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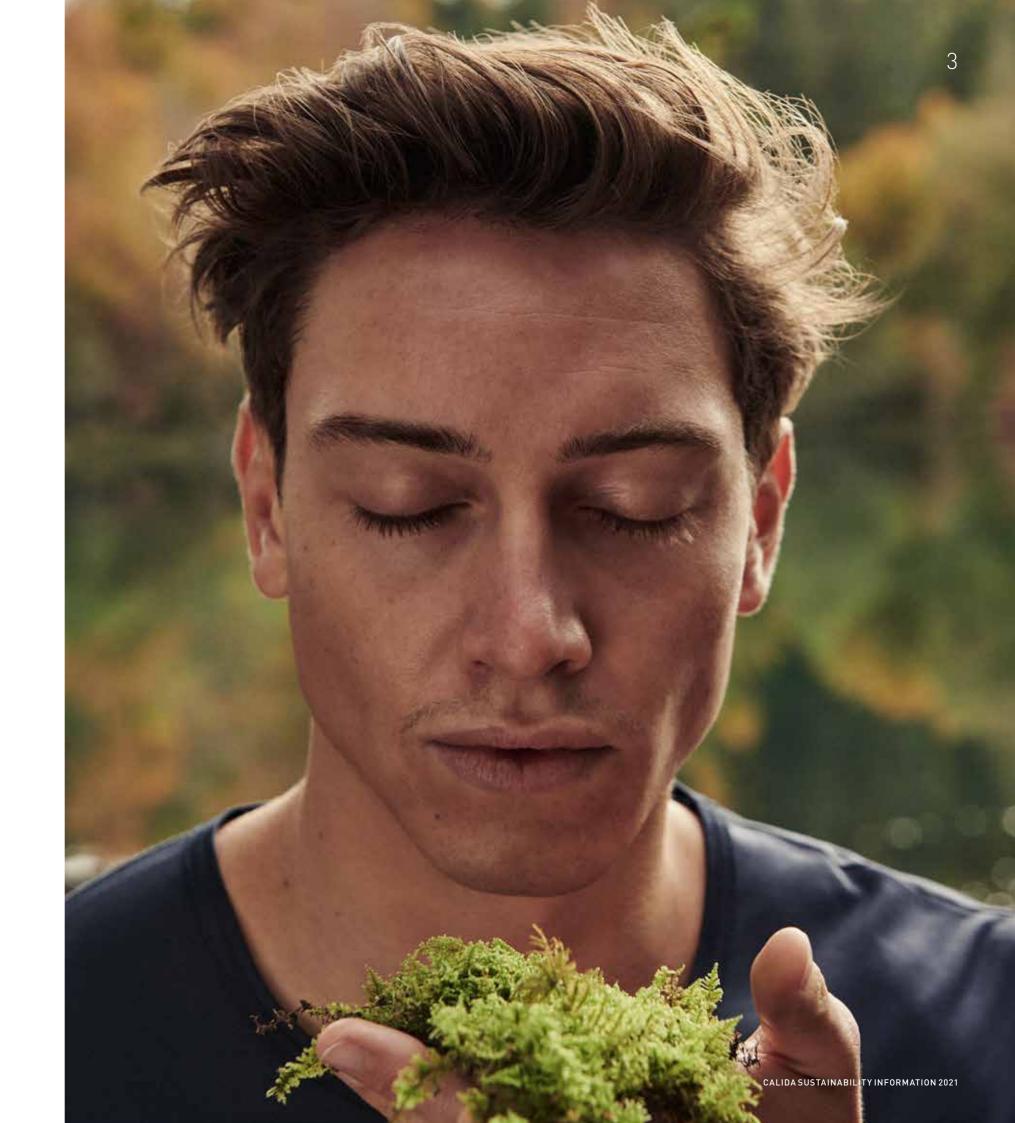
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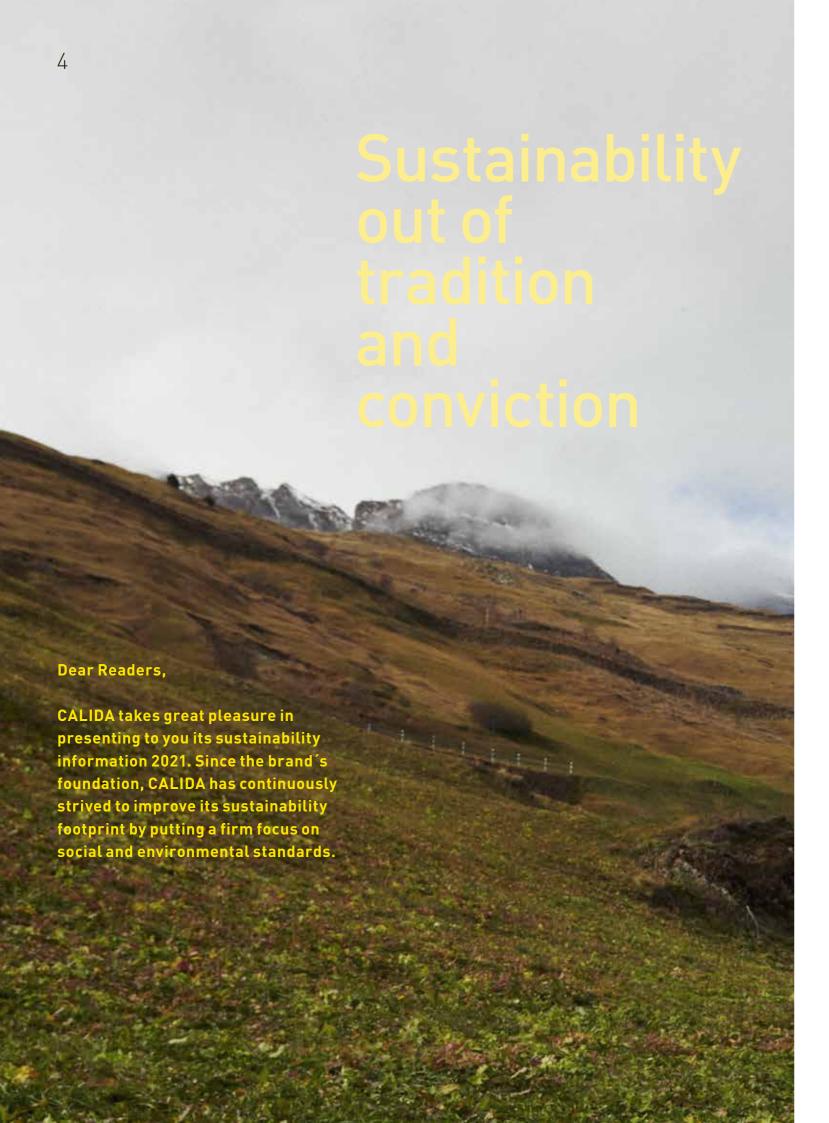
Sustainability Pillars

- i. Governance
- ii. Product & Materials
- iii. Environment
- iv. Employment
- v. Communities



CALIDA is a brand of the CALIDA GROUP including the brands Aubade Paris, Laufuma Mobilier, erlich textil, onmyskin, ROS.

For the full ESG Report of the CALIDA GROUP please refer to: CALIDA Group





Our goal is to increase transparency and guarantee our stakeholders clear communication regarding our sustainability impacts and actions. For us, sustainability is more than just a slogan. It has been part of our DNA since the launch of our first product. Sustainability is our tradition out of conviction. Accordingly, CALIDA has evaluated its direct impact on society and the environment from the very beginning. The whole supply chain, materials used, as well the entire life cycle of each product are constantly reviewed and improved wherever possible. Natural, sustainable, innovative and comfortable materials are used for raw materials and finished products throughout our lines. Raw materials and products are mainly sourced and produced in Europe to guarantee high quality, short delivery times, lower CO, emissions and thus higher customer satisfaction. In particular, CALIDA has gone even further with the 100% Nature collection, which has been awarded one of the most exacting certifications in our sector: the Cradle to Cradle Certified® certification.

Beyond product and materials, we have taken various other steps to support our sustainability journey. New suppliers have become STeP by OEKO-TEX® certified and a new outlet – a state-of-the-art timber construction – has opened, providing charging stations for electric vehicles and a new social meeting place for staff and visitors. Moreover, flexible working hours and new training systems have been established to

give our employees the opportunity to achieve a better work-life balance. Lastly, we have embarked on new external engagements with social projects to create a stronger focus on staff and communities.

At CALIDA, we are committed to continue our sustainability journey in the years to come. We will launch more sustainable products, implement a carbon footprint strategy and strengthen stakeholder engagement to further reduce our environmental and social footprint. For CALIDA, its employees and managers, sustainability reflects a commitment to our core values. This is why we would like to thank everyone –especially our employees, partners and customers – for their wonderful support in 2021 and would like to invite you – our stakeholders – to join us on our future journey. Out of tradition and conviction.

Alexandra Helbling,
Managing Director CALIDA

Achievements

CALIDA has a long history of sustainability and corporate growth. Over the last years CALIDA has reached various milestones to underline its commitment to sustainability while ensuring cooperate and constant economic growth:



It's more than twenty years since CALIDA developed its first ecological and environmental balance sheet.



SOCIAL ETHICS

2005

CALIDA implements a social ethics programme.



2016

CALIDA receives certification for its first products meeting the

MADE IN GREEN BY OEKO-TEX®

high demands required to obtain the "MADE IN GREEN" 2016 label.



TREES OF LIFE

In 2016 CALIDA partnered up with Trees of Life. 18.000 trees have been planted since the partnership started.



CRADLE TO CRADLE CERTIFIED® SHIRT

CALIDA introduces the first fully compostable t-shirt.

2020

A TRULY GREEN STORY



Together with haute couture label Viktor&Rolf, CALIDA launched the first 100% compostable designer collection in the world.





