CALIDA GROUP

Environmental
Social and Governance Report
2023

Contents

Products designed to be bought with a clear conscience.

Dear Readers,

Since its foundation, CALIDA GROUP has developed resource-friendly products with the aim of offering customers a range of highly innovative quality products that can be bought with a clear conscience and good feeling. CALIDA GROUP's management decisions are based on innovation, longevity, recyclability as well as a stable supply chain.

In 2023, CALIDA GROUP carried out another risk assessment, introduced an updated code of conduct including a general statement of business ethics and anti-corruption philosophy, continued to invest in renewable energy sources and worked on the optimization of products and packaging.

In addition, the second corporate carbon footprint was calculated. Missing categories were integrated, and data precision optimized to improve accuracy. Moreover, CALIDA GROUP's main textile brands CALIDA and AUBADE continued to implement traceability and life-cycle assessment tools to improve transparency along the value chain and to identify CO_2 emission drivers where most relevant.

Over the next few years, CALIDA GROUP will focus on recyclability, longevity, eco-design, traceability, implementation of social guidelines and standards as well as the reduction of CALIDA GROUP's overall carbon footprint.

This year's report intends to provide you with a good, concise, and easy-to-understand overview of CALIDA GROUP's developments and achievements in 2023.

Felix Sulzberger
CEO

Daniel Gemperle
COO

in brief

→ The desire to offer customers innovative products that can be purchased with a clear conscience and a good feeling has accompanied CALIDA GROUP since its foundation.

→ This report provides an overview of how CALIDA GROUP has developed in terms of sustainability over the past year and what milestones have been achieved.

→ CALIDA GROUP will continue to focus on manufacturing recyclable, long-lasting and eco-designed products whose footprints can be traced.

About this report

The reporting period is the entire year 2023: 01.01.2023 – 31.12.2023. The next publication date is scheduled for the beginning of 2025.

CALIDA GROUP's 2023 ESG Report is based on the following reporting standards:

• ESRS Standards E1-5.1, E1-5.8, E1-5.11, E1-6 (6.1-6.5)
• GRI Standard Reporting Standard
• In reference with Art. 964a et seq. Swiss Code of Obligations

All GRI disclosures and indicators are included. A reason of omission is provided for all indicators where no information can be provided. The full set of data can be found under Appendix 1 "GRI Content Index", Appendix 2 "Table: GRI Indicators" and Appendix 3 "Table: ESRS Standards".

CALIDA GROUP's ESG Report follows the principles of:

• Stakeholder Inclusiveness
• Sustainability Context
• Materiality and Completeness

Historical data was adapted retrospectively to reflect all changes made in 2023.

In the ESG report, "local" is defined as the main countries of CALIDA GROUP's own-operated businesses: France, Germany, Hungary, Switzerland, Romania and Tunisia.

Discrepancies between the Corporate Governance and Annual Report may occur. Thresholds and definitions are set differently. CALIDA GROUP's 2023 ESG Report shows full data for all legal entities only for general data. ESG data only includes information for the legal entities of CALIDA, AUBADE, LAFUMA MOBILIER and corporate functions. COSABELLA is still excluded from the 2023 ESG Report due to the ongoing onboarding process. ERLICH TEXTIL was excluded as it was sold in 2023.

Changes 2023

• The ERLICH TEXTIL brand was sold in October 2023
• The SHERPA logistics centre was fully integrated into the LAFUMA MOBILIER brand
• The REICH ONLINE SOLUTIONS centre of excellence was renamed as CALIDA GROUP Digital GmbH and fully integrated into the CALIDA brand organisation
• The headquarters of CALIDA GROUP Digital GmbH was relocated to Brückmühl, Germany in November 2023
• Business operations via the multilabel platform onmyskin were discontinued as per 31st December 2023

In case of any questions or feedback related to this report, please reach out to socialresponsibility@calidagroup.com

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Calida Group   Brands

CALIDA Holding AG – referred to here as CALIDA GROUP – is a global provider of premium lingerie, underwear, nightwear, loungewear, home textiles and outdoor products listed on the SIX Swiss Exchange in Zurich.
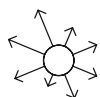
304
net sales in mCHF

137
Stores including outlet

5
head-quarters

4
own distribution centers

6
own production sites

29
operating countries

2484
employees

CALIDA

CALIDA has stood for Swiss quality, sustainability, comfort, and innovation for over 80 years. CALIDA's mission is to produce sustainable products offering a perfect fit. Unique products are designed to be worn with pleasure and are tailored to fit each individual taste and need. All CALIDA products are developed in Sursee, Switzerland.

Aubade
PARIS

AUBADE has been the leader and pioneer in high-quality lingerie and French seduction for over 60 years. AUBADE's vision is to make a woman feel self-confident, beautiful, and seductive in a Parisian style every day. AUBADE stands for superior quality and long-lasting designs, having gained its reputation by using only the finest and exclusive calais laces and guipure and Swiss embroideries.
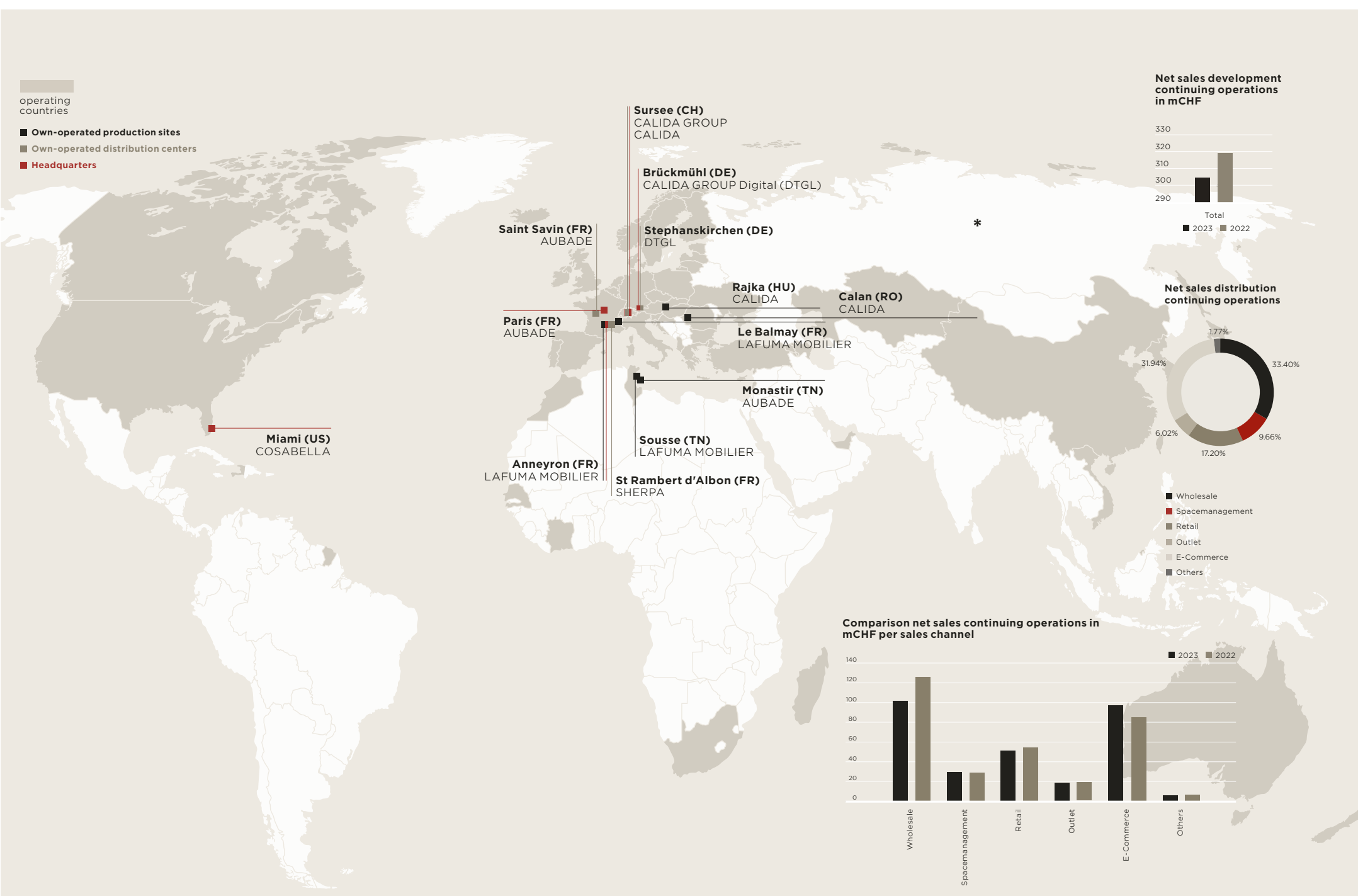
Lafuma
MOBILIER

LAFUMA MOBILIER designs, develops, and manufactures outdoor furniture with the goal of accompanying people in every moment of relaxation – at home or outside in nature. LAFUMA MOBILIER has been enhancing and refining its unique expertise for 70 years, putting its wealth of experience at the service of well-being, naturally considered sustainability and environmental aspects.

COSABELLA

COSABELLA is a luxury intimates and loungewear brand designed for everyone. The brand offers various styles for all body forms focusing on diversity and inclusion. Since 1983, COSABELLA's trendsetting American designs have been a must-have for celebrities and stylists alike. The brand's philosophy is rooted in exceptional fit, quality, and Italian heritage.

For more information about the individual brands, their sustainability approaches and achievements, please refer to the corresponding brand webpages.

Net sales development continuing operations in mCHF

330
320
310
300
290

Total

■ 2023 ■ 2022

Net sales distribution continuing operations

1.77%
33.40%
9.66%
17.20%
6.02%
31.94%

■ Wholesale
■ Spacemanagement
■ Retail
■ Outlet
■ E-Commerce
■ Others

operating countries

■ Own-operated production sites
■ Own-operated distribution centers
■ **Headquarters**

Sursee (CH)
CALIDA GROUP
CALIDA

Brückmühl (DE)
CALIDA GROUP Digital (DTGL)

Saint Savin (FR)
AUBADE

Stephanskirchen (DE)
DTGL

Rajka (HU)
CALIDA

Calan (RO)
CALIDA

Paris (FR)
AUBADE

Le Balmay (FR)
LAFUMA MOBILIER

Monastir (TN)
AUBADE

Sousse (TN)
LAFUMA MOBILIER

Anneyron (FR)
LAFUMA MOBILIER

St Rambert d'Albon (FR)
SHERPA

Miami (US)
COSABELLA

Comparison net sales continuing operations in mCHF per sales channel

■ 2023 ■ 2022

140
120
100
80
60
40
20
0

Wholesale
Spacemanagement
Retail
Outlet
E-Commerce
Others

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6

For more information regarding economic data and therefore impacts in alignment with the GRI indicator section 200, please refer to CALIDA GROUP's "Annual Report 2023".

Figures include all brands and legal entities including COSABELLA but excluding ERLICH TEXTIL

Highlights 2023

CALIDA

CLEAN-UP DAY 2023

In collaboration with the Interest Group for a Clean Environment (IGSU), CALIDA took part in the Swiss-wide Clean-Up Day for the first time in 2023. True to the mission "Quality in every moment starts with you", a voluntary CALIDA team consisting of employees from all departments and functions cleaned up litter in the Sursee and Oberkirch (Lucerne) area and ensured that the company's home region became a little cleaner and more beautiful.
A joint statement was made against littering, helping to create a cleaner and healthier future for the community.

SMALL BAG. BIG DIFFERENCE.

In 2023, CALIDA developed a sustainable and environmentally friendly sleepwear packaging made from 100% recycled PET. The new packaging sets new standards in the industry and combines quality, sustainability and aesthetics. Designed in the form of a laundry bag, the new packaging cannot only be used as a laundry but also, among other things, as a vegetable or travel bag. The new nightwear packaging is intended to be 100% reusable and to protect the high-quality materials from shipping to washing. The cardboard used for the inlay and the sleeve is FSC[1]-certified.
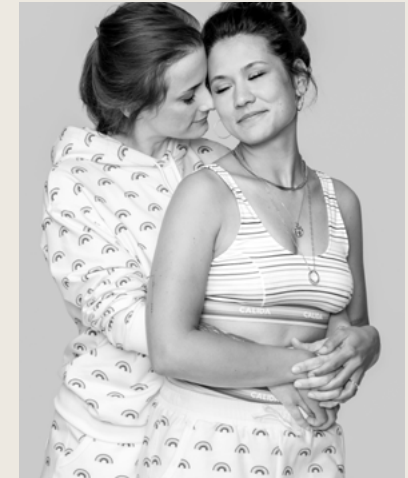
LOVE IS LOVE

True love is free, diverse, and unconditional. And more than just a feeling. A commitment to life in all its forms. In summer 2023, CALIDA launched the Love Capsule collection, showing its commitment towards diversity. 5.00 CHF were donated to the umbrella association for rainbow families for every purchase made.
A total of 10,000 CHF was donated to the non-profit organization. In addition, CALIDA was the proud "Presenting Partner" of the Zurich Pride Podcast ON TOUR for the second time and supported the Zurich Pride Festival in June for the first time.

[1]FSC® stands for Forest Stewardship Council®.
FSC® is a certification system for sustainable forestry.

Highlights 2023

Aubade PARIS

Softessence Espresso recycled materials

In 2023, AUBADE offered the product line Softessence in a warm and timeless shade of creamy brown within the Fall Winter 2023 collection. The line combines seduction, comfort, and eco-responsibility. Softessence has a recycled tulle lining and is made with ultra-soft recycled embroidery. The velvet-like flower motif of the product accentuates the feeling of comfort.

Menswear Boxers GOTS certified

Aubade continued to draw inspiration from the world of tattooing to create a new Fall Winter 2023 Homme XB collection. The boxer shorts feature playful, creative prints and are available in GOTS®-certified organic cotton (license no. 241363). The capsule extended the regular Menswear boxer line by 4 models presenting the new designs under a floral theme.

October Rose/Pink October

AUBADE again supported the Ruban Rose association in its commitment to prevent and fight breast cancer. 10% of all sales from the Danse Des Sens line – 18,000 euros in total – were donated to the association. In addition, AUBADE joined the Odysséa 5-kilometre solidarity walk in the heart of Paris and joined forces with the Fauchon L'Hôtel Paris to support breast cancer research alongside Ruban Rose. Throughout October, Aubade and Fauchon l'Hôtel Paris offered an all-pink co-menu for 65 euros, of which 10 euros per menu sold were donated to Ruban Rose.

Highlights 2023

Lafuma MOBILIER

NATIONALE 7 Nougat

The second NATIONALE 7 collection was unveiled during the Sustainable Development Week in September 2023. Bronze-gold structures from the 1970s were collected, restored, and upgraded to give a second life to the original product. The collection is Made in France-certified and supports local employment. The fabrics were made by ESAT LES ATELIERS DE CHENNEVIERES, an organization which promotes the social integration of adults with disabilities. 3 of ESAT's people took part in the project providing stitching for canvases, inspired by the well-known Montélimar delicacy known as NOUGAT!

DuoDay

For the second time, LAFUMA MOBILIER has joined forces with the Arche de La Vallée association to promote the inclusion of disabled people in the world of work through the DuoDay. The DuoDay offers disabled people the opportunity to spend a day at a company, to discover trades and immersing themselves in world of business. In addition, the DuoDay helps to raise awareness for disabled people among employees.

Klaxit

In 2023, LAFUMA MOBILIER set up a cooperation with Klaxit, the No. 1 home-work carpooling application, with the aim of reducing LAFUMA MOBILIER's carbon impact during home-work commutes. By the end of October 2023, 20% of employees were registered, 53% had used the carpool option and 2,600 kilos of CO_2 had been saved. In addition, LAFUMA MOBILIER joined the Auvergne Rhône Alpes Mobility Challenge where employees were asked to choose an alternative mode of transportation instead of their own car for one day. 1/3 of staff members participated, 982 km were travelled by train, bike, on foot or by carpooling and 400 km of travel could be avoided thanks to telecommuting.

