



Sustainability
Report 2025

NA-KD

Index

About NA-KD	3	Sustainability Framework	19
CEO	4	Climate Action & Nature	21
Our Value Chain	5	Our Products	33
Accelerating Traceability & Transparency	6	Quality	40
2025 Highlights	7	Diversity and inclusion	46
The Big Picture	8		
Vision, Mission & Values	10	Business Conduct	58
NA-KD's Sustainability Timeline	11		
		GRI Report 2025	60
Our Sustainability Approach	12	Financial numbers	62
Stakeholders	13	Risk Management	63
Elaborating on our most material topics	16	GRI Index	66
NA-KD Sustainability Governance	18		



About NA-KD

Our Story

NA-KD was founded in 2015 with a digital first, direct to consumer model at its core. Since then, we have built a global fashion brand primarily serving customers across Europe, with Germany, Sweden, and the Netherlands as our largest markets. We also maintain a presence in the United States, although our activity there decreased in 2025 as we prioritised stability in our core markets.

Our community is central to how we operate. We engage primarily with Gen Z and millennial women who expect quality, transparency, and responsible business practices. In 2025, our website recorded more than 28.6 million visits, our app was downloaded over 267,000 times, and our social media community grew to more than 4.65 million followers. During the year, we collaborated with 973 influencers, including 34 co-designed collections, integrating customer insight into product development and communication.

December 2024 marked the beginning of a reconstruction process that continued throughout 2025. The process resulted in changes to ownership and organisational structure, requiring disciplined prioritisation and operational adjustments. Net revenue for 2025 amounted to 1,630,162 KSEK compared to 1,727,057 KSEK in 2024. At year end, NA-KD employed 170 full-time equivalent (FTE) employees.

Following reconstruction, our priority is to strengthen the foundations of the business and build sustainable pillars from the ground up. This means reinforcing governance, improving operational efficiency, and integrating sustainability more systematically into sourcing, product development, and risk management. Our ambition is to scale responsibly, with long term resilience at the centre of our strategy.

We work with independent production partners globally and did not own any factories during 2025. By the end of 2025, we worked with 135 Tier 1 factories, primarily located in China, Turkey, and India. Through our due diligence processes and supplier engagement, we monitor social and environmental standards across our value chain. Our warehouse operations in Sweden and our logistics partners support efficient distribution to our customers.

As we move forward, our focus is on building a strong and sustainable foundation that enables responsible growth, integrating financial resilience with continued improvement in our environmental and social performance. We recognise that sustainability is an ongoing journey, and that significant work remains across our value chain. We are committed to continuous improvement and to strengthening our practices over time as we scale the business responsibly.



A Message from Our CEO

2025 has been a defining year for NA-KD, shaped by transformation, focus, and resilience.

In December 2024, we entered into reconstruction, and much of 2025 has been dedicated to strengthening our foundation and returning the company to profitability and long-term viability. While challenging, this process has given us the clarity and discipline required to build a more resilient business.

We aligned the entire organization around three clear priorities: Customer Satisfaction, Product Returns, and Profitability. These KPIs became guiding principles for how we design products, manage our assortment, and serve our customers. The progress we have achieved together makes us incredibly proud. Across teams, we have seen dedication, accountability, and collaboration turn a difficult situation into renewed momentum.

Improving customer satisfaction and reducing returns begins with better products. Thoughtfully designed, well-constructed garments and longevity as a key word, are essential for strengthening margins, building trust, and creating long-term value. Quality and sustainability go hand in hand. Garments designed to last reduce replacement, lower return rates, and decrease environmental impact.

One of the clearest insights from this year is that quality must lead the way forward, in all areas. This focus on quality represents more than a product strategy; it reflects a broader cultural shift. Future growth must be built on better products, not simply more products.

As part of this transformation, we also initiated a strategic re-branding of NA-KD. The purpose has been to clarify our position in the market, strengthen our identity, and sharpen our competitiveness within our chosen segment. By refining our brand expression, assortment focus, and customer offering, we are building a clearer and more consistent platform for long-term growth. This work goes beyond visual identity, it reflects a deeper alignment between who we are, what we stand for, and how we create value.

Alongside these efforts, sustainability continues to be an important part of how we build the future of NA-KD. Our work focuses on improving transparency in our value chain, strengthening responsible sourcing practices, and reducing the environmental impact of our operations and products. During the year, we also began reviewing our sustainability strategy to ensure it reflects the structural changes taking place within the company and supports our long-term business priorities. This review will help us further integrate sustainability into our decision-making and ensure that our approach remains relevant, focused, and aligned with the direction of the business.

We also recognize that no transformation is sustainable without engaged people. During the year, we implemented Winningtemp, enabling us to continuously measure and better understand employee well-being and organizational health. By listening more systematically, we strengthen our leadership and our ability to create an environment where people can thrive, even during periods of change.

This year has reinforced an important belief: financial stability, employee well-being, and sustainability are deeply interconnected. A resilient and profitable business is a prerequisite for driving meaningful environmental and social impact.

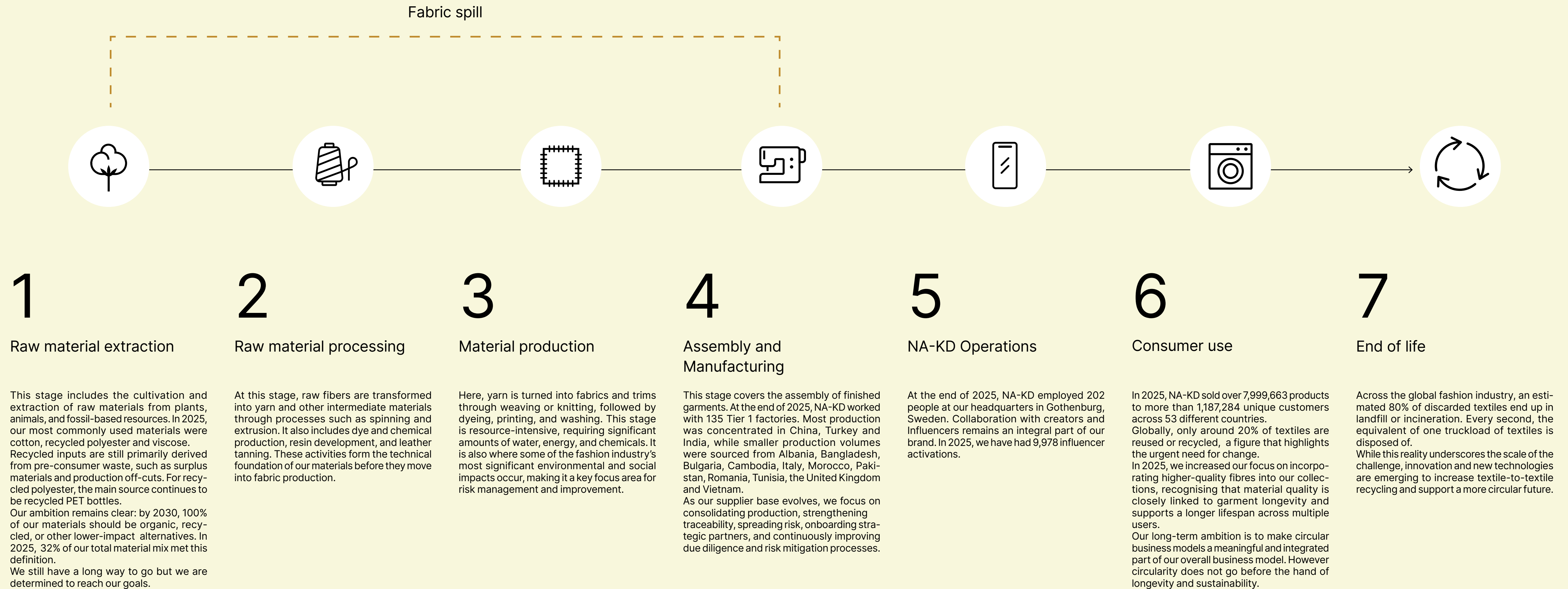
The journey is far from complete. But with greater clarity, stronger discipline, and a shared commitment to continuous improvement, we move forward with renewed confidence in building a stronger, more focused, and more responsible NA-KD.



Thank you for being part of this journey with us.

Mattias Jacobsson, CEO

Our Value Chain



Accelerating Traceability and Transparency

We are deepening our efforts to strengthen traceability and transparency across our value chain, recognising that this is where the majority of our impact on people, climate, and the environment occurs. Increasing visibility is not only about disclosure; it is a strategic priority that enables accountability, better decision-making, and meaningful impact reduction, but it is also important from a quality perspective. Since April 2021, we have maintained full transparency of our Tier 1 suppliers. All garment facilities where cutting, sewing, and finishing take place are publicly disclosed in our supplier list on our website. In line with our belief in industry collaboration and open data, our producing factories are also shared with Open Supply Hub, contributing to a more transparent global fashion industry. Please see our latest supplier list on the Open Supply Hub [here](#).

During 2025, we continued our mapping efforts to include Tier 2 suppliers, the mills responsible for weaving, knitting, and dyeing our fabrics. These suppliers are now integrated into our public supplier list, an important milestone in deepening supply chain visibility. We are continuously enriching our supplier disclosures with additional details, including relevant sustainability data and performance indicators.

We aim to increase traceability across our value chain over time, with an ambition to move towards higher levels of traceability by 2030, including from Tier 1 facilities back to raw material level. Step by step, we are building the systems, partnerships, and data infrastructure required to reach that goal. While transparent communication about product origin and journey remains important for our customers and stakeholders, our primary driver is transformation. Greater traceability allows us to engage more closely with suppliers across all tiers, proactively support improvements in working conditions, accelerate climate reduction initiatives, and promote agricultural practices that protect biodiversity, water, and soil health. We know that the most significant environmental and social impacts occur upstream, and that is where our focus must be. We aim to communicate the social and environmental footprint of our products in a clear, honest, and forward-looking way, strengthening trust through transparency, collaboration, and measurable progress.



In 2025, China accounted for approximately 73% of our production, followed by Turkey (17%), India (5%), Bangladesh (3%), and other countries (2%). Across our supply chain, more than 28824 people are employed in the factories producing our garments.

The map illustrates our production footprint by country. Dot size corresponds to production volume, with China as our largest production base, followed by Turkey and other countries in descending order.

- | | |
|---------------|-------------------|
| 1. China | 8. United Kingdom |
| 2. Turkey | 9. Tunisia |
| 3. India | 10. Morocco |
| 4. Bangladesh | 11. Romania |
| 5. Vietnam | 12. Italy |
| 6. Bulgaria | 13. Cambodia |
| 7. Pakistan | 14. Albania |

2025 Highlights

We are on an ongoing sustainability journey, and in 2025 our focus has been on strengthening the fundamentals that enable long-term progress. As expectations from regulators, partners, and customers continue to evolve, we are prioritising stronger governance, improved data quality, and increased transparency across our value chain.

In 2025, NA-KD went through a company reconstruction, which brought operational challenges and required a reassessment of priorities. As part of this process, we have focused on updating strategies and systems to ensure they are resilient and sustainable over the long term, while continuing to work toward our established sustainability goals. While we made progress across several areas, not all of our 2025 targets were fully achieved within the original timeline. We are currently reviewing our sustainability strategy and establishing clearer action plans and timelines to address these gaps and ensure alignment with regulatory developments, our business plan and our long-term ambitions.

By strengthening our foundations today, we aim to ensure that future progress is robust, measurable, and integrated into how we operate as a business.

We recognise that substantial challenges remain, and we are committed to continuing this work step by step, with transparency and accountability.

Achieved an absolute emissions reduction of -29% since our 2020 base year.

Further refined our Double Materiality Assessment (DMA), aligning our methodology with principles of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Initiated living wage data collection in Tier 1 factories, establishing a baseline for future engagement.

Collaborated with Räddningsmissionen to support the KlädRätt store in Angered, with NA-KD contributing approximately one-fifth of the garments redistributed through the store during the year.

Developed our Quality Strategy, focusing on size & fit optimisation, return reduction, and product durability.



The Big Picture: The Sustainability Landscape in 2025

Adapting to a Changing Regulatory Environment

By the end of 2025, the European sustainability agenda has clearly moved from long-term strategy to practical implementation. The EU Green Deal and the EU Textile Strategy continue to shape the direction of the fashion industry, but expectations are now becoming more detailed and operational. Requirements related to transparency, product design, durability, and value chain oversight are gradually taking clearer form.

Legislation such as the Corporate Sustainability Reporting Directive (CSRD), the Ecodesign for Sustainable Products Regulation (ESPR), and the upcoming Corporate Sustainability Due Diligence Directive (CSDDD) are reshaping how companies manage and document environmental and social impacts. While CSRD is already influencing reporting practices across Europe, CSDDD will in the coming years require strengthened human rights and environmental due diligence across value chains. Member States are preparing national implementation, and companies are expected to align governance and risk management processes accordingly.

As a brand operating primarily in Europe, NA-KD is closely monitoring these developments and continuing to strengthen internal systems, data capabilities, and oversight structures to align with this evolving regulatory landscape.

Sustainability in a Changing Market Landscape

Sustainability in the European fashion industry is increasingly defined by accountability and integration. Policy initiatives are moving from ambition to application, raising expectations on measurable progress and documented performance. At the same time, economic pressures, cautious consumer spending, and geopolitical uncertainty continue to influence business conditions across the sector.

For NA-KD, 2025 was further shaped by organisational reconstruction. This period required focus and prioritisation, reinforcing the importance of resilient systems and long-term sustainability in both strategy and operations. Rather than approaching sustainability as a standalone initiative, we have continued to integrate environmental and social considerations into sourcing, product development, and governance processes to support stable and responsible growth.

ESG Maturity and Market Expectations

Across Europe, ESG reporting has entered a new phase of maturity. With many companies now reporting under CSRD in accordance with the European Sustainability Reporting Standards (ESRS), comparability and data reliability are becoming standard expectations.

Even companies not yet legally required to report are experiencing increased scrutiny. Investors, financial institutions, and business partners increasingly expect structured double materiality assessments, clearer disclosures on impacts, risks and opportunities, and transparent underlying methodologies.

As a result, sustainability performance is increasingly linked to financial risk management, access to capital, and long-term competitiveness.

From Circularity to Product Longevity

While circularity remains central to the European textile agenda, the focus in 2025 has increasingly shifted toward product longevity. Regulatory developments under the Ecodesign for Sustainable Products Regulation (ESPR) signal clearer expectations on durability, repairability, and product design. Rather than concentrating primarily on downstream solutions such as resale or recycling, attention is turning to how garments are designed and produced from the outset.

Extending product lifetimes is widely recognised as one of the most effective ways to reduce environmental impact. This shift places greater emphasis on material selection, construction quality, size and fit accuracy, and return reduction. Building better products from the start, with durability and long-term use in mind, is becoming both a regulatory requirement and a business priority.

For NA-KD, this reinforces the importance of embedding sustainability considerations directly into product development and quality strategies.

Technology, Data and Transparency

Technology continues to support sustainability efforts, but in 2025 the emphasis is on reliability rather than novelty. Product-level data, supplier traceability, and emissions measurement systems are increasingly necessary to meet regulatory and stakeholder expectations.

Digital tools enable improved demand forecasting, return reduction, and enhanced supply chain visibility. At the same time, scrutiny of environmental claims has intensified, increasing the importance of documentation and substantiated communication.

Global Dynamics and Transatlantic Exposure

While NA-KD's primary market is Europe, global developments continue to influence operations. In the United States, evolving tariff discussions and trade measures contribute to uncertainty for brands with transatlantic exposure.

More broadly, geopolitical developments and international climate negotiations continue to shape expectations around decarbonisation and supply chain due diligence. For fashion brands operating across markets, this reinforces the importance of flexible sourcing strategies and structured risk assessment processes.

A Landscape Defined by Accountability

Overall, the sustainability landscape at the end of 2025 is defined less by ambition statements and more by accountability, documentation, and integration. Regulatory requirements, investor expectations, and consumer scrutiny are converging toward greater transparency and measurable performance.

For NA-KD, this environment underscores the importance of strengthening systems, refining strategy, and embedding sustainability into governance, sourcing, and product development, supporting long-term resilience in a rapidly evolving market.



01. Vision

Leading social first fashion house

02. Mission

Fast, social and connected. Turning inspiration into influence together with our community.

03. Values

Courage

We take risks to evolve and dare to fail rather than never try. We speak up and use our voice for what we believe in.

Curiosity

We constantly seek new perspectives. We question our assumptions to create breakthroughs by challenging the status quo.

Momentum

We favour progress and simplicity. We take ownership and act and constantly push the limit of our potential.

Collaboration

We embrace diversity and inclusion and actively seek new ways to collaborate. We win and lose together, while making sure to have fun along the way.

Customer obsession

We see things from the customer's perspective and always put them first. We strive to deliver excellence in every customer interaction.

Fashion fit for the *future*

We aim to conduct our business in a way that reflects respect for people, diversity, and the environment. These principles guide how we operate as an organisation and how we engage with customers, employees, and partners. Our vision, mission, and corporate values provide the foundation for our strategic direction and day to day decision making.

Our values were developed together with employees and form a core part of our organisational culture. They support consistent decision making and communication across the business. Following the organisational changes in 2025, reinforcing a shared understanding of these values has remained an important priority.

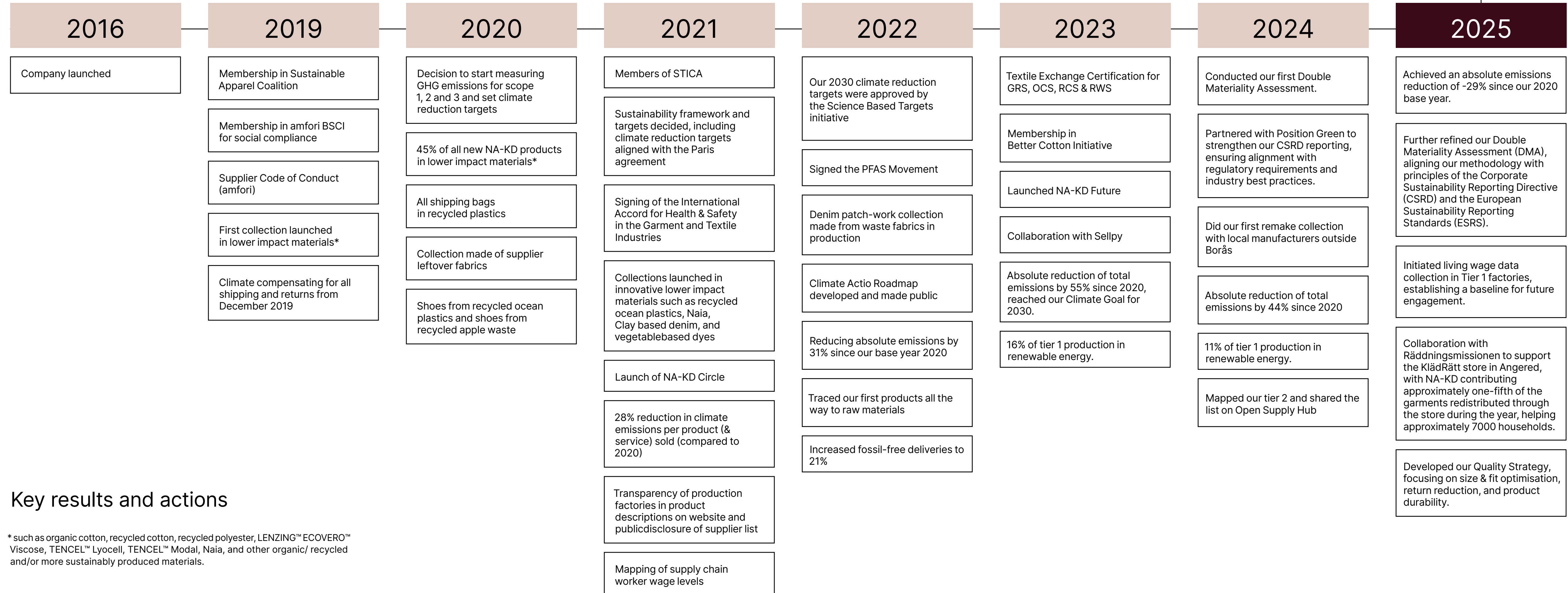
Our values are integrated into onboarding processes for new employees and are revisited regularly through internal meetings and performance dialogues. They are also reflected in our performance management framework. The Chief Executive Officer and Senior Management Team are responsible for ensuring that these principles are upheld across the organisation. Our corporate language is English.

