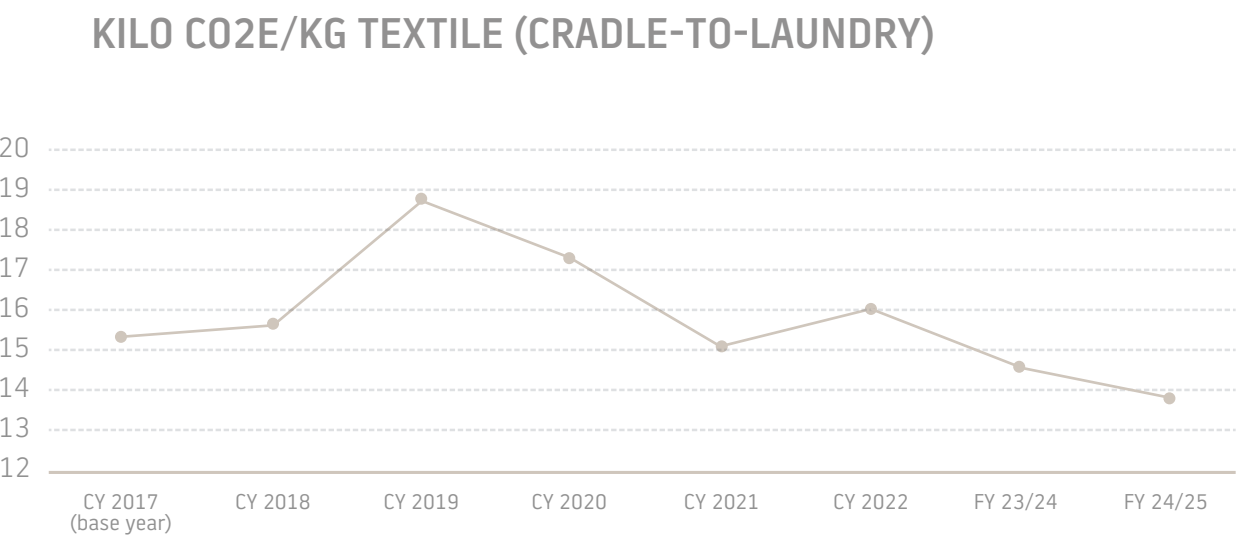
Below is an example of how our main strategic manufacturing partner in Pakistan, Sapphire, reduced its CO<sub>2</sub>e emissions by 50% mainly through the implementation of solar panels (project from 2020-2021).



\* Historical development of kg CO<sub>2</sub>-equivalents per kg of finished textile in 50/50 P/C (excl. CO<sub>2</sub> uptake)

We also initiated talks with our customers about purchasing more climate friendly textiles. These discussions seem to be of interest as more of our customers are now basing their decisions partly on the product’s carbon footprint. It is our goal to reduce emissions further at our strategic manufacturing partners and textile service partners by continuing this advisory role. Currently, we are involved with at least 5 customers that actively use CO<sub>2</sub> as part of their strategic decision making process for their textile assortment or as part of their sales arguments to win more market share.

Our main progress indicator within the category “Purchased goods and services” is to reduce the overall carbon footprint per kilo of textile manufactured and sourced. Our progress is shown in the diagram below.



\* The drop from FY 23/24 from 14.8 kg of CO<sub>2</sub>e/kg textile to 13.8 kg of CO<sub>2</sub>e/kg textile (-6%) is mainly due to the decision to shift all virgin polyester with recycled. The total volume of virgin to recycled polyester sold in FY 24/25 hit 29/71%.



To reduce emissions from the “Use of sold products” category, our aim is to increase the share of BeirTex® and Beirholm Pixel Technology® textiles sold<sup>4</sup>. While the selling of more textiles with these technologies will not directly translate into emissions reduction in this category, the technologies will ensure products have the potential to increase output per man-hour while also providing revolutionary durability. Increasing output per man-hour logically means that more pieces of textile can be processed using the same amount of energy and resources. And greater durability reduces the need to invest in new textiles every year, if other impacting factors remain constant.

In addition to above measures, we have made the decision to shift virgin polyester with recycled polyester for the majority of our performance textiles. Recycled polyester emits less than half of virgin polyester. The decision was made more than half-way through FY 23/24 and therefore most of the impact of this decision has materialized this fiscal year. This is illustrated in the main KPI dropping from 14,6 kg CO<sub>2</sub>e per kg of textile to 13,8 kg CO<sub>2</sub>e per kg of textile (6% drop).

4 Expressed as the share of kilos of textiles sold with BeirTex® technology compared to total kilos sold in a calendar (CY) or financial (FY) year



# Environment

## Context: risks & policy

The greatest risks to the environment and use of resources within our industry, are found in the processes related to raw materials extraction, textile manufacturing, and the laundry.

## Goals, actions & Progress

### Raw materials extraction

To reduce the environmental impact of the use of raw materials, we aim to continuously increase our share of preferred raw materials.

Preferred raw materials are characterised as being relatively better from an environmental, social and/or climate perspective, than their conventional or virgin counterparts. Our preferred raw materials are currently defined as Better Cotton, Organic Cotton, Fairtrade cotton, Tencel, and Recycled Polyester. Our preferred raw materials sourcing strategy shows the following progress<sup>5</sup>.

In the diagram, we display the share of preferred raw materials sold for Beirholms Væverier A/S and Créadore A/S. Both companies' values are displayed as a share of their total sales, respectively.

### Our goals are as follows:

Beirholms Væverier A/S:

- » reach a share of 50% or more by 2026
- » reach a share of 70% or more by 2027

Créadore A/S:

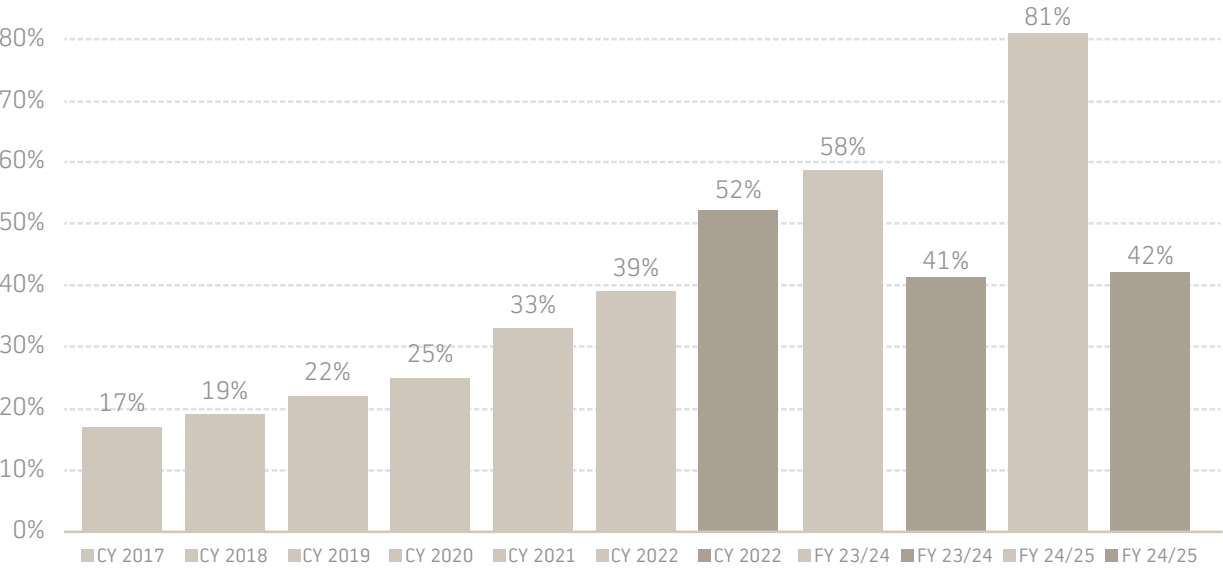
- » reach a share of 60% or more by 2025
- » reach a share of 70% or more by 2027



<sup>5</sup> The share of preferred raw materials is expressed as the volume of preferred raw materials sold in a calendar year (CY) or fiscal year (FY) relative to the total volume of finished goods sold.



# SHARE OF PREFERRED MATERIALS SOLD



Last year, we wrote: "We expect to significantly increase the share of preferred raw materials sold in the coming years as we have decided to substitute all virgin polyester with recycled polyester in our Beirholm Collection of textiles. Our R&D Team has developed a way to reach a high degree of whiteness when using recycled polyester (which, in its natural state, is greyer than virgin polyester). So we are now able to offer recycled polyester in both our coloured and white performance textiles. And we will soon be implementing this at scale."

This proved to be true. As we write the report, Beirholm has reached a 29/71% balance between virgin and recycled polyester. Up from just a few percent of recycled polyester some years ago. Our preferred raw materials KPI has accelerated from 58% last year to 81% this year, gaining 23% due to this decision. Our customers now get recycled polyester per default, helping them future-proof their textile investment and win more market share.

As a result, we've achieved Beirholm's preferred materials sourcing target of both 50% in 2026 and 70% in 2027, already by 2024/25 – 3 years in advance!

We therefore change our target for Beirholm to be "reach a share of 90% by 2030".

[Here, you can see a movie featuring how we integrate recycled polyester into our performance textiles.](#)



*Can you spot the difference? Neither can we. Left-hand-side displays whiteness of virgin polyester. Right-hand-side displays whiteness degree of recycled polyester.*

Textile manufacturing

Textile manufacturing has a negative impact on the environment due to elements such as water contamination, the use of harmful chemicals, and high energy consumption. To reduce the environmental impact of the manufacturing process, we rely on the EU Ecolabel, Oeko-Tex® Made in Green, and Green Button certifications. For instance, the EU Ecolabel sets strict criteria for wastewater treatment, fibre and chemical use.

The measure we use to evaluate progress in this area is the share of textiles sold that are certified according to one or more of the following standards: EU Ecolabel, Oeko-Tex® Made in Green, and Green Button<sup>6</sup>.

Our goals are as follows:

- Beirholms Væverier A/S:
- » reach a share of 80% or more by 2025
  - » reach a share of 90% or more by 2027

- Créadore A/S:
- » reach a share of 80% or more by 2025
  - » reach share of 90% or more by 2027

As a result of our responsible CSR strategy and our long-term partnerships with selected manufacturing partners, we have reached a 94% share of certified textiles sold for Beirholm – 3 years in advance of our 90%-goal for 2027. Our goal is therefore revised to →95% by 2027.