Milestones

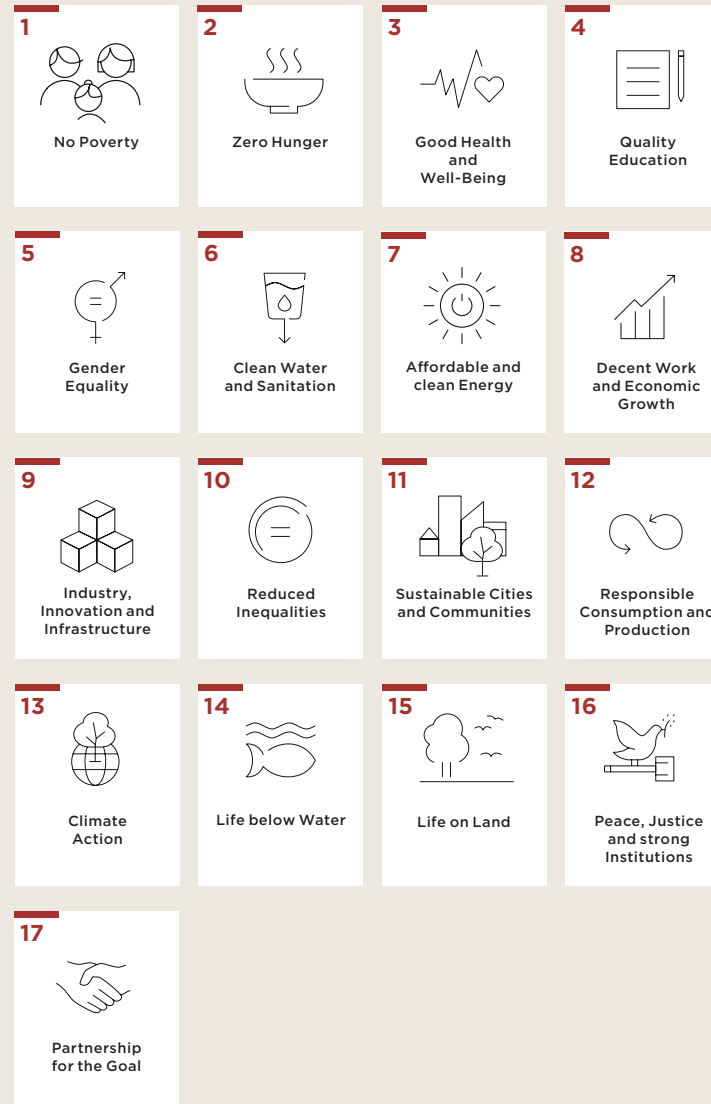Over the last years CALIDA has taken various actions to improve its sustainability performance while achieving healthy levels of corporate growth at the same time.

Year	Social Standards	Sustainability Guidelines	ESG Reporting	Product and Material	Carbon Footprint	Risk Assessment	Stakeholder Engagement	Traceability
1999					First product LCA CALIDA			
2009			First STANDARD 100 by OEKO-TEX® certified product CALIDA					
2015	Implementation of 'Index Egalité professionnelle' to protect diversity and women rights at work at LAFUMA MOBILIER		Establishment of CALIDA GROUP's first ESG Report				Label OFG (Origine France Garantie) awarded to LAFUMA MOBILIER	
2016			Introduction of CALIDA's first CSR report	First STeP certification CALIDA			Implementation of COBEE internal governance for CSR at LAFUMA MOBILIER	First MIG certification CALIDA
2018	Adaptation of CALIDA GROUP's code of conduct according to ILO guidelines und UN principles			Introduction of C2C certification CALIDA		First Risk Assessment CALIDA GROUP		
2019	Implementation of profit sharing agreement at LAFUMA MOBILIER	Implementation of CALIDA GROUP's sustainability guidelines		Implementation of Design for Environment (DfE) charter to control compliance with CSR policy of LAFUMA MOBILIER				
2020				Implementation of spare part service and repair tutorials at LAFUMA MOBILIER; Label MORE awarded to LAFUMA MOBILIERS production site LALLEMAND (plastic injection)	First CCF AUBADE		Joining the multi-stakeholder programme "Susustainable Textiles Switzerland 2030" by CALIDA; Award "Entreprise du Patrimoine Vivant" LAFUMA MOBILIER	
2021			Introduction of CALIDA GROUP's 5 sustainability pillars; Introduction of GRI Reporting Standard	First Longtime® certification LAFUMA MOBILIER	First PCF AUBADE			
2022			Establishment of further GRI Disclosures and Standards	Development of first upcycled products LAFUMA MOBILIER	Implementation of a CALIDA GROUP wide CCF software and CCF calculation	Implementation of a CALIDA GROUP wide yearly Risk Assessment; Introduction of a yearly Child Labour Risk Assessment	Commitment to the charter 'Achats responsables et relation Fournisseurs' by LAFUMA MOBILIER; Launch of ECOVADIS subscription LAFUMA MOBILIER	Kick-of Cooperation Fairly Made AUBADE
2022	Adaptation of CALIDA GROUP's code of conduct according to the updated ILO guidelines and OECD principles; Creation of a Manager Guideline Book at LAFUMA MOBILIER	Registration and implementation of ECO-design for all CALIDA GROUP brands	Introduction of LAFUMA MOBILIERS first CSR report; Implementation of first ESRS Standards		Implementation and execution of CALIDA GROUP wide CO_2 reduction workshops	Implementation of Risk Assessments on Tier 1 and 2 supply chain level per brand; Introduction of CALIDA GROUP's code of conduct as an integral part of supplier contracts		Kick-of cooperation carbon trail CALIDA

ILO   International Labour Organization
UN   United Nations
OECD   Organisation for Economic Co-operation and Development
GRI   Global Reporting Initiative
LCA   Life Cycle Assessment
CCF   Cooperate Carbon Footprint
PCF   Product Carbon Footprint
MIG   Made in Green
STeP   Sustainable Textile Production
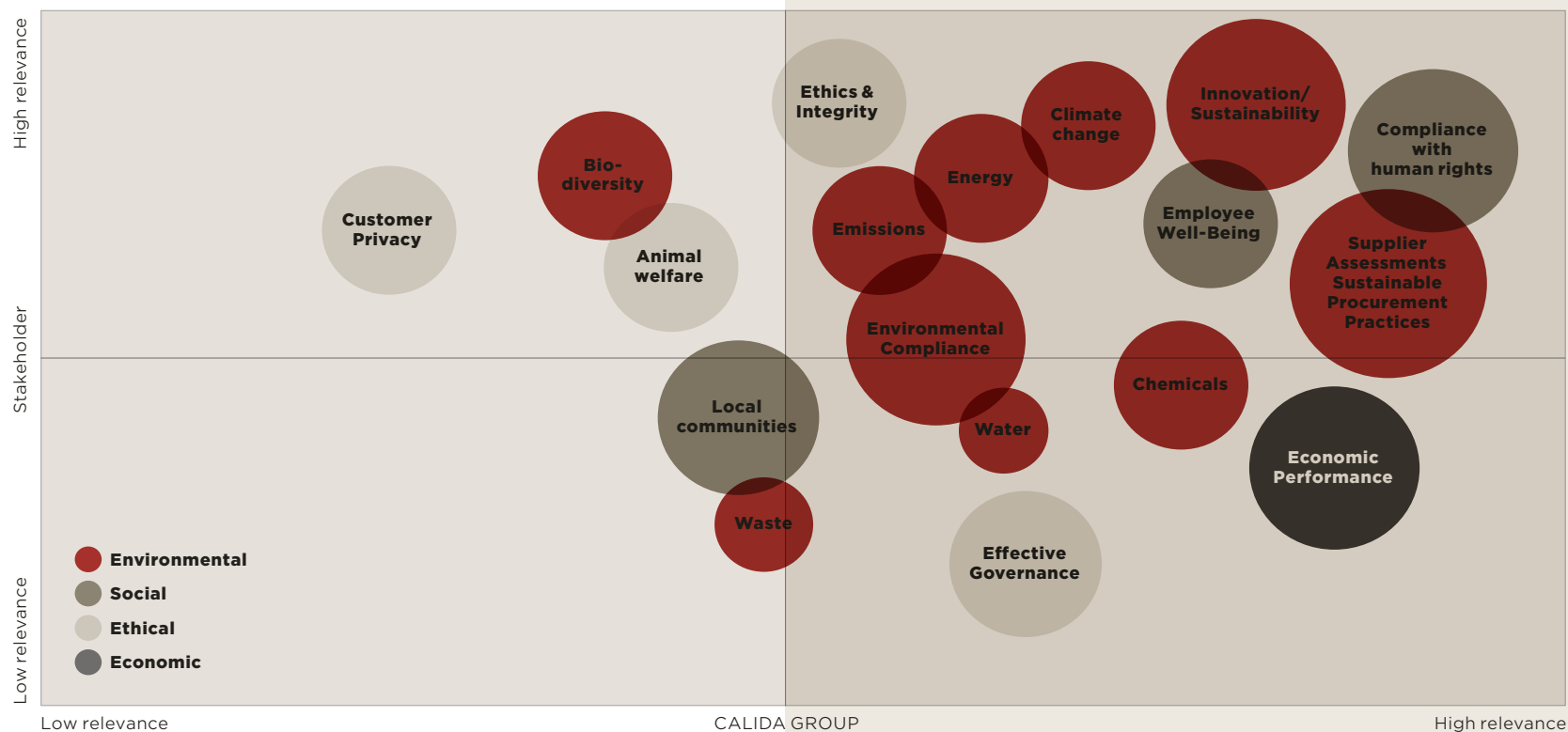
Sustainability Impacts

In 2021, CALIDA GROUP developed CALIDA GROUP's first sustainability matrix together with an external consultant "Leadership & Sustainability", identifying major sustainability topics linked to CALIDA GROUP's business operations and their relevance for CALIDA GROUP and its stakeholders. In addition, in 2022 CALIDA GROUP developed a detailed Environmental, Social and Governance (ESG) matrix reflecting the direct and indirect impacts on the various Sustainable Development Goals (SDGs).
In 2023, CALIDA GROUP started to review CALIDA GROUP's financial spendings on sustainable relevant materials along the value chain. The evaluation of financial implications will be assessed further to include all aspects of the double materiality assessment demanded by CSRD in 2024.

1 No Poverty	**2** Zero Hunger	**3** Good Health and Well-Being	**4** Quality Education
5 Gender Equality	**6** Clean Water and Sanitation	**7** Affordable and clean Energy	**8** Decent Work and Economic Growth
9 Industry, Innovation and Infrastructure	**10** Reduced Inequalities	**11** Sustainable Cities and Communities	**12** Responsible Consumption and Production
13 Climate Action	**14** Life below Water	**15** Life on Land	**16** Peace, Justice and strong Institutions
17 Partnership for the Goal			

When assessing the impact of its business operations on the environment, CALIDA GROUP is guided by the United Nations' 2030 Agenda for Sustainable Development and the corresponding 17 Sustainable Development Goals (SDGs).

Since 2021, a sustainability matrix has been created and further developed, which makes it possible to identify the most important sustainability issues from CALIDA GROUP's perspective and assess their relevance for its stakeholders.

CALIDA GROUP has defined 8 main goals, 3 sub-goals and 25 sub-targets to support the achievement of the 17 SDGs directly or indirectly.

Sustainability Impacts

**Sustainability Matrix 2021 –
Relevance of ESG topics for stakeholders and CALIDA GROUP**

High relevance · Stakeholder · Low relevance

Ethics & Integrity

Bio-diversity

Customer Privacy

Animal welfare

Emissions

Energy

Climate change

Innovation/Sustainability

Compliance with human rights

Employee Well-Being

Environmental Compliance

Supplier Assessments Sustainable Procurement Practices

Local communities

Water

Chemicals

Waste

Economic Performance

Effective Governance

- ● **Environmental**
- ● **Social**
- ● **Ethical**
- ● **Economic**

Low relevance — CALIDA GROUP — High relevance

Sustainability Impacts

Sustainability Matrix 2023

Governance	Product & Material	Environment	Employees	Communi-tites	Commitments/ SDGs	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
					Pillars																	
	X	X			Offering highly innovative and sustainable products						X	X					♡		X	X		♡
	X	X			Preserving natural ressources						X	♡					♡	X	X	X		
	X	X			Sustainable and long-term procurement and production	X		X					X				♡					♡
	X				Tracebility along the whole value chain							X	♡				♡					♡
X					Implementation of strong governance structure					♡					X			X				X
		X			Expansion of the use of renewable energy sources							♡						X				X
		X			Base line setting of CO$_2$ footprint and implementation of CO$_2$ reduction/ compensation strategy						X	X					X					
	X	X			Minimization of chemical manufacturing processes						♡								X	X		♡
	X		X		Establishment of a fair and responsible working environment respecting human rights	X		♡		♡							X					X
			X		Employee well-being and work-life balance integration			♡	X	♡			♡									
X				X	Contribution to and inclusion of local communitites and stakeholders	♡		X							X			X		X		♡
X	X	X	X	X	Economic performance: deliver sustainable, profitable growth						X	X	♡				X	X				X

Legend:
♡ = direct impacts
X = indirect impacts

Sustainability Impacts

In alignment with the 2030 Agenda for Sustainable Development, which was adopted in September 2015 by the member states of the United Nations, and in alignment with the corresponding 17 Sustainable Development Goals (SDGs), CALIDA GROUP identified 8 main goals, 3 sub-goals and 25 sub-targets on which direct or indirect influence can be taken to reduce possible negative effects caused by business operations. Targets were identified based on impact severity and likelihood relating to CALIDA GROUP's main relevant business operations.

Goals with direct impacts:

SDG 3 Good Health and Well-Being, by establishing fair and responsible working environments, respecting human rights, the integration of work-life balance systems, good health and retirement coverage as well as regular health and safety trainings in self-operated businesses in alignment with targets 3.8 and 3.9.

SDG 5 Gender Equality, by increasing the share of women within the workforce and leading positions, through valuing unpaid care by offering special maternity conditions, flexible work concepts to encourage women to return to work as early as possible in alignment with targets 5.4, 5.5 and 5.8.

SDG 6 Clean Water and Sanitation, by ensuring access to drinking water wherever possible, choosing raw materials with care and improving water quality and efficiency together with suppliers (Tier 2) in alignment with targets 6.1 and 6.3.

SDG 7 Affordable and Clean Energy, through a continuous increase in the share of renewable energy within self-operated businesses in alignment with target 7.2.

SDG 8 Decent Work and Economic Growth, by ensuring a safe working environment providing equal pay conditions for equivalent work, the elimination of forced and child labour within self-operated businesses and directly connected suppliers and subcontractors as well as due to the ongoing implementation of new, innovative materials and production innovations to upgrade economic productivity in alignment with targets 8.2, 8.4, 8.5, 8.7 and 8.8.

SDG 12 Responsible Consumption and Production, through the implementation and increased share of sustainable materials and circular economy products, sustainable production methods, a clear consumer communication on product usage and good waste and natural resources management in alignment with targets 12.1, 12.2, 12.4, 12.5, 12.7 and 12.8.

SDG 13 Climate Action, by setting a baseline in 2022 and identifying clear targets to implement a Net-Zero Standard Strategy in accordance with SBTi in 2023 in alignment with targets 13.2 and 13.3.

SDG 17 Partnership for the Goals, by enhancing, investing and focusing on solid and long-term partnerships and ensuring knowledge transfer regarding new production procedures and technologies wherever possible in alignment with targets 17.5, 17.G, H and J.

Indirect impacts:

SDG 14 Life below Water, through the introduction of new production procedures, installation of wastewater management systems at self-operated production sites and suppliers as well as by decreasing the share of synthetic fibres to reduce microplastics and wastewater in alignment with targets 14.1 and 14.3.

SDG 15 Life on Land, by using innovative self-growing materials to reduce the risk of deforestation as well as by supporting environmental projects to support afforestation in alignment with target 15.2.
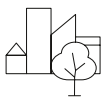
SDG 1 Zero Poverty, through material, monetary or in-kind donations to people in need to reduce poverty in line with target 1.2 to support social projects in a material, monetary or in-kind manner.

Sustainability Strategy

Since its foundation, sustainability has been at the heart of CALIDA GROUP's identity. Every product is designed with the goal of being best in class. The use and advancement of innovative, sustainable materials and production technologies is enhanced to promote longevity whenever possible.

CALIDA GROUP has introduced 5 sustainability pillars, which form the foundation for all ESG management and financial decisions. They unite corporate sustainability, social responsibility and citizenship under one roof and provide the basis for the classification of relevant ESG Information, Key Performance Indicators (KPI's) and targets.

| Governance | | Development of common values and set-up of a strong governance structure concentrating on the realization of the UN SDG's principles and reporting in alignment with international ESG reporting standards. |

| Product & Material | | Creation of transparency along the value chain and concentrating on a sustainable production, product development and distribution. |

| Environment | | Reducing CALIDA GROUP's carbon footprint and improving traceability along the value chain. |

| Employees | | Establishing a fair and responsible work-culture for internal and external partners. |

| External Engagement | | Contributing to local communities and ensuring the inclusion of stakeholder demands. |

Sustainability Measures and Facts

I. GOVERNANCE

5	8
Gender Equality	Decent Work and Economic Growth

Within the textile industry an increased focus on sustainability has led to additional operational challenges and an increase in costs – e.g. for IT, renewable energy, transportation, CO_2 emission or water management concepts and systems. National and international laws and regulations demand full supply chain transparency, circular economy approaches and a 360-degree ESG monitoring along the value chain. To cope with all stakeholder requirements, CALIDA GROUP has installed a strong governance structure to govern financial and sustainable topics.