NA-KD's Sustainability Timeline

Our key goals

- By 2030, reduce absolute emissions by 50%, from cotton fields to customers
- By 2030, have 100% organic, recycled or other lower impact materials in all our products
- By 2030, reach full supply chain transparency for 80% of our production
- By 2030, factories (tier 1) representing 100% of business volume have made their own living wage assessments for their workers

Commitments, memberships & decisions



Key results and actions

* such as organic cotton, recycled cotton, recycled polyester, LENZING™ ECOVERO™ Viscose, TENCEL™ Lyocell, TENCEL™ Modal, Naia, and other organic/ recycled and/or more sustainably produced materials.

Our Sustainability Approach

Our sustainability strategy is grounded in a materiality assessment that enables us to understand our actual and potential impacts, both positive and negative, on the economy, the environment, and people, including impacts on human rights throughout our operations and business relationships. This structured approach allows us to prioritise the issues that are most significant to our business and stakeholders, guiding focused action to reduce adverse impacts while supporting areas where we can contribute positively.

Our sustainability approach is also guided by the OECD Guidelines for Multinational Enterprises and the OECD Due Diligence framework. This six step framework supports companies in embedding responsible business conduct into policies and management systems, identifying and assessing actual and potential impacts, ceasing or mitigating adverse impacts, tracking effectiveness, communicating progress, and providing for remediation where relevant. We use this structure to inform our ongoing risk management and due diligence processes across our value chain.

Following our initial materiality assessment in 2024, our work in 2025 has centred on the continuous monitoring of identified material topics while remaining attentive to emerging or previously unidentified risks. This ongoing oversight ensures that our strategy reflects developments in our supply chain, regional risk exposure, and changes in the broader economic and regulatory environment.

Our material topics were identified through a structured process. We began with a high level assessment of actual and potential impacts across environmental, social, and economic dimensions. We then evaluated the severity and likelihood of these impacts and incorporated stakeholder perspectives to determine which topics are material and how they should be prioritised. Our most significant risks relating to people and human rights have been identified through a dedicated human rights impact assessment. These risks are described in our salient human rights document available on our website, including an overview of geographical and structural risk areas within our value chain. The assessment draws on the amfori BSCI country due diligence tool as well as findings from social audits conducted at our supply chain partners. Our salient human rights risks, presented without order of priority, include:

- Discrimination
- Harassment
- Victimisation and Violence
- Health and Safety
- Living Wages
- Freedom of Association and Collective Bargaining
- Decent Working Hours
- Social Security
- Forced Labour and Modern Slavery
- Child Labour and Young Workers
- Access to Clean Water

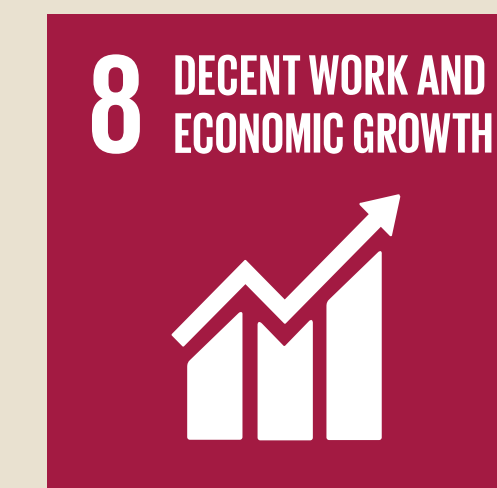
Similarly, our key environmental risks have been identified through a company level environmental impact assessment and are further described on our website, together with high risk materials and mitigation actions. Our salient environmental impact areas include:

- Contribution to Climate Change
- Land Use for Textile Production Instead of Food
- Biodiversity Loss Linked to Land Use
- Microplastic Pollution
- Water Impacts
- Chemical Pollution from Production
- Overproduction Leading to Landfill

While circular solutions remain relevant within the broader industry context, our strategic focus is increasingly centred on product longevity. Strengthening durability, improving size and fit accuracy, and reducing return rates are key levers for lowering environmental impacts. By prioritising quality and long term use in product development, we aim to address impacts at the design stage rather than relying solely on downstream circular solutions.

At the same time, we recognise the importance of engaging our customer community responsibly and fostering an internal culture that supports learning, cross functional development, and long term capability building across the organisation.

The five Sustainable Development Goals we contribute to the most are:



We are dedicated to contributing to the Sustainable Development Goals as formulated by the United Nations—for the sake of our future and all of us, but also because that’s the way we want to do business. Our sustainability work is a fundamental part of who we are.

Stakeholders

At NA-KD, we define stakeholders as those who affect, or are affected by, our business activities. By engaging with those who have the greatest impact on our work, and those whom we impact in return, we have successfully identified our most material sustainability priorities. Our stakeholder circle includes our customers, colleagues, influencers, owners, business partners, scientific researchers, and society at large. We believe that sustainability is a collective effort, and it is only through close partnership with these groups that we will achieve our ambitions.

Customers

Our customers are always our first priority. We are deeply committed to understanding them, if it matters to our customers, it matters to us. The journey to becoming a more sustainable business and industry is full of challenges, and we know we'll only succeed by collaborating with our customers. To make sure we're truly listening to what our customers want and need from us on sustainability, we conduct regular surveys and keep a close, ongoing dialogue through our customer service and social media teams. Based on these continuous conversations, NA-KD's top three impact areas regarding sustainability, as prioritized by our customers, are:

1. Product quality and durability
2. Use of recycled and sustainable materials
3. Ethical supply chain practices and Transparency

Colleagues

Our colleagues define who we are. Without their creativity, talent and passion, we couldn't serve our customers the way we do. They are essential to our sustainability journey, as their ideas and abilities will take us to the next level. The physical and mental well-being of our colleagues is of utmost importance to us, and we are dedicated to providing equal opportunities for everyone to succeed. Based on insights gathered from employee satisfaction surveys, performance reviews, and continuous dialogue, we have identified three priority areas highlighted by our employees:

1. Working conditions at NA-KD
2. Strategic sustainability training for employees
3. Sustainability governance by the board and senior management.

Our Sustainability Approach

Influencers

We have developed long term relationships with our influencer and creator community, recognising their role in shaping dialogue around fashion and sustainability. Through our platforms, we aim to collaborate with a diverse range of voices and perspectives across different markets. Our partnerships with creators contribute insights into trends, customer expectations, and responsible communication. We maintain structured and ongoing dialogue through our Performance Management, Key Account Management, Collab Design, and Purchasing teams to ensure alignment and transparency in our collaborations.

Based on these continuous exchanges, the key areas where NA-KD has an influence are:

1. Design for longevity
2. Use of sustainable materials
3. Transparency and ethical practices

Business Partners

NA-KD collaborates with a diverse network of partners, including producing vendors as well as wholesale, retail, and logistics providers. Our producing vendors are central to our operations. We do not own factories but work with independent supply chain partners to manufacture our products. At the end of 2025, we worked with 135 Tier 1 factories. We engage with our suppliers to ensure compliance with our sustainability requirements and Code of Conduct, and we maintain ongoing dialogue to support adherence to our social and environmental standards. Our approach focuses on monitoring, risk assessment, and continuous improvement within the framework of our due diligence processes. Based on this continued engagement, suppliers have identified the following areas as key priorities in their collaboration with NA-KD:

1. Sustainable and lower impact production
2. Transparency and ethical practice in supply chain
3. Maintaining product quality and certification management

Science & Research

Climate science highlights the need for substantial global emissions reductions within this decade in order to limit temperature rise and associated risks. As part of the fashion industry, we recognise our responsibility to contribute to these efforts through structured and measurable action. For our sector, reducing climate impact requires practical and scalable measures, including responsible material choices, improved resource efficiency, and a stronger focus on product longevity. Strengthening durability and promoting long term use are important levers in addressing emissions across the value chain. We monitor developments in climate research and industry guidance to inform our priorities and risk assessments. Based on current scientific consensus and sector specific insights, the three areas identified as key priorities are:

1. Thinking holistically and addressing all aspects of sustainability, including water, biodiversity, working conditions, and human rights
2. Sustainable and lower impact production in supply chain
3. Prioritising quality and longevity of a product over quantity

Owners

Following the reconstruction in 2025, the ownership structure of NA-KD has changed. We maintain ongoing dialogue with our new ownership and Board of Directors to ensure continued alignment on strategy, risk management, and long term value creation. While ownership has evolved, our commitment to responsible business practices remains consistent. Certain principles continue to guide our approach, including a strong focus on human rights and environmental due diligence, responsible purchasing practices, and the continuous improvements required in day to day operations to ensure that sustainability remains integrated into business decisions. Through our regular engagement with the Board of Directors and owners, the following areas remain identified as strategic priorities:

1. Ensuring compliance within an increasingly complex and evolving regulatory environment
2. Continuing progress on our climate related objectives and emissions reduction roadmap
3. Strengthening responsible and stable business relationships within our supply chain

Society

At NA-KD, we stand by our values of equality and diversity. We believe fashion should be a place where every person feels included and respected. We trust that our momentum, collaboration and curiosity around climate change issues will bring more people along in our sustainability journey. Our engagement with societal stakeholders includes NGOs, policymakers, and peers in the industry, as well as multi-stakeholder initiatives like the International Accord for Health and Safety in the textile and garment industry, amfori and STICA. Based on input from these stakeholders, the key priority areas for NA-KD remain:

1. Climate change and mitigation
2. Transparency and communication
3. Women's and Worker's rights

Elaborating on our most material topics

Based on our materiality assessment, we have identified and described our most material topics. These topics are also addressed throughout the report.

Climate Action

Reducing climate and environmental impact across our operations and products continues to be an important focus area for the business. Our approach focuses on strengthening product longevity and reducing the environmental footprint associated with the production of new garments, which represents a significant share of impacts within our value chain.

For many of our key stakeholders, this remains a priority area, reflecting both the urgency of climate related challenges and the increasing expectations placed on businesses to adapt their models in line with environmental constraints. Companies that integrate climate and environmental considerations into core strategy and operations are better positioned to manage risks and build long term resilience.

Related policies: Environmental Policy, NA-KD Code of Conduct, Supplier Code of Conduct. Read more on our policies, commitments, processes, actions taken and effectiveness in the chapter on Climate Action, page 21.

Female empowerment

NA-KD's primary customer segment is women, and gender equality and inclusion remain important considerations within our business. We recognise that fashion and media can influence perceptions, representation, and self expression, and we seek to approach this responsibility with care and accountability. Our ambition is to contribute to an inclusive and respectful environment for women across our value chain, including customers, creators, employees, and partners. This includes promoting diverse and balanced representation in our communications, fostering a workplace culture grounded in respect and equal opportunity, and maintaining open and constructive dialogue with our community.

Through our products, collaborations, and internal culture, we aim to support an environment where women feel represented and respected, while ensuring that our actions remain aligned with our broader commitments to human rights and responsible business conduct.

Related policies: NA-KD Code of Conduct, Human Rights Policy, Work Environment Policy, Equal Treatment Policy.

Related policies: NA-KD Code of Conduct, Human Rights Policy, Work Environment Policy, Equal Treatment Policy. Read more on our policies, commitments, processes, actions taken and effectiveness in the chapter on Diversity and Inclusion, page 42.

Our most material topics

- Climate action
- Lower impact materials
- Transparency
- Product design and longevity
- Diversity and inclusion
- Female empowerment

Our Sustainability Approach

Product Design, Longevity and Material Impacts

We believe that strengthening product quality and longevity is an important step toward a more responsible business model. Long term resilience depends on designing durable products while continuously adapting our operations to an evolving regulatory and market environment. This transition requires collaboration across our value chain, engagement with our customers, and alignment with clear policy frameworks. Prioritising durability and responsible resource use supports our efforts to reduce climate impact while maintaining competitiveness. Our customers remain central to this work, and feedback indicates that material choices are a key area of interest in relation to sustainability.

Materials represent a significant share of our environmental footprint, particularly in relation to climate emissions, water use, and chemical impacts across the value chain, from raw material extraction to fiber, yarn, and fabric production. Increasing the share of lower impact materials, where feasible and verified, is considered an important lever in reducing negative environmental impacts while responding to stakeholder expectations, and remains an area under continued evaluation as part of our evolving strategy.

Related policies: Environmental Policy, NA-KD Code of Conduct, Material Ethics & Animal Welfare Policy, NA-KD Restricted Substances List. Read more on our policies, commitments, processes, actions taken and effectiveness in the chapter on Quality, page 40.



NA-KD's Sustainability Governance

In 2025, NA-KD underwent organisational reconstruction, which resulted in changes to both ownership and the company's governance structure. The composition of the Board of Directors was adjusted accordingly. Despite these changes, the overall governance framework and accountability for sustainability remain clearly defined.

NA-KD's highest governance body is the Board of Directors, which includes shareholder representatives and an independent Chairman. The Chief Executive Officer reports directly to the Board. NA-KD's Senior Management Team, led by the CEO, includes managers from key business areas such as Operations, Sales and Marketing, Purchasing, Sourcing and Production, Engineering, Finance, and People and Culture.

The Board of Directors retains ultimate responsibility for NA-KD's impacts on the economy, the environment, and people. The Senior Management Team is responsible for operational execution, including the development, approval, and regular review of the company's purpose, values, strategies, policies, and targets related to these impacts.

The sustainability strategy and roadmap are led by the Sustainability Lead, who reports to the Head of Sourcing and Production. The Head of Sourcing and Production reports to the Chief Purchasing Officer. This structure ensures that sustainability considerations remain closely integrated into sourcing decisions, supplier engagement, and product development processes. NA-KD's sustainability work is guided by our internal Code of Conduct, which was developed in 2021 and applies to all employees. The Code is reviewed and updated annually to reflect evolving regulatory requirements and internal priorities. Annual training on the Code of Conduct is mandatory for employees to support awareness and consistent implementation across the organisation.

Sustainability objectives are incorporated into relevant teams through our performance management system, based on their roles and responsibilities. This approach supports the integration of sustainability considerations into quarterly planning and operational objectives.

Special focus areas include:

- Reduction of CO2e emissions per product and service sold
- Product sell through rate
- Share of preferred materials with lower documented environmental impact

Sustainability Framework

Fashion fit for the future

Our sustainability framework provides structure to how we manage environmental and social impacts across our value chain. It reflects both stakeholder expectations and evolving regulatory requirements, while supporting long term resilience in our business model.

In 2025, following organisational reconstruction and a broader strategic review, we reassessed the structure of our sustainability priorities. While circularity remains an important concept within the fashion industry, we have chosen to shift our focus toward product quality and longevity as a more immediate and measurable lever for impact reduction. Strengthening durability, improving size and fit accuracy, and reducing return rates address environmental impacts at the design stage and form a foundation for future circular solutions. Our overall ambition to reduce environmental impact and support responsible consumption remains unchanged. The framework will continue to be reviewed and refined as regulatory developments and business conditions evolve.

Our sustainability framework for 2025 is structured around four priority areas:



01. Climate Action and Nature

The fashion industry relies on complex global supply chains and significant use of natural resources. The production of textiles and garments contributes to greenhouse gas emissions, water use, pollution, and other environmental pressures that affect ecosystems and communities across the value chain.

Climate change, biodiversity loss, water scarcity, and resource use are closely interconnected environmental challenges. Actions taken to address climate impacts can therefore also influence other environmental areas, including water availability, land use, and ecosystem health. Understanding these connections is important when working to reduce the overall environmental footprint of fashion products.

At NA-KD, we work to reduce the climate and environmental impacts associated with our operations and value chain. Our approach focuses on lowering greenhouse gas emissions, supporting more responsible resource use, and collaborating with suppliers and partners to improve environmental performance in the production of our products.



01. Climate Action and Nature

Policies, Impacts, Risks and Opportunities

NA-KD's approach to climate action and nature is guided by internal policies and supplier requirements that set expectations for responsible environmental management across our operations and value chain. Through these policies, we aim to reduce environmental impacts associated with the production of our products, while supporting responsible resource use and improved environmental performance among our business partners.

Our environmental due diligence includes identifying the most significant environmental impacts linked to our value chain, as well as assessing potential risks and opportunities related to climate change, resource use, and evolving regulatory and market conditions.

Environmental Policy

NA-KD's Environmental Policy outlines our commitment to addressing environmental challenges associated with our operations and supply chain. The policy covers key environmental areas including climate change, biodiversity, resource use, pollution prevention, and water stewardship.

Through this policy, NA-KD aims to reduce adverse environmental impacts by promoting responsible resource use, improving environmental performance in the production of our products, and supporting the transition towards more sustainable production and consumption patterns.

This includes efforts to reduce greenhouse gas emissions across our value chain, support energy efficiency and renewable energy adoption among business partners, and promote practices that help protect ecosystems and natural resources.

The policy also emphasises the importance of monitoring and measuring environmental impacts. NA-KD therefore works to track emissions and other environmental indicators across the value chain in order to support continuous improvement and inform decision-making.

Code of Conduct

NA-KD's Code of Conduct sets out expectations for responsible environmental management among our suppliers and business partners. The Code includes requirements related to resource use, emissions, waste management, and the environmental impacts associated with the production of garments and materials.

Suppliers are expected to work towards reducing environmental impacts in their operations, including improving energy efficiency, reducing emissions and waste, and managing water and chemicals responsibly. The Code also encourages the use of recycled, organic, or other lower-impact materials where possible.

Climate and Nature Impacts in Our Value Chain

The majority of NA-KD's environmental impacts occur in the upstream stages of our value chain. In the fashion industry, the production of fibres, fabrics and finished garments requires significant amounts of energy, water and chemical inputs. These processes contribute to greenhouse gas emissions, water consumption and pollution that may affect ecosystems and communities in production regions.

For NA-KD, important environmental impacts occur during material production and textile manufacturing processes such as fabric production, dyeing and washing. These stages are typically energy- and water-intensive and can contribute to greenhouse gas emissions and water pollution if wastewater and chemicals are not managed responsibly.

As NA-KD does not own manufacturing facilities, these impacts primarily occur at supplier facilities. Addressing environmental impacts in the supply chain is therefore a key focus area of NA-KD's climate and environmental work.

Climate and Environmental Risks and Opportunities

Climate change and broader environmental challenges present both risks and opportunities for NA-KD and the wider fashion industry.

Regulatory developments, particularly within the European Union, are introducing new requirements related to climate action, environmental performance and product sustainability. These regulatory changes may influence production practices, supply chain requirements and reporting obligations, and may affect costs associated with production and sourcing.

Physical climate risks, including extreme weather events and changing climate patterns, may also affect regions where textiles and garments are produced or transported. Such events may disrupt production, logistics and access to raw materials.

At the same time, the transition towards a lower-impact fashion industry creates opportunities for companies to reduce environmental impacts and develop new approaches to product design, materials and business models. This includes opportunities related to the increased use of lower-impact materials, circular business initiatives and improved transparency on environmental performance.

Collaboration with industry peers and multi-stakeholder initiatives also plays an important role in addressing shared challenges within global supply chains. Through initiatives such as the Scandinavian Textile Initiative for Climate Action (STICA), NA-KD works together with other companies to engage suppliers, share knowledge and support emissions reductions across the textile value chain.

01. Climate Action and Nature

Climate Strategy and Targets

As part of ongoing organisational and strategic developments, NA-KD's climate strategy, targets and Climate Action Roadmap are currently under review. The information presented in this report reflects the current framework while this work is ongoing. NA-KD's approach to climate action and nature is NA-KD's climate strategy focuses on reducing greenhouse gas emissions across our value chain while supporting more responsible use of energy and resources in the production and distribution of our products. As a fashion brand operating through a global supply chain, most emissions associated with NA-KD's products occur upstream, particularly during the production of materials and garments.

Our climate work therefore focuses primarily on addressing emissions related to product materials, manufacturing processes and logistics, while also reducing emissions from our own operations and improving transparency around our climate performance.

Approach to Climate Action

NA-KD's climate approach is guided by internationally recognised climate science and the objectives of the Paris Agreement to limit global warming to 1.5°C above pre-industrial levels.

To guide emissions reductions across the value chain, NA-KD developed a Climate Action Roadmap, which outlines key areas of focus for reducing emissions associated with our products and operations.

The roadmap was originally developed in alignment with NA-KD's broader sustainability strategy, which focused on four key areas: Climate Action and Nature, Our Products, Circularity, and Diversity and Inclusion.

As part of the ongoing development of our sustainability strategy, NA-KD is currently reviewing the Climate Action Roadmap to ensure alignment with the company's updated strategic priorities. In this updated strategy, Quality will replace Circularity as one of the core focus areas. This shift reflects an increased focus on ensuring that our products are designed and manufactured to be durable and suitable for long-term use.

As this strategic development progresses, NA-KD is working to adjust the Climate Action Roadmap accordingly while maintaining its focus on reducing greenhouse gas emissions across the value chain.

