



Due diligence for responsible business conduct with regards to people, animals, society and the environment

Account reporting year 2023

for Camilla Pihl Fashion Group AS

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*Ethical Trade Norway has assessed the report of Camilla Pihl Fashion Group AS to meet the criteria of our Base Level. More information about our Base Level can be found **here**.*



SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

Enterprises and the public sector have a great impact on people, society, the environment, climate, and animals and can both contribute positively to development, or negatively by causing harm. Enterprises therefore hold a central role in achieving UN's Sustainable Development Goals (SDGs) and the Paris Agreement's 1,5-degree target.

This report can be used as an account for the Transparency Act, but it has a broader scope with climate and the environment, circular economy, and anti-corruption indicators also being included. Our members are obligated to carry out due diligence and report annually on their work. Base level1 members also meet the Transparency Act's due diligence duty, and partially the Act's information duty.

Ethical Trade Norway's concept of responsible business conduct equals OECD's terminology and due diligence methodology. This is the systematic effort that enterprises do to identify, prevent, or mitigate adverse impacts and explain how they manage their risks of negative impact, as well as provide remediation to people, animals, society, and the environment where this is required – is called due diligence. Norwegian authorities expect all enterprises, regardless of their size, to carry out due diligence on society, the environment, and animals in accordance with the UN's Guiding Principles for Business and Human Rights (UNGPs) and OECD's Guidelines for Multinational Enterprises. This applies to enterprises, the public sector, and organisations.

Ethical Trade Norway's Declaration of Principles (our Code of Conduct) for Responsible Business Conduct covers the areas of decent work, human rights, environment/climate, anti-corruption, and animal welfare. This report is done in full transparency and in line with UNGPs and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

Heidi Furustøl

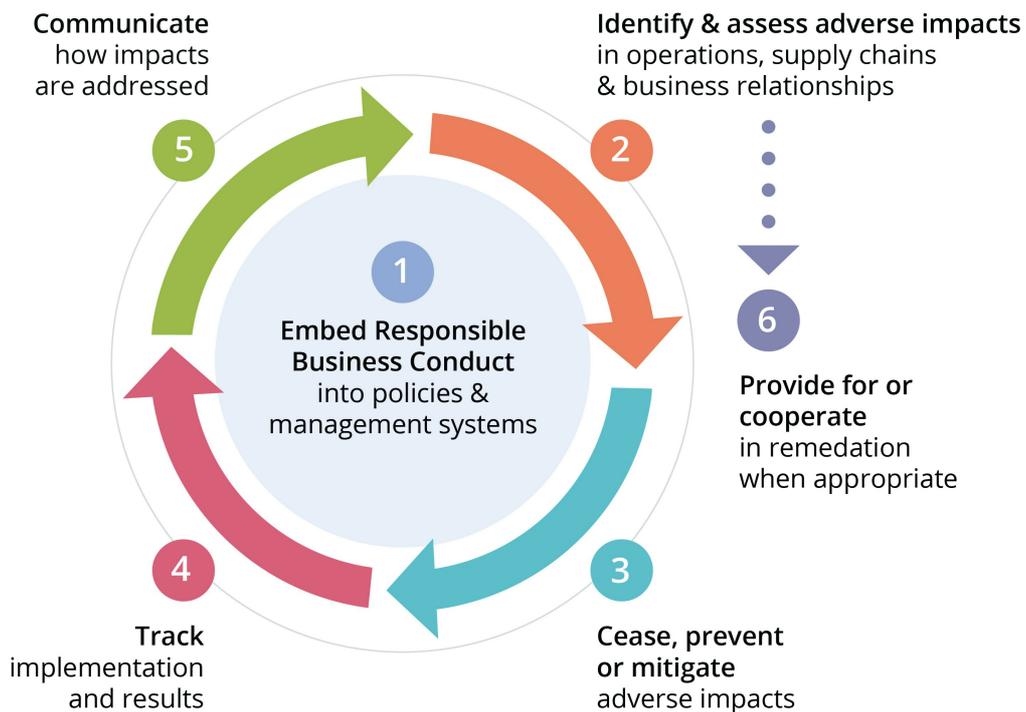
Executive Director

Ethical Trade Norway

Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



Preface From CEO

This is our first annual sustainability report and accounting on due diligence for responsible business conduct with regards to people, animals, society and the environment.

As for any growing brand in the current moment, there are immense challenges to be faced when it comes to sustainable production. We must strive to make each garment traceable and with less impact on people and planet.

Our goal is to be constantly elevating our standards: in terms of design, quality and sustainability initiatives. The CAMILLA PIHL brand is rooted in timelessness and the collections feature pieces that never go out of style and are crafted to remain forever favourites.

As a young brand, our sustainability story is still evolving. Ultimately, we want to consider the entire lifecycle of a garment, from production to disposal, and consider how to minimize the environmental impact at each stage. To make the greatest positive impact, we need to work together. Together with our collaborators for people. Together with our community for the planet.

We have set our overall sustainability long term goals up to 2030 covering the following aspects:

- TRANSPARENCY & TRACABILITY
- TAKING RESPONSIBILITY FOR OUR IMPACT
- MINDFUL CHOICES
- LEAVING A POSITIVE FOOTPRINT

For each of these aspects we have taken some actions already, and we have planned several actions for the coming years. You can read more about this and our commitments in the report. We have also published information about our sustainability work on our website camillapihl.com/sustainability

" We must strive to make each garment traceable and with less impact on people and planet. "



Susanne Holzweiler – Board member

Susanne Holzweiler
CEO

Board Signature

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CAMILLA PIHL

Camilla Pihl Fashion Group AS

The board of Camilla Pihl Fashion Group AS hereby confirms having received and read the report prepared for Ethical Trade Norway, which also forms the basis for our annual report:

Due diligence assessments for sustainable business practices

Statement for the reporting year 2023

Camilla Pihl Fashion Group AS Board:

14.05.2024, Lysaker

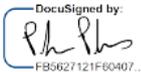


Susanne Holzweiler
CEO & Board member



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Camilla Sørli Pihl
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Camilla Sørli Pihl
Board member



DocuSigned by:
Peter Peters
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Peter Peters
Chairman



Andreas Holzweiler
Board member

Camilla Pihl Fashion Group AS, Org. nr. 921 440 588, Lysaker Brygge 29, 1366 Lysaker

Lysaker Brygge
14.05.2024

Enterprise information and enterprise context

Key enterprise information

Enterprise name

Camilla Pihl Fashion Group AS

Head office address

Lysaker Brygge 23, 1366 Lysaker

Main brands, products and services offered by the enterprise

Camilla Pihl garments, shoes and accessories for women

Description of enterprise structure

Camilla Pihl is an Oslo-based fashion brand founded in 2018 by Camilla Pihl, an influencer and entrepreneur passionate about style and lifestyle. Our head office for design, buying and logistics is located at Lysaker Brygge. We are a small organisation designing and producing women's clothing and accessories for B2B and B2C in the Norwegian market. We also sell our products online within Scandinavia and in our own shops, two in Oslo and one in Bergen.