CALIDA GROUP's governance body is defined by five management categories:

1. Board of Directors
2. Executive Leadership Team (ELT)
3. Group Leadership Team (GLT)
4. Senior Leadership Team (SLT)
5. Direct Reports to Senior Leadership Team

in brief

Governance is one of five sustainability pillars of CALIDA GROUP, which form the foundation for all ESG management and financial decisions. It is centered around the development of common values and the set-up of a strong governance structure.

CALIDA GROUP follows an integrated management approach. A team of sustainability managers was created, guided by CALIDA GROUP's ESG Manager and COO. There is a designated ESG manager for each brand.

Since 2021, CALIDA GROUP collects and tracks business relevant ESG KPIs. Almost 98% of the members of CALIDA GROUP's governing body were hired from local communities. 50% are women.

Gender equality has been identified by CALIDA GROUP as one of its main goals with direct impact on the United Nation's 17 SDGs.

TARGETS

- Stabilisation of strong governance structure
- Increase of governance bodies hired from local communities

Changes in 2023:

Board of Directors
- Chairman Hans-Kristian Hoejsgaard was replaced by Felix Sulzberger
- Erich Kellenberger was replaced by Allan Kellenberger (representation of the founder family)
- Patricia Gandji and Dr. Lukas Morscher resigned from their positions
- Thomas Stöcklin joined the Board of Directors
- Eric Sibbern joined the Board of Directors in April 2023 and left in September 2023

Executive Leadership Team (ELT)
- CEO Timo Schmidt-Eisenhart was replaced by Felix Sulzberger
- CFO Sascha Gerber was replaced by Dave Müller
- A new CIDO was created and taken over by Hanna Huber

Group Leadership Team (GLT)
- COSABELLA General Manager Guido Campello was replaced by Silvia Campello
- The Group Leadership Team was reduced by three team members (Benjamin Sadler, Sarah Grohe ERLICH TEXTIL and Norbert Dengler CALIDA GROUP Digital), due to the reorganizational changes within CALIDA GROUP.

Changes within categories 4 and 5 are not communicated within this report.

Detailed information about CALIDA GROUP's overall governance structure, tasks and responsibilities can be found in CALIDA GROUP's "Corporate Governance Report 2023".
https://www.calidagroup.com/en/investors/#corporate-governance

CALIDA GROUP concentrates on a stable women's and high local community share to ensure diversity and local influence within the governance body. 5.98% of all employees are part of the governance body. Of these, 50.00% are women and 97.95% were hired from local communities.

Distribution of governance bodies per management category
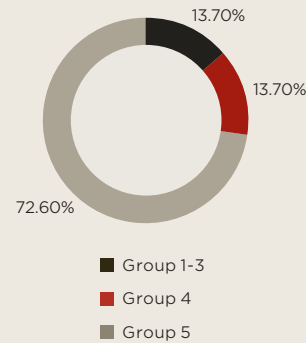
- 13.70% Group 1-3
- 13.70% Group 4
- 72.60% Group 5

Gender distribution of governance bodies

- 50.00% Female
- 50.00% Male

Distribution of governance bodies per age group

- 15.07% < 35 years
- 55.48% 35–50 years
- 29.45% > 50 years

Distribution of governance bodies hired from local communities

- 2.05% Local
- 97.95% Others

Development of governance bodies per management category

- Group 1-3
- Group 4
- Group 5
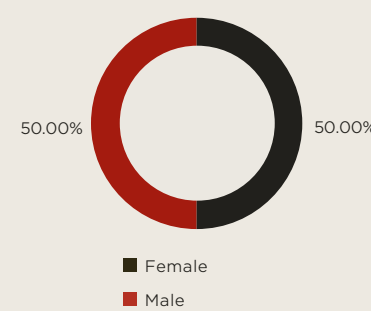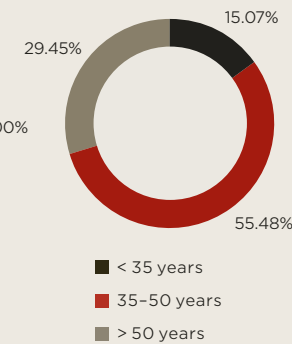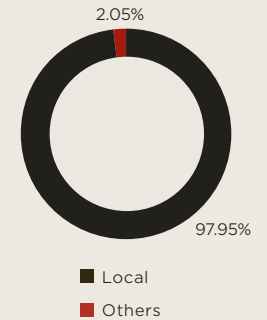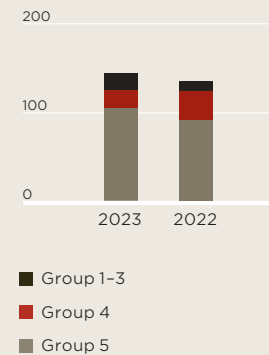
Development of governance bodies per gender

- Female
- Male

Development of governance bodies per age group

- < 35 years
- 35–50 years
- > 50 years
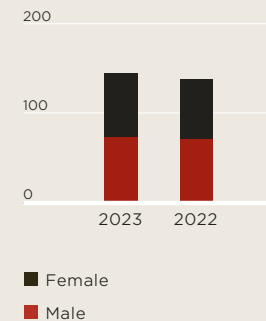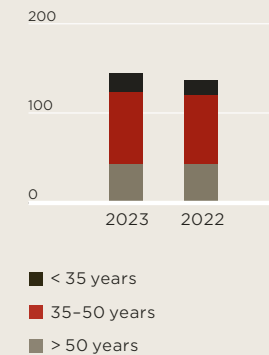
Development of governance bodies per country

- 39.68% FR
- 15.76% DE
- 4.80% HU
- 1.37% RO
- 34.27% CH
- 2.06% TN
- 2.06% Others
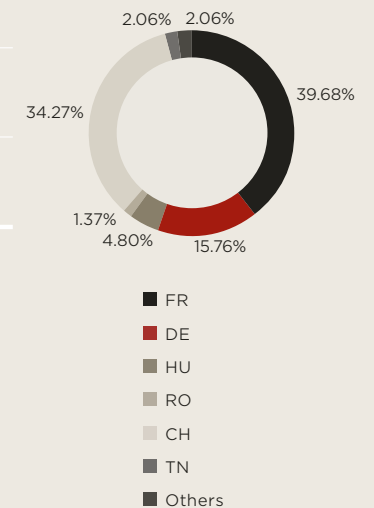
*Governance body data is shown cumulated for management categories 1-3. Data for categories 4 and 5 is reported separately.

CALIDA GROUP follows an integrated management approach. A team of sustainability managers was created, guided by CALIDA GROUP's ESG Manager and COO.

The CALIDA GROUP ESG Manager leads, guides and coordinates all ESG-related business topics according to the following principles:

• Defining CALIDA GROUP-wide sustainability pillars and targets
• Providing guardrails and ESG-relevant training materials:
  – sustainability guidelines
  – code of conduct
  – best practice examples

• Developing and implementing CALIDA GROUP-wide ESG management tools
• Implementing individual sustainability strategies and remediation processes per brand, considering top-down guidelines
• Engaging with internal and external stakeholders of CALIDA GROUP and at brand level to obtain feedback on current and/or future sustainability developments

The ESG Managers of the brands guarantee the roll-out and coordination of demanded actions on an operative level together with the Senior Leadership Team and their direct reports within the various departments.

ESG topics are addressed and discussed regularly during various exchange platforms.

Meetings are arranged at Executive, General or Brand level with the aim to:

• Analyse the success of ESG topics and targets
• Steer necessary corrective measures
• Exchange knowledge and experience
• Formulate new desirable goals if needed

In general, all meetings are held and led by the ESG Manager of CALIDA GROUP. Only the communication to the Board of Directors is handled directly by the COO.

Since 2021, CALIDA GROUP collects and tracks business relevant ESG KPIs. Depending on the topic, data and developments are monitored monthly, semi-annually, or yearly. ESG data is constantly reviewed, and action taken if needed.

Organization and Meeting Structure
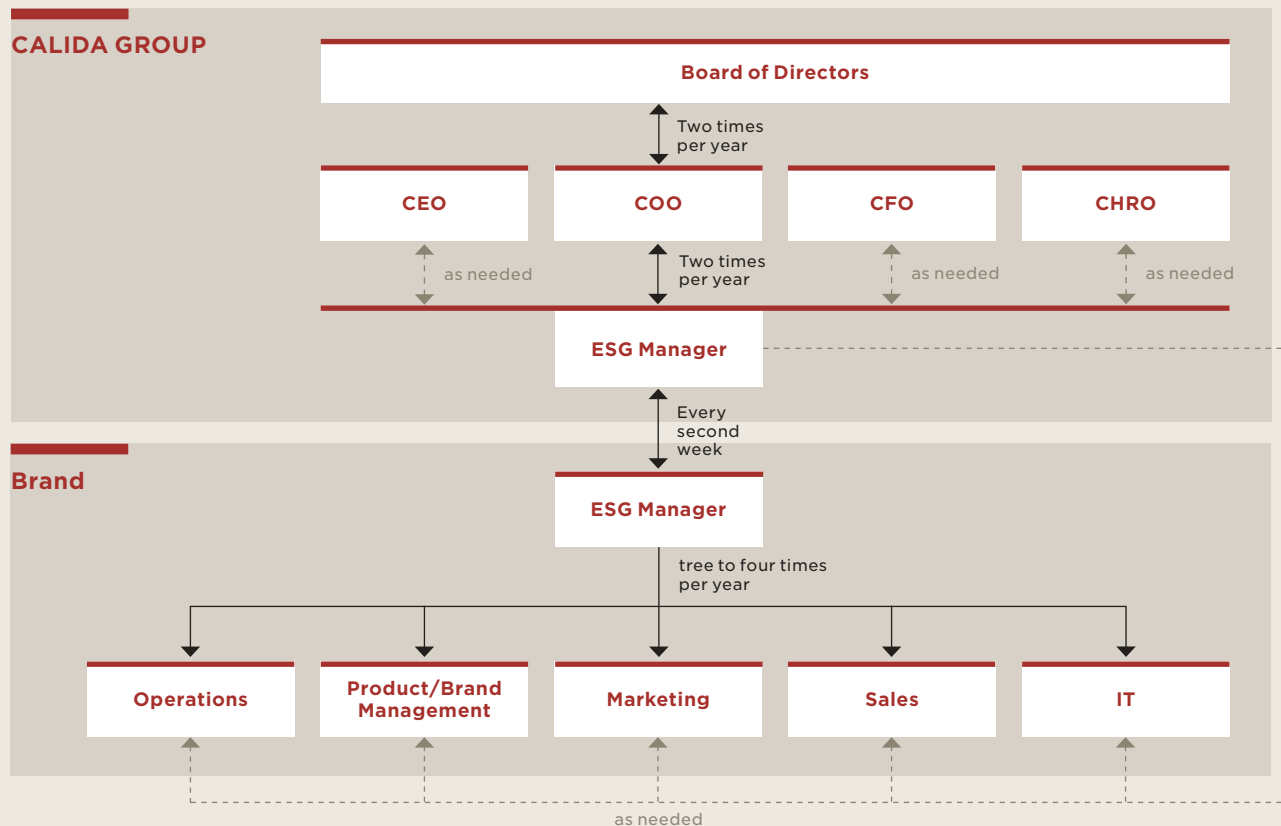
The Audit and Risk Committee (ARC) monitors the sustainable development of the Group and reviews the ESG Report.

TAX STRATEGY

CALIDA GROUP follows a sustainable tax strategy which takes applicable national and international tax legislation into account. CALIDA GROUP's business requires a robust supply chain for cross-border transactions with documentation in accordance with regulations for income tax, value added tax and customs duties. The tax strategy is led by the CFO, who seeks approval from the Audit & Risk Committee on a regular basis and if general changes occur in the tax structure. The Group's tax policy and transfer pricing policy in place is based on the OECD Transfer Pricing Guidelines to prevent Base Erosion and Profit Shifting (BEPS). BEPS follows the principle that profits should arise where economic value is created. CALIDA GROUP's corporate structure is aligned with the business purpose and operation. There is no aggressive tax planning and no complex structures to minimize tax obligations. CALIDA GROUP consults external tax advisors and supports open and transparent cooperation with tax authorities. The Group is excluded from the scope of BEPS 2.0 Pillar One and Pillar Two due to not meeting the prescribed thresholds.

Data Privacy and Security

CALIDA GROUP places a high priority on the protection of customer data. IT solutions are subject to rigorous internal verification to ensure compliance with external data regulations, data sovereignty and privacy considerations. CALIDA GROUP has implemented a comprehensive software meta-selection catalogue and a data security addendum for suppliers, governing the handling of security-sensitive customer data in adherence to legal requirements. CALIDA GROUP's management team oversees any IT selection process and ensures compliance with all policies. CALIDA GROUP collects and stores customer data in accordance with applicable national and international data protection laws and regulations. The specifics of the collected information can be found in CALIDA GROUP's Legal and General Information sections on data privacy within the various CALIDA GROUP brand webshops. The data is used exclusively for the purpose for which it was collected, and necessary measures are implemented to safeguard data security. CALIDA GROUP's IT employees receive advanced security knowledge training from external SOC teams and cybersecurity experts.

CALIDA GROUP's assets are protected by state-of-the-art detection and response technology. Robust authentication is enforced for CALIDA GROUP's services. To standardise CALIDA GROUP's efforts, an Information Security Management System (ISMS) is currently under development and will be implemented next year. CALIDA GROUP has established a robust system managing data protection complaints and reporting data loss incidents. Reported complaints and incidents are always thoroughly investigated and addressed appropriately. In 2023, no substantiated data protection or customer data loss complaints were reported.

Anti-Corruption, Anti-Bribery and Anti-Fraud

CALIDA GROUP's business is conducted fairly, honestly and transparently. Corruption, bribery and fraud are neither tolerated nor accepted. The acceptance of bribes or facilitation payments is forbidden, and business frauds shall be always avoided. No gifts may be accepted with the sole exception of business and promotional gifts in alignment with national laws. Business in countries with a high corruption risk is avoided whenever possible.

Employees and external partners are encouraged to respect CALIDA GROUP's anti-corruption philosophy. At the end of 2023, CALIDA GROUP released a new code of conduct including a clear anti-corruption, anti-bribery, and anti-fraud philosophy. The code of conduct is not only binding for all employees but will also be rolled out as an integral part of the supplier agreement in 2024. Additional training documents for internal and external partners regarding anti-corruption and responsible business ethics will be created and rolled out in the upcoming years. External partners are required to have an anti-corruption policy, prevention, mitigation and remediation procedures in place.

In 2023, CALIDA GROUP installed a complaint platform to, among other things, fight corruption. Potential cases of corruption, bribery, and fraud linked to CALIDA GROUP businesses shall be reported to CALIDA GROUP immediately after they are detected. Depending on the level of corruption, CALIDA GROUP reserves the right to terminate the collaboration at any time.

No confirmed incidents of corruption were reported in 2023.

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in brief

CALIDA GROUP ensures that its reporting is in alignment with international ESG reporting standards.

CALIDA GROUP conducts its business fairly, honestly and transparently. It follows a sustainable tax strategy and places a high priority on the protection of customer data.
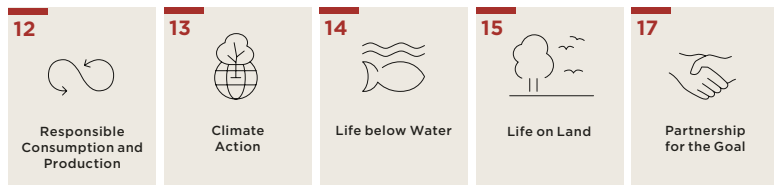
CALIDA GROUP does not tolerate corruption, bribery and fraud at all times.

TARGETS

- Installation of an Information Secuirty Management System (ISMS)
- Development and implementation of training materials to fight corruption and other social and human right topics

II. PRODUCT & MATERIAL

12	13	14	15	17
Responsible Consumption and Production	Climate Action	Life below Water	Life on Land	Partnership for the Goal

Sustainability is part of CALIDA GROUP's DNA. Circular economy, recyclability and longevity are considered within all steps of CALIDA GROUP's supply chain.

