



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

Account reporting year 2024

for Camilla Pihl Fashion Group AS

*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 UNGP and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

Heidi Furustøl

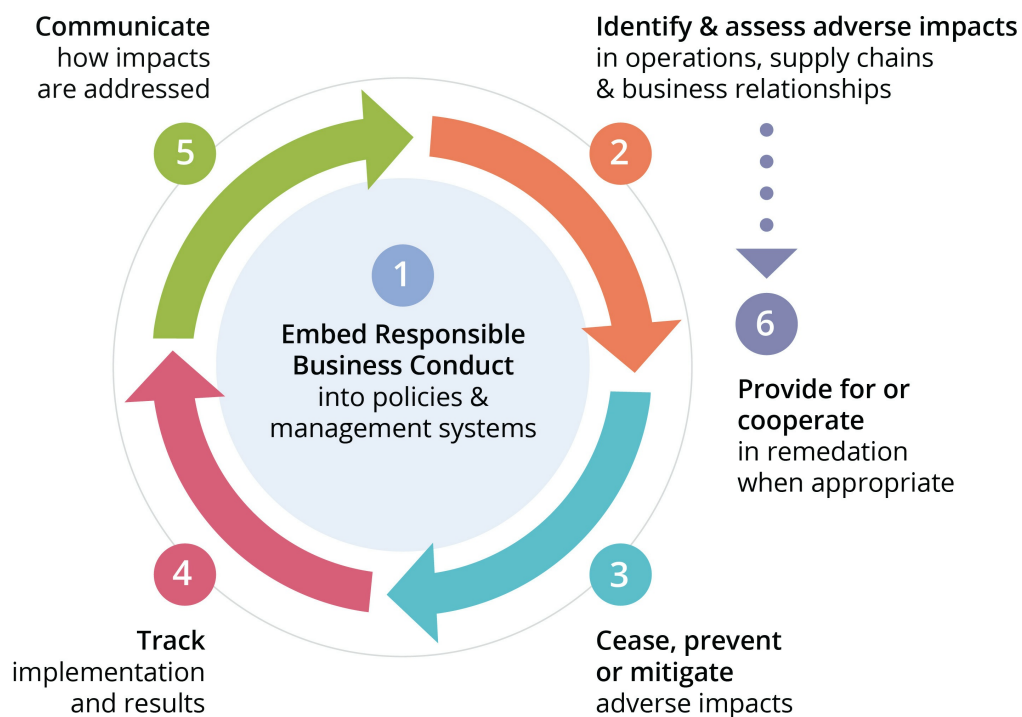
Executive Director

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

A Message from Our CEO & Chairman: Building a Sustainable Future Together

2024 marks an important milestone for us as we present our second annual Sustainability Report and due diligence account for responsible business practices. This report reflects our commitment to fostering positive change for people, animals, society, and the environment.

As a growing brand in an era of immense environmental and social challenges, we recognize the urgency of rethinking how fashion is designed, produced, and consumed. At CAMILLA PIHL, we are committed to making each garment not only beautiful but also traceable and crafted with minimal impact on our planet and its people.

Our vision is to continually elevate our standards in every aspect of what we do - design, quality, and sustainability. Timelessness is at the heart of our brand, and our collections are created to stand the test of time, being cherished, forever-favourite pieces. However, we understand that sustainability is a journey, and as a young brand, our story is still unfolding.

Ultimately, we aim to consider every step in a garment's lifecycle, from sourcing to production, use, and disposal, finding meaningful ways to reduce environmental impact at every stage. This requires us to innovate, take bold actions, and embrace collaboration as a powerful force for change.

The EU Green Deal is driving major regulatory changes in the textile industry, aiming to make fashion and textiles more sustainable, circular, and transparent. Under the EU Strategy for Sustainable and Circular Textiles, new legislation will require brands and manufacturers to reduce waste, improve durability, and ensure ethical production. Key measures include:

-Digital Product Passports (DPP) for full traceability of materials and sustainability data.

-Eco-design requirements to promote longer-lasting and recyclable textiles.

-Extended Producer Responsibility (EPR), making brands responsible for textile waste.

-Stricter greenwashing rules to ensure transparency in sustainability claims.

These regulations, set to take effect from 2025-2030, will significantly impact how our textiles are designed, produced, and disposed of in the EU market. We have already started to prepare for the coming legislation and we are positive to a more regulated industry which will be adapting to comply with upcoming sustainability standards.

Together with our partners, collaborators, and community, we are working to create a more sustainable future. Our long-term sustainability goals, guiding us through 2030, focus on four key pillars:

1. Transparency & Traceability: Enhancing visibility across our supply chain.

2. Taking Responsibility for Our Impact: Proactively addressing our environmental and social footprint.

3. Mindful Choices: Prioritizing thoughtful decisions in materials and processes.

4. Leaving a Positive Footprint: Contributing to a net-positive impact wherever possible.

We are proud of the steps we've already taken and are excited about the actions we've planned for the years ahead. In this report, you'll find detailed insights into our ongoing initiatives and commitments, as well as information about our sustainability efforts, which are also shared on our website at camillapihl.com/sustainability.

With gratitude and determination,

" True growth in fashion isn't measured by volume, but by impact—where creativity meets responsibility, and sustainability drives innovation. The future of fashion thrives when style and sustainability walk hand in hand "

Peter Peters

Chairman & constituted CEO

Board Signature

This report is electronically signed. See last page for verification.