The management team is close to the rest of the organisation on a day-to-day basis. As a young brand, our sustainability story is still evolving. Ultimately, we want to consider the entire lifecycle of a garment, from design and production to disposal and consider how to minimize the environmental and social impact at each stage.

Becoming a member of Ethical Trade Norway in 2022 - this is our first annual report on sustainable business practices. We have established a sustainability strategy and we have set goals for the coming years which will take us step by step on our sustainability journey.

The CSR team is responsible to perform Due diligence in the supply chain, consider the risks and set and take preventing and mitigating actions. They are involving and collaborating with design and production team in this work as well.

The findings and actions are communicated to the management team as part of the ESG topics in management meetings, minimum twice a year. In February including an overview of plans for the coming year and in August/Sept status and updates on the ESG work.

Turnover in reporting year (NOK)

90 000 000

Number of employees

28

Is the enterprise covered by the Transparency Act?

No

Major changes to the enterprise since last and current reporting period

Contact person for the report (name and title)

Margrethe Vikanes

Email for contact person for the report

sustainability@camillapihl.com

Supply chain information

General description of the enterprise's sourcing model and supply chain

Camilla Pihl has a design and production team consisting of three designers working closely with buying and production team which is consisting of a patternmaker, a production assistant, a buyer and one head of production and buying.

We design, develop and source our goods from selected suppliers located in China, Turkey, India and Portugal. Through our suppliers we select among a range of fabrics and trim suppliers to cater our designs and tech packs. We prefer working directly with the factories, although with some suppliers we have an intermediary representing their factory in the international market. This is mainly due to language and communication skills.

Number of suppliers with which the enterprise has had commercial relations in the reporting year

20

Comments

Type of purchasing/ suppliers relationships



List of first tier suppliers (producers) by country



State the number of workers at first tier producers that the enterprise has an overview of, and the number of suppliers this overview is based on:

Number of workers

Number of suppliers this overview is based on

Comments to number of workers

We do not have a full overview of this at the moment, but we are implementing a new ERP system in 2024 and we will have a supply chain module for gathering such data from our suppliers.

Key inputs/raw materials for products or services and associated geographies

COTTON	China India Turkey
MOHAIR	China
MERINO WOOL	China
ALPACA	China
POLYESTER AND POLYAMIDE	China India
LEATHER	India Portugal
VISCOSE	China India

These inputs/raw materials represent the majority of Camilla Pihl Fashions Groups products and where they are assembled. We have defined a preferred fibre list which we aim to follow for sourcing materials for our products, you can read more about our preferred materials on our website; camillapihl.com/policies-and-guidelines.

Is the enterprise a supplier to the public sector?

No

Goals and progress

Process goals and progress for the reporting year

1

This is Camilla Pihls first annual report as member of Ethical Trade Norway. Our goals are defined in our ESG strategy for the coming years. See more of this under Goal for the coming years.

Goal : In 2023 we established the necessary basic documents and guidelines as recommended in the steps for membership. Read more on the actions we have taken in a short summary of the main tasks completed in 2023 under "Status".

Status :

- Ethical trade criteria for membership level 1.
- Materials impact – preferred materials list established.
- Set up a system for Quality and product safety guidelines (QC & Chemical guide etc).
- ESG strategy and goals established.
- Traceability process mapping form established for gathering supply chain data.
- Supplier evaluation established.
- Governing documents updated and in place.
- Updated webpage with CSR info.

Goal for coming years

1

2030 ESG goals

TRANSPARENCY & TRACABILITY

Establish long-term relationships with like-minded suppliers:
Work with suppliers who share our commitment to sustainability.

Be transparent:

Disclose tracking information about the materials and processes used to make our garments.

TAKING RESPONSIBILITY FOR OUR IMPACT

Minimize waste:

From design and production, to distribution and packaging: implement strategies to reduce waste throughout the production process, like cutting fabrics and using scrap materials more efficiently and creatively.

Reduce water usage:

Implement water-saving technologies and practices in our production processes.

Educate on sustainability

Communicate honestly with our customers about our sustainability journey and encourage them to join us in that commitment.

MINDFUL CHOICES

Source and use less impact and more sustainable materials:

Choose materials that are more environmentally friendly wherever possible, such as sustainably grown cotton or recycled cotton, recycled polyester, or natural fibers like wool and linen.

Consider eco-conscious packaging:

Begin to use recycled, biodegradable, or compostable packaging to reduce environmental impact.

Invest in sustainable design:

Use materials and techniques that both minimize environmental impact and considers human and animal welfare, as well as being the most durable and long-lasting.

LEAVING A POSITIVE FOOTPRINT

Invest in innovation:

Continuously seek out new, innovative technologies and practices that will help us improve our sustainability performance.

Explore circular fashion opportunities:

Incorporate repair and re-use of garments into the company's business model.

Empower our customers to care and repair:

Educate our customers on how to care and maintain their garments season after season, and to use that knowledge to extend their lifecycle.

2

2024 and 2025 planned main actions:

- Ethical trade membership level 2
- Materials uptake – preferred materials 20-30%
- Traceability and transparency: – DPP – digital product passport: gather data and prepare for DPP
- Circularity – investigate in new solutions
- ESG strategy: GHG (greenhouse gas) measure baseline and establish roadmap
- Measure in value chain to improve workers' rights:
 - - starting with investigating the suppliers grievance mechanisms system and worker dialogue including worker representation
 - - Survey on own purchasing practices
- Supplier manual and test program (quality and chemical)
- Trimco implemented care labels, and prepare for data gathering of certificates from suppliers
- Investigate suppliers' climate and environment goals and measures



1

Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the enterprise should have strategies and plan, as well as relevant policies and guidelines for due diligence for responsible business conduct (hereafter due diligence) which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to success, and due diligence should be an integrated element in enterprise operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the enterprise, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed. Transparency about commitments the enterprise has for itself, challenges they are facing, and how these are managed is fundamental

1.A Policy for own enterprise

1.A.1 Link to publicly accessible policy for own enterprise

<https://camillapihl.com/policies-and-guidelines>

1.A.2 What does the enterprise say publicly about its commitments to respect people, animals, society, the environment and climate?

