FAVORITE GIFTS

Empower branding & embrace sustainability

Sustainability report 2024

Giving EUROPE · eurogifts · Van Helden · Van Heijster · FL b.v. · FAVORITE GIFTS PRINT EUROPE

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June 2025

This sustainability impact report is based on a voluntary basis.

Our CEO speaks

Empower branding & embrace sustainability

Within Favorite Gifts we recognize that the future of our planet and communities depends on the actions we take today. Our commitment to a healthier, more sustainable world is not just a responsibility, but also an opportunity to create lasting value.

By integrating sustainability into our business strategy, we aim to drive growth that benefits both people and the planet—paving the way for a brighter, more prosperous future for all. We want to empower branding by inspiring and advising our partners on the optimal use of promotional gifts, whilst addressing the sustainability challenges that lie ahead for all of us. We already see a strong sustainability movement across our market, among our customers, suppliers, and other stakeholders—motivating us to continue making meaningful progress within Favorite Gifts as well.

Our journey

In 2023, we embarked on our sustainability roadmap by conducting a stakeholder analysis and a double materiality assessment, identifying the material topics that will shape our sustainability strategy. This was carried out in alignment with European Regulations, specifically the Corporate Sustainability Reporting Directive (CSRD).

In 2024, we took our first significant steps forward: we joined the United Nations Global Compact Netherlands, advanced the definition of our sustainability KPIs, and began integrating sustainable practices into our core business operations. With this foundation in place, we are well prepared to face the challenges and embrace the opportunities ahead—ready to take the next steps with purpose and determination.

I am pleased to present our first sustainability report, providing a transparent overview of Favorite Gifts' progress and commitments on our sustainability journey.

Arno van Helden
CEO

About Favorite Gifts

Favorite Gifts is an importer and supplier of promotional gifts. Our origins date back to the founding of A. van Helden Relatiegeschenken BV in 1965 and since then we have grown and developed into an internationally operating family company with nearly 450 employees.

We are a Dutch company with headquarters in Tiel, the Netherlands, and warehouse and printing facilities named Favorite Gifts Printing Facilities, further named FGPE, in Boleslawiec, Poland. Our dual sales approach allows us to serve both indirect and direct markets.

Since 2001, we have sold indirectly to distributors through our Giving Europe sales offices in the Netherlands, Germany, France, Spain, and Italy. We also sell directly to small and medium-sized businesses via Van Helden Relatiegeschenken in the Netherlands and Belgium, EuroGifts in France and Belgium, and Van Heijster Relatiegeschenken in the Netherlands. FL BV, our importing company, is based at our headquarters in the Netherlands.

Mission and values

We aim to make a structural contribution to the success of our partners by inspiring and advising them on the optimal use of our promotional gifts.

We do this by:

- ✓ *Contributing significantly to the brand awareness from our customers.*
- ✓ *Delivering safe promotional items.*
- ✓ *Consistently investing in our customers and employees by increasing our mutual knowledge of promotional gifts.*
- ✓ *Communicating transparently about the sustainable impact of our products.*
- ✓ *Connecting with our partners to develop professional solutions that generate trust and success.*

In our environmental, social, and governance (ESG) plans we remain focused on empowering our customers' branding, while addressing the sustainability challenges ahead of us.

Sustainability strategy

We want our sustainability strategy to be aligned with our four core values. These values have been the thread in our way of working for many years already and connecting our sustainability strategy with our core values seemed logical and possible. These values now represent internal principles, customer priorities, and, since 2024, our ESG commitments. An overview of our core values and promises is available on the next pages.

We strive for processes in which customer requirements and market trends are continuously monitored, including sustainability developments and guidelines. This way changes can be quickly translated into actions for our organization. Our flat organization enables us to respond quickly, also in the area of sustainability (core value: speed).

We want to take responsibility for the impact we have by keeping it simple. We want to carefully select safe promotional products and align with customer wishes with our assortment. We have the goal of providing the most circular product possible that does not end up as waste. We will select products that contribute to a transparent, climate neutral and circular economy (core value: simplicity).

We invest in our employees continuously, including employees in our (upstream) value chain. We ensure good working conditions for all employees in our supply chain, including safe working environments and living wages. Conducting ethical and transparent business practices is part of every transaction (core value: fun).

We contribute structurally to the success of our partners and sustainability is one of the pillars, We enable our customers to make responsible and sustainable choices, by offering information on the environmental impact of our products. Our goal is to safeguard claimed product specifications and sustainability claims. We do so by documenting technical files of our products. We will map the CO2 footprint of our organization and set targets for reduction. For all our stockholding items a CO2 footprint per product is calculated (core value: success).

Not only have our ESG commitments been integrated into our core values, a dedicated Sustainability & Compliance Manager role has been established at our headquarters, and targets have been set to minimize our negative impact on the environment and people. These efforts are grounded in our double materiality analysis, ensuring we prioritize the areas where we can add the most value. The strategy for each material topic is thoroughly explained in the ‘Reporting Themes & Strategy’ section.

Our material topics are:

Climate change and adaptation, including energy use (core value: simplicity)

Resource use and circular economy, including waste management (core value: simplicity)

Health, safety and vitality of our own workforce (core value: fun)

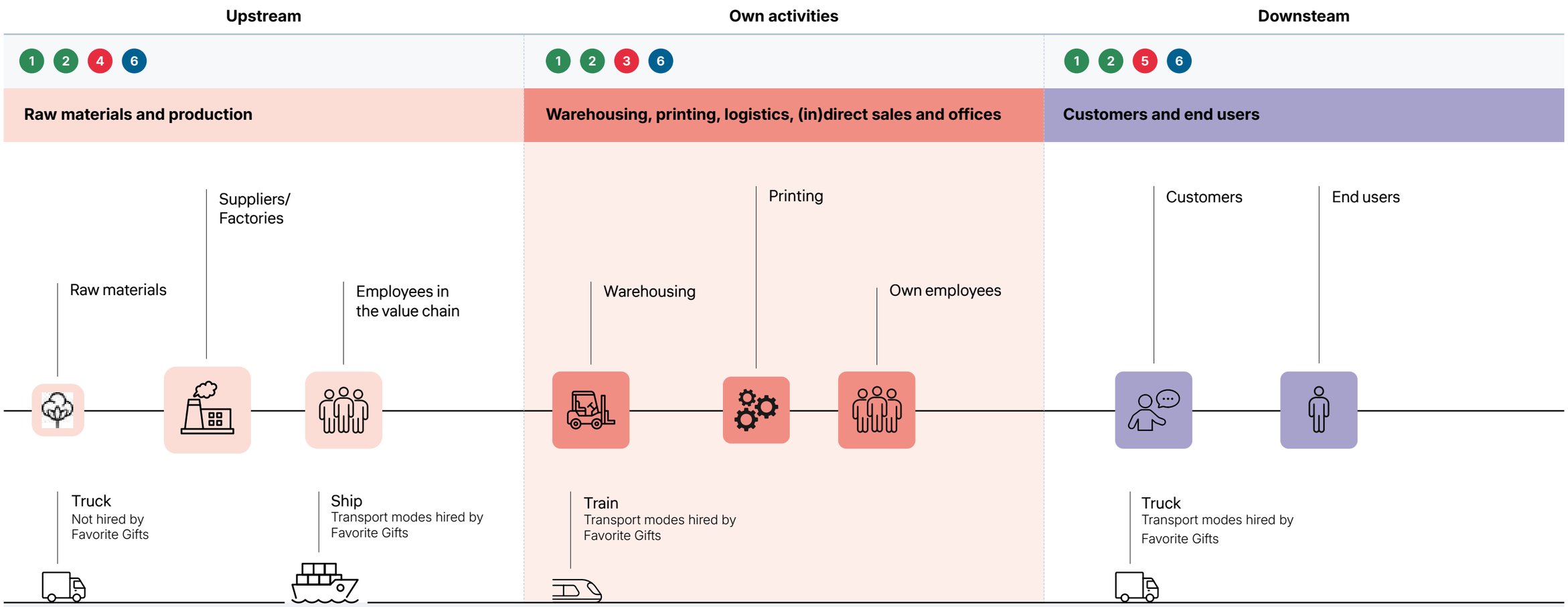
Human rights for workers in our value chain (core value: fun)

Information on our products and services (core value: success)

Anti-corruption and proper business conduct (core value: fun)

Our Value Chain

This value chain shows the process of purchasing stockholding products from non-European suppliers. At Favorite Gifts we also purchase products at European warehouses. These are not drawn in the value chain below. These activities primarily affect our downstream operations. While we have limited influence on the upstream value chain in these cases, we can make a difference through the selection of the products we offer our customers from these assortments. Since more than 75% of turnover is delivered via our own imported products, this is considered a material topic. In the mid-term, European suppliers will also be incorporated into our value chain and sustainability strategy.



1 **Climate change (Incl. energy use)**

2 **Resource use and circular economy**

3 **Own workforce; health, safety & vitality**

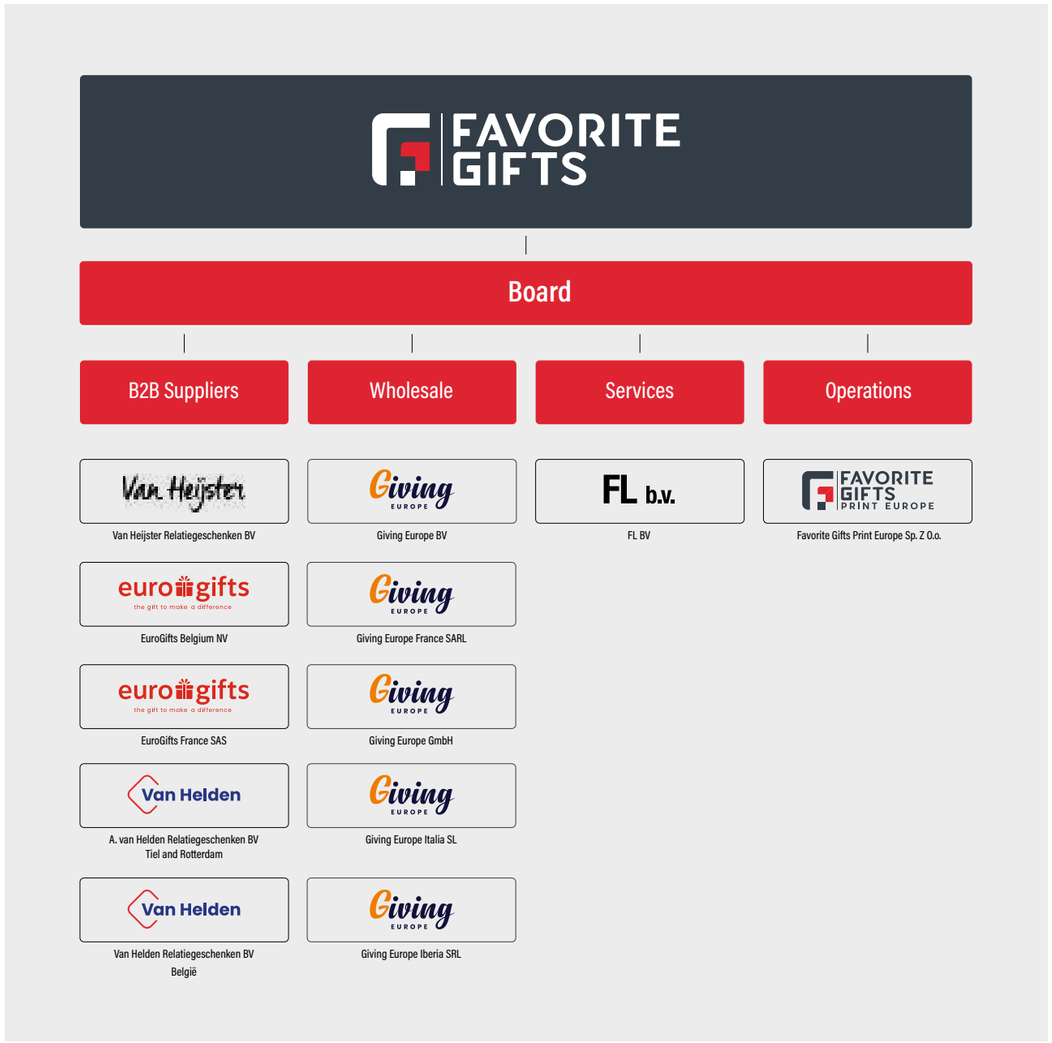
4 **Workers in our value chain; human rights**

5 **Information on our products and services**

6 **Anti-corruption and proper business conduct**

Foundations of this report
All Favorite Gifts subsidiaries are included within the scope of this sustainability performance report, which is consistent with our consolidated annual financial statement. No subsidiaries are excluded from this consolidated sustainability report, unless explicitly stated.