Peter Peters
CEO & Chairman

Susanne Holzweiler
Owner & Boardmember

Camilla Sørli Pihl
Owner & Boardmember

Andreas Holzweiler
Owner & Boardmember



Enterprise information and enterprise context

Key enterprise information

Enterprise name

Camilla Pihl Fashion Group AS

Head office address

Drammensveien 130, 0277 Oslo

Main brands, products and services offered by the enterprise

Camilla Pihl garments, shoes, accessories and jewelry for women

Description of enterprise structure

About Camilla Pihl

Camilla Pihl is a fashion brand based in Oslo, established in 2018 by entrepreneur and influencer Camilla Pihl, whose passion for style and lifestyle continues to shape our vision. Our head office at Skøyen houses our design, buying, marketing, sales, customer service and logistics operations.

We are a small yet dynamic organization focused on designing and producing women's clothing and accessories for both B2B and B2C markets in Norway. Beyond the Norwegian market, we sell our products online across Scandinavia and through our four physical stores—two in Oslo, one in Bergen and one in Trondheim.

As a young brand, we remain deeply committed to growth and innovation, particularly in the area of sustainability. Our focus extends across the entire lifecycle of a garment—from design and production to use and disposal—aiming to minimize environmental and social impacts at every stage.

Our Sustainability Journey

In 2022, we proudly became a member of Ethical Trade Norway, marking a significant step forward in our commitment to responsible business practices. This report represents our second year of annual account of our sustainability initiatives, highlighting our progress and aspirations.

We have developed a comprehensive sustainability strategy, setting clear goals for the coming years. These goals will guide us step by step as we strive to embed sustainability into the core of our operations.

Responsible Business Practices

Our Corporate Social Responsibility manager leads the due diligence process in our supply chain in close collaboration with our design and production team. They are ensuring that sustainability considerations are integrated into every stage of the process and assess risks, identify priorities, and implement preventive and mitigating actions to address potential impacts.

Having the management team on board is a critical success factor for progress and alignment internally. The work is anchored in the management and board where findings and actions are regularly communicated to the management team, - sustainability and ESG (Environmental, Social, and Governance) topics are prioritized.

Updates are presented during management meetings at least twice a year:

-February: An overview of plans and initiatives for the coming year.

-August/September: Status updates and progress reports on ESG activities.

Revenue in reporting year (NOK)

99 000 000

Number of employees

57

Is the enterprise covered by the Transparency Act?

Yes

Major changes to the enterprise since last and current reporting period

Our head office has moved from Lysaker to a new and larger office premises at Skøyen. This was a necessary measure to include the key functions under one roof, including a separate showroom and photo studio in addition to offices for design, production, buying, logistics, marketing, ecom, IT and finance. Our new premises are fitted for growth and we are experiencing synergies and communication benefits of having all functions gathered in one location.

The Sustainability & Quality role was expanded from 60% to a full-time position starting in August 2024.

Contact person for the report (name and title)

Margrethe Vikanes, Quality Assurance & Sustainability Manager

Email for contact person for the report

margrethe@camillapihl.com

Supply chain information

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

Camilla Pihl design and production team consists of four designers who work closely with the buying and production team, which includes a patternmaker, production coordinator, buyer, sustainability & quality manager and head of production and buying.

We design, develop, and source our products from carefully selected suppliers in China, Turkey, India, and Portugal. Through these suppliers, we choose from a variety of fabrics and trim suppliers to align with our designs, preferred materials, and technical specifications.

While we prioritize direct collaboration with factories, some suppliers are represented by intermediaries in the international market. This is primarily to facilitate language and communication, as well as to assist in order follow-ups and quality assurance throughout the development and production process.

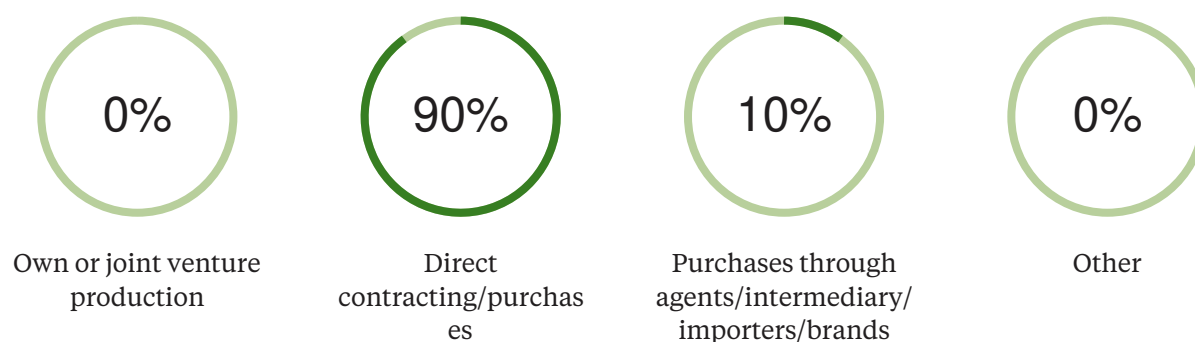
Number of suppliers with which the enterprise has had commercial relations in the reporting year

21

Comments

The number of suppliers we work with will change as our products and sourcing evolve. We had 20 active suppliers in 2023, 21 in 2024, and plan for 15 in 2025. This adjustment helps align our supplier portfolio with future collections and product needs. Our preferred suppliers are chosen for their ability to offer consolidated volumes, strong collaboration, quality, and consistency.

