

# MATERIALITY ASSESSMENT REPORT

## Report Overview






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This is our first biennial Materiality Assessment Report, created to ensure we prioritise issues with the greatest impact on our business, communities and the environment, and those that matter most to our stakeholders.

We have gathered data from our Materiality Assessment Questionnaire, an anonymous questionnaire, open to all stakeholders inside and outside of our business. This data was then reviewed with our Board in order to shape the agenda for the business over the next two years.

This report summarises our findings from the questionnaire and lays out our key focus areas.

Key sections of this report include:

Company Profile	Report Highlights	Questionnaire Results	Strategy & Outcomes	Conclusion
				

# Company Profile

## HECTIC HANDLING GREAT BRANDS

### Who We Are

Hectic Europe is brand incubator.

What does that mean? We offer operational support, distribution and sales for brands within the EMEA region.

We aren't directly involved in the product design and manufacturing process for the brands that we work with, but we partner with brands for their delivery to market.

### Our Mission & Values

*Incubating brands responsibly. Delivering tailored & socially responsible business solutions across EMEA for wholesale, retail, e-commerce, and marketplaces. Committed to driving impactful climate action.*

Being exceptional at handling great brands	Integrity in our actions	Socially and environmentally aware
		
Fostering great relationships operational excellence and incubating brands for growth	Acting ethically and transparently in our dealings and prioritising doing the right thing where possible	In the development of processes and structures that meet the needs of our brands in the EMEA community

Our mission and values are key to how we operate, how we have conducted our materiality assessment questionnaire and to how we form our strategy for the next two years.

## What We Do

We aim to provide bespoke services to both emerging and established brands looking to accelerate their EMEA business within traditional wholesale distribution channels, DTC eCommerce, retail and marketplaces.

<p><b>Logistics</b></p>	<p><b>Sales &amp; Marketing</b></p>	<p><b>DTC</b></p>
		
<p><b>Customer service &amp; credit control</b></p>	<p><b>Subsidiary set up &amp; management</b></p>	<p><b>Brand management</b></p>
		
<p><b>Complete back of house administration</b></p>	<p><b>Financial management &amp; reporting</b></p>	
		

## Our Stakeholders

Our stakeholders range from our Board and employees, our clients (the Hectic brands that we work with), suppliers and contractors, customers of the Hectic brands, the local community and those that work in a similar industry.

# Report Highlights

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The top priorities selected by stakeholders, when looking at responses from our materiality assessment questionnaire collectively are:



**Resource management**  
(Social & environmental issues)



**Mental wellbeing**  
(Welfare of Hectic workers)



**Utilising sustainable packaging & reuse of packaging**  
(How we work with our brands)



**Championing local businesses**  
(Supporting local communities)

- The top priority across all Hectic stakeholders is **resource management**. With **77% of all stakeholders in our questionnaire selecting this as their first or second choice** on the topic of social and environmental issues facing our industry.

*Examples of resource management include recycling or reuse of materials or products, reduction of fast fashion, packaging, waste management & safe disposal.*

- Closely following resource management, **mental wellbeing, utilising sustainable packaging & reuse of packaging where possible, and championing local businesses** are the equal second most important priority across all stakeholders in our questionnaire. **69% of all stakeholders in our questionnaire selected this as their first or second choice** on the topic of welfare of Hectic workers.

*Mental wellbeing means championing mental wellbeing within the business, including good & consistent work/life balance.*

*Examples of championing local businesses includes using local suppliers for consumables & services where possible.*

The top priorities selected by Hectic employees and Board members from our materiality assessment questionnaire are:



### **Resource management**

(Social & environmental issues)



### **Mental wellbeing**

(Welfare of Hectic workers)



### **Utilising sustainable packaging & reuse of packaging**

(How we work with our brands)