The entities covered are mentioned in the 'About Favorite Gifts' section and summarized in the table below:



No relevant information has been withheld in this report due to classified or sensitive information, or intellectual property concerns. This report provides an overview of Favorite Gifts' short-term goals and developments and outlines the main risks we face. It focuses on strategic content and execution related to short-term (1-year) goal setting. Mid-term (2-5 years) and long-term (+5 years) targets are only briefly addressed in this 2025 report, as our primary focus is currently on optimizing data collection and enhancing data quality. We may utilize the phase-in options of the ESRS requirements in future reporting. This 2025 (on 2024) report is voluntary; We stared our roadmap based on CSRD, but with the Omnibus plans this is no longer required from us. However, our Board has decided to continue sustainability reporting mostly based on CSRD.

To collect our quantitative data, we used a variety of systems and external platforms. Where assumptions, estimations, or exclusions have been made, they are specifically noted under the relevant material topics and KPIs. We aim to improve our data accuracy each year. When data from the previous year is available, it will be included for comparison.

Reporting period & frequency
This report is based on 2024 and covers the period of 1st January – 31st December.

Our Core Values

Our core values have been the common thread in our way of working for years. These values represent internal principles, customer priorities, and, since 2024, our ESG commitments:

Speed +

We respond and communicate swiftly, ensuring rapid market implementation. Speed is our priority in service and deliveries. We work fast and we learn fast.

OUR PROMISE TO OUR CUSTOMERS

We answer inquiries within one business day. We offer products and delivery times that are in line with the current market and trends.

OUR ESG PROMISE

We respond quickly to developments and will do the same in the area of sustainability.

Simplicity +

We keep it simple, making it easy to understand, remember, and implement. We avoid complexity through, for example, exceptions. We strive for standardization.

OUR PROMISE TO OUR CUSTOMERS

Thanks to our simple, no-nonsense approach, we provide our customers with a seamless ordering process and an optimal customer experience.

OUR ESG PROMISE

We keep it simple. We deliver safe promotional products and carefully select items that support a transparent, climate-neutral and circular economy.

Fun =

We want a great workplace—one with meaningful, rewarding work and fun colleagues who share common goals and take pride in what they do.

OUR PROMISE TO OUR CUSTOMERS

By fostering a positive workplace for our employees, we ensure our customers interact with proud, motivated team members who are eager to go the extra mile.

OUR ESG PROMISE

We ensure good working conditions for all employees in our supply chain, including safe working environments and living wages. We promote ethical and transparent practices, which we communicate through our code of conduct.

Success

We achieve our targets and KPIs with happy colleagues and for satisfied partners.

OUR PROMISE TO OUR CUSTOMERS

Our customers' success is our success! We are their personal guide throughout the entire order process, helping them achieve their goals.

OUR ESG PROMISE

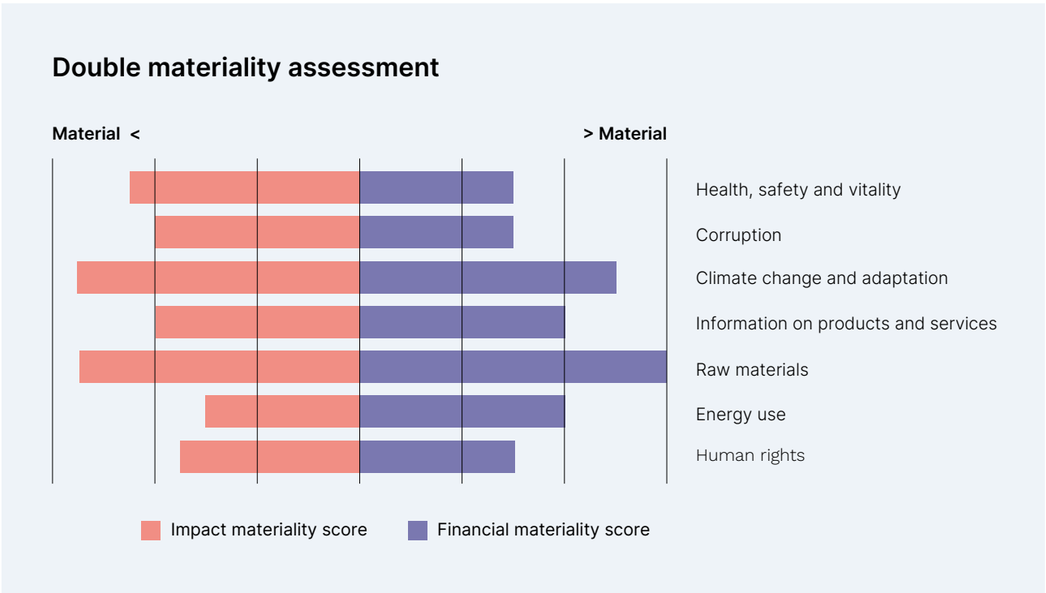
We will provide a sustainability classification for our products, enabling our customers to make responsible choices. This classification will cover the raw materials, production processes, and modes of transport of our products. At the corporate level, we will map and reduce the CO_2 emissions of our organization.

Roadmap to our reporting themes & strategies

With countless ESG topics to consider, it is important to identify those that are most relevant, by identifying where Favorite Gifts can have the most impact. We have taken 7 steps to identify these material topics.

We originally started this roadmap in preparation for the CSRD reporting and therefore followed the double materiality assessment (DMA) instructions of the European Sustainability Reporting Standards. With the Omnibus plans however, Favorite Gifts is no longer obliged to report in line with CSRD. Our Board has decided in 2024 to go forward with the material topics that resulted from this DMA.

Determining material sustainability impacts, risks and opportunities (IRO's)
In late 2023 and early 2024, Favorite Gifts has completed a structured process to identify and assess relevant material sustainability aspects in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This includes the identification of material sustainability impacts, risks and opportunities. As part of this proses Favorite Gifts assed its impact on environment, social and governance but also reviewed potential environmental, social and governance risk and opportunities that may affect our business and considered financial consequences of these impacts, risks and opportunities, the so called double materiality. The identified material themes (see figure below) have been the starting point for the development of our sustainability strategy.



The approach consisted of the following components:

- A comprehensive list of sustainability topics was compiled, based on international standards such as ESRS and ISO 26000, supplemented by sector- and value chain-specific concerns.
- Various internal and external stakeholders were involved in assessing the relevance of these topics. This was done through targeted interviews, surveys and rounds of discussions with employees, management, customers, suppliers and other relevant parties.
- In addition, relevant laws and regulations, sector benchmarks and international sustainability targets were analyzed to inform the identification process.
- Based on the input from these consultations, the relevance of each topic was evaluated, with topics categorized as "relevant" and "not relevant.

This comprehensive approach resulted in a clear overview of relevant sustainability topics, which serve as the basis for our double materiality analysis.

Assessment and prioritization of IROs
Prioritization of the identified impact, risk and opportunity areas (IROs) is done using a systematic assessment methodology that considers several criteria:

- The severity and magnitude of the impact, including the scope within and outside the organization;
- Whether the impact is reversible (reversible) or permanent;
- The likelihood of a risk occurring within a relevant time horizon;
- The financial materiality, considering potential effects on revenue, costs, investments (CAPEX/OPEX) and market share.

This assessment is conducted by a multidisciplinary team within Favorite Gifts, with the results recorded in a scorecard that is updated annually. The scorecard combines impact and financial materiality, enabling transparent and consistent prioritization of sustainability risks and opportunities. This enables Favorite Gifts to focus on the most material topics and risks.

Favorite Gifts uses the double materiality approach, which includes both the impact of our operations on people and the environment and the influence of external sustainability factors on our organization. The results of this analysis form the core of our sustainability reporting and guides Favorite Gifts' sustainability goals and actions. More details on the process of identification of material sustainability IRO's including our stakeholder engagement can be found in appendix 1.

Reporting themes & strategy per theme

As a result of the roadmap, the 6 material topics defined are:

1. Climate change and adaptation, including energy use

2. Resource use and circular economy, including waste management

3. Health, safety and vitality of our own workforce

4. Human rights for workers in our value chain

5. Information on our products and services

6. Anti-corruption and proper business conduct

1. Climate change and adaptation, including energy use

Our activities generate CO2 emissions, primarily during the production and transportation of our stockholding products.

In addition, CO2 is emitted during the printing of our products in Poland and the transportation of sales orders to their delivery destinations. We will mitigate the risk of negative impacts by gaining insight into our CO_2 emissions and then establish reduction targets accordingly. Energy use is included in this topic. This means we will get insight in our scope 1, 2, and scope 3 emissions in accordance with the GHG Protocol. We will also set emission reduction targets aligned with the Paris Agreement, and monitor and define targets for our energy intensity.

2. Resource use and circular economy, including waste management

Our products, including their packaging, are made from raw materials. By using more sustainable materials, we can contribute to lower CO_2 emissions and create a positive environmental impact. To make this visible and actionable for our customers, we aim to provide a CO_2 footprint per product, enabling them to make informed, sustainable choices. As part of our commitment, we will focus on mapping the raw materials used in our products and set concrete targets for increasing the use of circular materials. We have the goal of providing the most circular product possible that does not end up as waste.

Favorite Gifts has also signed the Dopper Wave pledge, acknowledging the importance of reusable bottles over single-use bottles.

Waste management is included as a sub-theme within this material topic. Our operations—especially product printing and repacking—generate waste. We can make a difference by choosing circular materials for packaging and so directly influence the waste in our own operations. Waste also arises from misprinted or defective products, which often need to be destroyed. Additionally, we must comply with relevant packaging and labeling laws and regulations.

3. Health, safety and vitality of our own workforce

Favorite Gifts wants to show good employment practice. We consider this topic material because we have a direct ability to positively influence the health, safety, and well-being of our own workforce—particularly as a significant portion of our employees are blue-collar workers. We strive to provide a good life-work balance. In our stakeholder analysis, this commitment has also been recognized by suppliers and other stakeholders, who generally perceive that employment conditions at Favorite Gifts are well managed.