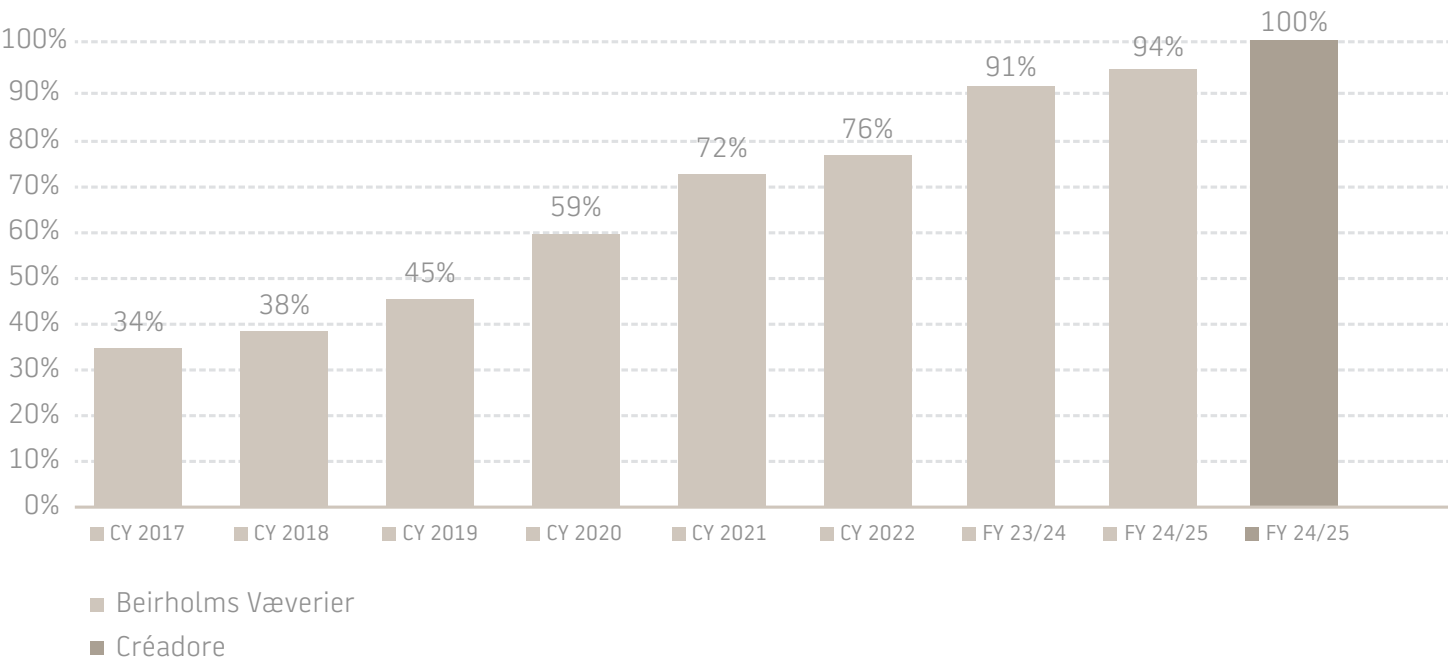
The same holds true for Créadore. After implementing Oeko-Tex® Made in Green and the EU Ecolabel at scale last year across our portfolio of manufacturing partners, all Créadore products are now certified according to one or both standards. This is true to the brand promise of upgrading your hotel's brand standard in a more sustainable way. Our goal for Créadore is therefore revised to maintaining a →95% share of certified textiles in the future.

**Pollution: use of chemicals and dyes in textile manufacturing**  
Beirholm is a REACH qualified partner. This means, that we comply with EU Chemical Safety Laws. All substances used in our textiles are registered and approved under REACH, confirming that they are safe for human health and the environment.

Being a REACH qualified partner is important to Beirholm but also to our partners as it signals reliability and legal compliance and therefore makes it easy to buy textiles from Beirholm in the EU.

Furthermore, the majority of our textiles are certified according to Oeko-Tex® Standard 100 ensuring that our textiles have been tested free for harmful substances to human health and the environment and hence are safe to use.

SHARE OF CERTIFIED TEXTILES SOLD



<sup>6</sup> The share of certified textiles is expressed as the share of certified textiles sold in a calendar (CY) or fiscal (FY) year out of the total kilo of finished goods sold in that same fiscal year.



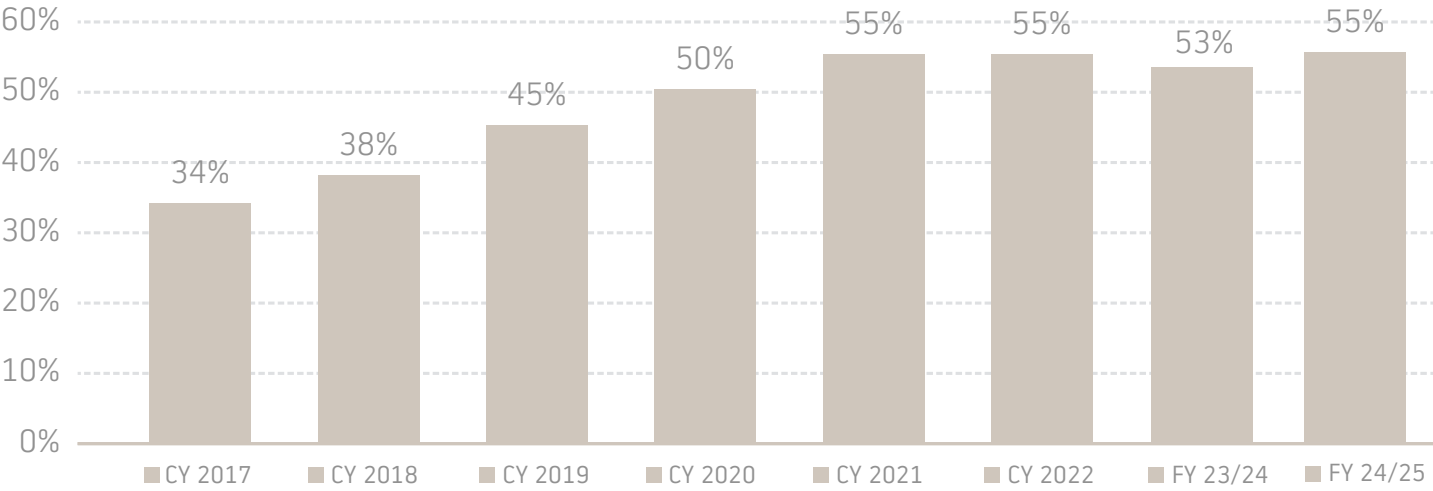
Laundry process<sup>7</sup>  
BeirTex®

In our industry, the laundry process is the use phase of our products. In general, resource and energy consumption (water, electricity, coal, oil, and gas etc.) per kilo of laundry processed is going down.

This positive trend is attributable to improved machine technology, but also an increased awareness and focus on how textile technologies such as BeirTex® can greatly reduce the resource and energy consumption per piece processed. For instance, new terry developments with the BeirTex® technology has shown a reduction in total cycle time of up to 26%.

Since BeirTex® is the greatest technology to date, in terms of increasing our textile partners’ return-on-textile-investment and output per man-hour while reducing environmental and climate impact per piece processed, it remains our goal to keep increasing the share of it sold.

SHARE OF BEIRTEX® TEXTILES SOLD



7 Créadore is excluded from the BeirTex® key performance indicator because Créadore delivers a pre-defined standard to its global hotel chain customers.



Pixel Technology®

With our revolutionary Pixel Technology®, Beirholm has found an innovative way to add beautiful colour to terry products without compromising on colour authenticity. The colour therefore remains stable over the entire lifetime of the product. This technology enables our textile service partners to inspire their customers with beautiful colour options. It also enables them to skip the sorting process in the laundry because different colours (even white) can be washed and dried together without the risk of colour bleed from one product to another. Finally, it extends the longevity of terry products by eliminating the zebra effect (one of the main reasons for the early discard of terry products).

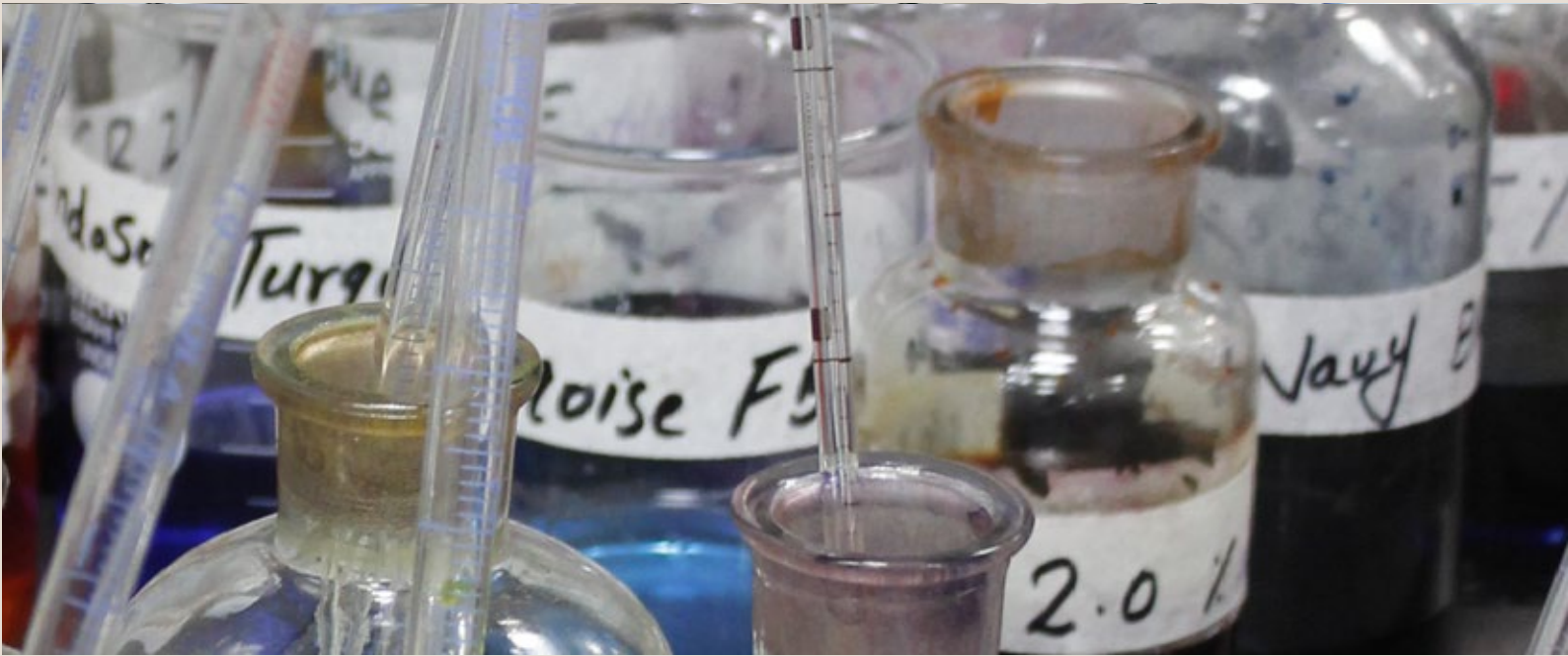
To further build on this revolutionary innovation, we registered Beirholm Pixel Technology® as a trademark in the EU in April 2021.

The Zebra Effect: once, these products had the same colour. Terry with Beirholm Pixel Technology® will greatly reduce the Zebra Effect.

