

# Sustainability Report 2024

FILIPPA K



## Introduction – Comments from Filippa K’s CEO and VP of Product & Sustainability

Here at Filippa K, our mission is to inspire mindful consumption through a wardrobe of effortless style, simplicity, and quality. From 1993 to today we’ve taken the approach that less, but better, is more. Our elevated staples balance style and function for every occasion, offering a conscious solution to dressing well that our customers can rely on. The start of 2024 marked a new chapter for us – with Anna Teurnell joining the house as Creative Lead. Her fresh and distinctive vision for the curated wardrobe echoes our mission, while evolving our values for a modern era.

We categorise our sustainability work into five pillars, and everyone in the organisation is involved in our progress through integrated goals. We’re incredibly proud of what we’ve achieved in 2024, investing resources, time and effort into our initiatives across the business. It’s been a year of innovation, learning to tackle new challenges in our own way and staying at the forefront of technological and legislative industry developments. As always, partnerships with stakeholders, peer brands and like-minded businesses have driven our work forward, harnessing the exponential benefits of shared knowledge and collaboration.

Despite a challenging macroeconomic landscape in 2024, the second half of the year saw a 5% growth with DTC channels achieving a sales increase of 13%. We completed the year with 1% overall growth, improving significantly on 2023’s result with an EBITDA increase of almost 39 MSEK.

Our sustainability goal structure was updated in 2023, and in 2024 we built on this by creating a solid foundation for more efficient and timely goal execution. We set a new climate roadmap, gained a more holistic picture of our business’s financial, environmental and social opportunities and risks, and laid the groundwork for reaching our supply chain Living Wage goal. We also introduced a Care & Repair series for our customers, supporting garment longevity through the user phase.

New and existing technology partnerships have supported us in scaling exciting projects and improving data collection. We’ve continued the groundbreaking Fiber Traceability Initiative, and developed more styles made using the cutting-edge recycling technology from Circulose®. A new ERP system is simplifying our data and processes, improving sustainability reporting. We signed a partnership at the end of 2024 with Mai: a resale platform that will accelerate our circularity goals.

Ongoing industry challenges remained a factor in our 2024 progress. We’re preparing for upcoming legislative changes that require technology and financial investments without a clear profitability benchmark, adding complexity to the planning process. To tackle this, we’re setting our own new framework – staying open-minded and pragmatic, while finding new ways to adapt and collaborate.

As we look ahead, we’re eager to continue our partnerships that drive progress within next generation materials and industry technology. We recognise that by working with others and sharing knowledge, we can improve our own efficiencies and achieve significantly more than we would on our own. Transparency has always been foundational to our sustainability values at Filippa K, and we invite our fashion peers to take the same approach as we pioneer a new era of the industry together.

MARIE FORSSENIUS, FILIPPA K CEO

ANNA BERNE, FILIPPA K VICE PRESIDENT OF PRODUCT & SUSTAINABILITY

2024 Highlights



2024 Highlights

**TRACEABILITY & TRANSPARENCY**

We launched our first products with the Fiber Traceability Initiative, marking an important step forward with full wool traceability from farm to hanger.

**MATERIALS & INNOVATION**

We increased our share of preferred materials to 52% of all main material fibres we source.

**ENVIRONMENTAL IMPACT**

We've successfully streamlined our calculations and now have a solid baseline calculation in place, setting us up for even greater efficiency and precision ahead.

**CIRCULARITY**

We've integrated our circular practices into our customer-facing channels, making it easier for our customers to care for, repair, and extend the life of garments.

**SOCIAL RESPONSIBILITY**

In the 2024 Brand Performance Check by Fair Wear Foundation, we increased our score from the previous assessment in 2022 and were placed in the 'Good' category. Additionally, the creation and publication of our HREDD policy this year enforces our commitment to human rights within our supply chain according to the Organisation for Economic Co-operation & Development (OECD) guidelines.

**PEOPLE & CULTURE**

We defined new core values and established our value proposition, marking a significant milestone in our journey. Additionally, we addressed a key challenge from 2023 – improving communication with our stores across Europe. To streamline this, we successfully launched a dedicated Retail app, ensuring all communication from now on will be centralized and more efficient.



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## Sustainability Strategy



# Sustainability Strategy

## TOPICS IN THIS CHAPTER

1. Business Set-up	2. Sustainability Strategy
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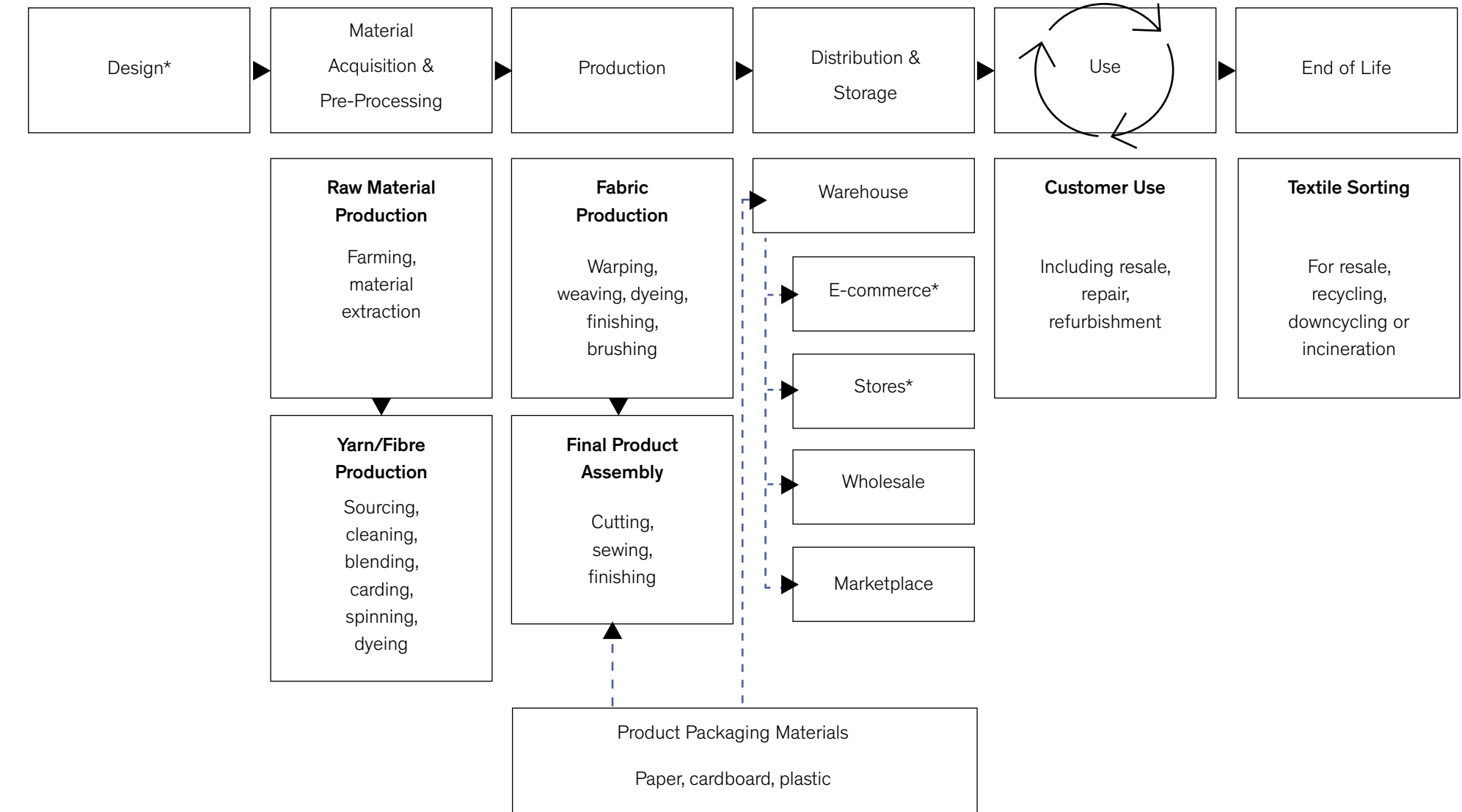
# 1. Business Set-up

Filippa K is an international fashion brand based in Stockholm, Sweden. The company operates across several countries, including Sweden, Norway, Germany, the Netherlands, Denmark, Belgium, Finland, the United Kingdom, and China. Our network of suppliers spans Portugal, Italy, China, Hong Kong, Turkey, Romania, Lithuania, Bulgaria, Vietnam, and Sweden.

Filippa K focuses on designing, developing, and selling clothing and accessories, while also promoting sustainability through resale and repair services\*. We have physical stores in Sweden, Norway, Denmark, Finland, Germany, the Netherlands, and Belgium, and we reach customers worldwide through our e-commerce platform.

Our products are developed in collaboration with suppliers worldwide (the details are available in the Social Responsibility chapter), with most garment making suppliers located in Europe. Post-purchase, we offer Swedish customers access to a resale platform for pre-loved items, repair services for damaged goods, and opportunities to donate items for textile sorting. No significant changes have occurred in our operations or value chain since the last reporting period.

FILIPPA K'S VALUE CHAIN



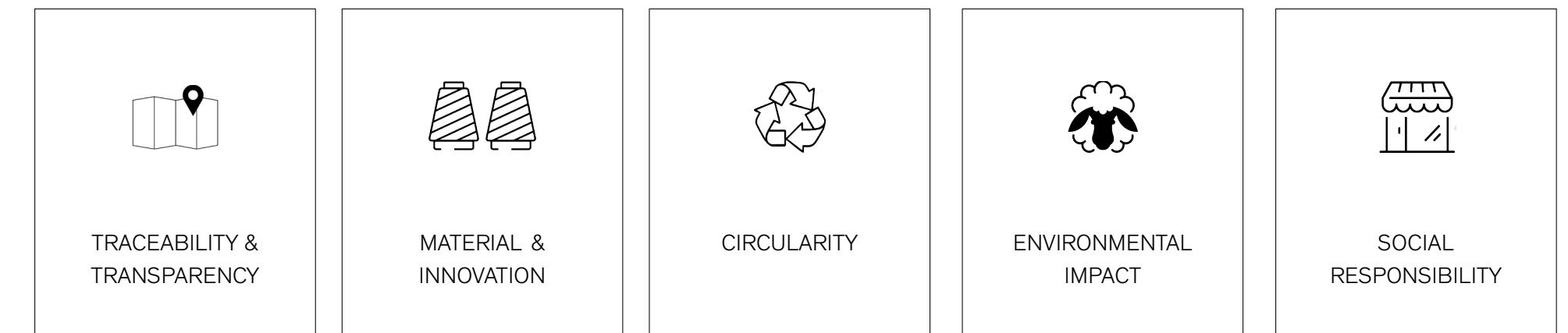
\*Active in the Retail of Apparel and Accessories sector



## 2. Sustainability Strategy

Our long-term sustainability strategy consists of five sustainability pillars that guide us as we work towards caring for people and our planet. These pillars define our focus areas throughout this report and inspire our evolving goals, which drive our sustainability efforts. The Traceability & Transparency pillar serves as a foundation for everything we do, because it provides us with the information we need to make positive change in all areas of the business while supporting the other pillars.

Over the past year we've continued to refine our long-term goals within each pillar. As part of this strategy, we have further integrated sustainability into the daily work of various departments at Filippa K HQ. Employees from different departments contribute voluntarily to five integrated sustainability groups, which continue to grow and drive progress within each pillar.



### 3. Governance & Sustainability Management

At Filippa K, responsibility for managing our impacts on the economy, environment, and people is shared across key leadership roles. Our VP of Sustainability & Product oversees sustainability strategy and integration across the business. Our VP of Human Resources reports on people-related topics within our own operations. Our CFO is responsible for governance and reporting, including financial and regulatory disclosures. This also encompasses sustainability-related disclosures, ensuring compliance with relevant reporting frameworks.

This year, we have increased reporting to our Board of Directors\*, now providing updates twice a year on sustainability targets, compliance, and progress. We have also started preparing for CSRD reporting, ensuring alignment with stakeholder expectations and regulatory requirements.

#### MEMBERSHIP ASSOCIATIONS

Driving progress through strategic partnerships is essential for fostering innovation and improvement. Our memberships play a vital role in enabling collaboration, sharing knowledge, and addressing industry-wide challenges together. We proudly participate in the following organisations and initiatives:

- Fair Wear Foundation: supporting social compliance among suppliers
- Textile Exchange: encouraging the increased adoption of preferred fibres
- RISE Chemical Group: providing guidance on chemical legislation and restricted substances
- SSEI (Swedish Shoe Environmental Initiative): supporting collaboration among brands on legal and environmental issues in the shoe industry
- Swedish Wool Initiative: led by Axfoundation, this initiative focuses on increasing the use of locally sourced wool in Sweden
- The Fiber Traceability Initiative: serving as both a steering group member and project initiator to enhance fibre traceability

Through these collaborations, we aim to drive meaningful change across the textile and fashion industries.

\*For more information on our organisational structure and governance body, see Annex II.



## 4. Material Topics & Double Materiality Assessment

Building on our previous materiality assessment, we have advanced our approach by conducting a double materiality assessment this year: integrating both the financial perspective ("outside-in") and the impact perspective ("inside-out"). This enhanced methodology ensures a more comprehensive evaluation of material topics, reflecting both our external and internal responsibilities regarding the economy, environment, and people, including their human rights. Our evolving approach reflects our commitment to continuous improvement and accountability, ensuring that our reporting and actions align with both stakeholder expectations and industry standards.

### PROCESS FOR DETERMINING MATERIAL TOPICS

Our assessment process builds on prior practices, while incorporating additional dimensions to reflect evolving standards:

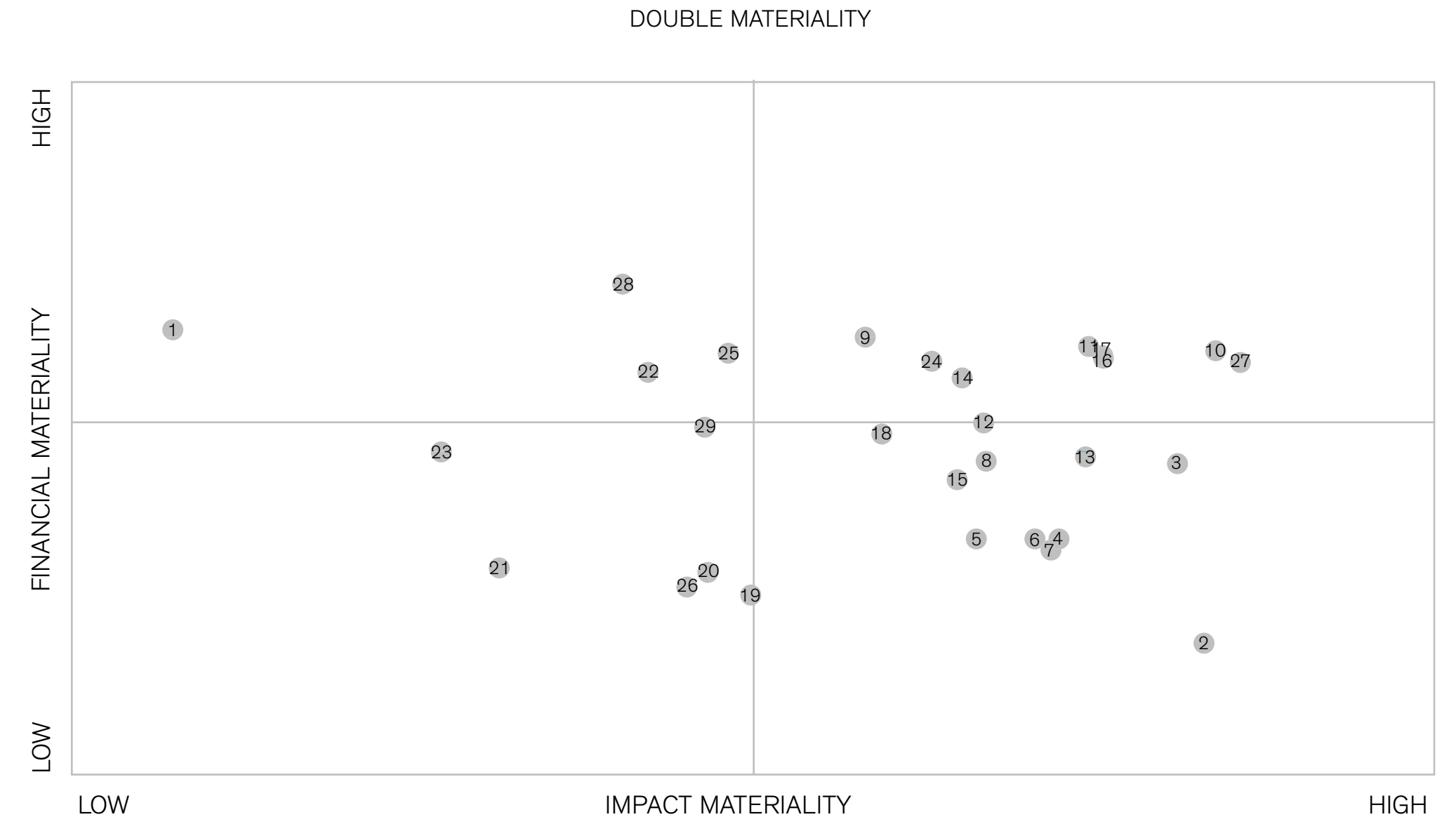
- Identifying Impacts: We evaluated actual and potential impacts of our activities and business relationships across economic, environmental, and social dimensions, including human rights considerations.
- Prioritising Impacts: These impacts were analysed and prioritised based on their significance for reporting and operational focus.
- Stakeholder Engagement: Input was gathered from key stakeholders, including suppliers, ensuring a diversity of perspectives.
- Leadership Validation: The process was reviewed and approved by our management team and board of directors, providing strategic oversight and alignment.

### MATERIAL TOPICS

By moving to a double materiality assessment, we go beyond just evaluating our environmental and social impact — we also connect these factors to financial risks and opportunities. This approach helps us better understand risks and opportunities, align sustainability efforts with business strategy, and drive long-term value. The list of material topics has been updated in line with the ESRS (European Sustainability Reporting Standard), introducing a new assessment approach. While this has changed the structure, it has not led to significant strategic shifts as the material areas remain the same from an impact perspective. The double materiality assessment has also validated that our sustainability strategy is aligned with the topics that are material from a financial perspective. However, there is further work to do to quantify the financial risks and opportunities for each material topic.

### MANAGING AND MONITORING MATERIAL TOPICS

For each material topic, we assessed positive and negative impacts on the economy, environment, and people, clarifying how our activities or business relationships contribute. Policies and commitments guide our strategies, supported by actions to prevent, mitigate, and remediate negative impacts while enhancing positive outcomes. We track effectiveness through defined goals and regular evaluations, integrating lessons learned into our operations. Stakeholder feedback plays a critical role in shaping and assessing these efforts. In the following chapters you can read more about how we manage each material topic.



#### Sub-topic, Environment

01. Climate change adaptation
02. Climate change mitigation
03. Energy
04. Pollution of air
05. Pollution of water
06. Pollution of soil
07. Substances of concern and very high concern
08. Microplastics
09. Water
10. Direct impact drivers of biodiversity loss
11. Resources inflows, including resource use
12. Resource outflows related to products and services
13. Waste

#### Sub-topic, Social & Governance

14. Working conditions (own workforce)
15. Equal treatment and opportunities for all (own workforce)
16. Working conditions (value chain)
17. Equal treatment and opportunities for all (value chain)
18. Other work-related rights (value chain)
19. Communities' economic, social and cultural rights
20. Communities' civil and political rights
21. Rights of indigenous peoples
22. Information-related impacts for consumers and/or end-users
23. Personal safety of consumers and/or end-users
24. Social inclusion of consumers and/or end-users
25. Corporate culture
26. Protection of whistle-blowers
27. Animal welfare
28. Management of relationships with suppliers
29. Corruption and bribery

## 5. Policies

Our internal policies are outlined on the company intranet, providing access to all team members. These address a wide range of important topics from managing crises to promoting gender equality, underscoring our dedication to building a culture of respect and accountability within the organisation. Key policy areas include:

- INJURIES & INCIDENTS
- CRISIS SUPPORT & HANDLING
- GENDER EQUALITY
- DISCRIMINATION & VICTIMIZATION POLICY
- SEXUAL HARASSMENT
- DRUG & ABUSE
- STRESS
- REHABILITATION & WORK MODIFICATION
- WHISTLEBLOWING POLICY
- ETHICAL RULES POLICY
- HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE POLICY

These policy commitments are formally approved by the Board of Directors, ensuring they are taken seriously across the organisation. Internally, they are shared with all employees to foster alignment and awareness. Externally, the policies are communicated to business partners and stakeholders across the company's value chain, as well as to any individuals potentially impacted by the company's activities. Filippa K always aims to have two employees who act as safety representatives to ensure that no actions or behaviours violate the policy commitments.