4. Human rights for workers in our value chain

Given the scope and complexity of our value chain, it is crucial to protect human rights wherever. While we may not be able to influence every part of the chain directly, we aim to make a positive impact by purchasing at fair prices, by upholding strong ethical standards within our own operations, and by treating our own people well. We recognize that violations of human rights can lead to reputational damages – something we are committed to preventing. As a member of amfori BSCI, we are actively engaged in mapping and improving human rights and labor conditions within our upstream supply chain. This membership supports our ongoing efforts to promote ethical sourcing and responsible business practices.

5. Information on our products and services

With increasing regulatory scrutiny around greenwashing, it is more important than ever to communicate transparently and factually about our products and services. We are committed to avoiding misleading environmental claims and to prioritizing customer health and safety wherever possible. To support informed decision-making, we aim to disclose the verified CO_2 footprint of our products, enabling customers to make their own sustainable choices at the product level. Furthermore, we focus on delivering safe (certified) promotional products and take proactive steps to prevent product recalls and customer claims

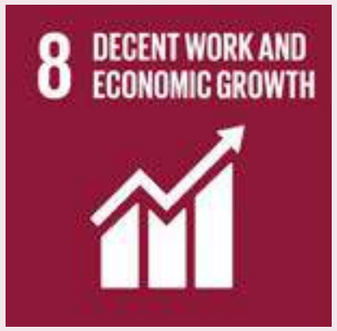
6. Anti-corruption and proper business conduct

We have incorporated measures into our existing protocols to mitigate the risk of corruption, reflecting our commitment to ethical business conduct. The Board of Directors considers this a priority and emphasizes the importance of transparent reporting on our anti-corruption framework. Corruption in any form can result in reputational damage and the undermining of a safe and fair working environment and we want to avoid this wherever. Both internally and externally, everyone connected to Favorite Gifts must feel and be empowered to speak up and report concerns without fear of retaliation.

United Nations Sustainable Development Goals

In 2024 Favorite Gifts joined United Nations Global Compact Netherlands, supporting the 10 principles of the United Nations and the 17 Sustainable Development Goals they set up. The Sustainable Development Goals are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere in 2030.

With Favorite Gifts' sustainability policy we connect to the goals of decent work and economic growth (8), responsible consumption and production (12), climate action (13), life below water (14) and peace, justice and strong institutions (16).



8. Decent work and economic growth
We recognize our role in the supply chain and the responsibility it brings toward our employees, customers, and suppliers. We will support our vendors in improving working conditions and fostering decent employment. Our membership in amfori BSCI, along with its audit tools, enables us to identify areas for improvement and collaborate with suppliers on developing appropriate and practical solutions.

12. Responsible consumption and production
We can make a difference by selecting products that contribute to a transparent, climate neutral and circular economy, rather than those that contribute to waste and environmental harm.

13. Climate action
We take climate action by working to mitigate our environmental impact, primarily through the measurement and reduction of our carbon footprint. This involves making more sustainable choices in transportation, energy use, and material selection across our products and packaging.

12. Life below water
Favorite Gifts has signed the Dopper Wave pledge, underscoring our commitment to reducing plastic pollution. By doing so, we acknowledge the importance of using reusable bottles instead of single-use plastic bottles.

As part of this commitment, we have eliminated all single-use bottles and cups from our offices—where clean tap water is available—and we no longer offer bottled water in our product range.

12. Peace, justice and strong institutions
We are committed to conducting business in an ethical, honest, and transparent manner in all our transactions. We firmly stand against corruption, bribery, and all forms of discrimination

Building a better world.

Structure & Composition of Favorite Gifts

Favorite Gifts is an importer and supplier of promotional gifts. Our origins date back to the founding of A. van Helden Relatiegeschenken BV in 1965 and since then we have grown and developed into an internationally operating family company with nearly 450 employees.
We are a Dutch company with headquarters in Tiel, the Netherlands, and warehouse and printing facilities (FGPE) in Boleslawiec, Poland. Our dual sales approach allows us to serve both indirect and direct markets. Since 2001, we have sold indirectly to distributors through our Giving Europe sales offices in the Netherlands, Germany, France, Spain, and Italy. We also sell directly to small and medium-sized businesses via Van Helden Relatiegeschenken in the Netherlands and Belgium, EuroGifts in France and Belgium, and Van Heijster Relatiegeschenken in the Netherlands. FL BV, our importing company, is based at our headquarters in the Netherlands.

Favorite Gifts is a familiy-owned business, and is managed by a Board of Directors consiting of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO) and Chief Commercial Officer (CCO).

The board is responsible for setting the company's strategy and goals, overseeing operations, and leading by example.

Arno van Helden
(1972) | Male
Executive member
CEO & Chairman

Date of Appointment
01-01-1995

Responsibilities
Board, Product Management, Sales (until new CCO is hired)

Michiel Warners
(1975) | Male
Executive member
CFO

Date of Appointment
01-01-2013

Responsibilities
Finance, HR, IT, Data & Systems, Operational Purchase, Sustainability & Compliance

Norbert Koop
(1964) | Male
Executive member
COO

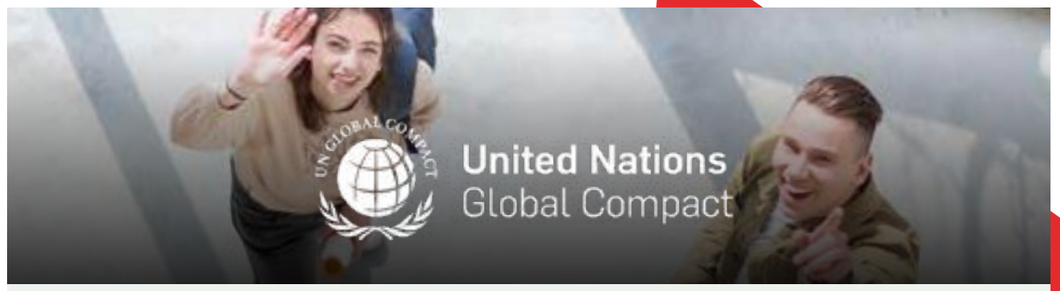
Date of Appointment
01-12-2018

Responsibilities
Operations (Logistics & Printing), QHSE

Vacancy
-
-
CCO

Date of Appointment
Vacancy

Responsibilities
Sales & Marketing



Integrating sustainability into our business

In 2023, with guidance from the external sustainability platform 'GreenbyBlue', the Board of Directors actively participated in developing the ESG roadmap toward CSRD reporting in 2026.

During the design phase, this included carrying out a DMA. This dual approach ensures that we report on sustainability topics that are relevant to our stakeholders—covering social, environmental and governance issues—while also identifying risks that may financially impact our business.

To make sustainability a priority, a Sustainability & Compliance Manager was appointed at the end of 2023. This position is responsible for following up on the first design phase (definition of the roadmap and material topics) and initiating the implementation of the broader sustainability strategy within our organization.

Sustainability falls under the responsibility of our CFO. Through weekly meetings with the Sustainability & Compliance Manager, the CFO monitors progress and directly reports to the Board of Directors.

To drive implementation, cross-functional project groups have been established across the organization to define KPIs and build internal commitment toward our sustainability targets, both internally and throughout the value chain. All sustainability-related policies have been formally approved during plenary Board meetings.

Staff is kept informed of progress through the monthly Favorite Gifts newsletter and the Board Roadshow, which takes place twice a year.

Favorite Gifts joined the United Nations Global Compact Netherlands in 2024 - not only to demonstrate our commitment to sustainability but also to benefit from guidance, training, and information provided by this global initiative, including their learning programs. Through the annual Communication on Progress, we report our sustainability efforts to the United Nations Global Compact.

An annual sustainability report will be published externally on www.favoritegifts.eu/csrd to keep all our stakeholders informed about our sustainability efforts.

Statement on sustainability due diligence

We are committed to responsible business conduct, aligned with our commitment to the United Nations Global Compact, and the integration of ESG principles into our Core Values. Through the UNGC, we submit an annual Communication on Progress, transparently reporting on our due diligence efforts and progress regarding environmental and social matters.

Regarding environmental due diligence, we actively manage—and plan to further reduce—the environmental impacts of our business operations. We map our value chain where possible and intend to engage our suppliers in mitigating these impacts in the future. Our human rights due diligence currently focuses primarily on ensuring the health and safety of our own workforce and those involved in our upstream supply chain, as monitored through the external social audit platform amfori BSCI. Downstream, we provide transparent communication with our customers and end-users about our products and services.

For detailed information on the due diligence processes used to define our material sustainability topics and stakeholder engagement, please refer to the “Roadmap to our Reporting Themes & Strategies” section and the respective ESG chapters in this report. A comprehensive description of our DMA is also available there. Further due diligence processes are outlined at the beginning of each ESG chapter.

Risk management and internal controls over sustainability reporting

This is our first year of reporting on sustainability topics based on our DMA, that identified our key sustainability risks and is aligned with the data requirements outlined in the European Reporting Standards.

Our data is sourced mainly HR- and ERP systems, Lyfe Cycle Asssessment (LCA) & carbon footprint calculation (scope 1, 2 and 3) conducted through our certified (ISO14040/14044) LCA platform Root®, as well as from our ISO 27001-certified whistleblower platform. Where necessary, and to a limited extent, data is supplemented by manual calculations or internal department reports. our ISO27001 certified whistleblower platform and also, but limited where possible, via manual calculation or data files from internal departments. If assumptions were used for calculation of data, this is explicitly mentioned per topic. Any use of assumptions in data calculations is explicitly disclosed per topic.

Data is collected from various internal stakeholders and is checked and reviewed by the Sustainability & Compliance Manager. Reporting is conducted in line with regulations where possible. Our Board of Directors is kept informed of reporting outcomes and communications are only released following their final approval.

Environmental Strategy

Climate change and circularity

Climate change is one of the bigger challenges we are all facing this moment and has become a focus point for Favorite Gifts in our sustainability journey. We recognize that our activities have negative effects on the environment and we are dedicated to see where we can improve our environmental performance.

Based on our initial insights into our Scope 1, 2 and 3 footprint, we understand that our carbon emissions are mainly caused by coursing of high carbon materials, reduction of energy at plant level and logistics.

Through our simplicity strategy we aim to reduce these emissions, by improved sourcing of lower carbon materials, more efficient and optimized logistics including other modalities and environmentally friendly logistic alternatives. Further reduction of energy consumption, mostly relevant to our Polish operation is another element, mostly through improved production techniques and use of green energy.

Most importantly we want to engage our customers with more Carbon Friendly/ environmently friendly procurement.

In 2026 we aim to have insights into the majority of our scope 3 footprint thus enabling us to also inform our customers which of our products offer better solutions, ultimately reporting carbon footprint per product.

In this report, we will communicate openly on the insights and measurements we have so far. On the mid-term targets will be set for CO2 emission reduction and a climate neutral business conduct target for the long term (2050). A transition plan for mitigating climate impact is expected in in 2026.