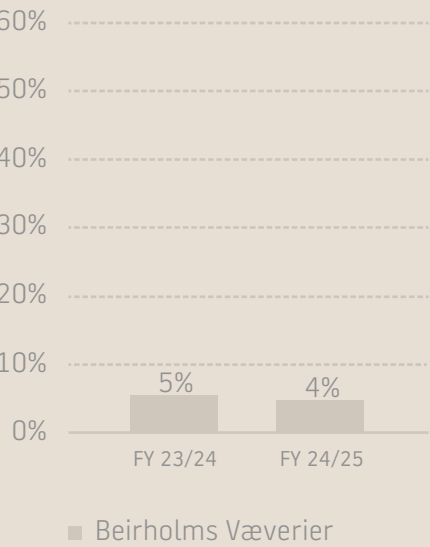
Before Pixel Technology®



After Pixel Technology®



SHARE OF  
PIXEL® TEXTILES SOLD



\* Expressed as the total kilos of Pixel® sold compared to the total kilos of terry sold in the fiscal year.

Packaging

Context: risks & policy

All our business transactions are accompanied by packaging ensuring our products arrive at our laundry partners in good condition, ready for the first laundry cycle. Naturally, we rely on cardboard and plastics as packaging materials.

While our packaging contributes only a neglectable amount of CO2e-emissions to the textiles’ lifetime, packaging still relies on scarce resources and contributes to waste. Further, EU legislation is tightening, and we expect fees to be implemented on the use of packaging.

Hence, our policy is three-fold: (1) to minimize the use of cardboard and plastics for packaging and to (2) implement more responsible packaging materials (3) while making it easier for our customers to receive, empty, and reuse the packaging.

Beirholm

| Packaging material                                             | FY 23/24 | FY 24/25 |
|----------------------------------------------------------------|----------|----------|
| Cardboard: non-recycled                                        | 7,3 t    | 5,2 t    |
| Plastic: non-recycled                                          | 0,6 t    | 0,4 t    |
| Cardboard: recycled and/or FSC-certified                       | 454,8 t  | 480,6 t  |
| Plastic: recycled                                              | 26,2 t   | 29,1 t   |
| Share of cardboard and plastic to total kilos of textiles sold | 8,1%     | 8,5%     |

Goals, actions & progress

We continuously convert to using more responsible and more recycled packaging. For instance, we prefer FSC-certified cardboard and recycled plastic bags. When we engage with our manufacturing partners, we require the following:

The packaging material of Beirholm/Créadore must be:

- » Certified according to the FSC certification for cardboard cartons
- » The plastic bags used to protect our textiles from dust, humidity etc. must be from recycled materials

- » If a producer cannot honor these requirements, we will establish a common plan to ensure that the requirements will be met within reasonable time
- » Terry products must be pressed to ensure more pieces per cardboard carton thereby reducing cardboard consumption

To reduce the amount of cardboard and plastic bags used, we also offer our customers the SmartBox packaging solution. The SmartBox packaging solution reduces plastics by about 40% and cardboard by about 50% per piece of textile delivered while reducing our laundry partners’ emptying time by about 50%.

Créadore

| Packaging material                                             | FY 23/24 | FY 24/25 |
|----------------------------------------------------------------|----------|----------|
| Cardboard: non-recycled                                        | 7,3 t    | 0,8 t    |
| Plastic: non-recycled                                          | 0,6 t    | 0,1 t    |
| Cardboard: recycled and/or FSC-certified                       | 36,5 t   | 43,5 t   |
| Plastic: recycled                                              | 2,1 t    | 2,4 t    |
| Share of cardboard and plastic to total kilos of textiles sold | 9,2%     | 8,9%     |

Reduction of textile waste at Beirholm’s own operations

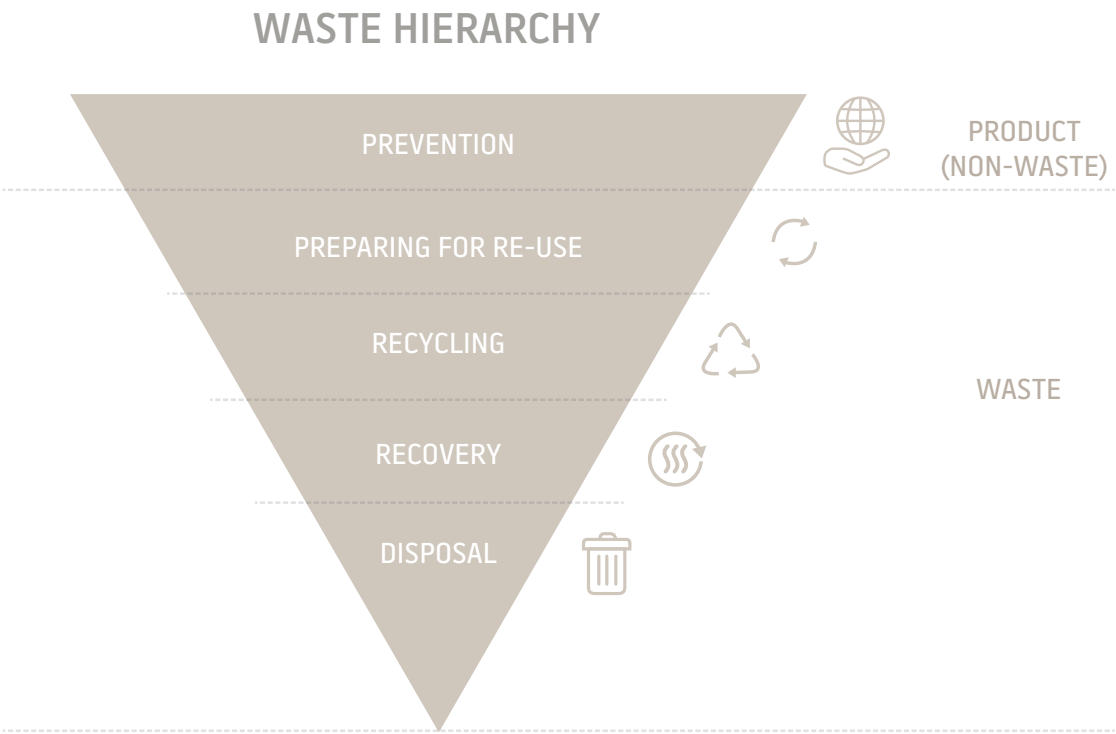
Context: risks & policy

The new EU Ecodesign for Sustainable Products Regulation (ESPR) requires Beirholm to report on the amount of unsold products and how these products were handled (destroyed, reused etc.). We also need to report on our initiatives to reduce or avoid the discarding of unsold products.

The legislation addresses the scarce resource problem, the wish from legislators for a more circular economy and the ambition to reduce waste and pollution in the EU.

Our policy and initiatives, some of which were invented more than 15 years ago (physical outlet sales) and have since been further developed, luckily support the legislative requirements. We implemented them, back in the days, for economic and sustainable reasons. Today, these bear fruit also from a legislative point of view.

At Beirholm, our policy is to avoid discarding textiles for disposal (lowest level of the waste hierarchy. Our initiatives, which we describe below, focuses on waste prevention (through online warehouse sales, physical warehouse sales, re-use partnerships and donations) and recycling (for quality inspection textile scraps). In the future, we will implement remanufacturing as a way to re-use textiles from customer complaints instead of letting them recycle, effectively moving these textiles up a level in the waste hierarchy.



Goals, actions & progress

In terms of our own operations, there are two ways in which we discard textiles: (1) through the discarding of old stock and (2) through the discarding of samples that are assessed for quality assurance purposes.

We always try to avoid discarding textiles categorised as old stock. Historically, we have held outlet sales directed towards consumers once or twice a year. In 2021, we developed an e-commerce platform to further support this initiative (see [www.beirholmlagersalg.dk](http://www.beirholmlagersalg.dk)). If we are unable to sell our unsold products via [www.beirholmlagersalg.dk](http://www.beirholmlagersalg.dk) or our yearly outlet sales, we either sell the textiles to resellers (at a loss) or donate our textiles (at a loss).

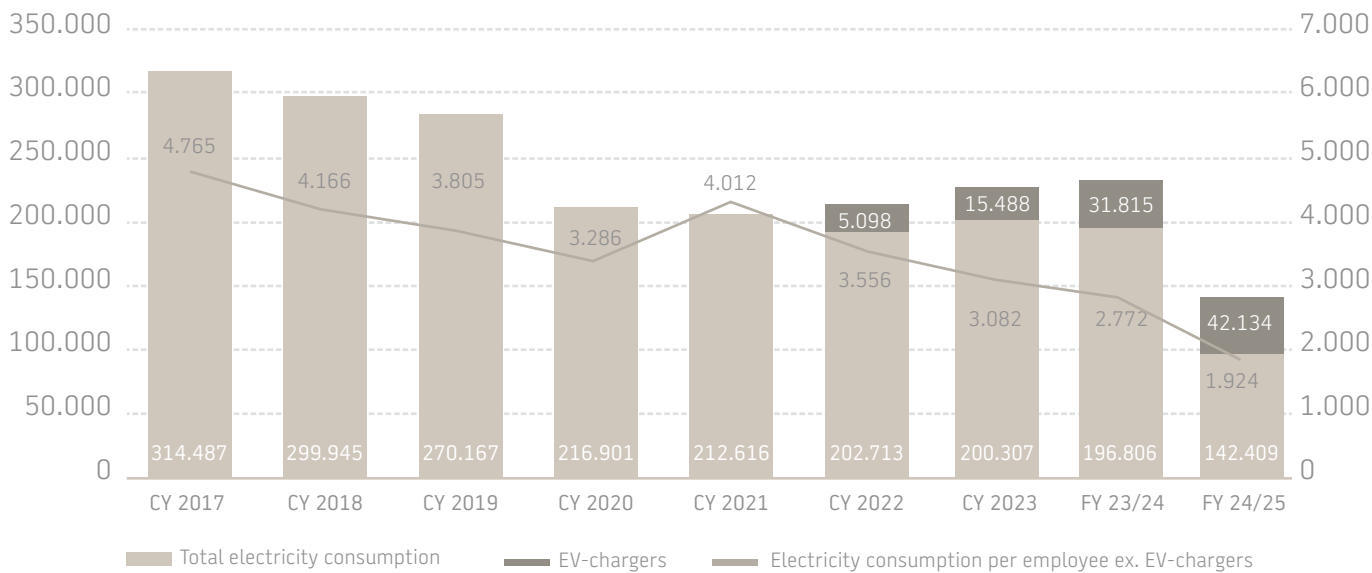
For textiles that need to be discarded due to quality assurance, we have established a partnership with DanTextil, an organisation that collects our textiles and recycles them.

Through these initiatives, we have been able to avoid most of our potential textile waste. In FY 234/245, we were able to avoid any direct discard of textiles.

| Indicator                                      | CY 2021 | CY 2022 | FY 23/24 | FY 24/25 |
|------------------------------------------------|---------|---------|----------|----------|
| Textile waste discard in kg                    | 1.934   | 0       | 0        | 0        |
| Textile waste discard as % of total kilos sold | 0,05%   | 0%      | 0%       | 0%       |



## YEARLY ELECTRICITY CONSUMPTION (KWH)



The implementation has led to a decrease in electricity consumption purchased from the grid, resulting in a significant drop in consumption per employee from FY 23/24 to FY 24/25. It is important to note that we are less confident in the accuracy of the FY 24/25 numbers due to the consumption history being influenced by the change and the setup logic has not been fully finalized. Hence, we keep to our goal which is to remain at our current low consumption of about 3.000 kWh/employee.