Type of purchasing/ suppliers relationships



List of first tier suppliers (producers) by country



State the number of workers at first tier producers

Number of workers

1 841

Comments to number of workers

We have gathered the information from the recent social audits reports available at the factories we have produced with in 2024.



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 |
| COW LEATHER | China India Portugal |
| VISCOSE | China India |
| SHEEP SHEARLING LEATHER | Australia |
| STAINLESS STEEL - jewellery | China |
| RECYCLED SILVER & GOLD jewellery | China |
| COW LEATHER - LWG certified shoes and jackets | Spain Italy |
| DOWN & FEATHER - Responsibe Down Standard (RDS) | China |
| MERINO WOOL NM | Australia |

These inputs/raw materials represent the majority of Camilla Pihl Fashions Groups products. The list is covers where the goods are assembled and the latter six the raw material origin.

We have established a Preferred Fibre List as a guideline for sourcing materials for our products. More details about our preferred materials can be found on our website: camillapihl.com/policies-and-guidelines. Looking ahead to 2025, we will implement a Certificate Manager tool across all suppliers. This system will enable suppliers to register their tiers within the supply chain, marking a significant step toward compliance with the forthcoming Digital Product Passport (DPP) requirements for textile products. By adopting this tool, we aim to ensure the necessary data is in place to meet transparency expectations and regulatory standards.

Is the enterprise a supplier to the public sector?

No

Goals and progress

Process goals and progress for the reporting year

1

Goal : 2030 ESG goals

Status 2024:

Over the past year, global and local economic developments have had a negative impact on the industry, as consumers are increasingly prioritizing cost-conscious spending over premium products. Despite these challenges, we remain committed to advancing ESG standards and continuously striving toward higher sustainability goals.

While our gradual expansion into new markets has led to positive growth, we face ongoing challenges in maintaining our position in more established local markets due to the difficult economic climate in the retail sector.

Status :

We are dedicated to making a positive impact by sourcing preferred materials in collaboration with our suppliers. However, a common challenge arises from the higher minimum order quantities required for sustainable materials compared to conventional alternatives. This often presents a dilemma—either purchasing surplus fabric and holding excess stock, which contributes to overproduction, or opting for conventional materials with lower minimums but a greater environmental footprint. We believe that true growth in fashion isn't measured by volume, but by impact—where creativity meets responsibility, and sustainability drives innovation. The future of fashion thrives when style and sustainability walk hand in hand. Our journey towards 2030 ESG Goals is still developing and we are welcoming the coming EU Strategy for Sustainable and Circular Textiles which will ensure both equal conditions of competition and raise the level of responsibility and transparency in the industry.

2

TRANSPARENCY & TRACABILITY

Establish long-term relationships with like-minded suppliers:

Goal :

Work with suppliers who share our commitment to sustainability.

Be transparent:

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

Status 2024:

We have strategically adapted our supplier portfolio to optimize our sourcing needs in terms of materials, craftsmanship, quality, and product types. As a result, some suppliers have been phased out in accordance with our responsible offboarding guidelines, while some new suppliers are being onboarded to better align with our needs and requirements.

In April 2024, our design and production team (comprising seven members) met with our seven key Chinese suppliers. These visits provided valuable insights into their operations, including their sample rooms and manufacturing facilities. Engaging in face-to-face discussions allows for more effective collaboration, fostering a shared understanding while jointly addressing challenges and solutions. The time spent in building better collaboration, mutual understanding, and create a foundation for a stronger relationship was well worth this travel.

We also observed a high level of engagement from our suppliers regarding social and environmental issues, with a strong willingness to share information and document conditions across all relevant areas. Our sourcing strategy primarily focuses on smaller factories (with fewer than 100 employees), where management-worker dialogue tends to be more efficient, personal, and direct compared to larger factories, where hierarchical distance can create communication barriers. This has been our experience with the suppliers we collaborate with so far.

Status :

Following the supplier visit, we have significantly increased our use of online video meetings, which have proven to be an effective best practice for engaging with suppliers. These meetings facilitate discussions, follow-ups on key matters, and have notably reduced the need for travel. Additionally, we have leveraged video conferencing for suppliers we did not visit in 2024, as well as for onboarding new suppliers. This approach enables team introductions and fosters stronger relationships by putting a face to the names of those we regularly communicate with via email.

We are disclosing information on where the products are made as well as a supplier list available online.

In 2024 we started implementing a new ERP and PLM system and setting up the timeline for gathering sustainability data related to the products from the supplychain. We will be starting with gathering the certifications per supplier and their tiers in the supply chain. The pilot is starting with 6 suppliers, and when all works as expected we will roll this out with the remaining suppliers during 2025. This is the first step we take towards having a digital product passport per style. Taking it step by step is necessary to secure that we onboard everybody involved and securing the short and long term quality of data. It requires a huge effort from all parties to implement these systems and we are thankful we have collaborative suppliers that support us in this work.

3**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.

Goal :

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.

Status 2024:

We have begun exploring circular design opportunities, with a particular focus on minimizing waste from the design phase through to production. Our design team has been introduced to circular design principles, and we are taking a step-by-step approach to integrating these practices into select products. Waste reduction will remain a key priority as we move forward.

To minimise waste from production our factories use digital pattern making software to maximise fabric usage and minimise offcuts.

Testing quality properties on fabric level also contributes to securing quality of the materials and reduce the risk for waste of fabrics not living up to our required quality level.