Scope 1 direct GHG emissions 2024:	589,43 tCO_2e
Scope 2 indirect GHG emissions 2024:	1,22 $ktCO_2e$
Total scope 1 and scope 2 2024:	1.81 $ktCO_2e$
GHG Intensity scope 1 and 2:	0,022 kg CO_2e/euro

Principles for reporting on Carbon Emissions

When preparing our reporting on greenhouse gas emissions and the associated (source) use of energy, we have taken into account the principles, requirements and guidance provided by the GHG Protocol Corporate Standard (version 2004) and Recommendation (EU) 2021/2279 or the requirements of EN ISO 14064-1:2018 as also required under the VSME B3 Energy and greenhouse gas emissions.

Scope 1 emissions

Scope 1 CO2e emissions encompass the consumption of gas and heating fuel in buildings, as well as the fuel use of company owned or operated vehicles. Heating fuel usage is based on invoices, while gas consumption is derived from a combination of actual metered data and extrapolated estimates. Fuel usage is always based on actual data from the fuel provider or leasing company.

Scope 2 emissions

Scope 2 CO2e emissions consist of electricity used in buildings as well as vehicles (where applicable) and district heating (where applicable). For electricity, we report location-based emissions

Calculation

The consumption data was matched with relevant impact factors from LCA databases such as Ecoinvent. Once a match was made for all consumption data entries, environmental impacts were calculated by multiplying the consumption data with the matched impact factors.

Dashboard

The results of the calculations are summarized in different dashboards, where an overview of the impact for impact categories can be found. The emissions are classified into different greenhouse gas scopes and subscopes according to Greenhouse Gas Protocol.

In 2026 we aim to have insights into the complete scope 1, and 2 emissions and the majority of our scope 3 footprint as well, enabling us to report carbon footprint per product. However, other measures were taken in 2024 to reduce our negative impact already:

1. Set up of environmental aspects registered, including monitoring of energy use for all locations.
2. Parking lights at headquarters were replaced with LED lights.
3. The parking lot at the headquarters was equipped with 8 charging stations for electric cars, in order to stimulate the use of hybrid and electric company cars (this was done for FGPE before the reporting year).
4. All office printers were set on double-sided printing.
5. During 2024 the finance department finished the last steps towards Paperless working. Start per 1st January 2025.
6. The project 'Paperless' for our production facilities in FGPE started. Print stations are to be equipped with tablets with a digital order flow instead of paper printed order sheets.
7. The Bill of Material for data collection on raw materials used for our Scope 3 footprint was introduced in our workflow.
8. We signed the partnership with Trees for all with our Van Heijster sales office to support the Los Tuxtlas Mangrove Forest in Mexico.

Trees for All

Raw materials – resource use and circular economy

Life cycle assessments will become a vital tool in our sustainability strategy. With Root sustainability platform we have chosen a platform that has a gold standard for robust and trustworthy LCA's, complying with ISO 14040 and 14044 standards. We want our LCA's to be accurate and credible, so we can examine product environmental footprints and make founded future decisions.

Recycled materials

rPET
rPET is made from recycled plastic bottles, cutting down on waste and new plastic. It's strong, recyclable, and helps reuse materials.

ALUMINIUM
Aluminum is made from recycled materials, reducing waste and the need for new resources. It's durable, fully recyclable, and easy to reuse repeatedly.

STAINLESS STEEL
Stainless steel is durable and fully recyclable, reducing waste and the need for new materials. It's long-lasting and can be reused many times without losing quality.

(APPLE) LEATHER
Apple leather is made from leftover apple waste, reducing waste and the need for animal leather. It's durable, recyclable, and a sustainable alternative to traditional leather.

PAPER, CARTON AND KRAFT
Paper, cardboard, and kraft polyester are recyclable materials that reduce waste and support sustainable production. They're durable, versatile, and eco-friendly alternatives to traditional materials.

POLYESTER
Polyester is a durable, recyclable material that can be reused to reduce waste. It's versatile, long-lasting, and widely used in various products.

ABS
ABS is a strong, recyclable material that reduces waste through reuse. It's durable, versatile, and commonly used in various products.

GLASS
Glass is a durable, fully recyclable material that reduces waste. It's reusable, long-lasting, and widely used across many products.

BIOWASTE
Biowaste is organic material that can be composted, reducing waste and enriching soil. It's renewable, eco-friendly, and supports sustainable waste management.

Our processes

Favorite Gifts purchases products via different channels (including the packing of these products). The one channel we can influence most is the import of our stockholding Impression products via our (mainly) overseas suppliers. This is our largest stream of raw materials, 77% of our goods turnover in 2024, and the product line we can make strategic decisions on the selection of (circular) product – and packing materials. This theme therefore connects to climate change & adaptation, but also to the theme of information on our products and services later in this report.

We can make a positive impact when choosing circular or sustainable materials for our stockholding products, which results to lower CO_2 emissions and so a lower impact on our environment.

Favorite Gifts has used the ESRS E5 standard to define its circularity objectives focusing on:

- The flow of material in weight, including specific information on weight
- The % of sustainable or circular materials sourced
- % Recyclable content in use in products and packaging

For every product we work with a bill of material, both on product as well as all its packing elements.
We have set internal targets to our purchase and compliance teams to achieve our reporting goal:

Target 1	Target 2	Target 3	Target 4
For 80% of our Impression assortment the raw materials are registered on products and packaging	For 100% of our new purchased items in 2025 the raw materials are registered on products and packaging	50% of our new purchase items in 2025 contain certified recycled materials	20% of our new purchased items in 2025 contains packing materials of recycled material

Waste

At Favorite Gifts we want to take responsibility for the waste generated by our products and packaging. As part of this commitment, we included this sub-theme in our sustainability report and made it part of our circularity. We also need to comply with the EU legislation, by for example monitoring the quantity and weight of products (incl. batteries) and packing sold and paying corresponding fees for national waste management and recycling laws. We do so in line with the Extended Producer Responsibility.

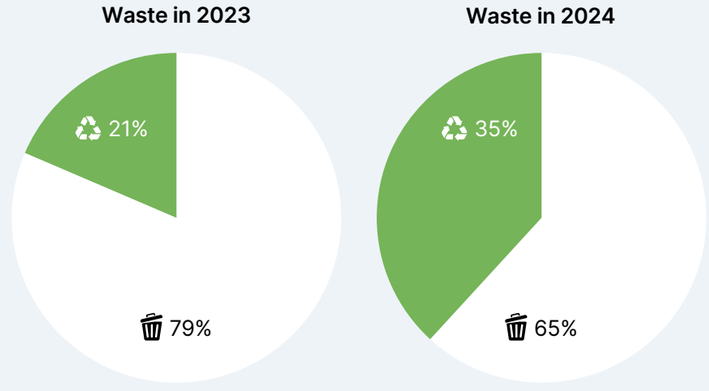
Our own waste streams are mainly caused by rejected products and their packaging, or the waste as a result of our production. This is most relevant for our facilities in Poland. In our local offices throughout Europe waste taken into rental agreements and not separately measured.

Waste is registered via our waste collection partners, via European Waste Catalogue (EWC) codes. These codes group waste based on the source of the waste, the type of waste and its hazardous properties. Via these codes we can track and report our waste and determine legal requirements for handling and disposal with our waste collecting partners.

In order to reduce the waste, we defined our objectives on the short term as follows:

1. Register the total quantity of waste in kilogram (for Favorite Gifts Print Europe and our headquarters)
2. Map the % of recycled waste of this total quantity
3. Map the total quantity of hazardous waste in kilogram

Mid-term and long term targets and actions plans will be defined in 2026.



	Total waste in kg	% recycled	Hazardous waste in kg
2024	305.830	35%	21.459
2023	325.650	21%	27.948

Social Strategy

Favorite Gifts is committed to respect human rights in our value chain. We acknowledge our business conduct can have a negative impact on human rights and we want to avoid doing harm and address impacts the right way with our employees, suppliers, workers in our value chain and our customers.

We act in line with all legal requirements, support the United Nations Guiding Principles on business and human rights and believe every person around the world has a right to live a life of dignity and is treated equally, irrespective of nationality, religion, gender, language, sexual orientation or any other factor.

Our 'social activities' relate to different types of employees in our chain. These concern our own employees and those who produce our products upstream.

As mentioned earlier in our strategy definition, we invest in our employees continuously, including employees in our (upstream) value chain. We ensure good working conditions for all employees in our supply chain, including safe working environments and living wages. Conducting ethical and transparent business practices with all our stakeholders is part of every transaction (core value: fun).

Grievance mechanism

Within Favorite Gifts we have a procedure in which misconduct, misbehavior or unsafe working conditions can be reported. This mechanism is ISO27001 certified. It is openly communicated via ww.flbv.eu and available for all those working for,- or with Favorite Gifts. In the Netherlands we have a external confidential counsellor available for employees to raise their concerns anonymously.

whistleblowersoftware.com/secure/FLBV

Own workforce (ESRS S1)

Favorite Gifts wants to show good employment practice. We have a direct ability to positively influence the health, safety, and well-being of our own workforce—particularly as a significant portion of our employees are blue-collar workers. We strive to provide a good life-work balance and limit the risk of safety incidents. Our Health, Safety and Working Conditions policy applies to all employees working for Favorite Gifts. We understand the risk and impact of safety incidents can be high, though with adequate measures these can be mitigated. If we would not do so, besides personal damage it could lead to financial risks due to claims or long absences. We act on what we feel must be done, by law or voluntary, to maintain a healthy, sustainable workforce.

Our working terms & conditions

Our most material topics related to our workforce focus on health, safety and vitality. However, our labor right policies have been firmly established in our Employee handbook addressing topics such as payment.

Preventive care

We aim to prevent or control risks to safety, health and occupational stress as much as possible. We are legally required to execute a Risk Inventory & Evaluation (IR&E), in which potential risks and hazards are identified. An action plan is set up and discussed with representatives of management in order to take appropriate action. Included risk topics are general working conditions, noise, lighting, behavior at the workplace, monitoring screen work for office staff, use of chemicals, hazards related to machine use, psychological threats and physical work.

This includes for example:

Tax discount sport membership (NL)	Height adjustable desk	FRUIT AT WORK (NL)	Choice of healthy meals (PL)
Access to company doctor and medical examination	Emergency response plan	Protective equipment	Safety training (PL)

Way of working book

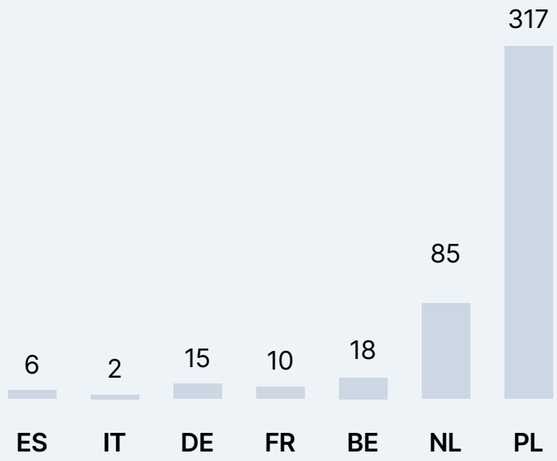
Way of Working within Favorite Gifts

We promote human rights awareness within and beyond Favorite Gifts. Internally, we've established a Human Rights Policy and a 'Way of Working (WOW BOOK)', shared with all staff in 8 languages. This ensures everyone understands and respects human rights and expected behavior — a shared responsibility toward colleagues and everyone involved in our business.