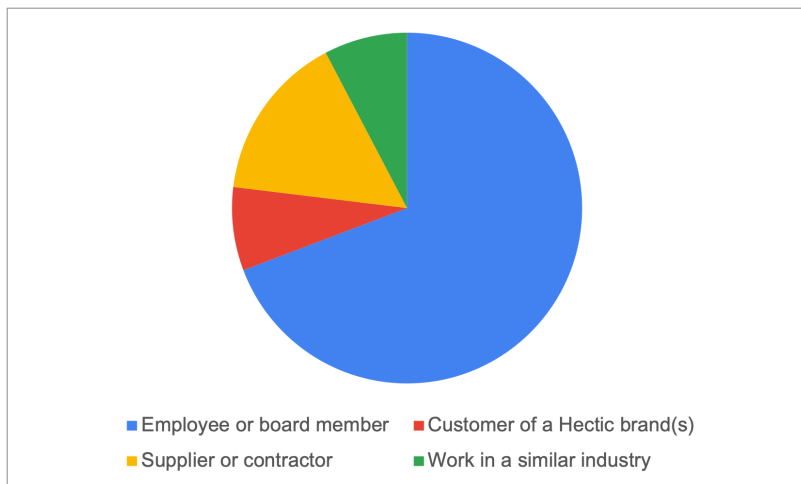
- Resource management, mental wellbeing and **utilising sustainable packaging & reuse of packaging where possible**, come out as equal top priorities for Hectic employees and Board members.

# Questionnaire results

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We have broken down the results from each question in our materiality assessment questionnaire.

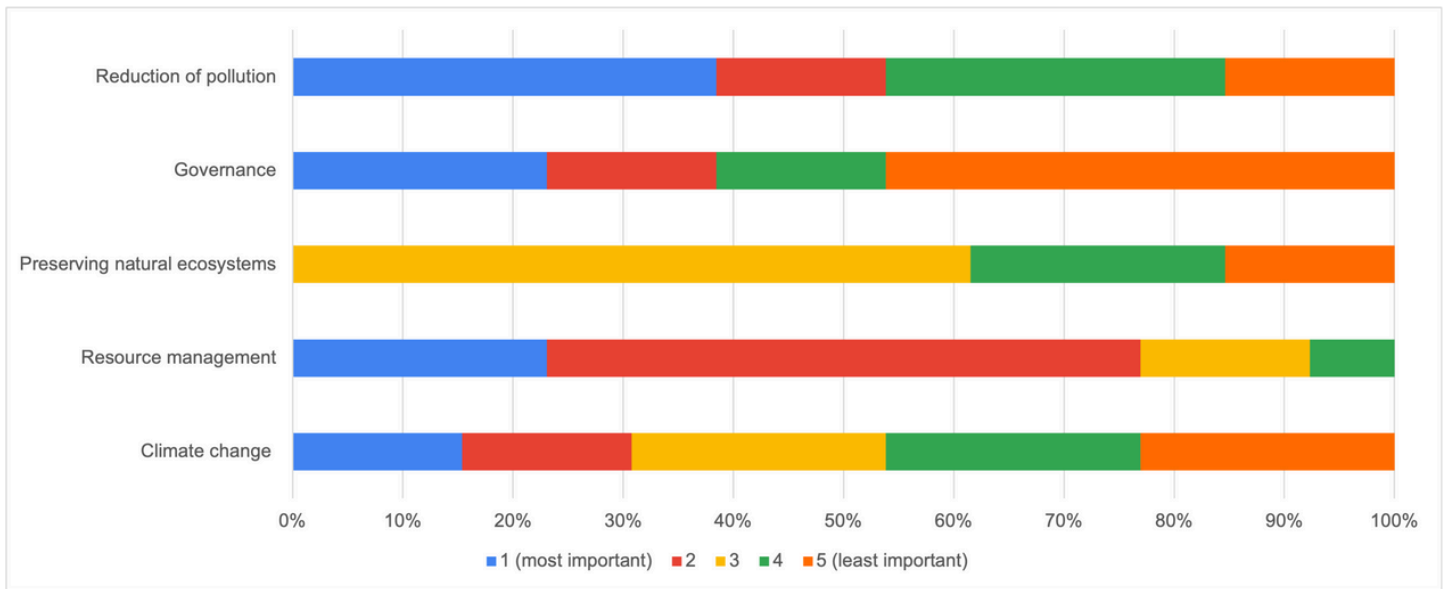
## Split of respondents by stakeholder type



## What do you think are the most important social & environmental issues that wholesale and eCommerce brands face?

The options explained:

- **Reduction of pollution**- reduction of harmful chemical use, reduction of air, microfibres, wastewater & product end of life pollution
- **Governance**- adherence to legislation around sustainability initiatives, transparency, sustainable certifications or validations
- **Preserving natural ecosystems**- prevent biodiversity loss, deforestation, regenerating natural ecosystems
- **Resource management**- recycling or reuse of materials or products, reduction of fast fashion, packaging, waste management & safe disposal
- **Climate change**- reducing greenhouse gas emissions, mitigation of effects of climate change, monitoring carbon footprints, shipping & supply chains



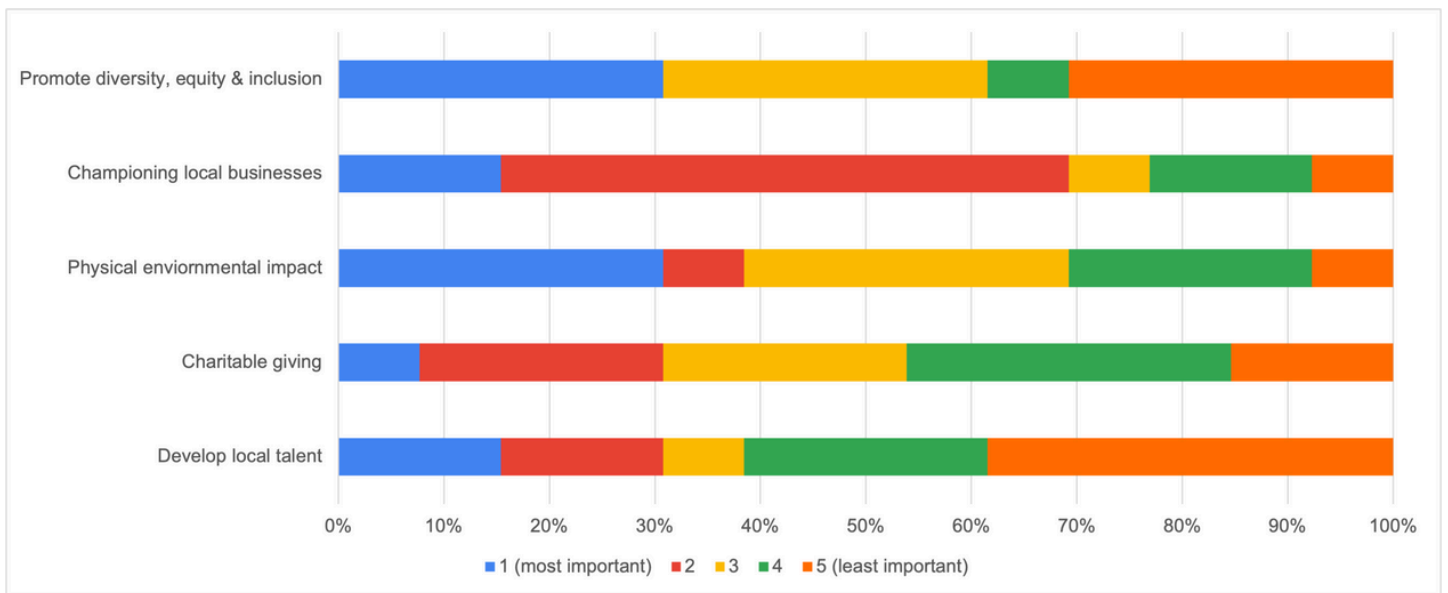
We can clearly see that resource management is the top priority from this question, with 77% of respondents selecting it as their first or second choice. It shows as significantly more important than any other option in this question and is the top priority across the whole questionnaire results.

Preserving natural ecosystems is the lowest priority from this question with no respondents selecting this option as their first or second choice.

## What do you think that Hectic should do more of to support the communities that we operate in?

The options explained:

- **Promote diversity, equity & inclusion-** working with charities/partners for supporting minority workforce, working with certifications/groups to provide fair & equitable employment, reviewing diversity of supply chain
- **Championing local businesses-** using local suppliers for consumables & services where possible
- **Physical environmental impact-** reduction of office emissions, travel to office, meetings, events etc
- **Charitable giving-** working with charities & organisations to support the communities that we work in
- **Develop local talent-** local job creation, partnering with local universities, public events



The results clearly show that championing local businesses is the top priority from this question, with 69% of respondents selecting it as their first or second choice. It shows as significantly more important than any other option in this question and is the equal second most important priority across the whole questionnaire results.