Status :

Water conservation largely depends on material selection and the technological capabilities of fabric mills and dye houses. To drive progress in this area, we are working closely with our suppliers, encouraging them in adopting materials and processes that require less water usage.

Additionally, we have updated our website to provide greater transparency on our policies, encouraging consumers to make more conscious choices regarding the purchase, use, and disposal of clothing.

Furthering our commitment to sustainability, we participated in a clothing swap event in collaboration with the law firm Codex, Tomra Textiles, and Corporate Communications fall 2024. There were 100 participants registered and to attend the participants needed to bring up to 5 garments, handbags, shoes to add to the swap-pot. The event started with an on- stage talk about fashion, responsible production and consumption. and how it impacts our world. Finishing off with a highly engaging clothes swapping and mingling, it was a huge success from start to end!

4**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.

Goal :

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.

Status 2024:

As a starting point, we have developed a preferred materials list that prioritizes materials with lower water consumption compared to conventional alternatives. Our goal is to continuously increase the use of these sustainable materials across our collections.

For the AW25 collection, we have started tracking these data parameters within our new PLM system. Currently, 49% of the materials planned used in the AW25 garment collection fall under our preferred materials category. Given that we only introduced the preferred materials list in early 2024, we are pleased with this progress and remain committed to further improvements.

Status :

Our packaging are recycleable, and we are using FSC certified or recycled materials where appropriate. We replaced plastic bags with paper bags for e-com orders. And we optimize the box sizes for shipping.

Sustainable design starts with the choice of material and design of the product & construction. Increasing internal knowlegde on how design choices affects the impact of the products is a topic we regularly discuss internally. During 2024 we started investigating on circular design principles, exploring 3D design opportunities and looking for ways to finetune our product range within quality and scope.

5**LEAVING A POSITIVE FOOTPRINT**

Invest in innovation:

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

Goal :

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.

Status 2024:

We are committed to reduce the impact of our products and we are exploring oportunities within digital tools, like AI and 3D design which can benefit for example to reduce the need for physical samples and save time in the design process.

Status :

We offer repair and alteration services to customers and we always recommend how to care for the products in our retail stores and we have published information online to encourage consumers how to care and repair.

6

2024 and 2025 planned key 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
- Goal :**
- 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

2024 status:

- **Ethical trade membership level 2:** We are progressively implementing the necessary measures to achieve Level 2 membership. While we have already met some of the requirements, we are on the right track toward full compliance.

- **Materials uptake – preferred materials 20-30%:** We have reached 49% of preferred materials for the planned AW25 collection which is significantly higher than we had hoped for.

- **Traceability and transparency: – DPP – digital product passport: gather data and prepare for DPP:** We have prepared for DPP by integrating the Trimco system as our data-gathering partner. As part of the initial phase, we will pilot the system with six key suppliers, focusing on collecting certifications and audit reports. This data will serve as a foundational step toward implementing DPP on our products.

- **Circularity – investigate in new solutions:** We have initiated the use of the Delogue PLM system to enhance our development and design processes. Additionally, we are exploring 3D design technologies to expand our understanding of their potential applications. By leveraging 3D design, we aim to reduce the need for physical samples, potentially accelerate development timelines up to the first prototype, and identify further opportunities for process optimization.

- **ESG strategy: GHG (greenhouse gas) measure baseline and establish roadmap** - we will be starting on this work in 2025.

- **Measure in value chain to improve workers' rights:**

- **- starting with investigating the suppliers grievance mechanisms system and worker dialogue including worker representation:** information on the topics was gathered from our seven key suppliers in China. In addition we have mapped the wage level with majority of the factories, based on the information available in social audits. More on this topic will be covered in the

- **- Survey on own purchasing practices** - This is scheduled to be implemented in 2025.

- **Supplier manual and test program (quality and chemical)** - completed and will be communicated early 2025 to all suppliers. Our intention is to be clearer about the requirements and expectations we have for our suppliers and the products they manufacture for us.

- **Trimco implemented care labels, and prepare for data gathering of certificates from suppliers** - A new system for ordering care labels has been successfully implemented across all

Status :

suppliers, ensuring compliance with the required labeling and translation standards for the markets we serve. Additionally, we have begun collecting certification data from suppliers and will continue this process through spring 2025.

- Investigate suppliers' climate and environment goals and measures - This is scheduled to be implemented in 2025.

Other actions and measures taken in 2024:

- * training of all staff in four own retail shops on sustainability and materials: our responsibility, strategy and goals and Q&A on related topics.

- *attended on several webinars about:

- textile regulations and legislations from EU

- updated risk tool and risk analysis and due diligence

- double materiality assessment and climate accounting

- *internal training of design and production on:

- EU green deal topics: like circular design, extended producer responsibility (EPR) and responsible purchasing practices

Process goals for coming year

1

2030 ESG goals - We remain committed to our 2030 journey toward a more sustainable fashion industry. Below are the key ESG goals we are continuously working toward:

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.