1946

WARRANTY & REPAIR

for women's underwear -

CALIDA introduces a warranty

including a free repair service



Highlights 2021

100% NATURE

In 2021, the Cradle to Cradle® product offer was expanded by the sustainable athleisure line 100% NATURE RELAX. The styles were designed for soft sports such as yoga and pilates. Cradle to Cradle Certified® lace details were added to add a feminine, modern touch. A sweatwear set, consisting of an oversized pullover and cuffed pants made from organic cotton and ROICA™ elastane, was offered to complete the look.



CRADLE TO CRADLE SHIRT



COMPOSTABLE ARTICLES

VIKTOR&ROLF X CALIDA

For CALIDA's 80th birthday and under the motto Heritage x Sustainability, the third drop of the Viktor&Rolf collaboration was offered, reaching new heights thanks to the reinterpretation of iconic CALIDA materials. The result was a natural yet opulent, feminine and colourful collection, made exclusively from Cradle to Cradle Certified® fabrics – including the first 100% compostable lace, a truly innovative material.



CRADLE TO CRADLE SHIRT



COMPOSTABLE ARTICLES



COLLABORATION





CALIDAXFTC CASHMERE

Together with FTC Cashmere, CALIDA created an incomparably soft wellbeing collection made of hand-combed, fair-trade cashmere and innovative SeaCell™. The collaboration supported responsible production methods and social projects that benefitted both the people in the region of Shaanxi in China and the animals by supporting the construction of new goat sheds with welfare and nature in mind. Every style of the collection has been 'Marked & Traced by Haelixa'.



COLLABORATION



PROJECT SUPPORT "LET THE CHILDREN UGANDA"

In 2021, CALIDA supported the "Let the children Uganda" charity for the first time.
Free clothing was provided to the local population. Due to super lightweight and breathable fabrics, the provided items were not specifically used for sleeping only.
The materials used prefectly suite the climate in Uganda. Therefore, the items were and are worn as regular daytime clothing.





CLEANER COOK STOVES RWANDA

To balance the CO₂ emissions caused during the refinement of the Cradle to Cradle Certified® qualities in 2021, CALIDA partnered up with Cleaner Cook Stoves Rwanda and purchased 300 verified emission reductions via its supplier E. Schellenberg Textildruck AG. In Rwanda, firewood accounts for at least 86% of energy consumption and is the primary cooking fuel for 98% of rural households. The program aims to reduce pressure on woodlands and wildlife, reduce indoor air pollution and improve the lives of local families.



CLIMATE ACTION

The Brand

CALIDA is a global provider of underwear, nightwear and loungewear products represented in more than 23 countries. The products are designed to be best in class. A love of superb design, sustainable, innovative, and comfortable materials as well as a perfect fit are what makes CALIDA products so unique.

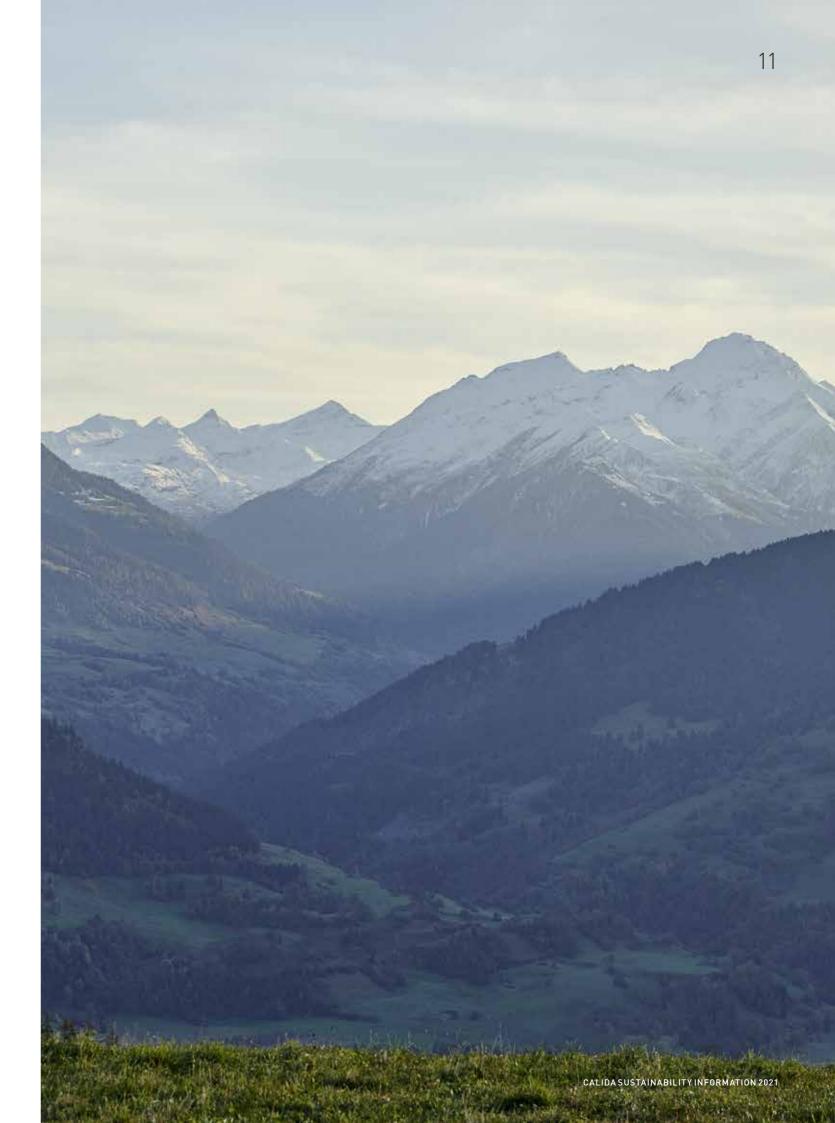


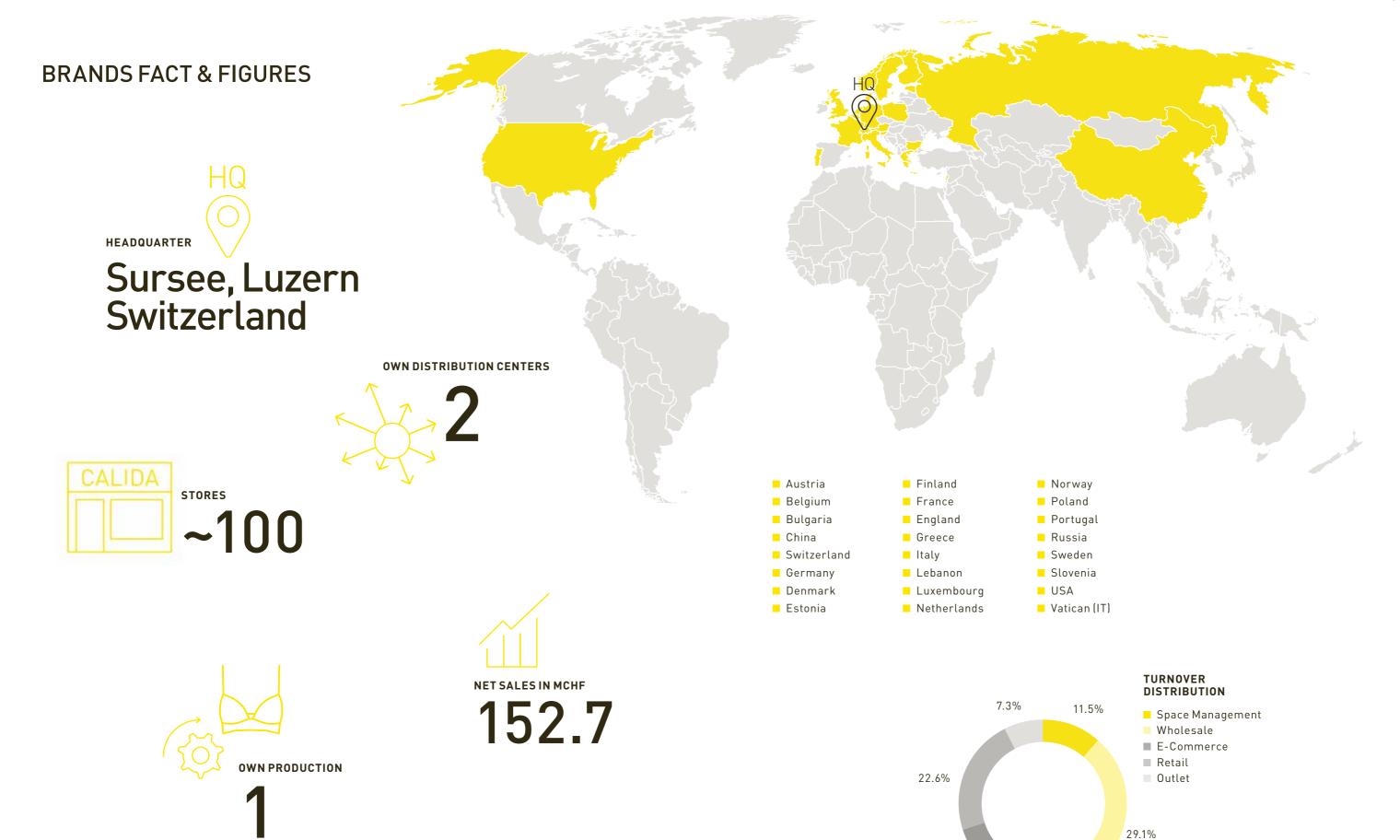
CALIDA is headquartered in Sursee, Switzerland and employs around 1.000 people. A total turnover of CHF 152.7 million was generated in 2021, including the company's own online shop www.calida.com.

CALIDA sources and produces its products mainly in Europe. In 2021 most of the CALIDAs production was moved to the own operated production site in Rajka, Hungary of which Calida Holding AG, the parent legal entity of the CALIDA GROUP, holds 100% of the shares. CALIDA distributes its products via two main logistic centers: Sursee, Switzerland and via ROS in Stephanskirchen, Germany.