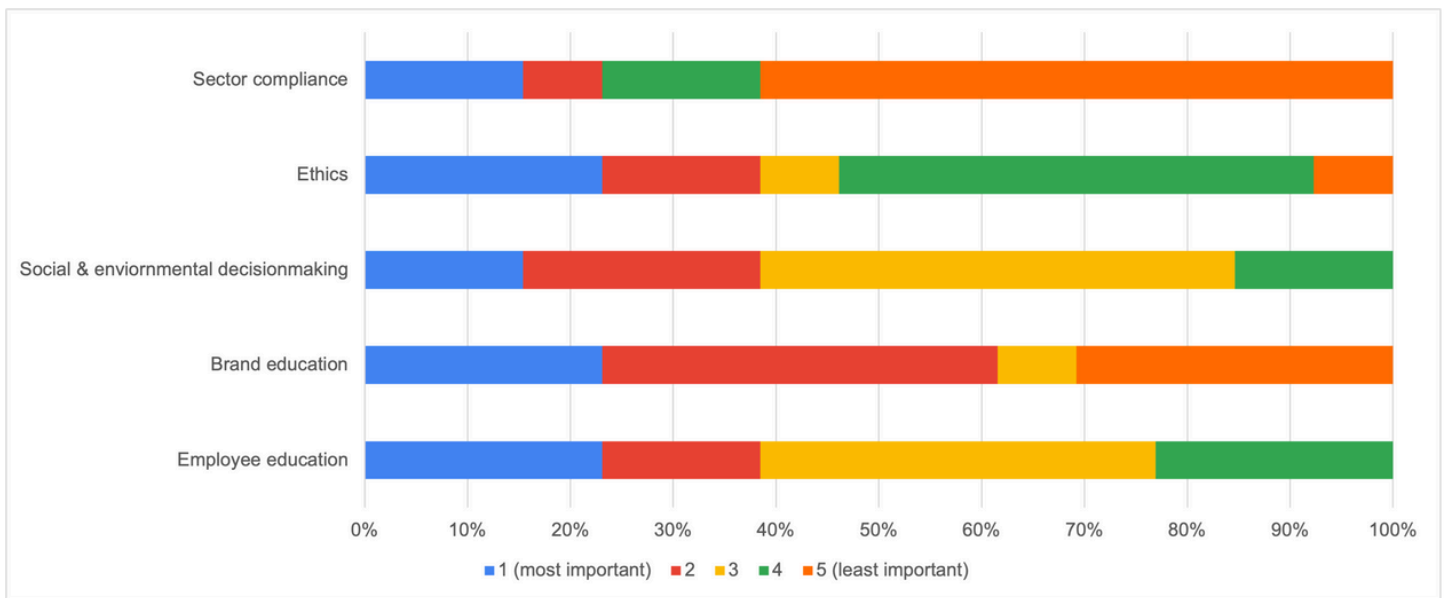
Charitable giving and develop local talent are the equal lowest priorities from this question with only 31% of all respondents selecting this as their first or second choice.

## What can Hectic do as a business to support the social & environmental agenda?

The options explained:

- **Sector compliance-** ensure compliance with local laws, GDPR, accreditations & European CSR
- **Ethics-** upholding an ethics policy that stakeholders must abide to, enabling the highest level of ethics across our operations & suppliers
- **Social & environmental decision making-** ensuring that it is at the forefront of our decision making, impact reporting & brand decision making
- **Brand education-** encourage brands to tackle their impact & why they are important, whilst maintaining brand longevity
- **Employee education-** employee training on how they can make a positive impact here, which in turn can help educate our brands