Next year, when we've done a full-run with battery and under the assumption that the setup logic is fully implemented and fully running, we will revise our consumption per employee KPI.

## Energy, water and waste sorting at Beirholm

### Context: risks & policy

Beirholm is in the north of Kolding, Denmark. The business area it's situated in is designed to be green and full of natural light. Our goal is to be in harmony with the environment around us, so we try to be as energy efficient as possible, as well as reduce and sort our waste.

### Goals, actions & progress

#### Electricity

We constantly try to reduce our electricity consumption. Over the years, we have achieved this through the following initiatives:

- » We have substituted most light bulbs with more efficient LED bulbs.
- » We have added motion sensitivity where possible, so most lights are turned off until someone is in the vicinity.
- » We always consider energy efficient solutions when purchasing equipment for the office.
- » We pay a premium for our electricity, to make sure it's purchased as clean energy from a clean energy provider.

In FY 24/25, our contract for selling electricity to the grid from our own solar panel production expired. We therefore installed about 100 kWh battery capacity to be better able to utilize electricity generation from our solar panels for own consumption. We will therefore stop reporting on our own electricity generation and instead report on our net consumption of electricity from the grid going forward (net consumption is total consumption minus our own electricity generation).

**Charging stations for e-vehicles & e-bikes**  
In 2022, we started to install charging stations for e-vehicles to support the transition to greener mobility. By the end of FY 24/25, we reached 16 charging stations. In the coming years, we will further expand the installation of charging stations. We have also installed chargers for e-bikes since more and more of our sporty colleagues prefer this option.

|                   | 2022 | FY 23/24 | FY 24/25 |
|-------------------|------|----------|----------|
| Existing          | 0    | 4        | 10       |
| New installations | 4    | 6        | 6        |
| Total             | 4    | 10       | 16       |



Heating

To heat our office, we use radiators which run on natural gas. This solution is no longer ‘best-in-class’. The radiators will soon be fully depreciated (within the next 2-3 years). When they are fully depreciated, we will convert to district heating. This may not have a direct impact on our consumption, but it will have an impact on our CO2e-emissions since the district heating provider has a cleaner energy mix than our current natural gas solution.

To reduce our need for heating we have done, and continue to do, the following:

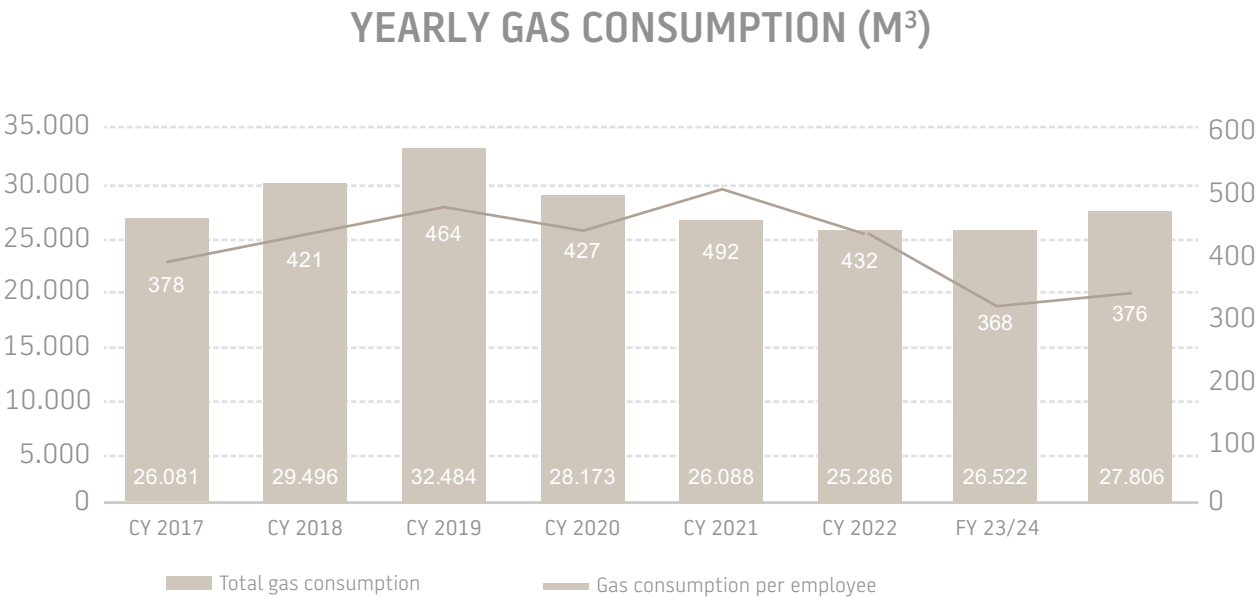
- » When we built our office in 2009, we invested in best-in-class insulation and windows. This has been a good investment for us, and for the environment, ever since.

- » We have lowered the temperature in our warehouse in general. Instead, we have installed decentralised heaters to heat where our employees are working. Overall, this has reduced our need for heating.
- » We are constantly monitoring our consumption. To do so, we’ve installed several consumption monitors in our office building.
- » During the winter season, we close several doors by default to make sure we do not lose any unnecessary heat.

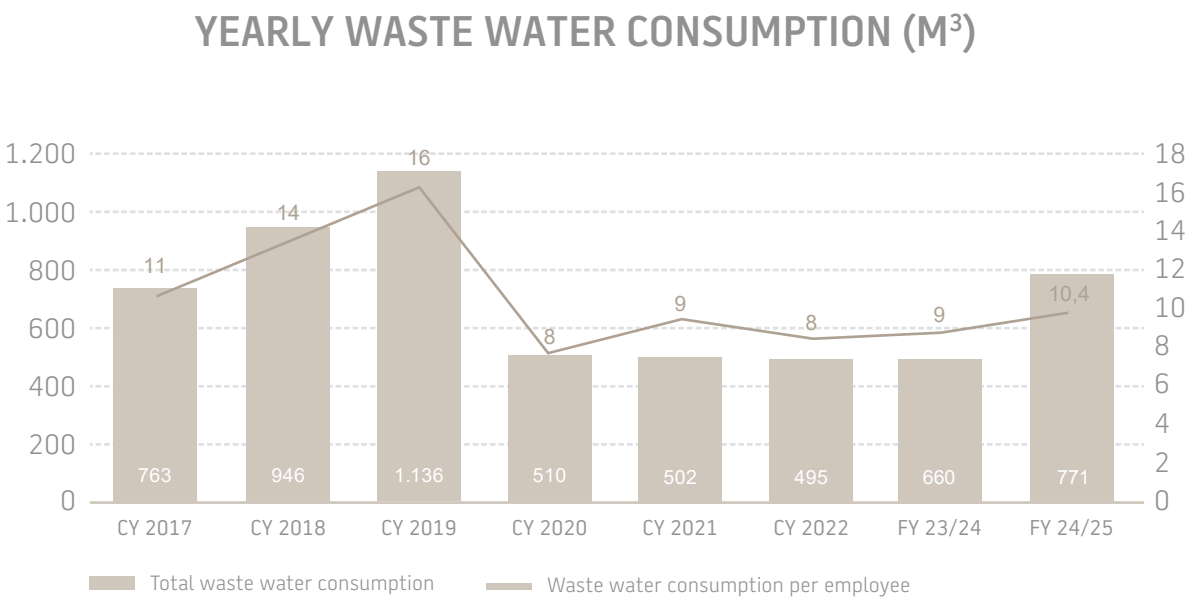
Wastewater

To reduce our wastewater consumption, we do two things:

- » We constantly monitor to make sure equipment works properly and does not cause unnecessary wastewater.
- » We exchange equipment, when it's broken, with more modern wastewater technology.



Our goal is to remain at the current consumption level of 430 m3/employee while at the same time shifting to a cleaner energy source than natural gas.



Our goal is to remain at the current low consumption level of about 8-9 m3/employee.

\* Gas consumption is measured from July 2023 till July 2024 (the most recent 4 quarters of the fiscal year with actual consumption and not aconto estimates). For the prior calendar year periods, the gas was measured from March till March).

\* Water consumption is measured from January to December in the prior calendar year as this is the consumption period with actual measures.



### Waste sorting

From the 1st of January 2023, we began sorting our waste according to:

- » Carton and paper
- » Hard and soft plastics
- » Food waste
  - Organic waste
  - Residual waste
  - Packaging related to food
- » Electronics, colour cartridges etc.
- » Dangerous waste

In order to do so, we've removed all small bins from the office. Instead, we have installed waste stations.



Paper reduction initiatives

- » We have no single-use cups, cutlery or plates at the office
- » Since 2020, we have a digital-first approach to printing and will only print, for instance brochures, to select groups of people (e.g. product catalogue for Sales) or on-demand when needed

Our waste statistics are as follows:

| Waste type                                        | FY 23/24    | FY 24/25  |
|---------------------------------------------------|-------------|-----------|
| Hazardous waste                                   | 0 kg        | 0 kg      |
| Non-hazardous waste                               | 12,759 kg   | 11.670 kg |
| Total                                             | 12,759 kg   | 11.670 kg |
| Stream:<br>Waste recovery (R3, R4 & R5)           | 7,674 kg    | 2.355 kg  |
| Stream:<br>Waste for incineration/landfill (R1)   | 5,085 kg    | 3.535 kg  |
| Stream:<br>Waste for further pre-processing (R12) | 0 kg        | 5.780 kg  |
| Waste per employee                                | 179,9 kg kg | 157,7 kg  |

Our goal is to remain at the current low consumption level of about 150-200 kg/employee.





# Social

## Human rights in the value chain

Context: risks & policy

Beirholm’s policy on human rights is thoroughly explained in our Code of Conduct. In summary, we seek to be a responsible partner who proactively supports human rights, as well as good working and environmental conditions in the workplaces that form part of our partnerships. We believe that high workplace standards will support competitive advantages in the entire value chain.

The most significant human rights risks relate to our manufacturing partners and their sub-suppliers. Specifically, we have identified the following groups of vulnerable stakeholders:

- » Women
- » People with disabilities
- » Children
- » Other minorities (due to, for example, sexual orientation and religion)

We have a Due Diligence system in place. The system constitutes risk assessments and frequent audits (based on identified risks and our Code of Conduct) supported by a grievance and remediation mechanism. Furthermore, we collaborate with the Amfori Business Social Compliance Initiative (BSCI), Social Accountability International (SA8000), and our manufacturing partners to ensure compliance with the Universal Declaration of Human Rights, the core labour conventions of the International Labour Organisation, the United Nations Convention on the Child, and the United Nations Declaration on Sustainable Development (the Rio Declaration).

To complement the current structures of Beirholm and our key manufacturing partners, we have signed up with the WE Program. The WE Program is a dialogue-based programme, an innovative methodology of how to work with complex challenges, a global learning community, and an unconventional, yet powerful philosophy on how to collaborate. It is an alternative answer to auditing and certification that is focused on improving the working conditions of people in global supply chains. The WE program has been at the forefront of human rights in business for 15 years.

We signed up with the WE Program to affect real social progress and change. We want to make an impact. We want to move beyond audits and checklists to be one step ahead of other businesses in our industry. Our manufacturing partners wish to do the same.