Filippa K conducts several annual employee surveys to identify concerns and issues within the workforce. We have internal safety representatives as well as a whistleblowing structure that provides the opportunity to report suspicions of misconduct in confidence. This serves not only as an early warning system to reduce risks but also as an important tool to promote high business ethics and maintain customer and public trust in our operations. Whistleblowing can be done openly or anonymously. There were no instances of non-compliance with laws and regulations during 2024. All employees are expected to decline any gifts from suppliers, partners, customers, etc., that might be perceived as bribery, as outlined in our Ethical Rules policy. In principle, we adhere to each country's laws and regulations regarding tax-free gifts.

There were no reported or discovered cases of corruption during 2024. The risk of employees not complying with these rules is low due to the nature of our operations in each country. Through the onboarding process, all employees receive information about the Ethical Rules policy and anti-corruption practices.





Traceability & Transparency

## Traceability & Transparency

Traceability and transparency are the foundation of everything we do at Filippa K. The more we know about the full journey of our products, the more we can work on improving our environmental and social impact.

### WHAT WE'RE WORKING TOWARDS

Traceability to the farm level on all virgin animal fibres and materials

#### 2024 HIGHLIGHT:

We launched our first products with the Fiber Traceability Initiative, marking an important step forward with full wool traceability from farm to hanger.

#### 2024 CHALLENGE:

Scaling traceability takes time, as well as significant supplier trust and collaboration. It also requires an infrastructure to communicate to consumers.

### TOPICS IN THIS CHAPTER

1. Product & Garment Traceability

2. The Fiber Traceability Initiative





## 1. Product & Garment Traceability

Understanding where and how our products are made is essential. We have full visibility of all garment suppliers (tier 1) and work closely with fabric and yarn mills (tier 2 partners) for almost all finished products. This is communicated on each product page on our website, along with the material composition, care advice, and country of origin, which is also listed on the physical care label.

We are continuously working with suppliers to encourage greater transparency. For fibre processing entities such as wash houses (tier 3) and raw material producers (tier 4), tracing materials and processes becomes more complex due to multi-tiered supply chains, varying traceability systems, and limited supplier transparency. Materials often pass through multiple regions, making it difficult to verify origins, sustainability, and chemical use. Blended fibres and inconsistent certifications add further challenges. Currently, our traceability by supply chain tier (measured by item quantity) provides a clear picture of where we stand, and where we need to go next.

In 2024, there were no reported incidents of non-compliance concerning product and service information, labelling, or marketing communications.



## 2. The Fiber Traceability Initiative

This year, we were proud to launch the Fiber Traceability Initiative – marking an important step forward with full wool traceability from farm to hanger. While this was limited to a few Filippa K styles and supply chain partners, our goal is to scale this over the coming years: building a more transparent and responsible supply chain, step by step.

SCAN TO SEE CUSTOMER EXPERIENCE



THE FIBER TRACEABILITY PROCESS

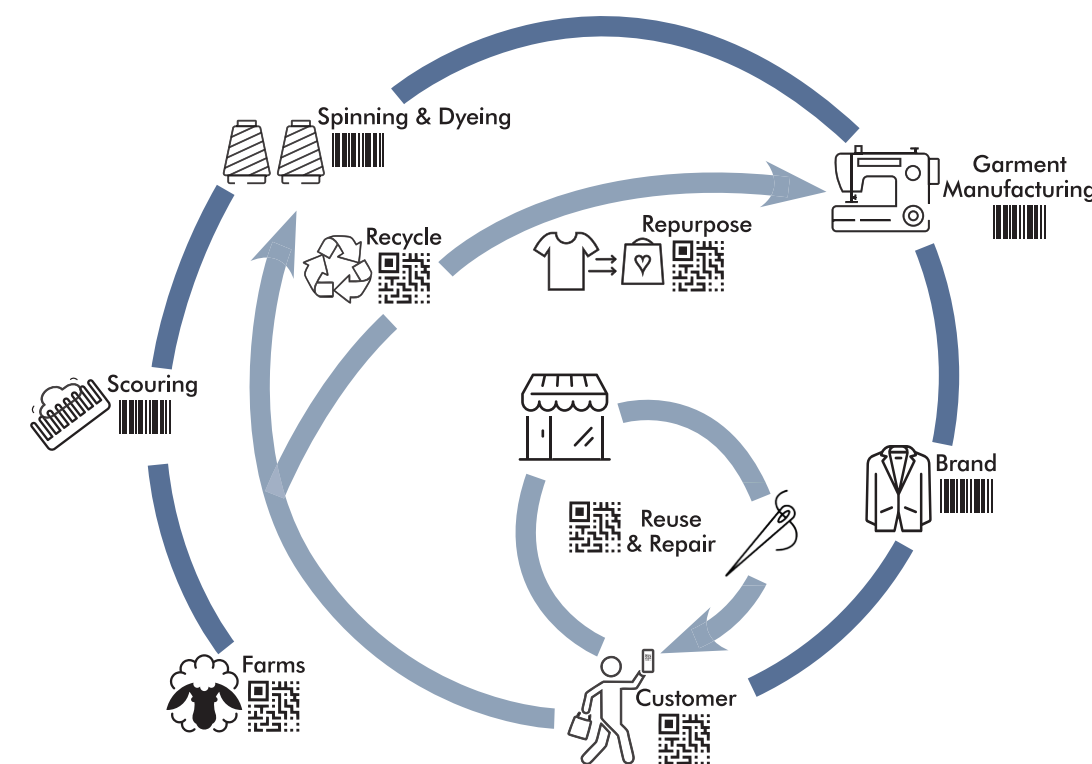


IMAGE CREDIT: AXFOUNDATION

OUR OBJECTIVES FOR THE INITIATIVE

- Achieve full traceability and transparency throughout the wool value chain
- Empower stakeholders, from farmers to consumers, with the insights needed to make sustainable choices
- Pave the way for companies to implement Digital Product Passports
- Drive the transition towards a circular economy and inspire more transparency in fashion
- Establish verified sustainability and quality standards to enhance the wool industry's reliability and credibility

HOW IT WORKS

In 2024 we introduced thirteen garments in our Autumn/Winter 2024 and Spring/Summer 2025 collections, made with wool traced from certified farms to finished garments. Using advanced QR code technology we can share detailed information about each product's journey, helping consumers gain reliable insights into the origins and production processes behind the clothes they wear.

The origin, product and care information are accessed via QR codes, powered by GS1, sewn directly into their labels. By simply scanning these codes, our customers can trace each piece's journey from the farm where the wool was sourced, to design details, care instructions, and second life options. This transparency addresses a key challenge in today's wool industry: fibres are often blended and traded globally, limiting visibility into their specific origins or the production standards involved.

The wool in our FTI products is sourced exclusively from Responsible Wool Standard (RWS) certified farms in South Africa, including Gildenhuis Boerdery, Bibbey Farm, Loubser Koch Investments, Coeja Boerdery, Grass Co. Farm, and 3GD Boerdery. Processing occurs across facilities in Bulgaria, Italy, and Poland, with each stage in the production chain digitally logged. At each transfer or processing step, QR codes are scanned to create a chain of custody, allowing us to build a comprehensive record of each garment's journey from farm to finish.

LOOKING AHEAD

Over one-third of the materials we use at Filippa K comprise animal fibres, so participating in the Fiber Traceability Initiative aligns with our commitment to understanding the environmental and social impacts of these resources. Beyond simply providing the country of origin, this initiative allows us to track materials down to the farm level, ensuring compliance with high welfare and sustainability standards. It also supports upcoming EU digital product passport regulations.

The next steps for the FTI include introducing new styles made with traceable wool. Additionally, we will be investigating how to add more environmental and social performance data from all entities in the value chain to complement the chain of custody. Finally, we will look into how we can continue traceability past the point of sale for the garment.



Filippa K, Sweden

Millefili  
Dyeing and spinning in Italy

Trico Point, Romania  
Garment manufacturer

Tollegno  
Dyeing in Italy, Spinning in  
Poland.

Lempriere, Bulgaria  
Scouring Facilities

Sheep Farms, South Africa:  
Gildenhuis Boerdery (Pty) Ltd  
Bibbey Farm  
Loubser Koch Investments  
Coeja Boerdery  
Grass Co. Farm  
3GD Boerdery

Wool sorter & exporter:  
OVK, South Africa  
BKB, South Africa



# Materials & Innovation

We collaborate with our network of suppliers to source the best materials for every Filippa K product in terms of aesthetic, comfort and performance. The fashion landscape is constantly evolving – we strive to partner with innovators in the industry to explore new ways of working that support a circular economy and have a positive, long-lasting impact.

## WHAT WE'RE WORKING TOWARDS

Our 2025 goal is that 80% of all materials used in our ready-to-wear collections are preferred fibres: recycled, certified, regenerative or innovative.

<p><b>2024 HIGHLIGHT:</b></p> <p>We increased our share of preferred materials to 52% of all main material fibres we source.</p>	<p><b>2024 CHALLENGE:</b></p> <p>Certifying fabrics used in our core styles has been a significant administrative challenge. The stock needs to be separated from the certified items, and finding the right balance between operational efficiency and the pace of certification remains difficult.</p>
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## TOPICS IN THIS CHAPTER

1. Our Approach to Materials & Material Use	2. Our Materials in 2024
3. Material Collaborations	4. Packaging
5. Waste	



## 1. Our Approach to Materials & Material Use

The materials we choose define not only the quality and aesthetics of our products, but also their environmental and social impact. As a retail brand, our responsibility extends far beyond design and production – we must ensure that every fibre and fabric aligns with our values of sustainability and transparency.

This chapter outlines our approach to sourcing materials responsibly, reducing environmental footprints, and collaborating with partners to improve industry standards. From adopting certified materials that prioritise animal welfare and regenerative practices to exploring innovative textiles with circular potential, we are committed to making informed choices that take us closer to reaching our material target.

### PREFERRED MATERIALS

Our definition of preferred materials are as follows – aligned with research from Textile Exchange:

- **Recycled** materials are items that have been reprocessed from their original form into new products, reducing the need for virgin resources and minimising waste.
- **Certified** materials in the textile industry refer to fabrics and fibres that have been verified by recognised standards or certifications, ensuring they meet specific environmental, social or ethical criteria throughout the production process.
- **Regenerative** materials are produced in a manner that actively contributes to ecosystem restoration and biodiversity conservation.
- **Innovative** materials support circularity by utilising products that would otherwise go to waste or be downcycled.

We continue to place a strong focus on using recycled, regenerative, certified, and innovative fibres in our products. We understand that natural fibres are still crucial due to their material qualities and durability, and we are also exploring regenerative alternatives.

### CERTIFICATIONS

We rely on third party-verified material certifications to guarantee that our fabrics come from sources committed to high standards of animal welfare, as well as improved environmental and social practices. We hold certifications from all Textile Exchange standards, in addition to GOTS (Global Organic Textile Standard), with CU (Control Union) serving as our certification body.

These certifications also ensure that certified materials are managed separately from conventional ones throughout the supply chain, and confirm that all products are manufactured in strict compliance with the rigorous criteria set by the certifications.



## GOTS

Products certified to the Global Organic Textile Standard (GOTS) contain organic material that has been verified at each stage of the supply chain, from the source to the final product. In addition, social, environmental, and chemical criteria related to processing are required. Filippa K is GOTS certified, Control Union 190056. Only the products which carry the GOTS label and claim are certified.

## OCS

The Organic Content Standard (OCS) verifies organically grown material and tracks it from source to final product. Filippa K is OCS certified, Control Union 190056. Only the products which carry the OCS label and claim are certified.

## GRS

Products certified to the Global Recycled Standard (GRS) contain recycled material that has been verified at each stage of the supply chain, from the source to the final product. In addition, social, environmental, and chemical criteria related to processing are required. Filippa K is GRS certified, Control Union 190056. Only the products which carry the GRS label and claim are certified.

## RCS

The Recycled Claim Standard (RCS) verifies recycled material and tracks it from the source to the final product. Filippa K is RCS certified, Control Union 190056. Only the products which carry the RCS label and claim are certified.

## RDS

The Responsible Down Standard (RDS) certifies down and feathers against animal welfare requirements and tracks it from farm to final product. Filippa K is RDS certified, Control Union 190056. Only the products which carry the RDS label and claim are certified..

## RMS

The Responsible Mohair Standard (RMS) verifies mohair animal welfare and land management requirements and tracks it from farm to final product. Filippa K is RMS certified, Control Union 190056. Only the products which carry the RMS label and claim are certified.

## RAS

The Responsible Alpaca Standard (RAS) verifies alpaca fibre animal welfare and land management requirements and tracks it from farm to final product. Filippa K is RAS certified, Control Union 190056. Only the products which carry the RAS label and claim are certified.

## RWS

The Responsible Wool Standard (RWS) verifies wool animal welfare and land management requirements and tracks it from farm to final product. Filippa K is RWS certified, Control Union 190056. Only the products which carry the RWS label and claim are certified.

## 2. Our Materials in 2024

Our progress towards 100% preferred materials by 2030: We've been refining our fabric sourcing by focusing on trusted suppliers and building on proven, high-quality materials. This shift towards a more intentional approach allows us to maintain consistency while still exploring thoughtful variations that meet our design and durability standards.

### PROGRESS AND HIGHLIGHTS

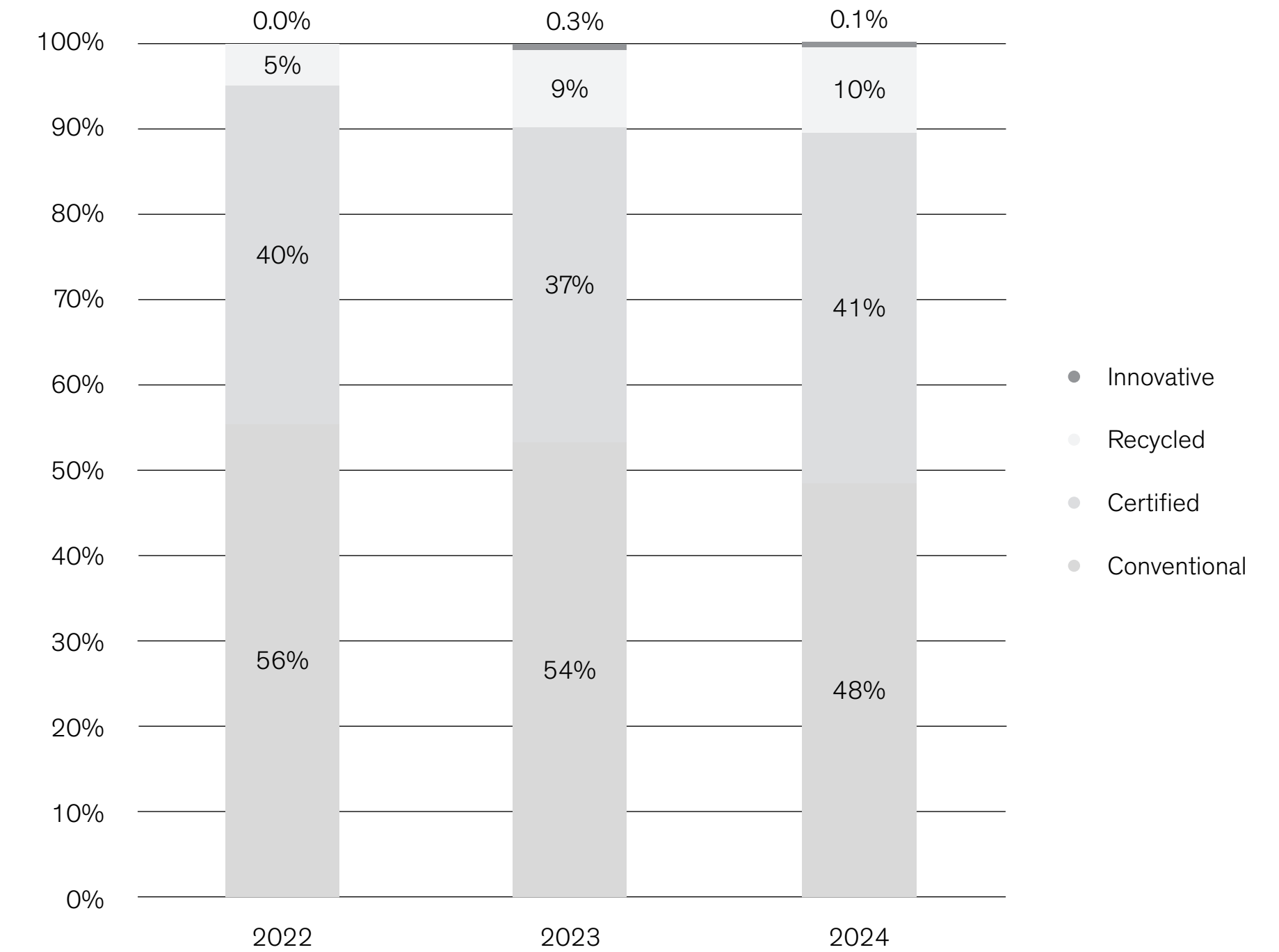
The Preferred Material Distribution graph highlights our steady progress in transitioning to more responsible material choices. Over the past three years, we have reduced our reliance on conventional materials, making space for certified, recycled, and innovative alternatives. Our certified materials have increased as we continue to certify our core fabrics and extend this to seasonal styles and fibres. Recycled materials have also grown, especially in outerwear and recycled wool, and cotton in denim.

A major milestone has been the introduction of regenerative materials, with our first development featuring certified regenerative fibres for product launching in 2025. At the same time, we are expanding our use of innovative materials – those made from textile or other waste as feedstock. This includes scaling up Refibra™, which incorporate 20–30% recycled content, and launching products made with Circulose® – a material made from 100% recycled from discarded textiles, and used for making regenerated fibres. While we still have work to do, this progress demonstrates our commitment to shifting towards a more circular and responsible material portfolio. We are eager to keep pushing forward.

Highlights from 2024 include:

- Increasing the share of certified and recycled fibres reducing the need for virgin resources and minimising waste.
- Exchanging conventional polyester for recycled polyester in some of our biggest volume fabrics, expecting to see a decrease in line with our goal for upcoming collections
- Increasing share of recycled cotton, especially in the denim category criteria throughout the production process.
- Now using recycled down from Re:Down in all down products.
- A notable increase in the use of certified wool.

PREFERRED MATERIAL DISTRIBUTION IN MAIN MATERIAL FABRIC (BY WEIGHT)



\*The 2023 figures have been restated to reflect improvements in our methodology, resulting in differences compared to last year's reporting



MATERIAL USE IN MAIN MATERIAL FABRICS (BY WEIGHT)

2024	
<b>Wool</b>	33%
Conventional	58%
Certified	29%
Recycled	13%
<b>Cotton</b>	31%
Certified	80%
Conventional	15%
Recycled	5%
<b>Polyester</b>	11%
Conventional	91%
Recycled	9%
<b>Polyamide</b>	5%
Recycled	62%
Conventional	38%
<b>Lyocell</b>	4%
Certified	81%
Conventional	18%
Innovative	1%
<b>Triacetate</b>	4%
Conventional	100%
<b>Viscose</b>	3%
Certified	62%
Conventional	34%
Innovative	4%
Recycled	0%
<b>Acetate</b>	2%
Certified	100%
<b>Elastane</b>	2%
Conventional	100%
<b>Leather</b>	1%
Conventional	100%
<b>Yak</b>	1%
Conventional	100%
<b>Linen</b>	1%
Alpaca	1%
Conventional	100%
<b>Cashmere</b>	1%
Conventional	1%
Recycled	23%
<b>Other materials(&lt;1%)</b>	1%

Our current material use consists of roughly the following:

- 70% renewable materials: such as cotton and wool, see below section for more information
- 13% partially renewable fibres: semi-synthetic fibres derived from natural, renewable sources (typically wood pulp, cotton linters, or other plant-based materials) which keep the natural polymer (cellulose) as the base structure but undergo chemical processing to become fibres
- 17% non-renewable fibres, including fossil fuel-based fibres with no renewable input (polyester, nylon, acrylic, etc.)

Renewable materials in textiles come from natural sources that can regenerate over time without depleting finite resources. These include plant-based fibres like organic cotton, linen, and hemp, as well as animal-derived materials such as wool and silk. Regenerative fibres, like TENCEL™ Lyocell and modal, are also considered renewable. The key advantage is their ability to be replenished naturally, making them a more sustainable alternative to fossil fuel-based textiles.



### 3. Material Collaborations

#### CIRCULOSE® — AN INNOVATIVE MATERIAL MADE FROM TEXTILE WASTE

Since 2022 we've been introducing garments made with CIRCULOSE®: a raw material that's 100% recycled from discarded textiles, and used for making regenerated fibres. Produced in Sweden, the innovative textile recycling process uses 100% renewable energy and environmentally safe chemicals to create a variety of fibres including viscose, lyocell, modal, and acetate. This groundbreaking method represents an important shift in the future of textile-to-textile recycling technology – we look forward to continuing our ongoing collaboration, and exploring the many ways CIRCULOSE® can be used to create long-lasting wardrobe staples.

#### The Process

To make CIRCULOSE®, discarded textile waste is shredded, de-coloured and turned into a slurry, while contaminants like polyester are removed. The cellulose that remains is an organic polymer with the same make-up of cotton, trees, and most plants. This slurry is dried to produce CIRCULOSE® sheets that are sent to be made into virgin quality textile fibres such as lyocell, modal and acetate by fibre producers. For our Filippa K garments, it was transformed into viscose.