01. Climate Action and Nature

Climate targets

NA-KD has established climate targets to guide emissions reductions across our operations and value chain. These targets are currently under review as part of the ongoing development of our sustainability strategy, to ensure alignment with business priorities and external commitments.

Our long-term target is to reduce absolute greenhouse gas emissions across Scope 1, 2 and 3 by 50% by 2030, using 2020 as the baseline year. This target is currently being reviewed as part of our broader climate strategy update.

To support this overall reduction target, NA-KD has also established operational targets linked to key emission sources in our value chain. These include targets related to:

- Reducing emissions per product sold
- Increasing the share of renewable energy used in production
- Increasing the share of fossil-free transport in logistics operations

Together, these targets are intended to support NA-KD's efforts to reduce emissions across the most significant stages of our value chain, while the overall approach is being reassessed.

Our objective

Reduce our absolute emissions across our value chain in line with the Paris Agreement

	2023	2024	2025
By 2025. reduce emissions from our own operations by 80% (scope 1 & 2)	8.9	-24*	-79
By 2025 reduce emissions by 50% per product (& service) sold (scope 1, 2 & 3)	-40.2*	-52.5*	6.7
By 2030. reduce absolute emissions by 50% (scope 1, 2 & 3)	-49	-44	-29
By 2030. have 75% of our production volume being made with renewable energy	16	11	9.7
By 2030. have 75% of our last mile truck deliveries fossil free	26	25	33
By 2030. reduce emissions by 45% from product materials through volume reduction and moving towards using best available technology	-50	-47	-21

Note: *Values in the 2024 report contained errors and have now been rectified.

Integration into business strategy

Climate objectives are being integrated into NA-KD's broader business strategy and operational planning, with ongoing work to ensure alignment with the evolving sustainability direction. Sustainability targets are incorporated into the company's Objectives and Key Results (OKRs), helping ensure that climate considerations are embedded across relevant teams and functions.

Progress towards climate targets is monitored through NA-KD's annual climate accounting and internal reporting processes. Emissions data is used to track performance over time and inform decisions related to sourcing, production and logistics.

By integrating climate targets into business planning and performance management processes, NA-KD aims to support the implementation of its Climate Action Roadmap and the reduction of emissions across the value chain.

01. Climate Action and Nature

Transition Plan for Climate Change Mitigation

NA-KD's transition plan for climate change mitigation outlines how the company works to reduce greenhouse gas emissions across its operations and value chain. As mentioned in previously, the transition plan is currently under review as part of the broader update of our climate strategy.

The transition plan focuses on the main sources of emissions associated with NA-KD's products and operations, including material production, manufacturing processes, and transportation. Through a combination of operational improvements, supplier engagement and strategic initiatives, NA-KD works to reduce emissions across these areas while monitoring progress through its climate accounting.

Baseline and climate accounting

NA-KD uses 2020 as the baseline year for its climate targets and emissions reduction efforts.

In 2021, the company conducted its first climate audit for the 2020 financial year to establish a baseline for greenhouse gas emissions. During this process, NA-KD defined the system boundaries for its climate accounting and identified the main emission sources across its value chain.

Greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, which provides a globally recognised framework for measuring and reporting emissions. Emissions are reported across Scope 1, Scope 2 and Scope 3 categories, covering both direct emissions from NA-KD's operations and indirect emissions associated with purchased energy and activities across the value chain.

Development of the Climate Action Roadmap

To support the implementation of its climate targets, NA-KD developed a Climate Action Roadmap that outlines the main areas of focus for emissions reductions across the business.

The roadmap was developed through collaboration between several functions within the company, including the sustainability, purchasing, logistics and finance teams, together with the CEO. This cross-functional approach aimed to ensure that climate actions are aligned with operational realities and integrated into the company's broader business strategy.

By linking climate objectives with financial planning and operational priorities, the roadmap supports the identification of practical actions that can contribute to emissions reductions across the value chain.

Key pillars of the roadmap

NA-KD's Climate Action Roadmap focuses on key areas that influence the company's emissions profile and resource use. These areas reflect both operational improvements and broader strategic priorities across the business.

The roadmap is structured around four main focus areas:

- **Increasing full-price sell-through**, which helps reduce the risk of overproduction and excess inventory.
- **Lowering emissions associated with product production**, including improvements in materials, manufacturing processes and energy use in the supply chain.
- **Strengthening product quality and durability**, with the aim of producing garments that are designed and manufactured to be suitable for longer use.
- **Reducing overproduction**, including efforts to better align production volumes with customer demand.

Together, these focus areas guide NA-KD's work to reduce emissions and improve resource efficiency across the value chain. As described in the previous section, NA-KD is currently reviewing the Climate Action Roadmap to ensure alignment with the company's updated sustainability strategy.

01. Climate Action and Nature

Environmental Data Collection in the Supply Chain

The majority of NA-KD’s environmental impacts occur in the upstream stages of the value chain. Collecting environmental performance data from supplier facilities is therefore an important part of understanding and addressing these impacts.

To support this work, NA-KD collects environmental performance data from supplier facilities through established industry assessment tools. These tools enable facilities to report information on key environmental indicators such as energy consumption, electricity sources, water use, wastewater management, chemicals management and waste.

Supplier environmental assessment tools

NA-KD primarily uses the Higg Facility Environmental Module (Higg FEM), developed by Cascale, to collect environmental data from supplier facilities.

Supplier environmental assessment tools

Higg FEM provides a structured framework for measuring and reporting environmental performance at the facility level. The data collected through this tool supports NA-KD’s greenhouse gas emissions calculations and helps guide supplier engagement and continuous improvement initiatives related to energy use, emissions, water management and other environmental aspects of production.

In addition to Higg FEM, NA-KD is working to gradually expand the use of amfori BEPI (Business Environmental Performance Initiative) as an additional environmental assessment tool within the supply chain. The BEPI framework has developed significantly in recent years and provides an alternative platform for suppliers to assess and improve their environmental performance.

By working with both systems, NA-KD aims to support environmental data collection while allowing suppliers flexibility in the tools they use to report environmental information.

Data coverage across the supply chain

Environmental performance data is currently collected primarily from Tier 1 manufacturing facilities, where finished garments are produced. These facilities report environmental data mainly through the Higg FEM platform.

NA-KD has also started expanding environmental data collection further upstream in the supply chain. Work is ongoing to increase visibility of Tier 2 facilities, particularly fabric mills, which are associated with significant environmental impacts in textile production.

Improving data coverage across the supply chain helps NA-KD better understand environmental impacts and identify opportunities for emissions reductions and improved environmental performance.

Use of supplier data

Environmental data collected through supplier assessments supports NA-KD’s climate accounting and environmental monitoring.

Where available, NA-KD uses facility-level environmental data reported through the Higg Facility Environmental Module (Higg FEM) to inform its greenhouse gas emissions calculations. This data provides insights into energy consumption, electricity sources and other environmental indicators at supplier facilities, supporting both emissions accounting and engagement with suppliers on improvement initiatives.

When facility-specific data is not available, emissions are estimated using secondary data and emission factors based on factors such as the type of facility, production processes and the geographic location of production. This approach helps ensure that emissions associated with NA-KD’s supply chain are accounted for while data coverage continues to improve.

As NA-KD expands the use of amfori BEPI within the supply chain, environmental data collected through this platform may also contribute to environmental monitoring and supplier engagement efforts in the future.

Overview & status of climate transition plan

Scopes	Business area	2020 Baseline (ton CO2e)	Reduction % 2030	Reduction % 2025 from Baseline
Scope 1 & 2	Company operated facilities	177	-75%	-80.23%
	Company cars	5	-80%	-8%
Scope 3	Business travel	530*	-49%	-30%
	Production, tier 1	9668	-56.%	-72.06%
	Production, tier 2-4 Purchased material	47217	-49%	-21.50%
	Packaging	2353	-50%	-46.11%
	Shipping, inbound	6604	-72%	-24.98%
	Shipping, outbound	2579	-55.%	-7.64%
	Shipping, returns	660	-50%	-6.52%
	Total	70764*	-53%	-29.5%

Note: *Values in the 2024 report contained errors and have now been rectified.

01. Climate Action and Nature

Climate Impact and Emissions

Understanding and reducing greenhouse gas emissions is central to NA-KD's climate strategy. By measuring emissions across our operations and value chain, we are able to identify the most significant sources of impact and prioritise actions where they can deliver the greatest reductions. The following sections outline how our emissions are calculated, how they have developed over time, and how they are distributed across different parts of our business and value chain.

Climate calculations and methodology

NA-KD calculates its greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, a globally recognised framework for measuring and managing greenhouse gas emissions. The GHG Protocol categorises emissions into three scopes.

- Scope 1 includes direct emissions from sources owned or controlled by NA-KD, primarily company-operated vehicles.
- Scope 2 includes indirect emissions from purchased electricity and heating used in NA-KD's facilities.
- Scope 3 includes indirect emissions that occur across the value chain, including material production, manufacturing, fuel and energy related activities, logistics, packaging and business travel.

The baseline year for NA-KD's climate transition plan is 2020, when the company conducted its first comprehensive climate calculations covering Scope 1, Scope 2 and Scope 3 emissions.

Emissions are calculated using a combination of primary data and secondary data. Primary data is used where available, particularly for supplier facilities and operational activities. Environmental performance data from suppliers is collected through the Higg Facility Environmental Module (Higg FEM), which provides facility-level information on energy consumption and emissions. This data is primarily used to estimate emissions from Tier 1 manufacturing.

For purchased materials and upstream textile production (Tier 2–4), emissions are calculated using a combination of supplier-specific data and recognised industry emission factors. NA-KD collects primary data on purchased materials and production volumes, which is used to estimate emissions associated with material production. Emission factors used in these calculations are primarily sourced from the Higg Materials Sustainability Index (MSI).

Operational activity data is used for categories such as business travel, where emissions are mainly calculated using primary data from travel providers. In cases where activity data is not available, emissions are estimated using spend-based methodologies. This approach enables NA-KD to continuously improve the quality and coverage of emissions data while maintaining visibility of emissions across the value chain.

01. Climate Action and Nature

Emissions performance

In 2025, NA-KD's total greenhouse gas emissions amounted to 49,889 tonnes CO₂e.

This represents:

- an increase of 26.4% compared to 2024, and
- a 29.5% reduction compared to the 2020 baseline year.

The increase compared to the previous year was mainly influenced by changes in operational structures and logistics flows. During the year, NA-KD reduced the number of warehouses from four locations (Landskrona, the Netherlands, the United Kingdom and Poland) to a single warehouse in Landskrona as part of a broader operational restructuring.

During this transition period, supply chain operations faced challenges related to supplier coordination and collection timelines. In some cases, this resulted in a higher reliance on air freight than in previous years, contributing to increased transport emissions.

Despite these challenges, the logistics and operations teams have continued to work actively on shipment consolidation and transport optimisation, aiming to improve container utilisation and reduce overall emissions intensity over time.

Emissions from business travel also increased in 2025. This was partly driven by a greater need for in-person engagement with suppliers during the operational restructuring, ensuring stable production flows and maintaining strong supplier relationships. Additionally, emissions reporting for business travel was expanded to include travel related to photoshoots and marketing activities, which were not previously fully captured in the inventory.

Despite the increase compared to the previous year, total emissions remain significantly lower than the baseline year, reflecting structural changes in purchasing volumes and ongoing improvements in operational efficiency across the supply chain.

SCOPES	Business area	2020 Baseline (ton CO ₂ e)	Reduction % 2030	Reduction % 2025 from Baseline
Scope 1&2	Company operated facilities	177	-75%	-80.23%
	Company cars	5	-80%	-8%
Scope 3	Business travel	530*	-49%	30%
	Production. tier 1	9668	-56.6%	-71.06%
	Production. tier 2-4 Purchased material	47217	-49%	-21.5%
	Packaging	2353	-50%	-46.11%
	Shipping. inbound	6604	-72%	-24.98%
	Shipping. outbound	2579	-55.5%	-7.64%
	Shipping. returns	660	-50%	-7.52%
Total		70764*	-53%	-29.5%

Note: *Values in the 2024 report contained errors and have now been rectified.

Emissions by scope

NA-KD's greenhouse gas emissions are predominantly generated in its value chain.

In 2025:

- Scope 1 emissions amounted to 4.6 tonnes CO₂e, representing less than 0.01% of total emissions. These emissions primarily originate from company-operated vehicles.
- Scope 2 emissions totalled 35 tonnes CO₂e, representing approximately 0.1% of total emissions, and are associated with electricity and heating used in NA-KD's facilities.
- Scope 3 emissions accounted for 49,850 tonnes CO₂e, corresponding to 99.9% of total emissions.

Within Scope 3, the largest source of emissions is purchased goods and services, which includes the production of materials and garments and represents over 80% of total emissions. The second largest category is upstream transportation and distribution, which includes inbound logistics from suppliers.

This distribution highlights that the majority of NA-KD's climate impact occurs in the upstream supply chain, particularly in textile production and material manufacturing, which are energy-intensive processes. As a result, collaboration with suppliers and improvements in material sourcing and production practices remain central to NA-KD's climate strategy.

01. Climate Action and Nature

Scope 1 and Scope 2 – Own Operations

While the majority of NA-KD's climate impact occurs across its value chain, the company also works to reduce emissions from its own operations. These emissions arise primarily from company-operated vehicles and energy use in NA-KD's facilities, including offices and warehouse operations.

Operational emissions represent an area where NA-KD has direct control over activities and improvements, making them an important part of the company's broader climate transition plan. By integrating climate considerations into operational decisions, NA-KD aims to reduce emissions where possible while maintaining efficient business operations.

Scope 1 emissions

Scope 1 emissions include direct greenhouse gas emissions from sources owned or controlled by NA-KD emissions primarily originate from company-operated vehicles. Historically, refrigerant leakage from cooling systems has also been included in this category.

In 2025, Scope 1 emissions amounted to 4.6 tonnes CO₂e. NA-KD continues to evaluate opportunities to reduce emissions from company vehicles over time, including the gradual transition to fossil-free alternatives where feasible.

Scope 2 emissions

Scope 2 emissions include indirect emissions from purchased electricity and heating used in NA-KD's facilities, including offices and warehouse operations.

In 2025, Scope 2 emissions totalled 35 tonnes CO₂e under the market-based approach used for reporting.

During the year, NA-KD consolidated its warehouse operations as part of a broader operational restructuring. Moreover, Solar panels installed on the roof of the Landskrona warehouse contribute to the facility's electricity supply and support the use of renewable energy within NA-KD's operations.

Decarbonisation actions

Compared to the 2020 baseline year, NA-KD's Scope 1 and Scope 2 emissions decreased by 79%, reaching 39.6 tonnes CO₂e in 2025.

This reduction is mainly driven by the consolidation of warehouse operations during the year. Previously, NA-KD operated warehouses in Landskrona, the Netherlands, the United Kingdom and Poland. Following the operational restructuring, the Landskrona warehouse remained the primary facility, contributing to lower overall energy consumption.

Solar panels installed on the roof of the Landskrona warehouse continue to contribute to the facility's electricity supply and support the use of renewable electricity in NA-KD's operations.

base year					
Total Emissions	2020	2024	2025	Difference since base year	
Total Scope 1 CO ₂ e emissions (tonnes)	10	3.6	4.6	-5,4	-54%
Total Scope 2 CO ₂ e emissions (tonnes)	177	138	35	-142	-80%
Total Scope 3 CO ₂ e emissions (tonnes)	70577*	39	50	-21	-29%
Total CO ₂ e emissions (tonnes)	71	39	50	-21	-29%
CO ₂ e per product sold (pieces)**	0.0	6.2	0.0	-6.2	-18%

Note: *Values in the 2024 report contained errors and have now been rectified.
**In previous reporting years, the value was incorrectly identified as "per product sold (kg)". This has been rectified in the 2025 report to correctly denote the value "per product sold (pieces)".

base year				
Scope 1 and 2	2020	2024	2025	Difference since base year
Scope 1 emissions	10	3.6	4.6	-54%
Company cars	5,1	3.6	4.6	-10%
Refrigerant leakage	5	0	0	-100%
Scope 2 emissions	177*	138	35	-80%
Electricity	121.5	101.4	0.304	-100%
Heating	55.3	36.4	34	-39%
Total (tonnes CO ₂ e)	187*	141.6*	39.6	-79%

Note: *Values in the 2024 report contained errors and have now been rectified.

01. Climate Action and Nature

Scope 3 – Value Chain Emissions

The majority of NA-KD’s greenhouse gas emissions occur across its value chain. These emissions arise from activities such as material production, garment manufacturing, logistics and transportation, packaging and business travel.

Understanding emissions across the value chain is therefore essential to identifying the main drivers of climate impact and prioritising reduction efforts. In 2025, NA-KD’s Scope 3 emissions amounted to 49,850 tonnes CO₂e, representing a 29% reduction compared to the 2020 baseline year.

Our scope 3 emissions

Emissions category	2020	2024	2025	Difference since base year
Tier 2-4: Material and textile production	47217	25112	37067	-21%
Tier 1: Manufacturing	9668	2707	2798	-71%
Transports and distribution	9843	9906	8021	-19%
Packaging	2353	708	1268	-46%
Third party warehouses	949	320	0	-100%
Business travel	531	528	689	30%
Fuel and Energy related activities	16	32*	6	-62%
Total (ton CO₂e)	70582	39313*	49849	-29%

Note: *Values had error in 2024 report and rectified now.

The largest share of emissions continues to originate from material and textile production, followed by transportation and distribution.

Production, materials and packaging

The largest share of NA-KD’s greenhouse gas emissions originates from the production of materials and garments. This includes emissions from textile production across Tier 2–4 suppliers, such as fibre production, spinning, weaving, dyeing and finishing, as well as Tier 1 garment manufacturing, where garments are assembled. Together, these categories represent over 80% of NA-KD’s total emissions.

In 2025, emissions from material and textile production amounted to 37,067 tonnes CO₂e, while Tier 1 manufacturing accounted for 2,798 tonnes CO₂e. Together, these categories represent the majority of NA-KD’s value chain emissions.

Production-related emissions also include packaging materials used to protect and transport products. In 2025, emissions from packaging amounted to 1,268 tonnes CO₂e, compared to 708 tonnes CO₂e in 2024 and 2,353 tonnes CO₂e in the 2020 baseline year.

While packaging emissions remain significantly lower than the baseline year, the increase compared to 2024 is mainly driven by higher packaging volumes and heavier products and fabrics, which require additional protective packaging.

In recent years, NA-KD has also gradually transitioned towards paper-based packaging solutions in place of plastic bags in several applications. While this change supports efforts to reduce plastic use, paper packaging may require more material and weight per unit, which can in some cases result in higher associated emissions compared to lightweight plastic alternatives.

NA-KD continues to work with suppliers to improve environmental performance and transparency across the supply chain, while exploring opportunities to optimise material use and packaging solutions.

Produced volume with renewable energy in Tier 1	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Target: Produced volume with RE in tier 1	0.63	1.35	3	8	12	20	30	40	50	60	75%
Actual in %	4	3	3	16	11	10					

Recycled packaging materials	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Target: Recycled Plastic in %	63	65	70	75	80	85	90	95	100	100%
Actual	63	94	93	92	83					
Target: Recycled Cardboard in %	4	20	30	40	50	60	70	80	90	100%
Actual	4	61	65	67	75					

01. Climate Action and Nature

Logistics and Transportation

Logistics and transportation represent the second largest source of NA-KD's value chain emissions. These emissions arise from the movement of products across the supply chain, including inbound shipments from suppliers, outbound deliveries to customers, returns, and internal transfers such as samples and intermediary transports.

In 2025, emissions from upstream transportation and distribution amounted to 8,021 tonnes CO₂e, compared to 10,226 tonnes CO₂e in 2024 and 9,843 tonnes CO₂e in the 2020 baseline year, representing a 19% reduction compared to the baseline year.

Carbon footprint 2020 (t CO ₂ e)	2020	2024	2025
Air	7908	7703	6577
Ocean	511*	588	550
Road	1408	1615	894
Rail	17	0	0
Total	9844	9906	8021

Note: *Values in the 2024 report contained errors and have now been rectified.

Our total transport emissions (tonnes CO ₂ e)	2020	2024	2025
Inbound	6604	3232	4954
Samples	0	8	8
Outbound	2579	4407	2382
Returns	660	1785	617
Intermediary transport	0	474	61
Total	9843	10	8022

Inbound transportation

Inbound transportation includes shipments from suppliers to NA-KD's warehouse. In 2025, inbound transport accounted for the largest share of transport emissions, representing approximately 62% of total transport emissions.

Outbound deliveries

Outbound transport includes deliveries from NA-KD's warehouse to customers. In 2025, outbound deliveries accounted for approximately 30% of total transport emissions. NA-KD continues to work with logistics partners to increase the share of fossil-free deliveries, particularly for last-mile distribution.