To ensure the realisation and implementation of CALIDA GROUP's core values and to fulfil CALIDA GROUP's responsibility towards present and future generations, a clear action plan was defined:

• Offering highly innovative and sustainable products at fair prices
• Preserving natural resources by carefully selecting innovative raw materials and production procedures
• Reducing supply chain disruptions by operating in countries with proximity to home markets and out of water stress regions
• Cooperating with suppliers offering state-of-the-art technologies to reduce chemicals, wastewater, and emissions
• Concentrating on sustainable, long-term partnerships with suppliers and production sites to guarantee consistency
• Offering full transparency along the value chain
• Ensuring fair and responsible work environments

Sourcing & Procurement

CALIDA GROUP sources most raw materials locally. In 2023, 55.78% of all raw materials were sourced from within and 52.82% of all finished goods were produced in Europe. Prices and order volumes were kept stable thanks to long-term partnerships with suppliers. CALIDA GROUP produced 22.60%*of all products within own-operated production sites, ensuring high sustainability and quality standards while reducing the risk of negative impacts on communities and environment.

*Last year's figure did incl. subcontractors of own-production sites of CALIDA

Share of raw materials sourced in Europe

44.22% 55.78%

■ Europe
■ Outside Europe

Share of finished goods produced in Europe

47.18% 52.82%
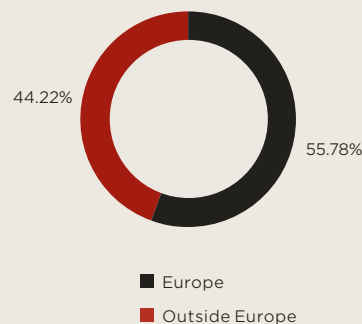
■ Europe
■ Outside Europe

Share of own-production

22.60% 77.40%

■ Own production
■ Non-own production

in brief
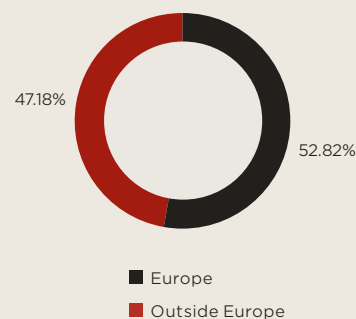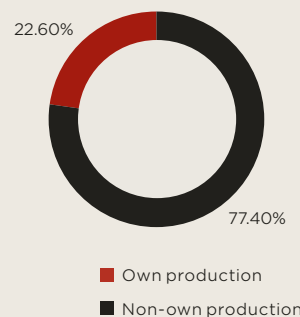
Within CALIDA GROUP's sustainability strategy, the Product & Material pillar is centered around the creation of transparency along the value chain and the provision of a sustainable production, product development and distribution.

Circular economy, recyclability and longevity are considered within all steps of CALIDA GROUP's supply chain.

CALIDA GROUP has defined a clear action plan to offer full transparency, ensure fair and responsible work environments and preserve natural resources along the value chain.

Certifications were introduced, audits are executed regularly and on-site visits arranged whenever possible in order to hold CALIDA GROUP's suppliers accountable for compliance with social and environmental standards.

TARGETS

• Constant increase of sustainable and certified material shares
• Increase of own-operated production share and close to home market value chains
• Stabilisation of supplier portfolio
• Creation of 100% transparency along the value chain

Non-own-operated productions sites are screened and audited on a regular basis to reduce the risk of social and environmental impacts. Audits such as ISO 14001[1], SMETA-Sedex[2] or STeP[3] are executed regularly and on-site visits arranged whenever possible. On top, certifications such as GOTS[4], GRS[5] or MIG[6] were introduced and a CALIDA GROUP-wide code of conduct created in order to hold suppliers accountable for compliance with social and environmental standards. For more detailed information please refer to https://www.calidagroup.com/en/investors/#corporate-governance

For existing Tier 1 and 2 suppliers where no prevention measures are in place, CALIDA GROUP is working on the implementation of additional certificates, audits, or self-assessments. In addition, suppliers in high-risk countries are step by step replaced by new suppliers in lower risk countries. For new partnerships, an audit is mandatory prior to any collaboration. Lastly, CALIDA GROUP works on the improvement of transparency through the implementation of traceability, life cycle assessment and customer relationship management tools in the next 3 years.

In 2023, 5 new Tier 1 (1 sub-contractors and 4 sourcing partners) and 12 new Tier 2 raw material suppliers were added to the production and supplier portfolio. The own-operated production site in Romania and the new sub-contractor were screened according to environmental and social standards. In addition, 2 of the new raw material suppliers received new certifications.

Share of own-operated production sites in Europe

33.33% / 66.67%
- Europe
- Outside Europe

Supply Chain – Tier 1–4

Tier 4	Tier 3	Tier 2	Tier 1	Tier 0
Raw Material extraction/ Farming	Yarn manufacturing	Raw Material Processing	Production	Warehouse
Clutivation Chemical Manufacturing	Yarning Spinning Weaving	Bleaching Dying Printing	Cutting Sewing	Storage Send-Out

Share of sub Tier 1 sub-contractors in Europe

39.62% / 60.38%
- Europe
- Outside Europe
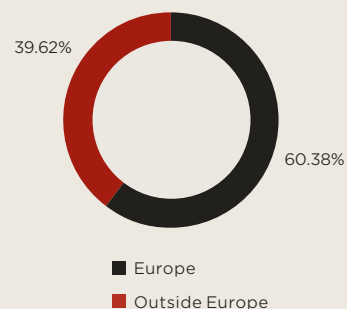
Share of Tier 1 sourcing partners in Europe

44.44% / 66.67%
- Europe
- Outside Europe
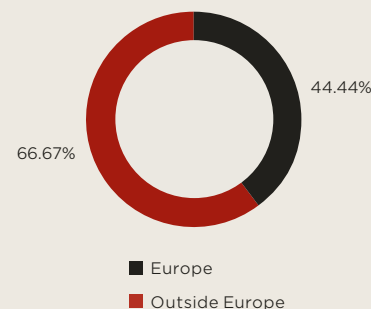
Share of raw materials suppliers in Europe

22.29% / 77.71%
- Europe
- Outside Europe
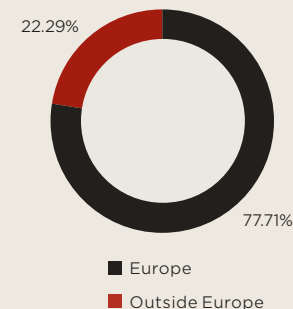
Development of Tier 1 production sites per type

- Own production
- Sub-contractors
- Sourcing partners

	2023	2022	2021
Own production	6	6	5
Sub-contractors	53	58	30
Sourcing partners	18	19	18
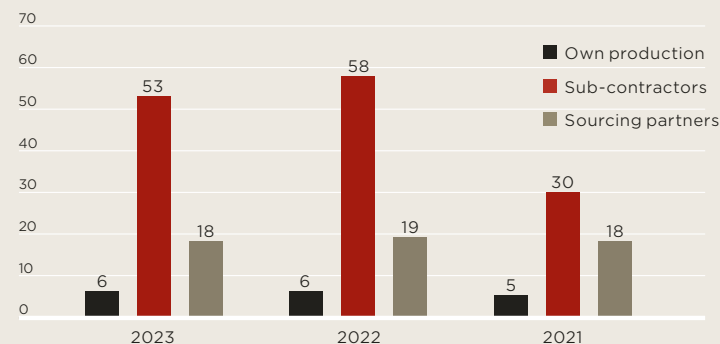
Development of Tier 2 raw materials suppliers

2023	2022
341	275
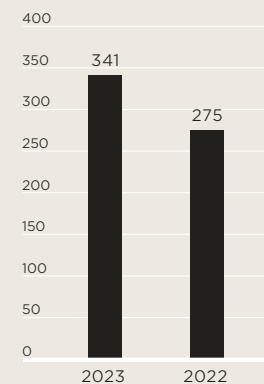
Risk Assessment

Risk assessments have been executed regularly since 2022. They are performed according to the following principles:

• Holistic approach across all brands
• Inclusion and evaluation of Tier 1 and 2 suppliers
• Identification of gross and net risks
• Evaluation according to severity and likelihood within business operations
• Evaluation of social and environmental sector risks
• Integration of qualitative and quantitative international data sources
• Integration and alignment with Swiss Code of Obligations art. 964a and art. 964j-964l on Due Diligence and Transparency

Tier 3 partners are being screened momentarily.
Detailed data will be available in 2024.

Tier 1 – Production Cut & Trim

Share of Finished Goods produced in 2023	Albania 15.19%		Romania 14.98%		Tunisia 14.09%		Bulgaria 12.36%		Hungary 8.82%		Bosnia 8.29%		France 7.30%		Croatia 5.77%		Serbia 4.54%		Madagascar 3.40%		Slovakia 1.68%		China 1.21%		Portugal 1.02%	
Criteria/Risk Type	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk
Social																										
Freedom of Association, Collective Bargaining	2	2	3	2	4	3	2	2	3	2	2	2	not assessed	1	1	1	3	3	2	2	1	1	4	4	1	1
Discrimination, Sexual Harassment, Gender-based Violence	4	3	4	2	5	3	3	2	4	2	5	3	not assessed	1	4	2	3	3	4	3	4	2	5	5	2	2
Health and Safety	3	2	2	2	4	2	2	2	1	1	3	2	not assessed	1	1	1	3	3	4	3	1	1	3	3	2	2
Wages and Benefits (Living Wages)	3	2	1	1	2	1	1	1	1	1	1	1	not assessed	1	1	1	2	2	5	3	1	1	3	3	1	1
Working Hours	5	3	1	1	4	3	1	1	1	1	2	2	not assessed	1	1	1	4	4	4	3	2	2	5	5	2	2
Child and Forced Labour	3	2	1	1	3	2	3	2	1	1	3	2	not assessed	1	1	1	3	3	3	3	1	1	3	3	1	1
Corruption	4	3	3	2	3	2	3	3	3	2	4	3	2	2	3	2	4	4	4	3	3	2	3	3	2	2
Average risk score – social	3	2	2	2	4	2	2	2	2	1	3		not assessed	1	2	2	3	3	4	3	2	1	4	4	2	2
Environment																										
Use of Chemicals, Wastewater	2	2	3	2	3	2	3	2	2	1	4	2	not assessed	1	3	2	4	4	5	3	2	2	4	4	1	1
Environmental Protection, Use of Resources	5	3	2	1	5	3	1	1	3	2	2	2	not assessed	1	2	2	3	3	4	3	3	1	5	5	4	4
Greenhouse Gas Emissions	3	3	4	3	4	3	3	3	2	1	2	2	not assessed	1	3	3	2	2	3	3	3	3	5	5	2	2
Animal Welfare			3				3		5		5		not assessed		5		5				5		4		5	
Deforestation	4		4		5		4		5		4		not assessed		4		4		5		5		5		3	
Average risk score – environment	4	2	3	2	4	2	3	2	3	1	3		not assessed	1	3	2	4	4	4	3	4	2	5	5	3	2
Overall average score	3	3	3	2	4	2	2	2	3	1	3	2	not assessed	1	3	2	3	3	4	4	3	2	4	4	2	2

Color Coding — Risk: ☐ 1 – very low ▫ 2 – low ▪ 3 – medium ▪ 4 – high ■ 5 – very high Status: ☐ 1 – very good actions in place ▫ 2 – good actions in place ▪ 3 – some actions in place ▪ 4 – few actions in place ■ 5 – no actions in place

Tier 2 – Raw material processing

Raw material spendings 2023	Switzerland 31.42%		France 29.14%		Germany 8.90%		Turkey 8.75%		Austria 8.24%		Italy 5.72%		Tunisia 2.11%		Spain 1.06%		China 1.05%		Romania 0.71%		Belgium 0.26%		Thailand 0.19%		Portugal 0.15%	
Criteria/Risk Type	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk	Gross Risk	Net Risk
Social																										
Freedom of Association, Collective Bargaining	not assessed	1	not assessed	1	not assessed	1	4	3	not assessed	1	1	1	4	4	1	1	4	4	3	3	not assessed	1	4	4	1	1
Discrimination, Sexual Harassment, Gender-based Violence	not assessed	1	not assessed	1	not assessed	1	4	3	not assessed	1	3	3	5	5	3	2	5	5	4	4	not assessed	1	4	4	2	2
Health and Safety	not assessed	1	not assessed	1	not assessed	1	3	2	not assessed	1	1	1	4	4	1	1	3	3	2	2	not assessed	1	2	2	2	2
Wages and Benefits (Living Wages)	not assessed	1	not assessed	1	not assessed	1	2	2	not assessed	1	1	1	2	2	1	1	3	3	1	1	not assessed	1	2	2	1	1
Working Hours	not assessed	1	not assessed	1	not assessed	1	5	3	not assessed	1	2	2	4	4	2	2	5	5	1	1	not assessed	1	4	4	2	2
Child and Forced Labour	not assessed	1	not assessed	1	not assessed	1	3	2	not assessed	1	1	1	3	3	1	1	3	3	1	1	not assessed	1	3	3	1	1
Corruption	1	1	2	2	1	1	4	3	2	2	3	3	3	3	3	3	4	4	3	3	2	2	4	4	2	2
Average risk score – social	not assessed	1	not assessed	1	not assessed	1	4	3	not assessed	1	2	2	4	4	2	1	4	4	2	2	assessed	1	3	3	2	2
Environment																										
Use of Chemicals, Wastewater	not assessed	1	not assessed	1	not assessed	2	3	2	not assessed	1	2	2	3	3	1	1	4	4	3	3	not assessed	1	4	4	1	1
Environmental Protection, Use of Resources	not assessed	1	not assessed	1	not assessed	1	5	3	not assessed	1	5	3	5	5	5	3	5	5	2	2	not assessed	1	3	3	4	4
Greenhouse Gas Emissions	not assessed	1	not assessed	1	not assessed	3	5	3	not assessed	1	2	2	3	3	1	1	5	5	4	4	not assessed	1	5	5	2	2
Animal Welfare	not assessed		not assessed		not assessed		3		not assessed		2				3		4		3		not assessed		3		5	
Deforestation	not assessed		not assessed		not assessed		5		not assessed		5		5		5		5		4		not assessed		5			
Average risk score – environment	not assessed	1	not assessed	1	not assessed	2	4	3	not assessed	1	3	2	4	4	3	2	5	5	3	3	not assessed	1	4	4	3	2
Overall average score	not assessed	1	not assessed	1	not assessed	2	4	3	not assessed	1	2	2	4	4	2	2	4	4	3	3	not assessed	1	4	4	2	2

Color Coding — Risk: ☐ 1 – very low ▫ 2 – low ▪ 3 – medium ▪ 4 – high ■ 5 – very high Status: ☐ 1 – very good actions in place ▫ 2 – good actions in place ▪ 3 – some actions in place ▪ 4 – few actions in place ■ 5 – no actions in place

Child Labour

To reduce the risk of child labour, CALIDA GROUP performs an annual risk assessment on child labour in alignment with the Swiss Code of Obligations art. 964j-964l on Due Diligence and Transparency in accordance with the following principles:

• Applicability
• Suspicion
• Obviousness

Countries rated "Basic" by UNICEF in its "Children's Rights in the Workplace Index" can be considered as low-risk undertakings and therefore can be excluded from further due dilligence investigations. Over 91.00% of CALIDA GROUP's Tier 1 pose no or a low risk, as most countries identified with an "Enhanced" risk are most likely own-operated, regularly audited, or closely monitored by own-operated production sites.

Among Tier 2 suppliers, also over 94.00% of all business operations face no or only a very low risk. An "Enhanced" risk level only applies to Turkey and Tunisia. To reduce the risk of child labour, certified suppliers are selected or regular visits arranged by CALIDA GROUP's employees.

Distribution of finished goods produced per production country

■ AL	■ BA
■ RO	■ FR
■ TN	■ HR
■ BG	■ RS
■ HU	■ Others

15.19%, 14.98%, 14.09%, 12.36%, 8.82%, 8.29%, 7.30%, 5.77%, 4.54%, 8.65%
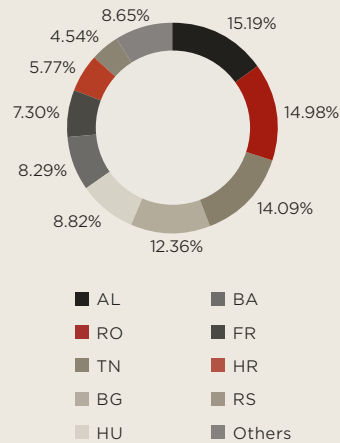
Distribution of procurement spendings for raw materials per mCHF

■ CH	■ AT
■ FR	■ IT
■ DE	■ TN
■ TR	■ Others

31.42%, 29.14%, 8.90%, 8.75%, 8.24%, 5.72%, 5.72%, 2.11%

in brief
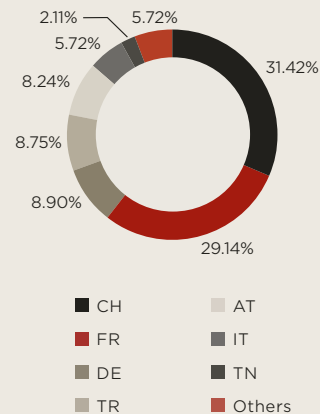
→ Within CALIDA GROUP's code of conduct, the renunciation of child labour is one of the core principles all external suppliers and manufacturers must comply with.