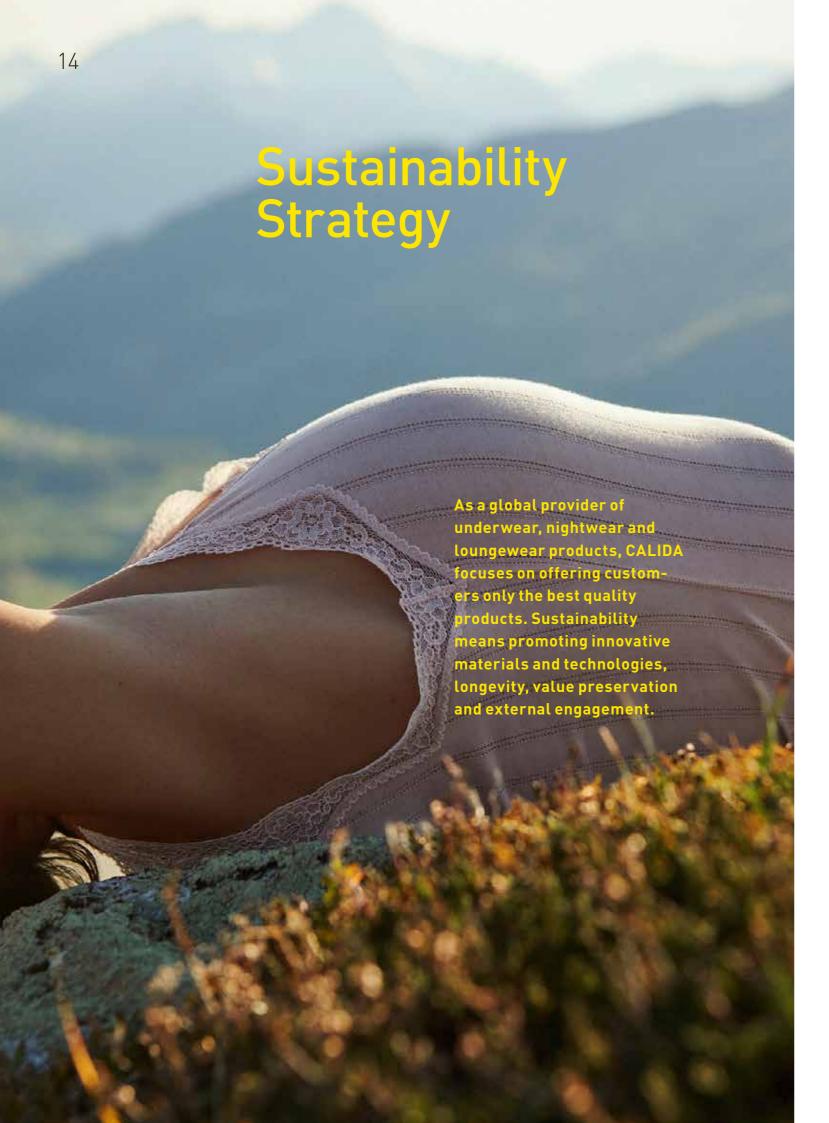
Since its inception, CALIDA has been a leader in its business segment in wholesale (trading through an intermediary). Throughout the years, however, the company has developed a thriving retail (own shops) and e-commerce business. In 2021, e-commerce accounted for 29% of sales. Growth of 35% was achieved in 2021.







29.4%





GOVERNANCE

Develop common values and set up a strong governance based on UN SDGs, principles and the GRI Reporting Standards.



PRODUCT & MATERIAL

Set-up a transparent end-to-end value chain enabling a sustainable product development and distribution.



ENVIRONMENT

Reduce our direct environmental footprint in our facilities and improve traceability along the value chain.



EMPLOYEES

Establish a fair culture and responsible working environment for our employees and enable our partners to follow.



COMMUNITES

Contribute to our local communities and enable the know-how transfer with stakeholders for a sustainable development.

is reviewed and prolonged wherever possible, taking stakeholders' feedback, needs and desires into account.

CALIDA's understanding of being sustainable means acting responsibly with respect to environmental and social standards. CALIDA is

Thus, CALIDA starts thinking out of the box with

every new article created. Beginning at the design stage, the entire life cycle of a product

means acting responsibly with respect to environmental and social standards. CALIDA is committed to considering the impact of processes and products on all natural and human resources along the entire value chain.

Therefore, the whole value chain is reviewed from a holistic perspective with a focus on impacts where they are most significant.

In alliance with the 5 sustainability pillars defined by the CALIDA GROUP, CALIDA is focusing on:

- I. Governance
- II. Product & Material (Value Chain)
- III. Environment
- IV. Employees
- V. Communities

For more Information please refer to section
"Our Sustainability and Management Approach",
CALIDA GROUP ESG Report 2021, page 10/11:
calidagroup.com

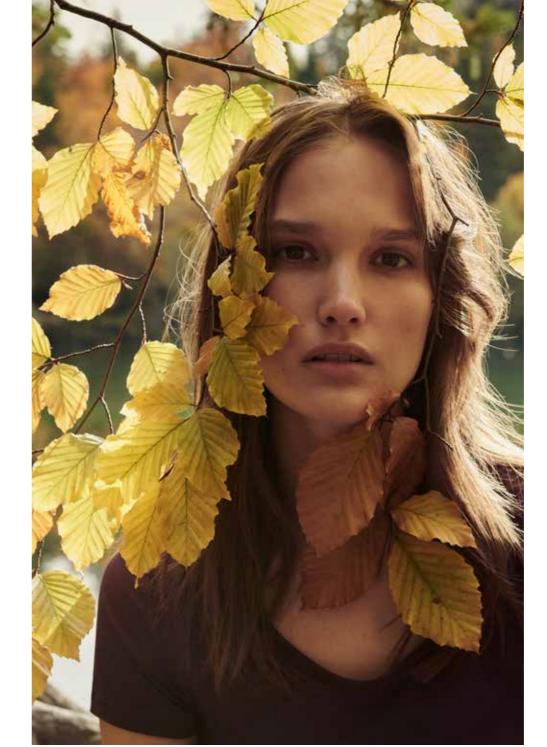
Stakeholder Engagement

CALIDA believes that stakeholder communication and attention create value – for society, for local communities, for the environment and for the company itself. All stakeholders play a key role in CALIDA's sustainability journey. Stakeholder engagement enables know-how transfer and gives CALIDA the opportunity to learn more about specific topics and its stakeholders' views. It also allows CALIDA to establish an understanding of the company's impacts and to mitigate potential negative effects on stakeholders.

CALIDA's most important stakeholder groups are defined by consumers, employees and suppliers. However, communities are also important. Therefore, CALIDA will not only continue and extend its existing engagement with consumers, suppliers and employees but will also start to strengthen the stakeholder engagement with communities. Examples of Stakeholder Engagement can be found under the section "Employees" and "Communities".

CONSUMERS

Consumers are valued. Therefore, CALIDA strives to match consumer needs as closely as possible. As consumer needs are constantly changing and demands on quality rise further, CALIDA continuously focuses on delivering innovative products which are characterised by CALIDA's unique selling points: sustainability, innovative and comfortable materials, exceptional durability, and a perfect fit. An important part of the product development process is to receive input from consumers. Suggestions and criticism are thoroughly evaluated, as they offer opportunities for improvement. Therefore, a constant dialogue between the brands and the consumers is quaranteed via consumer surveys and focus groups, the latter with a direct impact on the product development.



EMPLOYEES

Employees are CALIDA's biggest asset. Every employee is highly valued and helps CALIDA to move forward. Therefore, employee surveys are used to gather feedback regarding working conditions, needs and future demands. On top of this, regular annual reviews, target agreements and staff interviews are conducted.

SUPPLIERS

CALIDA pursues long-term relationships with suppliers and supports them in developing the required expertise to deliver the best products possible. Consequently, CALIDA strives to certify as many suppliers as possible with the STeP by OEKO-TEX® as well as Cradle to Cradle Certified® certifications. Ongoing cooperation's with a small, stable network of suppliers grants CALIDA intimate knowledge of, and insight into, their processes. A constant exchange takes place regarding new developments in production technologies, processes etc.

COMMUNITIES

Engaging with communities is important in order to understand local, geographic and cultural issues, helps to reduce conflicts and enables CALIDA to adapt business strategies in line with the community's needs. Community investments such as donations or charity events, community involvement – e.g. including or sourcing local workers – or community integration by choosing and implementing cooperation's for social and/ or environmental projects enable CALIDA to make a positive impact on communities.

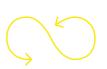
For more information about Stakeholder Engagement refer to section "Our Stakeholder Engagement", CALIDA GROUP ESG Report 2021, page 12/13: calidagroup.com



Since the foundation of CALIDA, sustainability has been at the heart of the company's identity. Consequently, CALIDA is always striving to improve its sustainability performance. The aim is to set up long-term initiatives, to ensure environmental, social and economic balance and minimise CALIDA's footprint. In alignment with the UN Sustainability Development Goals (SDGs), GRI indicators and the goals defined by CALIDA GROUP, CALIDA also focuses on SDG Goals 3,5,6,7,8,12,13,17:







RESPONSIBLE CONSUMPTION AND PRODUCTION



CLIMATE ACTION



PARTNERSHIP FOR THE GOALS

In line with the defined goals, indictors and pillars, CALIDA has and will define clear targets to set up monitoring tools to track short-term and long-term achievements in the years to come. CALIDA's key focus is on the two pillars "Product & Material", covering the entire value chain, and "Environment". Therefore, the spotlight is on aspects such as the materials used, improving the entire supply chain including possible negative environmental and social impacts, and involving and transferring know-how between suppliers, partners, employees and consumers.