Goals, actions & progress

Beirholm’s Due Diligence System

Through our newly established Due Diligence system, we are better able to identify, document, report, and communicate risks and issues vulnerable stakeholders may be facing in our supply chain. The system enables us to assess current organizational structures and processes related to human rights at our manufacturing partners, as well as identify potential gaps for improvement.

To complement this, Beirholm also has a grievance and remediation mechanism in place. This allows us to act on identified incidents without the person or group submitting the grievance having to fear retaliation (e.g. being fired). This enables us to take appropriate action if any incidents occur. But it also helps to prevent incidents in the first place.

In the fiscal year 2024/25, Beirholm initiated 13 third-party audits at five strategic manufacturing partners. Workers were interviewed as part of the audits. The audits led to 0 major findings and 39 minor findings. A minor finding is, for example, a lack of earplugs where needed, a slip on the floor due to water spillage, or a scratched elbow. During this time, we also received no grievances or hotline calls.

In the following years, we will continue to work on our due diligence system to prevent and, if necessary, alleviate any human rights violations in our supply chain.



Current organizational structures and processes for Grievance and Remediation in place at strategic manufacturing partners

| Organizational structure            | Union system                                                                                                                                                                                                    | Workers’ Council Committee                                                                                                                                                                                                                     | Worker Management Council                                                                                                                          | Worker Committee                                                                                                                                                    | Workers’ Council                                                                                              | HR department                                                                                                                                            |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| People and process                  | On a yearly basis, 6-7 people are elected by the workers to form the Union Group that represents them when liaising with management                                                                             | On a bi-annual basis, members are elected by workers to represent them in Council Committees. 4 meetings take place every year. The meetings are held between elected members, management and compliance teams. Management supports the system | The council consists of HR, Compliance, Management and elected representatives of the workers. 6 meetings are held per year                        | The Committee consists of management and elected representatives of the workers. Representatives are elected once a year. 4 meetings are held per year              | Representatives are elected by workers using a closed ballot                                                  | HR department is responsible for resolving issues                                                                                                        |
| Coverage                            | All workers are members of the union. Managers do not have any representation nor membership of any union. If managers have issues, they can take them to the labour court.                                     | Workers are represented by the elected members to the Workers’ Council Committee                                                                                                                                                               | Workers are represented by the elected members to the Council                                                                                      | Workers are represented by the elected members to the Committee                                                                                                     | Workers are represented by elected members to the Council                                                     | Any employee can discuss matters with HR. Also, employees are encouraged to talk to their direct superiors or Head of department if possible             |
| Topics                              | Salaries & benefits<br><br>Working hours<br><br>Labour conditions<br><br>Other relevant issues                                                                                                                  | Salaries & benefits<br><br>Health and safety<br><br>Harassment<br><br>Canteen (food & hygiene)<br><br>Washrooms & housekeeping                                                                                                                 | Salaries & benefits<br><br>Working hours<br><br>Labour conditions<br><br>Other relevant issues                                                     | Salaries & benefits<br><br>Health and safety<br><br>Harassment<br><br>Canteen (food & hygiene)<br><br>Washrooms & housekeeping                                      | Salaries & benefits<br><br>Working hours<br><br>Labour conditions<br><br>Other relevant issues                | Salaries & benefits<br><br>Health & safety<br><br>Harassment<br><br>Working hours<br><br>Labour conditions                                               |
| Grievance and remediation mechanism | If an incident happens, the company pays for lost wages and medical expenses for one week. If the incident lasts more than a week, the person will receive social benefits. The company pays to EOBI and SESSI. | Issues are handled through a corrective action plan (CAP) approach                                                                                                                                                                             | Issues are handled by contacting the supervisor who then takes the case further to the Council. The Council is responsible for handling grievances | Issues are handled through a corrective action plan (CAP) approach. In addition, the company pays full salary if the person is not able to work due to the incident | If an incident happens, workers can go to the Council, HR, use the open-door policy or the wish/complaint box | If an incident happens, it must be promptly resolved through consultation, negotiation, cooperation, and discussion. No coercion/retaliation is allowed. |
| Grievance policy                    | Yes                                                                                                                                                                                                             | Yes                                                                                                                                                                                                                                            | Yes                                                                                                                                                | Yes                                                                                                                                                                 | Yes                                                                                                           | Yes                                                                                                                                                      |
| Complaints/ wish box                | Yes                                                                                                                                                                                                             | Yes                                                                                                                                                                                                                                            | Yes                                                                                                                                                | Yes                                                                                                                                                                 | Yes                                                                                                           | Yes                                                                                                                                                      |

Our initial analysis of current organisational structures and processes for Grievance and Remediation at our strategic manufacturing partners show that they all have structures and processes in place. However, more work must be done to ensure structures live up to the effectiveness criteria<sup>8</sup> to form a robust system.

Our goal for next year is to identify gaps in the current structures and processes and engage with each strategic manufacturer about the findings.

8 The Guiding Principles set effectiveness criteria for non-judicial grievance mechanisms (legitimate, accessible, predictable, equitable, transparent, rights-compatible, and dialogue and engagement)

Business Social Compliance Initiative

Amfori BSCI describes its organisation as follows: “At amfori, we believe that companies can simultaneously focus on people and planet as well as profit. But we also believe that those companies need help to navigate through the complexities that come with increased sustainability expectations.

Our name, amfori, is inspired by ‘amphorae’, containers used in ancient times to ship goods around the world. They symbolise the beginning of open global trade, which has brought economic growth, job creation and prosperity.

Founded in 1977, amfori has evolved into a leading business association for sustainable trade, supporting companies across the globe to operate successful and responsible businesses, by improving the Environmental, Social and Governance performance of their supply chains.”

In the fiscal year 2024/25, we maintained a high number of BSCI-certified strategic manufacturing partners with a score of B or above. We are now on 2 A-scores and 2 B-scores – up from 1 A-score the year before. As stated last year, "we believe that the criteria from BSCI have been changed and therefore resulted in the drop. We are confident that our partners will move towards A-scores in the future, which is the goal we continuously pursue". We still believe in it and have progressed by 1 extra A-score this year.

| BSCI Category    | Number of manufacturing partners |         |         |         |         |          |          |
|------------------|----------------------------------|---------|---------|---------|---------|----------|----------|
|                  | CY 2018                          | CY 2019 | CY 2020 | CY 2021 | CY 2022 | FY 23/24 | FY 24/25 |
| A                | 2                                | 2       | 1       | 3       | 3       | 1        | 2        |
| B                | 1                                | 1       | 2       | 1       | 1       | 3        | 2        |
| C                | 1                                | 1       | 1       | 0       | 0       | 0        | 0        |
| Sub total        | 4                                | 4       | 4       | 4       | 4       | 4        | 4        |
| SA8000 certified | 2                                | 2       | 2       | 2       | 2       | 2        | 2        |
| Total            | 6                                | 6       | 6       | 6       | 6       | 6        | 6        |

Two of our six strategic manufacturers are certified according to SA8000. This is a stricter certification than BSCI and so those manufacturers will be audited by SA8000 going forward as this certification inherently includes the BSCI certification requirements.

Créadore relies *mainly* on two of Beirholm’s manufacturing partners. They are both certified according to SA8000 and listed in above table.

WE Program initiative

We've partnered with the WE Program to elevate workers' voices beyond traditional audits, speeding up real social progress.

Our Due Diligence system, aligning with global human rights and labor conventions, now includes WE's dialogue-based, innovative approach to identify areas of social improvement. This collaboration marks a step beyond conventional audits and compliance, aiming for real social progress and setting a new standard in the industry.

The WE program is a vibrant, dialogue-based initiative focused on enhancing global working conditions and championing hu-

man rights in business. WE employs a blend of facilitation skills and activism. It's a global learning community of activists, pioneers, and changemakers, working everywhere from factories to farms. WE emphasizes inquiry over judgment, courageous conversations, the importance of every story, and meaningful co-creation.

Their unique approach helps identify levers for social progress through story analysis. WE is for those ready to go beyond auditing and engage deeply with complex challenges to affect social progress. WE us for us and for our manufacturing partners.



**Major learnings experiences and reflections**

In our work on expanding our due diligence system and establishing a grievance and remediation mechanism, we've had one major reflection this year.

This year, the Swedish Report: From factories to hospitals: Public money, private harm was published. It presented findings and shed light on major human rights issues in the textile supply chain.

This report confirmed our strategic approach – to collaborate solely with a select few vertically integrated manufacturers, who value and invest in high sustainability and human rights standards. Only by doing this can we ensure enough transparency and do business with a good consciousness.

It also means that we won't be able to participate in every public procurement tender, since some product categories are priced at a level where compromises on human rights are very probable. This is not a standard that we can compromise on. Instead, we will invest even more in our due diligence system and the WE Program collaboration to ensure a high standard in our supply chain as well as help to create transparency regarding these matters – also together with public procurers – to revise the product standards and pricing to allow for pricing that enables a sound and safe supply chain.

Apart from this major reflection, we would like to share 2 stories to highlight some key moments and changes implemented after WE sessions were held at our manufacturing partners this year:

**Story 1: Improving safety in production:**

*After week of factory visit, I received short videos from WE team member [name] Asst. Manager Production on Whatsapp with a pleasant surprise. [Name] has done an exceptional job by engaging all workers from Production lines to initiate cleaning and organizing workplace. He established highly clean, organized and safe workplace at Beirholm dedicated Hall # 7. After seeing the videos and photos, I could not resist and called and appreciated him. He shared "I got inspiration from stories you shared during last WE Session and question myself why not I can take the initiative. My Production Manager is also very happy to see the clear walkways and excellent house keeping and dust and stain free products at out Production Hall. I will make sure our operators follow the safety rules and use PPEs".*

**Story 2: A safer working environment**

*Red Tag Activity was conducted at production floor to replace unwanted things from floor. The objective is to realize the role of workers in organizing and maintaining safe workplace on daily basis not on audit day only. A Demo was given to WE team by showing different pictures, how to conduct floor activity. Later, Group team members tagged the unwanted items on the floor and replacing them to Red Tag Area after getting convinced of the process owner. One team member updated the Red Tag Log for the traceability of tags afterwards. Other team member took the pictures of Red Tag Items. Target Dates finalized with Process Owners, Compliance and Admin teams to remove all Red Tagged Items. Compliance Team took the responsibility for the elimination of all Red Tags and continue the activity on monthly basis.*

**2<sup>nd</sup> reflection/learning:**

We would also like to emphasise on one of our learnings/reflections from last year.