#### RE:DOWN® — A RECYCLED ALTERNATIVE TO TRADITIONAL DOWN

As of 2024, we have transitioned from using certified down in our collections, to using recycled down from Re:Down®. Re:Down® is made from locally recycled down waste, gathered mainly from textile waste collectors. The recycling process is chemical-free and uses locally sourced water that's also recycled. This helps us reduce waste and reliance on new raw materials. Re:Down® is also 100% organic and biodegradable, providing the same insulation and lightweight comfort as virgin down while making use of existing materials. It supports a more resource-efficient production process, without compromising the warmth or durability of our products.

#### SWEDISH WOOL — AN EVOLVING INITIATIVE, TURNING WASTE INTO A RESOURCE

The Swedish Wool project began in 2019 when we discovered that the wool byproduct from the local meat industry was going to waste. We partnered with another Swedish brand, Röjk, and a Swedish sheep farm in Kungsör to develop a fully traceable supply chain that put this valuable organic resource to use.

Over the years we've scaled up the project to involve more brands and stakeholders – helping Swedish wool become more widely available in the industry. Today, the Swedish Wool Initiative is an Axfoundation collaborative of brands, pioneered by Filippa K. Each year we launch a new edition of Swedish wool in our collections.

#### Progress and next steps

The apparel infrastructure in the Nordics is limited, with most textile production and supply chains located outside the region. However, the Swedish Wool Initiative is actively working to develop and strengthen the local wool supply chain to support greater regional sourcing. This year, our efforts at Filippa K have been focused on development, and we have not had any significant spending in this area beyond investments related to research and development. By strengthening partnerships and refining processes, the Initiative is working towards a more structured and commercially sustainable Swedish wool industry. This includes establishing collection stations where wool is sorted and classified, simplifying access for brands looking to source Swedish wool.

In 2024 we continued our work with Swedish wool, building on previous initiatives and expanding efforts to develop a more structured supply chain:

#### Key milestones

- Swedish Wool Dalarna: We joined this development from the original Swedish Wool Initiative, which focuses on supporting wool production in Dalarna through collaboration with Dalarna University. The goal is to establish a market for locally sourced wool.
- Site Visits: We visited Wålstedts ullspinneri, which has long worked with Swedish wool, handling everything from washing and dyeing to spinning on-site. We also explored Insjös Väveri, where traditional weaving techniques are used.

#### Looking ahead

- Scaling Up: We are currently exploring our design expression using Swedish wool, and want to bring our customers along on this journey. For now, our goal is to develop one wool product per winter collection, but our long-term ambition is to scale up production over time in line with customer interest.
- Fully Swedish Production: While we can currently handle wool sourcing and washing domestically, further development is needed to complete the supply chain in Sweden.
- Upcoming Products: A new undyed knitted product is in development for late 2025. Work is also underway to refine wool quality for a smoother texture. In spring, the first trial metres of Swedish-woven wool will be produced.

#### Industry recognition & outreach

- Habit Awards: We were nominated for our continuous efforts in Swedish wool development.
- Webinar & Knowledge Sharing: A webinar summarised the first phase of our wool project, with presentations and discussions from participating brands. This laid the foundation for Swedish Wool Dalarna, continuing the work into its next phase.

## 4. Packaging

This year, we made notable changes to our packaging, focusing on sourcing more locally. We shifted to a local supplier, which supports nearby businesses and reduces transport-related impacts. On the e-commerce side, our bags are made from certified forestry materials, and the boxes use between 53-90% recycled content depending on size.

We are still increasing the share of suppliers using recycled materials in the packaging, and the majority of our suppliers use recycled content for the polybags. We recognise this as an area for improvement and are actively exploring alternatives to address the issue, making changes that reflect our commitment to refining our packaging practices step by step.

## 5. Waste

Waste management is crucial in the textile industry for ensuring efficient use of resources. When managed effectively, it helps reduce pollution, promotes a cleaner environment, and supports responsible business practices. We currently have limited measurability in these areas but are actively working to improve our systems, recognising the importance of addressing waste effectively. As a fashion company, our largest waste streams are textiles and packaging. Textile waste primarily arises from production off-cuts and deadstock, while packaging waste comes from materials like plastic, paper, and cardboard used during production, shipping, and delivery. We are exploring more efficient recycling methods while reducing excess packaging and using preferred materials to minimise our footprint.

### SUPPLY CHAIN

We actively consolidate fabrics to reduce deadstock, and continuously create bespoke pieces using surplus materials. This approach helps minimise excess fabric inventory but does not fully address textile waste generated during production, such as off-cuts. We are currently reviewing our approach to directed\* textile recycling from suppliers, and are committed to working more closely with them to develop effective solutions. This will help us address textile waste more comprehensively, including off-cuts and other production byproducts, and improve efficiency moving forward.

### PACKAGING

We strive to use as much recycled, certified, and recyclable material as possible in our packaging to limit the environmental impact. However, we currently have limited visibility when it comes to the materials' end of life, as this is ultimately in the hands of our customers. We actively encourage them to reuse and recycle our packaging whenever they can, and all our e-commerce packaging uses double closure strips so that the packaging can be reused for another shipment (either a return or use for other purposes).

### OWN OPERATIONS

In our offices, stores, and partner warehouses, we rely on third-party waste management services to handle waste responsibly. These services ensure recycling is carried out in line with local best practices at all our locations. We limit stock through strategic sales and sample sales to reduce excess inventory. As a result, we don't consider textile waste to be a significant issue in our operations.

To optimise our resource use and reduce waste in product development we integrate 3D technology into our development process to minimise the need for physical samples. By creating and refining digital prototypes, we can make more informed decisions early in the design phase, leading to a more efficient development process.

\*Directed recycling specifically allocates and directs recycled textiles back into the same or similar supply chains



# Environmental Impact

Fashion is one of the highest polluting industries, so we're constantly working to reduce our environmental footprint. Although our influence on the overall industry is small, we aim to make as big of a difference as possible by learning, exploring new solutions, and measuring the ways our decisions impact the planet.

## WHAT WE'RE WORKING TOWARDS:

Reducing our emissions with 50% by 2030 (from a 2020 baseline).

**2024 HIGHLIGHT:**  
  
We've successfully streamlined our calculations and now have a solid baseline calculation in place, setting us up for even greater efficiency and precision ahead.

**2024 CHALLENGE:**  
  
Data availability remains a significant challenge for us and other brands in the industry. We are working to improve the collection of supplier-specific data as part of our ongoing traceability efforts.

## TOPICS IN THIS CHAPTER

1. Greenhouse Gas Emissions

2. Chemicals, Water & Biodiversity

# 1. Greenhouse Gas Emissions

We measure our greenhouse gas (GHG) emissions annually, so we can understand the best way to reduce them. The 2024 data reveals that Scope 1 and 2 emissions, those directly from our operations, represent less than 2% of our total emissions (market-based). The majority of our emissions come from our supply chain (Scope 3). More than 80% of our total emissions occur in the making of our products and their packaging materials, and the rest from our own operations where we operate our business, design our products, and run our stores. We are committed to reducing our climate impact in line with the Paris Agreement, a statement we made in 2020. Our target is to halve our GHG emissions by 2030 compared to our base year 2020.

## GHG REDUCTION PLAN

In 2024 we finalised a roadmap to reach our 2030 target, focusing on key areas that will drive change. Our emissions are largely tied to our products and supply chain, with natural materials like wool, leather, and cotton playing a key role. By making smarter material choices, collaborating closely with suppliers, and shifting towards renewable energy, we can significantly cut our carbon footprint while staying true to our brand and moving towards our targets.

## 2024 GHG REDUCTION ROADMAP:

### MATERIALS & PRODUCT:

- Shift core materials to preferred fibres, ensuring quality with recycled content
- Increase share of recycled materials
- Expand regenerative agriculture initiatives for long-term material sourcing
- Expand traceability programs for animal fibres, increasing collection of supplier specific data

### ENERGY:

- Transition all company energy contracts to renewables
- Assess supply chain energy use and create a renewable energy roadmap
- Increase the share of renewable energy use in our value chain

### TRANSPORT:

- Keep air shipments to a minimum to reduce emissions

### OPERATIONAL EFFICIENCY:

- Focus on precision in our assortment, increased flexibility in the purchasing process, and strong full-price sell-through. By purchasing more fabrics instead of finished products, we create greater agility in production, allowing us to better adapt to demand and reduce excess inventory.
- Scale our resale offerings and services

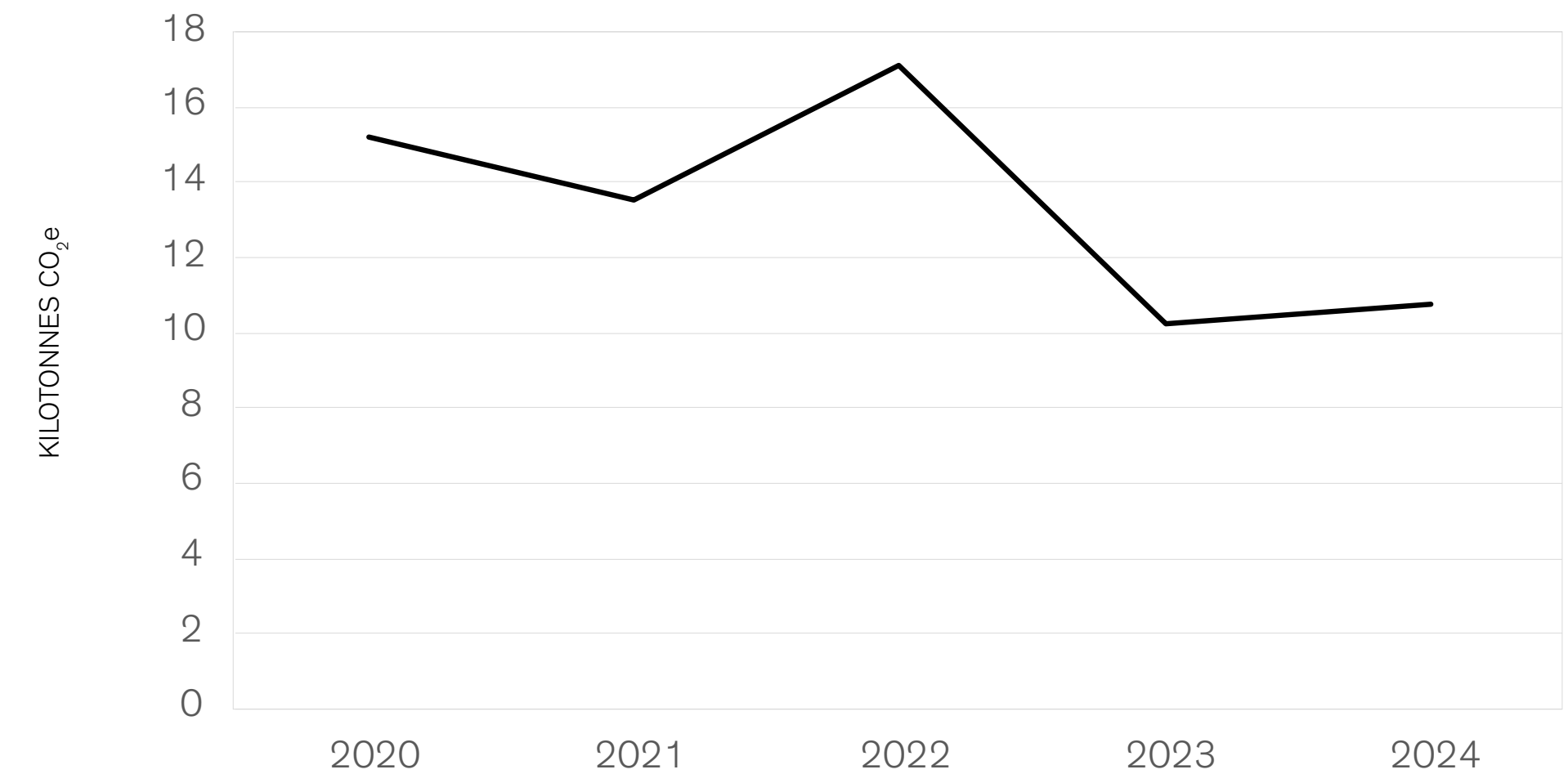
## HOW WE MEASURE OUR EMISSIONS

This year, we updated our GHG emissions calculation methodology – still in line with the GHG protocol – to capture more details at product level. We now achieve a more accurate and comprehensive view of our emissions throughout the value chain.

The new methodology required us to revisit and rework our baseline as well as emissions data from previous years. As a result, we're reporting slightly higher emissions figures than in previous reports, reflecting the increased granularity of our data.

While our actions to reduce emissions remain consistent, this refined data provides us with deeper insights and a stronger basis for driving impactful change. With this improved level of detail, we can now focus more effectively on process-level choices, empowering us to identify targeted opportunities for reduction and to refine our strategies for long-term impact.

GREENHOUSE GAS EMISSIONS



GREENHOUSE GAS EMISSIONS BREAKDOWN (TONNES CO<sub>2</sub>e\*)

	2020	-	2023	2024
Total Emissions (market based)	15230		10150	10736
<b>Scope 1</b>	<b>8</b>		<b>12</b>	<b>10</b>
<b>Scope 2</b>	<b>61</b>		<b>108</b>	<b>114</b>
Market-based	61		108	114
Location-based	25		38	43
<b>Scope 3</b>	<b>15158</b>		<b>10037</b>	<b>10612</b>
Purchased Goods and Services – appare	13440		8580	9110
Purchased Goods and Services - other	535		512	458
Fuel and Energy Related Activities	13		22	23
Upstream Transportation and Distribution	229		260	356
Waste Generated in Operations	12		12	11
Business Travel	15		96	51
Employee Commuting	39		41	39
Upstream Leased Assets	37		36	36
Use of Sold Products	630		353	386
End-of-Life Treatment of Sold Products	208		125	141

\*Note: Figures are rounded to the nearest whole number, which may result in slight discrepancies in totals

OUR PROGRESS

Since our baseline year of 2020, we've made progress in reducing our emissions overall by 29%. However, between 2023 and 2024 we saw an increase, primarily driven by higher production volumes. Purchased goods and their raw materials remain the main source of our emissions.

Shifting to the use of more natural fibres in our collections, even those that are certified, has contributed to an increase in emissions per piece. While this move supports our sustainability goals, it also brings a higher environmental impact, underscoring the challenge of balancing material choices with emissions reductions.

ACTIONS TAKEN IN 2024 & NEXT STEPS

MATERIALS & PRODUCT

- **Increased the share of recycled materials** – The transition to recycled content has been the most straightforward in synthetic materials, where supply and performance are well-established. This shift helps reduce dependency on virgin resources and lowers overall emissions.
- **Updated core fabrics** – We are reviewing and updating our core fabrics, finding alternatives with a higher share of preferred materials.
- **Introduced regenerative cotton** – As part of our commitment to more sustainable farming practices, we have started incorporating regenerative cotton into our collections. This approach supports healthier soil, enhances biodiversity, and contributes to carbon sequestration.

To further reduce emissions, we are working towards:

- **Expanding the use of recycled and regenerative materials** – We aim to integrate a greater proportion of these materials across our product range, prioritising those with the highest environmental benefits.
- **Collecting actual data from supply chain partners** – By gathering precise material data directly from our suppliers, we can improve the accuracy of our impact calculations and make more informed decisions.
- **Transitioning core fabrics to preferred materials** – We are actively shifting toward preferred materials while ensuring they meet performance and quality standards.
- **Exploring innovative alternatives for high-emission materials** – Researching and testing next-generation materials that can replace conventional high-impact fabrics, such as leather, wool, and virgin synthetics.

## ENERGY

- **Mapped supplier energy sources** – We conducted a comprehensive assessment of energy sources used by our supply chain partners. This information is now incorporated into supplier evaluations, allowing us to better understand their energy impact and identify areas for improvement.
- **On-site renewables among suppliers** – Several of our garment suppliers have already invested in on-site renewable energy solutions, covering a portion of their total energy consumption. These efforts contribute to lowering emissions at the production level.
- **Introduced fossil fuel use as a risk factor** – We have started assessing fossil fuel dependency in our supply chain as part of our broader risk management framework, ensuring we prioritise suppliers committed to transitioning toward cleaner energy sources.

To further reduce emissions, we are working towards:

- **Shifting energy sources toward renewables** – We aim to support and encourage the transition to renewable energy both within our supply chain and in our own operations.
- **Expanding the use of renewables in our own operations** – We are evaluating opportunities to further integrate renewable energy solutions in our facilities, reducing our direct carbon footprint.

## TRANSPORT

- **Maintained air freight at 5%** – We successfully kept air freight usage within our target of 5% of total ordered quantity, ensuring that emissions from expedited shipping remain controlled.
- **Addressed product creasing issues to reduce air freight** – In the past, coats were transported by air as they would crease during sea freight, compromising product presentation. In 2024, we introduced improved carton designs that prevent creasing, allowing for a greater share of shipments to be sent via sea freight, which significantly lowers emissions.

To further reduce emissions, we are working towards:

- **Minimising reliance on air freight** – By improving planning and logistics, we aim to further decrease air shipments and increase sea freight from Asia, which has a considerably lower carbon footprint.
- **Enhancing supply chain efficiency** – We continue to explore ways to optimise shipment planning, reduce lead times, and improve inventory forecasting to prevent last-minute air freight needs.

## OPERATIONS AND OPERATIONAL EFFICIENCY

- **Reducing Returns** – In 2024 we launched a project to reduce e-commerce returns, improving profitability and operational efficiency. The initiative spanned design, merchandising and sales, focusing on customer behaviour and product fit. Key actions included refining product fits, creating customer-aligned styles, incorporating sales insights into fittings, and enhancing e-commerce descriptions with size recommendations. These improvements help customers make better choices while supporting our GHG reduction target by decreasing returns.
- **LED Lighting in Our Stores** – Over the years we've switched to LED lighting in our stores to improve energy efficiency. This year we upgraded the second-to-last store, with just one left to go. Since we reuse lighting from closed stores in new locations, the transition has taken time.
- **Packaging** – We recently shifted to a local supplier for all our in-store packaging. For information about our packaging, please refer to the Materials section of this report.

To further reduce our emissions, we are working towards:

- **Reducing packaging** further, moving to lighter options and investigating new material alternatives.



“Over the past few years, we’ve made significant progress in measuring our greenhouse gas emissions. We are committed to reducing our climate impact in line with the Paris Agreement, with a target to halve GHG emissions by 2030 compared to our base year 2020. In 2024 we finalised a roadmap to reach this goal, focusing on key areas that will drive change.”

– OLIVIA S, SENIOR SUSTAINABILITY CONTROLLER

## 2. Chemicals, Water and Biodiversity

Tracking the impacts of our operations and production is essential to understanding and reducing them effectively. Key areas of focus include water consumption, pollution, and biodiversity, with the majority of these impacts occurring within our supply chain, as well as during a garment's use phase and end of life.

### CHEMICALS

Acknowledging the necessity of chemicals in textile production, we focus on minimising harmful chemicals and maximising the use of safer alternatives. Ensuring the safety of our products for users, the environment, and production workers is paramount. To safeguard the surrounding environment, suppliers are obligated to follow Filippa K Chemical Restriction List (RSL) and continuously phase out chemicals that are added to this list.

Chemical containers must be properly labelled and safely stored. A material safety data sheet (MSDS) must be available (in the local language) and the instructions in the MSDS must be followed (ILO Convention 170). We do not have any products that we assess having high-risk health and safety impacts for our customers, and there were no non-compliance incidents concerning the health and safety impacts of products and services reported in 2024.

### WATER

#### Interaction with water

Our water use primarily occurs in raw material sourcing, textile dyeing, and finishing. Water is withdrawn and consumed in fibre cultivation (e.g. cotton farming) and production processes, while wastewater is discharged from fabric mills and garment factories, potentially impacting water quality. While we work to minimise our water impact, we have not yet set formal targets. Instead, we focus on stricter requirements for suppliers in our sourcing policy, supplier engagement, and industry best practices to enhance water stewardship over time.

#### Identifying and addressing water-related Impacts

We assess water risks in our supply chain by analysing regional water stress, aiming to increase the collection of data regarding supplier water usage and wastewater treatment practices. Tools like the WWF risk filter suite help us to evaluate and address key water-related challenges. We engage with suppliers to improve water efficiency, enhance wastewater treatment, and adopt lower-impact dyeing processes.

### BIODIVERSITY

#### Interaction with biodiversity

Biodiversity is fundamental to the fashion supply chain, from raw material sourcing to garment production. Healthy ecosystems provide the natural resources the industry depends on, ensuring long-term resilience and sustainability. Protecting biodiversity also supports the livelihoods of communities involved in production while fostering innovation and adaptability in response to environmental challenges. Although we recognise the importance of biodiversity, we have not yet established specific targets. Our focus remains on improving responsible sourcing, engaging with industry initiatives, and exploring best practices to protect ecosystems.