For more information please refer to section "Our Sustainability Impacts", CALIDA GROUP ESG Report 2021, page 14 and following: calidagroup.com

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Sustainability Pillars

I. GOVERNANCE

SDG Goals:





DECENT WORK AND ECONOMIC GROWTH

GENDER EQUALITY

CALIDA STRUCTURE

In 2021, CALIDA was represented by its Managing Director Alexandra Helbling.

The Management Team of CALIDA comprises the Managing Director, the Brand Management Team (SLT's) and their direct reports.

The Brand Management Team leads, guides and manages the divisions below:

- 1. Brand & Product
- 2. Operation & Information Technologies
- 3. Finance
- Sales B2C (Business to Consumer)
 & OC (Omnichannel) Sales Services
- 5. Sales B2B (Business to Business Business via an intermediary)
- 6. Human Resources

For 2022, an additional director position will be created overseeing the E-Commerce division.

CALIDA's Management Team comprises three management categories:

- Group Leadership Team (GMs)
- 2. Sales Leadership Team (SLTs)
- 3. Direct Reports Sales Leadership Team

CALIDA has the largest share of governance bodies within the CALIDA GROUP. The governance body includes 41 employees, or 4.2% of all employees. Over all three management categories the share of women in governance bodies accumulates to over 50%. The main age group is the 35 to 50 age bracket.

For more general information on Governance, please refer to CALIDA GROUP's Governance Report 2021: <u>calidagroup.com</u>

For general information on all economic facts and figures, please refer to CALIDA GROUP's Annual Report 2021: calidagroup.com

ORGANISATIONAL STRUCTURE



ALEXANDRA HELBLING MANAGING DIRECTOR

BRAND MANAGEMENT TEAM



JANINE WEIZ-BÜHLER
DIRECTOR
BRAND & PRODUCT



TIETJE VOSS

DIRECTOR

OPERATIONS & IT



DAVE MÜLLER DIRECTOR FINANCE



MARKUS WEISS
DIRECTOR SALES B2C & OC
SALES SERVICES



DIRECTOR SALES B2B



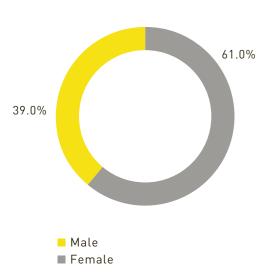
EDDA RETTINGER
DIRECTOR
HUMAN RESOURCES

The chart shows CALIDA's organisational structure as per year-end.

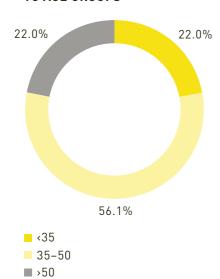
GOVERNANCE FACT & FIGURES



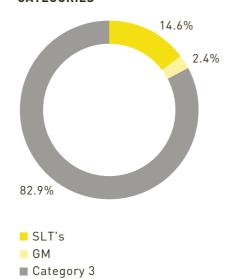
WOMEN IN MANAGEMENT POSITIONS



DISTRIBUTION OF GOVERNANCE BODIES ACCORDING TO AGE GROUPS



DISTRIBUTION OF GOVERNANCE BODIES WITHIN MANAGEMENT CATEGORIES

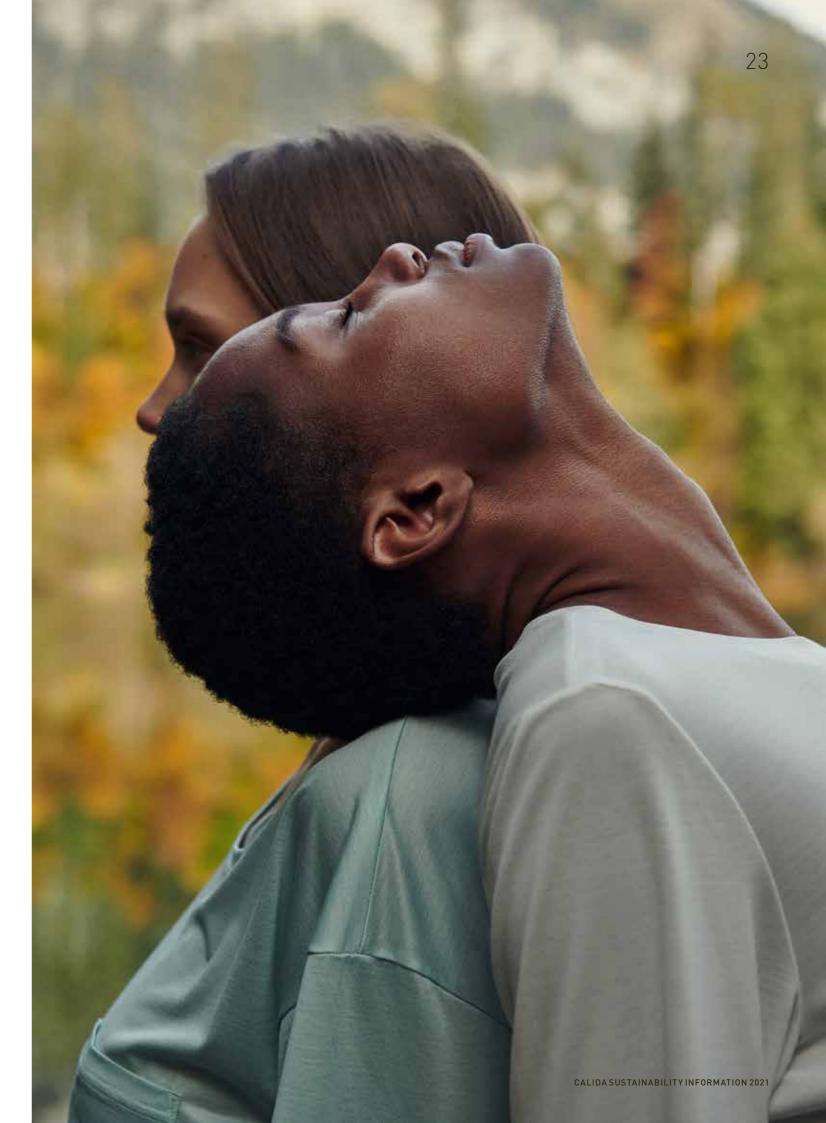


28%

SHARE OF GOVERNANCE BODIES
WITHIN THE CALIDA GROUP

4%

SHARE OF GOVERNANCE BODIES
OF TOTAL CALIDA EMPLOYEES



II. PRODUCT & MATERIAL (VALUE CHAIN)

SDG Goals:



RESPONSIBLE

PRODUCTION

CONSUMPTION AND





PARTNERSHIP

FOR THE GOALS

CLIMATE ACTION

For CALIDA, sustainability is not just a trend or a novelty. It is part of the company's self-image and anchored in its corporate strategy as a core brand attribute. Consequently, CALIDA's goal has been to raise awareness of sustainable products since the company was launched in 1941. High quality, durability, innovative materials and technologies, longevity, value preservation, recycling and environmentally friendly and socially responsible production processes represent the core values of CALIDA. CALIDA is also constantly focused on improving and ensuring a fully integrated, transparent value chain from the design stage through to the actual delivery of the product at the point of sale (POS).

To secure the realisation and implementation of these core values and to fulfil its responsibility towards future generations, CALIDA is concentrating on:

- self-controlled, European production to ensure short lead times, fair salaries, good working conditions and lower emissions
- close cooperation with suppliers and partners to secure know-how transfer and high-quality value chains
- professional cooperation's with certification institutions such as OEKO-TEX® to reduce social and environmental negative impacts
- increasing raw material share for highly innovative and sustainable materials to reduce water consumption and consumption of other natural resources
- increasing share of circular products and materials to prolong product life cycles and reduce waste



MATERIALS

The right fibres for every moment in life. And a way to obtain each fibre as sustainably as possible. CALIDA has always ensured that the natural fibres used are grown and harvested under the best possible conditions or are sourced from animals that are kept and treated in a humane manner. CALIDA is constantly developing new processes and products that are far ahead of their time and set standards across the industry.





HISTORY



MADE IN GREEN BY OEKO-TEX®

2016

CALIDA became the first underwear brand to use the MADE IN GREEN by OEKO-TEX® label – a combination of the STANDARD 100 by OEKO-TEX® and STeP by OEKO-TEX® certificates. The label guarantees a transparent and sustainable supply chain.

2019

Launch of pilot project to develop a comprehensive life cycle assessment (LCA) in collaboration with OEKO-TEX® (Finalisation date: 2021).

2021

Increase of 6% of MADE IN GREEN certified products from 36% in 2020 to 42% in 2021.

2024

Goal: Reaching a MADE IN GREEN share of 60% in 2024.



CRADLE TO CRADLE CERTIFIED® PRODUCTS & COOPERATIONS

2018

Launch of the first 100% NATURE Cradle to Cradle Certified® t-shirt.

2020

Launch of the first certified

Victor&Rolf x CALIDA collection.

2021

Launch of the first Victor&Rolf x CALIDA collection, the first 100% biodegradable designer capsule collection, featuring compostable lace.

Increase of Cradle to Cradle Certified $^{\circledcirc}$ share for finished goods to 6%.

2024

Goal: Reaching a Cradle to Cradle Certified® share of 20% in 2024.



SUSTAINABLE MATERIALS

2018

100% GOTS certified cotton production for kid's collection.

2019 **-**2021

Constant share for sustainable materials such as TENCEL $^{\text{TM}}$, Lyocell etc.

2020 **-**2021

- Increase of 19% for FSC-certified packaging from 39% in 2020 to 58% in 2021.
- Decrease of 9% in polypropylene packaging from 61% in 2020 to 52% in 2021.
- Goals: Further increase of FSC-certified packaging share over the next 2 years.

2021

Launch of CALIDA's new women basic line EcoSense made from recycled polyamide ECONYL®.