Last year, we noted the following:

*Our second reflection also regards the topic of certification/auditing and affecting real change. While we believe in both certification and auditing, we have experienced that the long lists of checkmarks and control are not always sufficient.*

*To really improve communication and transparency, raise issues and deal with them, we need to give a voice to all levels at the manufacturing partners. Simultaneously, the WE program must obtain its legitimacy and importance from top management between Beirholm and our manufacturing partners.*

*When those things are in place and WE continuous to do its work gaining trust amongst the work force and affecting real change, we will rapidly discover and experience improvements for everyone's gain and benefit.*

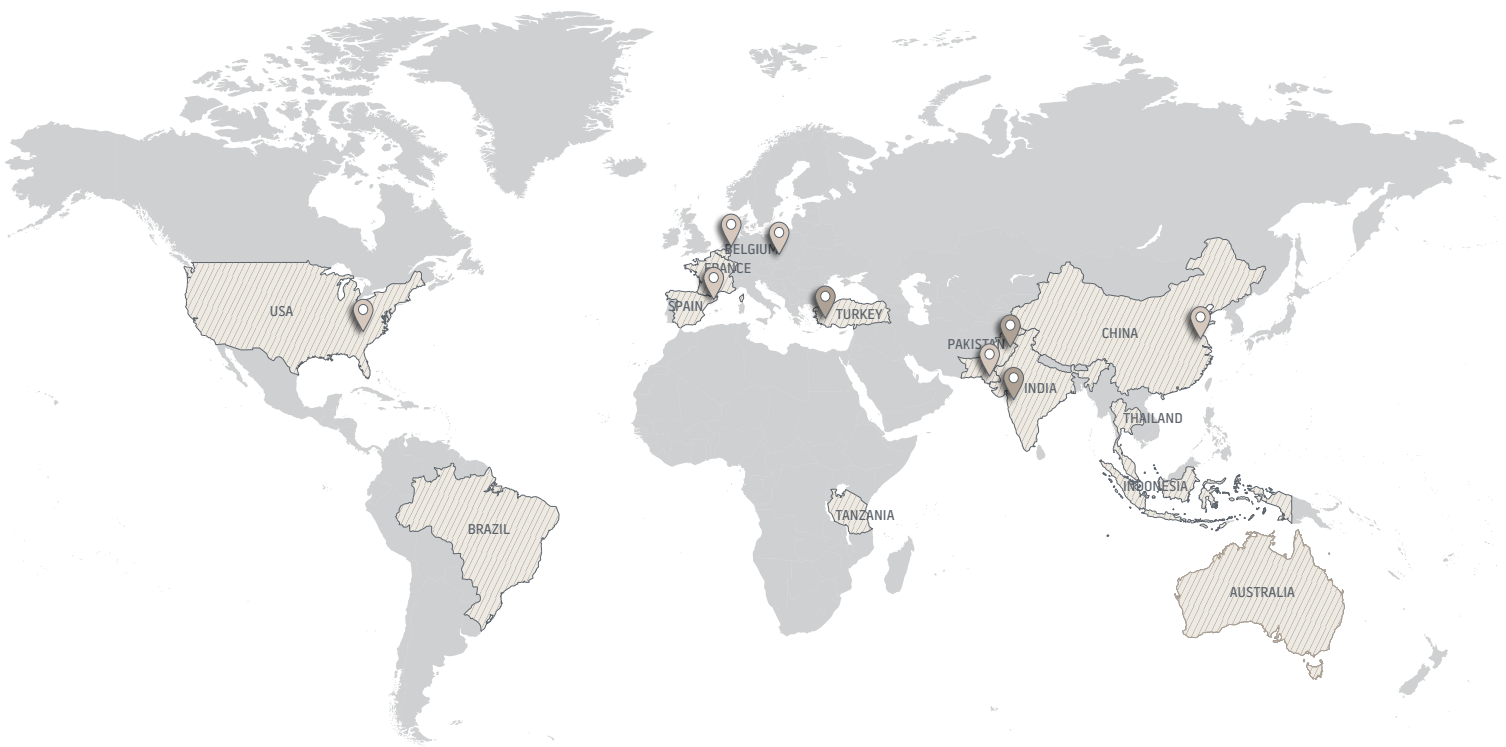
*In other words, we are moving beyond what auditing and certification has been able to achieve singlehandedly.*

Our reflection from last year has only gained strength after having worked another year with WE. Audits are simply not enough in themselves. We need to go beyond audits as well. The major reflection stated above also confirms this. We want to add a future commitment to our engagement with the WE Program. Before FY 26/27, 90% of our strategic suppliers should be introduced and work actively with the WE program.



Supply Chain Transparency and traceability

Below, we've mapped our manufacturing-partner footprint and their raw material footprint.



Beirholms Væverier main partners      Raw material sourcing countries      Overview of sourcing countries and regions

Beirholm & Créadore main partners

- USA**  
Spartanburg, South Carolina

**Spain**  
Barcelona

**Germany**  
Dingden, North Rein-Westphallen
- Poland**  
Andrychow

**Turkey**  
Denizli

**China**  
Huai'an, Jiangsu
- Pakistan**  
Nooriabad, Sindh  
Karachi, Sindh  
Sheikepura, Punjab

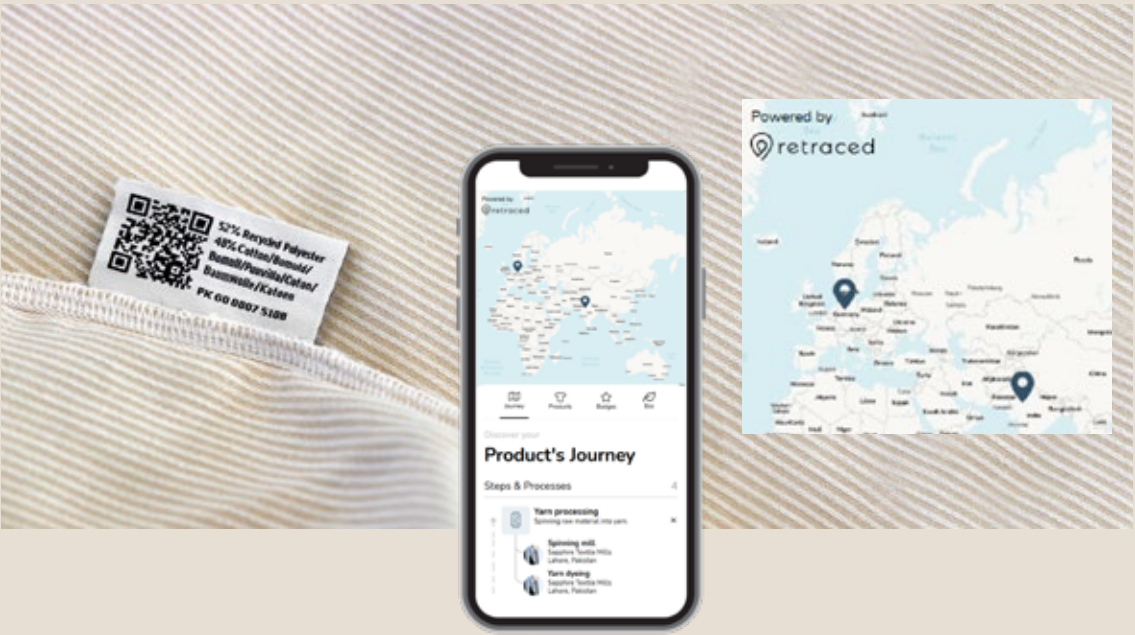
**India**  
Ahmedabad, Gujarat

| Country/<br>Raw material | Cotton | Polyester | Other raw<br>materials |
|--------------------------|--------|-----------|------------------------|
| Australia                | x      |           |                        |
| Belgium                  |        |           | x                      |
| Brazil                   | x      |           |                        |
| China                    |        | x         |                        |
| France                   |        |           | x                      |
| India*                   | x      | x         |                        |
| Indonesia                |        |           | x                      |
| Pakistan**               | x      | x         |                        |
| Spain                    | x      |           |                        |
| Tanzania                 | x      |           |                        |
| Thailand                 |        | x         |                        |
| Turkey                   | x      |           |                        |
| USA                      | x      |           |                        |

\* India raw material sourcing regions: Gujarat, Maharashtra, Madhyapradesh, Odisha, Punjab, Andhra Pradesh, Telangana, Chennai  
\*\* Pakistan raw material sourcing regions: Punjab, Sindh

To create more transparency, we've decided to develop and implement a Smart Label solution across our entire Beirholm Col-  
lection of Textiles.

When scanning the Smart Label, customers will be presented with the textile's certification and its product journey. The in-  
formation will be expanded in the coming years with Carbon Footprint, Water Footprint etc., and will also align with the EU  
legislation on Digital Product Passport to ensure that our laundry partners' textiles are future-proof.





# Living wage

## Context: risks & policy

Living wage is an important yet complex topic. It relates to the employees at our manufacturing partners. The dilemma arises in the legislated *minimum wage* which may or may not be enough to be regarded a *living wage*. In other words, if the minimum wage is 100 and workers are paid 100 but the cost of living is 105, the minimum wage is below the living wage and hence constitute a problem.

## Goals, actions & progress

At Beirholm, we’ve formulated an initial Living Wage strategy:

Mission: to support the raising of minimum wage to living wage levels.

Our plan is the following:

- » Gather information on local minimum wages and define and estimate local living wages
- » Gap analysis: understand and map out the differences between minimum and living wage at our manufacturing partners
- » Dialogue: engage in dialogue and solution-finding to promote the convergence between minimum and living wage levels

Last year, we wrote the following:

"We've started gathering information on local minimum wages (Sources include Global Living Wage Coalition, amfori BSCI, local state information, 3rd-party assistance from local consultants etc.) as well as initiated the estimation of local living wages. The Gap Analysis (difference between minimum and

living wages) has also been initiated. We’ve also started the dialogue about which measures could be implemented to promote living wages and support the convergence of minimum to living wages.

At our main manufacturing partner, a consultant has been hired to support the devising of a plan to go from minimum to living wages. If its successful, we will scale this initiative to our other manufacturing partners".

The Living Wage journey is a continuous and ongoing effort where we are in dialogue with local organizations to help facilitate the process – ILO, WE Program, the Local GlZ office are, for instance, all part of this journey as we cannot take responsibility alone to secure the change. It will take time before we have reached the final goal, but we are confident that we will reach it."

This year, we've completed a full gap analysis at our main manufacturing partner, Sapphire, in collaboration with an external consultant. The analysis was conducted by means of a detailed survey of 250 workers. The survey identified a living wage value and compared it to the compensation provided by Sapphire for different skill levels.

The findings were as follows:

- » the minimum wage level for unskilled workers is about 37.000 PKR/month.
- » the living wage was calculated to be 56.552 PKR/month.

The report concludes the following:

“Sapphire Company's wage structure, including benefits, successfully meets the calculated living wage for all skill categories”.

It is important to note that the report suggests a living wage increase per skill-level increment. Since Beirholm doesn’t see the logic behind a living wage increment based on skill level, we’ve stated the same calculated living wage for all skill-

groups. We do believe, that compensation should be reflected in the skill level, which is also the case.

In summary, Beirholm, in collaboration with Sapphire, has finalized the first survey and report on living wage. The results are satisfactory as each skill level earns more in total compensation than living wage ensuring an reflecting an ethical working environment at our most important business partner, Sapphire.

In the coming years, we want to conduct similar studies at 3 of our strategic manufacturing partners. Based on the findings, we will develop initiatives to support living wages across our entire manufacturing partner portfolio.

| Category     | Living wage | Compensation (wage + benefits) | Difference to living wage |
|--------------|-------------|--------------------------------|---------------------------|
| Unskilled    | 56.552      | 61.710                         | +5.158                    |
| Low skill    | 56.552      | 63.060                         | +6.508                    |
| Medium skill | 56.552      | 63.810                         | +7.258                    |
| High skill   | 56.552      | 66.530                         | +9.978                    |

# Product safety

## Context: risks & policy

Beirholm mainly operates within the flat linen and terry product categories. Our products are sold mainly to industrial laundries who then lease the textiles to hotels, restaurants, hospitals and care homes. This also means, that product safety is a shared responsibility between Beirholm and its laundry partners.