Returns and internal logistics

Returns accounted for approximately 8% of total transport emissions in 2025. Additional transport emissions arise from internal logistics flows such as samples and intermediary transports, although these represent a relatively small share of the total.

Mode of transport

Air freight has a significantly higher emission intensity than other transport modes and therefore accounts for a large share of transport emissions. During the year, the operational restructuring made logistics planning more challenging and in some cases required increased reliance on air freight to meet production and delivery timelines. NA-KD is working to reduce reliance on air freight in the coming years through improved shipment planning and consolidation, as well as strengthened supplier relationships and improved planning.

Inbound targets	2023	2024	2025	2026	2027	2028	2029	2030
Annual targets: Total air transports CBM kg in %	4	4	3	2	2	2	2	2

Actual:	2	6	7					
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Outbound targets	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Annual targets: Fossil free delivered orders (truck) in %	n/a		20	25	30	35	40	50	60	70	75%
Kg CO ₂ e / delivery	7	15	21	26	25	33					

01. Climate Action and Nature

Business Travel

Business travel emissions arise from activities such as supplier visits, industry conferences, photoshoots and other business-related travel.

In 2025, emissions from business travel amounted to 689 tonnes CO₂e, representing an increase of 30% compared to 2024. This increase was partly driven by a greater need for in-person engagement with suppliers, supporting stable production flows and maintaining strong supplier relationships during the supply chain restructuring.

Flights represent the largest share of business travel emissions, accounting for the majority of the category. Additional emissions arise from other travel-related activities such as train travel, taxis and hotel stays.

Compared to previous years, the increase is also influenced by improved reporting and broader data coverage, including travel related to photoshoots and activities that were not previously fully captured in the emissions inventory.

Where possible, NA-KD encourages alternatives to air travel, including digital collaboration and the use of lower-emission transport options when feasible.



01. Climate Action and Nature

Climate Contribution Initiative

NA-KD offers customers the option to contribute to a climate contribution fee intended to support climate mitigation initiatives linked to our climate strategy. The initiative aims to generate funds that can support emissions reduction efforts associated with our operations and value chain. The initiative does not replace NA-KD's efforts to reduce emissions within its own operations and value chain.

Funds collected through the 2025 climate contribution fee are planned to be allocated to a project focused on inseting initiatives within our value chain, with the aim of supporting climate mitigation efforts related to production processes, sourcing activities and transportation within the supply chain.

Further work is ongoing to define the specific project and implementation approach. To ensure transparency, NA-KD plans to publish a separate report later in 2026, providing additional details on the initiative, including the project supported and its intended climate impact.



02. Our Products

Material choices play a central role in the environmental footprint of our products. The production of fibres, yarns, and fabrics contributes significantly to greenhouse gas emissions, water use, and chemical impacts across the value chain. Increasing the share of materials with comparatively lower documented environmental impacts, where feasible and verified, is therefore an important focus area within our product strategy.



02. Our Products

In this chapter, we outline our approach to material selection, product labelling, and chemical management, as well as our progress and remaining challenges.

Material selection represents an important factor in the overall environmental footprint of our products, particularly in relation to climate emissions, water use, and chemical impacts. Where feasible and verified, we increase the use of materials that have been assessed to have lower environmental impacts compared to conventional alternatives. These materials are certified by independent third party accredited organisations in accordance with recognised standards.

Transparency is central to this work. We provide product information, including material composition and relevant certifications, to support informed purchasing decisions. In this chapter, we outline our progress in material selection, our product labelling practices, and our chemical management processes designed to protect customers and workers throughout the value chain.

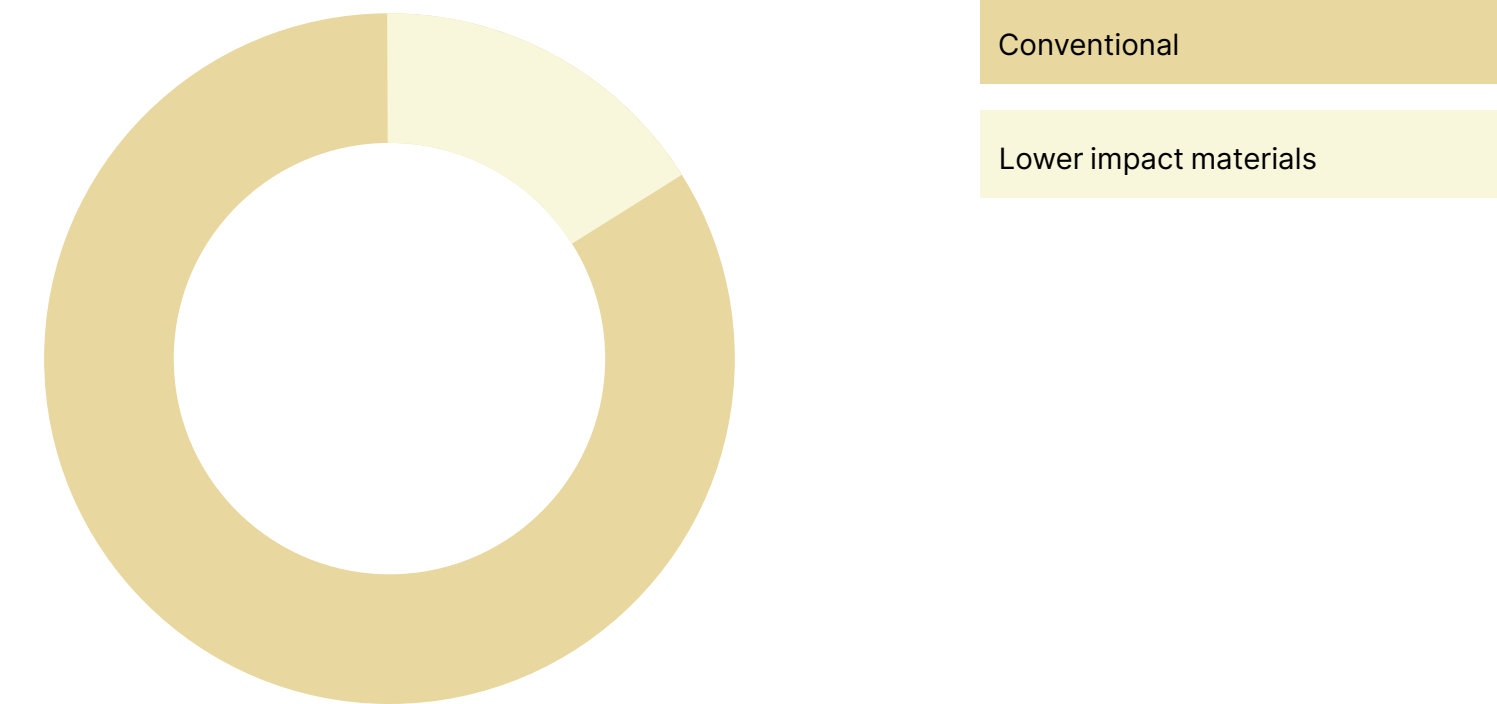
Policies

In NA-KD's Code of Conduct, we state our commitment to preventing and minimising negative environmental impacts from our own operations and applying a precautionary approach to environmental challenges. Our aim is to continuously reduce lifecycle environmental impacts associated with our products, including resource use, greenhouse gas emissions, water impacts, and waste. A key part of this approach is strengthening product longevity and reducing impacts at the design and material selection stages.

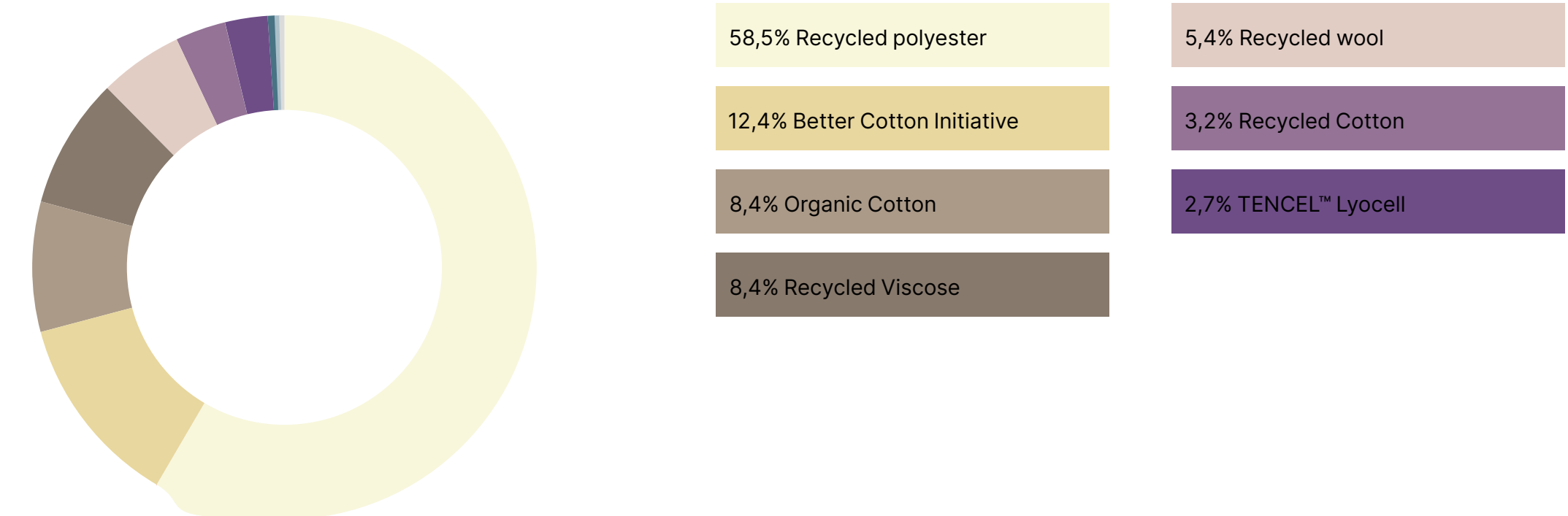
This commitment is further detailed in our Environmental Policy, where we outline our efforts to reduce impacts from material production and overall resource use. This includes managing volumes carefully and increasing the share of materials with comparatively lower documented environmental impacts, where feasible and verified.

We are also committed to responsible chemical management across our supply chain. We comply with relevant regulations and recognised industry standards, work to restrict hazardous substances, and promote safer alternatives where possible. Product safety for customers, workers, and value chain partners is a priority throughout the product lifecycle. These requirements are contractually communicated to our suppliers through our Restricted Substances List, which is aligned with the AFIRM industry guidance.

Lower impact materials as share of total (in weight)



Our most common lower impact materials



02. Our Products

Material impacts, risks and opportunities

Our materials

Material production and product manufacturing represent a significant share of NA-KD’s environmental and social impacts. Across the value chain, impacts relate to greenhouse gas emissions, water use, chemical pollution, biodiversity, and labour conditions. Our primary fibres remain polyester, cotton, and man made cellulosic fibres, each associated with different environmental and social risk profiles, as outlined in the sections below.

We continue to monitor risks linked to raw material sourcing, including price volatility and supply constraints. Materials that demonstrate comparatively lower documented environmental impacts often depend on limited supply and increasing market demand, which can influence availability and cost. In some cases, recycled alternatives may present technical challenges related to strength or consistency, which can affect product performance if not carefully managed.

Our focus is therefore on increasing the share of verified materials with comparatively lower environmental impacts where feasible, while ensuring product quality and durability. This approach aims to support impact reduction while maintaining product performance and long term business resilience.

Emissions category	2020**		2025	
	ton CO2e	share of emissions	ton Co2e	share of emissions
Polyester	13582	29.5%	10400	28%
Wool	1026	2.2%	5683	15%
Elastane/Spandex	638	1.4%	3406	9%
Viscose/Rayon	4852	10.6%	3335	9%
Cotton	6058	13.2%	2284	6%
Polyurethane (PU)	2512	5.5%	2098	6%
Recycled polyester	768	1.7%	2089	6%
Alpaca	211	0.5%	1616	4%
Nylon/Polyamide (PA)	2004	4.4%	1375	4%
Acrylic	5101	11.1%	1053	3%

Note: *The above list of materials are the Top 10 materials holding highest emissions in 2025.
 ** Values in the 2024 report contained errors and have now been rectified.

02. Our Products

Our objective

*With a lower impact material we mean one that comes from renewable or recyclable sources – and uses less water, energy, or chemicals in their production than conventional alternatives.

Targets	2022	2023	2024	2025
By 2030 have 100% organic, recycled or other lower impact materials in all our products	31%	36%	28%	16%
By 2025, phase out 100% of all conventional cotton. (the percentage of conventional cotton that has been phased out)	58%	50%	43%	32%
By 2030, have 100% recycled polyester	28%	41%	31%	27%
By 2030, have 100% FSC cellulosic materials (viscose, modal, lyocell & acetate)	45%	51%	44%	14%

Material	2020	2021	2022	2023	2024	2025
Synthetic materials	2.270	2.199	1.480	1.233	1.189	1.631
Cotton	1.174	1,224	522	391	472	332
Man-made cellulosic fibers	364	469	345	245	190	235
Linen	23	27	59	16	44	24
Wool	10	49	25	25	43	152
Leather	7	5	5	14	29	67
Other	115	115	105	5	7	19
Total weight (ton)	3.963	4.089	2.541	1.929	1.974	2.463

Our Actions

- We reduced overall purchasing volumes. Compared to our 2020 base year, production volumes measured by weight have decreased by 37 percent.
- We developed a Quality Strategy focused on improving size and fit accuracy, product construction, and return reduction.

02. Our Products

Cotton

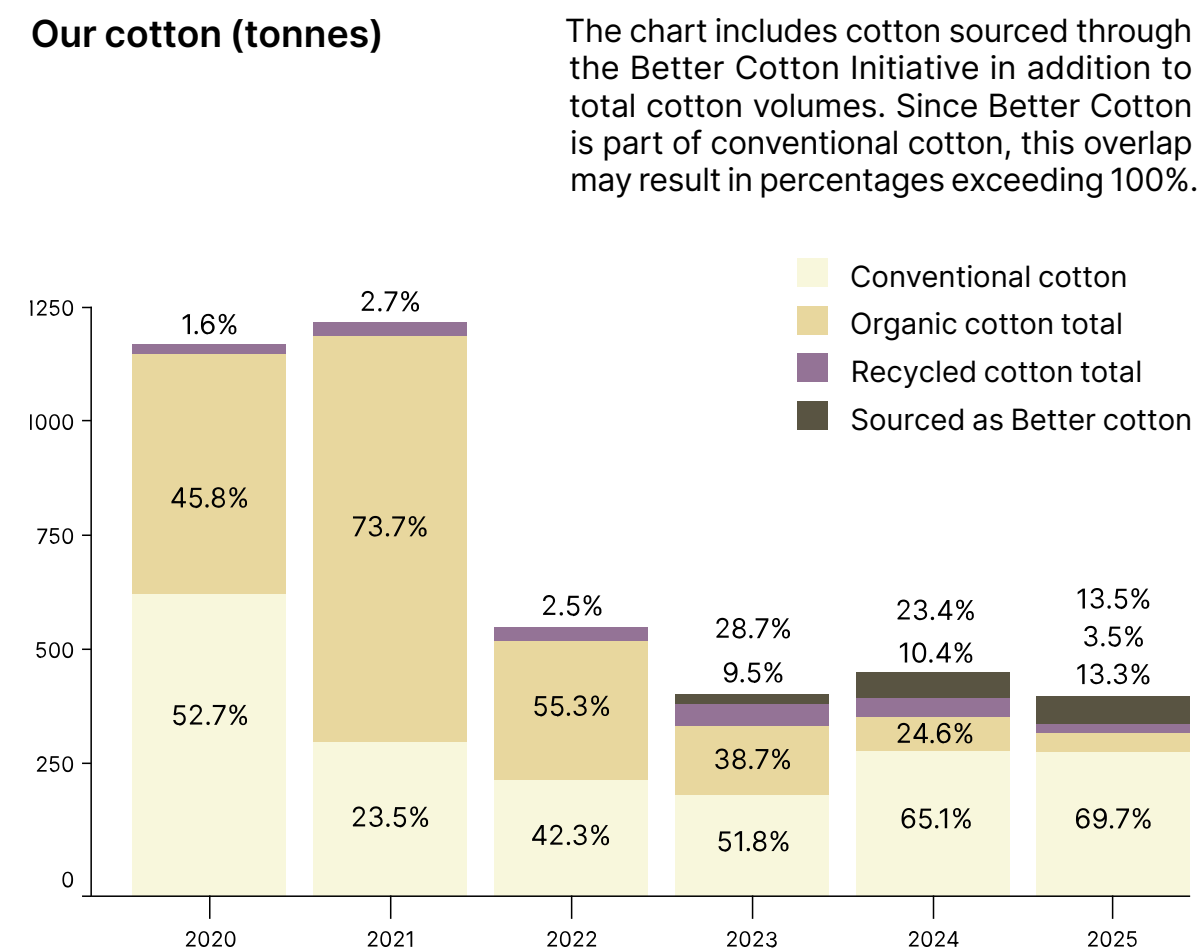
For cotton, our main environmental impacts are associated with water use, energy consumption, chemical inputs, and potential effects on soil health and biodiversity during cultivation and processing. Conventional cotton farming is resource intensive, particularly in regions with limited water availability.

Global trends in 2025 continue to reflect multiple challenges for cotton sourcing. Climate variability and extreme weather events have affected yields in several major producing regions, contributing to supply instability. At the same time, regulatory and human rights concerns persist in certain geographies, including continuing restrictions on imports of cotton originating from the Xinjiang region of China under policies in the United States and other markets. These developments, alongside strong overall demand for responsibly produced cotton, contribute to ongoing supply constraints and pricing pressures for certified alternatives.

Certified cotton, including organic and other verified lower impact fibres, can be associated with reduced inputs of synthetic pesticides and fertilisers, and in some cases lower water use compared to conventional production. However, supply remains limited relative to demand, and the availability and quality of certified cotton can vary between supply chain partners and regions. These factors present both operational and risk management considerations for NA-KD as we continue to work to improve material traceability and align sourcing practices with our environmental and human rights objectives.

In 2025, our use of organic cotton decreased from 21,6% to 9.5%, while recycled cotton decreased from 9% to 3.8%. During 2025 we purchased 14.1% cotton through the Better cotton initiative.

Our cotton (tonnes)



Our Actions

- We participate in the Better Cotton programme as part of our cotton sourcing approach.
- NA-KD holds certification under the Organic Content Standard.
- We also hold certification under the Global Recycled Standard and the Recycled Claim Standard.

Man Made cellulosic fibers

Man made cellulosic fibres are derived from wood based pulp and include fibres such as viscose, lyocell, modal, and acetate. Environmental risks associated with these fibres can include deforestation, biodiversity impacts, and chemical emissions during processing, particularly where sourcing and production practices are not effectively managed.