FTC CASHMERE COOPERATION

2021

Launch of the first CALIDA x FTC cashmere collection made from sustainable materials (a blend of SeaCellTM and hand-combed cashmere wool) to make a statement for high-quality, responsible clothing for CALIDA's 80th anniversary. Each item is 'Marked & Traced by Haelixa', which guarantees a transparent and sustainable supply chain.

28 29

MATERIAL & PRODUCT FACTS

CERTIFIED RAW MATERIALS

100%

STANDARD 100 BY OEKO-TEX®

3%

GOTS (ORGANIC COTTON)

4%

RWS (RESPONSIBLE WOOL STANDARD)

8%

SUSTAINABLE MATERIALS (TENCEL™, LYOCELL, MODAL)

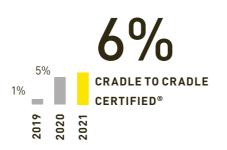
1.5%

GRS (RECYCLED POLYESTER)









CERTIFICATES



STANDARD 100 by OEKO-TEX® guarantees that the materials used have been tested for harmful substances. A unique product ID allows the end customer to trace the supply chain in detail via a QR code.



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



MADE IN GREEN by OEKO-TEX® is a product label which is awarded according to strict social and ecological criteria. It is one of the few labels looking at both main criteria within the textile sector: materials used and the production process itself. It combines the certification requirements from STANDARD 100 by OEKO-TEX® and STEP by OEKO-TEX®.



Cradle to Cradle Certified® is the global standard for products that are safe, circular and responsibly made. The certification assesses the safety, circularity and responsibility of materials and products across five categories:

- Material health
- Product circularity
- Clean air & climate protection
- Water & soil stewardship
- Social fairness

Cradle to Cradle Certified® is a registered trademark of the Cradle to Cradle Products Innovation Institute.

MATERIALS



COTTON

The longer, finer, and more even cotton fibres are, the higher the quality of the fabric that is made from them. CALIDA only uses fibres with lengths of 25 mm to 50 mm, which are particularly smooth, flexible, easy to care for and durable. CALIDA always make sure they are of sustainable origins and that they comply with the highest Swiss quality and environmental standards.



WOOL

When talking about wool, it is crucial to consider the sheep above all else. This is why the wool CALIDA processes is 100% animal friendly and guaranteed mulesing-free. Most of CALIDA's wool comes from ethically treated Merino sheep from South Africa, whose wool is particularly soft and of high quality.

SEACELL™

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



ECONYL®

ECONYL® is a particularly smooth and soft fabric that is gentle on the skin and made from 100% recycled nylon obtained from old fishing nets, carpets and fabric scraps. It can even be made from itself: ECONYL® can be recycled countless times as part of a closed cycle. The quality is as good as conventionally produced nylon, but considerably better for the environment.





TENCEL™

TENCEL™ fibres are obtained from sustainable wood that is grown on certified farms without artificial fertilisers or irrigation. The production of these fibres takes place in a closed cycle with minimal environmental impact.

SOURCING & PROCUREMENT STRATEGY

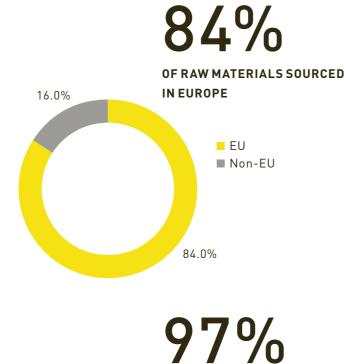
Building a sustainable value creation chain is a key part of CALIDA's sustainability strategy. Consequently, most materials are sourced locally. Over the last three years, CALIDA was able to keep the share of materials used in Europe stable even under the difficult circumstances during the pandemic.

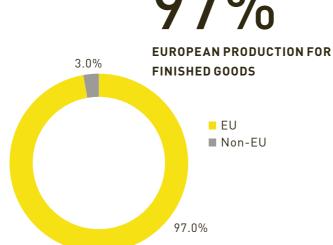
CALIDA was able to increase the share of finished goods produced in Europe in recent years.

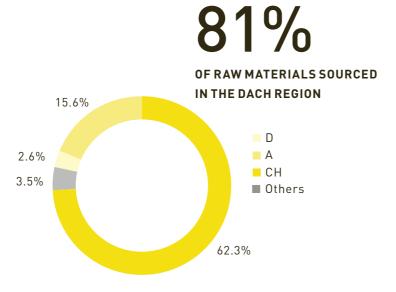
Production in Asia was discontinued in mid-2021.

As a result, CALIDA's self-controlled production site in Rajka (HU) increased the share of own produced goods. Since mid-2021, 100% of CALIDA products have been processed via Rajka (HU) and its corresponding subcontractors. In 2022, CALIDA will achieve its goal of 100% independent production. Consequently, CALIDA will be able to react even faster to constant changing economic, environmental and social conditions besides minimising lead times.

In 2021, the share of renewable materials used to package primary goods was evaluated for the first time. The share of renewable materials used to package primary goods amounted to 92.7% in 2021. Trend: still raising.







*Data are prepared according to the delivery date to CALIDA within the reporting year.



PRODUCTION FACTS

1

OWN PRODUCTION SITE

28

SUB-CONTRACTORS

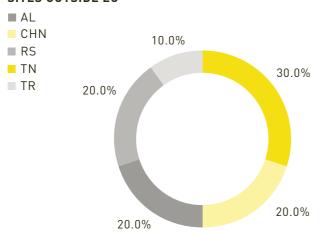
8

MANUFACTURES

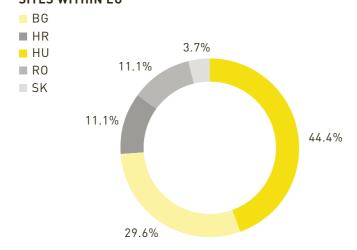
73%

OF PRODUCTION SITES LOCATED IN EU

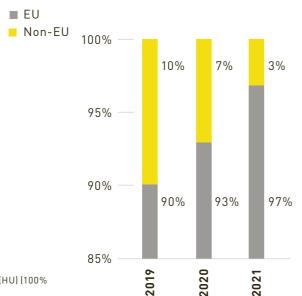




DISTRIBUTION PRODUCTION SITES WITHIN EU

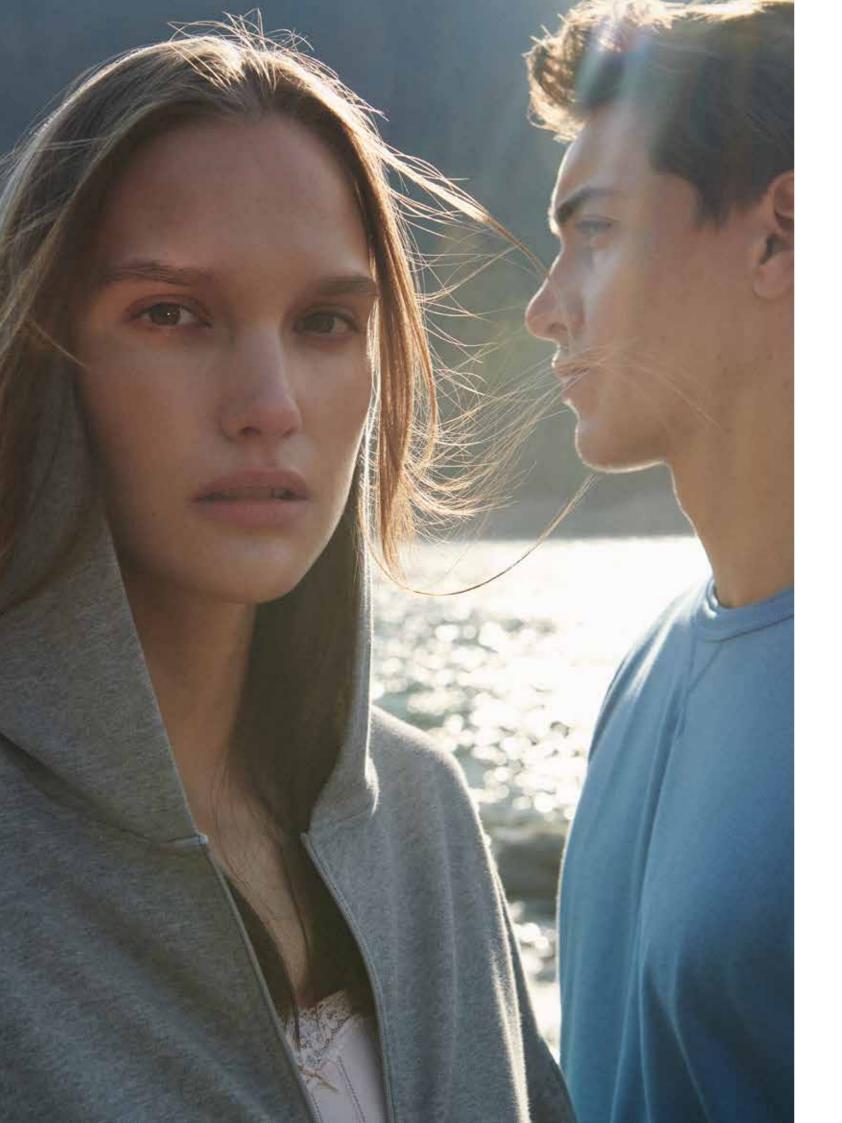


DISTRIBUTION PRODUCTION FINISHED GOODS



*The figures include the company's own production site in Rajka (HU) (100% self-controlled), its sub-contractors as well as manufactures.





ENVIRONMENTAL AND SOCIAL STANDARDS & QUALITY ASSURANCE

CALIDA focuses on high standards and quality assurance throughout the supply chain. Thus, CALIDA regularly visits and carries out trainings with its suppliers and sub-contractors to ensure compliance with the CALIDA and CALIDA GROUP Standards.