#### Identifying and addressing biodiversity-related impacts

We analyse biodiversity risks as we do water, looking at regional biodiversity stress, and aim to increase the collection of data when it comes to raw material sourcing to better assess and understand our impact on ecosystems. To minimise biodiversity loss, we focus on responsible material sourcing, reducing land-use impact. We also include materials farmed with regenerative practices and collaborate with industry partners for increased visibility and collaboration across the value chain.

### RISK ASSESSMENT

We continuously assess the risk landscape on water and biodiversity with the help of WWF's risk filter suite. This helps us to increase our supplier collaboration in places where we have the highest risks, and we continuously use our traceability data to assess our supply chain in more detail. We believe the biggest risks occur in raw material production and Tier 3 of the supply chain – traceability is essential to supporting resilience in our value chain. Currently, we are using certificates to guide our material choices, but increased traceability would support us in understanding the best options. The physical risk landscape for our Tier 1 and Tier 2 suppliers in 2024 is represented in this chart. This feeds into our sourcing strategy and material goals.

PHYSICAL RISK LANDSCAPE

	Water Risk			Biodiversity Risk		
	Own Operations and Warehouse	Tier 1	Tier 2	Own Operations and Warehouse	Tier 1	Tier 2
Very High Risk	-	-	-	-	-	-
High Risk	-	5%	3%	5%	11%	21%
Medium Risk	38%	53%	69%	57%	88%	73%
Low Risk	62%	42%	27%	38%	2%	6%
Very Low Risk	-	-	-	-	-	-

SUPPLIER ENVIRONMENTAL EVALUATIONS

In 2024, all new suppliers were screened using environmental criteria outlined in our Code of Conduct, including energy source mapping, environmental policy enforcements, waste management and water stewardship. New suppliers undergo screening before onboarding, while existing suppliers are assessed through certifications and audits prioritising areas with higher risk.

\*Based on WWF risk filter suite categorisation. Numbers are rounded to the nearest whole number.



## Circularity

Circularity is central to minimising our environmental footprint and encouraging mindful consumption. We consider the full lifecycle of our products from design and production to the user phase, and on to its second life.

### WHAT WE'RE WORKING TOWARDS

We aspire to extend the lifespan of our garments, focus on circular design with recyclable materials, and grow revenue from services that support garment longevity.

#### 2024 HIGHLIGHT:

We've integrated our circular practices into our customer-facing channels, making it easier for our customers to care for, repair, and extend the life of garments.

#### 2024 CHALLENGE:

While resale continues to grow as a trend, we've seen a decline in activity on our platform, highlighting the need to adapt our approach to better engage customers.

### TOPICS IN THIS CHAPTER

1. Circular Design Strategies

2. Prolong, Repair, Resell and Recycle



## 1. Circular Design Strategies

At Filippa K, we focus on creating pieces that last – clothing with timeless style, versatile appeal, and the durability to be worn and loved for years. By designing with longevity in mind, we hope to make it easier to choose quality over quantity and enjoy fewer, better garments.

### LONGEVITY – INCREASING USE THROUGH LONG-LASTING STYLE AND QUALITY

Our designers create each piece with its intended lifestyle purpose in mind, prioritising longevity, fit, and durability – staying true to our brand promise. We use a meticulous wear-test procedure, including washing and measurements, to ensure the highest quality standards are met.

Our Core collection accounts for approximately one-third of our sales, both in quantity and value. Designed as the foundation of a staple wardrobe, it embodies quality materials, versatile wear, timeless style, and effortless fit, reinforcing our commitment to longevity. This confirms that our customers seek investment pieces that stand the test of time.

### PROGRESS AND NEXT STEPS:

- Refining our fabric selection, consolidating to trusted suppliers and focusing on known quality variants rather than experimental materials.
- Centring our designs, focusing on timeless, purposeful pieces that align with our approach of offering a complete wardrobe to stand the test of time.
- Working towards defined thresholds for circularity to evaluate our assortment.

### MONO MATERIALS – INCREASING THE POTENTIAL FOR RECYCLING AND RECYCLABILITY

We strive to design with end-of-life in mind, considering disassembly, recyclability, and repurposing. Whenever possible, we use mono materials to enhance the potential for textile-to-textile recycling. While we see a slight decrease in the amount used compared to 2023, we always balance mono-materiality with durability. Rather than setting a specific target, we focus on optimising garment compositions to best serve each product's purpose. This year, we have started the exchange of buttons on our denim styles to mono material and made from recycled metal.

## 2. Prolong, Repair, Resell, & Collect

Extending the life of our garments is a key part of our circularity efforts, encompassing care, repair, resale, collect and recycling initiatives. Each area plays a distinct role in reducing waste and promoting sustainable consumption. By adapting our strategies to meet shifting consumer behaviours and market trends, we aim to strengthen our impact and align with a growing second hand market.

### PROLONG

This year, we launched a social media Care & Repair series to guide and inspire our community in extending the life of their garments. Through practical tips and educational content, we're helping customers learn how to properly care for their items – washing, storing, and repairing – to make them last longer and reduce the need for frequent replacements.

Launched in November 2024, this video series has quickly gained strong engagement across platforms. One video became our top-performing Instagram post in six months, exceeding our usual benchmark reach.

The series has seen high engagement on Instagram, LinkedIn, and TikTok, with positive feedback and increased views, especially on boosted TikTok videos. Although we've only shared a few videos, we're already seeing strong potential for brand recognition. Additionally, sharing the videos in newsletters has led to direct sales conversions, highlighting the value of storytelling in our content.

### REPAIR

Our focus on designing garments to last continues, with in-store repair services remaining a cornerstone of our circularity efforts. We're also revisiting extended repair options to further help customers prioritise garment longevity over replacement.

### RESELL

Resale is an increasingly important part of the apparel industry, and we see it as a natural extension of our commitment to quality and longevity. We constantly see changes in customer behaviour and preferences and continue to evolve our resale offering to prolong the life of the garments we sell. This journey started in 2008, collaborating with a local second-hand store, then expanded to resale in retail stores in 2020, and digital resale since 2021. Adjusting to the market's demands will be essential to ensuring our participation in the second-hand market remains relevant and impactful. In recent years, we've noticed a decline in activity on our current platform. Recognising the need for a fresh approach, we are now preparing to launch a new and improved platform in 2025 – one designed to better meet the needs of our community and drive engagement.

### FILIPPA K PREOWNED SALES

	2022	2023	2024
Seller Listings	313	182	35
Seller Items	308	77	12

\*MEASURED IN NUMBER OF PIECES

### COLLECT

Since 2015, we have been collecting used garments from customers at all our retail stores, encouraging responsible textile disposal through our Collect program. However, tracking the exact number of garments collected across all markets remains a challenge. In light of these ongoing limitations, we are reevaluating the program to identify new sorting and recycling partners. This effort aims to improve value chain control, ensure compliance with upcoming textile legislation, and enhance our ability to report on collection outcomes.

A large, leafy tree with green and yellow foliage against a clear blue sky. The tree is the central focus, with its branches spreading out across the frame. The leaves are dense and vibrant, with some showing signs of autumn. The sky is a uniform, light blue, providing a clean background for the tree.

Social Responsibility



# Social Responsibility

We are committed to being a fair and dependable business partner, fostering long-term, mutually beneficial relationships with our suppliers built on trust and shared values. By ensuring ethical labour practices, responsible sourcing, and environmental stewardship, we strive to create a positive impact on the factories we produce in.

### WHAT WE'RE WORKING TOWARDS

Filippa K's ongoing efforts include updating supplier agreements to align with HREDD (Human Rights & Environmental Due Diligence) guidelines, improving gender equity, and supporting worker rights across all regions. We will continue fostering transparency, addressing risks, and collaborating with partners to uphold ethical and sustainable practices in 2025 and beyond.

**2024 HIGHLIGHT:**

In the 2024 Brand Performance Check by Fair Wear Foundation, we increased our score from the previous assessment in 2022 and were placed in the 'Good' category.

Additionally, the creation and publication of our HREDD policy this year enforces our commitment to human rights within our supply chain according to the Organisation for Economic Co-operation & Development (OECD) guidelines.

**2024 CHALLENGE:**

The on-going geopolitical situation and continued inflation meant that, whilst we aimed to visit three suppliers during 2024, we instead maintained a close collaboration through digital meetings.

### TOPICS IN THIS CHAPTER

1. Our Commitments

2. Fair Wear Foundation & the Code of Labour Practices

3. Sourcing Strategy

4. Improvement Plan

5. Supplier Evaluations

## 1. Our Commitments

At Filippa K, our social responsibility is rooted in fostering equitable partnerships with our suppliers. We believe in open, two-way communication that supports long-term success and improved working conditions, while promoting meaningful social dialogue between workers and management. Transparency is a cornerstone of our relationships, and we expect the same in return. Subcontractor usage must always be approved by Filippa K before production begins, ensuring accountability throughout the process.

Our responsible sourcing strategy prioritises safe and healthy working environments for everyone in our supply chain. To support this, we collaborate closely with suppliers on production planning, minimising overtime risks and creating sustainable workloads. We're also committed to transparent pricing practices, helping suppliers meet living wage standards and advocating for collective bargaining. Addressing the gender pay gap is a critical focus, as we work to challenge historic inequities, overcome stereotypes, and promote fair compensation and inclusive workplace practices.

We are dedicated to enhancing communication with workers through ongoing social dialogue and by safeguarding their right to freedom of association. By deepening our understanding of gender-specific challenges and risks within the supply chain, we take proactive measures to combat discrimination and gender-based violence. These efforts reflect our unwavering commitment to fostering a fair, equitable, and inclusive environment at every level of our operations.

### HUMAN RIGHTS & ENVIRONMENTAL DUE DILIGENCE

During 2024 we published our HREDD (Human Rights & Environmental Due Diligence) policy on Filippa K's e-commerce site for public view, which had previously been (and remains) available for all employees on our internal FK portal. This policy is endorsed by Filippa K's CEO, Marie Forssenius, and provides a comprehensive framework that guides our business practices, designed to ensure that our business actively minimises its environmental and social footprint to the greatest extent possible. It applies to all employees, directors, suppliers, and partners associated with Filippa K. Violation of our HREDD policy or any other policies or regulations is not tolerated.

This policy will be re-evaluated and adjusted according to our progress during 2024. We will elaborate on the progress we make in reviewing our policies and contracts regarding gender-based violence and discrimination, and the importance of conducting more due diligence in low-risk countries where this type of discrimination can still occur.

### DOUBLE MATERIALITY ASSESSMENT

Filippa K conducted a double materiality assessment in 2024 to evaluate how the organisation's actions impact people and planet, and aligning this with the financial well-being of the company. Working conditions, equal treatment and opportunities for all in the value chain scored very highly on both financial and impact materiality, which enforced it as a key commitment going forward for the company. To learn more about this, please refer to the Sustainability Strategy section of this report.

## 2. Fair Wear Foundation and the Code of Labour Practices

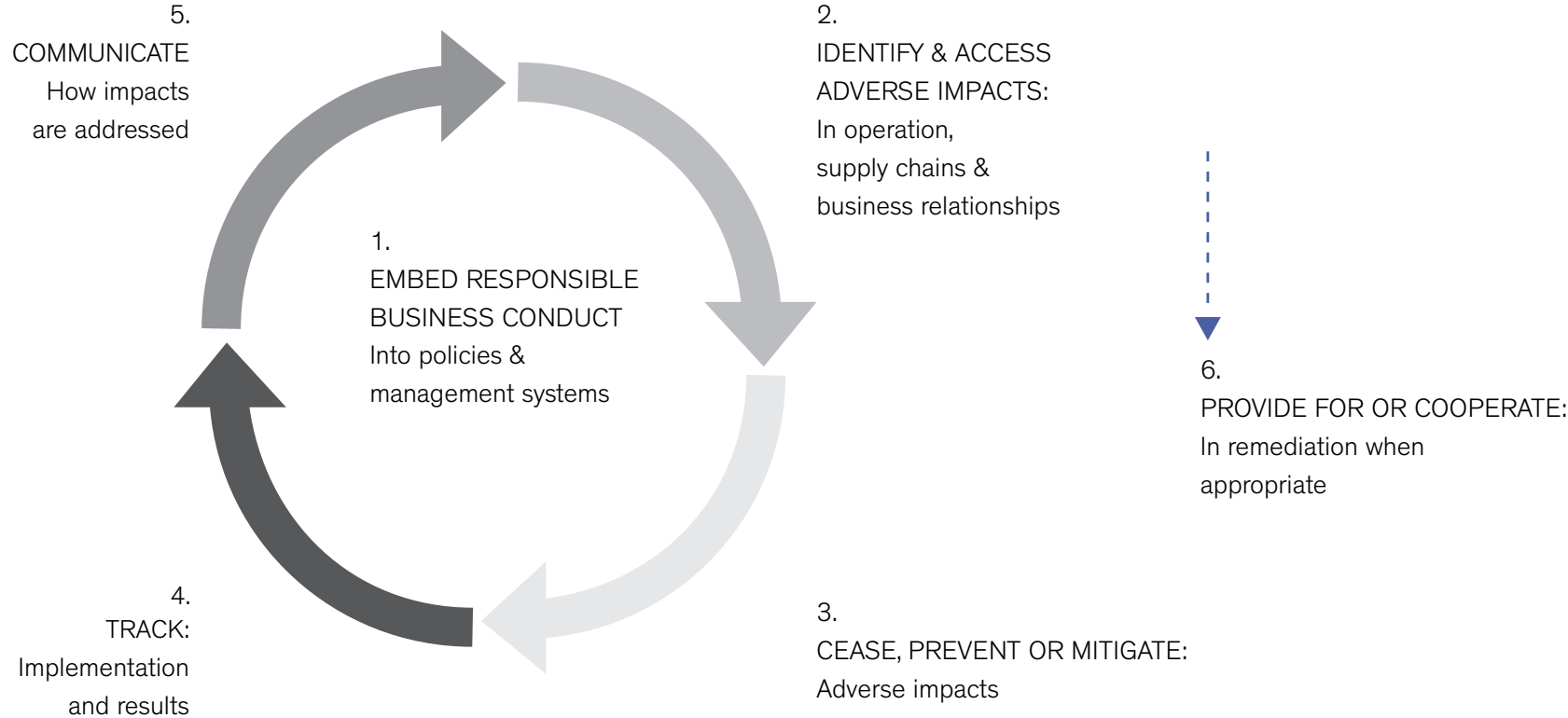
We've been a member of Fair Wear Foundation (FW) since 2008: a foundation that works with brands and industry influencers to support garment workers in realising their rights to safe, dignified, properly paid employment. Fair Wear Foundation supports us by performing factory audits and annual performance check-ups as well as developing reports and action plans. Their code of labour practices, derived from the ILO Convention and the UN's Declaration on Human Rights, together with Filippa K's Code of Conduct and sourcing policy, form the basis of our monitoring.

EMPLOYMENT IS FREELY CHOSEN	FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING	NO DISCRIMINATION IN EMPLOYMENT	NO EXPLOITATION OF CHILD LABOUR
PAYMENT OF A LIVING WAGE	REASONABLE HOURS OF WORK	SAFE AND HEALTHY WORKING CONDITIONS	A LEGALLY BINDING EMPLOYMENT RELATIONSHIP

In partnership with Fair Wear Foundation, we've continued working according to the principles of the Human Rights Due Diligence Directive (HRDD) and following the Organisation for Economic Co-operation and Development (OECD) guidelines. We've monitored our Tier 1 suppliers, but plan to expand our monitoring to include our Tier 2 suppliers in the coming years as our impact on worker's rights goes beyond Tier 1.

The six steps that make up the HREDD process are described in this model:

HUMAN RIGHTS & ENVIRONMENTAL DUE DILIGENCE



NEW HREDD SURVEY DEVELOPMENT

It's essential for us to have a "gender lens" in our risk assessment as it is primarily women working in the textile industry. We acknowledge that gender norms create power imbalances, leading to discrimination, particularly against women. We must also consider intersectionality, where factors like race, religion, and age intersect with gender in creating workplace inequalities.

During autumn 2024 we developed a new HREDD survey which was sent to all suppliers. It included data requests with a gender breakdown for employee figures, wages and organisational hierarchies. This will help us further in 2025 to map the gender equity in our supply chain and develop a coherent plan of action for our suppliers who are at high-risk of violence, harassment and unfair practices. These gender imbalances can manifest in many ways including wages disparity, recruitment discrimination, lack of growth, gender related health and safety concerns, maternity leave, and support systems for pregnant women.

While this is a work in progress, we've planned a course of action for workers & supervisors training on gender, violence and discrimination with three suppliers in Turkey during 2025. This is being done in partnership with two other brands who share these suppliers. We are also looking at how to incorporate this type of assessment and monitoring further into our sourcing strategy.

### 3. Sourcing Strategy

We're committed to continuing to implement sourcing practices that align with the Human Rights Due Diligence Directive and to have a closer partnership with our suppliers. Our goal in the 2023 report was to visit three of our Tier 1 suppliers during 2024. This was not possible due to geopolitical circumstances and increased inflation, and we have instead kept very close collaboration with our suppliers through regular digital meetings and calls. We aim to return to travelling to suppliers during 2025.

Another goal entering 2024 was to maintain and increase our production in Europe, which was successful. Production origin during 2024 increased in Europe by a few percentage points compared to 2023, in both value and volume per continent.

#### RISK ASSESSMENT

Products that we've identified as high risk in terms of labour practices are leather (tanning process), shoes (glues) and denim (washes) due to chemical management. To address these issues, we only source leather from tanneries that are certified for our leather garments and aim to extend this practice for shoes and bags. The standard addresses tanneries' environmental performance and chemical management. We plan to continue mapping our supply chain so we also can secure that possible pre-tanning is done at certified tanneries. We have an ongoing discussion with our footwear and denim suppliers about the risks and the importance of using applicable personal protective equipment. This is also something we check when visiting factories and examining possible findings in audit reports.

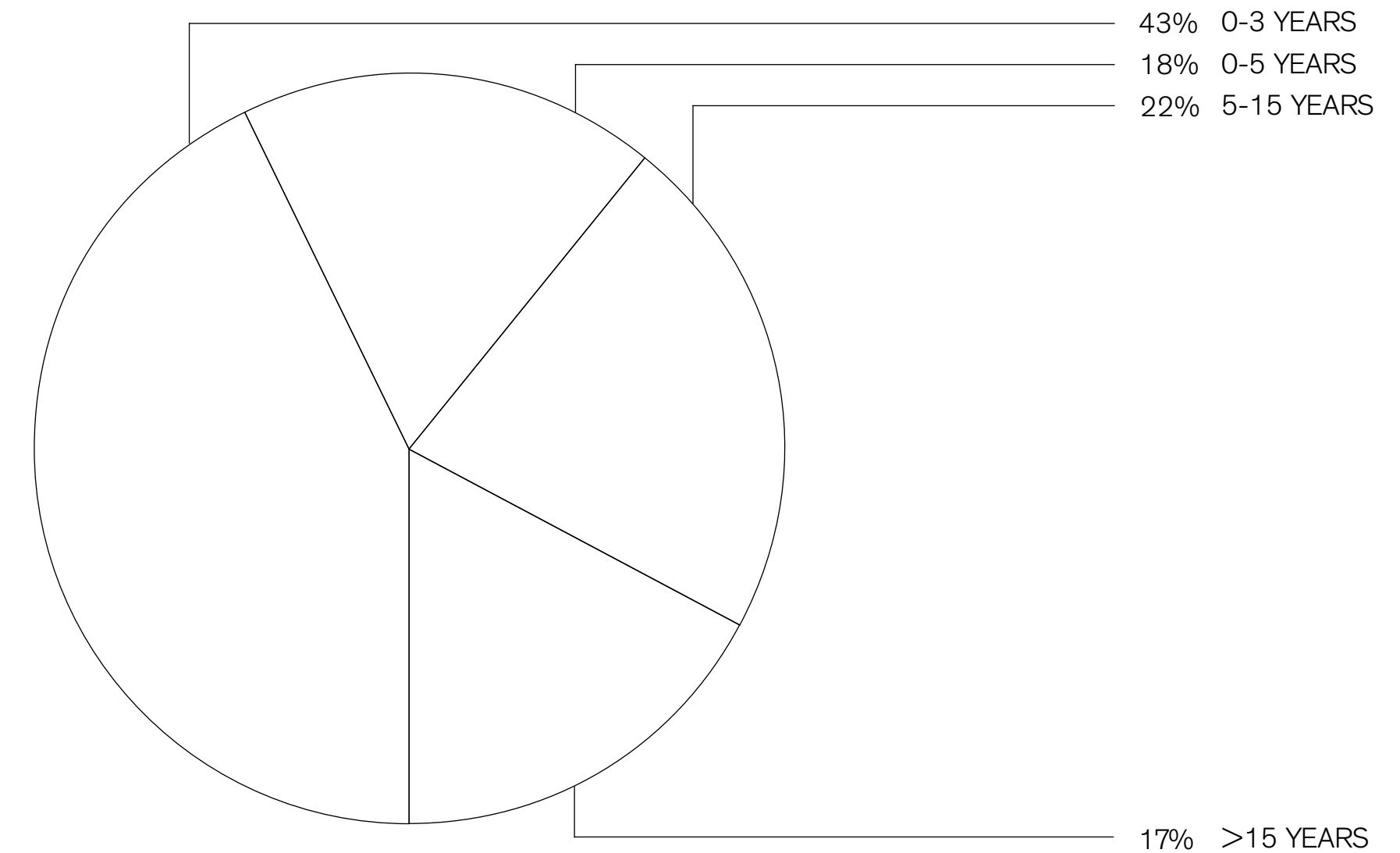
#### EVALUATION PER COUNTRY

Country-specific labour risks inform our sourcing strategy. High-risk countries like Turkey, China, and Romania require frequent audits and robust monitoring, while lower-risk countries like Portugal still demand attention for continuous improvement. This year, 50.1% of our total order value (39.3% of our order volume) took place in a country defined as high-risk. According to our sourcing strategy, we will always conduct a major risk assessment before deciding to onboard a supplier from a new country.