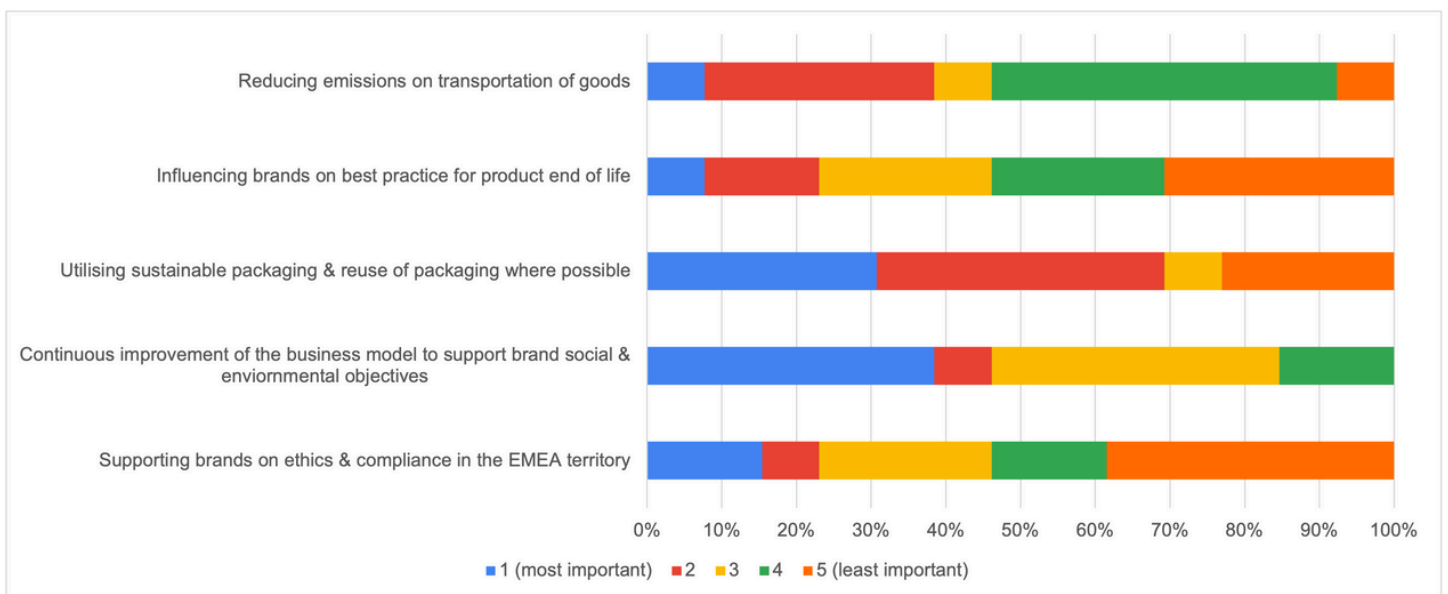




The top priority in this section is brand education with over 60% of respondents selecting it as their first or second choice. It shows as more important than any other option in this question.

Sector compliance is the lowest priority from this question with only 23% of all respondents selecting this as their first or second choice and over 60% selecting this as their least important option.

## How can Hectic work with our brands to have the most impact on social & environmental factors?



The results clearly show that utilising sustainable packaging & reuse of packaging where possible is the top priority from this question, with 69% of respondents selecting it as their first or second choice. It shows as significantly more important than any other option in this question and is the equal second most important priority across the whole questionnaire results.

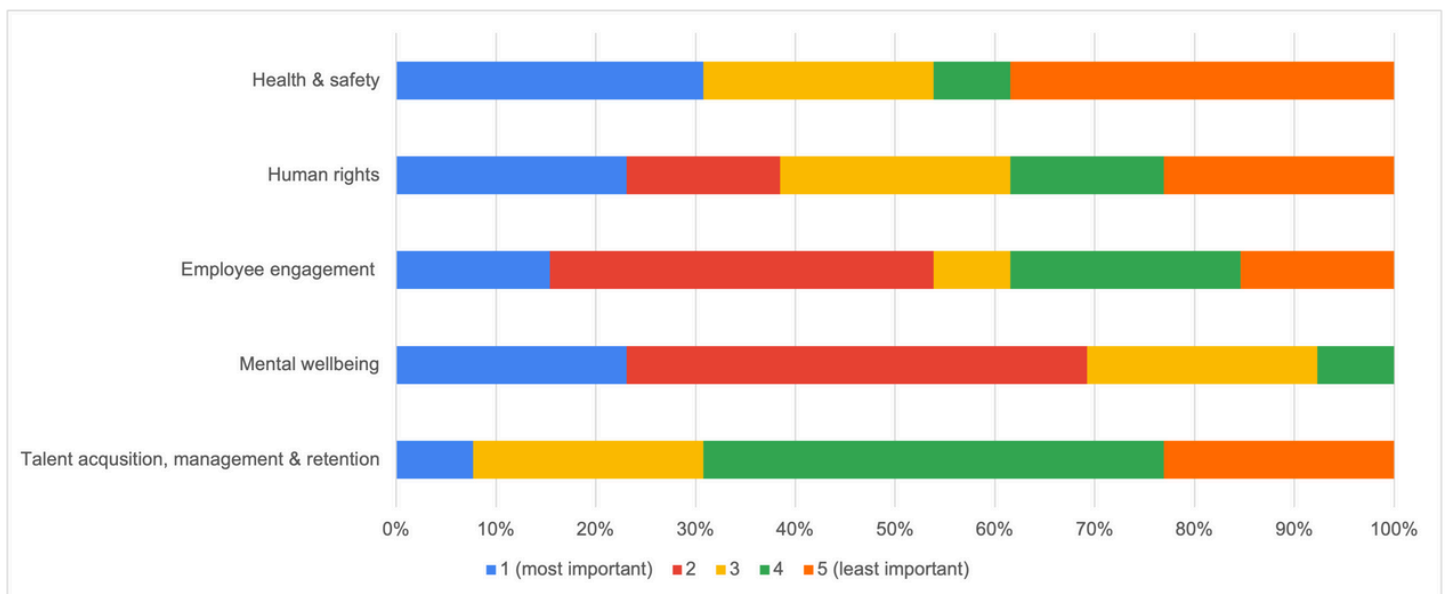
Supporting brands on ethics & compliance in the EMEA territory is the lowest priority from this question with 23% of all respondents selecting this as their first or second choice.