This is who we are!

Sustainability within our organization goes beyond products and processes—it starts with the people who contribute to our success every day. Our workforce is a key pillar of our company. We are happy to share our details on who we are in this chapter.

Split per country

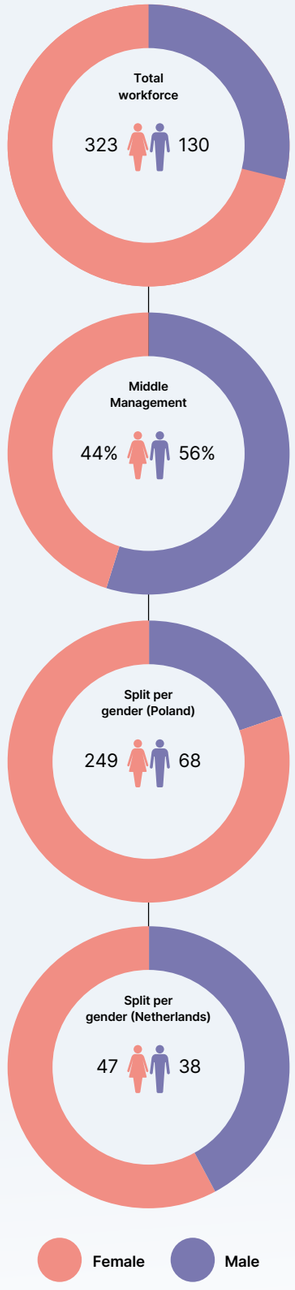


Employee turnover ratio

2023	2024
18%	11,5%

The decrease in employee turnover ratio is positive and expected. In 2023 we were building a professional team in our warehouse and printing facilities and it now appears from the 2024 figures that we are getting in balance.

Our people: gender and nationalities



Good to know:

- All reporting data is based on the date of 31/12/2024 and applies to the year 2024.
- Reported data is based per head, not per full time equivalent
- Breakdown per gender for Poland and the Netherlands since these countries staff more than 50 persons
- On the non-guaranteed hours - 1 person working for 30 hours in our headquarters.

Our targets

For the split of gender we target for a 40-60% split either way (male/female or female/male) on middle management level. We want to maintain a good balance in our company and provide equal business opportunities regardless of gender. The result is in line with our target, as it was in 2023 as well.

In the Netherlands for the office staff we consider the existing balance a healthy one, again having a 40-60% split in mind. However, no specific targets are set for this topic.

Nice to know? We come from all over the world.

These are our 'countries of origin'

Equal pay

Within Favorite Gifts, we make no difference between gender regarding the salary payments. So, in generl, people are paid based on their job, education and work experience. Differences can however occur based on the country of living or seniority levels that different gender hold functions. Favorite Gifts strives to pay the people on a market conform basis and that in all levels genders are equally represented.

In 2024 we see a large overrepresentation of females in our operational workforce, simply because more women apply for these jobs. In middle levels this is more balanced.

To ensure fairness and transparency, Favorite Gifts reviews its compensation policies every 2 years, taking into account benchmarks relevant to each region in which it operates. These reviews focus on making sure that employees in similar roles, with comparable backgrounds and responsibilities, are rewarded equitably.Based on our equal pay analysis (wage gap calculation) it is justified to state genders are paid equally.

Wage gap calculation The Netherlands

Within the Netherlands Favorite Gifts created a salary structure based on Orba method. Every function has been described together with professionals from the AWVN (the biggest Dutch employers association) and every function was calculated to a certain quantity of Orba points. Based on the quantity of these Orba points salary scales (1st column) were created.
In the following table an overview is created how the salary of male and female staff is related to the average full time salary, over the year 2023.

March 2024	Male salary versus average	Qty Male	Female salary versus average	Qty Female
Scale 6	n/a	0	0%	1
Scale 7	-2,3%	3	0,4%	17
Scale 8	-3,8%	11	4,1%	10
Scale 9	-6,4%	5	10,7%	3
Scale 10	-0,1%	10	0,2%	7
Scale 11	2,5%	4	-2,0%	5
Scale 12	n/a	0	0%	2
Scale 13	0%	2	n/a	0

*1 female employee in scale 9 has a higher wage than the maximum of the scale. This is caused by historic reasons.

*2 board members are excluded from this overview. Currently there are only male board members.

Based on this table the conclusion is justified that men and women are paid equally within the Netherlands.

Wage gap calculation Poland

The operational facility (FGPE | Favorite Gifts Print Europe) of the group is located in Poland. In total there are 27 functions within FGPE. These functions are divided into 7 salary scales. In the following table an overview is created how the salary of male and female staff is related to the average full time salary, over the year 2023.

2023	Male salary versus average	QTD Male	Female salary versus average	QTD Female
Scale a1	0%	1	n/a	0
Scale a2	-6%	1	6%	1
Scale b1	0%	1	n/a	0
Scale b2	5%	4	-5%	4
Scale b3	5%	3	-2%	9
Scale c	-2%	14	2%	20
Scale d	3%	25	-1%	133

* only people included who worked the full year 2023

In scale b2 the following explanation is provided:

2 have a noticeable lower wage in scale b2. One due to historic reasons (has a leadership position but is actually a specialist) and one female has been set straight per 01/01/2024.

Based on this table the conclusion is justified that men and women are paid equally within the Polish plant.

Wage cap calculation other countries

In the other European countries there are less employees. Please find below an overview of the different companies and the functions within these companies:

Company	Job Title	Diff to AVG female	QTD Male	Diff to AVG female	QTD Female
Van Helden Belgie	Inside sales	n/a	0	0%	4
Van Helden Belgie	Director	n/a	0	0%	1
EuroGifts Belgium N.V.	Director	0%	1	n/a	0
EuroGifts Belgium N.V.	Finance	n/a	0	0%	2
EuroGifts Belgium N.V.	Data analist	0%	2	0%	0
EuroGifts Belgium N.V.	Inside sales *1	8%	1	-2%	5
EuroGifts Belgium N.V.	Outside Sales	n/a	0	0%	1
EuroGifts Belgium N.V.	Marketing	n/a	0	0%	1
EuroGifts France Sas	Inside sales	0%	2	0%	1
Giving Europe France	Outside Sales	0%	3	n/a	0
Giving Europe France	Inside sales	-4%	2	8%	1
Giving Europe France	Director	0%	1	n/a	0
Giving Europe GmbH	Inside sales	2%	4	-1%	7
Giving Europe GmbH	Outside Sales	0%	3	n/a	0
Giving Europe GmbH	Director	n/a	0	0%	1
Giving Europe Iberia S.L.	Outside Sales	n/a	0	0%	2
Giving Europe Iberia S.L.	Director	0%	1	n/a	0
Giving Europe Iberia S.L.	Inside sales *2	-6%	2	12%	1
Giving Europe Italy Srl	Outside Sales	0%	2	n/a	0

*1 the difference is because of 1 employee with many years already in the company
*2 the difference is because of 1 employee with many years already in the company

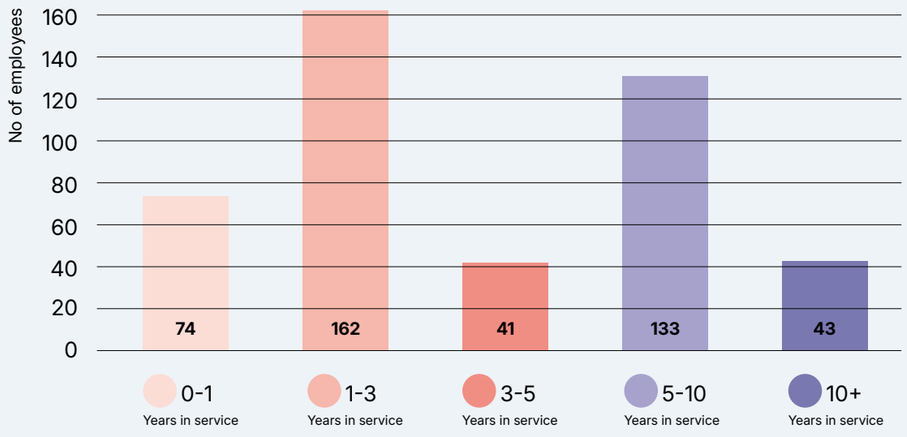
Conclusion equal pay analysis on the year 2023:

Within Favorite Gifts people are paid based on position, education and experience. There are no differences because of gender and there is no reason to take extra actions for equal payment for male / female staff.

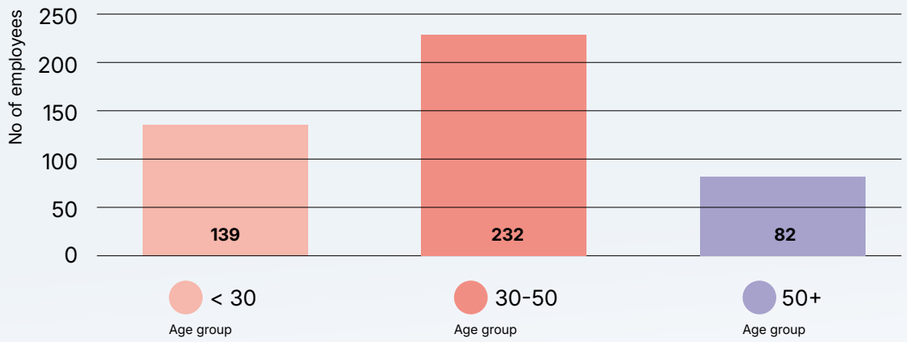
Our people: experience and generational balance

In this report we also provide insight in 2 other characteristics of our workforce; years of service and distribution of age. These will help us understand the level of experience, the stability of our workforce and the mix of young talents and matured specialists.

Breakdown of total workforce by years of service



Breakdown of total workforce by years of service



Good to know:

- All data is based on the date of 31/12/2024 and over the year 2024
- Reported data is based per head, not per full time equivalent
- These are demographics of our workforce which we are monitoring. No targets have been set.

During high season times, we need extra staff to help us maintain our delivery reliability with our customers. That is why we externally hire people, foremost in our FGPE facilities in Poland. In 2024 this involved 82 persons doing blue collar work. In our headquarters in Tiel we hired an external (interim) recruiter to fill our vacancies. Ratio of non-pay roll staff in FGPE is 82 versus a total of 317 = 26%. This is in line with our 30% maximum.

Health, safety and vitality

We want to offer a safe working environment. Part of doing so is by holding a safety management system in place. 100% of our staff is covered by a safety management system and for FGPE and our headquarter in Tiel, Risk Inventory and evaluation assessments are done. We do not work from heights within Favorite Gifts. In the headquarters results are discussed during the quarterly meeting with the ARBO services, in FGPE the action plan is discussed in the Health & Safety Committee. Our sales offices have their own emergency plan.

Our KPI's related to the topic of Health & Safety:

Health & Safety indicators	FGPE	HQ	Other	Total
Number of deaths as a result of work related accidents and occupational diseases	0	0	0	**0**
Number of work related accidents	1	0	0	**1**
Percentage of work related accidents	(1/453 × 100)			**0,2%**
Number of registered occupational diseases	0	0	0	**0**
Number of absence days due to work related accidents or occupational diseases	25	190*	0	**82**

Good to know:

- 190* days measure in 2024 for HQ is a result of an accident that happened in 2023.
- Therefore even though no accidents have occurred, still days of absence are calculated.
- The percentage of work related accidents is calculated through the incident rate per 100 employees. In 2023 this % was 0,5%.
- No specific targets have been defined on this topic. We will always strive for zero accidents and occupational diseases.