#### SUPPLIER RELATIONSHIPS

Long term supplier relationships continue to be very important to us. The benefits of long relationships include a more open dialogue, trust, increased productivity for both partners, and a better product for our customer. We have worked with some of our suppliers for as long as 24 years.

#### SUPPLIER RELATIONSHIP LENGTH

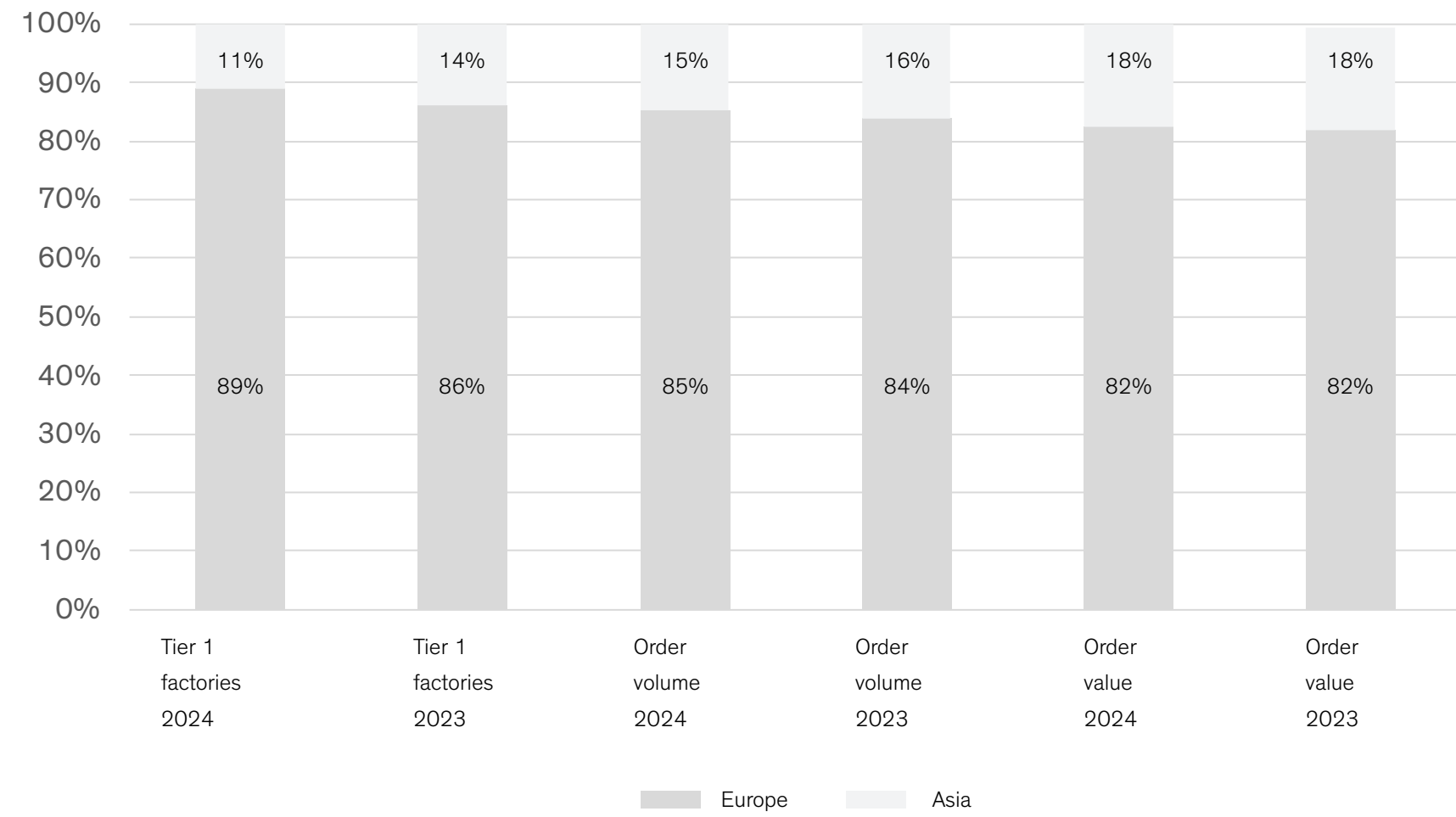


We continue to believe that working directly with factories gives us the best possible opportunity to improve communication and collaboration. We have worked with eight agents during 2024 who helped facilitate the relationship with the factory for various reasons, including specific technical skills and language barriers. We ensure that all our agents prioritise and work towards safe and dignified work for everyone within our value chain.

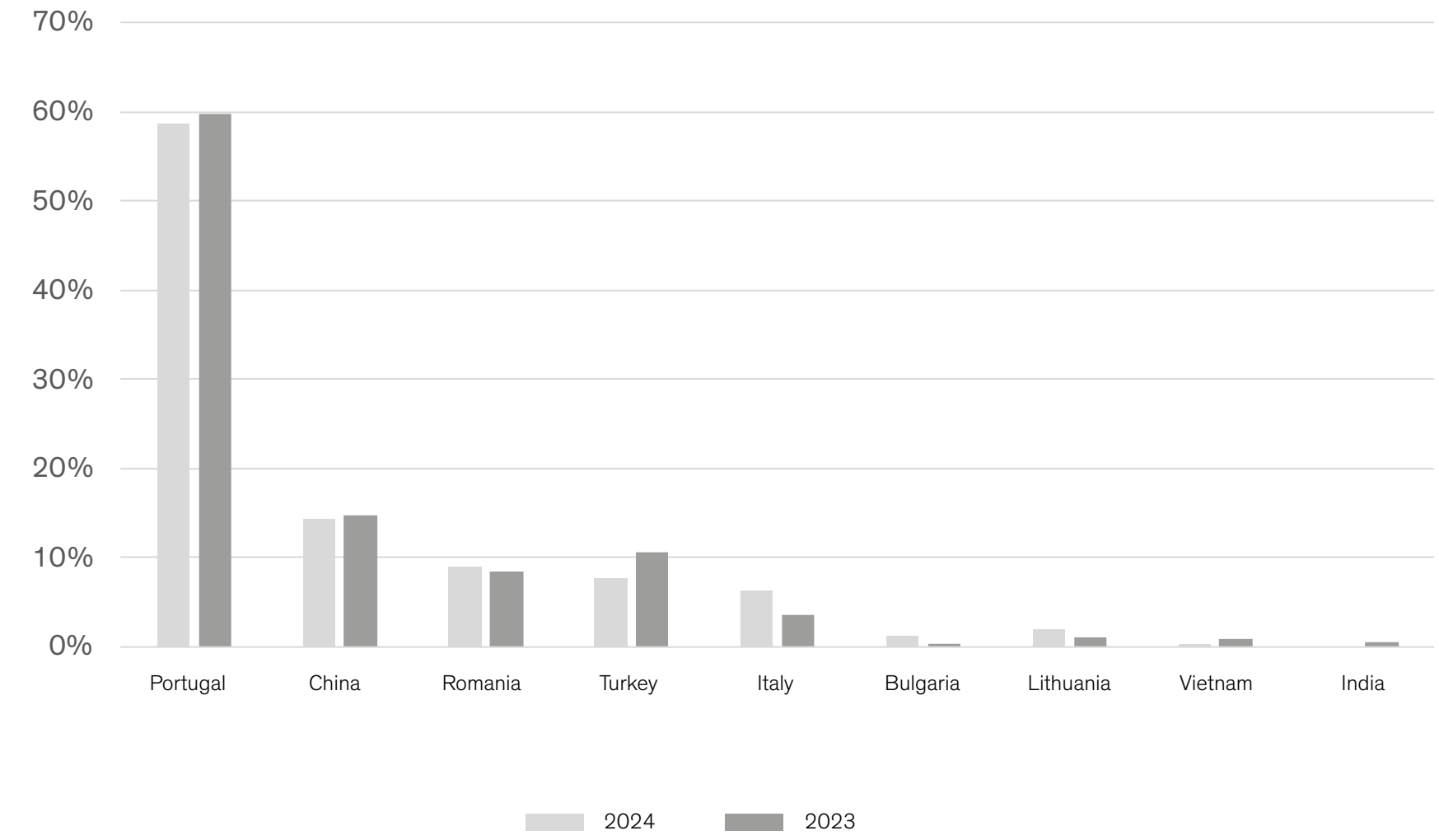
Our focus remains on supplier consolidation. Due to new product groups and different needs, we placed orders at 56 factories in 2024 (a decrease from 66 in 2023). We aim to evaluate our supplier base and continue further consolidation during 2025.

When we end a supplier relationship, we act according to our "Responsible Exit Policy" in line with Human Rights Due Diligence (HRDD). We always aim to inform well ahead in time and are transparent with the reason for exiting. We decide the timeline for exiting together with supplier, considering our leverage and the length of business with the factory. We investigate and work to mitigate any negative effects on workers in the factories.

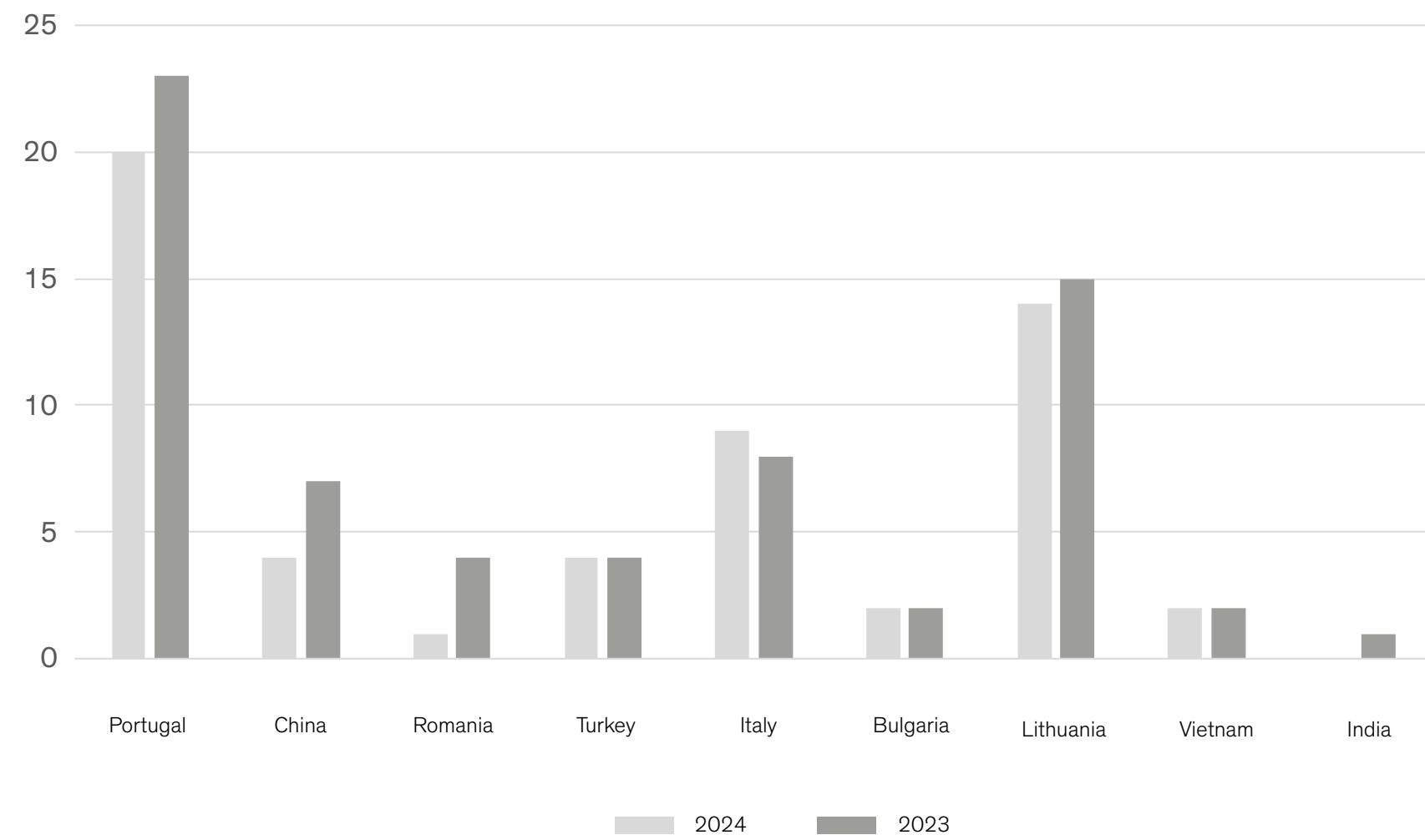
Europe/Asia Production



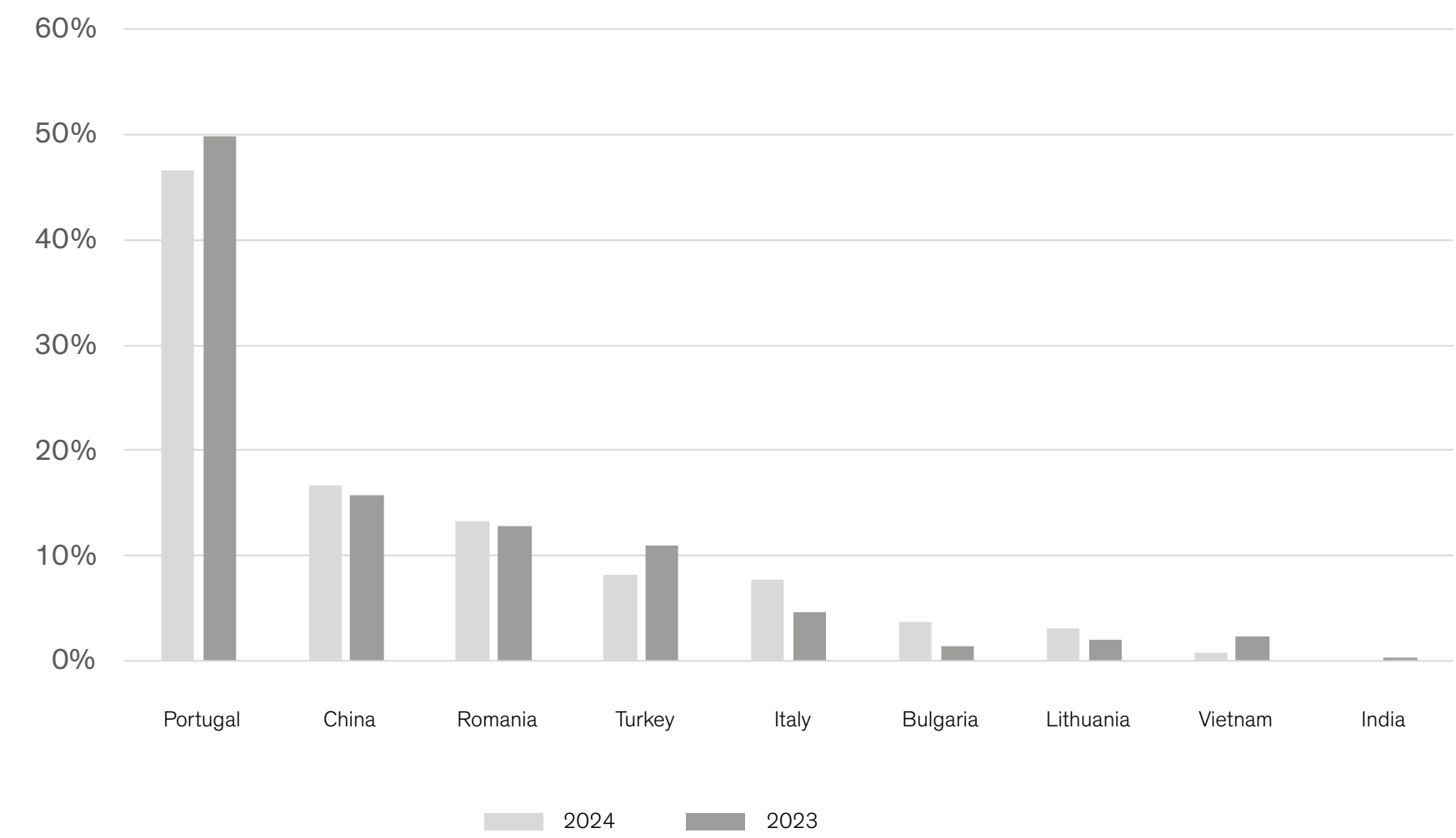
Purchase Order Value



Supplier Country



Purchase Order Volume



## SUPPLIER ONBOARDING

We always start new supplier collaborations with a long-term commitment, following our Responsible Onboarding Process which includes a risk assessment of the factory. This includes an onboarding meeting with the supplier where we discuss labour and human rights, a possible factory visit, and an analysis of their latest audit if available. The supplier must complete and submit a questionnaire regarding labour rights, and be informed that we expect them to work actively to inform and improve the labour conditions in their factory. We also go through our supplier agreement, which includes our supply chain policies:

## SUPPLY CHAIN POLICIES

- Subcontracting and homebased work policy (we require transparency from all our suppliers and need to approve subcontracting including homebased work, which must follow our social requirements)
- Gender equality policy
- Animal rights policy
- Sandblasting policy (we ban sandblasting as a denim distressing method due to unhealthy work environments)
- Leather policy (our ambition regarding leather sourcing and chemical management during tanning)
- Complaint procedure policy (supplier's acceptance of our procedures when we receive a complaint from Fair Wear's "whistleblowing system", where workers can anonymously report if they believe their rights been violated). The agreement also includes our code of conduct which all Tier one suppliers must sign and adhere to. It consists of the eight code of labour practices, derived from the ILO Convention, and requirements for the supplier's environmental practices and chemical management.

## FILIPPA K SUPPLIER CODE OF CONDUCT

1. NO EXPLOITATION OF CHILD LABOUR
2. EMPLOYMENT IS FREELY CHOSEN
3. LEGALLY BINDING EMPLOYMENT RELATIONSHIP
4. TRANSPARENCY REGARDING WORKING HOURS AND WAGES
5. NO EXCESSIVE WORKING HOURS
6. THERE IS NO DISCRIMINATION IN EMPLOYMENT
7. PAYMENT OF A LIVING WAGE
8. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING IS RESPECTED
9. NO CORRUPTION
10. NO SAFETY HAZARDS
11. EDUCATE EMPLOYEES
12. COMPLIANCE TO FILIPPA K'S CHEMICAL RESTRICTION LIST
13. MANAGING ENVIRONMENTAL ISSUES
14. NO SEVERE ENVIRONMENTAL POLLUTION



## WORKERS INFORMATION SHEET

Another aspect of onboarding is requiring suppliers to display a poster in their factory called “Workers Information Sheet” in the local language, informing about the code of labour practices. We can still decide to begin a collaboration even if the supplier needs to improve its status and knowledge in some areas (if the findings are not major or of very high concern), as long as they are committed to these improvements. We include the supplier audits and education in our budget.

## SOURCING STRATEGY

The Filippa K sourcing strategy is created and maintained by both the social sustainability and product departments, and should be referenced every time we consider onboarding a new supplier. It outlines the plan and goals for our supplier base: including an increase in leverage to support improvements of working conditions, environmental performance, and the possibility to work more closely with the supplier. It ensures alignments across the departments of the common goal good practices in the value chain as well as within Filippa K towards the suppliers. Social sustainability and product departments work very closely together, and knowledge of HREDD (Human Rights & Environmental Due Diligence) is constantly shared between the teams.

## FAIR WEAR FOUNDATION BRAND ASSESSMENT

Our FW (Fair Wear Foundation) brand assessment in April 2024 revealed that our supplier agreement did not support the implementation of Human Rights Due Diligence, and doesn't mention shared responsibilities of the implementation of the Code of Labour Practices (CoLP). We have started to re-write this contract according to the Responsible Contracting Project (RCP) guidelines and with guidance from another FW brand member (who recently re-wrote and had their contract approved by FW). We aim to complete this work during 2025.