Eco-conscious packaging:

Use recycled, recyclable, 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

Goals an planned actions for 2025 & 2026:

- Ethical trade membership level 2 complete.
 - Materials uptake – preferred materials share of collection increase up to 50 -60%
 - Traceability and transparency:
 - Onboard all suppliers for gathering data of certificates from suppliers (certificate manager by Trimco) and implement our dashboard.
 - DPP – digital product passport - gather data and prepare for DPP.
 - Circularity – investigate in new solutions:
 - Circular design principles / eco design criteria from EU. Expand the use of AI and possibly 3D in design and sampling processes.
 - EPR - adapt to the coming expected requirements.
 - ESG strategy:
 - GHG (greenhouse gas) measure baseline and establish roadmap.
 - Investigate suppliers' climate and environment goals and measures and if possible gather data which we can use in our ESG accounting.
 - Measure in value chain to improve workers' rights:
 - Continue assessing suppliers' grievance mechanisms and worker dialogue, including worker representation, for the remaining suppliers. Identify areas for improvement and engage with suppliers to discuss & implement necessary measures.
 - Survey on own purchasing practices - select some key suppliers to gather feedback how it impact their production processes and working conditions. Use the RPP project principles as a baseline for best practises.
- Note more detailed actions per area of salient risks can be found in chapter 3.

A woman with dark, curly hair is shown from the waist up, wearing a white long-sleeved shirt with thin vertical pinstripes. She is looking down and to her left, with her right hand touching her hair. The background is a blurred outdoor setting with water and trees.

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 and the environment?

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 organized within the enterprise, embedded in internal guidelines and routines?

CAMILLA PIHL Fashion Group AS is an SME company with a compact but agile & vigilant employees, which means we all have key roles within our area of responsibility. We work closely on a daily basis with the management team and all departments. Which also mean we have short communication and reporting lines within the company.

The overall responsibility for due diligence lies with the CEO, while the CSR Manager is responsible to perform day to day due diligence in the supply chain, consider risks, and set or take mitigating actions. We are a small organisation and the CSR manager has close dialogue with the design, buying & production team on supply chain risks, challenges, improvements, solutions and opportunities.

The ESG work is anchored in the management and board through the Head of Buying and Production, who is also part of the management team.

Our company 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 bi-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 Integration in Our Operations

We have established clear Due Diligence guidelines, which are an integral part of the onboarding process for all new administrative employees. This includes a comprehensive introduction to our policies and guidelines to ensure alignment with our standards.

For roles in design, buying, and production, due diligence is embedded in their job descriptions, emphasizing their critical role in maintaining responsible business practices. These teams are also required to adhere to our Responsible Purchasing Practices Policy.

In addition our Responsible Sourcing Policy and Guidelines for Responsible Purchasing Practices sets out the internal expectations to our own sourcing and purchasing practices.

Due diligence and supply chain risks are recurring topics in our internal meetings and supplier dialogues. The CSR Manager holds overall responsibility for overseeing and ensuring compliance with our due diligence processes.

To strengthen ESG/CSR awareness, we hold regular internal meetings with the full Camilla Pihl team, as well as operational meetings with design and production teams, where we discuss relevant sustainability and corporate responsibility topics. Maintaining a continuous dialogue is key to keeping these issues at the forefront of our operations.

We foster an open and transparent work environment, where all employees—regardless of position—are encouraged to raise concerns and initiate discussions, including with top management.

Information from the supply chain is so far gathered manually today, but we started piloting a digitised management system for obtaining and sorting supply chain data in December 2024. Our goal is to onboard essential and basic supply chain data from all suppliers during 2025.

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

CSR Manager who has several years of experience from CSR work from previous employments. By giving regular updates to the design, buying and production team and employees in other departments on ESG/CSR we achieve rising the awareness and building competence internally. This can be all from updates on new regulations we must adhere to, guidelines to own purchasing practices, to changes in own expectations or terms with the suppliers. Head of Buying and Production has also been involved in CSR related work until the CSR Manager was hired.

By regularly updating the team on due diligence awareness and sharing topics related to the work with due diligence we strive to keep the team up to date and ensure the team has an understanding of the importance to this area and what we prioritise going forward.

When additional training or competence building is necessary we sign up for training at Ethical Trade Norway's courses or we get information from other relevant stakeholders for example NF&TA, NFH or companies like Trimco or Delouge, which all have a broad spectrum of sharing competence. NGO's and other textile industry players are also relevant sources for getting information, advice, sharing experience and expertise.

In 2024 we also started training the staff in our own shops on CSR related topics and how we as a company conduct responsible business practices with our suppliers and the supply chain.

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.

Through our ETN membership, our company is committed to working towards sustainable business practices, which are reflected in our strategies and action plans.

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 for the ESG work are described in more details in the first part of this report.

1.C.2 How are the strategies and action plans for sustainable business conduct 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

1.D.1 How does the enterprise communicate the importance of responsible business conduct in its business relationships?

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.

Link to supplier code of conduct: <https://a.storyblok.com/f/233239/x/67b54fef13/pihl-guidelines-for-suppliers-coc-revised-2023.pdf>

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

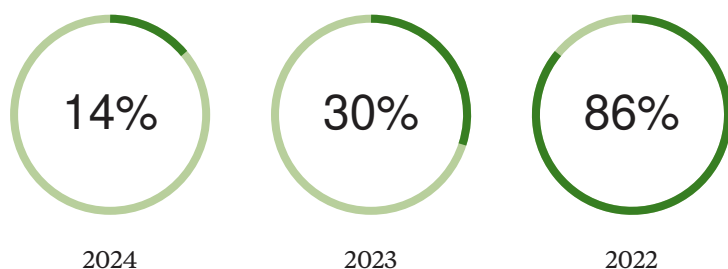
Indicator

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 the share of suppliers with relationships exceeding three years is primarily due to the addition of new suppliers to support the production of an expanded product range. Additionally, some new suppliers have been onboarded to replace factories that did not meet our quality expectations.

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?