Balance of work & private life

Favorite Gifts acts in line with all local labor laws and regulations. All staff is entitled to absence for family reasons. Family leave is defined as maternity leave, paternity leave, parental leave and carers' leave.

Balance work versus private life	FGPE	NL	Other	Total	Ratio
Number of staff entitled to leave for family reasons	317	85	51	453	**100%**
Total number of female staff	249	47	27	323	**71%**
Total number of male staff	68	38	24	130	**29%**
Number of staff who used the right of absence	78	8	2	88	**19%**
Number & percentage* of female staff who used right of absence	68	5	1	74	**23%**
Number & percentage* of male staff who used this right of absence	10	2	1	13	**10%**

Good to know:

- The Netherlands is specifically mentioned due to the Dutch laws and regulations, where in previous tables data was related to the Headquarters. Different procedures are in place for different offices, but laws apply nationally.
- All staff is entitled to take absence for family reasons. Specific targets are not relevant as these depend on personal needs or cases.
- Our target is to award all leave related to family, but no specific targets can be set on utilization. The % mentioned in the above table is related to gender.

Incidents on human rights

In 2024 Favorite Gifts introduced the whistleblower software to all our employees. By providing information on this new platform in the Roadshow presentation of the Board in Q1 of 2024, informing all staff via the Favorite Gifts newsletter, by including the platform in an updated version of the WOW books and by including this topic in the anti-corruption training that was provided to all office staff, we feel all employees are informed sufficiently on this grievance mechanism.

Incidents, complaints and severe human rights impacts & incidents	Total
Total number of complaints registered by staff	**1**
Total number of discrimination or human rights incidents related to own staff	**0**
Total number of fines, punishments and damage compensations	**0**
Total value of fines	**€ 0**
Total value of damage compensations	**€ 0**

Good to know:

- Numbers are related to human rights, not to corruption or bribery.
- Besides the numbers of the whistleblower platform, also middle management and HR departments were asked if other notifications were done to them. This was not the case.

Our targets

Of course we strive for a safe working environment, without incidents and complaints on human rights. Every notification is one too many. However, conform Navex Whistleblowing & Incident Management Benchmark report of 2023, in Europe on average 0,5 notifications per 100 employees are done. For Favorite Gifts this would mean 2 – 3 notifications per year. We will monitor if people feel safe enough to report misbehavior. One of our tools for monitoring is our employee satisfaction survey. These results will give the Board the opportunity to take appropriate actions and implement improvements.

2019
Employee Engagement Survey results

2023
Employee Engagement Survey results

Training and education

We believe in the power of growth and development of staff. By investing in skills we build a stronger organization and contribute to the satisfaction of our employees. If they feel valued and see opportunities for personal growth, it reduces stress and mental well-being. Encouraging skill development and internal mobility also helps create a safer place to work, since well-trained people can better handle challenges and lead by example. By investing in the development of our staff, we want to strengthen overall engagement and professionalism. Our employees can read all about it in the Career Development Policy.

We have monitored the number of training hours for 2 consecutive years:

2023
Average number of training hours per employee:
16 hours

2024
Average number of training hours per employee:
13 hours

Though no targets were set for 2024 on the average number of training hours, we continue to stimulate our staff to follow trainings. Study costs are allocated in departmental budgets. Analyzing the data of 2023 and 2024, we have now defined targets for the development of our employees, which we will measure over the year 2025:

Target 1: *The average number of training hours is set on 15 hours per employee.*
Target 2: *100% of staff new staff in HQ or sales offices should be present during an onboarding day in the first 6 months of employment.*
Target 3: *100% of new employees in FGPE is obliged to follow the health and safety training.*
Target 4: *98% of staff should have a job description (2% deviation for new functions or exceptions).*
Target 5: *90% of staff who have the right for a yearly appraisal interview should have one. Benchmark for wholesale / business services is 69% according to https://www.hetfunctioneringsgesprek.nl/).*
Target 6: *An annual budget of 2% of the total pay roll is reserved for training and education for office staff.*
Target 7: *Management and board are trained twice a year on leadership and communication skills and 90% of the group should be present during these trainings.*
Target 8: *For intercompany trainings, for example a product compliance sales training or anti-corruption training, participation targets are set.*

Human rights for workers in our value chain

Given the scope and complexity of our value chain, it is crucial to protect human rights wherever. Creating transparency in our value chain provides the opportunity to identify risks and improve processes to protect human rights. While we may not be able to influence every part of the chain directly, we aim to make a positive impact by purchasing at fair prices, by upholding strong ethical standards within our own operations, and by treating our own people well. We acknowledge our responsibility across the value chain and commit to conducting our business in alignment with internationally recognized standards, including the UN Guiding Principles on Business and Human Rights, and the ILO Core Conventions. All of our commitments are reflected in our Human Rights Policy, which we actively share with our business partners. Specifically this means that we:

- *Strictly prohibit child labour, and forced labour or compulsory labour, human trafficking or slavery across our value chain (including customers and partners).*
- *Respect freedom of association and the right to collective bargaining.*
- *Guarantee safe and healthy working conditions.*
- *Do not tolerate discrimination based on gender, age, origin, religion, or other characteristics and prevent any disciplinary practices related to all worker rights.*
- *Ensure fair wages and reasonable working hours, including non-discriminatory practices which may include but is not limited to (gender) diversity and equal pay or other types of compensation as outlined in our Equal Pay policy.*

We have chosen for a structured approach with our Tier 1 suppliers, by setting up a Supplier Code of conduct (SCOC). In this SCOC we have taken the International Labour Organizations' (ILO) principles as a basis and our suppliers were asked to acknowledge and sign this SCOC.

As a member of amfori BSCI, we are actively engaged in mapping and improving human rights and labor conditions within our upstream supply chain. This membership supports our ongoing efforts to promote ethical sourcing and responsible business practices. It enables us to execute high-quality social audits that help identify, prevent, mitigate, account for and remediate labor risks as well as adverse human rights impacts in our supply chain.

Suppliers – suppliers are our primary point of contact for purchase orders and delivery conditions.

Manufacturers / Factories – though sometimes suppliers also have the role of manufacturer / factories, it can occur that factories are chosen by our supplier. We are always informed on those choices.

Using our certified whistleblower tooling, all employees, suppliers, customers or any other stakeholders have the possibility to provide us with issuews, complaints or other information with regards to human rights or any other topic. This is directly accessible via our website:

https://whistleblowersoftware.com/secure/FLBV.

Supplier Code of Conduct (SCOC)

We started registering the signing of the Code of Conducts via DocuSign eSignature. This digital solution enables electronic signing while meeting the requirements of the eIDAS (electronic Identification, Authentication and trust Services) and is in line with EU regulations.

The base year for measurement is 2024. We monitor progress based on % of products and volume purchased with our overseas suppliers for our stockholding assortment.

For all new suppliers acknowledgement of our SCOC is obligatory. For those refusing to sign the SCOC, a phasing out of purchased products is expected.

amfori BSCI audits

For all items in our stockholding assortment, manufacturers are asked for an amfori BSCI audit result. These results are registered on item and purchase order level in our product compliance platform.

Signed Supplier Code of Conduct	Start 2024	End 2024	2025 target
% of products purchased	**78,4%**	83%	**90%**
% of purchase volume	**68%**	95,9%	**98%**

In 2024 we have worked actively with our suppliers on the signing of the Code of Conduct. For all new suppliers this will become obligatory, for those who refuse to sign a phasing out of the purchased products is expected.

Social audits at our manufacturers based on purchased products	2023	2024	2025 target
% of products sourced from amfori BSCI audited factories	**61%**	54%	**65%**
% of purchase volume purchased at amfori BSCI audited factories	**61%**	59%	**65%**

The percentage in 2024 has slightly decreased compared to 2023 due to an improvement of the data. Whilst in 2023 also factories with an outdated audit were included, in 2024 only valid audits are counted.

Good to know:

- The Supplier Code of Conduct was introduced in 2024 for our non-European suppliers, delivering products for our stockholding Impression assortment. European suppliers will follow in 2025.
- amfori BSCI audits are only done for our overseas non-European suppliers.
- amfori BSCI audits were pre-announced to our manufacturers.

Our targets

In 2025 Favorite Gifts aims to obtain FSC certification. This requires suppliers who adhere to ethical and sustainable working practices for these specific product groups. With European directives and regulations driving demand for such suppliers, we anticipate steady growth in social awareness within our supplier and manufacturer database.

Customers and end users - information on our products and services

We provide information on products and services to our customers and users. We aim to continuously build and maintain trust with them by being an inspiring and responsible partner, by following ethical practices, maintain a high performance levels on our products, services and workforce and by being a social responsible partner. We value customer satisfaction and want to promote promotional products and services that contribute to the social wellbeing of our customers and end users.

Potential wrong information could lead to claims and recalls, in the worst case leading to reputational damage. Therefore we will not make claims on circularity of products if we have no supporting evidence, as was proposed by the Green Claims Directive.

By collecting detailed information on our products and by executing testing of our products (following European laws and regulations as for example but not exclusively the General Product Safety Regulation (GPSR) – (EU) 2023/988, Toy Safety Directive – 2009/48/EC, Food Contact Materials Regulation – (EC) 1935/2004, Packaging and Packaging Waste Directive – 94/62/EC, REACH Regulation – (EC) 1907/2006 and RoHS Directive – 2011/65/EU) and by sharing this with our customers, we communicate transparent and open.

In 2025 we will focus on collecting detailed information on the materials of our products and its packaging, so we can calculate the cradle to gate CO_2 footprint per product.

On our services we have set clear key performance indicators which are monitored monthly by our Board and shared in this section.

We want to take responsibility for the impact we have by keeping it simple. We want to carefully select safe promotional products and align with customer wishes with our assortment. We have the goal of providing the most circular product possible that does not end up as waste. We will select products that contribute to a transparent, climate neutral and circular economy (core value: simplicity).

This part of the report has 2 main topics:

1. Communication on the CO_2 footprint of our stockholding assortment
2. Key performance indicators for our service levels

1. Communication on the CO_2 footprint of our stockholding assortment

Communication on our products (and packing) and used raw materials in order to calculate a CO_2 footprint per product via our Root sustainability platform. This platform follows the ISI14040/14044 standards for the life cycle assessment of products (and ensures compliance with reporting standards such as the GHG protocol). Our data collection process has started at the end of 2024. So no results can be reported yet, however targets were set for 2025:

- For all new items with a market release date in 2025 the CO_2 footprint will be calculated in 2025.
- For 80% of the items with a market release date before 01-01-2025 but still in the active assortment, the CO_2 footprint will be calculated in 2025.
- For discontinued assortment that sells as long as stocks last, proxy settings are used from comparable items.
- For 25 of our bestselling items, an alternative is offered using materials with lower CO_2 emissions (circular materials)

Other targets are available in the chapter Environment (raw materials – resource use and circular economy).