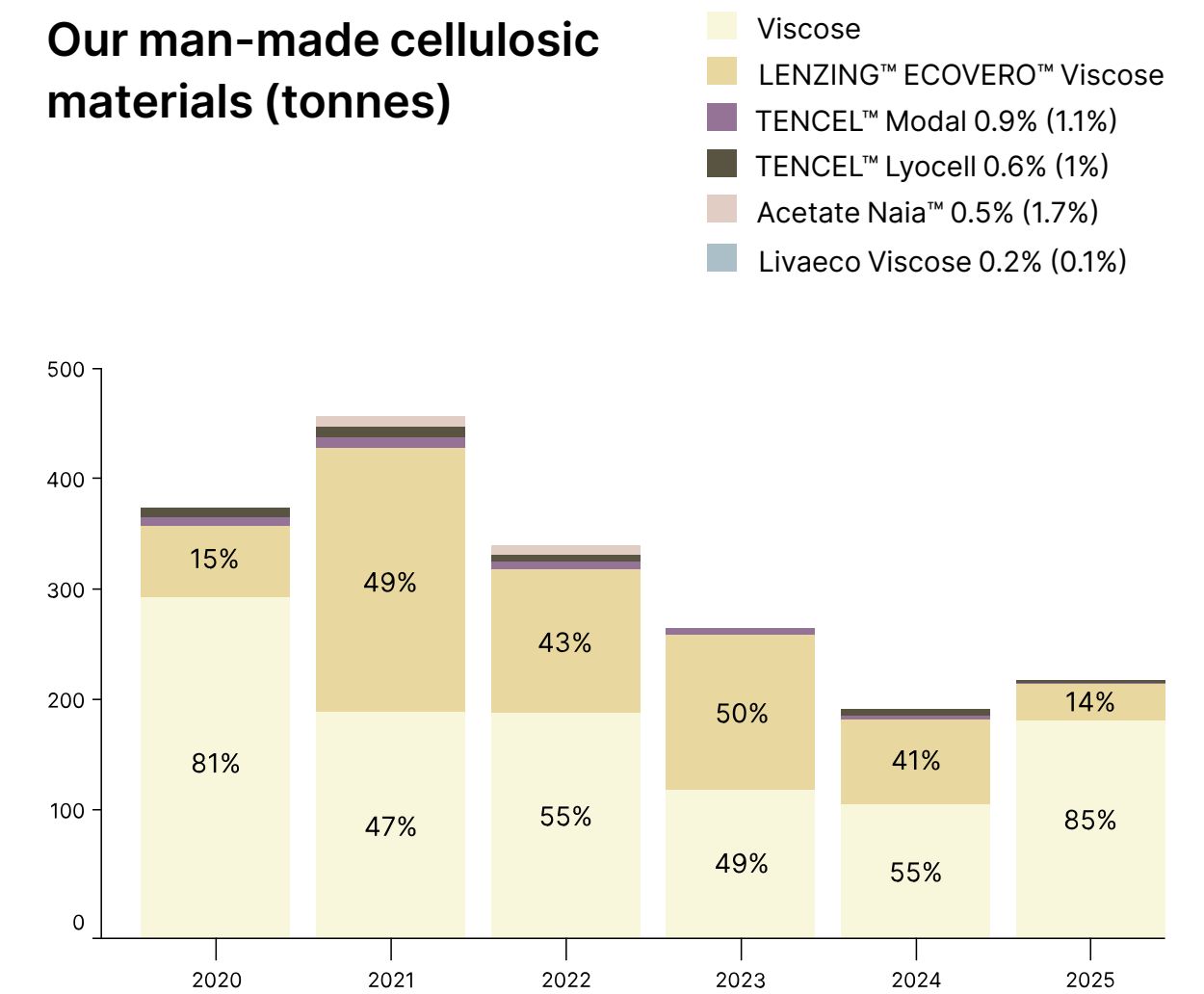
For NA-KD, key risks relate to traceability and the origin of wood based inputs used in our products. A significant share of the man made cellulosic fibres in our assortment is not yet covered by certification schemes that verify sourcing from responsibly managed forests. Improving traceability and increasing the share of certified inputs therefore remains an important focus area.

We continue to evaluate opportunities to increase the use of certified man made cellulosic fibres and to explore emerging alternatives, including recycled cellulosic fibres where technically and commercially feasible. Developments in fibre to fibre recycling technologies may provide additional options over time, although availability and scalability remain evolving.

Our Actions

- We decreased our share of better-produced MMCs by 38% compared to baseline year, 2020.

Our man-made cellulosic materials (tonnes)



02. Our Products

Polyester and Polyamide

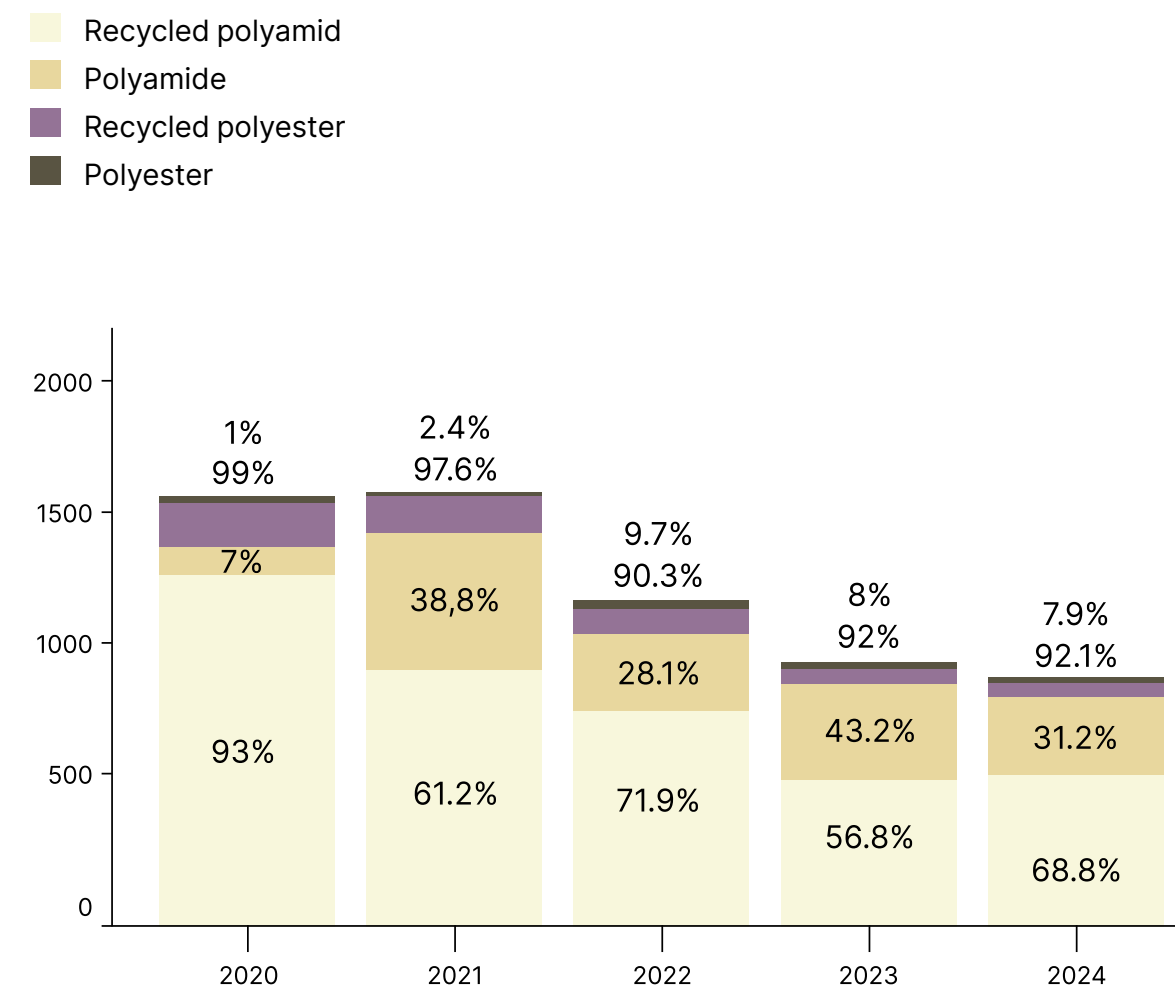
Polyester and polyamide are synthetic fibers made from fossil resources. This means they rely on non-renewable raw materials. Their production requires energy and chemicals, and during use they can contribute to microplastic shedding. These are known challenges associated with these materials.

To reduce our reliance on virgin fossil resources, we are gradually increasing the share of recycled polyester and polyamide in our products. Using recycled fibers can lower climate impact compared to virgin alternatives, but it does not eliminate environmental impacts. Energy use, chemical management, and microplastic shedding remain important challenges that need continued attention.

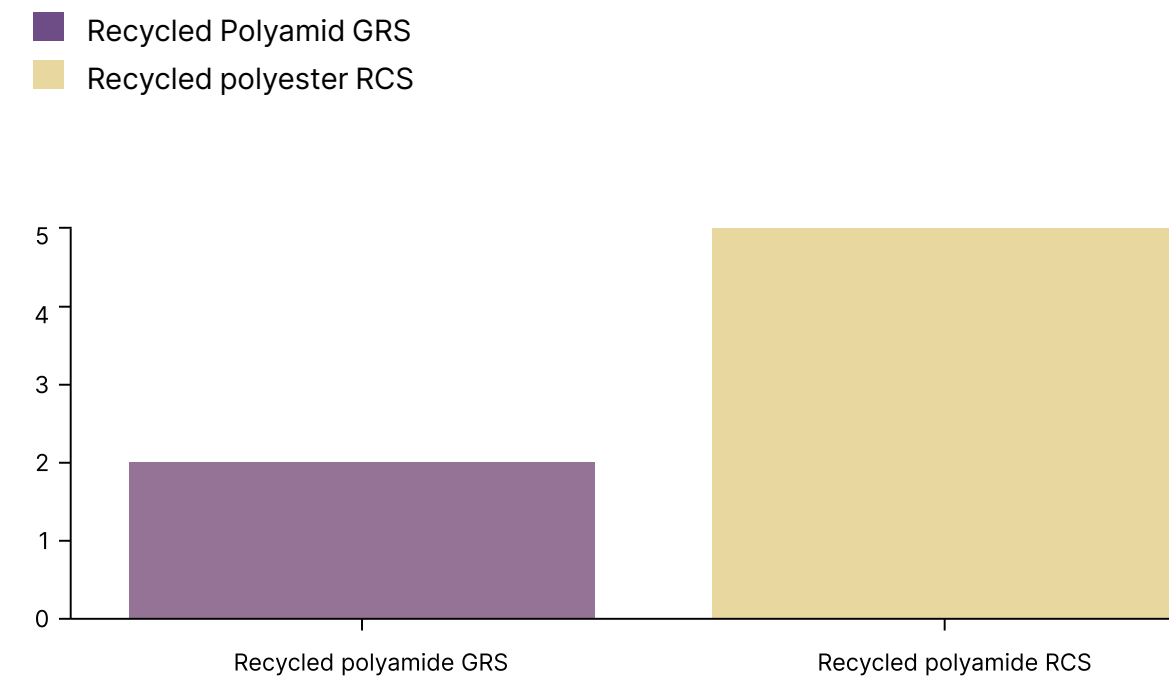
Access to recycled raw materials is limited. Many industries are competing for the same supply, and most recycled polyester on the market today comes from sources such as PET bottles rather than textile-to-textile recycling. The limited availability and growing demand affect both pricing and long-term supply stability.

We do not see recycled materials as a complete solution. Improving durability, encouraging responsible use and care, and supporting the development of better recycling systems are all part of reducing impact over time. We still have work to do, and we continue to evaluate how we can improve our material choices step by step.

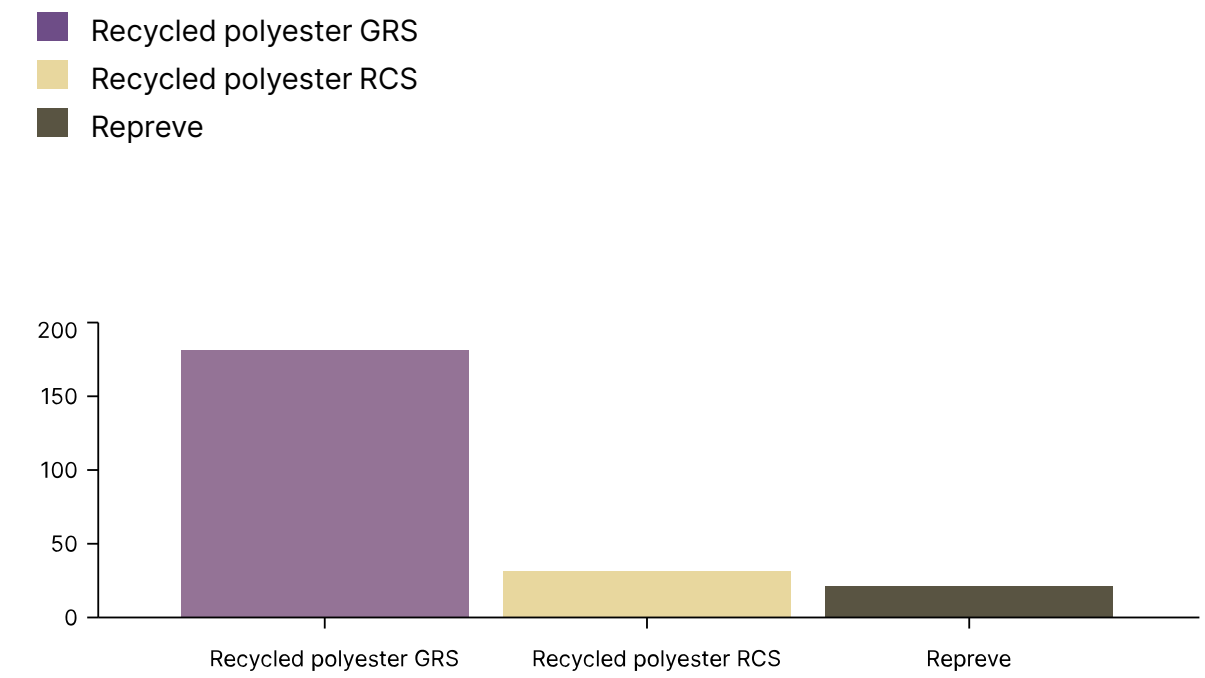
Our polyester and polyamide (tonnes)



Our recycled polyamide per certification standard (percent)



Our recycled polyester per certification standard (percent)



Our Actions

- We reduced the overall purchased polyester volume by 24% compared to baseline year, 2020. However, it increased by approximately 43% compared to 2024.

02. Our Products

Product labelling

- Impacts, risks and opportunities

We have a responsibility to provide our customers with quality information about our products. Our customers have the right to make informed decisions before they purchase NA-KD products. The impact we see in this area is if we can use our product labelling to make our customers increasingly choose to buy products with organic, recycled or other lower impact materials. The business risks are primarily connected to future legal requirements on environmental impact labelling of products. Depending on the detail of environmental data needed for this labelling as part of regulations, this may require a lot of investments and resources to be able to comply. In some cases, this can be about access to the market, in other cases about the right to make green claims for our products. However, our opportunities are great, as we believe educating our customers about how they can lower their fashion footprint is a really exciting way to progress. With clear product labelling, we can build customer trust, strengthen our brand and increase our customer acquisition and retention, all while hopefully making our customers choose products with lower impacts.

Our Actions

- We have updated our Product Detail Pages on our website with clearer information about certificates and trademarks for each product. The purpose is to make it easier for our customers to make more informed choices and to simplify making more sustainable choices. We have revised our hangtags to better communicate to our customers about the recycled and organic certified materials in our products.

Chemical Management

The use of chemicals can have an impact on both people and the environment, both in the products and during the production processes. It is therefore essential that restricted chemicals are not used, which is why we actively promote the use of non-hazardous chemicals and production techniques that use no or fewer, better chemicals. The risks to our business in this area are mainly if we fail to uphold our chemical policy and processes.

Our opportunities in this area are to continue our transition to materials produced using Best-Available-Technology and to continue to strengthen our chemical requirements on our suppliers.

Our Actions

- We update our Restricted Substances List (RSL) twice, yearly. We continue to support the PFAS movement and have implemented a ban on PFAS as part of our RSL. We update our Restricted Substances List (RSL) twice, yearly. We continue to support the PFAS movement and have implemented a ban on PFAS as part of our RSL.

03. Quality

During the past year, our company has undergone a reconstruction, requiring focus, resilience, and careful prioritization. Despite these challenges, we have taken decisive steps to strengthen what matters most, the quality of our products. This commitment represents a significant shift for the company and forms a cornerstone of our long-term sustainability ambitions



03. Quality

A major milestone this year has been the launch of a full rebranding initiative. This transformation reflects our ambition to elevate our brand positioning while aligning more clearly with our strengthened quality standards. The rebrand signals not only a visual evolution, but a deeper commitment to creating products that embody durability, thoughtful design, and lasting value.

As part of this journey, we are redefining our identity by moving towards being a fashion brand. By placing quality at the center of product development, we aim to enhance both the aesthetic appeal and the longevity of every piece we create.

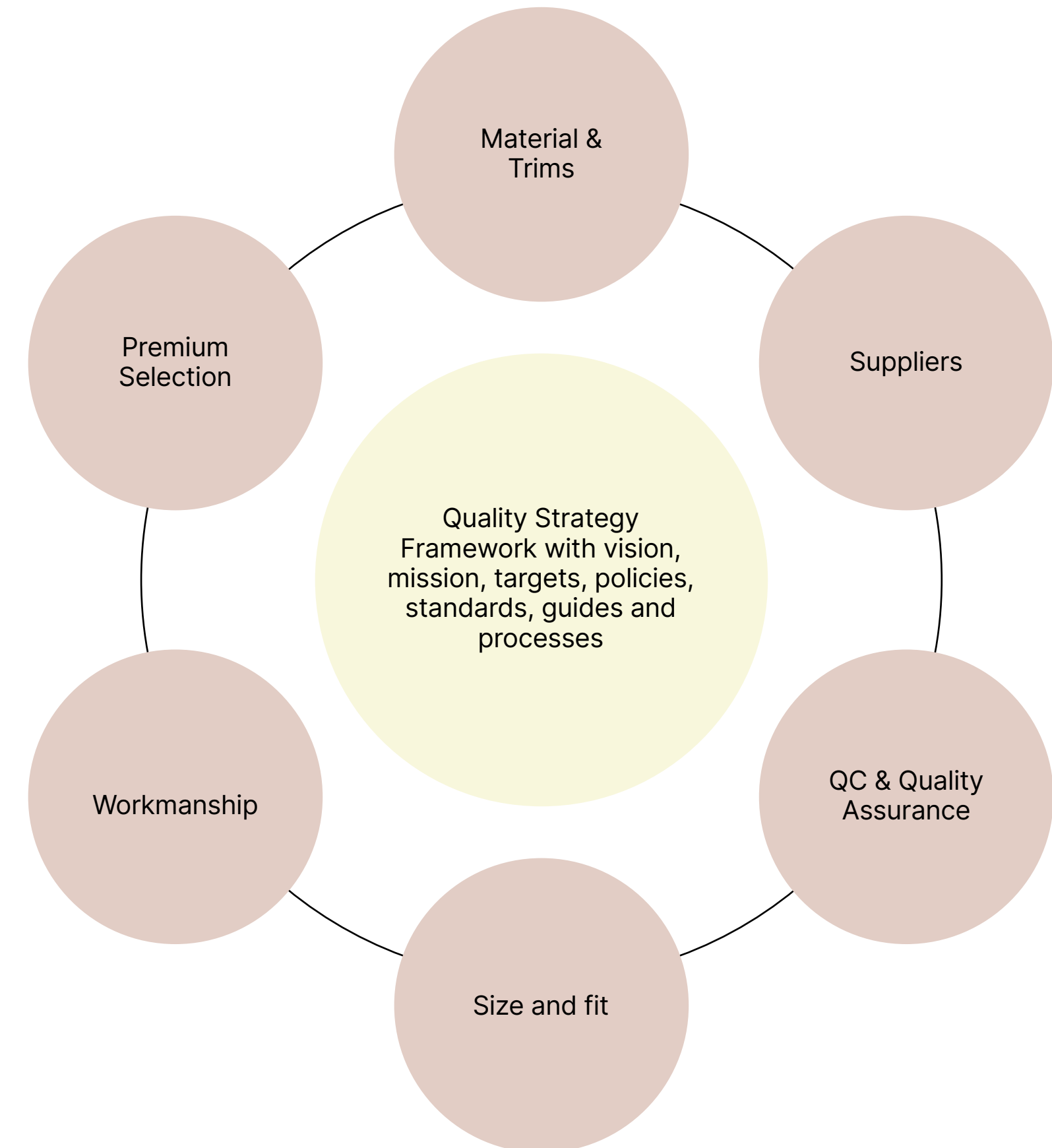
This chapter introduces our Quality Strategy and the accompanying Quality Framework, a strategic vision that outlines the principles guiding our product development, the standards we are setting, and the actions we are taking to ensure our products are made to last. Through this work, we seek to build trust with our customers and support our sustainability goal of durable lasting products to be worn over and over again.

Vision

To elevate NA-KD from fast fashion into a fashion brand celebrated for its modern designs, exceptional workmanship, and sustainable practices, while maintaining our ability to quickly respond to market trends. We aim to strike a balance between speed and durability, ensuring lasting value and customer satisfaction.

Mission

Our mission is to achieve high quality in every product by incorporating durable and premium materials, adding richness through thoughtful design, and ensuring meticulous workmanship and sustainable practices throughout our production processes. We are dedicated to delivering lasting value and building trust with our customers, ensuring that each garment meets and exceeds their expectations for quality and durability.



03. Quality

Premium Selection

Our Premium Selection is part of our ongoing effort to strengthen product quality and longevity across the assortment. In this category we focus on the materials, construction methods, and overall performance. The intention is to offer products that are timeless.

The Premium Selection follows defined internal guidelines for material use. We specify which materials may be used and how they can be combined. In most cases, garments are limited to two or three materials, as more complex blends can affect durability and care. Some material combinations are not permitted within this category.

We also set clear expectations around workmanship. This includes standards for construction details such as higher expectations on stitching, finishing, and reinforcement. Our suppliers and garment technicians are responsible for meeting these requirements from development through final production.