## COMMITMENT TO FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Filippa K prioritises working with suppliers who support freedom of association and collective bargaining. These principles have been integrated into our internal sourcing strategy and are planned to be incorporated into the new supplier agreement. Over the past year, we have continued to map our Tier 1 factories who operate with a Trade Union and/or Collective Bargaining Agreement (CBA) in place. While progress has been made, challenges remain with some Asian suppliers. Although Trade Unions exist in these factories, they tend to focus on lighter issues than core worker rights and there is often no functioning grievance mechanism. To address this, we plan to educate and train these suppliers to help workers understand and realise their rights. Given the sensitivity of this topic in China, further investigation and time will be required as to the most effective way to do this. We will also evaluate the digital training we are conducting in Portugal to see if this is a good way to make sure correct information reaches the workers without external influences. We have also identified that Turkey and Lithuania are high-risk countries for lack of freedom of association (FoA). We have made an initial investigation for both through audits and our HREDD surveys, and will analyse further during 2025.

## STAKEHOLDER ENGAGEMENT

Filippa K has begun including workers representatives in digital meeting with suppliers to increase transparency and meaningful dialogue. A recent example of this is a cause and prevention meeting (CAP) with a Chinese factory, where a workers representative sat with management. The discussion was in English, but was translated for both management and the workers representative so there was no language boundary.

## SUPPORTING WORKER RIGHTS ACROSS ALL REGIONS

While high-risk countries often demand immediate attention, we believe it's equally important to support and encourage worker rights in lower-risk regions. With approximately 46% of our production value based in Portugal (58.7% in volume), we have initiated a collaboration with another brand and two shared Portuguese factories that no longer have CBAs (Collective Bargaining Agreements) as of earlier this year. As part of this initiative, we are rolling out a year-long digital training program for all workers. It is designed to educate workers about fair working conditions and their rights to dignified employment. Delivered in bite-sized sessions, the training will be closely monitored with factories throughout 2025. If successful, this initiative may be expanded to include select factories in Asia.

## LIVING WAGE PROJECT

A living wage is defined as the remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Minimum wage differs from living wage as it is not independently calculated according to the cost of living, and is therefore lower than what people need to afford a decent standard of living. Filippa K leverages tools such as Wageindicator and the Fair Wear Foundation's Fair Price App to benchmark living wages in production countries. These resources also help suppliers better understand product pricing and its impact on achieving living wages. In 2024, we launched a pilot Living Wage Project with three key suppliers in Turkey, Romania, and China:

- China: In October, we onboarded the supplier to the Fair Price App and conducted initial price calculations. Preliminary results show a 15% gap between current pricing and the amount needed to achieve living wages. While peak-season constraints delayed deeper analysis, the supplier will resume work on this in early 2025, after which we will develop a joint action plan.
- Romania: In January, the supplier attended an FWF seminar on the Fair Price App. However, government-mandated minimum wage increases throughout 2024 have already ensured, according to wageindicator.org, that living wage benchmarks in this region are met for all employees. An additional 9.5% increase is planned for January 2025. Filippa K will continue to monitor the estimates during 2025 and encourage the supplier to conduct their own living wage surveys in the factory.
- Turkey: The supplier has agreed to participate in analysis and conducts regular surveys with staff to monitor living wage estimates. We have offered a training in the Fair Price App to this supplier to start calculations however, Inflation (64.77% - 2023 and 44% - 2024) has prompted frequent updates of the living wage so it has been very challenging to start-up the training as there is little stability in the estimates. Further investigation into price analysis and another living wage survey for workers will be conducted in Q1 2025.

For 2025, our goal will be to continue this work and onboard three additional suppliers onto the Fair Price App, developing actionable plans together to achieve living wages.

## 4. Improvement Plan

We annually develop an improvement plan for how to prevent and mitigate human rights harm in our value chain. We base out actions on factory risk assessments, audit results, complaints, visits and regular contact with our suppliers. We prioritise our Tier 1 suppliers who have the biggest share of business, and those with whom we have dialogue with the suppliers' other brands.

### ADDRESSING MISCONDUCT AND IMPLEMENTING PREVENTATIVE ACTIONS

If any factory partnered with Filippa K is found to engage in misconduct or violate human rights according to the 8 Code of Labour practices as laid out by Fair Wear Foundation (FW), derived from the ILO Convention and the UN's Declaration on Human Rights, we take proactive measures to analyse the root cause and implement corrective and preventive actions for improvement. This may include, but is not limited to, Filippa K investing in education and awareness programs for both management and workers on human rights. We maintain ongoing communication, encourage the involvement of worker representatives in discussions, and conduct verification assessments to ensure lasting change. If improvements are lacking, Filippa K will initiate a dialogue with the factory to gradually phase out production at the facility.

### COLLABORATION WITH OTHER BRANDS

Filippa K collaborates with multiple other brands who share the same suppliers. There have been quarterly meet-ups planned, for all other FW brands who are based in Stockholm, where we have discussed preventative and corrective measures for our suppliers, including shared suppliers where we can increase leverage. We have also collaborated closely with other brands in the Netherlands and Germany on gender trainings with our shared suppliers in Turkey, and discussed living wage with a non-FW member brand who shares a supplier in Romania. This has been invaluable and increases not only our influence at suppliers to initiate change, but has also given us even more motivation and energy to continue with our mission for fair and safe working conditions within our supply chain.

### COMPLAINTS

We believe that you can only stand up for your rights if you're aware of them. Therefore, we expect all our suppliers and factories to actively inform their employees about their rights. The Workers Information Sheet (WIS) informs workers about the eight code of labour practices and contains a grievance mechanism (a "whistleblower" function) in the form of an email address where workers can anonymously report if they think their rights have been violated. This must be permanently displayed somewhere easily visible to all workers. If we receive a complaint through this system. It is investigated with the help of FW and Filippa K works together with the factory to understand the root cause and find a long-term solution. The worker who has registered the complaint has a choice to remain anonymous if requested. They are kept well informed of the entire process and outcome during remediation and are encouraged to provide input. We also work together with the suppliers to verify or improve any internal grievance mechanisms that the factory may have implemented themselves, including feedback from workers representatives.

### COMPLAINT 1585

During 2024 we received a total of one complaint from a worker at one of our facilities through the Fair Wear whistle blowing function. The complaint was about wage discrimination between full and part time workers. This was followed up and the factory provided documentation to show that this was not the case. The complaint was closed within one month.



“We are committed to being a fair and dependable business partner, fostering long-term, mutually beneficial relationships with our suppliers built on trust and shared values. We always strive to have a positive impact on the factories we produce in by ensuring ethical labour practices, responsible sourcing, and environmental stewardship.”

– JOSEPHINE N, RESPONSIBILITY MANAGER

## 5. Supplier Evaluations

### CHART DATA KEY

- Leverage: the estimated share of total revenue that the brand is for the factory
- FOB %: the percentage of the brand's total orders that were made and delivered by the factory during 2024
- Certifications: sustainability accreditations
- CBA: collective bargaining agreement; a way to regulate the relationship between the employer and employee that covers terms of employment, working conditions and negotiation procedures
- Workers' Representatives: a way to share information, and to facilitate consultation and discussion with those they represent, being the other staff in their service
- Living Wage Est: the estimated living wage during 2024, or the source of information that we use for our analysis
- Latest Assessment: the latest external audit or assessment that the company has undergone which the brand has used for reference
- Educations: any recent educations that Filippa K has organised for workers and/or management regarding to social compliance and workers' rights within the value chain
- NC: Non-Compliance, when a factory has a finding which is in violation of a point in an audit that they need to resolve

CHINA

Highest human rights risks in China

- Employment is freely chosen
- Freedom of association
- Payment of a living wage
- Reasonable hours of work

Number of suppliers: 4 (including 2 key suppliers)

Share of total business in 2024: 16.6% FOB

Product categories: woven, outerwear, fluid and knitwear

Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
17	Knit	No	No	2019	<1	1,1	51-500	30	70	RAF, OCS	2021 (Fair Wear)		Yes	5
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Payment of a living wage				More analysis of open costings to understand how brands pricing affects workers wages		Collect payslips and attendance records in 2025		Onboard supplier onto Fair Price App 2026 for analysis		Make an action plan together with supplier to increase wages		
	External assessment	Reasonable hours of work				Collect wage and working hour records for analysis		Include workers representatives in a meeting about the indescrpancies in time reports and wage slips so they understand their rights		Follow up with a verification assessment of working hours and wage slips				
Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
5	Woven	No	No	2019	11	7	51-500	60	40	RWS	2024 (Fair Wear)	Fair Price App Training 2024.	Yes	5
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Payment of a living wage						Onboarded supplier onto Fair Price App during 2024 for analysis		Analysis of prices started during 2024 showing a 15% gap		Continue with analysis and make an action plan together during 2025		
	External assessment	Factory communication						Include workers representatives in the supplier meetings to create meaningful dialogue		Establish a record of complaints. Management and workers rep will read and record complaints together		Analyse any recieved complaints to establish if the mechanism is functioning		
	External assessment	Reasonable hours of work		Ensure our production planning is aligning with factory capacity				Identify why workers do not recieve 1 day off in every 7 days		Request time records to ensure it's not re-occurring.				

Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
4	Knit	No	Yes	2012	3	8	501-1000	40	60	RAF, OCS	2024 (Sedex Smeta) 2022 (Fair Wear)		Yes	4
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Reasonable hours of work		Ensure our production planning is aligning with factory capacity		Identify why there is excessive overtime (exceeding 60hrs per week)		Arrange workers training to increase awareness of their rights						
	External assessment	Payment of a living wage						Onboard supplier onto Fair Price App for analysis in 2025		Analysis of our garment prices and prices that support living wage.		Continue with analysis and make an action plan together during 2025		
	Workers committee meeting records from 2024	The existing workers reps are not involved in improving workers conditions		Discuss if the factory has a policy for freedom of association and collective bargaining agreement.				Ask for more monthly records of topics discussed during worker and management meetings to see if there is any meaningful dialogue		Verify that the workers are aware that there is a workers representative and that they are democratically elected		Discuss with management about how to improve dialogue. Include workers rep.		
Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
24	Woven	No	No	2024	<1	<1	51-500	26	74		2021 (Fair wear)	Workers FWF onboarding training 2023	Yes	5
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Freedom of association, workers are not aware about their rights				Educate management and workers		Arrange an external assessment in 2025 to evaluate progress.		Request meeting records from worker's representatives and evaluate function of grievance mechanism.				
	External assessment	Payment of a living wage						Arrange an external assessment in 2025 to evaluate progress.		Onboard supplier onto Fair Price App. Analysis of our garment prices and prices that support living wage.		Make an action plan together with supplier to increase wages		
	External assessment	Reasonable hours of work		Ensure our production planning is aligning with factory capacity				Arrange an external assessment in 2025 to evaluate progress.		If excessive overtime is still an issue, discuss with management and arrange workers training to increase awareness of their rights.		Continue with analysis and make an action plan		

VIETNAM

Highest human rights risks in Vietnam

- Employment is freely chosen
- Freedom of association
- Payment of a living wage
- Reasonable hours of work

Number of factories: 2

Product categories: Outerwear and fluids

Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
37	Woven	No	Yes	2024	<1	<1	51-500	12	88		2024 (WRAP)		Yes	4
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Safe & healthy working conditions, findings exit signs not illuminated and fire extinguisher were blocked.		Factory should have workers that are responsible for working environment and check daily		Corrective actions were taken by factory but we need to follow up to make sure they remain.		Continue dialogue of the importance of a safe working environment. Secure they have workers responsible for this.		Re-assess harm with external assessment.				
	Country risk assessment	Freedom of Association		Encourage Trade unions and worker reps to be active in the workplace				Discuss if workers are democratically elected and involved in meaningful dialogue with management about working conditions		Conduct anonymous worker surveys		Analyse findings and assess if further worker training on this subject is needed		
Country risk assessment	Payment of a living wage				Discuss how to contribute to higher wages		Check living wage for the region and current wage levels at the factory.		Make an analysis to see if the brands prices support living wage		Agree on an action plan with management on how to increase wages to be in line with living wage			
Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
27	Woven	No	Yes	2022	<1	<1	501-1000	22	78		2022 (BSI SA 8000)		Yes	5
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Low engagement between workers representatives and management. Factory need to improve implementation of social dialogue.				Support training for workers and management on communication and social dialogue		Ask for a more detailed explanation of the dialogue between workers representatives and management.		Incentivise the supplier to follow Fair Wear's code of labour practices		Ask for weekly meetings to be set up between workers representatives and management to discuss topics which workers have raised. Monitor suppliers progress		
Country risk assessment	Payment of a living wage				Discuss how to contribute to higher wages		Check living wage for the region and current wage levels at the factory.		Make an analysis to see if the brands prices support living wage		Agree on an action plan with management on how to increase wages to be in line with living wage			

ITALY

Highest human rights risks in Italy

- Payment of a living wage
- Freedom of association
- Health and safety in the workplace

Number of agents: 2

Number of factories: 8

Product categories: Denim, soft accessories, and belts

Factory number	Product group	Sub-Contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Our risk scoping (1-5)
11	Denim	No	No	2003	2	2,5	51-500	23	77	GOTS			2
14	Denim	No	No	2023	1,3	1,8	51-500	36	64	OCS	2024 (Smeta Sedex)		2
20	Accessories	No	No	2023	1	<1	51-500	14	86				3
22	Accessories	No	Yes	2018	1	<1	0-25	33	67	GRS	2022		2
34	Denim	No	No	2023	1	<1	51-500	23	77				3
47	Accessories	No	Yes	2023	<1	<1	0-25	11	89				3
51	Accessories	No	No	2022	<1	<1	51-500	32	68				3
52	Accessories	No	No	2022	<1	<1	0-25	57	43	RWS, RMS, GRS			2

Highlights:

- During 2024, we started with one new denim supplier in Italy (Factory 14). When reading their latest audit, it was noted that there were no NCs. There was one good practice pertaining to a salary that was paid for a 40-hour work week when in fact the work week was 39 hours.

Next steps:

- Analyse the risks on factory level based on the country risk assessments
- Continue to collect recent assessments from our factories for analysis
- Enhance dialogue with the factories regarding any risks on country and factory level

ROMANIA

Highest human rights risks in Romania

- Payment of a living wage
- Health and safety

Number of suppliers: 1 (key supplier)

Product categories: Knitwear

Comments: A living wage project was launched with this supplier during 2024. This coincided with a decision by the government to increase minimum wage multiple times during 2024. According to wageindicator.org the third increase during autumn of 2024 led to the living wage in the region being met.

Filippa K has suggested that the supplier conducts their own living wage survey at the factory to ensure the workers agree with the current living wage estimate that we are using. We hope they will start this analysis during Q1 2025.

At this supplier, a Fair Wear onboarding training was held for workers and management. The training modules were held separately for workers and management. One module was then combined workers and management. It was identified that there were difficulties with meaningful dialogue between workers and management and parts of the management team were not aware that there were two workers representatives that had been elected. A non-functional social management system and a lack of workers involvement and protection was also highlighted in a BSCI audit which the supplier arranged for themselves in autumn of 2024. This highlighted similar issues that were found in the onboarding training we arranged for them. The supplier has already started to implement an action plan for these findings and expect to see results already in January 2025. As a key supplier of Filippa K, we are invested in this supplier and will work very closely with them to see that these improvements are implemented in the best way possible and with lasting results. We have also identified one other brand that also partners with this supplier which we have taken contact with and agreed to collaborate with on HREDD issues.

Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
1	Knit	No	No	2021	23	13,3	51-500	21	79	RAF, GRS, GOTS	2024 (BSCI) 2023 (Fair Wear)	Workers FWF onboarding training 2024	Yes	4
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	FWF Onboarding education 2024	Low engagement between workers representatives and management		Increasing the importance of the topic. Empower and consult Workers representatives according to the legal provisions		Train workers and management on communication and social dialogue		Ask for a more detailed explanation of the dialogue between workers representatives and management.		Incentivise the supplier to follow Fair Wear's code of labour practices		Ask for weekly meetings to be set up between workers representatives and management to discuss topics which workers have raised. Monitor suppliers progress		
	External assessment	The management is not aware of BSCI Code provisions and requirements.		Establish a responsible person to ensure BSCI code of conduct is followed				Discuss with factory if they have established a plan of action to increase awareness of the BSCI CoC.		Ensure that the BSCI CoC is easily available for workers to read		Ensure that the factory's policies are in-line with the BSCI principles		

TURKEY

Highest human rights risks Turkey

- Payment of a living wage
- Employment is freely chosen
- Freedom of association

Number of suppliers: 4 (including 1 key supplier)

Highlight:

- Two factories agreed to take part in long term violence and harassment training including gender lens to help inform workers of their rights. This training is to be done in collaboration with other Fair Wear member brands and will be implemented and during the full year of 2025 for further analysis and tracking.

Next steps:

- Continue to collect anonymous questionnaires about workers' rights topics from our factories for analysis before and after the training to note any change in replies.

Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
31	Woven	No	Yes	2020	<1	<1	51-500	26	74		2022 (Fair Wear)	FWF Workers basic training 2023	Yes	5
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	Complaint	Claim of financial discrimination against part-time workers		Control time records and salary slips		Investigation into claim made by worker during 2024		Sent complaint to management and asked for a response		Analyse response from management including documentation with support from Fair Wear		After analysis, it was determined that the part-time workers were not discriminated against financially.		
Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Woman (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
21	Leather	No	Yes	2022	1	<1	51-500	71	29	LWG	2021 (Fair Wear)		No	4
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Payment of a living wage		Regularly check the living wage estimate for the area on wageindicator.org		Investigation into how brands pricing affects living wage		Onboard supplier onto the Fair Price App for brand price analysis		Make an action plan with supplier to increase brand prices and wages over a period of time to reach living wage				
External assessment	There is no Workers Rep or union operating in the factory		Increase the importance of the topics		Democratically elect workers representatives to ensure dialogue between workers and management		Speak with new workers reps to ensure they are involved in improving working conditions		Ensure meetings with the factory are always conducted with a workers rep present		Control during onsite visits and through meeting records			
Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Woman (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
13	Denim	No	No	2022	2	2	51-500	31	69	GOTS, OCS	2023 (Fair Wear)		Yes	3
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment	Payment of a living wage		Regularly check the living wage estimate for the area on wageindicator.org		Investigation into how brands pricing affects living wage		Living wage surveys were conducted in the factory during 2024.		Onboard supplier onto the Fair Price App for brand price analysis		Make an action plan with supplier to increase brand prices and wages over a period of time to reach living wage		
Country Risk assessments	Violence and discrimination in the workplace		Make sure workers are aware of their rights.		Educate workers.		We and other brands with the same supplier have collaborated to offer a training in Violence & Discrimination & gender. Supplier has agreed		Training to start in 2025 and continue for 9 months.					



Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
9	Woven	No	No	2019	31	5	26-50	50	50	GOTS, OCS	2023 (Fair Wear)	FWF Workers basic training 2022	Yes	4
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	Long-term analysis	Payment of a living wage		Regularly check the living wage estimate for the area on wageindicator.org		Investigation into how brands pricing affects living wage		Living wage surveys were conducted in the factory during 2024.		Onboard supplier onto the Fair Price App for brand price analysis		Make an action plan with supplier to increase brand prices and wages over a period of time to reach living wage		
	External assessment	Health and Safety - There is no integrated central fire alarm system in the building.				Install an integrated fire alarm in the building		Factory discussed with the other businesses in the building and the others did not all agree to invest in this.		We have collaborated with other brands who share the same supplier to take up discussion again.		Explore possibilities of the brands to help the factory to financially invest in a fire alarm to cover expenses of other businesses who declined.		
	Country Risk assessments	Violence and discrimination in the workplace		Educate workers				We and other brands with the same supplier have collaborated to offer a training in Violence & Discrimination & gender. Supplier has agreed.		Training to start in 2025 and continue for 9 months.				

PORTUGAL

Human rights risks in Portugal

- Gender based discrimination
- Health and safety in the workplace

Number of factories: 18 (including 3 key suppliers)

Product categories: Footwear, tailoring and jersey

Highlights:

- Two factories onboarded onto a digital training platform to help inform workers of their rights. This training was done in collaboration with another Fair Wear member brand and will be implemented and during the full year of 2025 for further analysis and tracking.

Next steps:

- Continue to collect recent assessments from our factories for analysis.
- Initiate education on workers' rights for our agents

Factory number	Product group	Sub-Contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Our risk scoping (1-5)
2	Tailoring	No	No	1997	35	12,2	51-500	9	91	RWS	2019 (Smeta Sedex)		2
3	Tailoring	No	Yes	2000	13	8,0	51-500	6	94	RWS			2
6	Jersey	No	No	2000	7,5	6,0	51-500	11	89	GOTS	2021 (BSCI)		2
7	Tailoring	No	No	2002	13	5,9	51-500	4	96				2
8	Jersey	No	No	2000	16,5	5,7	51-500	8	92	GOTS, OCS	2024 (Smeta Sedex)		2
10	Tailoring	No	Yes	2012	15	2,7	26-50	8	92				2
15	Jersey	Yes	No	2021	2,9	1,6	0-25	1	99	GOTS	2024 (BSCI)	Digital workers rights training started in 2024 and to continue in 2025	2
19	Jersey	Yes	Yes	2015	<1	1,1	0-25	13	87				2
25	Footwear	No	Yes	2016	2,2	<1	26-50	48	52				3
26	Footwear	No	Yes	2015	<1	<1	51-500	51	49				3
29	Jersey	No	No	2018	1	<1	51-500	22	78	GOTS, GRS, OCS, RCS	2024 (BSCI)	Digital workers rights training started in 2024 and to continue in 2025	2
30	Jersey	Yes	No	2020	3,1	<1	0-25	5	95				2
33	Tailoring	No	Yes	2024	<1	<1	51-500	2	98				2
36	Footwear	No	Yes	2021	<1	<1	26-50	32	68				3
39	Footwear	No	Yes	2022	<1	<1	0-25	50	50				3
41	Footwear	No	Yes	2018	Closed 2024	<1	51-500	61	39				3
42	Footwear	No	Yes	2022	<1	<1	26-50	40	60				3
50	Jersey	No	No	2016	<1	<1	26-50	50	50				2

LITHUANIA

Human rights risks in Lithuania

- Gender based discrimination
- Health and Safety in the workplace

Number of agents: 1

Number of factories: 13

Product categories: Tailoring, shirting, and outerwear

Next steps:

- Continue to collect recent assessments from our factories for analysis.
- Initiate education on workers' rights for our agents.