Policy for responsible business conduct:

Camilla Pihl Fashion Group AS strives towards responsible business conduct that respects people, society and the environment. This policy document, including our Code of Conduct, forms the foundation of our sustainability work.

Camilla Pihl Fashion Group AS considers responsible business conduct to be a prerequisite for sustainable development, meaning that today's generation get their needs covered without compromising the ability of future generations to meet their own needs. The UN Sustainable Development Goals (SDGs) is the world's joint action plan for sustainable development. Camilla Pihl Fashion Group AS works actively with the Sustainable Development Goals.

As a member of Ethical Trade Norway Camilla Pihl Fashion Group AS commits to working actively with due diligence for responsible business conduct.

Due diligence is a risk-based approach to respect and safeguard people, society and the environment in our own business and throughout the supply chain. We expect our suppliers and partners to follow the same approach.

Requirements - own business

Camilla Pihl Fashion Group AS acknowledges that our business conduct can potentially have negative impact on people, society and the environment. At the same time, we see the potential to contribute to positive development in the supply chain. With this in mind, we have compiled the following principles and criteria guiding our own business:

Due diligence

Camilla Pihl Fashion Group AS shall conduct due diligence for responsible business conduct. This involves; conducting risk assessments to identify potential negative impact on people, society and the environment and to stop, prevent and reduce such impact. The measures put in place are monitored and their effect evaluated. The measures are communicated to those affected by our actions. If our activities are found to cause or contribute to negative impact on people, society or the environment, we will stop the activities and seek to provide remedy. If our supplier is responsible for the negative impact, the supplier is responsible for providing remedy.

Responsible purchasing practices

Camilla Pihl Fashion Group AS considers responsible purchasing practices to be one of our most important tools for responsible business conduct. Camilla Pihl Fashion Group AS shall adapt our purchasing practices in order to strengthen, and not undermine, our suppliers' ability to deliver on our requirements related to people, society and the environment. We strive towards lasting supplier relationships with suppliers who show a particular willingness and ability to create positive developments in the supply chain.

Freedom of association and worker representation

Camilla Pihl Fashion Group AS supports the right to freedom of association and other forms of democratically elected worker representation. We shall involve worker representatives and other relevant stakeholders in our work with responsible business conduct.

In addition to the above we avoid business with countries affected by trade boycott and we have established an anti corruption policy, requirements for suppliers, animal welfare policy, chemical guidelines and responsible sourcing policy.

You can read more about our policies and guidelines on our website:

<https://camillapihl.com/policies-and-guidelines>

1.A.3 How has the policy/commitment been developed and how is it embedded in the enterprise?

The policy is developed by the CSR team and is embedded with the management team and board. It is in line with Ethical Trade Norway's declaration of Principles and adjusted to the textile industry challenges and our overall supply chain risk assessment.

The documents are approved by and embedded with the management and board annually or when new topics arise which need management attention.

The ESG strategy, goals and measures are aligned with our policies and guiding documents and what is required by us as a textile company from the industry stakeholders and authorities. We are also embedding headroom for future expectations and coming regulations.

1.B Organisation and internal communication

1.B.1 How is the due diligence work organised within the enterprise, embedded in internal guidelines and routines, and why?

The CSR Manager is responsible to perform day to day Due diligence in the supply chain, consider the risks and set/take mitigating actions. The findings and mitigating actions are informed to the board and management team as part of the ESG status updates in management meetings. We are a small organisation and the CSR manager has close dialogue with the design and buying team on supply chain challenges, improvements, solutions and opportunities.

The CSR manager has set several minimum criteria which new suppliers must comply with to be considered as a potential supplier. Since we are a small team we have regular updates in the weekly production and design meetings and we coordinate anything related to the CSR work cross functional.

In addition we have developed a list of preferred materials which guides design in design- and product development.

1.B.2 How is the significance of the enterprise's due diligence work defined and clarified for the employees through their job description (or the like), work tasks and incentive structures?

Due diligence and supply chain risks are topics we regularly have on the agenda in internal meetings as well as in dialogue with the suppliers. CSR Manager is responsible for the overall due diligence.

We have regular internal meetings with the complete Camilla Pihl team, as well as operational meetings with design and production, where we share information on relevant ESG/CSR issues to raise awareness and knowledge within the company.

For new employees, they are introduced to our policies and guidelines in the onboarding program.

For positions within design, buying and production due diligence is included in their job description and they have an important role to contribute to the due diligence work.

Information is so far gathered manually today, but we are implementing a digitised management system for gathering and sorting supply chain data in 2024.

1.B.3 How does the enterprise make sure employees have adequate competence to work on due diligence for responsible business conduct?

CSR Manager updates the design, buying and production team and employees in other departments on ESG/CSR related topics regularly. This can be all from updates on new regulations we must adhere to, to changes in own expectations or terms.

When additional training or competence building is necessary we sign up for training at Ethical Trade Norways courses or we get information from other relevant stakeholders (for example NF&TA or companies like Trimco or Delouge). Also NGO's and other textile industry players are relevant sources for getting information, advise, sharing experience and expertise.

1.C. Plans and resources

1.C.1 How are the enterprise's commitments to respect people, animals, society and the environment embedded in strategies and action plans?

Our ESG strategy sets the goals and actions for our work on responsible business conduct. These are linked to the overall company's business strategy.

We have a dedicated resource to manage the CSR work and the whole organisation is embedded in the goals and targets.

We have shared the overall strategy and longterm goals on our website, in addition will this report be publicly available through Ethical Trade Norways website.

The main goals and actions are described in more details in the first part of this report.

1.C.2 How is the enterprise's strategies and action plans to work towards being responsible and sustainable followed up by senior management and the board?

The management and board are supporting the sustainability work, and the ESG strategy including planned actions and budget is embedded with the management and board.

The management is not directly involved in the daily CSR work, but they are informed and get regular updates in meetings or in written communication.

CSR manager sees to that ESG plans and strategies are updated and involves the management whenever needed. As a minimum in spring when annual CSR/ESG reporting is done and they sign it off and during fall for updates, status and besides planning the next years budget. Feedback from ETN on the annual report will be shared with management going forward to involve them in evaluating the work.

1.D Partnerships and collaboration with business relationships, suppliers in particular

1.D.1 How does the enterprise emphasise the importance of responsible and sustainable business conduct in its business relationships, particularly in the supply chain?