To further strengthen our CSR/ESG initiatives, we have established a full-time position as of August 2024 to oversee ESG and quality management throughout CAMILLA PIHL's value chain.

As a Norwegian textile brand in 2025, we recognize the necessity of assessing our impact on the supply chain, workers, animals, environment, and climate. With evolving regulations, ensuring responsible business practices is not just an ethical commitment but an industry requirement. Additionally, upcoming EU regulations mandate that we adapt our operations—from design to production—while ensuring that the necessary data is readily available for compliance.

2024 marks the second year of developing our annual CSR report, and we remain committed to taking step-by-step actions toward a more sustainable and responsible 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 prioritized significant risks and/or actual negative impacts on people, animals, society and the environment.

| 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 |
| Workers wage - decent wage level vs minimum wage | Wages | China |
| Freedom of association & Collective Bargaining | Freedom of association and collective bargaining | China India Turkey |

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 prioritized b) activities or sections of the enterprise not covered in this report , if any (product groups, own products, departments etc.), and why c) how the information was gathered, what sources were used, and which stakeholders have been involved d) whether you have identified areas where information is lacking, and how you are planning to proceed to collect more information about this.

a)

To map and identify risks, we utilized the ETN template for risk mapping at a general level, focusing on our main products and sourcing markets. This assessment included our four production countries, key processes, and raw materials, which were evaluated and risk-assessed.

The mapping of risks was conducted at a broader level, and we identified several risks commonly recognized within the textile industry. By addressing these as first priority, we focus on the most significant and well-known challenges while ensuring alignment with the minimum requirements set for our suppliers. As our expertise and maturity grow, we may identify and address more complex risks over time.

As the industry face many potential risks, we have prioritised and 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 risk 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. Additionally, we are raising awareness about the risks associated with suppliers' excessive overtime, particularly as it relates to our own purchasing practices—though this is just the beginning.

As a relatively small company, we are taking a step-by-step approach to addressing risks, focusing on selected priority areas. Ongoing dialogue with ETN and other stakeholders will play a key role in shaping our priorities and responding to risks we identify or are informed about.

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 continuously working to collect more detailed information across key supply chain tiers, down to the raw material level, in preparation for the Digital Product Passport (DPP) requirements. While the process is extensive due to the complexity and length of the textile supply chain, we believe that the recently implemented PLM and ERP systems will support us in organizing and consolidating the necessary data. The DPP requirements will also serve as a valuable framework to guide us through the process for which data to gather.

In addition, we have recently introduced Certificate Manager, an online platform, to facilitate the collection of supply chain data, including certifications and audits. Currently, we are piloting the Certificate Manager with selected suppliers and plan to roll it out to all suppliers in 2025. This tool enables us to gather up-to-date data from our suppliers and their value chains more efficiently. As an online platform, the Certificate Manager offers significant advantages over our previous reliance on manually collected documents and Excel files, improving our ability to manage, monitor, and report on supplier data effectively.

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe other risks of negative impacts on people, animals, society and the environment that were identified but not prioritized, 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 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 Describe goals and progress status for the measures you have implemented to reduce the enterprise's prioritized negative impact

| | |
|----------------------------------|--|
| Goal : | Fibre and raw materials with a negative impact on people, planet or animals 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 initiated this effort in 2023 and will continue working towards increasing the use of our 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 :

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>

2024:

Increase the share of these fibre/materials.

Target 2024-2025: 20-30% - for planned AW25 collection the share of preferred fibre is 49% so we significantly exceeded the expectations.

Calculate the baseline we will measure from: baseline estimated for 2024 was 20% share of the collection made from preferred fibre.

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

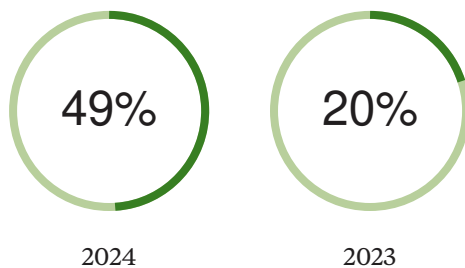
2025:

We will continue on implementing fibre from our preferred material list and search for solutions to reduce the negative impact on our products. The largest share of climate impact from a textile product* comes from the processes included in rawmaterial/fibre production, yarn and fabric processing and wet treatment (dyeing/finishing) and confectioning. * source RISE climate impact of swedish clothing consumption, contribution of life cycle phases.

By using more of the less impact materials we have in our preferred material list we will potentially contribute to reduced water and input usage, reduced emissions, stricter use of chemicals and choosing materials which will last longer and by that have longevity products.

Indicator

Share of collections made from preferred materials



Starting in 2024, we measure the % share of preferred fiber in the AW25 collection, designed in 2024. The 2023 figure is an estimate for 2024 collections due to limited PLM data. Going forward the data for the coming collections will be more exact, as we will have more data in place in the PLM system.

| | |
|----------------------------------|--|
| | Excessive use of overtime at the suppliers |
| Goal : | To make sure our purchasing practices do not lead to excessive over time. |
| Status : | <p>Responsible purchasing practices are essential to achieving improvements at the factory level, both in terms of environmental and social aspects (working conditions).</p> <p>We have established a policy for responsible purchasing practices and will continue to increase awareness internally on how own practices affect the suppliers working conditions. Responsible purchasing practices contribute to preventing harm and facilitating social and environmental improvements across the supply chain.</p> |
| Goals in reporting year : | <p>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".</p> <p>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.</p> |

Describe already implemented or planned 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.