→ A risk assessment in alignment with the Swiss Code of Obligations is performed annually by CALIDA GROUP.

→ To further reduce the risk of child labour, regular visits of certified suppliers are arranged by CALIDA GROUP's employees.

Tier 1 – Production Cut & Trim per pieces produced and %

Country	Unit	Total	Procurement Spendings in %	Children's Rights in the Workplace Index / June 2023				
				Index Score	Due dilligence Respo	Legal Framework Score	Enforcement Score	Outcome Score
AL	pcs. Produced	1,299,305	15.19%	3.6	Enhanced	0.98	5.77	3.72
RO	pcs. Produced	1,280,889	14.98%	3	Basic	0.9	3.12	3.94
TN	pcs. Produced	1,205,317	14.09%	3.7	Enhanced	3.88	5.2	2.8
BG	pcs. Produced	1,056,780	12.36%	3.4	Enhanced	1.83	3.8	3.99
HU	pcs. Produced	754,628	8.82%	2.4	Basic	1.96	2.82	2.37
BA	pcs. Produced	708,984	8.29%	3.5	Enhanced	2.27	5.57	2.99
FR	pcs. Produced	624,111	7.30%	1.1	Basic	1.27	1.75	0.74
HR	pcs. Produced	493,742	5.77%	2.2	Basic	1.43	3.02	2.1
RS	pcs. Produced	388,391	4.54%	3.4	Enhanced	2.4	4.9	3.12
MG	pcs. Produced	291,082	3.40%	5.9	Enhanced	2.92	6.79	6.95
SK	pcs. Produced	143,906	1.68%	2.2	Basic	1.62	3.39	1.54
CN	pcs. Produced	103,225	1.21%	5.6	Enhanced	3.78	6.53	6.03
PT	pcs. Produced	86,804	1.02%	2.6	Basic	1.67	2.77	3.01
CZ	pcs. Produced	39,978	0.47%	3	Basic	1.69	4.14	3.12
PL	pcs. Produced	15,978	0.19%	2.4	Basic	1.32	2.95	2.71
VN	pcs. Produced	13,145	0.15%	5.6	Enhanced	3.13	6.48	6.47
IT	pcs. Produced	13,092	0.15%	2.4	Basic	1.55	5.17	1.42
BE	pcs. Produced	1,747	0.02%	2.3	Basic	1.92	2.46	2.34
TR	pcs. Produced	0	0.00%	3.7	Enhanced	2.11	5.87	3.38
Others	pcs. Produced	30,318	0.35%					
		8,551,422	**100.00%**					

Tier 2 – Raw material procurement budget distribution in mCHF and %

Country	Unit	Total	Procurement Spendings in %	Children's Rights in the Workplace Index / June 2023				
				Index Score	Due dilligence Respo	Legal Framework Score	Enforcement Score	Outcome Score
CH	mCHF	18.80	31.42%	2.7	Basic	2.5	2.16	3.07
FR	mCHF	17.43	29.14%	1.1	Basic	1.27	1.75	0.74
DE	mCHF	5.33	8.90%	2.3	Basic	1.97	1.33	2.9
TR	mCHF	5.24	8.75%	3.7	Enhanced	2.11	5.87	3.38
AT	mCHF	4.93	8.24%	2.3	Basic	3.2	2.46	1.78
IT	mCHF	3.43	5.72%	2.4	Basic	1.55	5.17	1.42
TN	mCHF	1.26	2.11%	3.7	Enhanced	3.88	5.2	2.8
ES	mCHF	0.63	1.06%	2.3	Basic	0.55	2.72	2.99
CN	mCHF	0.63	1.05%	5.6	Enhanced	3.78	6.53	6.03
RO	mCHF	0.43	0.71%					
BE	mCHF	0.15	0.26%	2.3	Basic	1.92	2.46	2.34
BG	mCHF	0.14	0.24%	3.4	Enhanced	1.83	3.8	3.99
TH	mCHF	0.11	0.19%	3.8	Enhanced	2.83	5.97	3.28
PT	mCHF	0.09	0.15%	2.6	Basic	1.67	2.77	3.01
HK	mCHF	0.04	0.06%					
TW	mCHF	0.00	0.00%					
SI	mCHF	0.00	0.00%	2	Basic	1.62	3.39	1.54
DK	mCHF	0.00	0.00%	1.5	Basic	1.57	0.23	2.06
JP	mCHF	0.00	0.00%	2.5	Basic	1.99	3.63	2.09
BY	mCHF	0.00	0.00%	3.1	Basic	2.23	5.56	2.35
MG	mCHF	0.00	0.00%	5.9	Enhanced	2.92	6.79	6.95
NL	mCHF	0.00	0.00%	2.4	Basic	1.21	1.59	3.47
GR	mCHF	0.00	0.00%	3.5	Enhanced	2.58	4.58	3.45
GB	mCHF	0.00	0.00%	2.2	Basic	2.6	2.35	1.95
HU	mCHF	0.00	0.00%	2.4	Basic	1.96	2.82	2.37
Others	mCHF	1.19	1.99%					
		60.00	**100.00%**					

PRODUCT INFORMATION AND SUPPLY CHAIN MAPPING

CALIDA GROUP follows national and international regulations for product labelling and consumer information communication. So far, no incidents of non-compliance were recorded or identified with regulations/voluntary codes concerning product information and labeling as well as marketing communications, incl. advertising, promotion, and sponsorship within key markets.

Wash care and usage instruction manuals, material compositions, recyclability, and disposal information as well as the country of origin are provided per product as demanded by law.

Since 2022, CALIDA GROUP's textile brands have been working on improving traceability and transparency along the value chain, including the evaluation of concrete life cycle assessment (LCA) data. Since 2022, AUBADE has been cooperating with Fairly Made and since 2023, CALIDA has launched a cooperation with carbon trail to improve transparency per product along the value chain. From 2024 onwards, a detailed supply chain mapping and life cycle assessment per product will be available for each finished item for the brands CALIDA and AUBADE. LAFUMA MOBILIER will start establishing life cycle assessments and an eco-design tool in 2024.

CHEMICAL MANAGEMENT

The right fibre for every moment in life. CALIDA GROUP strives to find and use the right fabric for every occasion. CALIDA GROUP's product portfolio is built on both new and innovative as well as tried-and-tested materials. To ensure that legal standards are applied, and health and safety risks are avoided, all products are tested according to global standards. Compliance with Restricted Substance Lists (RSL's) and meeting REACH[7] requirements as a minimum is mandatory for all Tier 1 and 2 suppliers. 93.41% of all goods are STANDARD 100 by OEKO-TEX® certified, guaranteeing that the materials used have been tested for harmful substances. In addition, Tier 2-4 partners are required to have a proper Restricted Substance List (RSL) and Manufacturing Restricted Substance List (MRSL) list in place and are demanded to replace prohibited substances from the MRSL list where needed with substitutes to minimize the negative impacts on the environment.

7. REACH: Registration, Evaluation, Authorization and Restriction of Chemicals. REACH is a regulation of the European Union to improve the protection of humans and environment and reduce animal testing.

in brief

→ When it comes to product information, CALIDA GROUP follows national and international regulations for product labelling and consumer information communication.

→ Since 2022, CALIDA GROUP's textile brands have been working on improving traceability and transparency along the value chain, with brands CALIDA and AUBADE providing a detailed supply chain mapping and life cycle assessment per product from 2024 onwards.

→ To reduce social and environmental risks, CALIDA GROUP pays a lot of care and attention when selecting materials. All products are tested according to global standards to ensure that health and safety risks are avoided.

→ For packaging, CALIDA GROUP is concentrating on the use of sustainable products, using mainly FSC-certified packaging material and recycled plastic.

MATERIALS

In 2022, global fibre production amounted to 116 million tons. Over the last two decades, global fibre production has almost doubled from 58 million tons in 2000 to 116 million tons in 2022 and is expected to grow to 147 million tons in 2030. The extraction/ farming of raw materials for natural or synthetic fibres is responsible for a great share of CO_2 emissions along the value chain. To reduce social and environmental risks, CALIDA GROUP pays a lot of care and attention when selecting materials.

Share of main materials used to produce finished goods – textile brands

• Natural fibres: 81.29%
• Synthetic fibres: 18.71%

Share of main materials used to produce finished goods – furniture:

• Steel: 38.75%
• Polyester powder: 18.19%
• Polypropylene: 8.63%
• Wood: 8.36%

CALIDA GROUP ensures that natural and animal fibres are grown and harvested under the best possible conditions. For synthetic fibres, CALIDA GROUP concentrates on selecting and integrating recycled materials and collaborates closely with suppliers to work and implement innovative production procedures.

PACKAGING MATERIALS

CALIDA GROUP concentrates on the use of sustainable packaging, using mainly FSC-certified packaging material and recycled plastic.
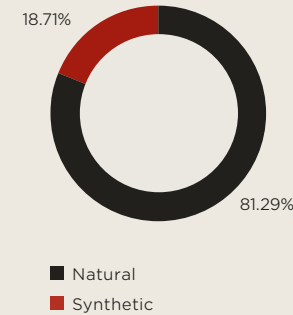
FSC stands for Forest Stewardship Council. The organization ensures that the resources extracted from the forests are managed in a way that preserves biodiversity, benefits the local population and workers and at the same time ensures sustainable economic viability.

New and innovative packaging solutions are under constant development. In 2023, CALIDA introduced new nightwear packaging in the form of a laundry bag, to replace hard plastic nightwear packaging with a functional and re-usable packaging alternative.

Share of packaging material types

- 3.88%
- 19.92%
- 76.20%

■ Cardboard
■ Plastic
■ Paper
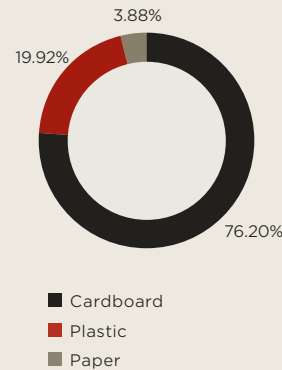
Share of natural fibers used to produce finished goods – textile brands

- 18.71%
- 81.29%

■ Natural
■ Synthetic

Share of main materials used to produce finished goods – textile brands

- 1.21%
- 0.59%
- 0.54%
- 2.34%
- 1.44%
- 2.20%
- 2.26%
- 2.30%
- 4.11%
- 4.52%
- 5.61%
- 7.80%
- 65.09%

■ Cotton   ■ Wool
■ Polyester   ■ Tencel™, Lyocell
■ Tencel™, Modal   ■ Silk
■ Polyamide   ■ Modal
■ Cotton (Organic) ■ Viscose
■ Elastane   ■ Others
■ Elastic

Share of main materials used to produce finished goods – furniture

- 1.47%
- 1.46%
- 1.33%
- 1.57%
- 1.00%
- 1.71%
- 4.09%
- 1.84%
- 2.28%
- 2.97%
- 3.16%
- 3.19%
- 38.75%
- 8.36%
- 8.63%
- 18.19%

■ Steel   ■ Polyethylene
■ Polyester Powder   ■ High pressure laminate
■ Polypropylene   ■ Talc
■ Wood   ■ Polystyrene
■ Polyester   ■ Aluminium
■ Polyamide   ■ Polyurethane
■ Pvc   ■ Others
■ Polyoxymethylene
■ Polycarbonate/
  Acrylonitrile Butadiene
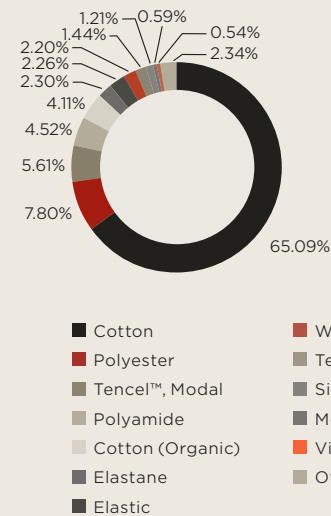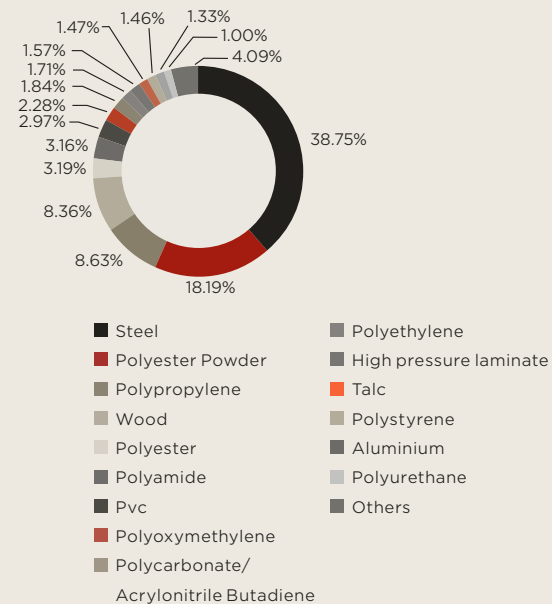
MATTERIALS

COTTON

The longer, finer, and more even cotton fibres are, the higher the quality of the fabric that is made from them. CALIDA GROUP mainly uses fibres with lengths of 25 mm to 41 mm, which are particularly smooth, flexible, easy to care for and durable. Mainly, regular cotton, **ORGANIC COTTON**, **SWISS+COTTON** and **SUPIMA®/PIMA COTTON** is used for CALIDA GROUP's products.

CALIDA GROUP ensures responsible sourcing and compliance with the highest Swiss quality and environmental standards.

ORGANIC COTTON comes from traceable organic farming. No chemical pesticides and fertilizers are used and safe and socially responsible workplaces guaranteed.

SWISS+COTTON textiles are defined by their fine, superb, form-fitting, soft and easy-care fibre guaranteeing longevity. The fibre is defined by perfect Swiss workmanship respecting high social and environmental standards. Only products where more than 67% of value generation is added in Switzerland may be given this quality mark.

SUPIMA®/PIMA COTTON is appreciated for its extreme softness, brilliant sheen, durability and resistance to pilling. Pima cotton is only grown in a few countries, including the southern United States, Peru and Australia. Supima® is the name given to Pima cotton grown exclusively in the United States.

SEACELL™

SeaCell™ fibres are not only gentle on the skin and revitalising. They are also obtained in an especially environmentally friendly manner from Norwegian brown algae. CALIDA GROUP combines their beneficial properties with those of TENCEL™, which is sustainably sourced from certified forests.

WOOL

is a protein fibre obtained from sheep wool. The fibre allows fabrics to hold air and thereby to obtain heat. Wool is highly temperature regulating, can absorb up to one-third of its own weight and is highly elastic. When extracting wool, it is crucial to consider the sheep above all else Consequently, CALIDA GROUP uses mainly mulesing-free* wool from Merino sheep.

*The term mulesing refers to the treatment of sheep suffering from an infestation of so called "blowflies" where blowflies eggs are laid in skin folds of the sheep's anal and genital regions causing inflammation and often death. Farmers therefore cut and-sized pieces (without anaesthesia) of flesh from the anal and genital regions of the sheep to prevent the parasites from becoming further established.

SILK

is a natural protein fibre produced from the cocoons of silkworms. Silk has a shimmering appearance and is incredibly strong as it is created from long fibres. It is lightweight, breathable, absorbent, thermal regulating, provides a smooth touch while avoiding skin irritations and stands for longevity based on its yarn strength. CALIDA GROUP uses the highest quality of silk filaments.

ECONYL®

is a 100% regenerated polyamide made using waste that would otherwise pollute the Earth. It can be recycled time and time again and forms a closed-loop system without losing quality. The material is pleasantly soft and has a smooth surface.

MATERIALS

TENCEL™
CALIDA GROUP uses mainly **Tencel™Modal** and **Tencel™ Lyocell fibres.** Both fibres are extracted from wood deriving from controlled and certified forests using a unique closed loop system which recovers and reuses the solvents used, minimizing the environmental impact of production. The trees specially planted for industrial use are cultivated without artificial fertilisers or artificial irrigation. The fibres are biodegradable and compostable under industrial, home, soil and marine conditions and can therefore be fully reab-sorbed by nature. Both materials are extremely soft, offering a silky touch, help to maintain body temperature and absorb a great deal of moisture, dry quickly, minimize body odour and always ensure a pleasantly fresh feeling.