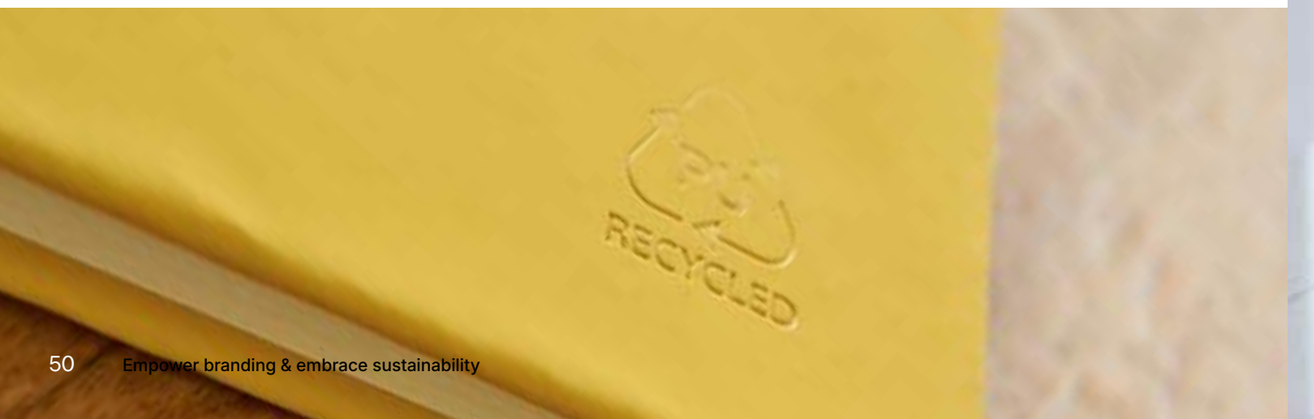
2. Key performance indicators for our service levels

Reliability of deliveries and good availability of our products are at the core of our customer promises. We are committed to ensure timely and reliable deliveries of (printed) promotional products, while maintaining a fair and transparent recall procedure if needed.

Performances	Target	2024	2023
Stock availability of products of the active assortment	98%	95,6%	94,1%
Deliveries with exact quantities as per customer order	95%	96,2%	96,1%
On time shipment of print orders	95%	98,4%	98%
On time shipment of unprinted orders	98%	98,9%	98,8%
% of claims on the quality of our products	< 1%	0,6%	0,6%
% of claims on the logistical services for shipments	< 1%	0,6%	0,7%
% of claims on the print quality of the items	< 1%	1%	0,9%
Number of print proofs before approval to print	1,5	1,37	1,4
3 Hour timeline for creation of a print proof	90%	83%	83,8%
10 - % of accepted claims of our all our orders, including trading orders*	1%	2,2%	2,3%
% of items withdrawn from the market due to safety issues	0%	0,0016	0
Recall actions done in the reporting period	0	2	0

Good to know:

- Service levels and indicators are based on our own imported stockholding Impression assortment. Trading orders are included in target 10, causing a lower overall %. * Trading orders are orders directly purchased with non-European suppliers based on ‘special’ order from our customers, often for similar items as our Impression assortment but with small adjustments or specific customer requests.
- Recall actions were done in November of 2024 for 2 Impression items, limited to specific lot numbers. Customers were informed on the safety risk and requested to return the products on our costs with goods to be credited. On a quantity of 1192 unique purchased products this results in 0,0016%. (International) authorities were informed on the corrective actions as well. Communication on our safety warnings is visible via **www.flbv.eu**



Governance

Favorite Gifts is committed to conduct business fairly, transparently, with integrity and in compliance with applicable laws and regulations of the different jurisdictions it operates in.

We stand in line with the 10th principle of the United Nations Global Compact, which is believing that business should work against corruption in all forms, including extortion and bribery. We want to offer all our stakeholders the opportunity to report misconduct, without the risk of retaliation and via a safe and certified whistleblower channel.

Since corruption is a risk in our business, both upstream and downstream, Favorite Gifts has taken measures to mitigate the risk and minimize the impact.

Tools & Culture

We have incorporated measures into our existing protocols to mitigate the risk of corruption, reflecting our commitment to ethical business conduct. The Board of Directors emphasizes the importance of transparent reporting on our anti-corruption framework. Corruption in any form can result in reputational damage and the undermining of a safe and fair working environment and we want to avoid this wherever. Both internally and externally, everyone connected to Favorite Gifts must feel and be empowered to speak up and report concerns without fear of retaliation.

Within Favorite Gifts we work with a Way Of Working book, which is a toolkit for our staff on how to make the right decisions and take the correct actions. After all we are a diverse group of people and if we want to work like a team and achieve successes, we need to share the same values and goals. In our WOW Book topics such as fair and ethical interaction and trading, appropriate exchange of business gifts and entertainment, how to address fraud, corruption and bribery and how to report misconduct without retaliation are described.

Our anti-bribery, -corruption and -competition policy has been formalized in 2024 and is communicated with all staff via the internal newsletter and roadshow of the board. This policy is also externally available via www. favoritegifts.eu

Our suppliers for our stockholding Impression products (non-European suppliers) were asked to acknowledge and sign the Supplier Code of Conduct, in which we specifically refer to our anti-bribery, -corruption and -competition policy as well.

For the larger part of our customers, via the credit assurance the ethical (payment) behavior is covered as topic of corruption and bribery.

Procedures & speaking up

In February of 2024 a new whistleblower procedure (including a description of how notifications are handled) and whistleblower channel were introduced (both approved by staff) within Favorite Gifts and externally via www.favoritegifts.eu.

Reporting on results to the executive board is done via the reporting option of our whistleblower channel. Our staff and our external stakeholders must feel safe to report misconduct and have no fear of retaliation. Notifications can be done anonymously.

Risk assessment

Within Favorite Gifts a risk assessment was done to map risks on corruption related to different risk owners, the risk controls within Favorite Gifts and the residual risk. Based on this assessment the groups were defined for the 2024 awareness training on anti-corruption, splitting up our staff (those who have a business related email address) in 2 groups; those who are in positions where corruption or inappropriate exchange of gifts or entertainment can occur and those who are not in any corruption risk related functions.

Anti-corruption quiz & training

Since the anti-bribery, -corruption and -competition policy and whistleblower procedure were newly introduced in 2024, the training focused at creating awareness of the new policies & procedures. It was send out via Kahoot to all staff having a business email address, incl. board and management. A new training on anti-bribery, -corruption and -competition policy is planned for 2026.

The result of the first training:

% High-risk positions and executives that participated in the digital anti-corruption training and quiz.

77,5%

% Non-risk functions that participated in the digital anti-corruption training and quiz.

44,2%

Participation anti-corruption training & quiz	2024	Target 2026
For staff possibly encountering corruption or bribery	77,5%	**85%**
All other office staff having business email addresses	44,2%	**70%**

We strive for an ongoing growth in knowledge and awareness on the topic of corruption. 2024 Was a base year for measurement, in the future participation and available knowledge must increase. In 2024 the topic of the training focused on awareness of our policies and procedures. In the next training focus will be on creating a higher level of knowledge.

Other governance targets

In our whistleblower channel, notifications can be done per topic, per location, per severity on different subjects. On the topics of corruption or bribery, no notifications were received in 2024 via our platform or via our CFO. This is in line with the targets of Favorite Gifts.

Performances	Target 2024	Result 2024
The number of convictions and total amount of fines for violations of anti-corruption and bribery laws	**0 / € 0**	**0 / € 0**
The total number and nature of confirmed cases of corruption or bribery by location within the organization and the nature of severity	**0 / € 0**	**0 / € 0**
The number of confirmed incidents where own employees were dismissed or punished for corruption or bribery-related incidents	**0 / € 0**	**0 / € 0**
The number of confirmed incidents in contracts with business partners, resulting in termination or no renewal.	**0 / € 0**	**0 / € 0**

Glossary of definitions, terms and abbreviations

Amfori BSCI — amfori BSCI, short for amfori Business Social Compliance Initiative, provides a recognized methodology for identifying and remediating risks in global supply chains. Favorite Gifts is a member of Amfori BSCI.

Article / Product — In this report, if an item number, article or product is mentioned, it excludes the color configurations. Reporting on products with an amfori BSCI for example is based on the item number, excl. configs.

Assortment — Own imported products – stockholding assortment directly purchased from non-European suppliers and placed on stock in our FGPE warehouse. Also named 'Impression products'.

Orderable products – products purchased from European suppliers that may or may not be placed on stock and are printed by our printing facilities based on request of the customers.

Complete products - Products that are drop shipped from a European suppliers warehouse to a delivery address of our customers. Orders are 1:1 connected to a placed sales order.

Bill of materials — Data file of all components and materials used to manufacture a product, including specifications on weights and packing.

CO2 Footprint — The CO_2 footprint (or carbon footprint) represents the total amount of greenhouse gas emissions, expressed in CO_2 equivalents, that are directly and indirectly generated by our organization's activities. This includes emissions from energy use, transportation, production processes, and our supply chain. The CO_2 footprint is a key indicator of our climate impact and forms the basis for setting reduction targets and implementing improvement measures.

Core Value — The guiding principles in our organizations culture, decisions and behavior. Speed + Simplicity + Fun = Success!

CSRD — Corporate Sustainability Reporting Directive

Double materiality assessment — CSRD required Favorite Gifts to report on how the conducted business of Favorite Gifts impacts its surroundings and (inside out) and hoe these sustainable topics from outside have influence on Favorite Gifts. It includes 2 elements; impact (positive & negative) materiality and financial (risks and opportunities) materiality.

ESG — Environment – Social – Governance

ESRS — European Sustainability Reporting Standards

Favorite Gifts — Where Favorite Gifts is mentioned in this report, it includes all of its entities: Favorite Gifts BV, FL BV, Favorite Gifts Print Europe Sp. Z O.o., A. van Helden Relatiegeschenken BV, Van Helden Relatiegeschenken BV, Van Heijster Relatiegeschenken BV, EuroGifts Belgium NV, EuroGifts France SAS, Giving Europe BV, Giving Europe GmbH, Giving Europe France SARL, Giving Europe Italia SL, Giving Europe Iberia SRL. unless specifically stated.

GHG Protocol — Greenhouse Gas Protocol – a comprehensive international standard for accounting and reporting on Greenhouse gas emissions

GHG Emissions — Greenhouse Gas emissions refer to the release of gases in to the atmosphere. Split up in Scope 1, 2 and 3 emissions.

GreenbyBlue — GreenbyBlue is a sustainability platform that consults Favorite Gifts in the setting and reporting of a sustainability strategy and targets.

Grievance mechanism — Procedure in which misconduct, misbehavior or unsafe working conditions can be reported by and about all stakeholders of Favorite Gifts and its subsidiaries.

ILO — International Labour Organization

Kahoot! — Game based learning platform that allow users to create and participate in interactive quizzes and surveys.

KPI — Key Performance Indicators

Material themes — Material themes (topics) are those topics that are significant to an organization and its stakeholders because they have a major impact on business performance, value creation and decision making. It helps focusing on key priorities and report on the issues that matter most to our stakeholders.

Purchase value
If purchase value of the total purchase is mentioned the definition is as follows: all purchase orders with receipt date of orders in our FGPE warehouse between 01-01 and 31-12 in €.

Recall items
An item that is withdrawn (recalled) from the market due to safety issues or defects. Complaints on items related to quality or print are not included in this definition.