2024:

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

Status: we have communicated our design, sampling and ordering process & timeline to all suppliers and included more details in the descriptions. During the development process we gather information from the suppliers on timeline for booking of fabrics and deadline for order placement to achieve the planned shipment date per season.

Track delays and reason for the delays:

Status: we have just implemented a new PLM and ERP system and will explore the system to log this and keep track the reason for delays - in that way we can analyse the data and work on improvements.

Continue alliging responible purchasing practices in timelines and critical path development:

Status: we have revisited our design, sampling and ordering process & timeline to make sure its alligned with how we work today.

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

2025:

We will conduct a survey with selected suppliers to assess how our purchasing practices impact their production processes and working conditions.

By gathering supplier feedback, we aim to gain deeper insight into their challenges and identify key areas for improvement. This information will help us evaluate the critical path from development to shipment and refine our internal processes.

We have already communicated our expectations and updated the sampling process guidelines. As part of the evaluation, we will include specific questions on this process to ensure alignment.

The survey results will be discussed with suppliers, and we will collaborate to develop mutually beneficial solutions for an optimized and efficient process.

| | |
|----------------------------------|--|
| | 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 :

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 forward.

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.

2024:

We have signed up for a project to explore on selected products their products environmental footprint (PEF) in a pilot program with Trimco, Green Score Capital, NF&TA and industry peers. This project starts in 2025.

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

2025:

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.

Increase our knowledge and skills on AI and 3D design as helpful tools in the design process with the aim to reduce the need for physical samples.

We will participate in a pilot project starting February 2025 with Trimco, Green Score Capital, NF&TA and industry peers to calculate the environmental footprint (PEF) on selected products and by that understand better where we can make optimise the input to reduce the products' PEF.

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.

| | |
|----------------------------------|--|
| | 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 :

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.

2024:

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

Status: mapped out cotton material with our main chinese cotton supplier in 2024. They source their cotton from Shandong and Henan province which have less risk of forced labour than Xinjaing region.

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

2025:

We will map out more on raw materials and suppliers as part of the Certificate manager system we are implementing.

In addition we will gather data for the value chain in the pilot project for selected styles to calculate the PEF/LCA potentially we can evaluate the risk of the fibre origin.

We will also start using the updated risk tool from ethical trade Norway (to replace the old version in excel).

| | |
|----------------------------------|---|
| | Workers wage - decent wage level vs minimum wage |
| Goal : | To ensure production is carried out with suppliers that uphold decent wage standards and prioritize the protection of worker's rights. |
| Status : | We have communicated expectations for decent wages and workers rights through our supplier code of conduct. We support long term partnerships with suppliers that share our commitment to decent wages and worker well-being, reducing the need for constant renegotiation. |
| Goals in reporting year : | This issue is added to the salient risk for the 2024 report. First goal is to map the wage data from existing social audits, |

Describe already implemented or planned measures :

2024:

We mapped the wage level at the majority of the 1st tier factories. Wage mapping was done based on information from the recent social audits with 17 factories.

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

2025:

Increase our knowledge and insight on living wages and social rights and social dialogue.
Encourage the living wage group with member from ETN to start up again.
Use the data we have gathered end of 2024 to have KPI's on wage level and make a dashboard for monitoring this together with other KPI's on Social and labour areas. These KPI's will also be linked together with our purchasing practises.

| | |
|----------------------------------|--|
| | Freedom of association & Collective Bargaining |
| Goal : | To ensure that freedom of association and the right to collective bargaining among workers . |
| Status : | <p>We have communicated that we support free trade union organisation and collective bargaining. Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154) are included in our supplier code of conduct which all suppliers have received and are committed to embed.</p> <p>Where country-specific conditions impose limitations, the minimum requirement is that suppliers must have a worker committee or at least a worker representative with direct access to management. Additionally, suppliers must have grievance mechanisms in place that allow employees to escalate concerns, ensuring these are clearly communicated to all staff. These requirements are outlined in our minimum criteria for suppliers.</p> |
| Goals in reporting year : | Our priority and first steps is to investigate this area within worker representation and grievance mechanisms with the remaining suppliers. |

Describe already implemented or planned measures :

2024:

Worker Representation and Grievance Mechanisms – Key Findings mapped in 2024:

We have conducted a comprehensive assessment of worker representation and grievance mechanisms across seven key suppliers in China. The seven suppliers we mapped out were of a relatively small to medium size with workers up to 100, two of them had workforce around 200. The key findings are as follows:

Grievance Mechanisms:

All factories have established systems for handling worker complaints. These mechanisms vary, all had some way of direct communication with management through worker representative or open discussions with workers directly. Some have in addition designated phone numbers for addressing complaints, while all suppliers have incorporated anonymous suggestion boxes.

Worker representatives (or labor union) facilitate structured dialogues with management. Smaller factories tend to rely on more direct and informal communication channels between workers and management. After visiting the factories, we observed a relationship of trust between workers and management, with no indications of communication barriers.

Common Concerns:

The most frequently reported concerns from both workers and management include welfare benefits, overtime and wages, insurance, and healthcare provisions.

Dialogue and Issue Resolution:

The frequency of formal meetings varies, ranging from monthly to quarterly. Minor issues are typically resolved at the worker-representative level, while more complex concerns are escalated to management. HR and Health, Environment, and Safety (HES) teams play a key role in addressing complex queries.

The factories maintain records of grievances and the actions taken to resolve them.