STEEL
is the main raw material used for furniture products distributed by CALIDA GROUP, accounting for 82% of metal frames produced. (18% are made from aluminium). The equivalent of 6,000 km of steel tubes are bought every year in average. Steel is sourced mainly in Europe: in Italy (76%) and Spain (24%). Depending on supply chain origin, 17% to 83% of the steel used is recycled and re-used afterwards. Tubes are cut exactly to the product dimensions to reduce waste, and all metal wastes are valued.
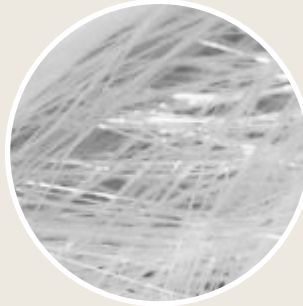
ROICA™ V550 is a pioneer in eco-circular stretch and offers a solution for end-of-life cycle that is degradable in a biological atmos-phere without releasing harmful substances. This yarn redefines the new circularity, delivering the style, support and finish, trusted to match the performance demands and ambitions of the new generation contemporary consumer.

CANVAS is a plain-woven fabric typically made from cotton, linen, hemp, or a mixture. Canvas fabric is known for being durable, sturdy, and heavy duty. By blending cotton with synthetic fibres, canvas can become water resistant or even waterproof, making it a great outdoor fabric.

POLYESTER
is a synthetic or chemically produced plastic fibre mainly derived from petroleum. It is most known for its wrinkle-resistance, quick drying effect and easy-care properties as well as its impressive dimensional stability and longevity. Polyester is not biodegradable, requires an energy-intensive heating process and large water quantities for production as well as more toxic treatments. RECYCLED POLYESTER is mainly retained from recycled PET plastic fibres, having the positive side effect of minimising waste and cutting out fossil fuels from production.

POLYAMIDE
is a 100% synthetic fibre mainly derived from carbon-based molecules mostly known as Nylon. The material is defined by its high elastic structure and stands for easy care, quick wash and dry, wrinkle-resistance and ultra-light weight and soft touch.

Raw Materials (●)
Finished Goods (○)
Packaging (●)
Production (●)

LIST OF CALIDA GROUP'S CERTIFICATES PER BRAND
CALIDA GROUP has established strong cooperations with auditing and certification institutions to prevent and mitigate risks regarding environmental and social standards.

CALIDA

OEKO-TEX® STANDARD 100
OEKO-TEX® STANDARD 100 is a textile label that is acknowledged world-wide and has been tested by internationally recognized textile institutes. Over 300 test criteria guarantee that the textiles are not harmful to health and promote well-being. The label identifies textile products and accessories that pose no health risks. The OEKO-TEX® STANDARD 100 label stands for high product safety, and consumers trust it when purchasing textiles.

OEKO-TEX® STeP
OEKO-TEX® STeP stands for Sustainable Textiles & Leather Production and represents a modular certification system for production facilities. The main goal of the certificate is to implement environmentally friendly production processes to improve health and safety and to promote high social standards at production sites. OEKO-TEX® MADE IN GREEN

OEKO-TEX® MADE IN GREEN
The OEKO-TEX® MADE IN GREEN (MIG) label stands for transparency and traceability while demanding the strictest social and ecological criteria. The label combines the OEKO-TEX® STANDARD 100 and OEKO-TEX® STeP requirements guaranteeing 100% tested materials and an environmentally friendly, safe and socially responsible production.

Cradle to Cradle Certified** Cradle to Cradle Certified® is the global standard for products that are safe, circular, recyclable and responsibly made. The certification assesses the safety, circularity and responsibility of materials and products across five categories: Material health, Product circularity, Clean air & climate protection Water & soil stewardship, Social fairness.
*Cradle to Cradle Certified® is a registered trademark of the Cradle to Cradle Products Innovation Institute (C2CPII).

Aubade PARIS

Sedex Member Ethical Trade Audit – also called SMETA – is the most widely used social auditing method, enabling companies to assess their production sites and suppliers to understand their working conditions and supply chain. The organizations are audited according to their standards of labour, health and safety, environment, and business ethics.

Global Organic Textile Standard (GOTS)
is one of the textile sector's most widely used certifications of organic origin. It is mainly used for apparel but can also be obtained for other textile products. GOTS certification covers a range of environmental and social criteria along the supply chain and is carried out by an independent certification body.

Global Recycled Standard (GRS)
stands for third-party certification of recycled materials and chain of custody, aiming to increase the portion of recycled content used, to reduce harmful impact on people and the environment and to assure a climate-friendly production. A minimum of 50% recycled content is required to receive the certificate. The certificate shall help customers to make more informed purchasing decisions.

Lafuma MOBILIER

CertiPUR is a voluntary testing and certification program that evaluates the environmental, health and safety properties of polyurethane foam used in furniture. The certificate defines substances that may not be used to produce polyurethane foam, and sets strict maximum limits for other components.

ASI – the Aluminium Stewardship Initiative – is an industry initiative that promotes sustainability throughout the aluminium value chain. It helps companies demonstrate their commitment to social, environmental, and ethical standards.

MADE IN FRANCE is designed to support and facilitate products which are truly "Made in France". To receive the certificate, a product's main characteristic must have been designed and more than 50% of the supply chain must be in France. The certificate contributes to accelerating the reindustrialization of the region, preserving local jobs and meeting France's carbon footprint reduction targets.

LONGTIME®, the first independent European label, identifies and promotes products designed to last, providing assurance of products reliability and repairability and breaking with obsolescence. The LONGTIME® label is awarded to products impartially, following an assessment audit carried out by an independent control body.

Share of certified raw materials and finished goods

		Unit	2023
Certified raw materials	OEKO-TEX 100 Standard	kg	23.32%
	Organic Cotton (GOTS)	kg	0.64%
	Recycled polyester/polyamide (GRS)	kg	0.09%
	Responsible Wool Standard (RWS)	kg	0.00%
	Share of other sustainable materials	kg	0.22%
	Tencel Lyocell	kg	0.85%
	Tencel Modal	kg	0.03%
	Econyl	kg	3.67%
	Certified product and Production packaging (FSC)	kg	10.42%
	ASI Performance Standard (Aluminium)	kg	0.88%
	Certipur (foam)	kg	0.17%
Certified finished goods	OEKO-TEX 100 Standard	pcs. Produced	93.41%
	OEKO-TEX Made in Green (STeP)	pcs. Produced	48.24%
	Cradle to Cradle (C2C)	pcs. Produced	4.88%
	GOTS	pcs. Produced	0.26%
	Longtime certified	pcs. Produced	6.31%

III. ENVIRONMENT

6 Clean Water and Sanitation	7 Affordable and clean Energy	13 Climate Action
14 Life below Water	15 Life on Land	17 Partnership for the Goal

CALIDA GROUP is strongly committed to reducing negative impacts on the environment caused by business operations. To this end, CALIDA GROUP focuses on:

• Assessing and reducing carbon emissions for own-operated as well as non-own operated businesses
• Reducing energy and water consumption
• Increasing renewable energy sources
• Minimizing chemical usage and wastewater pollution
• Reducing waste and especially post-consumer waste including textile waste
• Conserving natural resources and forestation
• Driving forward recyclability and circular economy concepts
• Encouraging second, third or even fourth life cycle concepts

The data reported in the following sections is shown in total per unit and by continued operations in million Swiss Francs (mCHF), to ensure both comparability and full transparency.

in brief

→ To mitigate the environmental impact of its business operations, CALIDA GROUP is committed to lowering carbon emissions, reducing energy and water consumption, and minimizing waste production, among other initiatives.

→ CALIDA GROUP is constantly assessing climate-related risks, but also exploiting opportunities such as the advancement of recyclability and circular economy concepts and the expanded use of renewable energy sources.

→ Since 2022, CALIDA GROUP is measuring their carbon emissions. Data is assessed in accordance with the Greenhouse Gas (GHG) Protocol Corporate Standard using an operational consolidation approach.

TARGETS

• Developing a CO_2-emission strategy

• Increasing the share of renewable energy sources

• Reduction of pre-consumer waste generated

• Reduction of synthetic fibers

• Increasing the share of circular economy and closed-loop approaches

GREENHOUSE GAS EMISSIONS

Since the adoption of the Paris Agreement at the latest, everyone is aware of the importance of climate change and potential negative impacts caused by business operations. Climate change results in negative impacts on human and animal health, causes natural disasters such as floods, heavy storms and droughts and leads to poverty, hunger and homelessness.

The textile industry is one of the largest contributors to carbon emissions and therefore one of the biggest contributors to climate change. Between 122 million and 2.93 billion tons of carbon dioxide are emitted into the atmosphere every year. The life cycle of textiles is responsible for around 6.7 percent of global greenhouse gas emissions.[8]
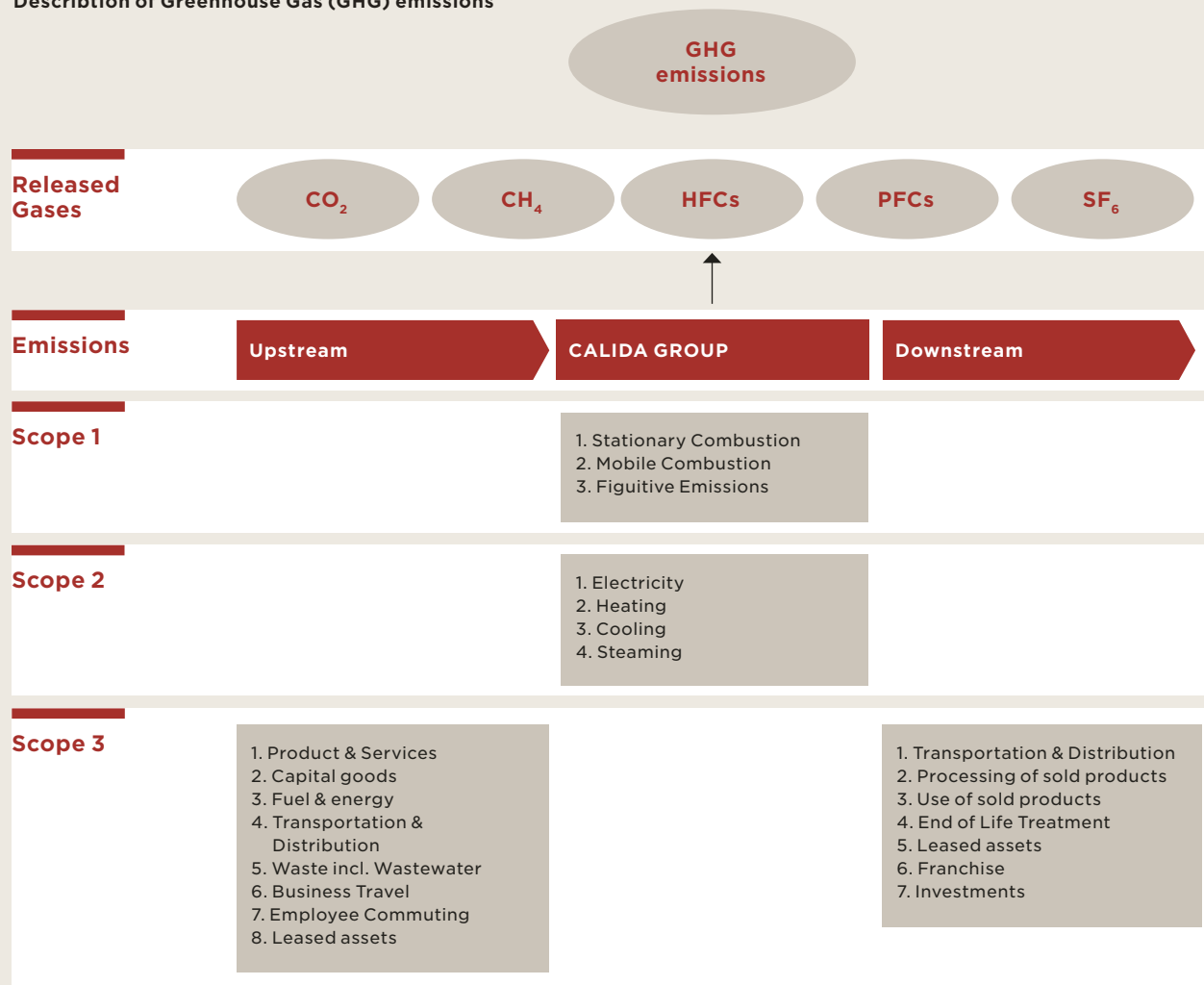
CALIDA GROUP is fully aware of the risks caused by climate change and its potential negative impacts on CALIDA GROUP's business and stakeholders. Consequently, CALIDA GROUP's commitment towards sustainability goes beyond compliance. CALIDA GROUP has proactively started to acknowledge the profound potential negative impacts caused by business operations. Climate-related risks are assessed and opportunities are exploited.

In 2022, CALIDA GROUP measured their carbon emissions for the first time. In 2023, data optimization, further data integration and the development of prevention and mitigation measures were continued.

Describtion of Greenhouse Gas (GHG) emissions

Released Gases: CO_2, CH_4, HFCs, PFCs, SF_6

Emissions: Upstream → CALIDA GROUP → Downstream

Scope 1 (CALIDA GROUP)
1. Stationary Combustion
2. Mobile Combustion
3. Figuitive Emissions

Scope 2 (CALIDA GROUP)
1. Electricity
2. Heating
3. Cooling
4. Steaming

Scope 3

Upstream:
1. Product & Services
2. Capital goods
3. Fuel & energy
4. Transportation & Distribution
5. Waste incl. Wastewater
6. Business Travel
7. Employee Commuting
8. Leased assets

Downstream:
1. Transportation & Distribution
2. Processing of sold products
3. Use of sold products
4. End of Life Treatment
5. Leased assets
6. Franchise
7. Investments

8. Circular Textile Days (saxcell.com)

https://saxcell.com/news/circular-textile-days#:~:text=The%20textile%20industry%20pumps%20between,all%20global%20greenhouse%20gas%20emissions

Methodology

Data was assessed in accordance with the Greenhouse Gas (GHG) Protocol Corporate Standard using an operational consolidation approach. Data was collected from headquarters, stores, own-operated production sites and logistics centres. Most of the emissions calculated were based on real activity data. Spend-based data was only used for the calculation of bought services not directly linked to CALIDA GROUP's own produced products as well as for the categories "Capital Goods" and "Business Travel". Emissions for products made were calculated based on secondary data. The implementation of primary data is planned for 2024. In 2023, the categories "Employee Commuting" and "End of Life Cycle Treatment" were included for the first time.

The categories "Processing of sold products" and "Use of sold products" were not included in the calculation as they are not required by the GHG Protocol Standard based on CALIDA GROUP's business activities. Downstream leased assets and investments were not assessed as they are not directly linked to CALIDA GROUP businesses. Downstream "Transportation & Distribution" was included into upstream "Transportation & Distribution" data, as it was not possible to distinguish between paid and non-paid transportation & distribution. Franchise data was included in Scope 1 and 2 own-operated store data, as only 3 franchise stores still existed in 2023.