Alongside these product-level requirements, we provide practical care guidance to help customers maintain their garments over time. While durability also depends on how a product is used and cared for.

We do not consider “premium” to be a guarantee of perfection. Rather, it reflects defined quality criteria, more consistent construction standards, and a commitment to continuous improvement. While there are limits to what product design alone can achieve, this approach represents a practical step toward greater durability and more responsible resource use.



03. Quality

Materials and Trims

Material choice has a direct impact on both product durability and environmental footprint. We work with defined material guidelines that consider fibre type, composition, and technical performance. Our ambition is to increase the share of preferred materials over time, and several key categories have already reached meaningful levels of preferred content.

We are also reviewing material combinations and construction choices to simplify compositions where feasible. In some cases, reducing the number of materials in a garment can support easier recycling in the future. These adjustments are made gradually and balanced with performance and design requirements.

Performance Standards and Testing

All materials are assessed against internal performance requirements covering strength, dimensional stability, color retention, and other durability indicators. These tests are conducted during development to identify risks before bulk production. While testing cannot eliminate all quality issues, it helps identify weaknesses before production, supports more consistent product performance across the assortment, and ultimately contributes to longer-lasting garments.

By improving durability and maintaining quality over time, we help extend product lifespan, reduce premature replacement.

Trims and Construction Details

Garment lifespan is often affected by smaller components such as buttons, zippers, elastics, and linings. By partnering with nominated suppliers, we also create better alignment across the assortment, supporting consistent performance standards and contributing to longer-lasting products.



03. Quality

Suppliers

Careful Selection and Long-Term Partnerships

To be eligible as a NA-KD supplier, all producers must meet defined social, environmental, and transparency requirements. This includes signing our Supplier Code of Conduct (amfori BSCI CoC) and holding a valid social audit (amfori BSCI or Higg FSLM verified, with no severe non-compliances). Any identified gaps must be addressed through corrective action plans.

Producers are also required to assess environmental performance annually through Higg FEM or amfori BEPI, maintain relevant certifications where applicable (e.g. GRS, OCS), along with key legal, safety, and financial documents, as part of the onboarding process.

Ongoing Supplier Reviews and Dialogue

Supplier performance is reviewed on a recurring basis. These evaluations look at delivery reliability, production capacity, technical capability, and consistency in workmanship and product quality. The purpose is not only control, but transparency, creating a shared overview of where performance is strong and where it needs improvement.

We also use data from inspections, wear tests, and returns to inform these discussions. This helps ensure that quality feedback is based on actual product performance, not assumptions.

Improvement and Capability Building

When gaps are identified, we work with suppliers to define practical improvement actions with clear responsibilities and timelines. The focus is on strengthening processes and technical capability rather than solving individual issues in isolation.

The long term goal to strengthen collaboration with suppliers is to gradually consolidate volumes. We aim to build closer working relationships, enable more open technical dialogue, and improve planning over time. We believe this approach can contribute to more consistent product quality and better overall outcomes across our assortment.

We recognize that building a reliable supply chain is ongoing work. Through structured follow-up and day-to-day collaboration, our aim is to support steady improvements in durability, product performance, and responsible production practices.



03. Quality

Workmanship

Great workmanship is the bridge between a strong design and a lasting garment. Every style is reviewed by cross-functional teams to ensure that it reaches NA-KD quality standards in regards to functionality, lasting design, construction of garment and testing requirements. We are investing time in technical expertise to ensure that every seam, hem, and finish meets our increased standard level in workmanship.

QC & Quality Assurance

At NA-KD, our Quality Assurance process is designed as a continuous journey that starts already in the design phase and extends all the way until the finished product reaches the customer. These steps are carefully implemented to ensure lasting quality and durability, ultimately supporting qualitative products by reducing defects, unnecessary returns, and premature garment disposal.

During product development, we conduct an early risk evaluation to identify potential quality concerns before bulk production. Depending on the product type and risk level, this may include targeted chemical testing, wear tests, and technical reviews of development samples.

For higher-risk products and all Premium items, we require independent third-party inspections prior to shipment.

We also review customer feedback and return data to identify recurring quality issues. Where patterns are identified, we work with suppliers on corrective actions to address root causes in future production.

In addition to our standard quality checks on incoming shipments, we have introduced a new process in which our buying teams conduct regular quality-control visits to the warehouse. During these visits, they review incoming shipments firsthand. This additional step strengthens our oversight while also serving as an opportunity for internal education and continuous improvement.

Size & fit

We have completed an evaluation and analysis of our sizing to identify inconsistencies and areas for improvement. The findings will inform updates to our size structure and guidance, with implementation planned during 2026. These changes are intended to make size selection easier, help improve customer satisfaction and reduce returns.

As part of reviewing size and fit, standardized block fits have been introduced to create a consistent foundation for garment development. Clear fitting guidelines have also been established to ensure alignment between teams and suppliers. This helps minimize variations in sizing, ensure consistency across different product categories, and enable external suppliers to follow the same sizing standards, ultimately delivering a more predictable and reliable fit for customers.

To support customers shopping online, a size and fit indicator has been added to product pages to provide a visual reference and make size selection easier, helping to deliver a more predictable and reliable fit.

04. Diversity and inclusion

Diversity and inclusion are fundamental to responsible business conduct. As a fashion brand with women as our primary customer group, we recognise the influence we have on representation, working conditions, and equal opportunity across our value chain. Our commitment extends to customers, creative partners, employees, and workers within our supply chain. We aim to foster inclusive environments, prevent discrimination, and promote fair and respectful treatment in line with our human rights commitments. Through our policies, internal culture, and external communications, we seek to contribute to a business environment where individuals are treated with dignity, fairness, and respect.



04. Diversity and inclusion

Our customers

Freedom of expression and equal treatment are fundamental human rights. However, discrimination based on gender, ethnicity, religion, sexual orientation, or other characteristics continues to affect individuals across societies. As a fashion brand operating in multiple markets, we recognise that representation and visibility matter.

Through our communication channels and brand platforms, we aim to promote diverse representation and inclusive storytelling. We seek to collaborate with individuals from different backgrounds and perspectives and to reflect this diversity in our campaigns and partnerships.

We maintain ongoing dialogue with our customers and creators to better understand their expectations and experiences. Where possible, we support emerging talent within the creative industry and contribute to creating opportunities that are accessible and inclusive.

Policies

Our **Code of Conduct** requires that all customer interactions adhere to fair business, marketing, and advertising practices. This includes ensuring that communication is accurate, transparent, and respectful. Our Human Rights Policy further states our commitment to respecting the rights of our customers and providing products and services that are safe and suitable for their intended use. The policy also outlines our intention to promote equality and diversity in our marketing and customer communication. Together with our internal value of placing the customer at the centre of our decision making, these policies guide our day to day engagement with customers and support responsible communication practices across our channels.

Impacts, risks and opportunities

As a fashion brand with women as our primary customer group, our marketing and communication practices can influence representation, body image perceptions, and social inclusion. This creates both potential impacts and responsibilities. The use of imagery, sizing, and product design that does not reflect diverse body types or backgrounds may contribute to exclusion or reinforce narrow standards of representation.

We therefore aim to integrate non discrimination and inclusive representation into our marketing, product presentation, and customer communication. This includes reflecting diversity in terms of ethnicity, size, age, disability, beliefs, and other characteristics across our platforms.

From a business perspective, failure to uphold inclusive and respectful practices may result in reputational risk, reduced customer trust, and decreased brand loyalty. Conversely, embedding diversity and inclusion into our communication and product development presents an opportunity to strengthen long term customer relationships and align with our human rights commitments.

Our Actions

Working with creators

- "In 2025, we had 9,978 influencer activations with creators across all markets. In addition, we co-designed collections with 34 creators. We continue to work closely with creators as part of our product development and communication approach, maintaining ongoing dialogue to align expectations and ensure responsible marketing practices."

Customer support

- Customers can contact our support team through our customer portal, dedicated return portal, and customer service channels, which operate 24 hours a day. The most common customer concerns relate to product quality, size and fit, and return processes, including the reintroduction of a return fee. In 2025, we addressed these areas through the launch of an updated return portal and the development of a Quality Strategy focused on improving size and fit accuracy, product construction, and return reduction. Feedback from customer support channels continues to inform product and process improvements.

04. Diversity and inclusion

An inclusive workplace

Diversity, equity and inclusion are central to NA-KD’s culture and success. Today, a significant proportion of our leadership positions are held by women, reflecting our ongoing commitment to gender equality. Our focus is on ensuring that all employees, regardless of background, identity or experience, have equal opportunities to contribute, grow and succeed.

We strengthen an inclusive culture through leadership development, awareness training, mentoring programs and transparent recruitment processes. By fostering a workplace where everyone feels respected, included and able to bring their full potential, we support engagement, creativity and sustainable business performance.

Policies

Our most fundamental policy is our **Code of Conduct**, a document for anyone working for, or on behalf of, NA-KD. It outlines what is expected and acceptable behavior and ensures that all parts of our business are fair and ethical, that each and every one of our employees feel safe and thrive in their workplace, and that any person who is reached by or interacts with NA-KD feels respected. The policy covers Diversity, Inclusion & Non-discrimination, Harassment, Victimization & Bullying, Working Hours & Compensation, Safe and Healthy Work Environment, Freedom of Association and the Right to Collective Bargaining, Child Labour, as well as Modern Slavery and Forced Labour.

The Code of Conduct is based on the OECD Guidelines for Multinational Enterprises, the ILO Declaration of Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. The Code is approved at the highest governance level by the Board of Directors.

Further, we have additional policies covering our work environment and employment practices. These are our Human rights policy, Work environment policy, Equal treatment policy, Rehabilitation policy, Alcohol and drug policy, Pension policy, Staff privacy policy, as well as our Work permit policy and Whistleblowing policy. The purpose of these policies is to state how NA-KD manages our working conditions and communicate that transparently to all employees. All company policies can be accessed through our internal employee info site as well as our internal employee handbook accessible for all employees and those working on behalf of NA-KD.

Impacts, risks and opportunities

NA-KD’s success is directly linked to our people. Our most significant impacts are in areas such as working conditions, equal opportunities regardless of background or identity, psychological and physical health and safety, fair compensation, manageable workloads, and a culture founded on accountability, transparency, and trust.

In a fast-moving and change-oriented environment, expectations on employers continue to evolve. If we fail to provide a safe, inclusive and engaging workplace, this may result in increased turnover, reduced engagement and productivity, challenges in attracting and retaining key talent, and reputational risks that can affect long-term business performance.

Over recent years, NA-KD has strengthened its structured People processes, with increased focus on employee engagement, leadership capability, role clarity and sustainable performance.

Through regular employee surveys, ongoing dialogue and systematic follow-ups, we monitor our work environment and implement targeted improvement actions where needed.

At the same time, a strong and inclusive culture represents a clear opportunity. Employees who experience psychological safety, fairness and development opportunities are more likely to contribute with creativity, accountability and high performance. Below, we elaborate on key aspects of our impacts related to equal treatment and opportunities, working conditions and leadership, as well as how these areas are managed.

Our objective

An inclusive workplace. We want to create a culture of belonging with equal status, rights, conditions and opportunities for all.

Targets	2023	2024	2025
A balanced representation of male, female, and non-binary people throughout the organisation; both from a functional and managerial perspective.	70% female managers	77.8% female managers*	85.3 % female managers
Maintain our high level of foreign-born co-workers	33%	30%	22%
Keep the eNPS between 10 and 30	12.2	-33.6	0

Note: *Values in the 2024 report contained errors and have now been rectified.

04. Diversity and inclusion

Equal treatment and opportunities for all

NA-KD is committed to providing equal rights and opportunities for all employees. We do not tolerate discrimination, harassment or victimization in any form. This commitment is reflected in our Code of Conduct and Equal Treatment Policy, which covers the seven legally defined grounds of discrimination: gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation and age.

We conduct annual compensation reviews to promote fair and equal pay and to identify and address potential pay gaps. In 2025, the average female salary corresponded to 97.1% of the average male salary. Where differences are identified, corrective actions are taken as part of the annual review process.

To strengthen an inclusive and respectful workplace, we continue to invest in leadership and competence development. In 2025, all new managers completed training in Work Environment and Leadership. On average, employees received 13 hours of training during the year.

We use multiple channels to prevent and detect discrimination or harassment, including our employee engagement surveys, regular manager-employee check-ins and our whistleblowing system. No incidents of violence or harassment were reported in 2025.

Employee satisfaction & departmental inclusion

NA-KD is committed to fostering an inclusive workplace where every employee's perspectives are valued. Through continuous listening, we gain insights into what is working well and where improvements are needed, strengthening engagement, accountability, and long-term organizational sustainability.

Since May 2025, we have used Winningtemp to measure Employee Satisfaction and Employee Net Promoter Score (eNPS). Prior to this, the same metrics were previously measured through Flourish.

Employee Satisfaction is measured weekly across several categories, including engagement, meaningfulness, leadership, and work situation. eNPS is measured monthly by asking employees how likely they are to recommend NA-KD as a workplace. All surveys are anonymous, and responses are rated on a 1–10 scale, ensuring confidentiality and encouraging honest feedback.

Based on team responses, monthly insights reports are shared with all managers. The system enables managers to act directly on results, implement targeted initiatives, and follow up on progress within their teams. Survey results and insights reports form the foundation for structured monthly team discussions, focusing both on areas for development and on recognizing and reinforcing strengths.

The People & Culture team actively supports this process through ongoing dialogue with managers, particularly when negative trends or declining scores are identified. Together, they analyze root causes and define appropriate actions to drive improvement.

Through this structured and transparent feedback process, NA-KD promotes continuous improvement, strengthens departmental inclusion, and ensures that employees actively contribute to shaping the organization.

Employee satisfaction	eNPS	Participation
2019	-27	76%
2020	-21	74%
2021	-14	65%
2022	18	93%
2023	12,2	91%
2024	-33,6	83,5%
2025	0	92%

Note: The eNPS increased from yearly average -33,6 in 2024 to yearly average of 0 in 2025, indicating a significant improvement in employee sentiment. It should be noted that the 2025 result is based on six months of data due to a system change, rather than a full-year measurement. While this should be considered when comparing results year-over-year, the development still suggests a positive shift in employee perception.

NA-KD 2025 in numbers

22%
% foreign born employees

10+
of nationalities in our teams

13
training hours per employee

97.1
female % of male salary

170
FTE's by the end of the year

04. Diversity and inclusion

Working conditions

In 2025, efforts were concentrated on company-wide reconstruction, with transparency and open communication as top priorities. Regular meetings, town halls, and ongoing dialogue ensured employees were informed, engaged, and had direct access to the Senior Management Team.

NA-KD continues to uphold fair working conditions, complying with all regulations on working hours, compensation, and leave policies. Working hours are limited to an average of 40 per week, with flexible arrangements including two remote workdays per week and flexible hours. During the summer months (June–August), employees benefit from a reduced 7-hour workday to promote work-life balance.

Employee well-being remains a key focus, with initiatives such as one paid workout hour per week, company-wide steps competitions and workout challenges, and access to free workout classes offered during specific periods (typically 2–3 months) through collaborations with gyms in Gothenburg. Flexible working arrangements and comprehensive benefits further support active lifestyles, work-life balance, and overall health.

Freedom of association and collective bargaining rights are fully respected, both internally and across the supply chain. Workplace safety is strongly emphasized, with no work-related fatalities or severe injuries reported in 2025.

Compensation and benefits

NA-KD provides all employees with fair, market-based compensation for their work and prioritizes employee well-being. Each year, we conduct a salary mapping and analysis to ensure equitable pay; in 2025, the average female salary was 97.1% of the average male salary. While NA-KD did not have a collective bargaining agreement during 2025, all employees are entitled to parental leave and additional occupational health coverage in line with local legislation. Full-time employees over 25 years of age are eligible for pension benefits, and all employees are covered by our occupational health and safety management system.

Initiatives such as one paid workout hour per week, flexible working arrangements, and comprehensive benefits support work-life balance and overall health. Employees can access guidance and resources through the Employee Info Site and Employee Handbook.

Main actions 2025

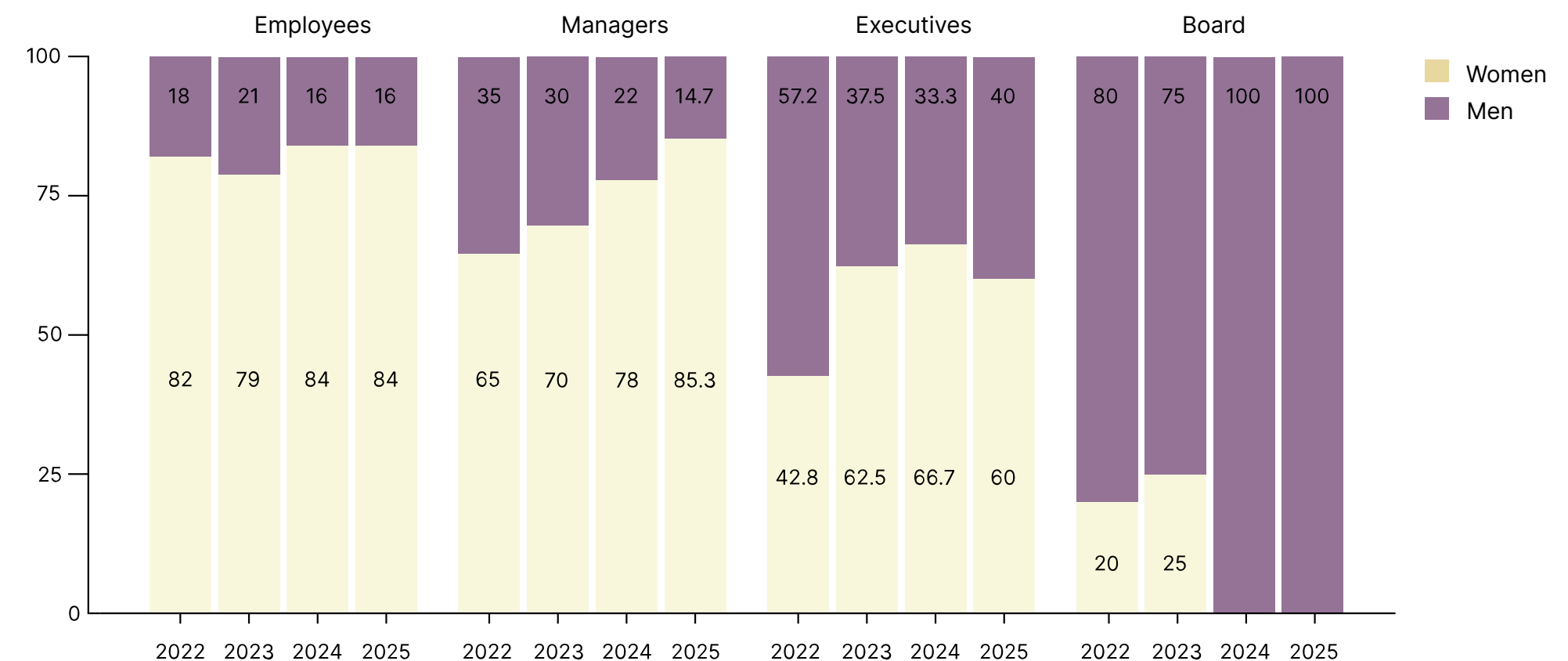
In 2025, NA-KD implemented Winningtemp to support employee engagement, team development, and leadership processes. The platform reinforced employee wellbeing as an ongoing focus, enabling regular follow-ups, structured feedback, and greater transparency across teams.

Several initiatives were also introduced to promote health and wellbeing, including steps competitions, workout challenges, and access to a tool for tracking individual health across the company. Employees had the opportunity to participate in free workout classes during specific periods through collaborations with gyms in Gothenburg. Flexible working arrangements and comprehensive benefits further supported active lifestyles, work-life balance, and overall health.

The year began with a negative eNPS (Employee Net Promoter Score), which is common during periods of organizational change. Targeted actions and continuous monitoring led to steady improvement, with the score reaching 0 by year-end, compared to -33 in 2024, reflecting a notable increase in employee engagement. Meanwhile, the Employee Satisfaction Index (ESI) remained high, averaging 8–8.2 out of 10, demonstrating sustained overall satisfaction.

Although the yearly eNPS average was neutral, the overall trajectory over 2025 shows clear progress. The positive trend compared with previous years highlights effective management of employee engagement and wellbeing, providing a strong foundation for continued development in the coming years.