# What is important to maintain welfare of Hectic workers?

## *This also includes 3rd party & affiliate workers*

The options explained:

- **Healthy & safety-** adherence to the highest of H&S standards
- **Human rights-** diversity, equity & inclusion, legislative compliance, best practice globally
- **Employee Engagement-** employee experience satisfaction, culture affinity, involvement in decision making processes
- **Mental wellbeing-** championing mental wellbeing within the business, including good & consistent work/life balance
- **Talent acquisition, management & retention-** fair & consistent management, fair recruitment, progression & job satisfaction



The top priority from this question is mental wellbeing, with 69% of respondents selecting it as their first or second choice. It shows as more important than any other option in this question and is the equal second most important priority across the whole questionnaire results.

Talent acquisition, management & retention is the lowest priority from this question with 8% of all respondents selecting this as their first or second choice.

# Strategy & Outcomes

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We are using the results from our questionnaire to help us form our strategy for the next two years. Having stakeholder input to help us shape our future is key to our growth as a business.

We will be focusing on the areas that are most important to our stakeholders as part of our overall business strategy. These areas are:

- Resource management
- Mental wellbeing
- Utilising sustainable packaging & re-use of packaging where possible
- Championing local businesses

Below we have broken down our strategy further based on each topic area and have looked at what we would like to achieve over the next two year period.

## Resource management

- Review and continue to improve our Environmental Management System with employee involvement
- Ensure re-use of packaging within our warehouse & using sustainable packaging- see section below for further information
- Working with brands for sustainable ways to manage product end of life
- Ensure that all staff are receiving training on waste management- both in our warehouses and offices

## Mental wellbeing

- Accessible on-demand coaching from Mental Health first aider
- Monitor staff holiday usage throughout each year to ensure that all staff are taking their full holiday entitlement
- Ensure all staff receive annual mental health training
- Monitor stress levels through a bi-annual stress survey and take action as appropriate
- Conduct quarterly drop-in sessions with employees to ensure staff have a safe space to discuss topics that may be causing stress and take action from this as appropriate

## Utilising sustainable packaging & re-use of packaging where possible

- Re-use all cardboard packaging in the warehouse of shipments in, where possible, to use to ship out orders
- Source and use sustainable packaging where re-use not possible

## Championing local businesses

- Set up and use supplier criteria to work with local suppliers where possible
- Linking with local not for profits or charities to donate excess stock

# Conclusion

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We have successfully undertaken our first materiality assessment questionnaire, which has enabled us to set our strategy for the next two years on the areas that are most important to our stakeholders. We will run our next questionnaire in 2026, review our progress and share our insights in our next report.

Thank you to all of our stakeholders that contributed to the questionnaire. Your feedback is invaluable to helping us to prioritise issues of importance and shape our future agenda.

# Get in Touch

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For feedback, partnerships, or further information, please feel free to contact us using the contact details below.

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