A clear focus is put on working mainly with STeP by OEKO-TEX® certified raw material suppliers and sub-contractors. If partners are not certified, CALIDA either defines medium-term plans to certify the non-certified suppliers/ sub-contractors or strives to find new partners who are already certified. All partners are screened or audited according to environmental and social criteria.

CALIDA has a high share of employees exclusively working in quality assurance: 50 employees, or 5% of the total workforce, work exclusively in quality assurance to check and approve materials and finished goods.

NEW SUB-CONTRACTORS/MANUFACTURES

100%

AUDITING CERTIFIED PRODUCTION SITES FINISHED GOODS

16

STEP BY OEKO-TEX® CERTIFIED PRODUCTION SITES

2

NEW STEP BY OEKO-TEX® CERTIFICATION (HR, SK)



7

CRADLE TO CRADLE CERTIFIED® PRODUCTION SITES





- reducing air and sea freight
- cooperation's with forwarders who comply with the latest emission standards
- close cooperation with raw material suppliers
- recycling packaging material wherever possible; but in particular for B2C shipments
- use of energy-efficient actuators including more frequency-controlled drivers and automated "sleep mode" programs
- improving energy efficiency and reducing energy consumption by decreasing the share of non-renewable resources

In addition, CALIDA is planning to set up a greenhouse gas strategy in 2022 in alignment with the CALIDA GROUP's strategy.

When selecting raw materials, CALIDA not only pays attention of choosing suppliers that are STeP by OEKO-TEX® or Cradle to Cradle Certified®, but focuses also on selecting suppliers that offer additional certifications, such as climate-neutral production or partners offering an overall stringent ESG strategy.

EXAMPLES

1. RAW MATERIAL SUPPLIER – E. SCHELLENBERG TEXTILDRUCK AG

Reached almost 100% of the Detox to Zero guidelines from the "DETOX TO ZERO" campaign initiated by Greenpeace in 2011. The aim of the campaign is to eliminate all hazardous chemicals from textile production.

For more information see www.estextildruck.ch

2. FIBRE SUPPLIER - LENZING AG

One of Lenzing AG's key objectives is to achieve a net zero strategy by no later than 2050. Lenzing AG has committed to becoming one of the first carbon-neutral fibre suppliers by 2050. To reach this goal, generated CO_2 emissions need to be reduced by more than 50% by 2030. Find more information on the Lenzing AG website: www.lenzing.com.

EMISSIONS

CALIDA has not yet drawn up a carbon footprint strategy. Therefore, CALIDA is currently focusing on the inbound and outbound emissions caused by the modes of transportation. In 2022, a greenhouse gas strategy will be implemented to identify CO_2 emissions caused and to develop mid- and long-term compensation and reduction strategies in alignment with the 2016 Paris Agreement.

Oil-fuelled heating at the company's headquarter in Sursee (CH) has been discontinued in order to reduce emissions. Both the headquarter in Sursee (CH) as well as CALIDA's own production site in Rajka (HU) use solely gas-generated heating. Moreover, CALIDA implemented a cooperation program with Next-Bike to provide employees with public bikes at preferential rates, and installed charging stations for electric vehicles when re-opening the new CALIDA outlet to encourage employees and visitors to reduce their personal CO₂ emissions.

100% of incoming finished products were handled by truck. For outgoing finished goods, CALIDA tries to avoid sea and air freight whenever possible. Sea and air freight are only organised for oversea customers and partners. If sea and/or air freight is required, CALIDA is careful to take environmental impacts into account when selecting forwarding agents. Only forwarders are chosen who ensure compliance with the latest emission standards. In 2021, the share of sea/air freight was low enough to be considered negligible.

B2C (business to consumer) orders with delivery within Europe are processed via CALIDA's e-commerce centre of excellence ROS in Stephanskirchen (D). B2C orders placed with delivery in Switzerland are handled via the distribution centre at CALIDA's headquarter in Sursee (CH). As a result, costs, lead times and emissions could be minimised as far as possible within the existing organisational structure.

23%

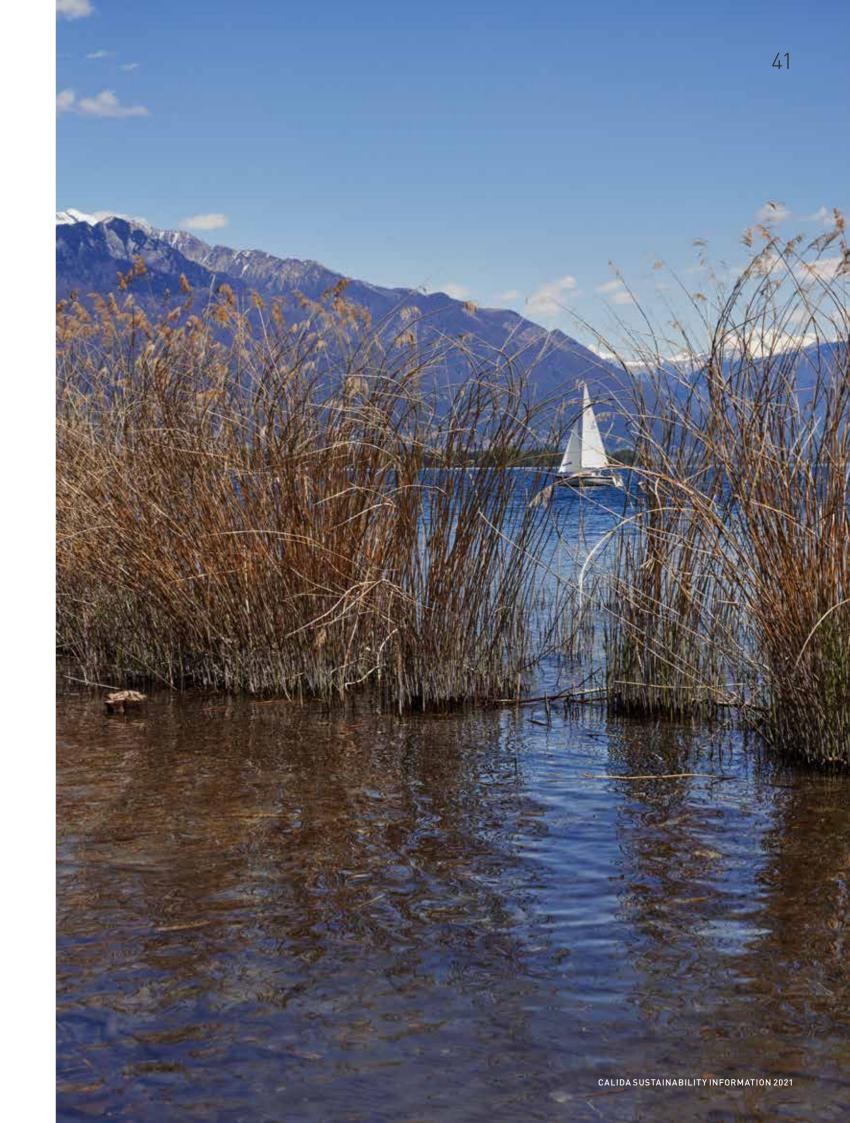
EMISSION REDUCTION (120 TONNES) BASED ON OIL-FUELLED EMISSION REDUCTION

100%

DISTRIBUTION VIA TRUCK

67%

SHARE OF B2C BUSINESS



42

ENERGY

Conserving energy resources is another goal of CALIDA. In 2021, 100% of the electricity consumed at the Sursee (CH) headquarter was sourced from hydropower. Additionally, CALIDA has started and will continue to replace light bulbs with LED lights, install sleep mode programs as well as monitor detectors to save energy.

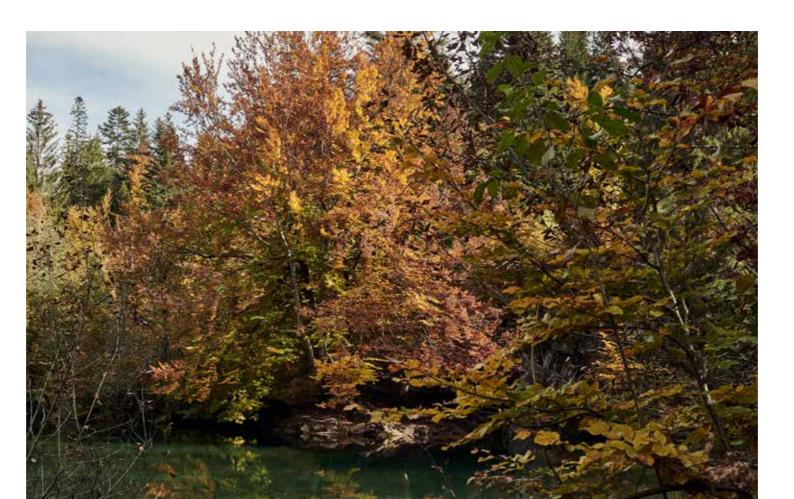
In the coming years, further facade renovations and the replacement of windows in the inner courtyard will be carried out to maximise energy benefits. More charging stations for electric vehicles will be installed and company vehicles that use non-renewable energy resources such as oil will be replaced by electric ones.

CALIDA is constantly reviewing governmental regulations to minimise energy consumption. When building the new CALIDA outlet, for instance, regulatory requirements had to be considered such as:

- No use of fossil fuels
- Obligation to generate own energy
- Legal regulations on thermal insulation

As a result, an air-to-air heat pump and solar panels were installed, and a high standard of thermal insulation was specified – 40% above that required by law. In addition, only natural insulating materials (glass wool) were used and a state-of the art timber construction was built.