All new potential suppliers are introduced to our policies and guidelines for responsible and sustainable business conduct early in the dialogue. In our onboarding program we have gathered the information and expectations to the business relation.

Code of conduct for suppliers, minimum criteria for suppliers, chemical guidelines, animal welfare policy and general terms and conditions are the most important documents we have for establishing knowledge with the suppliers on what we expect they shall adhere to.

We strive for a long-term relation with the suppliers and that mutual development and collaboration are building a stronger foundation for improvement measures whenever required. By selecting suppliers meeting our minimum criteria we rule out some potential challenges, but still we will most likely find improvement areas within social, working conditions, environmental or otherwise and we think addressing these and supporting the supplier to improve them is an important role in the collaboration.

Keeping focus on due diligence from the start of a supplier relation and going forward in the collaboration is key to manage risks and potential changes in the supplier relation. In addition to CSR manager, - designers, buyers and production staff have due diligence as part of their job description and they are important players in the work with supplier relation management, spanning from collaboration to risk management.

Suppliers are managed through follow up and dialogue based social audits results, including their corrective action plan and by internal supplier evaluation which we perform at least annually.

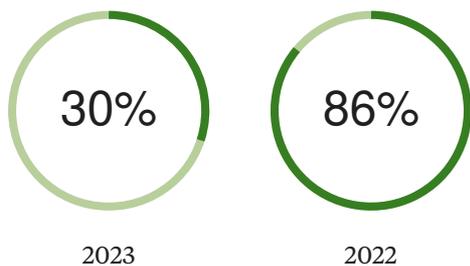
Indicator

Percentage of the company's suppliers that have accepted guidelines for suppliers



A prerequisite for business relation is that the supplier has accepted our policies and guidelines for suppliers.

Percentage of the company's suppliers with whom the company has had a business relationship for more than three years



The decrease in share of suppliers with relationship more than three years, is due to new suppliers have been added to the portfolio to manufacture new type of products to cover a wider range in the collections.

1.E Experiences and changes

1.E.1 What experiences have the enterprise encountered during the reporting period concerning responsible business conduct, and what has changed as a result of this?

We have in 2023 focused on internal embedding of responsible business conduct and 2023 is also the first year we are reporting on this area. To strengthen the CSR/ESG work, CAMILLA PIHL Fashion group AS has from August 2023 hired a 60% position to lead and be responsible for the CSR/ESG work going forward.

As a Norwegian textile brand of 2024 we find it necessary and required to set focus on how we as a company impact the supply chain, workers, animals, environment and climate and with the coming regulations this is a basic requirement by being part of the industry.



2

Defining the focus for reporting

Identify and assess the enterprise's impact on people, animals, society and the environment

“Identify and assess” is about identifying the enterprises's risk for, and actual negative impact on, people, animals, society and the environment, including in the supply chain and through business relationships. As a first step the enterprise should get an overall risk picture, before subsequently prioritising further mapping and measures where the risk of negative impact is the greatest, i.e. salient issues. The enterprises's involvement in the negative impact on people, animals, society and the environment is central to determine which measures the enterprise should implement in the next step of the due diligence model. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.

2.A Mapping and prioritising

PRIORITISED ACTUAL OR POTENTIAL NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.

2.A.1 List the enterprises's actual negative impacts and/or prioritized significant risks of negative impact/harm on people, animals, society and the environment. Take note that the prioritized risk that you list in the table below will be exported to step 3 of this report, where you will be asked to answer how you work with stopping, preventing, or reducing the negative impact.

Salient issue	Related topic	Geography
Fibre and raw materials with a negative impact on people, planet or animals	Forced labour Environment Animal welfare Emission Energy Water	Global
Excessive use of overtime at the suppliers	Working hours	China
Emissions and pollution from textile industry	Environment Emission Greenhouse gas emission Waste Water	Global
Forced labour in Xinjiang province	Forced labour	China

About Due Diligence:

Camilla Pihl Fashion group AS shall conduct due diligence for responsible business conduct. This involves conducting risk assessments to identify potential negative impact on people, animals, society and the environment and to stop, prevent and reduce such impact. The measures put in place will be monitored and their effect evaluated. The measures will be communicated to those affected by our actions. If our activities are found to cause or contribute to negative impact on people, society or the environment, we will stop the activities and seek to provide remedy. If our supplier is responsible for the negative impact, the supplier is responsible for providing remedy.

JUSTIFICATION FOR THE PRIORITISATION OF RISKS OF NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

2.A.2 Describe: a) the enterprise's routines for mapping and identifying risk and show how the negative impact was identified and prioritised in this period: b) eventual aspects of the enterprise that have not been covered in this report (product groups, own products, departments etc.) and why you not chose to prioritize these in the continued work: c) how information was gathered, what sources were used, and which stakeholders have been involved/consulted: d) whether you have identified areas where information is lacking in order to get an overview, and how you are planning to proceed to collect more information/handle this.

a) To map and identify risks we have used ETN template for risk mapping on a general level for the main products and sourcing markets. Our 4 production countries, main processes and raw materials have been included and risk assessed. The mapping is done on a general level and we have identified risks which are often found as well-known risks in the textile industry. These are the risks we have prioritised to address first and are listed above.

As the industry face many potential risks, we have started where:

- 1) the salient risks are of medium to high level and concern and
- 2) we consider having the most potential possibility to impact positively.

Other aspects we consider can be where stakeholders and industry players already have started addressing supply chain risk topics.

We started working on risks topics in 2023 and going forward we have more to attend to as the industry faces complex challenges and risks. We have already established preferred materials list for the designers which contributes to reducing some of the impact on people in the supply chain and the environment. Besides we are rising awareness on the risk of suppliers' use of excessive overtime related to own purchasing practices, this is just a start.

We are still a quite small company and are approaching the risks step by step, focusing on some selected areas. Dialogue with ETN and stakeholders will also influence our priorities on the risks we detect or are made aware of.

b) Aspects of our company not being covered in this report are rented warehouse services, transportation and services related to own office operations and shops. We consider the risk to be lower and have used our resources to investigate the areas we consider with higher risk in the production supply chain.

c) Description of the information we gather:

In the risk assessment of suppliers we assess each supplier by investigating recent social audits and corrective action plan (CAP) shared by the factories and if they have relevant certifications like ISO14001, ISO9001 and SA8000. In addition we strive to visit new and key suppliers regularly going forward.

Sources for risk assessment on country level we use the ETN template for risk assessment.