Factory number	Product group	Sub-Contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Our risk scoping (1-5)
23	Woven	No	No	2021	1	<1	51-500	10	90	GOTS	2024		2
28	Woven	No	Yes	2005	Closed 2024	<1	51-500	6	94		2022 (Smeta Sedex)		2
32	Woven	No	Yes	2024	Closed 2024	<1	26-50	11	89		2022		3
35	Woven	No	Yes	2005	5	<1	51-500	3	97				3
38	Woven	No	Yes	2017	11	<1	26-50	10	90				3
40	Woven	No	Yes	2023	3	<1	26-50	5	95				3
43	Woven	No	Yes	2005	2	<1	51-500	5	95				3
44	Woven	No	Yes	2023	6	<1	0-25	19	81				3
45	Woven	No	Yes	2024	4	<1	26-50	7	93				3
46	Woven	No	Yes	2024	1	<1	51-500	4	96				3
48	Woven	No	Yes	2024	<1	<1	51-500				2021		3
49	Woven	No	Yes	2023	6	<1	0-25	12	88				3

BULGARIA

Human rights risks in Bulgaria

- Payment of a living wage
- Freedom of association
- Health and safety in the workplace

Number of factories: 2  
Product categories: Outerwear

Comment:

- These sub-contractors produce for Filippa K through a Lithuanian agent.

Next steps:

- Continue to collect recent assessments from our factories for analysis.

Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Women (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
12	Woven	No	Yes	2023	8	2,2	51-500	23	82		2023 (BSCI)	FW Onboarding 2023	No	4
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	External assessment and discussion with factory	Freedom of Association and function of social dialogue. Factory previously had a worker's representative but not anymore.				Support election of a new worker's representative.		Train workers and management on communication and social dialogue.		Ask for more monthly records of topics discussed during worker and management meetings to see if there is any meaningful dialogue		Verify with external assessment that the social dialogue is well functioning.		
	Country risk assessment	Payment of a living wage		Regularly check the living wage estimate for the area on wageindicator.org		Investigation into how brands pricing affects living wage		Request wage records for first analysis.						
Factory number	Product group	Sub-contractor	Through an agent	Year of starting business	Our leverage 2024 (%)	FOB 2024 (%)	Number of employees	Men (%)	Woman (%)	Certifications	Latest external assessment	Educations	Workers Representatives	Our risk scoping (1-5)
16	Woven	No	Yes	2023	12	1,5	51-500	20	80		2023 (BSCI)		Yes	3
	Source	Findings		Preventative Action		Corrective Action		Phase 1		Phase 2		Phase 3		
	Country risk assessment	Reasonable hours of work				External assessment showed that factory have no issues with overtime but follow up to make sure it remains due to country risk.		Request time records on a regular basis. If issues occur, discuss with factory how we can support with planning of our production.						
	Country risk assessment	Payment of a living wage		Regularly check the living wage estimate for the area on wageindicator.org		Investigation into how brands pricing affects living wage		Request wage records for first analysis.						



People & Culture

# People & Culture

At Filippa K, we are dedicated to being a responsible and inspiring employer. Our aim is to foster an inclusive and diverse environment where every individual's contributions are valued and celebrated. We strive to create a workplace that reflects our values: Be confident, show respect and inspire progress

### WHAT WE'RE WORKING TOWARDS

Our progress is measured through our engagement model, which encompasses key areas such as alignment, collaboration, growth, leadership, pride, recognition, and well-being. We actively monitor our efforts to create an inclusive environment and ensure diversity within our workforce. By tracking these parameters, we gain valuable insights that guide us in focusing our efforts where they matter most.

**2024 HIGHLIGHT:**

This year, we defined new core values and established our value proposition, marking a significant milestone in our journey. Additionally, we addressed a key challenge from 2023 – improving communication with our stores across Europe. To streamline this, we successfully launched a dedicated Retail app, ensuring all communication from now on will be centralized and more efficient.

**2024 CHALLENGE:**

The evolving economic and environmental landscape impacting the retail sector required us to adapt and innovate, finding new ways to address challenges while continuing to drive meaningful progress.

### TOPICS IN THIS CHAPTER

- |                            |  |
|----------------------------|--|
| 1. Filippa K Employees     | 2. Collective Bargaining Agreements & Trade Unions |
| 3. Work Environment        | 4. Recruitment                                     |
| 5. Retention & Development | 6. Diversity & Inclusion                           |
| 7. Employee Surveys        |  |

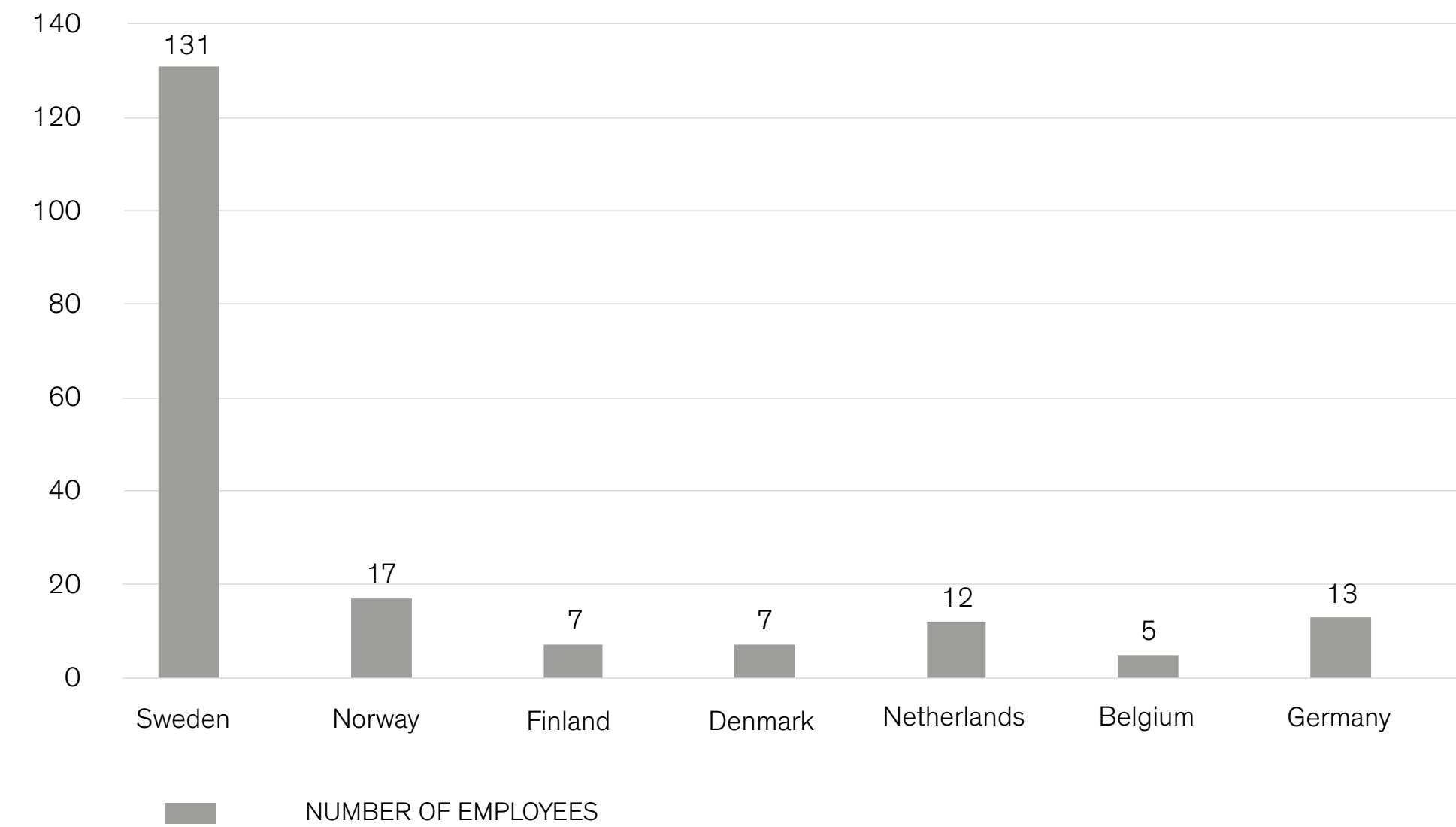
## 1. Filippa K Employees

Our mission is to drive a movement of mindful consumption. We do this through designing an effortless and timeless wardrobe, balancing style and function for every occasion. At Filippa K, this shared mission is what unites us and inspires us to go beyond and is brought to life by our talented team who constantly rethinks what's possible in terms of purposeful action within the fashion industry.

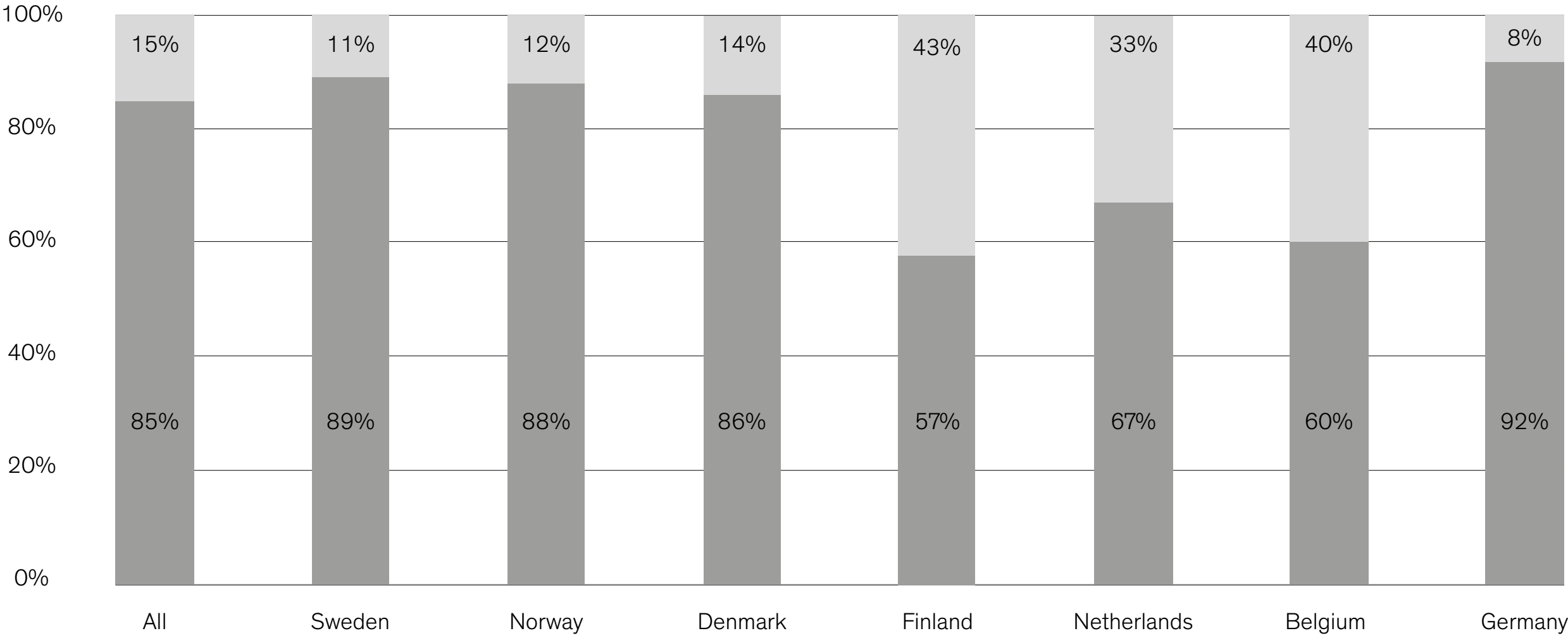
Therefore, our greatest asset lies in our people – a conscious collective of dedicated and kind individuals. That's why we care for this community, believing it's the foundation of our unique and timeless perspective. For our people to thrive and develop, we aim to create a warm and nurturing environment that embraces differences and values every individual's contribution. Our core values are: be confident, show respect, and inspire progress.

We have a total of 192 employees, with the majority located in Sweden. The number is measured as of December 31, 2024, through a headcount method.

2024 EMPLOYEE BREAKDOWN BY COUNTRY

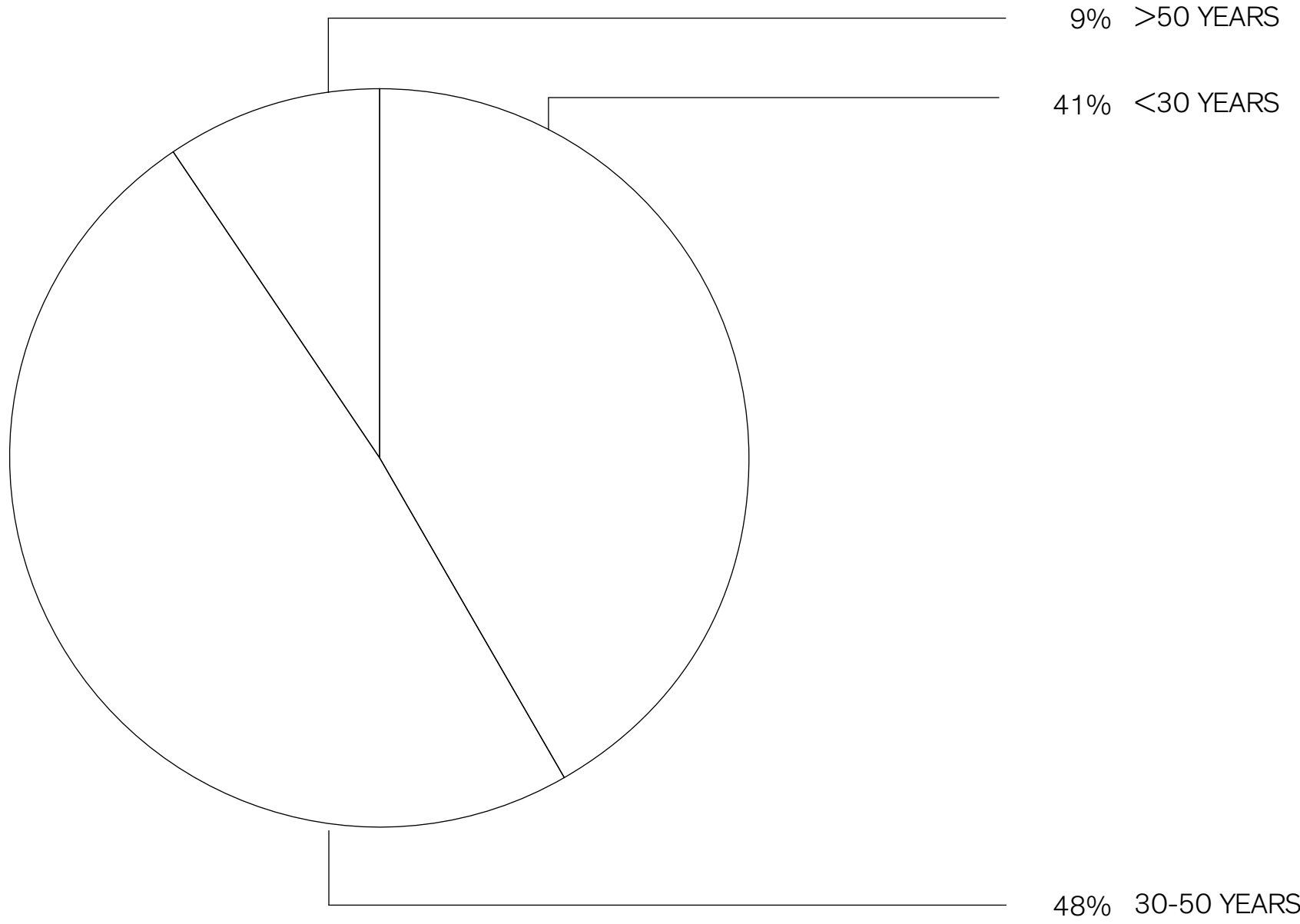


2024 EMPLOYEE BREAKDOWN BY GENDER PER COUNTRY



Women  Men  Non-binary

2024 EMPLOYEE BREAKDOWN BY AGE (ALL OF FILIPPA K)





“Our aim is to create an inclusive and diverse environment, valuing the contributions of every individual. In 2024 we developed new core values for the organisational culture: be confident, show respect, and inspire progress. We continue fostering a workplace where these are encouraged and celebrated.”

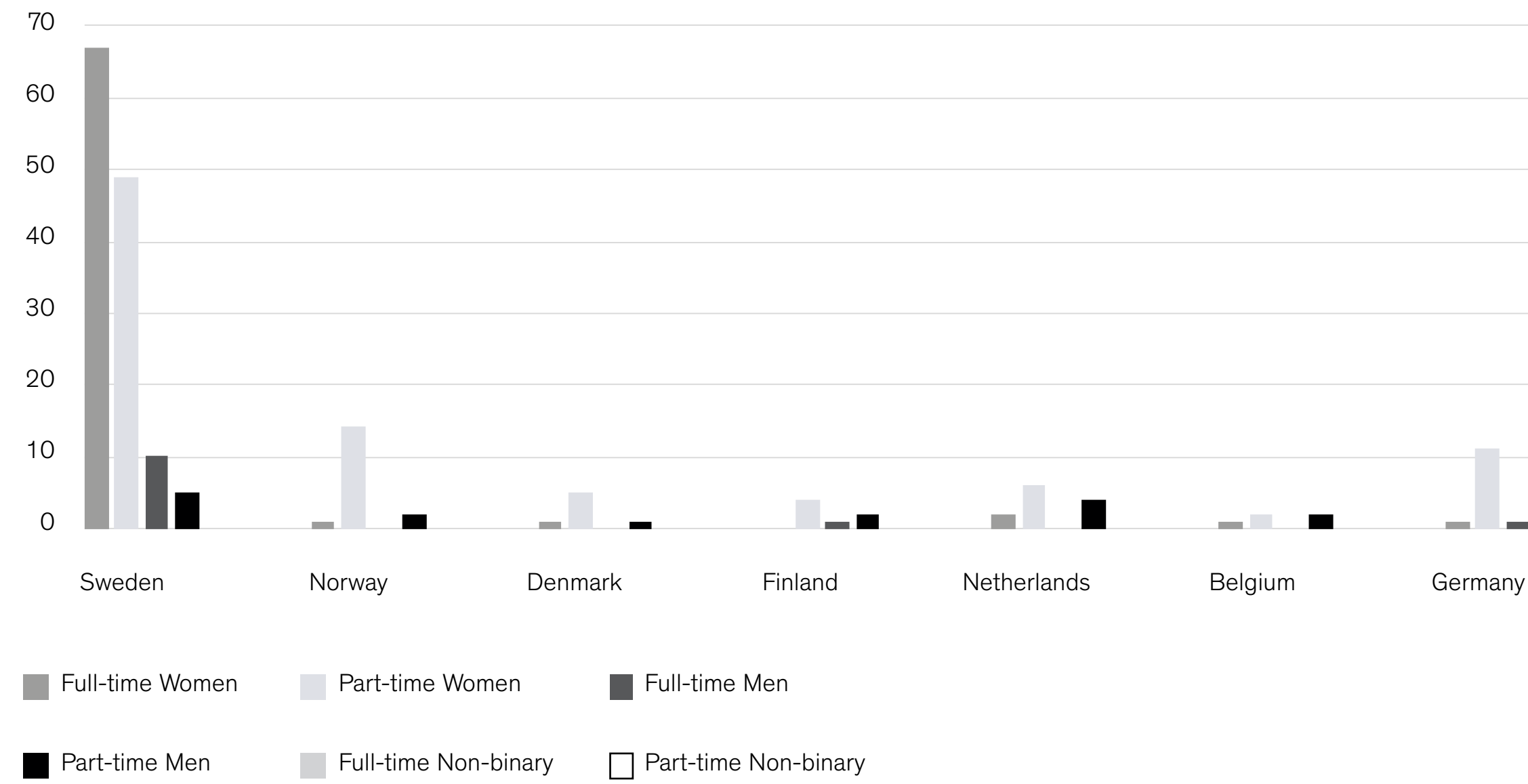
– SANNA L, HR BUSINESS PARTNER

## 2. Collective Bargaining Agreements & Trade Unions

Filippa K employees based in Sweden are covered by the collective bargaining agreement (CBA). In Norway, Finland, Denmark, Germany, Belgium, and the Netherlands, we adhere to the local terms and conditions specified by the respective CBAs. We ensure compliance with minimum notice periods for operational changes, as outlined in CBAs or individual employment contracts. Our policy emphasises a supportive stance toward trade unions and encourages an open approach to their organisational activities. The decision to join a union rests entirely with the employees themselves. Filippa K operates in regions where the risk of forced or compulsory labour is considered low.