Root Sustainability Platform
This platform follows the ISI14040/14044 standards for the life cycle assessment of products (and ensures compliance with reporting standards such as the GHG protocol).

SCOC
Supplier Code of Conduct

Scope 1 emissions
Direct greenhouse gas emissions from sources that are owned or controlled by the organization, such as emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc. For Favorite Gifts this includes the fuel tank at FGPE, all company vehicles and the fugitive emissions due to the usage of air conditionings and heating by gas.

Scope 2 emissions
Indirect greenhouse gas emissions from the consumption of purchased electricity, steam, heating, and cooling that is generated upstream from the organization. For Favorite Gifts this includes purchased electricity and the cooling water used in FGPE.

Scope 3 emissions
These are emissions that occur in the value chain of Favorite Gifts, including both upstream and downstream emissions. These are a consequence of Favorite Gifts activities, but occur from sources not directly controlled or owned by Favorite Gifts. Examples are the emissions from purchased goods and services, business travel, employee commuting, waste disposal and transportation and distribution of products.

Stakeholder
Stakeholders are people or parties – organizations that have an interest and/or position in relation to Favorite Gifts.

Supplier
non-European (overseas)suppliers – Favorite Gifts orders its own imported products with label Impression with overseas, mainly Chinese suppliers. These suppliers function as agents; they purchase the products from a variety of manufacturers.

European supplier – Orderable products or complete products are purchase from European suppliers. Products are either manufactured in Europe are hold in stock in European warehouses.

United Nations Global Compact Netherlands
United Nations Global Compact Netherlands is a global initiative that supports companies in sustainable business practices. Favorite Gifts joined the United Nations Global Compact Netherlands in 2024.

United Nations Sustainable Development Goals
The United Nations Sustainable Development Goals (SDGs) are a set of 17 global goals adopted in 2015 as part of the 2030 Agenda for Sustainable Development. They aim to end poverty, protect the planet, and ensure peace and prosperity for all by promoting social, environmental, and economic sustainability.

Waste
Waste in CSRD reporting for Favorite Gifts is waste as a result of the rejection of our (printed) products, packaging waste, waste as a result of the printing of our products and daily waste in our headquarters and FGPE. Other offices have no metrics in place.

Way of working
A toolkit for our staff on how to make the right decisions and take correct actions, more or less an internally used code of conduct.

Whistleblower channel
https://whistleblowersoftware.com/secure/FLBV
Procedure in which misconduct, misbehavior or unsafe working conditions can be reported by and about all stakeholders of Favorite Gifts and its subsidiaries. ISO27001 certified.

Together for a brighter tomorrow.

Appendix 1

Basis for preparation of the Favorite Gifts Sustainability Report 'Empower branding & embrace sustainabiliy'.

This sustainability report of Favorite Gifts has been prepared for the reporting year 2024 (publication year 2025) and covers the period from 1 January to 31 December 2024. All subsidiaries of Favorite Gifts are included in the reporting scope, consistent with our consolidated financial statements. No entities have been excluded unless specifically mentioned.

The EU Accounting Directive (2013/34/EU) (as amended by the CSRD) requires large companies, among others, to include, in a dedicated section of their management report, the information necessary to understand the entity's impacts on sustainability matters and how sustainability matters affect the Company's development, performance and position. During 2025 the European Commission presented the Omnibus package which proposes amendments to the CSRD that would exclude Favorite Gifts from this requirement. At Favorite Gifts we however believe that reporting on how we manage the impacts on sustainability matters helps us to improve. We identified our material impacts before the Omnibus package was allowed and decided to continue our reporting efforts. We used the advice of the EC's Omnibus package and prepare our report in line with the Voluntary Standards for SMEs (VSME). This standard is specifically designed to support small and medium-sized enterprises in reporting systematically and transparently on sustainability matters, without the full complexity of the ESRS (the standards under the CSRD). For this report, the Basic Module (B1–B11) has been applied. In line with the VSME approach, certain "if applicable" disclosures have not been reported because they were assessed as not material to our activities; these are listed in the appendix.

In addition, we have voluntarily applied selected elements of the European Sustainability Reporting Standards (ESRS), particularly ESRS 2 - General Disclosures to determine material sustainability matters. Several topical standards related to these material sustainability maters have also been partially adopted:

- E1 - Climate Change (incl. use of energy)
- E5 - Resource Use and Circular Economy
- S1 - Own Workforce
- S2 - Workers in the Value Chain
- S4 - Consumers and End-users
- G1 - Business Conduct

This combined approach enables us to enhance the comparability, transparency, and future readiness of our disclosures. A detailed cross-reference table mapping the reported themes to both the VSME and ESRS standards is included in the appendix.

In preparing this report, the following reporting principles have been applied:

- Relevance and materiality. Only topics assessed as material for both Favorite Gifts and our stakeholders are reported.
- Completeness. All material topics, related policies, risks, actions, and KPIs are disclosed within the defined scope and period.
- Reliability and accuracy. Data has been collected from internal HR and ERP systems, the Root® LCA platform (ISO14040/14044 certified), and external data sources where available. Where estimates or assumptions were applied, these are explicitly disclosed at topic level.
- Consistency and comparability. Methodologies are applied consistently to allow meaningful year-on-year comparisons. Where data from prior years was available (e.g., energy use, workforce statistics), this is presented alongside 2024 figures.
- Transparency. Data limitations, uncertainties, or exclusions are openly disclosed. No relevant sustainability information has been withheld for reasons of confidentiality or competitive sensitivity.

This report is published on a voluntary basis and has not been subject to external assurance. The reporting process was coordinated by the Sustainability & Compliance Manager and validated by the Board of Directors of Favorite Gifts. In line with our continuous improvement approach, we aim to further enhance data quality and governance, and we will consider engaging external assurance in the future as reporting maturity increases.

Report - section			VSME / ESRS disclosures		
Chapter	Indicator	Page No.	VSME - Standard	VSME Paragraph	ESRS - Standard
Sustainability Strategy	Foundations of this report	10			ESRS 2
Roadmap to our reporting themes & strategies	Double Materiality Assess-ment (DMA)	14			ESRS 2
Environmental Strategy	Climate Change and adaptation	26	B3 - Energy and greenhouse gas emissions	27	
Environmental Strategy	Raw materials - resource use and circular economy	29	B7 - Resource use, circular economy and waste management	29	
Social Strategy	Own workforce	33	B8 - Workforce - General characteristics	34, 35	
Social Strategy	Training and education	44	B10 - Workforce - Remuneration, collective bargaining and training	36-39, 44, 45	
Social Strategy	Health, safety and vitality	41	B9 - Health and safety	41	
Social Strategy	Balance of work & private life	42	B9 - Health and safety		ESRS S1-14
Social Strategy	Incidents on human rights	42	B9 - Health and safety		ESRS S1-17
Social Strategy	Workers in the value chain	46	B9 - Health and safety		ESRS S2
Social Strategy	Consumers and end users	48	B9 - Health and safety		ESRS S4
Governance	Anti-corruption quiz & training	54	B11 - Convictions and fines for corrup-tion and bribery	55	

Appendix 2
Process of identification of material sustainability IRO's including our stakeholder engagement

Step 1: Identifying, selecting, and engaging stakeholders

During a brainstorming session with the internal CSRD Project team — comprising the Board, QHSE Manager, and Sustainability & Compliance Manager— and external consultant, we reviewed the full list of Favorite Gifts' stakeholders. This long list was narrowed down to those stakeholders who either have the most influence on Favorite Gifts or are most affected by our operations. As a result, key stakeholder groups were identified, including customers from both direct and indirect sales channels, European and non-European product suppliers, and colleagues across various offices and functions. We are committed to maintaining an open dialogue with our stakeholders.

Stakeholders were surveyed or interviewed to share their perspectives on the 26 sustainability topics of the ISO26000 list. These topics were pre-clustered into five main categories: environment, human rights, employment, consumer, and governance. Within each cluster stakeholders were asked to rank the importance of each theme in relation to its relevance to Favorite Gifts, using a three-point scale: very important, important, or not important. They were also invited to of each theme in relation to its relevance to Favorite Gifts, using a three-point scale: very important, important, or not important.

This engagement resulted in a list of potential material sustainability topics from our stakeholders which was shared with the Board of Directors.

Step 2: Compiling an overview of potential sustainability topics

The same list of 26 topics, including their clustering, was also reviewed by the Favorite Gifts CSRD Project team. This internal assessment likewise resulted in a list of potential material sustainability topics.

Step 3: Defining impacts, risks, and opportunities

The 3rd step in our DMA was defining the impacts, risks and opportunities on the longlist of sustainability topics. These impacts can be positive or negative, actual or potential and occur on different parts of our value chain.

Step 4: Assessing sustainability impacts (impact materiality)

Once these were defined, the actual assessment on impacts was done. For negative impacts, severity was assessed on the basis of scale and scope and on whether the impact is reversible or irreversible. For positive impacts, the assessment was done on the basis of scale and scope and the likelihood of the impact. The result is the overall impact score per topic.

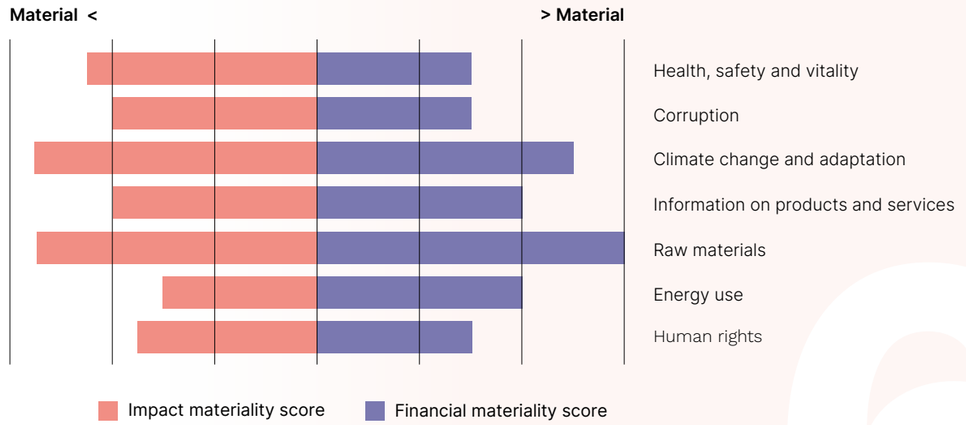
Step 5: Assessing financial impacts (financial materiality)

To constitute a DMA, the financial risks and opportunities of sustainability topics were also assessed. We value whether each topic is a risk or an opportunity, evaluated its likelihood, scale and financial effect. The result is the overall financial impact score per topic.

Step 6: Ranking material topics

Once the impacts, risks, and opportunities have been assessed, a ranking of their positive and negative significance is compiled for the identified sustainability topics. To determine materiality, a threshold was set: themes scoring below 1.5 in both impact and financial materiality were deemed non-material. As a result, seven topics were identified as material:

Double materiality assessment



Step 7: Integrating material topics into strategy

The outcome of the DMA was validated by the board of Favorite Gifts and used to establish the strategic priorities for the coming years. For each identified material topic, we will communicate transparently about the strategic actions taken to address our ESG impacts. We have defined relevant policies, implemented action plans, and, where possible, will measure and report on key performance indicators (KPIs).

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