Beirholm can control and takes responsibility for product safety in relation to product design and manufacturing. Our laundry partners can control and take responsibility in terms of laundering (use of detergents, hygiene, repair/discard etc.).

It is Beirholm’s policy to eliminate and reduce risks where possible within our own control keeping in mind the foreseeable use of our products in known end-user environments. Be it through product design, quality and material engineering, and use of chemicals, substances, and/or materials for the manufacturing of our products.

In December 2024, the new General Product Safety regulation was implemented in the EU. Our product safety risk analyses discovered 2 main risks related to flat linen and terry textiles in general within our industry:

- » For textiles in general, the use of (harmful) substances can present a risk to people involved with the textiles (guests, patients, housekeeping, laundry personnel etc.)
- » For certain use cases (e.g. psychiatric departments, hospitals etc.), there is a greater risk of fire. This means that in some use cases, flame retardant product features will reduce the risk of fire

## Goals, actions & progress

In line with our policy, Beirholm seeks to mitigate product-related risks by design, quality engineering, and use of chemicals etc. in the manufacturing of our textiles.

Specifically, Beirholm has implemented the following initiatives:

- » Beirholm is a REACH qualified partner meaning that our textiles are manufactured using only chemicals that are registered and approved under the EU REACH framework. Hence, our textiles are safe for human health and the environment.
- » The majority of Beirholm’s textiles are Oeko-Tex® Standard 100 certified meaning that they have been tested free from harmful substances and are therefore safe to use.
- » The majority of our Beirholm Collection of textiles is EU Ecolabel certified. The certification sets strict requirements regarding the use of hazardous substances in the manufacturing of textiles. Hence, this certification further strengthens the product safety beyond the Oeko-Tex® 100 certification and our compliance with the REACH framework.
- » We have tested the most important bed linen qualities within our Beirholm Collection of textiles for their flame-retardant features. The tested qualities all pass the Smouldering Cigarette Test (ISO 12952-1:2010 Textiles – Assessment of ignitability of bedding items).

To date, we have neither discovered nor received complaints related to product safety when using our textiles. It is our goal to keep this track record.





## Work environment

### Context: risks & policy

To be able to deliver on our value proposition, we rely heavily on our team working seamlessly together. So our employees are our most important asset. And stress is our biggest risk. To support our employees and their ability to have fun, develop, and ultimately deliver on a daily basis, we continuously improve our office environment, organisation, and culture.

To this end, we have defined and implemented a Wellbeing Policy. This addresses how we can support and secure the wellbeing, job satisfaction, and psychological safety of those working in our organisation. The policy includes, amongst other things, topics such as mental health, harassment, and bullying. We have also established an organisational function to oversee this area of work, with a dedicated and professionally trained Life and Business Coach.

Relevant issues can be raised by employees via this Coach, our Health and Safety team, our yearly appraisal interviews, or our Management team. Cases will be registered by the Health and Safety team.

Lastly, we have an employee representative. This person ensures that employees have the opportunity to influence the work environment, and that they are kept up to date on critical information (e.g. on the economic situation, market situation, business changes and so on).

### Goals, actions & progress

#### Harassment, bullying etc. at work

In FY 24/25, we have not received any cases related to harassment, bullying etc. at work

#### Employee satisfaction

We carry out an employee satisfaction and workplace assessment survey every third year. Our employee satisfaction survey in 2023 concluded that: “Beirholms Væverier is a workplace with good and solid well-being. There are some challenges, particularly with work pressure and communication/recognition. There are very strong indications that the employees are thriving - a high response rate, all areas scoring positively on average, with none of the measured areas showing significant disagreement on the scale with "Strongly Disagree" answer”.

The employee satisfaction survey ends with the following concluding question: “Overall, I am very satisfied with being employed at Beirholm”. In the 2014, 2017 and 2020 surveys, the score was 4,2 out of 5. In 2023, the score was 4,4 out of 5.

#### Employee absence

We also measure and compare our absence days due to sickness. The indicator is important as it can be a symptom of organisational health. Our goal is to remain below the national average<sup>9</sup>.

#### Employee development & training

We need consistent high performance in all areas of our work to achieve success, and we are all on a continuous learning curve. This requires an untraditional approach to work, learning, and organisation. We call our approach to organizing *integrated performance*.

All our work – all business strategy, all responsibility, all processes, all work tasks, all management systems, all IT tools – are based upon one particular view of people. This view is the cornerstone for our selection of staff, for what we expect in terms of performance, and for how we support individual and organisational development in our company.

We believe that high performance in an organisation is a people quality, and that this quality requires a continuous development of a high performance environment. We believe that we all are equal as individuals, but not as performers in a business context - all have different backgrounds, competences, talents, and life perspectives. We strive to build a robust competitive environment precisely on these differences.

The individual is the most important building block in our organisation. Our company will only survive and thrive, as long as each of us continues to develop and contribute to our business partners and colleagues.

| Absence                                       | CY 2019 | CY 2020 | CY 2021 | CY 2022 | FY 23/24 | FY 24/25          |
|-----------------------------------------------|---------|---------|---------|---------|----------|-------------------|
| Absence excl.<br>Child's first day of illness | 2,4%    | 2,24%   | 1,93%   | 2,12%   | 2,28%    | 3,5%              |
| National average                              | 2,76%   | 2,61%   | 2,72%   | 3,31%   | 3,2%     | Not published yet |

This year, we experienced an increase in absence that we also fear is above the national average (yet to be published). The increase is due several reasons, which we work to address with each individual. We’ve also implemented formal talks with employees when they reach a certain threshold of absence to figure out, how the company can help reduce absence going forward.

<sup>9</sup> Danmarks statistik – Fraværsprocent i alt for virksomheder og organisationer ved egen sygdom på tværs af aldersgrupper tabel FRA024 for Virksomheder og organisationer – fastlønnede ved Egen Sygdom

We hire and develop talent fit for our company, culture, and purpose. In FY24/25, we've specifically:

- » Onboarded 6 new employees who received a total of 116 hours of training (19,3 hours on average per person).
- » Trained 26 employees in Sales who received a total of 209,5 hours of training in SPIN-Selling
- » Further developed our organisation and culture to support integrated performance by hosting 2 seminar-days on the topic of Enneagram
  - Seminar day 1: approx. 60 employees receiving 6 hours of training (total of 360 hours)
  - Seminar day 2: approx. 60 employees receiving 6 hours of training (total of 360 hours)

In total, the company has enabled 1.045,5 official training hours in FY24/25 to develop the individual and organisation striving to achieve more *integrated performance*. Beyond the official training hours offered, each employee is offered an *Employee Development Talk* every year discussing the individual's learning, well-being, performance, contribution to the company's goals, and professional desires for the future in our organisation.

Sustainability-related training

While our onboarding program offers general training on sustainability, we also aim to ensure specific and targeted training for our Sourcing and Quality Assurance teams. The training centers around, but is not limited to, Grievance and Remediation with particular focus on vulnerable stakeholders, Health and Safety etc. For instance, it is important that members of our Sourcing and Quality Assurance teams, who often visit our manufacturers, are able to identify potential grievances, and know how to deal with them and/or report them.

| Category       | FY 23/24                                      | FY 24/25 |
|----------------|-----------------------------------------------|----------|
| Accidents      | 1<br>(happened outside Beirholms office area) | 0        |
| Near-accidents | 7                                             | 1        |
| Total          | 8                                             | 1        |

The training will be conducted using internal resources but also with the assistance of the WE Program. Training will happen at:

- » the manufacturing partner, when workshops are being held together with NGOs such as the WE Program and the manufacturer's employees (e.g. workers, HR etc.).
- » Training will also happen internally, where new and current employees are offering seminars together with NGOs. In the Sourcing Team, there is an annual session related to our sustainability-related certifications, initiatives, and memberships, so the Team is up to date and informed about the requirements of these and can act upon them and live them when visiting manufacturing partners.
- » Training will also take place at the NGOs site once or twice yearly. Here, particular focus is on handling issues such as grievances for employees who visit the manufacturing sites

Physical work environment assessment (APV)

The work environment assessment (APV) is carried out, together with the employee satisfaction survey, every third year. The assessment in 2023 concluded that: “Overall, there is a good and safe working environment in the workplace. The satisfaction and engagement among employees are high, and the physical work environment problems that arise in the survey are all manageable and solvable.”

Since the assessment is based on a survey with only yes/no answer-possibilities, it is not possible to derive a score. Every element in the survey is addressed to ensure we keep up our good work environment.

Accidents or near-accidents at work

To ensure a safe work environment, we also measure accidents and near-accidents (preventive mechanism). Every accident or near-accident is followed-up by preventive measures for the future.



Whistle blower scheme

We believe that the best approach is to continue to build a strong, healthy, and open company culture, supported by our health and safety team, Coach, and employee representative. Beyond these measures, we have established a whistle blower scheme in collaboration with Whistleblower Partners – an external service provider that:

- » Ensures an anonymous and encrypted method to submit relevant issues.
- » Ensures an independent evaluation of the submitted issue, followed by an anonymous dialogue with the person who submitted it.

- » Gives guidance on how to progress if the issue is rejected. Informs designated Beirholm representatives about the issue, including recommended actions if the issue is not rejected.

A designated team then conducts further investigations into the issue and plans actions based on the individual case and issue.

On top of this, Whistleblower Partners provides a ‘response team’ (lawyers, psychotherapists, HR experts, financial advisors etc.) who offer support on the cases that need it.

Our whistle blower scheme promises feedback to the person who submitted an issue no later than three months after submission.

| whistle blower       | FY 23/24 | FY 24/25 |
|----------------------|----------|----------|
| # of issues reported | 0        | 0        |

Health insurance

Beyond the public health insurance that covers every employee in Denmark, Beirholm has an additional company health insurance that covers all employees. The insurance includes access to a private hospital, rapid access to treatment, physiotherapy and consultations with a psychotherapist.

Brain food at work. Every day

All our employees are part of our canteen scheme. Every morning, unlimited bread, yoghurt, muesli, and fruits are served. Lunch is served in our canteen every day. The food is brain food – healthy and varied. So it increases rather than decreases energy after lunch. Employees can also drink as much coffee, tea, and water as they would like throughout the day.



# Governance

## Gender composition of management

### Context: risks & policy

At Beirholm, we believe in (1) an open and involving culture with (2) flat hierarchies and (3) the limited use of titles.

As people grow in our organisation, they gain influence. This is not due to formal position, but due to performance track record and the roles they play for others, internally and externally. These people create and express a real and human meaning behind what they themselves do and what the company does.

The company provides the framework for learning and mentors in the form of colleagues, IT infrastructure etc. However, it is up to the individual to utilise these opportunities. The ultimate responsibility for performance development in our organisation lies with each individual, not the company. Only the individual can have the personal insight into herself/himself that's needed to accelerate the learning process. This belief is central to our learning and development policy.