Worker Engagement and Well-being Initiatives:

-Some factories conduct semi-annual or annual worker satisfaction surveys to gather feedback and assess workplace conditions.

-Most factories provide regular training on health, environment, and safety (HES).

-Some factories organize team-building activities and cultural events, particularly around holidays.

-In facilities where workers reside in dormitories, employers often provide recreational spaces and amenities to support relaxation and social activities during off-hours.

Opportunities for Improvement:

While the overall maturity level of worker dialogue and representation is acceptable, there is room for enhancement in certain factories. Targeted training programs and increased awareness initiatives could further strengthen worker-management engagement and communication.

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

2025:

We will continue to assess this area with the remaining suppliers by collecting information through surveys and social audits. Gaining deeper insights into supplier conditions and operations enables us to identify areas for improvement and best practices more effectively.

Indicator

Mapped worker representation and grievance mechanisms at the first tier supplier.

2024: 7

2023: 0

3.B Other actions related to management of negative impact

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 gather information on planned initiatives for the coming years in collaboration with suppliers and relevant stakeholders within the supply chain, focusing on reducing environmental and ecological impact. Additionally it will be relevant mapping the already implemented measures and evaluating their outcomes for better understanding the effect and how it has impacted so far.

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 Improvements in own purchasing practices

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. The preferred material list can be found here:

<https://a.storyblok.com/f/233239/x/be8f189a0e/preferred-materials-list.pdf>

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

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 support free trade union organisation and collective bargaining. It is included in our Supplier code of conduct Freedom of Association and the Right to Collective Bargaining (ILO Conventions Nos. 87, 98, 135 and 154). And as a minimum all suppliers must have a worker committee or at least a worker representative with direct communication with the management. This is set forth in minimum criteria for suppliers.

As a first step we have started investigate worker representation and how this is set up with seven key Chinese suppliers in 2024. More on this is described in the section above under salient risks.

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

We believe 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.

In 2024, we began onboarding and training suppliers on the PLM system we recently implemented. Integrating suppliers into this system enables more structured communication and improves traceability between the design team and merchandisers throughout the design and sampling process.

The PLM platform provides shared access to information for both suppliers and our team, reducing reliance on email exchanges. Key benefits of supplier integration include enhancing IT and data skills, improving communication flow, and making data extraction and reporting more efficient compared to the previous system.

If we identify a need for additional training beyond what the suppliers provide, we will address the issue with them and collaborate to find a suitable solution.

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

We have established a anti corruption policy which is 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."

The policies can be found here:<https://camillapihl.com/policies-and-guidelines>

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

We have established an Animal Welfare Policy and prioritize sourcing certified animal fibers as outlined in our Preferred Fiber List. By choosing certified materials, we mitigate the risk of poor animal welfare practices. All down and feathers we source are RDS-certified to ensure ethical and responsible sourcing.

The animal welfare policy can be found here: <https://camillapihl.com/policies-and-guidelines>



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 a) assignment of responsibility for tracking the effect and result of implemented measures, as well as how the tracking is carried out in practice, b) who is responsible for evaluating the enterprise's implementation and work with due diligence, and how the evaluation is carried out 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 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 you track the effect, and/or demonstrate the probability of effect, of measures taken to reduce negative impact.

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. 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 (Åbenhetsloven) §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 root causes 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 answering external inquiries related to the information requirement imposed by the Transparency Act

We are subject to the Transparency Act and 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 impact

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 and other stakeholders, especially impacted workers and local communities have access to whistleblowing systems and grievance mechanisms

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."

In 2024 we have investigated this area with seven key suppliers that we visited spring 2024. We included also questions related to worker dialogue and worker representation.

Here are the key findings:

The seven suppliers we mapped out were of a relatively small to medium size with workers up to 100, two of them have workforce around 200. (The following information summary can also be found in section 3.B.5):

Grievance Mechanisms: All factories have established systems for handling worker complaints. These mechanisms vary, with some allowing direct communication with management through open discussions or designated phone numbers, while others incorporate anonymous suggestion boxes or both. Additionally, worker representatives (or labor unions) facilitate structured dialogues with management. Smaller factories tend to rely on more direct and informal communication channels between workers and management.

Common Concerns: The most frequently reported concerns from both workers and management include welfare benefits, overtime and wages, insurance, and healthcare provisions.

Dialogue and Issue Resolution: The frequency of formal meetings varies, ranging from monthly to quarterly. Minor issues are typically resolved at the worker-representative level, while more complex concerns are escalated to management. HR and Health, Environment, and Safety (HES) teams play a key role in addressing complex queries. Factories maintain records of grievances and the actions taken to resolve them.

Worker Engagement and Well-being Initiatives:

- Some factories conduct semi-annual or annual worker satisfaction surveys to gather feedback and assess workplace conditions.
- Most factories provide regular training on health, environment, and safety (HES).
- Some factories organize team-building activities and cultural events, particularly around holidays.
- In facilities where workers reside in dormitories, employers often provide recreational spaces and amenities to support relaxation and social activities during off-hours.

Opportunities for Improvement: While the overall maturity level of worker dialogue and representation is acceptable, there is room for enhancement in certain factories. Targeted training programs and increased awareness initiatives could further strengthen worker-management engagement and communication.

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Verification

Transaction 09222115557542212139

Document

Camilla Pihl Fashion Group AS

Main document

55 pages

Initiated on 2025-03-21 15:13:59 CET (+0100) by Etisk handel Norge (EhN)

Finalised on 2025-03-31 15:49:18 CEST (+0200)

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