Mapping more in depth down to raw material level we have started with some of the key supplier by using a process mapping form. The information we gather gives us an overview of the parties involved in the fabric and fibre processing. The further back in the supply chain we gather information, the more complex it is to verify the information. By choosing third party certified fibre and materials (like GRS, RDS, RWS) we reduce some of the inherent risks down to raw material level. In our list of preferred fibre we have listed the certifications we rated good and we prefer to source when possible. To verify the information from the supply chain is a challenge the industry often meets, and hopefully the coming regulations on digital product passport (DPP) and traceability will help us solve some of the issues on having full traceability and transparency. Certifications mentioned above are an important tool for verifying data.

Sources we have used for risk assessment of countries, products, human rights and working condition related topics are the listed recommendations from ETN.

d) We are working on getting more detailed information for the key tiers and down to raw material level and by that prepare for the DPP requirements. The work is extensive with a long and complex supply chain for textiles, but we believe that implementing a new ERP system will help to gather and organise the data we need and that the DPP requirements will guide us on the way.

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe any other negative impacts on people, animals, society and the environment that were identified in the mapping of the enterprise, supply chain or other business relationships during the reporting period and how these have been handled.

We are aware there are many and complex challenges in the textile industry and we have a clear responsibility to address them. As we recently have started addressing supply chain risks, we know there for sure are areas we have not detected yet. Therefore we strive for building knowledge internally on how to map out potential risks and how to address them going forward.

In our ESG strategy we aim to address these challenges especially within minimizing waste, reduce water usage, source less impact materials, circularity etc. More details can be found online:

<https://camillapihl.com/sustainability>



3

Management of salient issues

Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings from the risk assessment in a good way. The most salient negative impact on people, animals, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the enterprise is involved in the negative impact is key to taking the appropriate action. Negative impact that the enterprise causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the enterprise, e.g. in the supply chain, the business must use its leverage to influence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the enterprise's own policy documents and management systems. Effective management of the negative impact on people, animals, society, and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).

3. A Cease, prevent or mitigate

3.A.1 For each salient risk, add a goal, progress status and describe the measures you have implemented to handle the enterprise’s prioritized negative impact on people, animals, society, and the environment

Salient issue	Fibre and raw materials with a negative impact on people, planet or animals
Goal :	Source and use less impact materials: Choose materials that are environmentally friendly wherever possible, such as sustainably grown cotton or recycled cotton, recycled polyester, or natural fibers like wool and linen. Increase the share of preferred fibre for every year coming.
Status :	We started this work in 2023 and will continue working on the goal to using increasingly share of the listed preferred materials.
Goals in reporting year :	We strive for sourcing materials with less environmental and social impact wherever possible, such as sustainably grown, organic or recycled cotton, recycled polyester, or natural fibres like wool and linen.

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

2023:

We have established a list with the preferred fibre which have a reduced impact on people, animals and /or the environment. Many of the fibre are possible to source certified and this gives increased possibility to have traceability further back in the supply chain through the certification schemes. Preferred material list is available here; <https://camillapihl.com/policies-and-guidelines>

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

2024:

Goal for the coming year is to increase the share of these fibre/materials. Target 2024-2025: 20-30%
Calculate the baseline we will measure from.

Salient issue	Excessive use of overtime at the suppliers
Goal :	To make sure our purchasing practices do not lead to excessive over time.
Status :	We established a policy for responsible purchasing practices and will continue in 2024 to increase awareness internally on how own practices affect the suppliers working conditions.
Goals in reporting year :	As a member of Ethical Trade Norway, we have committed ourselves to Ethical Trade Declaration of principles which, among other things, says that members "must adapt their own purchasing practices in order to improve conditions for people, the environment and society in the supply chain". We work continuously to set or revise routines, develop management documents and tools to improve our purchasing practices. Our suppliers and partners can expect from us that our business and purchasing practices strengthens, not undermines, their ability to deliver on the requirements we set for conditions for people, society and environment.

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

2023:

Avoid late changes on orders.

Sharing collection timeline & calendar with the suppliers and agree with the suppliers the deadline for placing orders.

Rising knowledge internally on responsible purchasing practices and established guidelines for Responsible Purchasing practices.

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

2024:

Explore more on how we can prevent or contribute to reduce the use of overtime at the suppliers.

Track delays and reason for the delays.

Continue alliging responsible purchasing practices in timelines and critical path development.

Salient issue	Emissions and pollution from textile industry
Goal :	To ensure suppliers increase their awareness on reducing emissions and pollution from their own production. Scope 3 is the part of the value chain where the majority of the GHG emissions originate.
Status :	We have listed this as a salient issue in 2023 and we will have to investigate how the suppliers awareness and knowledge level are and which measures they have implemented or will do going forward.
Goals in reporting year :	Negative impact on the environment shall be reduced throughout the value chain. In line with the precautionary principle, measures shall be taken to continuously minimize greenhouse gas emissions and local pollution, the use of harmful chemicals, pesticides, and to ensure sustainable resource extraction and management of water, oceans, forest and land, and the conservation of biodiversity.

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

2023:

We have started to investigate how we can impact on reducing green house gas emissions in the supply chain. We also see that getting the right data and have a baseline for this is needed. We have participated in training for increasing knowledge on how to work with this going foward.

We assess relevant measures that reduce nature- and environmental impacts in our enterprise and our supply chain first step is using more of fibre and materials with less environmental impact.

We assess relevant measures that reduce greenhouse gas emission from our enterprise and our supply chain by gathering knowledge on how to develop a GHG strategy. We choose sea/rail/truck shipments to airfreight as far as possible.

We have started the work of documenting our greenhouse gas emission in a greenhouse gas (hereby GHG) accounting by securing the data/tags on the products in the new ERP system so we easier can gather data on the use of fibre and materials with less environmental impact.

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

2024:

Gather information from existing and new suppliers on GHG measures already taken and planned actions coming years.

Understand their knowledge and awareness on addressing emissions and pollution from their production and supply chain.

Explore with the suppliers how we and the suppliers can reduce waste from production and processes.

We have targeted to exploring on selected products their products environmental footprint (PEF) in a pilot program with Trimco, Green Score Capital, NF&TA and industry peers.

Investigate how we can measure a GHG baseline and secure the data needed in the ERP system. Data connected to the supplier, manufacturer and materials will have to be included going forward.

Develop a GHG strategy with goals and actions going forward.

Salient issue	Forced labour in Xinjiang province
Goal :	Not source raw materials or production from areas known for using forced labour.
Status :	Gathering information to assess the risk for forced labour.
Goals in reporting year :	Increase the insight of risks related to forced labour in the supply chain.