To ensure efficient operations, we rely on a mix of full-time and part-time employees. Since our headquarters is based in Sweden, we have a higher number of full-time employees there. In other countries, where we primarily operate stores, part-time employees play a crucial role in maintaining efficient daily operations. This balance allows us to adapt to local needs while ensuring a well-functioning business. In 2024, our workforce consists of 52% full-time employees and 48% part-time employees in total.

2024 EMPLOYMENT TYPE (BREAKDOWN BY GENDER AND BY REGION)



### 3. Work Environment

One of our key priorities is ensuring that no employee experiences health issues or faces any risk of injury at work. We aim to create a workplace where individuals can thrive and grow, both professionally and personally. Discrimination or harassment of any kind is not tolerated. We do not accept any form of direct or indirect disadvantage based on the grounds of discrimination outlined in the law. Our work environment should foster openness, and all employees must be treated equally and with respect.

We prioritise a healthy work-life balance, which is why we aim to be a responsible and reliable employer, offering employees the opportunity to maintain a balanced lifestyle. We believe that work should primarily be conducted during regular working hours, with overtime limited to exceptional circumstances and compensated accordingly. This approach helps to minimise health risks for employees, such as stress.

At the company level, Filippa K takes a proactive approach to reducing the risk of health-related issues, both physical and psychological. When needed, we collaborate with healthcare providers in each market to enable early intervention or rehabilitation plans, supporting employees to return to work as quickly as possible. Responsibility for the work environment has been delegated to local markets and managers, with relevant guidelines accessible on our intranet.

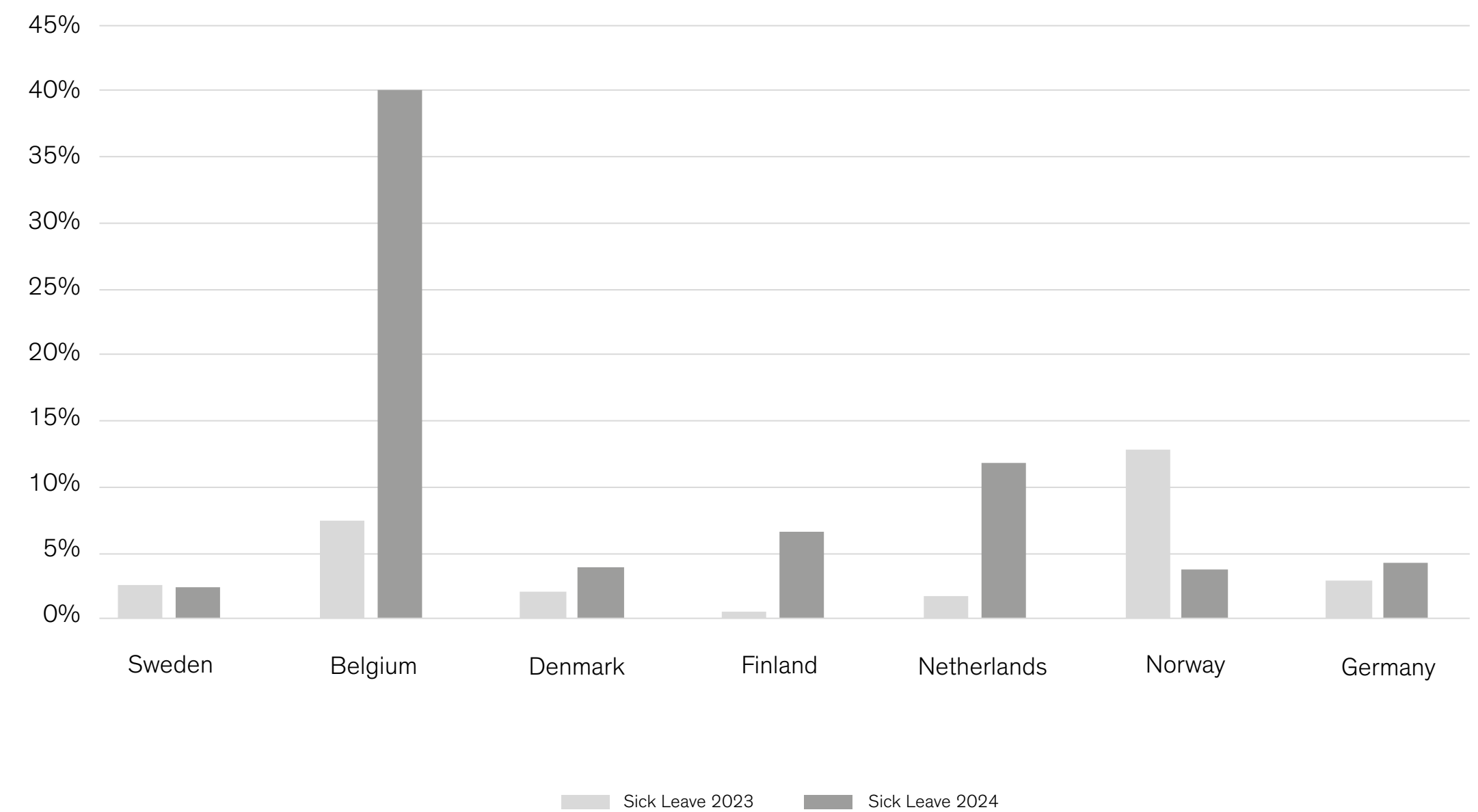
#### OCCUPATIONAL HEALTH AND SAFETY

Filippa K has established a workplace handbook that addresses all legally required aspects of occupational health and safety, as well as procedures and policies in place to provide employees with training. All employees at Filippa K are covered by an occupational health and safety management system, and training is provided as part of the onboarding process for new hires. The system is designed to meet legal requirements in all operating markets. It also aligns with recognised risk management guidelines and standards. Finally, it ensures compliance with legal obligations while fostering a safe and healthy workplace. Relevant procedures and policies are outlined in our workplace handbook and accessible via our internal intranet.

#### SICK LEAVE

Every quarter, Filippa K reviews sickness absence over the past 12 months. This process ensures we maintain a proactive approach to managing sick leave. The 2024 data was reviewed and analysed in collaboration with Filippa K managers, and where needed necessary action where taken. During the year, zero work-related injuries occurred.

2023 & 2024 SICK LEAVE



## 4. Recruitment

Attracting, recruiting, retaining, and developing committed employees is essential for our success as a company. We aim to provide all employees with opportunities for growth and development. To foster a diverse and inclusive workplace, we actively seek to hire individuals from different backgrounds, ensuring that all qualified candidates are considered and that every employee has an equal potential. Our recruitment process includes anonymous applications in its initial stages to reduce unconscious bias.

Succession planning is another key aspect of our approach to fostering growth within the company. This process includes yearly Performance Development Review (PDR) with all employees and an internal audit known as People Planning. We believe that a competence-based and inclusive recruitment process is essential to achieving our diversity and inclusion goals. Our ambition is to recruit from the broadest possible talent pool and contribute to a more inclusive society. This is not only an ethical stance against discrimination but also an effort to strengthen our organisation and develop talent.

## 5. Retention & Development

Being an attractive employer involves prioritising employee retention. We believe that offering opportunities for career development provides a strong incentive for employees to stay with the organisation, whether in their current role or by exploring opportunities in other areas of the business. All newly hired employees participate in an internal onboarding program.

Our Performance Development Review (PDR) process allows us to identify the needs and opportunities for employees to develop the skills required for their roles. The PDR facilitates regular discussions between managers and employees, focusing on performance and personal growth. 100% of Filippa K employees receive regular performance and career development reviews.

In 2024, we held training sessions to develop various aspects of our organisation, such as labour law, work environment training and a course on diversity & inclusion. We also launched Elevate, an interactive workshop series at Filippa K designed to enhance our skills and capabilities, where we learn and grow together with fellow employees on topics that unite us for collective improvement. To strengthen our commitment to sustainability, our Sustainability team actively pursues new knowledge and shares valuable insights with colleagues and partners across the business.

## 6. Diversity & Inclusion

At Filippa K, diversity and inclusion are integral to who we are as a company and community. We believe that creating a diverse and inclusive workplace is not just the right thing to do – it is essential for fostering creativity, innovation, and resilience. Embracing diverse perspectives allows us to grow as individuals, build stronger teams, and better serve the global community.

To drive meaningful change, we have undertaken several key initiatives to promote diversity and inclusion both within our organisation and beyond:

### Diversity & Inclusion Initiatives

- E-learning on Diversity and Inclusion: Introduced for all employees to enhance their understanding of diversity and inclusion, fostering an environment of respect, empathy, and awareness across the company.
- Partnership with Mitt Liv: We are proud to participate in a mentorship program that connects our employees with academically trained individuals with foreign backgrounds.
- This initiative enables our mentors to share their knowledge, guidance, and networks, empowering mentees to navigate professional opportunities in Sweden while building deeper cultural understanding within our team.
- Engagement with Yrkesdörren: As part of our commitment to integration, we have partnered with this non-profit initiative that helps foreign-born individuals enter the Swedish labour market. By becoming "door openers", our employees play a vital role in supporting participants through mentorship, career guidance, and networking opportunities. This partnership creates tangible pathways for integration and fosters meaningful connections between our team and the wider community.

## 7. Employee Surveys

We consistently conduct employee surveys covering various aspects of our organisation. These surveys, which include metrics like the Engagement Index, Leadership Index, Team Collaboration, Inclusivity, and Workplace Conditions, are designed to highlight areas where we thrive and should maintain momentum, as well as identify opportunities for growth.

In 2025, these surveys will continue to serve as an essential tool for gaining insights into our organisation. The findings will be thoroughly evaluated and addressed at both the team and company-wide levels. Teams will focus on targeted actions to address their specific needs, while company-wide analysis will guide strategic initiatives aimed at enhancing overall performance and employee satisfaction.



THANK YOU FOR READING OUR 2024 SUSTAINABILITY REPORT

We appreciate your support, and look forward to another year of driving a movement of mindful consumption together.

For press inquiries, please contact [julia.pettersson@filippa-k.com](mailto:julia.pettersson@filippa-k.com).

For more sustainability information, please contact [anna.berne@filippa-k.se](mailto:anna.berne@filippa-k.se).

Statement of use: Filippa K has reported the information cited in this GRI content index for the period January to December 2024 with reference to the GRI Standards

GRI 1 used: GRI 1 Foundation 2021

GRI standard	GRI	Disclosure	Page	Reason for omission
GRI 2: GENERAL DISCLOSURES 2021	2-1	Organizational details	10	
	2-2	Entities included in the organization's sustainability reporting	10	
	2-3	Reporting period, frequency and contact point	12	
	2-4	Restatements of information	12, 30	
	2-5	External assurance	12	
	2-6	Activities, value chain and other business relationships	10	
	2-7	Employees	66	
	2-8	Workers who are not employees		Omitted: not relevant to materiality
	2-9	Governance structure and composition	12	
	2-10	Nomination and selection of the highest governance body		Omitted: not relevant to materiality
	2-11	Chair of the highest governance body		Omitted: not relevant to materiality
	2-12	Role of the highest governance body in overseeing the management of impacts	12	

	2-13	Delegation of responsibility for managing impacts	12	
	2-14	Role of the highest governance body in sustainability reporting		Omitted: not relevant to materiality
	2-15	Conflicts of interest		Omitted: not relevant to materiality
	2-16	Communication of critical concerns		Omitted: information unavailable
	2-17	Collective knowledge of the highest governance body		Omitted: not relevant to materiality
	2-18	Evaluation of the performance of the highest governance body		Omitted: not relevant to materiality
	2-19	Remuneration policies		Omitted: not relevant to materiality
	2-20	Process to determine remuneration		Omitted: not relevant to materiality
	2-21	Annual total compensation ratio		Omitted: not relevant to materiality
	2-22	Statement on sustainable development strategy	3	
	2-23	Policy commitments	14, 42	
	2-24	Embedding policy commitments	14, 46	
	2-25	Processes to remediate negative impacts	14, 48	
	2-26	Mechanisms for seeking advice and raising concerns	14, 48	
	2-27	Compliance with laws and regulations	14	
	2-28	Membership associations	12	
	2-29	Approach to stakeholder engagement		Omitted: information unavailable
	2-30	Collective bargaining agreements	66	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	13	
	3-2	List of material topics	13	
	3-3	Management of material topics	15-68	
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed		Omitted: not relevant to materiality

	201-2	Financial implications and other risks and opportunities due to climate change	13	
	201-3	Defined benefit plan obligations and other retirement plans		Omitted: not relevant to materiality
	201-4	Financial assistance received from government		Omitted: not relevant to materiality
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Omitted: not relevant to materiality
	202-2	Proportion of senior management hired from the local community		Omitted: not relevant to materiality
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported		Omitted: not relevant to materiality
	203-2	Significant indirect economic impacts		Omitted: not relevant to materiality
GRI 204: PROCUREMENT PRACTICES	204-1	Proportion of spending on local suppliers	26	
GRI 205: ANTI-CORRUPTION	205-1	Operations assessed for risks related to corruption	14, 46	Partly omitted: information unavailable
	205-2	Communication and training about anti-corruption policies and procedures	14, 46	
	205-3	Confirmed incidents of corruption and actions taken	14	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Omitted: not relevant to materiality
GRI 207: Tax 2019	207-1	Approach to tax		Omitted: not relevant to materiality
	207-2	Tax governance, control, and risk management		Omitted: not relevant to materiality
	207-3	Stakeholder engagement and management of concerns related to tax		Omitted: not relevant to materiality
	207-4	Country-by-country reporting		Omitted: not relevant to materiality

GRI 301: Materials 2016	301-1	Materials used by weight or volume	24, 25	
	301-2	Recycled input materials used	24	
	301-3	Reclaimed products and their packaging materials	27, 39	
GRI 302: Energy 2016	302-1	Energy consumption within the organization		Omitted: not relevant to materiality
	302-2	Energy consumption outside of the organization		Omitted: information unavailable
	302-3	Energy intensity		Omitted: own operations data not material. For suppliers, see emissions chapter.
	302-4	Reduction of energy consumption	32	Omitted: own operations data not material. For suppliers, see emissions chapter.
	302-5	Reductions in energy requirements of products and services		Omitted: own operations data not material. For suppliers, see emissions chapter.
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	34-35	
	303-2	Management of water discharge-related impacts	34	Omitted: information unavailable
	303-3	Water withdrawal		Omitted: information unavailable
	303-4	Water discharge		Omitted: information unavailable
	303-5	Water consumption		Omitted: information unavailable
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	34-35	
	304-2	Significant impacts of activities, products and services on biodiversity	34	Omitted: information unavailable
	304-3	Habitats protected or restored		Omitted: information unavailable

	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Omitted: information unavailable
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	30	
	305-2	Energy indirect (Scope 2) GHG emissions	30	
	305-3	Other indirect (Scope 3) GHG emissions	30	
	305-4	GHG emissions intensity		Omitted: information unavailable
	305-5	Reduction of GHG emissions	30-32	
	305-6	Emissions of ozone-depleting substances (ODS)		Omitted: information unavailable
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Omitted: information unavailable
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	27	
	306-2	Management of significant waste-related impacts	39	
	306-3			Omitted: information unavailable
	306-4	Waste diverted from disposal	39	
	306-5			Omitted: information unavailable
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	35	
	308-2	Negative environmental impacts in the supply chain and actions taken	29-60	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover		Omitted: information unavailable
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Omitted: not relevant to materiality

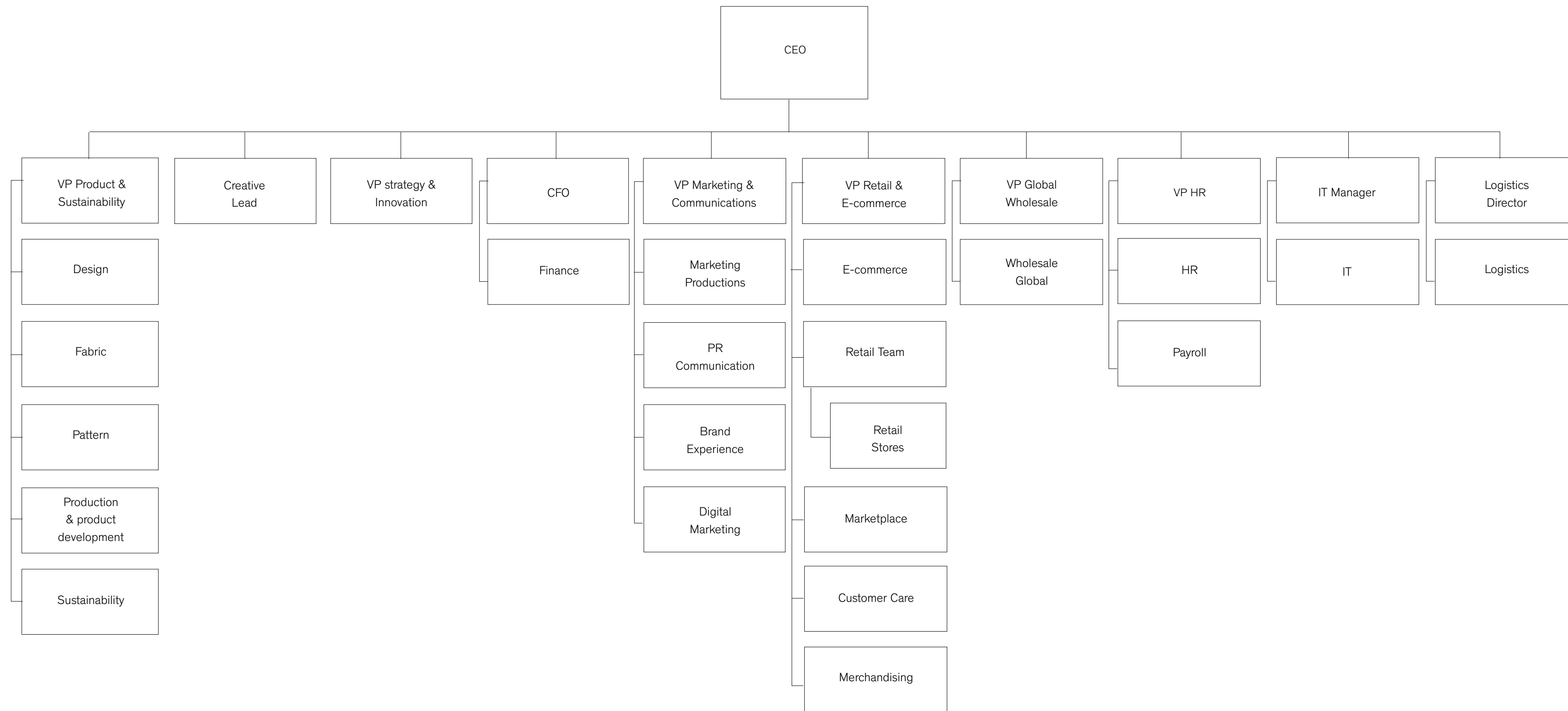
	401-3	Parental leave		Omitted: not relevant to materiality
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	66	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	67	
	403-2	Hazard identification, risk assessment, and incident investigation		Omitted: not relevant to materiality
	403-3	Occupational health services		Omitted: not relevant to materiality
	403-4	Worker participation, consultation, and communication on occupational health and safety		Omitted: not relevant to materiality
	403-5	Worker training on occupational health and safety	67	
	403-6	Promotion of worker health	67	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Omitted: not relevant to materiality
	403-8	Workers covered by an occupational health and safety management system	67	
	403-9	Work-related injuries	67	
	403-10	Work-related ill health	67	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	68	Omitted: information unavailable
	404-2	Programs for upgrading employee skills and transition assistance programs	47, 68	
	404-3	Percentage of employees receiving regular performance and career development reviews	68	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Annex II	



	405-2	Ratio of basic salary and remuneration of women to men		Omitted: not relevant to materiality
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	14, 67	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	43-60, 66	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	43-48	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	43-48	
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures		Omitted: not applicable.
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples		Omitted: information unavailable
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs		Omitted, not relevant to materiality
	413-2	Operations with significant actual and potential negative impacts on local communities		Omitted, not relevant to materiality
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	46	
	414-2	Negative social impacts in the supply chain and actions taken	42-60	
GRI 415: Public Policy 2016	415-1	Political contributions		Omitted: not relevant to materiality
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	34	

	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	34	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	17	
	417-2	Incidents of non-compliance concerning product and service information and labeling	17	
	417-3	Incidents of non-compliance concerning marketing communications	17	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Omitted, not relevant to materiality

THE FILIPPA K ORGANISATIONAL STRUCTURE



GOVERNANCE BODY DISTRIBUTION

Governance body by		
Gender	%	Women 17%, Men 83%
Age	%	30-50 years 67%, 50+ years 33%