Emission factors and global potential (GWO) were used from international accepted sources. The full list of sources can be found in "Appendix 4: Sources".
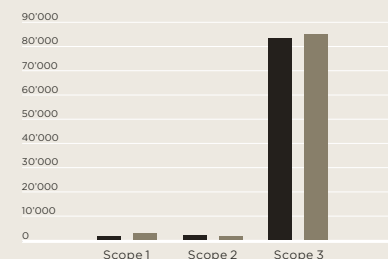
In 2023, CALIDA GROUP generated 86.5k tCO_2emissions – a decrease of 2.93% in comparison to 2022. The drecrease was mainly driven by the integration of new categories and data optimization. The emission intensity rate amounted to 0.00031 – an increase of 5.01% over 2022.
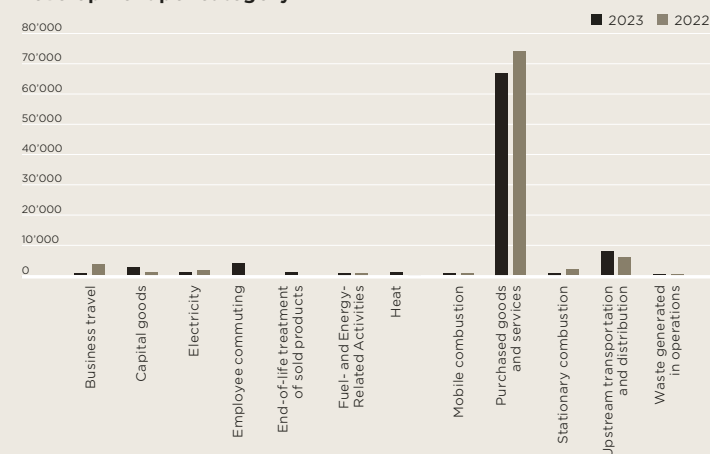
CO$_2$ emissions per scope

- 1.49%
- 2.20%
- 96.31%
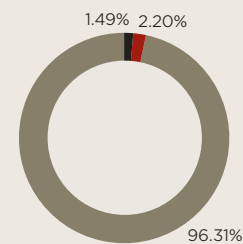
■ Scope 1
■ Scope 2
■ Scope 3

Development per scope

■ 2023 ■ 2022

Share of CO$_2$ emissions per category

- 2.87%
- 0.66%
- 1.10%
- 4.57%
- 0.15%
- 0.98%
- 0.86%
- 9.03%
- 1.08%
- 0.77%
- 0.72%
- 77.19%
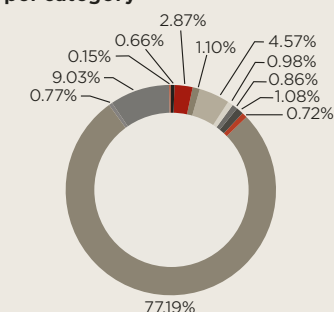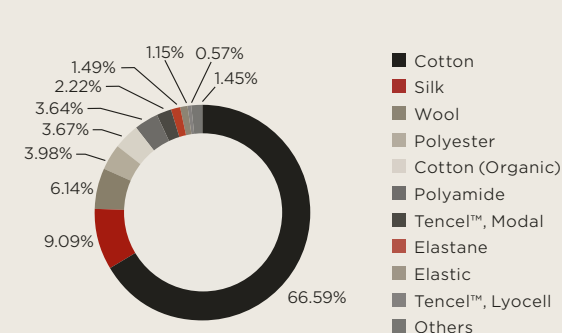
■ Business travel
■ Capital goods
■ Electricity
■ Employee commuting
■ End-of-life treatment of sold products
■ Fuel- and Energy-Related Activities
■ Heat
■ Mobile combustion
■ Purchased goods and services
■ Stationary combustion
■ Upstream transportation and distribution
■ Waste generated in operations

Development per category

■ 2023 ■ 2022

Share of emissions per main material type furniture

- 0.95%
- 0.91%
- 0.87%
- 1.28%
- 3.39%
- 2.40%
- 3.29%
- 4.69%
- 4.85%
- 5.95%
- 9.60%
- 10.78%
- 51.05%

■ Polyester Powder
■ Polypropylene
■ Polyamide
■ Steel
■ Polyester
■ Polycarbonate/ Acrylonitrile Butadiene
■ Styrene
■ Polystyrene
■ Polyurethane
■ Polyoxymethylene
■ Pvc
■ Aluminium
■ Polyethylene
■ Others
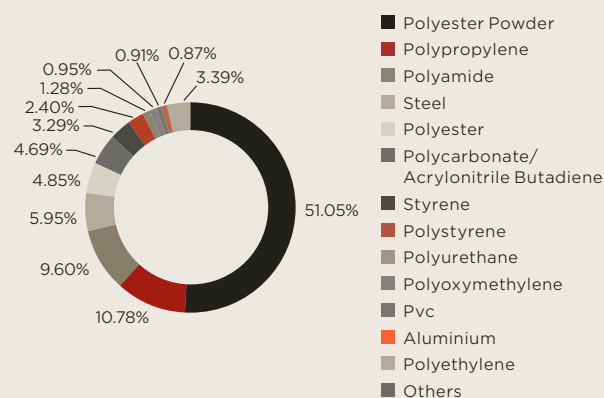
Share of emissions per main material type textile brands

- 1.49%
- 1.15%
- 0.57%
- 2.22%
- 1.45%
- 3.64%
- 3.67%
- 3.98%
- 6.14%
- 9.09%
- 66.59%

■ Cotton
■ Silk
■ Wool
■ Polyester
■ Cotton (Organic)
■ Polyamide
■ Tencel™, Modal
■ Elastane
■ Elastic
■ Tencel™, Lyocell
■ Others

ENERGY

Energy consumption is the key driver for Scope 1 and 2 CO_2 emissions caused by CALIDA GROUP. In 2023, total energy consumption amounted to 43'181'279 kWh – decrease of 21.13% in comparison to 2022. The energy increase per mCHF sumed up to 0.15321 – a decrease of 14.67% in comparison to 2022. Consequently, the energy intensity rate in 2023 was reduced from 0.17956 to 0.15321. 9.56% of energy used came from renewable sources – mainly from water and solar power. Self-generated energy from solar panels installed on own-operated CALIDA GROUP buildings amounted to 274,240 kWh. 39,232 kWh of self-generated energy could not be used and was sold into the grid.
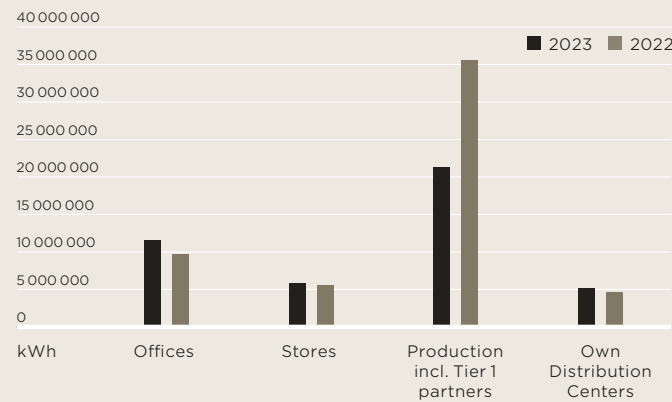
In 2023, CALIDA GROUP started to assess external Tier 1 and 2 partners of CALIDA GROUP's textile brands CALIDA and AUBADE regarding primary data on real energy consumption for the first time, with the aim of increasing accuracy within the CO_2 emission calculation and including primary data within CALIDA GROUP's life cycle assessments. Data collection will continue in 2024.

All energy data include Scope 3 energy data from own-operated businesses and Tier 1 partners to provide the best energy consumption overview for all finished goods produced.
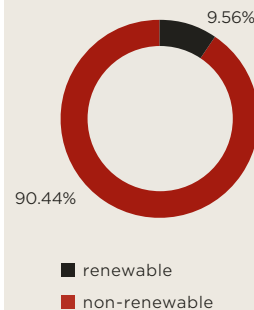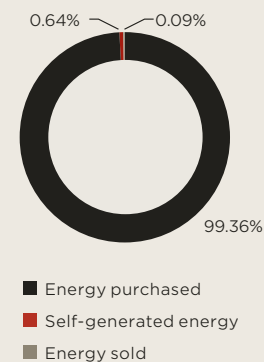
Energy share per location type

- 26.99% Offices
- 12.59% Stores
- 49.03% Production incl. Tier 1 partners
- 11.39% Own Distribution Centers
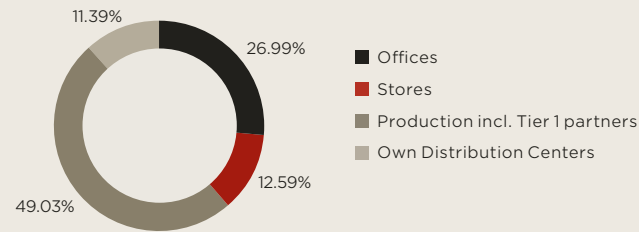
Development energy consumption per location type

Renewable energy share

- 9.56% renewable
- 90.44% non-renewable

Share of self-generated energy

- 99.36% Energy purchased
- 0.64% Self-generated energy
- 0.09% Energy sold

in brief

→ Energy consumption is a key driver for carbon emissions caused by CALIDA GROUP.

→ Total energy consumption has decreased by 21.13%. CALIDA GROUP was able to reduce its energy intensity rate by 14.67% in 2023.

→ 9.56% of energy used came from renewable sources such as water and solar power. CALIDA GROUP is also using self-generated energy from solar panels installed on its buildings.

TARGETS

- Implementation of renewable energy sources for own-operated entities
- Increase of self-generated energy
- Exchanging old lightning systems and isolation standards with state-of-the art systems

WATER

Water is the source of all life. Mismanagement of water can result in water scarcity and water pollution can cause harm to humans and animals. It's estimated that the textile industry uses around 93 billion cubic metres of water annually, which represents four per cent of all freshwater extraction globally. In addition, the textile industry is responsible for around 20% of global clean water pollution[9]. Chemicals and microplastics are released into the environment during farming, production, and usage. CALIDA GROUP has recognized water as a vulnerable resource and microplastics as a key polluter.

CALIDA GROUP itself does not operate farming, treating or wet water production mills apart from LAFUMA MOBILIER's production site in Anneyron. Consequently, CALIDA GROUP cannot directly control water consumption and/or wastewater treatment but does its best to operate as water friendly as possible.
External partners are selected with great care, innovative and water-friendly raw materials are sourced, and strict chemical management and production standards are demanded. Preference is given to partners who are "Detox to Zero" certified or have highly innovative wet water production procedures and/or wastewater treatment solutions in place.
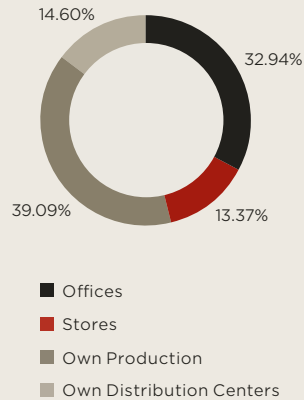
At own-operated production sites, water consumption is mainly driven by the use of washrooms, kitchens or washing test stations. Only at the production site of LAFUMA MOBILIER the majority of water consumption comes from wet water production. Here, to keep water consumption as low as possible, a phosphate- and chrome-free metal surface treatment tunnel was installed in 2018, resulting in a 32% drop in water consumption between 2018 and 2019. Since then, water consumption for production has remained stable.

CALIDA GROUP's total water consumption amounted to 23,259 m^3 in 2023 – a decrease of 15.92%. 82.53 m^3 per mCHF, which represents a decrease of 9.03%. Water consumption in water stress areas[10] amounted to 3,412 m^3 – 14.67% of the overall water consumption.
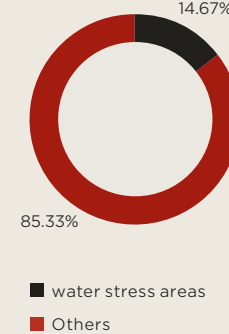
Drinking bottles are provided where tap water can be used as drinking water. Where tap water is not suitable, water is supplied via water fountains or other means.

9. In addition, the textile industry is responsible for around 20% of global clean water pollution
10. Water stress areas are defined as Tunisia only. Re-evaluation shall take place after the latest risk assessment result for 2024.
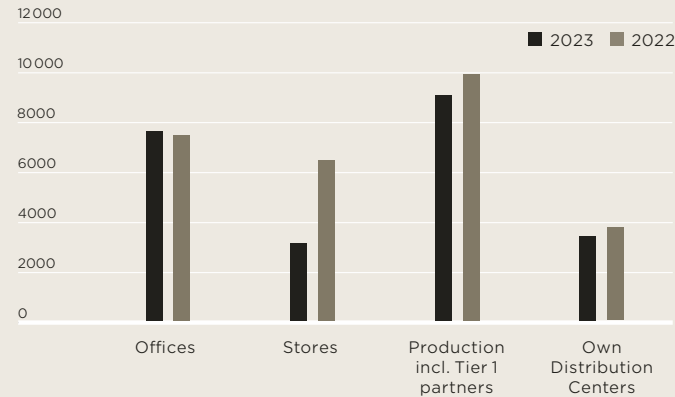
Share of water consumption per location type

- 32.94% Offices
- 13.37% Stores
- 39.09% Own Production
- 14.60% Own Distribution Centers

■ Offices
■ Stores
■ Own Production
■ Own Distribution Centers

Share of water consumption from water stress areas

- 14.67% water stress areas
- 85.33% Others

■ water stress areas
■ Others

Development water consumption per location type

■ 2023 ■ 2022

(Offices, Stores, Production incl. Tier 1 partners, Own Distribution Centers)

in brief

CALIDA GROUP is recognizing water as a vulnerable resource.

CALIDA GROUP is sourcing innovative and water-friendly raw materials. External partners are selected with great care and must adhere to strict chemical management and production standards.

Total water consumption of CALIDA GROUP decreased by 15.92% to 23,259 m^3 in 2023. 14.67% was attributable to so called water stress areas.

TARGETS

- Development of strong cooperations with raw material suppliers to reduce wastewater
- Implementation of RSL and MRSL guidelines
- Reduction of water consumption in waste water areas
- Improving water access for all employees along the value chain

WASTE

The textile industry creates huge amounts of pre- and post-consumer waste. Only approximately 1% of used clothes distributed are recycled. Around 26 kilos of textiles are used by Europeans each year, of which 11 kilos are discarded.[11] CALIDA GROUP is aware of the problems caused by pre- and post-consumer waste. Various prevention and mitigation measures were implemented to reduce waste where possible.

Most of CALIDA GROUP's pre-consumer waste is generated while producing, packaging, and distributing products. In 2023, 23,322 tons of waste were generated. 0.84% thereof were textile waste and 95.59% wastewater. Per mCHF, 82.75 tons incl. wastewater were generated. 99.99% of the generated waste was non-hazardous. 1,433 tons of packaging material was used to pack primary goods. 80.08% of the packaging material used came from renewable raw material sources such as cardboard and paper. Primarily cardboard and paper waste were released into an open loop[12] waste cycle. Fabric and component leftovers from previous production cycles were re-used for the creation of special make-ups[13]. Old, finished goods were released into second, third or even fourth life cycles by distributing them to either CALIDA GROUP's own outlets and e-commerce channels, second life cycle platforms or rest stock buyers. Further leftovers were donated to support social projects.

MICROPLASTIC

It is estimated that synthetic textiles are responsible for a global discharge of between 0.2 and 0.5 million tonnes of microplastics into the oceans each year - 8% of European total amount of microplastics released to oceans.[14] Most of the microplastic is released during the first washings.
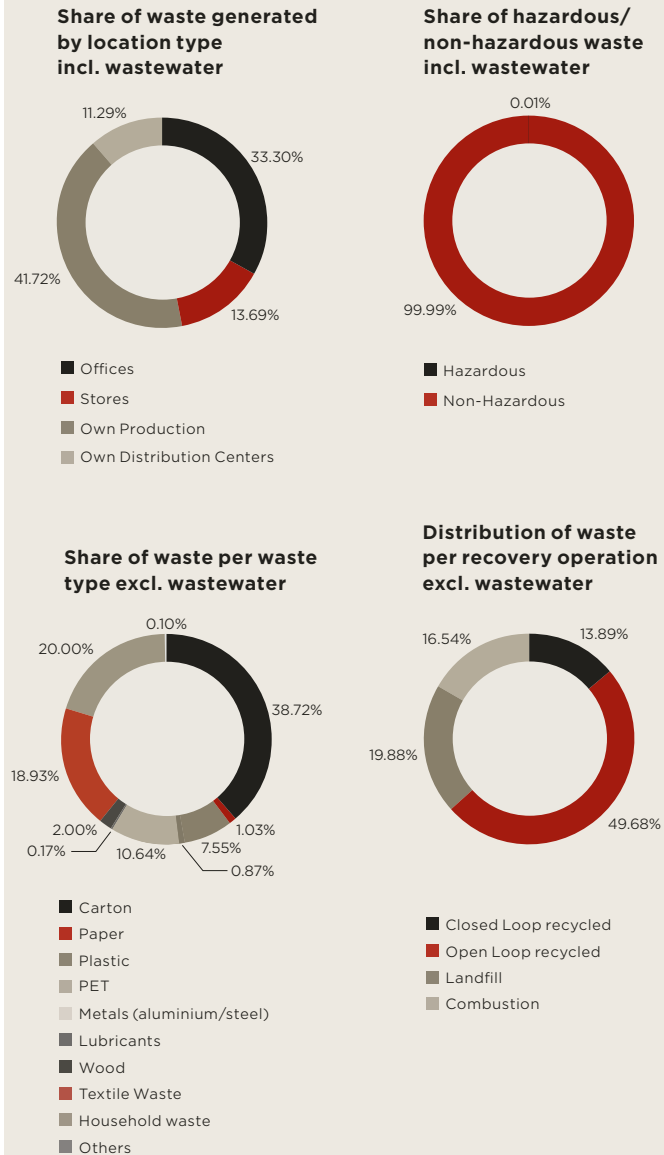
To avoid the release of microplastics into the environment, CALIDA GROUP is concentrating on reducing the use of synthetic fibres. On top, care labels are sewn into each garment, containing care instructions and handling guidelines in accordance with legal requirements to prevent products from being damaged during usage.