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

2023:

Already set as a requirement in our suppliers Code of Conduct and in policy for responsible business conduct.

We have participated in webinars in to increase our internal knowledge on the forced labour risks related to Xinjiang province and in chinese value chains.

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

2024:

Map out cotton raw material origin to find out more about potential risks related to cotton sourcing and production.

3.B OTHER ACTIONS RELATED TO MANAGEMENT OF NEGATIVE IMPACTS

Describe the enterprise's general measures to cease, prevent or mitigate negative impacts, including in the supply chain.

3.B.1 Reduction of nature- and environmental impact

We will by increasing the share of materials from preferred fibre list reduce some of the negative impact on nature and environment.

We will also start mapping out achieved measures and outcome of them, and gather information on which measures are planned the coming years with suppliers and relevant stakeholders in the supply chain for reduction of nature and environmental impact.

3.B.2 Reduction of greenhouse gas emissions

We will by increasing the share of materials from our preferred fibre list contribute to reducing green house gas emissions.

We will also map out measures already taken and achievements in our supply chain and the planned improvement actions going forward to reduce green house gas emissions.

See also more information in the salient risk section above under emissions and pollution from the textile industry.

3.B.3 Adapting own purchasing practices (sourcing)

We will gather information through a survey to our suppliers on our own purchasing practices. From that we will evaluate if we need to adjust or change our purchasing practices. We will also investigate good practice from industry peers and the responsible purchasing practices project.

We have established a policy for responsible purchasing practices and a policy for responsible sourcing which the staff involved in sourcing and purchasing are aware of. All policies and documents are available on our website:

<https://camillapihl.com/policies-and-guidelines>

3.B.4 Choice of products and certifications

We will increase the share of materials from preferred fibre list, including certified fibre. We have listed several certifications we prefer to source from.

3.B.5 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation

We will start by mapping worker representation and how this is set up with some selected key suppliers in 2024.

3.B.6 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain

We think competence development and training of employees in our own organisation as well as with our suppliers and workers in their supply chain is important and valuable. We seek information to keep ourselves and our suppliers updated on expectations and coming regulations which are relevant for our business and production.

If we discover that there is a need for additional training, beyond what the suppliers themselves provide, we will raise the issue with the supplier and find a solution together how it should be solved.

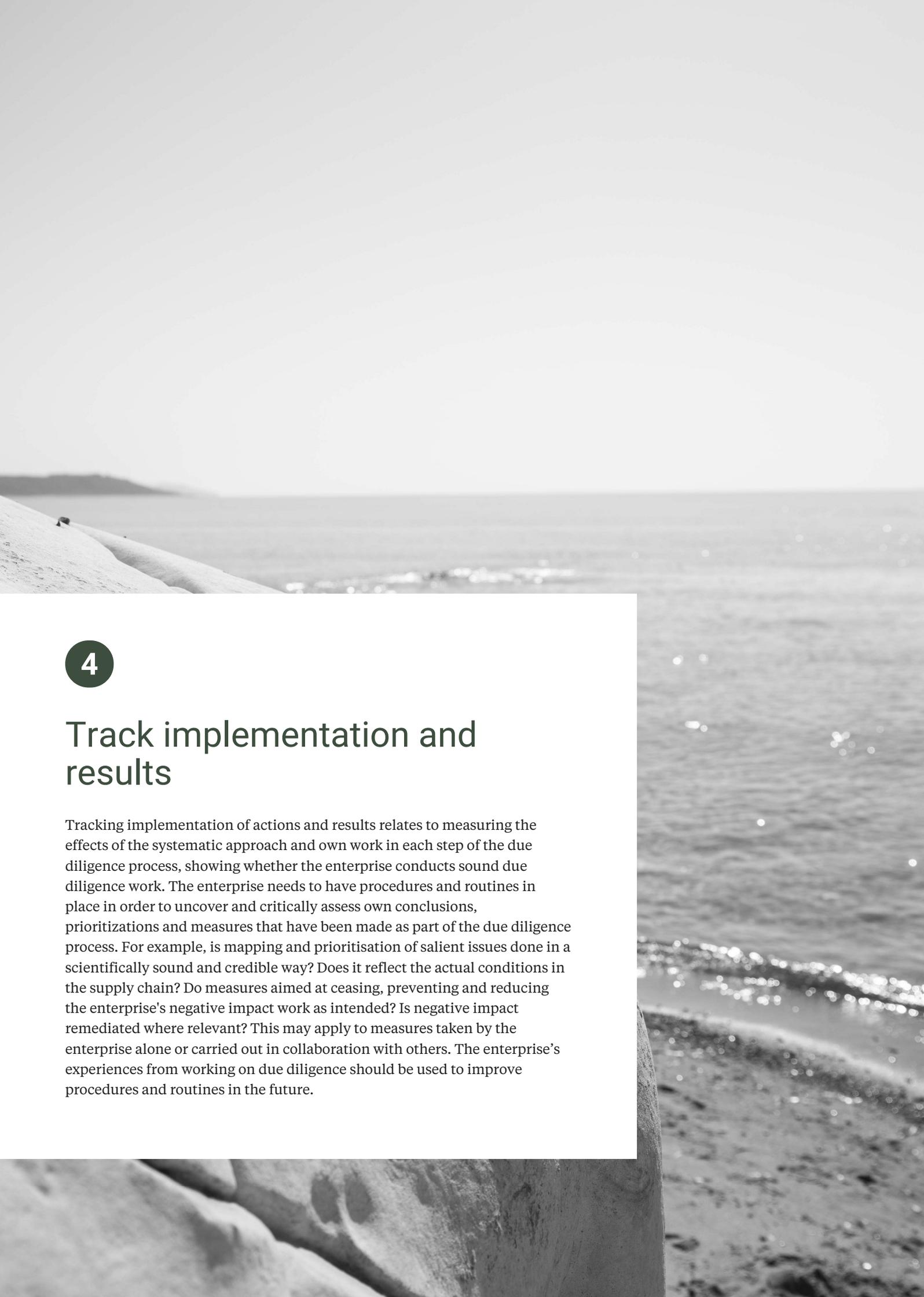
3.B.7 Combatting corruption and bribery in own enterprise and supply chain.

We have established an anti corruption policy which applies to all employees, board members and consultants who perform tasks for Camilla Pihl Fashion Group AS.

In suppliers code of conduct we state that "Corruption in any form is not accepted, including bribery, extortion, kickbacks and improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials."