In 2021, the share of indirect energy consumption was still around 100%. The share of indirect energy consumption will be reduced by 25% by latest 2025. The share of energy generated directly from renewable resources will be increased. From 20219 to 2021, for offices, own production and distribution centres, the energy expenditure remained almost the same. The overall energy consumption amounted to 32.778 kWh per mCHF including stores, which were included in the evaluation for the first time. Excluding stores, the overall energy consumption increased by 17% per mCHF – mainly triggered by the increase in e-commerce business.

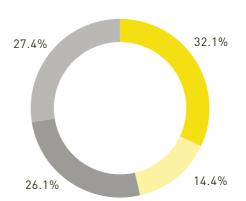


DISTRIBUTION OF ENERGY CONSUMPTION

Offices
Stores

■ Own Production

■ Own Distribution Centers



10.515 kWh/mCHF

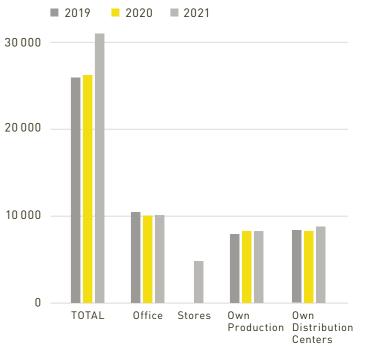
FFICES

8.571 kWh/mCHF

8.972 kWh/mCHF

4.720 kWh/mCHF

DEVELOPMENT ENERGY CONSUMPTION PER MCHF

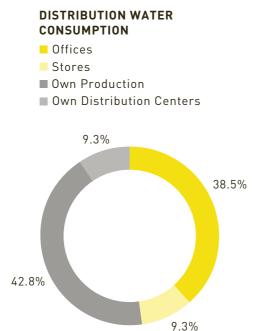


WATER

To support greener water consumption, ensure lower levels of chemicals and avoid potential spillage of dirty water into the environment, CALIDA has selected its suppliers with care. While selecting raw materials suppliers CALIDA pays attention to select partners with a low water consumption policy. For example, E. Schellenberg Textildruck AG, which supplies more than 60% of the raw materials used for the production of finished goods, has developed a special dyeing process which helps to reduce water consumption per Kg dyed fabric by 50% in comparison to the global industry averages.

Moreover, CALIDA has started renovation works on pipelines on the forecourt at its headquarter in Sursee (CH). The work will be completed in 2022.

CALIDA consumed 35.6 cubic metres per mCHF in 2021. Water consumption remained stable.

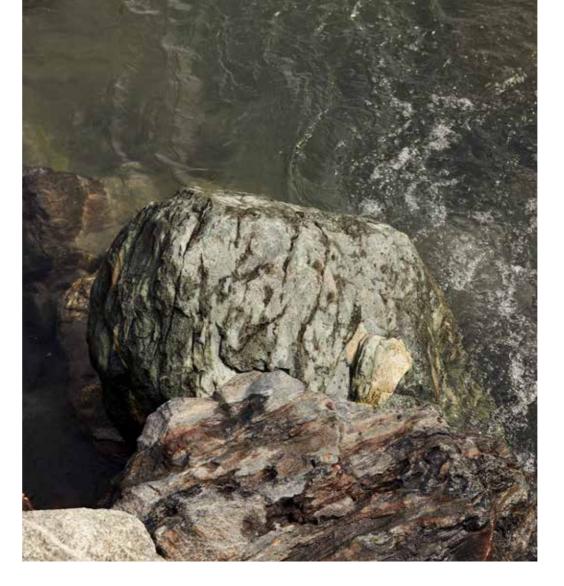


15.1 m³/mCHF

13.6 m³/mCHF

3.7 m³/mCHF

3.3 m³/mCHF



WASTE

CALIDA endeavours to keep waste generation at a minimum. In 2019, CALIDA installed a waste separation process at CALIDA's headquarter in Sursee (CH). Since then, employees have separated their waste according to the various waste types: paper, plastic or PET.

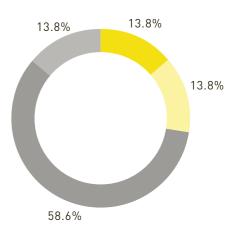
In addition, automatised allocation processes for processing orders were installed to reduce the number of consignments shipped. Where possible, orders are collected, packed and shipped together to reduce packaging material and therefore waste.

In 2021, the waste generated amounted to 2.8 metric tonnes per mCHF.

The share of recycled waste increased from 68% in 2020 to 72% in 2021. Digitalising business procedures helped CALIDA drive this development forward.

WASTE DISTRIBUTION





1.7 tonnes/mCHF

OWN PRODUCTION

STORES

0.4 tonnes/mCHF
OFFICES, OWN DISTRIBUTION CENTERS,

4% kWh/mCHF
INCREASE IN RECYCLED WASTE

IV. EMPLOYEES

SDG Goals:









GOOD HEALTH
AND WELL-BEING

GENDER EQUALITY

DECENT WORK AND ECONOMIC GROWTH

CALIDA employs around 1.000 people (including production site workers in Hungary), representing more than 28 nationalities. Most employees are women. Almost half of all employees are between 35 and 50 years old. Around 522 people are in full-time employment. This figure is calculated based on the FTE system, which only counts full-time jobs.

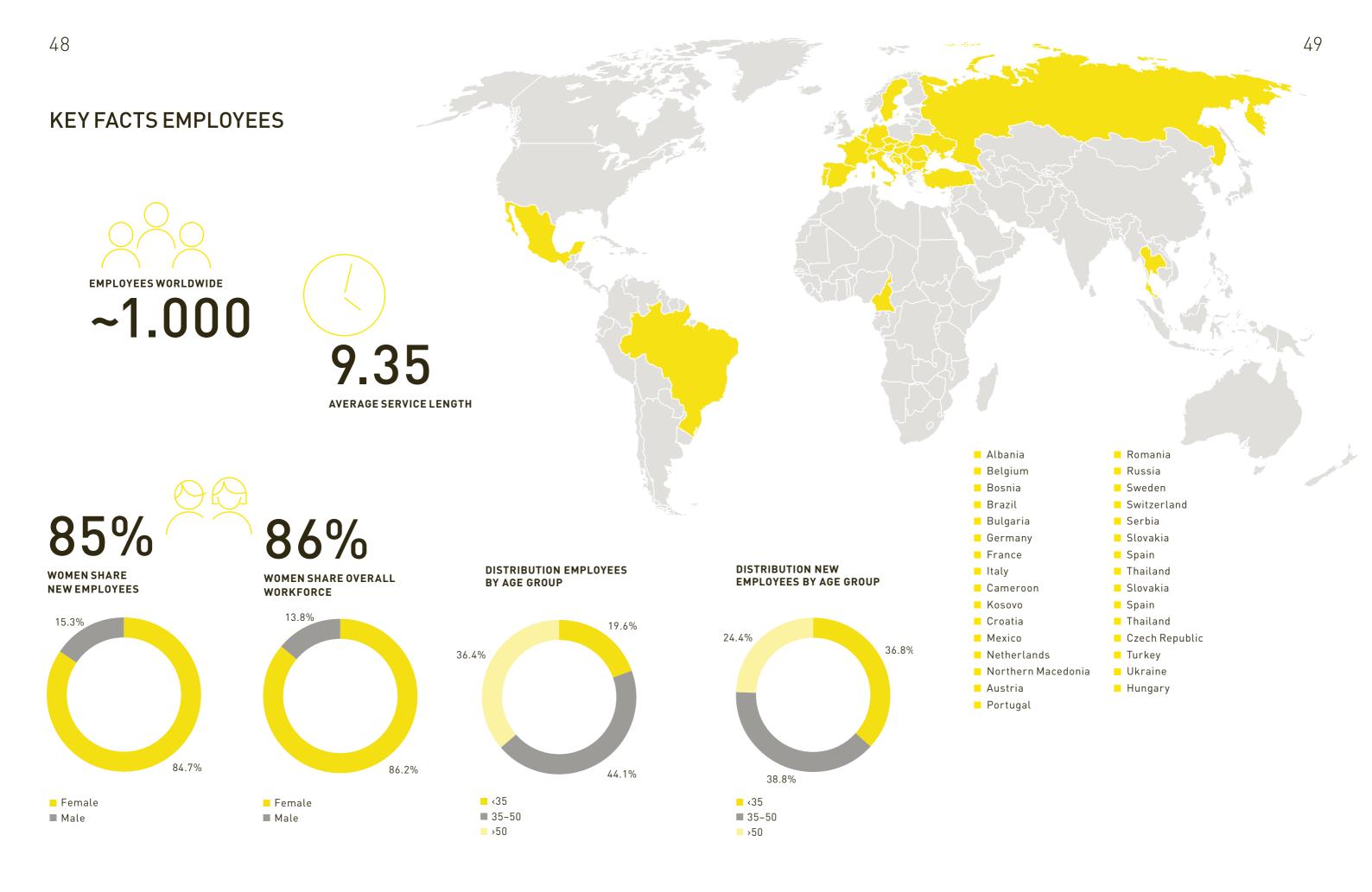
The average service length per employee varies depending on the country. However, with an average service length per full-time employee of more than 9 years, the average employee tenure is quite high. This also explains the high share of employees aged 50 and over. In the coming years, CALIDA will strengthen its focus on rejuvenating the workforce structure in line with the brands' re-branding and rejuvenation strategy.

Around 240 new employees were hired in 2021. Around 85% of them were women. The biggest share of new employees could be found within the 35-50 age bracket. However, and thus underscoring CALIDA's rejuvenation strategy, around 37% of employees were younger than 35 years old.

In 2021, 27 people took parental leave. 93% of them were women. This corresponds to approximately 3% of the total workforce.

In Switzerland, CALIDA grants its full-time employees better maternity compensation than required by law, offering, for instance, 16 weeks instead of the 14 weeks stipulated in the maternity compensation act. The only exception is for employees who were not able to work prior to taking maternity leave. Moreover, salary payments are also higher than usual, with 100% of the regular salary being paid for the first 30 days. Starting from day 31, 90% salary is paid. Part-time time workers or temporary employees benefit from the standards required by law.