Representation of women at different organisational levels at NA-KD at the end of 2022,2023,2024 and 2025 respectively



04. Diversity and inclusion

Workers in the value chain

NA-KD works with production partners across multiple countries. We recognise that working conditions within global supply chains can vary depending on local legislation, economic structures, and industry practices. Regardless of these differences, we are committed to respecting human rights throughout our value chain. This responsibility extends to individuals employed directly by NA-KD as well as workers engaged through our suppliers and business partners.

Our ability to influence conditions differs across supply chain tiers. However, we engage with our suppliers to promote compliance with our Code of Conduct and alignment with our human rights expectations.

Strengthening traceability is an important part of this work. Increasing visibility into where and how materials and products are manufactured helps us assess risks, understand potential impacts on workers, and prioritise mitigation efforts. Improved transparency supports our due diligence processes and ongoing improvement initiatives.

Our efforts to enhance traceability and oversight continue to develop as part of our broader responsible sourcing framework.

Impacts, risks and opportunities

Through our sourcing decisions and purchasing practices, NA-KD may influence working conditions across our value chain. The markets in which we operate,

the way we plan production, and how we structure supplier relationships can contribute to both positive and adverse impacts on the workers involved in manufacturing our products.

As part of our human rights due diligence processes, we have identified salient risks within our value chain, prioritised based on severity and likelihood in line with internationally recognised standards. These include occupational health and safety, wages and working hours, freedom of association and collective bargaining, access to social protection, child labour, forced labour, discrimination, and violence and harassment. Our assessments are reviewed periodically to reflect changes in sourcing markets, regulatory developments, and stakeholder input.

We also recognise that fluctuations in market demand, geopolitical developments, climate transition measures, and evolving regulatory requirements may affect production volumes and regional stability. Changes in order patterns or sourcing strategies can impact suppliers and workers, while also creating operational risks for NA-KD, including supply chain disruption and reduced production resilience.

At the same time, strengthening long-term relationships with business partners presents opportunities to improve working conditions.

Through responsible purchasing practices, clear expectations, and ongoing dialogue, we aim to support suppliers in identifying and addressing risks within their operations. While our leverage varies depending on the nature of the relationship, consistent engagement and integration of due diligence into commercial decision-making remain important tools for driving continuous improvement over time.

Our objective

Fair and equal jobs in our supply chain. We respect human rights and will make it a priority to empower and enable all people across our supply chain to be able to fulfil their potential.

Targets	2022	2023	2024	2025
By 2025, 50% of our business volume produced in factories (tier 1) showing high performance in social audits (at least B in amfori BSCI audits or similar in other systems)	21%	30%	33%	38%

Policies

Respect for human rights across our value chain is a fundamental principle of our business conduct. Our Human Rights Policy, aligned with the UN Guiding Principles on Business and Human Rights, provides the overarching framework for this work.

It is supported by our Supplier Code of Conduct, Escalation Policy, and Zero Tolerance Protocol, which together define our expectations and response mechanisms.

We have adopted the amfori BSCI Code of Conduct as our Supplier Code of Conduct. All suppliers are required to sign the Code as part of their purchase agreements. Depending on risk level and performance, factories are required to undergo social audits on an annual or biennial basis. The Code and its Terms of Implementation address working conditions, environmental protection, and responsible business conduct, and require suppliers to integrate these principles into their management systems and cascade them within their own supply chains.

In 2025, we developed and introduced a Homeworkers Policy applicable to Tier 1 factories. The policy establishes requirements for the identification, monitoring, and protection of homeworkers where such arrangements exist, with the aim of strengthening oversight and reducing risks associated with informal or subcontracted labour.

We maintain clear minimum requirements, including zero tolerance for corruption, extortion, embezzlement, and bribery. Suppliers are also expected to handle personal data in compliance with applicable privacy and information security regulations. Compliance with these requirements is assessed as part of our social audit processes.

04. Diversity and inclusion

Conducting Due Diligence

All Tier 1 factories are required to have a valid social audit or verified assessment in place before NA-KD initiates a business relationship with them. These assessments are conducted by independent third-party auditing firms and typically include document reviews, management interviews, and worker interviews to evaluate working conditions and labour practices at the facility.

Factories may choose from approved audit systems that align with the requirements of our Supplier Code of Conduct. Our preferred systems are amfori BSCI and the Higg Facility Social and Labor Module (Higg FSLM), which provide structured frameworks widely used across the apparel and textile industry. In certain cases, we also accept Sedex SMETA audits and SA8000 certifications where these meet our requirements. Allowing equivalent audit frameworks helps reduce duplication of audits and contributes to broader industry efforts to address audit fatigue.

Social audits serve as an initial entry point for understanding working conditions at supplier facilities and identifying potential labour rights risks. Where possible, NA-KD complements these assessments through factory visits and ongoing dialogue with suppliers, which allows for additional insight into operational practices and local contexts.

However, audits alone cannot fully capture all labour risks, and working conditions may change between audit cycles. For this reason, we treat audits as a starting point rather than a standalone verification tool. Our due diligence approach therefore includes ongoing engagement with suppliers to address findings identified through audits and to support continuous improvement over time.

This engagement includes monitoring corrective action plans, supporting suppliers in strengthening internal management systems, and providing guidance on the development of policies and procedures aligned with our Supplier Code of Conduct. Suppliers may also be encouraged to participate in relevant industry training programmes and capacity-building initiatives aimed at improving working conditions and labour rights awareness.

In 2025, 37.98 percent of our Tier 1 factories achieved a high performance rating in social audits, corresponding to at least a B rating under amfori BSCI or an equivalent result under other approved systems. This represents an improvement compared to 33 percent in 2024 and 30 percent in 2023. All apparel, footwear, and accessories factories had a valid social audit in place before NA-KD initiated a business relationship with them.

We continue to implement our Human Rights Policy and Supplier Code of Conduct through ongoing, risk-based due diligence. This includes identifying and assessing potential human rights risks, monitoring supplier performance, and following up on corrective actions where required.

Structural challenges remain in certain production markets, including excessive working hours, gaps in social insurance coverage, and differences between legal minimum wages and estimated living wage benchmarks. These issues are often linked to broader regulatory and economic conditions beyond the direct control of individual factories. Where findings are identified through audits or grievance mechanisms, we engage with suppliers to support corrective action and monitor progress.

Our approach to social sustainability in the supply chain is structured around three pillars:

- Industry collaboration, awareness, and advocacy
- Effective management systems and worker engagement
- Responsible purchasing practices and continuous improvement

Factories undergoing Sedex SMETA 2-Pillar audits are not formally assessed against the Business Ethics nor the environmental pillar, as these elements are not included within the 2-Pillar audit scope. In 2025, 16 (9 in 2024) factory audits were conducted under the SMETA 2-Pillar format and therefore did not include a dedicated assessment of business ethics. Production in these facilities represented 5.04 percent of our total production volume during the year.

04. Diversity and inclusion

Our Approach to Supply Chain Human Rights Due Diligence

Supplier Code of Conduct

- NA-KD has adopted the amfori BSCI Code of Conduct as its Supplier Code of Conduct. Signing the Code is a prerequisite for all new and existing suppliers. It establishes minimum requirements related to labour standards, environmental protection, and ethical business conduct.

Escalation and Business Action

- Our Business Partner Zero Tolerance Protocol and Escalation Policy define the actions taken in response to severe or repeated non compliance. This includes procedures where suppliers fail to implement corrective measures within agreed timeframes.

Social Audits

- All Tier 1 factories must undergo a social audit prior to NA-KD initiating a business relationship. Audits are conducted and renewed annually or biennially based on a risk assessment. Audit results form part of our ongoing supplier evaluation and monitoring processes.

Financial Risk Assessment

- In 2025, we strengthened our supplier due diligence by introducing additional financial risk assessments as part of our onboarding and review processes. This aims to better identify potential financial instability and reduce the risk of sudden operational disruptions that could negatively affect workers and business continuity.

Training and Capacity Building

- We encourage suppliers to participate in capacity building initiatives through platforms such as the amfori Academy, the How to Higg guide, and relevant manufacturer forums. Additional guidance is provided where improvement areas are identified.

Corrective Actions and Continuous Improvement

- Factories with lower audit performance or identified non compliance are required to implement corrective action plans. Progress is monitored through follow up engagement and, where necessary, additional audits. Priority issues are addressed through structured dialogue with suppliers as part of our ongoing due diligence.

04. Diversity and inclusion

Social and labour findings in our supply chain in 2025

As part of our human rights due diligence process, we have identified our salient human rights, meaning the areas where the risk of adverse impact within our value chain is considered most significant. The status of these areas for 2025 is presented in this section.

Workers	# of workers in factories producing for NA-KD	# of female workers in factories producing for NA-KD	whereof women
Asia*	25035	11985	47.87%
Europe**	3228	1536	47.58%
Others***	561	491	87.52%
Albania****	0	0	0
Italy	10	6	60
United Kingdom	16	12	75
Romania	41	37	90.24
Tunisia	47	33	70.21
Bulgaria	233	210	90.13
Morocco	514	458	89.11
Vietnam	523	400	76.48
Cambodia	580	420	72.41
India	2847	380	13.35
Turkey	2928	1271	43.41
Pakistan	4467	1303	29.17
China	7365	4805	65.24
Bangladesh	9253	4677	50.55
Grand Total	28824	14012	48,61

Note:
 *Asia includes Vietnam, Cambodia, India, Pakistan, China and Bangladesh.
 **Europe includes Albania, Italy, United Kingdom, Romania, Bulgaria and Turkey.
 ***Others include Tunisia and Morocco.
 ****Audit results regarding total employee headcount are currently pending.

Working conditions

In 2025, findings related to working conditions were primarily connected to occupational health and safety. Within this area, recurring observations included the correct and consistent use of personal protective equipment. In several cases, improvements were required in worker training, supervision, and documentation to support full alignment with our Code of Conduct requirements.

Climate related factors are also increasingly relevant to working conditions in certain production regions. Rising temperatures and prolonged heat periods have contributed to an increased risk of heat stress in factory environments. Heat stress is a growing occupational safety and health risk with direct implications for worker safety and wellbeing. As a signatory to the International Accord, NA-KD follows the ongoing development of a Heat Stress Protocol under the Accord framework. The objective of this initiative is to establish preventive and systematic approaches to managing heat related risks in factories. The protocol is currently under development and has not yet been finalized.

Adequate Wages

Our social audits have not identified cases of workers being paid below the applicable legal minimum wage. However, assessments and external benchmarks indicate that gaps may exist between statutory minimum wages and estimated living wage levels in several production countries.

In 2025, we initiated structured data collection on living wages within our Tier 1 factories. We have mapped which suppliers are currently calculating living wage benchmarks and are engaging with those that have not yet started this process. Factories representing 19,3% of our purchasing volumes have already started to calculate the living wage themselves, and 63,68% of the factories had the living wage calculated by a third party auditor as part of their social audit. Establishing a clearer baseline is an important step in understanding potential wage gaps within our supply chain.

In key production countries such as China and Turkey, broader economic conditions continue to influence wage levels and cost of living developments. In Turkey, inflation and currency volatility in recent years have affected purchasing power and increased pressure on wage adequacy. In China, regional variations in economic activity and labour market dynamics continue to shape wage developments and compliance environments. These macroeconomic factors highlight the importance of ongoing monitoring and engagement when assessing wage related risks.

Closing the gap between minimum wages and living wages remains a complex structural challenge that extends beyond individual factories. It requires coordinated efforts across brands, suppliers, governments, worker representatives, and other stakeholders. As a next step, we aim to develop engagement plans to better understand wage structures and explore approaches to addressing identified gaps over time.

Decent Working Hours

Our audits continue to indicate that compliance with working hour requirements remains a structural challenge in certain production markets, including China. To address this, we engage with suppliers to strengthen production planning, improve capacity management, and enhance internal monitoring systems aimed at supporting alignment with legal and Code of Conduct requirements.

04. Diversity and inclusion

Freedom of Association and the Right to Collective Bargaining

In 2025, factories representing 92 percent of our total production volume reported having union or other forms of worker representation, compared to 82 percent in 2024. The most common structure consists of elected worker representatives. Trade union presence remains limited across much of our supply chain.

In certain production markets, including China, the regulatory framework does not provide for independent trade unions. Worker representation is typically organised through enterprise level structures operating within the national trade union system. In these contexts, our monitoring focuses on whether worker representatives are elected, whether meetings are documented, and whether mechanisms exist for workers to raise concerns.

We continue to assess the effectiveness of worker representation mechanisms through social audits and supplier dialogue as part of our broader human rights due diligence process.

Social Security

Our audits continue to identify risks related to social security coverage in certain production markets, particularly in China, where compliance gaps are often linked to structural and regulatory conditions. In 2025, we engaged directly with relevant suppliers to better understand local practices and expectations, and we provided guidance on available training and capacity building resources.

Despite these efforts, social security compliance remains a structural challenge in some regions and may require broader regulatory alignment and industry engagement to achieve sustained improvements. We continue to monitor developments through audits and supplier dialogue.

Equal treatment and opportunities for all

Discrimination, Harassment, Victimization, and Violence

Our social audits have not identified confirmed cases of discrimination, harassment, victimisation, or violence within our Tier 1 factories. However, these risks remain inherent in global supply chains and require continued oversight.

We address these areas through our Supplier Code of Conduct, audit protocols, and ongoing engagement with suppliers. Preventive measures include policy requirements, grievance mechanisms, and worker awareness initiatives aimed at supporting respectful and safe working environments.

In recent updates to the amfori BSCI audit framework, which is the primary social audit system used within our supply chain, data collection has expanded to include non binary gender where such information is available. We recognise that in certain local contexts, social and cultural conditions may limit the availability or reliability of this data. Nevertheless, the inclusion of this data point within the audit methodology represents a step toward increased awareness and visibility of diversity related considerations in workplace assessments.

Social Audits in 2025	# of audits conducted in 2025	% of spend
Asia*	63	82.23%
Europe**	8	16.61%
Bangladesh	4	3.23%
Cambodia	1	0%
China	51	72.59%
India	5	5.2%
Pakistan	1	0.42%
Turkey	8	16.61%
Vietnam	1	0.79%
Grand Total	71	

Note: Audits with a 'high grade' (such as A and B in the Amfori BSCI system) expire after two years. Therefore, some facilities do not require an audit every reporting year.
 *Asia includes Vietnam, Cambodia, India, Pakistan, China and Bangladesh.
 **Europe includes Turkey.

04. Diversity and inclusion

Other Work-Related Rights

Forced Labor and Modern Slavery

Our social audits have not identified confirmed cases of forced labour or modern slavery within our Tier 1 factories. However, these risks are generally considered more prevalent further upstream in global supply chains, including in raw material processing and agricultural contexts, and in situations involving migrant or temporary workers.

We continue to monitor these risks through our due diligence processes and supplier engagement. This includes providing guidance to suppliers and strengthening traceability efforts in higher risk areas. Further information on our approach is available in our most recent Modern Slavery Statement.

Child Labor and Young Workers

Our audits confirm that Tier 1 factories adhere to applicable legal age requirements and maintain policies aimed at preventing child labour and protecting young workers. Nevertheless, child labour risks are widely recognised as being more prevalent upstream in certain sourcing regions and raw material production.

We continue to strengthen oversight in higher risk areas through improved traceability, supplier dialogue, and monitoring mechanisms. Where risks are identified, we engage with suppliers to ensure alignment with our Code of Conduct and applicable labour standards.

Our Actions

Our efforts to address and mitigate forced labour, child labour, and other value chain risks continue to include risk assessments, social audits, supplier engagement, and capacity building initiatives through platforms such as the amfori Academy. In 2025, the following actions were prioritised:

- **Grievance Mechanisms:** Our primary grievance mechanism, amfori Speak for Change, remains operational in Turkey, with pilot initiatives ongoing in China. Suppliers using the amfori BSCI system continue to promote the tool to workers. NA-KD monitors reported cases and engages with facilities to follow up on corrective actions where required.
- **Enhanced Communication with Suppliers:** We continued structured sustainability dialogue with suppliers, including updates on regulatory developments, policy expectations, and workflow improvements. Engagement tools included sustainability communications, supplier portal updates, webinars, training sessions, and in person meetings in key production markets.
- **Advocating for Aligned Standards:** We remain engaged in industry initiatives, including amfori, Cascale, and the International Accord, supporting dialogue on aligned standards and due diligence approaches.
- **Commitment to the International Accord:** NA-KD continues to be a signatory to the International Accord for Health and Safety in the Textile and Garment Industry, covering Bangladesh and Pakistan.
- **Traceability and Supplier Mapping:** In 2025, we initiated a structured review of our Tier 2 supplier mapping to improve data accuracy and ensure that publicly disclosed supplier lists reflect active and verified production partners. This work aims to strengthen traceability systems and improve the reliability of supplier information across our value chain.
- **Employee Training and Support:** Members of the sustainability team conducted in person visits to selected suppliers in key production countries, including India and China. These visits supported direct dialogue with factory management and workers and provided additional oversight of labour and human rights risks.

04. Diversity and inclusion

Our Role in Society

As a fashion brand operating primarily in Europe, NA-KD recognises that our activities extend beyond our direct business operations. Through local partnerships and community engagement, we seek to contribute in ways that are proportionate to our size and role.

Our Local Community

Product development processes result in the creation of samples, including garments and accessories used for testing, fittings, and content production. Where suitable, these items are donated rather than discarded.

We continue to collaborate with Räddningsmissionen in Gothenburg, a non governmental organisation supporting individuals and households in vulnerable situations. In 2025, Räddningsmissionen opened KlädRätt, a social clothing store that redistributes new, unsold garments, including overstock, returns, and sample items, at reduced prices.

During 2025, KlädRätt distributed garments to approximately 7,000 households. NA-KD contributed roughly one fifth of the total volume of garments redistributed through the store during the year. The partnership supports the redistribution of usable products while contributing to local social initiatives.

We remain in ongoing dialogue with Räddningsmissionen to explore how the collaboration may develop over time, based on operational feasibility and community needs.

KlädRätt

EN DEL AV RÄDDNINGSMISSIONEN

1/5

of the total number of garments redistributed in the store were NA-KD



Business Conduct

Code of Conduct

Our internal Code of Conduct, approved by our Board of Directors, outlines the minimum requirements for acceptable and unacceptable behavior. It applies to every representative of NA-KD, including managers, colleagues, consultants, interns, and anyone working for or on behalf of the company. The Code is based on international norms and guidelines such as the OECD Guidelines for Responsible Business Conduct, the ILO Declarations of Fundamental Principles and Rights at Work, and the UN Guiding Principles for Business and Human Rights.

The Code of Conduct focuses on three key areas: • An inclusive workplace • Protecting the planet for future generations • Conducting business ethically, including anti-corruption and bribery, money laundering, conflicts of interest, confidential information, and data privacy.

Failing to uphold the Code of Conduct may have legal, financial, or reputational consequences, impacting both people and the planet. Conversely, adhering to the Code provides opportunities to build strong business relationships, foster employee pride, and position NA-KD as an attractive employer.

In 2023, we launched mandatory e-learning training for all employees, with 81.5% participation. The training includes anti-corruption and bribery education. The training is done yearly and by 2025 we had a 89% participation.

Speaking up

We encourage employees to speak up about any concerns. This is emphasized in our Code of Conduct, internal employee site, and Whistleblowing Policy. Employees receive training on these topics as part of the Code of Conduct e-learning, and relevant policies are available on the employee site. Employees are informed regularly about the importance of speaking up and the company's commitment to protecting those who do so.

Weekly employee satisfaction surveys invite anonymous feedback, which is reviewed by senior management and department managers for team discussions and actions. Employees are encouraged to reach out to their manager, the People & Culture team, or participate in the satisfaction survey to raise concerns. Alternatively, they can use a whistleblowing tool to report issues anonymously.

Until October 2024, the whistleblowing system was managed by EQS Compliance, handling both internal and external investigations as necessary. Reports were reviewed by the Chief Human Resources Officer, who conducted independent investigations. If required, external consultants or legal professionals were engaged, and law enforcement could be involved for criminal cases.

In October 2024, NA-KD transitioned to a new whistleblowing system, Visslan, which offers additional support from external legal experts to ensure a fair and independent process. Visslan allows both internal and external parties to confidentially report any breach of our code of conduct. Initial cases are handled by the law firm Lindahl, with internal support available as needed.

We encourage employees to first discuss internal matters with their manager, People & Culture, or use our Flourish platform. The whistleblowing system is intended for reporting breaches of our code of conduct. The whistleblowing tool is also accessible to the public via our website. In 2025, no cases were reported through any of the whistleblowing systems.

Anti-corruption & bribery

NA-KD has zero tolerance for corruption, bribery, and unethical behavior. Our key policies in this area include the Code of Conduct, Anti-Bribery and Corruption Policy, and the Whistleblowing Policy. These provide practical guidelines for evaluating and avoiding unethical behavior and reporting dishonest or illegal activities. All new employees are informed about these policies during onboarding.