3.B.8 Other relevant information concerning the enterprise's work to reduce, prevent, and manage negative impact on people, animals, society and the environment

We have developed an animal welfare policy and in our preferred fibre list we prefer sourcing certified animal fibre.



4

Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the enterprise conducts sound due diligence work. The enterprise needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the enterprise's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the enterprise alone or carried out in collaboration with others. The enterprise's experiences from working on due diligence should be used to improve procedures and routines in the future.

4.A. Track and assess

4.A.1 Describe the a) assignment of responsibility for tracking the effect and result of measures implemented to cease/prevent/mitigate salient risks of negative impact on people, animals, society and the environment, as well as how the tracking is done in practice, b) who is responsible for evaluating the enterprise's implementation and work with due diligence, and how the evaluation is done in practice.

a) Responsible to track the effects and results of the measures is the CSR manager in collaboration with relevant people internally and our suppliers.

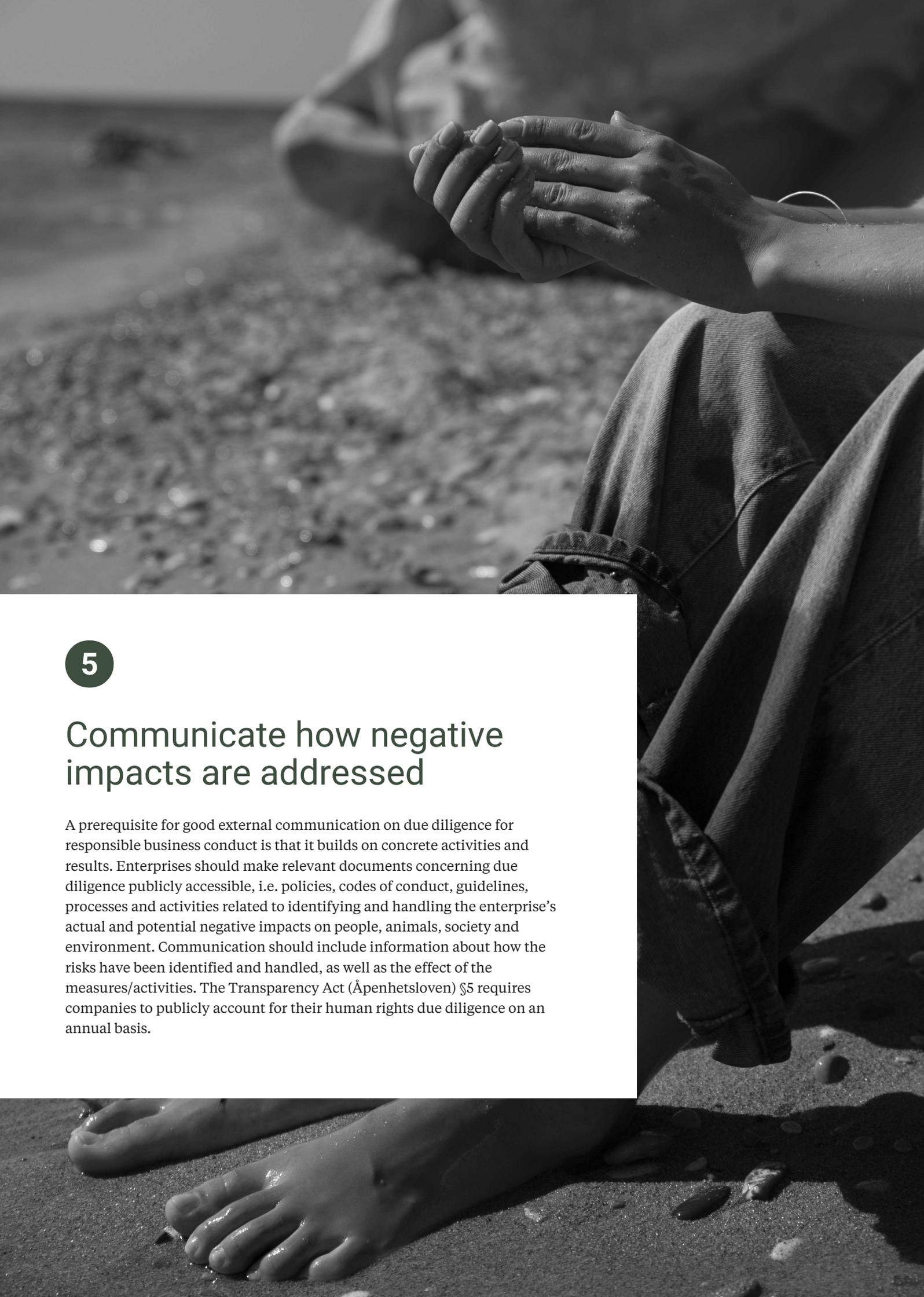
We will measure and collect data related to the defined goals and actions in the ESG strategy to track the results. Some data we might gather from the ERP system, surveys, supplier visits, social audits and other sources which can give us the necessary information.

b) To evaluate our implementation and work with due diligence we will consider how the results and effects have had effect on the prioritised salient risks and the impact overall for the supply chain and our company. CSR manager sees to that ESG plans and strategies are updated and involves the management whenever needed. As a minimum in spring when annual CSR/ESG reporting is done and they sign it off and during fall for updates, status and besides planning the next years budget. Feedback from ETN on the annual report will be shared with management going forward to involve them in evaluating the work.

4.A.2 Describe how the enterprise ensures that measures taken to identify, prevent and reduce negative impact actually work

We have not tracked this yet, as we are in the starting process of taking actions related to risk mapping and establishing an ESG strategy and implementing the first measures in 2024. As we gain more experience on the areas we are working with, it will give us a broader foundation for the ESG work going forward.

Establishing KPI's to track and monitor the work, will also be key elements to this work. We will seek best practices through Ethical Trade Norway and other relevant partners in this work.



5

Communicate how negative impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Enterprises should make relevant documents concerning due diligence publicly accessible, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the enterprise's actual and potential negative impacts on people, animals, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åpenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

5.A External communication

5.A.1 Describe how the enterprise communicates with affected stakeholders about managing negative impact

If any negative impact is uncovered we will have dialogue with the parties involved on which remediation actions are taken, how they address the follow up and effect and if there are found rootcauses or other information which can be relevant for further improvement actions.

5.A.2 Describe how the enterprise publicly communicates its own work on identifying and managing negative impact/harm

In our policies and guidelines, publicly available on our website we have set clear expectations to responsible business practices in own and suppliers operations.