We consider our (limited) management structure to be:

- » Board
- » Chief Executive
- » Business Development team

The Chief Executive is male.

The board has expanded from 3 to 6 members with 5 of them being male. The board is composed of Kamma and Peter Beirholm and their 3 sons along with Beirholm's lawyer. An equal gender distribution has therefore not been reached, since Beirholm has prioritized a family-structured Board. Although the Board primarily consists of family members, it is still Beirholm's ambition to have 2 females in the Board before FY2026/27.

Our business development team is responsible for our overall business strategy, as well as for initiating fundamental changes in our organisation. The Business Development Team consists of 9 people where each gender is represented by at least 40% (calculated based on headcount).

## Organisation

We focus our recruiting efforts based on competencies, fit, and potential regardless of gender, religion or ethnicity. Our organisation is dependent on continuous learning and development. This approach has resulted in a gender-balanced organisation.

| Company            | FTE | Gender distribution (f/m) |
|--------------------|-----|---------------------------|
| Beirholms væverier | 67  | 68/32%                    |
| Créadore           | 7   | 68/32%                    |
| Total              | 74  | 68/32%                    |

Anti-corruption

Context: risks & policy

At Beirholm, we consider (a) gifts and (b) bribery the two largest risks related to anti-corruption.

- » To receive, be asked for, or offer gifts or financial benefits, with the expectation of receiving a favour or a benefit in return, is considered corrupt behaviour. At Beirholm, we have a zero-tolerance policy for corrupt behaviour regarding gifts. As a general rule, our employees are therefore prohibited from receiving gifts or favours (e.g. discounts, trips, etc.) from suppliers or customers. It is, however, acceptable to receive gifts in certain cases if (a) the gift is of low value (b) the gift is received in connection with local custom or if (a) the gift is of low value and (b) there is an objective reason for receiving the gift (e.g. job related, representative, professional, collaborative matters)
- » To give, receive, solicit, promise or offer something of value in order to influence business decisions and actions is considered bribery and corrupt behaviour. At Beirholm, it is considered unprofessional behaviour, which is also punishable under Danish law. Consequently, we have a zero-tolerance policy for bribery

- » We will not receive, solicit, or give gifts or favours that may be considered an attempt to influence our judgement or daily work
- » We do not accept bribery, neither at our own company or at our suppliers
- » We report any reasonable suspicion or evidence of corrupt behaviour

We have identified the countries with the highest risk of corrupt behaviour using the World Corruption Perceptions Index. Amongst the countries in which we do business, India, Egypt and Pakistan have the highest corruption perception scores.

The Employee Handbook is given to all employees upon starting employment at Beirholm. Whenever there is an update, the new version is published to everyone.

We also hold an annual session with those of our employees who work closest with our partners in those countries. This session is to discuss specific situations and cases (in order to solve/rectify them, as well as prevent them from happening again). In FY 24/25, no such situations/cases were reported.

Goals, actions & progress

We prevent corruption through our anti-corruption policy stated in our Employee Handbook. This policy clearly states our zero tolerance for receiving gifts and bribery:

|                      | FY 23/24 | FY 24/25 |
|----------------------|----------|----------|
| # of issues reported | 0        | 0        |



# Information security

## Context: risks & policy

Digitalization is of strategic importance to Beirholm to streamline processes, increase efficiency, and offer better and more connected collaborative experiences between manufacturing partners, Beirholm, and laundry partners. This digital transformation ultimately aims to create an everyday reality that mirrors that of One Company, fostering seamless communication and operational synergy across the entire value chain. As we leverage technology to achieve this vision, robust information security measures become even more essential to protect business continuity and ensure secure digital collaboration.

As a company operating in a highly digitalized business environment, Beirholm recognizes the increasing importance of information security in safeguarding both internal and external stakeholders' data. The integration of digital solutions and interconnected systems enhances operational efficiency but also introduces new security risks, including cyber threats, unauthorized access, and data breaches. Protecting sensitive information is critical not only to maintain compliance with regulatory requirements such as GDPR but also to uphold the trust of our customers, suppliers, and employees.

Our GDPR Information & IT Security Policy outlines the key measures we implement to secure personal and business-critical data. These measures include access control, encryption, secure storage, and regular risk assessments to ensure the confidentiality, integrity, and availability of data. Additionally, we follow industry best practices to mitigate

risks associated with third-party data processing, ensuring that our suppliers and partners adhere to the same stringent security standards.

Beirholm has implemented a risk-based approach to information security, classifying data according to sensitivity and adopting corresponding security controls. Employees receive regular training on data protection principles, phishing threats, and secure IT practices to strengthen our overall security culture. Furthermore, in compliance with GDPR, we have clear protocols for handling data access requests, data minimization, and retention policies to reduce unnecessary data exposure.

## Goals, actions, and progress

- Goals:
- » Maintain a high standard of information security in line with GDPR and industry best practices.
  - » Minimize the risk of data breaches and unauthorized access through proactive risk assessments and security controls.
  - » Ensure all employees and relevant third parties are aware of and comply with Beirholm's security policies.
  - » Continuously enhance IT infrastructure resilience against cyber threats.
  - » Strengthen transparency and trust with stakeholders by providing clear guidelines on data handling and protection.

- Actions:
- » Regular Risk Assessments: We conduct risk assessments at least every two years or following major system changes to identify vulnerabilities and address them proactively.
  - » Access Management & Data Classification: We apply strict access controls to limit data access based on roles and responsibilities, ensuring that only authorized personnel handle sensitive information.
  - » Employee Training & Awareness: Mandatory training sessions on GDPR compliance, phishing prevention, and secure IT practices are conducted for all employees.
  - » Incident Response Plan: A well-defined protocol is in place to detect, report, and respond to security incidents, including potential data breaches, in a timely manner.
  - » Third-Party Compliance Checks: We require all suppliers and partners handling Beirholm's data to comply with our GDPR and information security policies.
  - » IT Infrastructure Enhancements: Continuous upgrades to firewall protections, endpoint security solutions, and system monitoring ensure robust cyber defense.

### Progress:

|                            | FY 20/21 | FY 21/22 | FY 22/23 | FY 23/24 | FY 24/25 |
|----------------------------|----------|----------|----------|----------|----------|
| Security-related incidents | 0        | 1        | 0        | 0        | 0        |





## Special issues & cases

### Sponsorship of the Citizens Foundation

In Pakistan, the literacy rate is 58%<sup>10</sup>. This is largely due to insufficient education and poverty. Typically, parents cannot afford to send their children to school. This is a vicious circle as children's education is pivotal to a well-paid job and a way out of poverty. With this in mind, we financially support the U.I. Trust Campus (School) in Karachi through the Citizens Foundation. We've done so since 2009. In this way, we actively help to pave a way out of poverty for children and contribute to Pakistan's future success.

<sup>10</sup> 2019 Data from The World Bank: Literacy rate, adult total (% of people ages 15 and above) - Pakistan | Data (worldbank.org)

## 6 new charging stations at the office for e-vehicles

Last year, we installed 6 new charging stations at our office to support more e-vehicles. In total, the office now boasts 16 charging stations for e-vehicles.



# Beirholm Group achieved Platinum status by EcoVadis

Beirholm Group, including Beirholm & Créadore, has been awarded the [Platinum rating by EcoVadis](#), placing the company among the top 1% of over 150,000 rated businesses worldwide for sustainability performance.

EcoVadis is one of the world’s most trusted providers of business sustainability ratings, evaluating companies across four key pillars: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.

Beirholm initially began its EcoVadis journey through Créadore, in response to requirements from international hotel chains. In 2024, the scope of the assessment was expanded to cover the entire Beirholm Group, raising the bar significantly due to the size and complexity of the business.



# Beirholm technologies



With BeirTex® textiles, you are assured of operational-fit products in your laundry production and readily sellable, market-fit textiles:

- » Low energy consumption
- » Increased utilisation of capacity
- » Significantly less dust
- » Long service life
- » Efficient handling
- » Excellent finish
- » Superior feel
- » Excellent comfort
- » Inspiring, Nordic designs that effectively support the environments in which your customers will use them...



With Beirholm Pixel Technology®, you can inspire your customers with beautiful colours while ensuring operational-fit advantages in your laundry:

- » Coloured terry without hassle
- » No colour transfer
- » Homogeneous pool that lasts for a long time
- » Possibility to wash different colours together
- » No need for colour sorting
- » Inspiring selection of colours

# Certifications & initiatives



## SOCIALLY SOUND - Good for people

- » The Green Button sets mandatory requirements for decent work, from guaranteed minimum wages and compliance with working hours to a ban on child labour and forced labour

## ENVIRONMENTALLY SOUND - Good for nature

- » The Green Button bans the use of hazardous chemicals and softeners and lays down mandatory limits on effluent discharge

## GOVERNMENT-RUN - A label you can trust

- » The German government lays down the criteria and conditions for the Green Button – guaranteeing clarity you can trust

## INDEPENDENTLY CERTIFIED - Independent audits

- » Independent auditors review compliance with the criteria set



When you buy products labelled with the EU Ecolabel, you are effectively helping, at the manufacturing sites and in Europe, to:

- » Minimise the use of substances harmful to the environment
- » Impose strict requirements to safeguard against the use of chemicals that are hazardous to health
- » Impose strict requirements to safeguard against harmful emissions and discharges of waste water
- » Impose strict health and safety requirements in the production process
- » Impose high standards for the textile fibres and the characteristics of the finished product
- » Ensure that independent experts verify compliance with the requirements

# Beirholm initiatives



When you buy Beirholm products labelled with recycled polyester, you are assured:

- » That 100% of the polyester content is recycled
- » That the recycled polyester is made from PET bottle waste collected from the local area of the polyester fibre producer
- » Of compliance with the most widely, recognised definitions of recycled content allowing full traceability



When you buy products labelled with Made in Green by Oeko-Tex®, you are helping to ensure:

- » Materials have been tested for harmful substances
- » Production is more environmentally friendly
- » The production lives up to strict standards regarding safety and health at work

... and you can track your products throughout its supply chain



When you buy Oeko-Tex® Standard 100 “Confidence in Textiles” Product Class I, you are effectively helping to ensure:

- » That the users - including babies and children up to age 3 – are not exposed to effects from textiles that can be harmful to health
- » Support for the world’s leading health labelling for textiles with uniform requirements all over the world

...and you can be certain that:

- » Every component of this article, i.e. every thread, button, label and other accessories, has been tested for harmful substances and that the article therefore is harmless in human ecological terms



When supporting Better Cotton, you are effectively helping to:

- » Minimise the use of pesticides and insecticides
- » Conserve water and take account of the availability of water
- » Take account of the health of the soil
- » Conserve natural habitats
- » Take account of and retain the quality of the fibres
- » Promote decent working conditions



CU 1018013

CU 1018013

CU 1018013

We also produce Fairtrade certified products and products with the Global Organic Textile Standard, Organic Content Standard, the Recycled Claim Standard, and the Global Recycled Standard, certified by CU 1018013.



Date: November, 2025

Name: **Andreas Beirholm**  
Beirholms Væverier A/S



# Reach out

If you would like more details on our approach to **CSR** please reach out to us:  
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