Corruption can increase societal inequalities, erode trust in business relationships, and jeopardize human rights across global supply chains. For NA-KD, the risks of failing to uphold anti-corruption and bribery standards include severe legal and financial repercussions.

Employees working in roles involving external business relationships face higher exposure to corruption risks. These employees received in-depth training on ethical business conduct, including anti-corruption and bribery, during the 2021 launch of the updated Code of Conduct. In 2025, no complaints of corruption or anti-competitive behavior were reported.

Business Conduct

Animal Welfare and Materials Ethics

We are committed to complying with applicable animal welfare standards and to applying internal guidelines for the use of animal-derived materials in our products. NA-KD is a member of the Fur Free Retailer Program.

Our approach is guided by our Material Ethics and Animal Welfare Policy, which outlines animal-derived materials that are prohibited, as well as those that may be used subject to defined requirements, such as third-party certifications where applicable.

We prohibit the use of fur, exotic skins, and materials sourced from endangered species. Animal-derived materials, including wool and leather, may involve animal welfare and environmental risks if not responsibly sourced. These risks can include impacts related to land use, pollution, and biodiversity.

To manage these risks, we communicate our policy requirements internally and require relevant documentation and certifications where applicable when sourcing animal-derived materials. We hold certification under the Responsible Wool Standard for applicable products.

Supplier Relationships

NA-KD has adopted the amfori BSCI Code of Conduct as its Supplier Code of Conduct. Signing the Code is a contractual requirement for all suppliers and establishes the baseline expectations for labour standards, environmental practices, and ethical business conduct.

Recognising that a significant share of our environmental and social impacts occurs upstream in the value chain, strengthening supplier relationships remains a strategic priority. In 2025, we appointed a Head of Sourcing and Production to further reinforce supplier engagement and oversight. This role supports closer collaboration with production partners and strengthens the integration of sustainability considerations into sourcing and purchasing decisions.

In person engagement has also been prioritised during the year. Visits to suppliers, both in production countries and at our offices, have supported more structured dialogue, improved understanding of production processes, and greater visibility into factory operations and working methods. These interactions contribute to more informed decision making and long term partnership development.

Stable and transparent supplier relationships are important for maintaining operational resilience and responsible purchasing practices. Weak alignment or short term engagement can create operational inefficiencies and supply chain risks. Conversely, long term collaboration enables improved planning, quality management, and more effective implementation of compliance and traceability requirements.

Our actions

- We are certified by the Responsible Wool Standard.

GRI Report 2025

About this report

This is the seventh sustainability report published by NA-KD. The previous report was published in June 2025. This report covers the financial year 2025 and has been prepared with reference to the Global Reporting Initiative Standards. It is also prepared in accordance with the Swedish Annual Accounts Act.

The report has been prepared by NA-KD. The Senior Management Team is responsible for the content and accuracy of the information presented.

While NA-KD does not currently fall under mandatory reporting pursuant to the Corporate Sustainability Reporting Directive, we have continued during 2025 to strengthen our data collection processes and internal governance structures in preparation for future regulatory alignment. The timing of potential applicability remains subject to regulatory clarification.

Reporting Content

This report covers NA-KD's own operations and Tier 1 production partners, unless otherwise stated. Where relevant, risks and impacts further upstream in the value chain are described qualitatively.

No material changes were made to the reporting scope or boundaries during 2025. However, during the year we initiated a more structured approach to data collection and documentation processes in order to enhance consistency, traceability, and internal controls. These improvements are intended to support long term alignment with evolving regulatory expectations, including the European Sustainability Reporting Standards.

Any methodological adjustments or clarifications are described in the relevant sections and in the GRI Index. The primary audience of this report is NA-KD's owners and investors. It is also intended to provide transparent and accessible information to customers, employees, suppliers, and other stakeholders regarding our material topics, risks, and sustainability performance.

Strategic Framework

At the end of 2025, NA-KD conducted a review of its sustainability strategy following the company's reconstruction process and organisational adjustments. As a result of this review, a refinement of the strategic focus areas was made.

The previous focus area of Circularity was replaced with Product Quality and Longevity. This change reflects a shift in emphasis toward strengthening the fundamentals of product development. Rather than assuming that products can be integrated into circular models regardless of their construction or durability, we are prioritising the development of higher quality garments from the outset. Improving durability, size and fit accuracy, and material selection is considered a necessary foundation for reducing environmental impacts over time.

This strategic framework will continue to be reviewed as regulatory developments, business priorities, and stakeholder expectations evolve.



GRI Report 2025

About NA-KD

In 2025, NA-KD shipped products to customers in 53 countries. Our products are also available through selected online marketplaces, including Zalando, Trendyol, and About You, as well as other regional partners.

Total net sales for 2025 amounted to 1,630 MSEK, compared to 1,727 MSEK in 2024. The majority of sales were generated in Germany (21%), Sweden (15%), the Netherlands (13%), Denmark (12%), the USA (2%), and other markets (37%). During 2025, we sold approximately 8 million products.

Our headquarters are located in Gothenburg, Sweden. At the end of 2025, NA-KD had 202 employees.

During 2025, we continued to streamline our operational structure. As a result, at year end we operated one fully active warehouse located in Landskrona, Sweden. All warehouse operations are outsourced, with NA-KD representatives overseeing key processes.

NA-KD is a privately owned limited company. As of 31 December 2025, the ownership structure was as follows:

- TriplePoint Capital LLC – 80.3%
- TriplePoint Venture Growth BDC Corp – 16.4%
- TriplePoint Private Venture Credit Inc – 1.65%
- TriplePoint Venture Lending Fund LLC – 1.65%

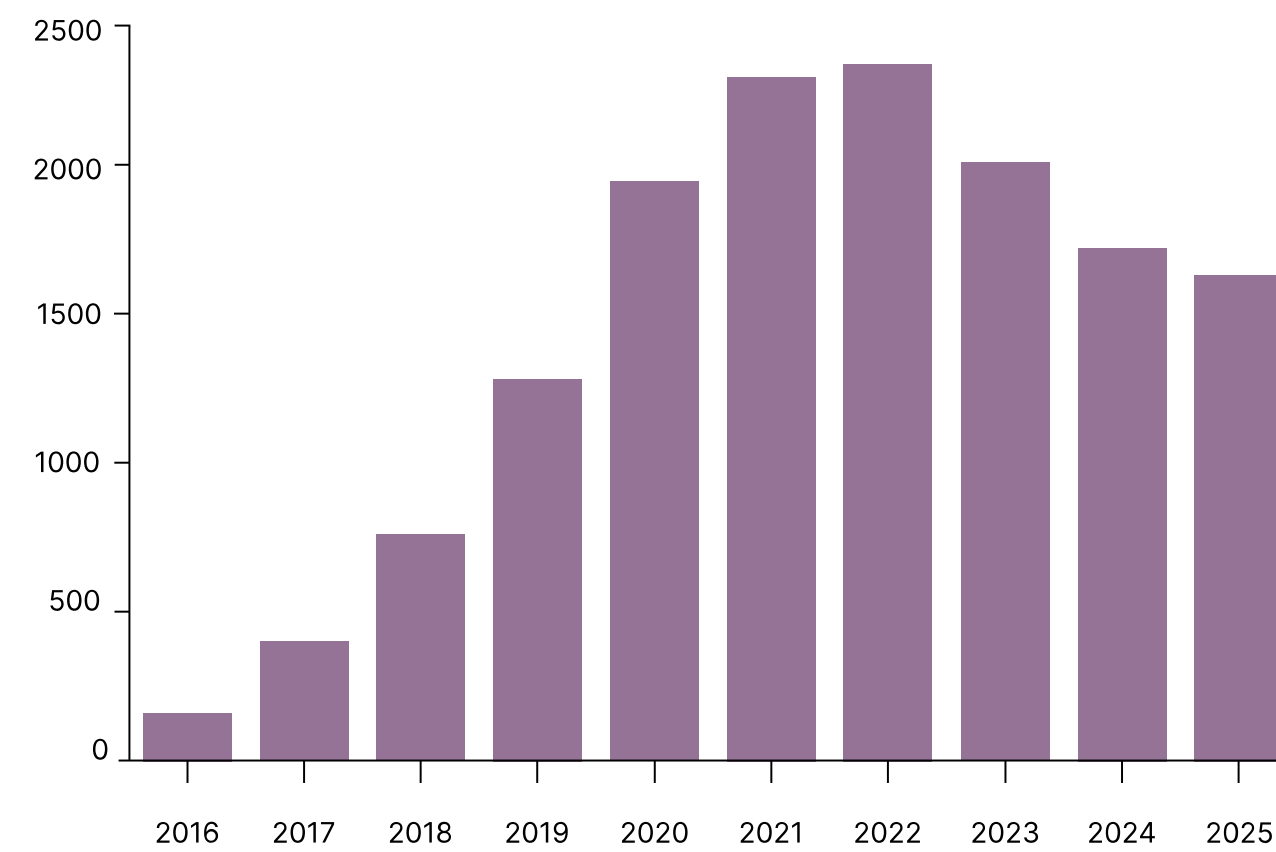
Johannes Löning served as independent Chairman of the Board during 2025 and held no executive responsibilities. Mattias Jacobsson served as CEO and Daniel Svensson as CFO. As of 6 February 2026, Sajal Kumar Srivastava assumed the role of Chairman of the Board and has no executive responsibilities.



Financial numbers

Consolidated income statement summary

Net sales (MSEK) per year 2016-2026



Amounts in MSEK	1/1/2025 - 2025/12/31	1/1/2024 - 2024/12/31	1/1/2023 - 2023/12/31	1/1/2022 - 2022/12/31
Net sales	1630.2	1727.0	2012.7	2345.5
Other operating income	403.2	74.5	150.2	87.2
Operating expenses				
Cost of goods sold	-692.8	-796	-952.8	-1297.6
Other external costs	-787.7	-847.9	-978	-1248
Personell costs	-127.8	-131.6	-171.8	-183.7
Depreciation and amortisation of tangible and intangible assets	-82.5	-121	-107.2	-86
Impairment for expected credit losses	-17.4	-35.5	-3.3	-52.5
Other operating expenses	-65.9	-60.2	-125	-66.6
Operating result	259.3	-190.6	-175.2	-501.6
Result from financial items				
Interest income and similar income	2.9	3.8	39.5	17.2
Interest expense and similar charges	-285.2	-228.6	-171.9	-96.7
Loss before tax	-23	-415.4	-307.6	-581
Income taxes	-108.2	-0.8	-4	-0.4
Net loss for the year	-131.2	-416.2	-311,6	-581.4
Applicable to				
Parent company's shareholders	-131.2	-416.2	-311,6	-581.4

Risk management

Climate change & environment; risks, implications and opportunities for NA-KD

Risk	Risk description	NA-KD mitigation measures
Increased costs and price volatility of raw materials	Higher temperatures and water shortages combined with intensified extreme weather risks (rains and droughts) will likely affect the supply of cotton and other key raw materials for the textile industry.	Prepare for price fluctuations in budgets. Increase variety of materials to reduce risk exposure.
Supply chain disruptions: damaged manufacturing facilities and disrupted distribution networks	Changes in intensity and frequency of extreme weather events like hurricanes, droughts, floods and changes in precipitation patterns (e.g. flooding of harbours). Production disruption may also occur due to social unrest and climate migration. Consequences could be increased production and transportation costs and products not being delivered on time, negatively impacting sales and margins.	Nearshoring manufacturing reduces risks of disruptions in transportation. This also increases short term flexibility. Spreading the production to different countries and regions is of most importance to mitigate the risk.
Changing consumer attitudes and purchasing behaviour	<p>Increasing consumer environmental awareness will affect buying and consumption behaviours negatively affecting the fashion industry in general. Gen Z customers are more prone to changed behaviours than earlier generations.</p> <p>Rising temperatures and unpredictable seasonal cycles may lead to consumers not wanting to buy what they usually do at a certain time of year – which may lead to implications on inventory efficiency and cash flow. E.g. late start of winter plummets demand for outerwear.</p>	Opportunity for alternative business models, such as second hand, “re-take model” and rental business. Increase quality/longevity of products to fit a circular business module. Need to show real action and leverage from NA-KD’s ambitious sustainability strategy with proven lower environmental impact than competitors. Continue to build trust among customers. Improve planning and buying accuracy.
Energy price increases	Energy price increases during transition period to a green economy may impact costs for NA-KD, both directly and indirectly with increased energy costs for business partners that would spill over to increased costs for NA-KD.	Proactive agreements for own energy supply and increase own production of renewable energy by solar panels. Continue to work with suppliers and their factories to transition to renewable energy sources.
Shortage of recycled materials	The demand for recycled materials, and in particular polyester, is increasing rapidly from several industries and risks causing a lack of supply over time, with increased prices as an effect.	Continue to proactively look for new innovative alternatives to recycled polyester. Support start-up businesses with orders of new more sustainable materials to enable scaling.

Our related policies

- Code of Conduct
- Environmental Policy
- Restricted Substances List
- Material Ethics and Animal Welfare Policy

Risk management cont.

People & Human Rights; risks, implications and opportunities for NA-KD

Risk	Risk description	NA-KD mitigation measures
PR risk if supply chain working conditions are not managed well	If working conditions in supply chain (factories, warehouses, transportation) are not up to standards and this becomes known, there is a risk for negative PR, which may impact brand value and investor relations.	Continue with risk-based human rights due diligence through social audits. Training of purchasing staff prior to factory visits. Execute on sustainability strategy for fair working conditions and wages.
Difficulties in recruitment and retention because of a potential and negative PR event	The younger generation is more values-driven so a PR event owing to social risks may impact retention and recruitment of sufficient, competent talent.	As above, plus communicate transparently on our actions, challenges and progress.
Legal risks if social working conditions are not managed well in own operations	If we, or a close business partner where we have a legal responsibility, is not living up to legislation on working conditions (e.g. wages, occupational health and safety, working hours).	Continue to train our managers on internal policies. Managerial Handbook launched 2022. Continuous Code of Conduct training to all employees.
Financial risks if working conditions are not managed well and a PR crisis leads to loss of sales	This is true for working conditions and potential human rights violations both internally and in our supply chain.	As all of the above.
Material supply shortage due to working conditions in supply chains (e.g. Xinjiang cotton)	Poor working conditions and forced labour situations in some regions may impact cost and supply of raw materials (e.g. Lester in UK, Xinjiang in China, Myanmar).	Execute on our strategy for supply chain traceability to identify raw material origin and secure diverse spread of raw material sourcing to mitigate risks. Continue to execute human rights due diligence.

Our related policies

- Code of Conduct
- Supplier Code of Conduct
- Human Rights Policy
- Work Environment Policy
- Equal Treatment Policy
- Alcohol & Drug Policy
- Rehabilitation Policy

Risk management cont.

Governance; risks, implications and opportunities for NA-KD

Risk	Risk description	NA-KD mitigation measures
New and rapidly changing legal and regulatory landscapes (local, national, regional)	This may lead to increased costs due to resources required to comply, as well as impacting sales if not being able to comply. Foreseen price on carbon, regulations on transparency and reporting will increase costs and administration for all companies. Recent examples: French producer responsibility, UK law on recycled plastics in packaging, the proposed NY Fashion Act and the EU Textile Strategy.	Monitor legal and regulatory developments closely. Execute on the ambitious sustainability strategy, product footprint and traceability plans to be one step ahead of legislation and keep costs under control.
Lack of harmonisation in legislation, causing admin and cost increases	With rapidly changing regulations in local markets, this risks overburden global companies if legislations are not harmonised.	Monitor legal and regulatory development closely, and advocate for harmonised legislations.
Insecure supplier relationships following delayed payments	To build close long-term supportive supplier relationships, it is fundamental to pay on time according to agreements.	Continued close, transparent and proactive dialogue with all our suppliers on payment terms and conditions, and ensure payments are done on time.
Financial risks: price on carbon / import tax on carbon to Europe	There are wide political discussions about setting a formal price on carbon, import tax on carbon to Europe (consumption based).	Secure anti-corruption training of employees and everyone working on behalf of NA-KD. Continue with Code of Conduct training and training in all other policies, in particular for managers.
Legal and PR risks if we do things wrong	If NA-KD employees or close business partners do not adhere to applicable legal and regulatory frameworks, there is naturally a legal and PR risk associated with this.	

Our related policies

- Code of Conduct
- Anti-bribery Policy
- Anti-money Laundering and Counter Terrorism Policy
- Conflict of Interest Policy
- Tax & Fraud Policy
- Data Protection Policy
- Trade Sanctions Policy
- Whistleblowing Policy

GRI Index

GRI Standard	Disclosure number	Disclosure	Location	Notes
GRI 2: General Disclosures 2021	1-2	Organizational details	p. 60-61	
	2-2	Entities included in the organization's sustainability reporting	p. 60	
	2-3	Reporting period, frequency and contact point	p. 60, 69	
	2-5	External assurance	p. 60	The sustainability report has been assured by EY to be in compliance with the Swedish Annual Accounts Act, but no further assurance has been made of the content of the report
	2-6	Activities, value chain and other business relationships	p. 3, 5, 13-15, 61	
	2-7	Employees	p. 48-49, 61	
	2-8	Workers who are not employees	p. 51	
	2-9	Governance structure and composition	p. 18, 48-49, 61	
	2-11	Chair of the highest governance body	p. 61	
	2-12	Role of the highest governance body in overseeing the management of impacts	p. 18	
	2-13	Delegation of responsibility for managing impacts	p. 18	
	2-22	Statement on sustainable development strategy	p. 4	
	2-23	Policy commitments	p. 21, 34, 47, 51	
	2-24	Embedding policy commitments	p. 21, 34, 47, 51	
	2-25	Processes to remediate negative impacts	p. 24, 52-53, 58	
	2-26	Mechanisms for seeking advice and raising concerns	p. 48-49	
	2-27	Compliance with laws and regulations	See notes	No significant instances of non-compliance with laws and regulations occurred during the reporting period.
	2-28	Membership associations	p. 11-12, 21, 37, 51-53, 57	
	2-29	Approach to stakeholder engagement	p. 12-15	
	2-30	Collective bargaining agreements	p. 48-49	

To read more about our modern slavery and human rights policies, please see our Modern Slavery Statement [here](#).

GRI Index

GRI Standard	Disclosure number	Disclosure	Location	Notes
GRI 3: Material Topics 2021	3-1	Process to determine material topics	p. 12-15	
	3-2	List of material topics	p. 16-17	
	3-3	Management of material topic	p. 16-17, 21-32, 34-39, 41-45, 47-57, 58-59	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	p. 62	
	201-2	Financial implications and other risks and opportunities due to climate change	p. 21	
	201-4	Financial assistance received from government	See notes	NA-KD went through a reconstruction during 2025, which resulted in receiving financial assistance from the government. For more information, refer to Annual Report 2025.
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	p. 65	
	205-2	Communication and training about anti-corruption policies and procedures	p. 58	
	205-3	Confirmed incidents of corruption and actions taken	See notes	No complaints or confirmed incidents of corruption or anti-competitive behaviour were reported in 2025.
GRI 301: Materials 2016	301-1	Materials used by weight or volume	p. 34-38	
	301-2	Recycled input materials used	p. 34-38	
	301-3	Reclaimed products and their packaging materials	See notes	No reclaimed products during 2025.
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	p. 28	
	305-2	Energy indirect (Scope 2) GHG emissions	p. 28	
	305-3	Other indirect (Scope 3) GHG emissions	p. 29-31	
	305-5	Reduction of GHG emissions	p. 32	

GRI Index

GRI Standard	Disclosure number	Disclosure	Location	Notes
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	p. 25-27	
	308-2	Negative environmental impacts in the supply chain and actions taken	p. 21-24	
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 50	
	401-3	Parental leave	p. 50	
GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	p. 50	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	p. 49	
	404-3	Percentage of employees receiving regular performance and career development reviews	p. 48-49	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	p. 48-50	
	405-2	Ratio of basic salary and remuneration of women to men	p. 48-50	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	p. 49-50	
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	p. 55	Further details, please see NA-KD Modern Slavery Statement
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	p. 56	Further details, please see NA-KD Modern Slavery Statement
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 56	Further details, please see NA-KD Modern Slavery Statement
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	p. 51-56	
	414-2	Negative social impacts in the supply chain and actions taken	p. 51-56	
GRI 417: Marketing and labeling 2016	417-1	Requirements for product and service information and labeling	p. 39	

NA-KD

If you have any questions about this report, need help finding specific information or have any other questions on our sustainability ambitions and progress, policies or ways of working, please contact: csr@na-kd.com or press@na-kd.com

We appreciate your feedback!