11. Quelle: https://saxcell.com/news/circular-textile-days
12. Open loop" describes materials that are recycled and reused within a non-closed life cycle but are re-used elsewhere.
13. A special make-up as in article designed for a special purpose outside of the regular collection development scope.
14. Sherrington, 2016; Ellen MacArthur Foundation, 2017

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Share of waste generated by location type incl. wastewater

- 33.30%
- 13.69%
- 41.72%
- 11.29%

- ■ Offices
- ■ Stores
- ■ Own Production
- ■ Own Distribution Centers

Share of hazardous/non-hazardous waste incl. wastewater

- 0.01%
- 99.99%

- ■ Hazardous
- ■ Non-Hazardous

Share of waste per waste type excl. wastewater

- 0.10%
- 38.72%
- 1.03%
- 0.87%
- 7.55%
- 10.64%
- 0.17%
- 2.00%
- 18.93%
- 20.00%

- ■ Carton
- ■ Paper
- ■ Plastic
- ■ PET
- ■ Metals (aluminium/steel)
- ■ Lubricants
- ■ Wood
- ■ Textile Waste
- ■ Household waste
- ■ Others

Distribution of waste per recovery operation excl. wastewater

- 13.89%
- 49.68%
- 19.88%
- 16.54%

- ■ Closed Loop recycled
- ■ Open Loop recycled
- ■ Landfill
- ■ Combustion

in brief

CALIDA GROUP is aware of the problems caused by pre- and post-consumer waste and has implemented various prevention and mitigation measures to reduce waste.

A total of 23,322 tons of waste was generated by CALIDA GROUP in 2023. Waste was directed to disposal, mainly by releasing the waste into secondary life cycles.

Microplastics are recognized as a key polluter by CALIDA GROUP. It is concentrating on reducing the use of synthetic fibres to avoid the release of microplastics into the environment.

TARGETS

- Reduction of pre-consumer textile waste based on optimized cutting procedures

- Reduction of post-consumer waste by extending closed-loop approaches and circularity concepts

- Reduction of synthetic fibers

IV. EMPLOYEES

3	5	8
Good Health and Well-Being	Gender Equality	Decent Work and Economic Growth
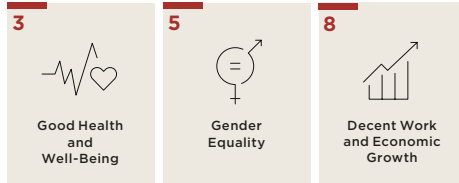
Employees are CALIDA GROUP's biggest asset. Promoting employee well-being, offering work-life balance concepts and encouraging women and diversity are key components of CALIDA GROUP's Human Resource strategy.

CALIDA GROUP offers:

• fair and responsible working conditions
• training and development options
• mobile working and flexible working hours
• good insurance concepts
• stock options for management members
• external benefits

In addition, CALIDA GROUP takes actions to gain new employees and to focus on diversity. Diversity Charters were signed to underline CALIDA GROUP's commitment.

CALIDA GROUP employs around 2,443* people. Around 24.52% are men and 75.48% are women. Most employees are in the 35–50 age group. Around 2,165* employees are employed full-time. The number stated is calculated using the FTE system. 2,402 employees are hired from local communities – 98.32% of the overall staff. In 2023, 402 new employees were hired. 498 left CALIDA GROUP. 27 employees took and 26 returned from parental leave. 18 employees returning from parental leave were still employed 12 months after they had returned to work, resulting in a return-to-work rate of 96.30% A retention rate of 69.23% was achieved. The average length of service amounted to 7.6 years and therefore stayed almost the same as in 2022 (7.09).[15]

*excl. COSABELLA
15. 2022 data was corrected based on changes 2023

in brief

→ **2,443 people are employed by CALIDA GROUP around the world. More than 98 percent were hired from local communities. The average length of service slightly increased to 7.6 years in 2023.**

→ **CALIDA GROUP is actively promoting employee well-being, offering work-life balance concepts, and encouraging diversity.**

→ **Employees of CALIDA GROUP are profiting from various benefits and offers, ranging from health-care, disability and invalidity coverage to discounted transport, sports and social entertainment options.**

→ **CALIDA GROUP is regularly conducting various health and safety trainings, as well as informing and training employees of the proper use and handling of machinery, chemicals, and waste.**

TARGETS

• Improving working conditions

• Increasing diversity

• Taking measures to retain employees

• Establishing Human Rights training documents

Benefits and Offers

Full-time employees and some part-time workers are offered various benefits. Flexible working hours, remote working options, staff discounts, sponsored food or drinking water as well as a good healthcare, disability and invalidity coverage is offered in alignment with or even in excess of what is required by national laws. In general, maternity leave is handled in alignment with national laws. However, full-time employees in Switzerland are offered longer maternity leave than required by national regulations. Retirement provisions and management stock ownership options are offered depending on the retirement age and function. Lastly, depending on the country and brand, discounted transport, sports and social entertainment options are available.
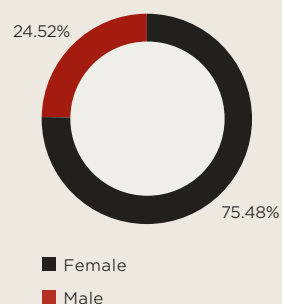
Development

CALIDA GROUP offers various development concepts and opportunities for employee development. Online and in-person trainings and theme-specific workshops,and e-books were offered in 2023. In addition, CALIDA GROUP offers career-related or part-time education concepts and permits employees to apply for sabbatical leave if needed. CALIDA GROUP has also established a CALIDA ACADEMY to provide employees with in-house development options.
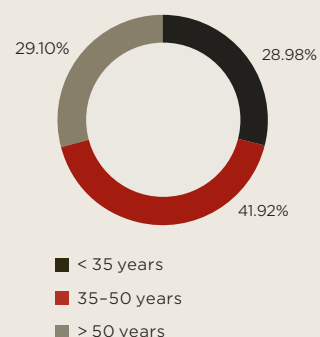
Health & Safety

To ensure employee safety, CALIDA GROUP conducts various health and safety trainings including fire and first aid courses, as well as informing and training employees of the proper use and handling of machinery, chemicals, and waste. External partners are encouraged to follow CALIDA GROUP's example to prevent work-related injuries and fatalities. In 2023, 109 work-related injuries were reported, of which 40 were subject to mandatory reporting. The rate of reportable cases was 0.00%. The share of fatalities caused by work-related injuries was 0.00%. Furthermore, no cases of discrimination were reported.
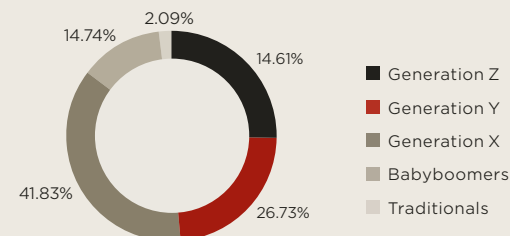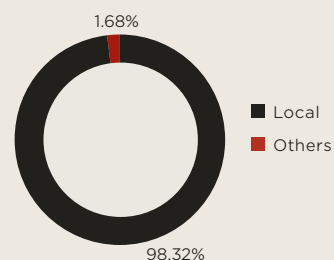
Gender distribution in %

24.52%
75.48%

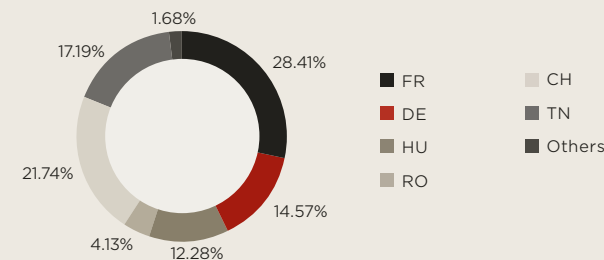- Female
- Male

Age distribution in %

29.10%
28.98%
41.92%

- < 35 years
- 35–50 years
- > 50 years

Age distribution in %

14.74%
2.09%
14.61%
41.83%
26.73%

- Generation Z
- Generation Y
- Generation X
- Babyboomers
- Traditionals

Share of employees hired from local communities

1.68%
98.32%

- Local
- Others

Distribution of employees from local communities

1.68%
17.19%
28.41%
21.74%
4.13%
12.28%
14.57%

- FR
- DE
- HU
- RO
- CH
- TN
- Others

Development of new hires

402 (2023), 428 (2022)
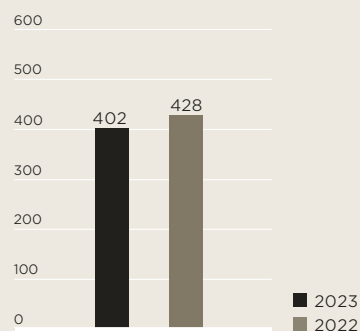
- 2023
- 2022

Development of turnovers

498 (2023), 516 (2022)
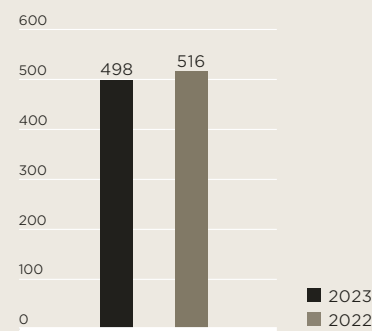
- 2023
- 2022

Complaint Management

In 2023, in alignment with the new whistleblowing Directive (EU) 2019/1937 in Europe and especially the German (HinSchG) and French (Loin. 2022-401) laws, CALIDA GROUP installed a CALIDA GROUP-wide complaint management and 3rd party complaint platform to ensure legal compliance. The purpose of the platforms is to offer internal and external stakeholders the opportunity to report any complaints around the clock, anonymously or personalized, in order to combat injustice, violations, discrimination, corruption and much more. More information about the complaint management process can be found in the code of conduct.

https://www.calidagroup.com/en/investors/#corporate-governance

The CALIDA GROUP-wide complaint management platform can be accessed via the CALIDA GROUP website or an QR Code.

The 3rd party platform can be accessed via the following link:
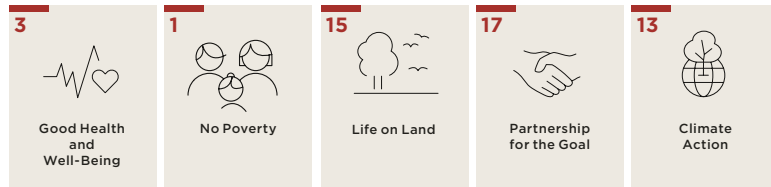
https://www.oeko-tex.com/en/contact/complaint-form

(The 3rd party platform is concentrating on complaints linked to STeP Standard violations.)

V. EXTERNAL ENGAGEMENT

3	1	15	17	13
Good Health and Well-Being	No Poverty	Life on Land	Partnership for the Goal	Climate Action

External engagement with stakeholders is essential to drive sustainable business forward and to be informed about the newest developments and trends. Stakeholder engagement enables know-how transfer and leads to strategy improvement. Cooperations and a regular exchange with investors, banks, social and environmental organisation help to prevent and mitigate negative impacts on communities and environment. The inclusion of investors in target-setting is essential to ensure future businesses and financial support.

CALIDA GROUP:
- organizes regular exchange calls, meetings, roadshows and conferences
- established short-term, mid-term and long-term cooperation with local or international associations
- contributed to social and health-related projects
- works on the establishment of further training material regarding major social issues such as anti-corruption, business ethics
- encourages external partners to follow CALIDA GROUP's social, environmental and ethical standards

in brief

→ Within its sustainability strategy, CALIDA GROUP is emphasizing contributing to local communities and ensuring the inclusion of stakeholder demands.

→ Stakeholder engagement along the value chain of CALIDA GROUP encompasses regular interactions with various internal and external interest groups.

→ In 2023, CALIDA GROUP supported a wide range of social and environmental initiatives, as well as projects to support fair wages, diversity, and gender equality.

The chart on the right illustrates stakeholder engagement along the value chain and the interaction with the defined SDG goals and targets:

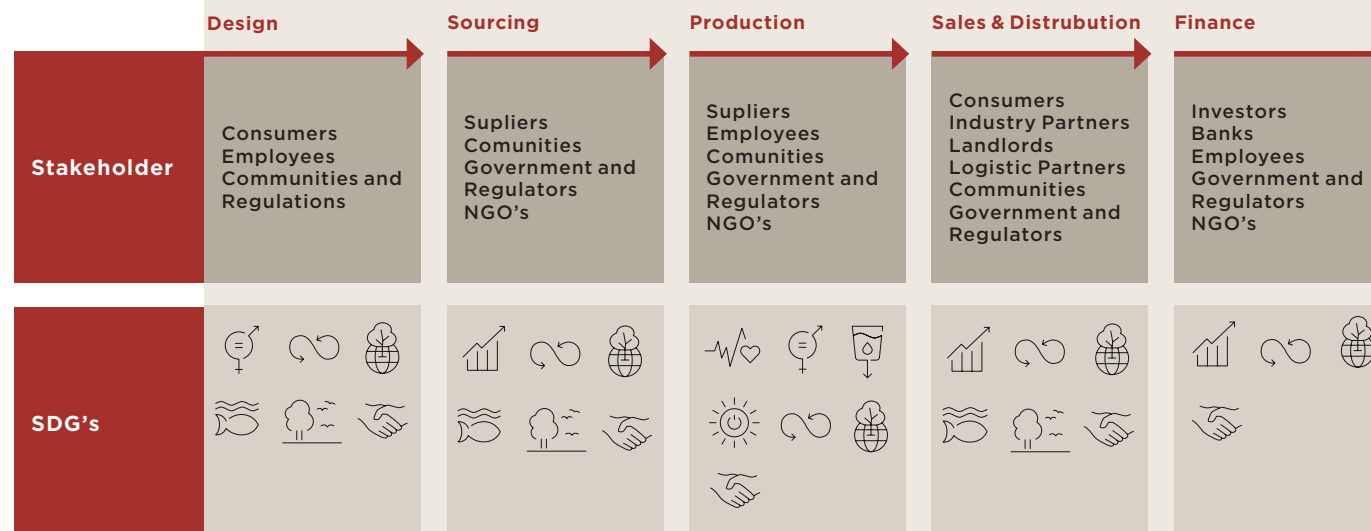In 2023, CALIDA GROUP supported various social projects and associations:

- Pink Ribbon association
- Odysséa 5-kilometer solidarity walk
- Solidarity Bank for Equipment (BSE)
- Arche de la Vallée (Valley Arch)
- Solidarity Association for Caregivers
- Umbrella association for rainbow families
- AOZ canton asylum schelter in Zurich
- Aid organizations SAO Association and "Engagiert mit Herz" (engaged with heart)
- Donations to Turkey earthquake victms initiated by Turkish Airlines Zurich

48,600 items were donated in 2023. Almost 30,000 pcs. from discontinuing operation of the onmyskin multilable plattform were donated to the Red Cross to give something back to local communities where negative impacts did occur.

Some projects were supported not only through product and monetary donations, but also by the personal presence of CALIDA GROUP staff or by organizing special events such as the cooperation with Fauchon L'Hotel Paris and Ruban Rose by AUBADE during the pink month of October or the participation of the Odysséa 5-kilometer solidarity walk in the heart of Paris by AUBADE or the participation of the 4-kilometer Pink Ribbon charity walk in Zurich by CALIDA.

Stakeholder Engagement along the value chain

	Design	Sourcing	Production	Sales & Distrubution	Finance
Stakeholder	Consumers Employees Communities and Regulations	Supliers Comunities Government and Regulators NGO's	Supliers Employees Comunities Government and Regulators NGO's	Consumers Industry Partners Landlords Logistic Partners Communities Government and Regulators	Investors Banks Employees Government and Regulators NGO's
SDG's					

Projects to support fair wages, diversity, gender equality and healthy working conditions:

• Execution of the Duo Day at LAFUMA MOBILIER to support and create awareness for disabled people
• Execution of the Future day by CALIDA to attract young future employees
• Introduction of Referral-Recruiting system by CALIDA
• Implementation of "Mindfulness-Trainings" to help employees to cope with stress situations CALIDA
• Participation at the Zurich Pride Festival as supporting partner to create awareness for the different sexual orientations and genders

In addition, CALIDA GROUP signed and supported various environmental projects to mitigate possible negative effects on biodiversity, resources and health.

• Kick-off cooperation carbon trail and CALIDA
• Implementation of additional PV system at CALIDA
• Kick-off project PV system installation at LAFUMA MOBILIER's production site in Annyeron
• Project start FRET 21: Implementation of a sustainable transportation strategy LAFUMA MOBILIER
• Participation World Clean Up Day to collect waste

CALIDA's cooperation with the Trees of Life association, planting an additional 5,714 trees to offset carbon emissions and fight deforestation.

Finally, as every year, CALIDA GROUP organized exchange meetings with external stakeholders such as investors, banks, NGO's, governmental and regulatory institutions. Regular textile association workshops and panel discussions were attended and bilateral exchanges between investors, banks, external consultancies, other textile brands etc. organized, in order to stay abreast of current developments and needs and to ensure that best practices were adopted where possible.

CALIDA | Aubade PARIS | COSABELLA | Lafuma MOBILIER