EMPLOYEE INFORMATION & TESTEMONIALS

EMPLOYEE BENEFITS

Employees are CALIDA's biggest asset.

Promoting their well-being and a good work-life balance is essential. With this in mind,

CALIDA offers various benefits to its full-time employees and to some extent to part-time staff.

MAIN BENEFITS

- Life insurance
- Healthcare
- Disability and invalidity insurance coverage
- Parental leave in accordance with country-specific regulations
- Retirement schemes
- Share ownership for specific employee groups within the company

OTHER BENEFITS

- Flexible working hours
- Remote working up to three days for full-time employees
- Standing desks
- Staff discounts (40-55% depending on the brand)
- Corporate benefit platform with special discount offers
- Subsidised food
- Free entrance to local institutions

Depending on the season, some of the vegetables used to prepare the food for the CALIDA canteen comes from the purpose-built vegetable garden on the grounds of the company's headquarter. Within this garden, part of the waste is also recombosed.

TRAINING/EDUCATION

In recent years, CALIDA has started to offer more and more training and development opportunities for its employees. Especially since the pandemic, new digital tools have been introduced. As most of the digital development opportunities are hard to measure, the average training hours by employee are still quite low, with 3.4 hours per full-time employee, or 1.750 hours per 522 FTEs.

EDUCATION OPPORTUNITIES INCLUDE

- Subsidised French classes
- In-house and external education courses
- Workshops
- E-books
- E-learning
- Online training via LinkedIn











JANINE WEIZ-BÜHLER
DIRECTOR
BRAND & PRODUCT

"I feel privileged to work with a lot of talented people to incorporate sustainability with every product and every story we create. What I also love about CALIDA is that we are always acting with a purpose. Not only for myself but also for our teams and young talents the idea of having a sense of direction, intention, and understanding that the contribution you're making is going somewhere is great and is really making a difference. After over 80 years, CALIDA still owns this pioneering and inventing gene and the unconditional will to simply produce the best products possible. And best means the best for everyone, our customers, and our planet. This is where our energy is coming from, our common sense of purpose this is our daily inspiration."



ILDIKÓ ÁBRAHÁM HEAD OF PRODUCTION HUNGARY

"Growing up in a family of sewers, it was a given for me to pursue a career in this field too. Eventually, in 1995, I got the opportunity with CALIDA where, ever since, I have had the chance to constantly grow and develop both personally and professionally. Every day I'm excited to go to work, no two days are alike, and we all get the opportunity to learn new things on a daily basis. The brand's drive to constantly improve has a positive impact on the whole team, showing what great things can be achieved if you work together. CALIDA truly has become my second family. We support each other, sometimes we fight but mostly we have fun being together and achieving great things as a team."



GABRIELE WAGNER
HEAD OF SOURCING

"I really appreciate the fact that at CALIDA we work very closely with all our in-house and external partners. There is a high degree of trust and teamwork between everyone involved, as we know that we are all working towards the same goal. The exchange between departments is always inspiring, dynamic and productive. I am proud to be able to bring all the knowledge I have acquired in procurement, product development and process optimisation to CALIDA, to be involved in Cradle to Cradle and to actively push the textile industry forward on the topic of sustainability, because I also see it as my personal goal to leave a 'green footprint'."



GIOACCHINO CASCIO
HEAD OF LOGISTICS &
FACILITY MANAGEMENT

"After more than 45 years with the company, I still feel that I have taken the right path. In all these years I have been able to work on many exciting projects and have never been bored, up to this day - every day is different and exciting to me. Ever since CALIDA started out, our products, processes and technologies have constantly evolved. We're well known in the market, and we are constantly investing in it to keep our standards high. It makes me proud to work for such a company and to be able to contribute and be seen for the person I am and the work lam doing. These are the small things that motivate me every day to proactively motivate my team to make their contribution towards a more sustainable world."



HARALD LENZINGER SENIOR PM & DESIGN MEN

"Being with CALIDA for 20 years now, the team is like a second family to me. Ever since I started working here, it has always been about supporting, inspiring and challenging each other to strive for the best there is - not only in terms of the final product but also of what the individual can achieve. Looking back, we have already achieved so many great things to be proud of as a team and as a brand. I am very excited to see what else there is to come, and to face the new industry challenges, especially in my field, when it comes to design and materials, and to further pursue our sustainability path."



TIETJE VOSS

DIRECTOR

OPERATIONS & IT

"The preservation of our planet and available resources for upcoming generations in a fair and socially balanced way, is certainly one of the most urgent, global and unseen challenges. In this context, sustainable business models and products are decisive to create long-term solutions in this more and more complex environment. We at CALIDA work every day to increase the sustainability of our products and to decrease our footprint continuously. As responsible for the end-toend supply chain, I am very proud of being part of this highly dedicated CALIDA team and contributing to these crucial initiatives."



SIÂN FUHRMANN HEAD OF INTERNATIONAL SALES B2B

"As Head of International Sales, I love to constantly inspire existing and new customers, partner agencies and employees for our sustainable strategy, our great products and for CALIDA as a brand. Being close to my teams in all countries - be it physically or digitally - is very important to me. With agile management, emotional motivation and the necessary focus of the head office and the country teams, we have been able to achieve outstanding results. The opportunity to empower our CALIDA ambassadors from afar and to give them the chance to develop in their regions makes me happy. I am very proud to work for a modern, innovative and sustainable company where all levels of the company are involved in the business and have a share in its success. I am grateful to be a part of CALIDA and to experience the "Yellow Family Spirit" every day. "



CELINA SPESCHA
PR & COMMUNICATION
MANAGER

"To me CALIDA is a place where I can combine both professional and personal passions, a place where I can develop and grow and, lastly, a place where like-minded people come together, sharing one big goal and the same values. It's all about industry trends, which today cover way more than just designs and cultural aspects. It's all about sustainability, environmental and social responsibility - ultimately one of the reasons I decided I wanted to work for the brand in the first place. I feel honoured to be part of CALIDA's history."



ANNA BECHEN ESG MANAGER

"I am working for CALIDA since almost 5 years now. During this time, I received the chance to work within various positions and to build up know-how within various sectors – from Sales to Operations and now Sustainability. CALIDA is one of the most sustainable brands I have worked for so far. Environmental and social impacts are, wherever possible, avoided from the outset. That's why innovative materials are used, and sustainable, long-term supply chains established. New impacts are identified and remedied daily, which makes the job more interesting day by day."

V. COMMUNITIES

SDG Goals:



AND WELL-BEING





CLIMATE ACTION



PARTNERSHIP OR THE GOALS

Establishing long-term cooperation's with local or international projects and associations is essential to create awareness and to reduce environmental and social impacts where possible.

EXAMPLES

OUTLET RE-OPENING IN SURSEE (CH)

The company opened a new outlet in November 2021. The former premises were replaced by a 700-square-metre, state-of-the art timber construction including a cosy café with 24 seats, offering customers and their families the opportunity to take a break while enjoying a selection of seasonally based, regional snacks and drinks. Solar panels on the roof and electricity purchased from hydropower were installed to ensure a fully green energy supply. Charging stations for electric vehicles were also installed to meet the green credentials. In addition, the planning and construction of the building was carried out in conjunction with experts, suppliers and service providers from the region – sustainable, responsible and local. As a brand world, tourist attraction, shopping and meeting place, the factory outlet allows CALIDA customers, visitors and employees to see and experience the brand's unmistakable, contemporary and sustainable character.





EXPANSION SUBSIDIARY RAJKA (HU)

CALIDA has continuously expanded the subsidiary in Rajka (Hungary) within the last 30 years. Substantial investments have been made in maintaining and developing the site, thus preserving jobs and guaranteeing the region's economic development.

GOAT HOUSE

In alignment with the with FTC® (Fair Trade Cashmere) cooperation, CALIDA built a goat house in the Shaanxi region of China. New stalls were built, providing an animal-friendly home for up to 50 cashmere goats. With the welfare of animals and nature in mind, rammed earth rather than traditional bricks was used. The use of this natural and locally available raw material cuts emissions dramatically – and promotes traditional rammed earth construction. This construction method saves energy while naturally offsetting even extreme fluctuations in temperature – a useful and valuable benefit in a mountainous region like Shaanxi. Local workers were involved in the project from the outset to

ensure that social, local and sustainable aspects were taken into account during construction.

CHARITY COOPERATION'S

To strengthen community engagement on a social basis, CALIDA cooperates with various organizations such as:

- Let the children Uganda
- MAMbrella
- Trees of Life

LET THE CHILDREN UGANDA

In 2021, CALIDA supported the Swiss charity 'Let the children Uganda' for the first time. Around 60 local people were thrilled to receive free clothing made from ultra-light and breathable fabrics.



MAMBRELLA

The Swiss organisation MAMbrella offers young mothers and their families in Greek refugee camps a place to go for advice during pregnancy and the vulnerable phase immediately after birth. CALIDA supported MAMbrella with free underwear.

TREES OF LIFE

To give something back to mother nature and to compensate for a part of the carbon emissions created, CALIDA has planted a total of 18.000 trees in Madagascar in collaboration with the Trees of Life association. This number is constantly growing.

DONATIONS

CALIDA supports selected social projects and makes product donations to people in need in Switzerland and abroad. Thanks to this commitment, relief aid could be sent to refugee camps in Greece in 2021. On top, local institutions were supported in recent years:

- Solidarität des Femmes, Biel
- Gasse-Chuchi, Lucerne
- Gassechuchi Langenthal
- Rumänien Altersheim-Hilfe Bern
- Armen-Hilfe tamilische Hindu. Lucerne
- Haus Hagar, St. Anna Stiftung, Lucerne

Donations came from returns and end-of-life stock, thus extending the product life cycle and reducing outages.