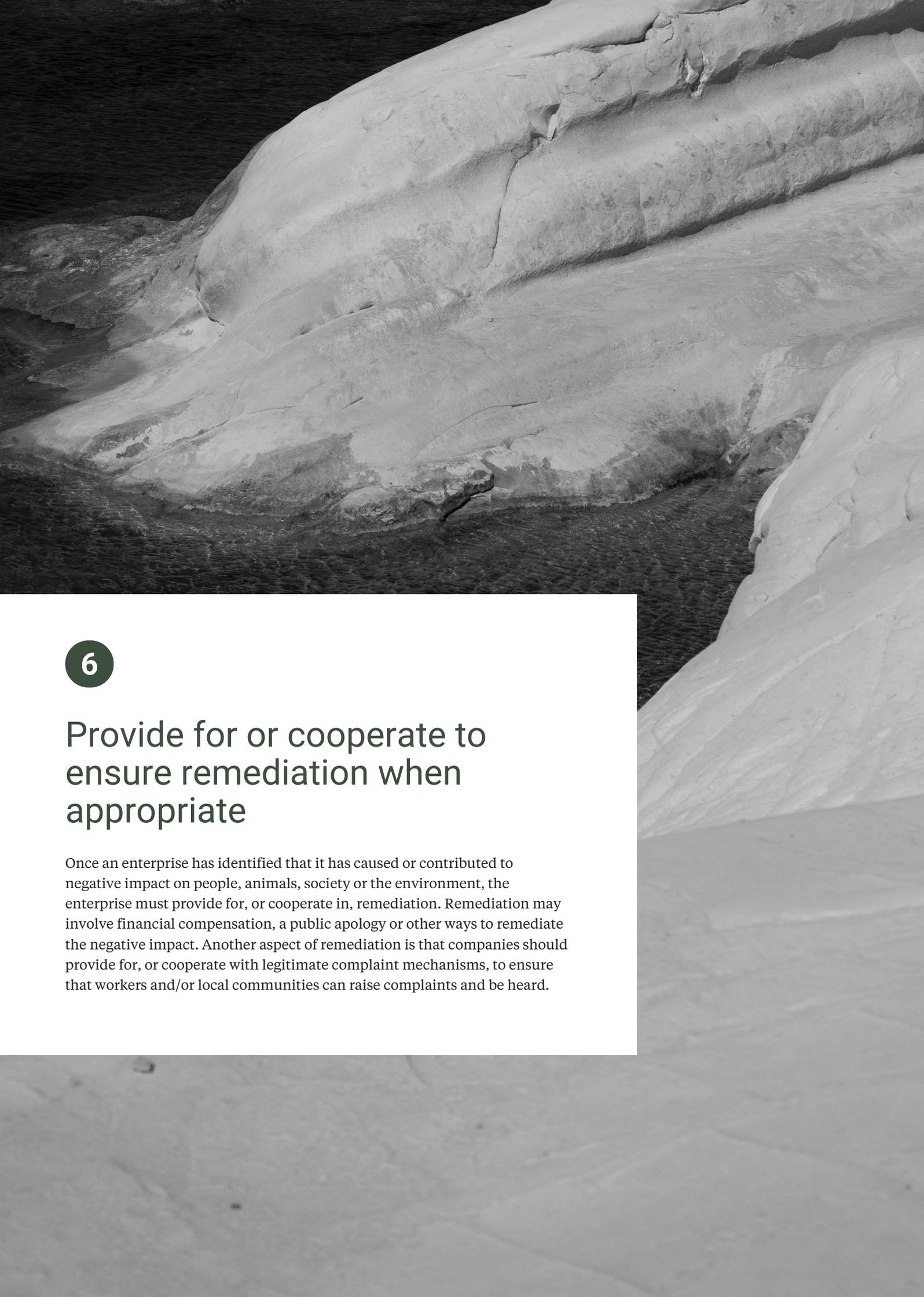
We will report on our ESG work and progress for how we manage and handle negative impact in the annual ETN reporting.

5.A.3 Describe the enterprise's routines for maintaining and answering external inquiries related to the information requirement imposed by the Transparency Act

We are not subject to the Transparency Act, but in spite of this we choose to follow its principles. We believe that transparency is important to the industry, regardless of whether you are a small or large player.

Inquiries related to the transparency act are answered by the CSR manager and/or customer care and when necessary, relevant people from other departments are involved.

We have published information on our website about the transparency:<https://camillapihl.com/the-transparency-act>



6

Provide for or cooperate to ensure remediation when appropriate

Once an enterprise has identified that it has caused or contributed to negative impact on people, animals, society or the environment, the enterprise must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect of remediation is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.

6.A Remediation

6.A.1 Describe the enterprise's policy for remediation of negative impacts on people, animals, society and the environment

Our policy for remediation of negative impacts on people, animals, society and environment is described in the steering document "Policy for responsible business conduct":

Camilla Pihl Fashion Group AS shall conduct due diligence for responsible business conduct. This involves; conducting risk assessments to identify potential negative impact on people, society and the environment and to stop, prevent and reduce such impact. The measures put in place are monitored and their effect evaluated. The measures are communicated to those affected by our actions. If our activities are found to cause or contribute to negative impact on people, society or the environment, we will stop the activities and seek to provide remedy. If our supplier is responsible for the negative impact, the supplier is responsible for providing remedy.

We expect also that our suppliers have a responsibility and that they provide remedy if necessary. In the suppliers code of conduct we have requested that suppliers shall "Conduct due diligence for responsible business conduct. This involves; conducting risk assessments to identify potential negative impact on people, society and the environment and to stop, prevent and reduce such impact. The measures put in place must be monitored and their effect evaluated. The measures taken must be communicated to those affected by your actions. If the supplier is responsible for the negative impact/damage, they are responsible for providing remedy."

6.A.2 If relevant, describe cases of remediation in the reporting year

It has not been identified cases of remediation in the reporting year.

6.B. Ensure access to grievance mechanisms

6.B.1 Describe what the enterprise does to ensure that employees in own enterprise and other stakeholders, especially impacted workers and local communities have access to whistleblowing systems and grievance mechanisms when this is needed

We expect that our suppliers comply with our guidelines and requirements which includes in the minimum criteria and supplier onboarding:

"Grievance mechanisms that allow employees to escalate grievances must be established. Information about grievance channels and procedures must be communicated to all employees."

Also in the supplier Code of conduct we require the suppliers to: "Have a system in place to manage complaints related to human rights, labour rights, the environment and corruption."

Our next step in 2024 is to investigate this area with the suppliers and map out their set up for grievance mechanisms.

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