



K A M P O S

**NON-FINANCIAL BALANCE
SHEET**

2021

KAMPOS continues to reinvent the world of luxury by producing high quality and unique swimwear and ready-to-wear products which are 100% Made in Italy and 100% sustainable.

The **KAMPOS GROUP** includes: KAMPOS GLOBAL AG, KAMPOS ITALIA SRL SOCIETA' BENEFIT and its partner KAMPOS KOREA LTD. In the Financial year 2021, KAMPOS GROUP generated sales of € 534, 000.

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1. About this Report

KAMPOS' Non-financial Balance Sheet has been assessed based on the following topics:

- Environmental issues,
- Matters relating to employees and society,
- Regard for human rights;
- Fighting corruption and bribery.

The Non-financial Balance Sheet of KAMPOS for the fiscal year 2021 has been examined by the company's CEO, Head of Finance, and Board of Directors.

2. Business Model of KAMPOS & Strategic approach

“Responsible by Choice. Powerful by Nature”

The Brand redefines luxury by transforming marine pollution into high quality products which can be recycled infinitely and are 100 % Made in Italy.

In 2021 KAMPOS operated with:

- 8 permanent and 4 temporary employees;
- 4 direct retail shops and 2 long term partnerships (Korea and Maldives);
- 4 wholesale accounts.

KAMPOS commits itself to be a sustainable leader and continues to follow its 4 strategic approaches in creating its unique products:

- The brand does not use single-use plastics in its products and each piece has been made uniquely with responsible materials that are 100% sustainable and eco-friendly. All products are made of recycled plastic bottles, abandoned fishing nets, recycled nylon, organic materials and organic fabrics.
- The brand designs are consciously inspired to raise awareness of overfishing and marine pollution that threatens marine life and our planet.

- The brand uses recycled materials for our consumer packaging. They are 100% recyclable and are FSC/PEFC certified. In 2022, the brand will introduce a new packaging that is made of sugarcane and recovered plastic that was renewed and recycled to create a positive impact on the environment.
- In 2021 the brand continued to be an official partner of the non-profit organization, One Ocean Foundation, which plays a significant role in highlighting and fighting ocean issues globally.

3. KAMPOS Product Compositions

KAMPOS manufactures a collection of products made from recycled plastic bottles, abandoned fishing nets, recycled nylon, and organic fabrics:

- Men swim shorts collections are produced from 100% recycled plastic bottles and use Newlife™. The Newlife™ is a unique, complete, and certified system of recycled polyester filament yarns coming 100% from post-consumer bottles sourced, processed into a polymer through a mechanical process (not chemical), and spun into yarn entirely made in Italy.
- Women's swimwear, men's swim briefs, and eyewear collections are made with ECONYL® regenerated nylon. The ECONYL® is produced from synthetic waste such as fishing nets from oceans, industrial plastic, and other waste fabric.

- Women and Men collections are made from organic cotton and from producers who prohibit any toxic pesticides and synthetic fertilizers and made 100% recycled plastic bottles.
- Women and Men Knitwear collections are made from natural cashmere from trusted producers with an ethical and sustainable approach and include 100% recycled plastic bottles.

The company is extremely sensitive to animal welfare and only purchases materials from the most highly regarded suppliers who can guarantee full traceability and certifications.

4. KAMPOS Environmental Impact and Results

a) Positive Environmental Impact

As the company grows and performs exponentially in terms of its revenue, in 2021 the brand managed to recycle over 78,000 plastic bottles (PET recyclable) and 9,500 kilograms of abandoned fishing nets and other generated nylon compared to its 2020 result with over 11,000 plastic bottles and 2,000 kilograms of abandoned fishing nets and other generated nylon.

As an official partner of One Ocean Foundation the brand donated a total of 30,000 EUROS.

To improve the business's environmental impact, KAMPOS identified its negative impact on the environment and is committed to actively addressing and providing solutions to improve its business operations and to be a responsible brand.

b) Negative Environment Impact

As of the fourth quarter of the year 2021, the company approximately returned a total quantity of 611 pieces of products to its suppliers due to fabric defects and errors (Horizontal Lines, Shade Variation, Dirt/Stain, stitches issues and mistakenly used different types of fabric instead one requested.)

Date	No. of Defected Items Returned
15/04/2021	12
14/06/2021	1
22/06/2021	3
23/06/2021	2
21/09/2021	222
29/10/2021	371
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TOTAL	611

Returning products to suppliers because of quality issues has multiple negative impacts on expenditures, transportation pollution and overall

resources waste. Additionally, this problem creates physical waste which needs to be disposed.

c) Addressing the issue to mitigate the Negative Environmental Impact of the business

The company established the supplier code of conduct that defines the minimum standards of ethical and responsible behavior to protect itself from this type of issue and any other unexpected circumstances that might arise.

The purpose of the code of conduct is to strengthen mutual understanding between the company and its suppliers. It reflects the brand's sustainable goal by highlighting responsible practices in terms of Textile Waste, Chemical substances, resource conservation, and Climate Protection.

The company strictly enforces and encourages its suppliers to donate the returned faulty products to charitable programs/organizations or recycle the fabrics to produce a new ones to eliminate waste fabrics. In this way, the brand with its suppliers take an action for sustainable development.

The company is still working on improving its sustainable processes to mitigate the impact of the highlighted issue. In 2021, the brand officially hired a product director to monitor and control the supplier's production processes,

time frame, and if they can meet and align on the demands and sustainable commitment of the business.

5. Certification and Recognition

KAMPOS is committed to its mission to become a global sustainable brand with the help of global communities and movements that focus on changing the economic system into a more inclusive and sustainable economy and to certify that the business meets the highest standard in terms of innovation, environmental performance, and transparency. The brand is able to evaluate its internal and external impact and credibility to equip consumers in making more informed purchasing decisions.

a) Certified B Corporation - Certified B Corp



In November 2021, KAMPOS joined the B Corp community of B Lab Europe and officially became B Corp Certified. The minimum required score to be B Corp Certified is 80%, and KAMPOS received an outstanding score of 158.8. It is the highest score ever received by a brand in the B Corp community of B Lab Switzerland.

The brand attained the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose by meeting the standard, policies, tools, and programs created by B Lab.

b) Positive Luxury - The Butterfly Mark



KAMPOS continues to join the Positive Luxury brand community in which has been awarded by the Butterfly Mark for its commitment to sustainability in 2020.

The Butterfly Mark recognizes a brand's positive impact on people and the planet across five core areas of holistic sustainability: governance, social and environmental frameworks, community investment, and innovation.

The certification includes the unique positive actions of KAMPOS:

- *Circular Economy*: The brand weaves removing waste and pollution into their production process, keeping materials in use, and regenerating systems to maintain a circular economy.

- *Diversity and Inclusion:* The brand commits to building a diverse and inclusive workplace, free from discrimination.
- *PVC Free:* The brand does not use PVC.
- *Take-Back Scheme:* The brand collects their products at the end of their life with one customer and uses them to create something new.
- *Un Global Goal - Decent Work And Economic Growth:* The brand fulfills UN Global 8, which means it takes steps to ensure that growth is sustainable.
- *Fair Labour:* The brand is committed to safe working conditions.
- *Fair Pay:* The brand guarantees that each supplier and subcontractor they work with pays their employees the local wage.
- *No Single-Use Plastics:* The brand has replaced single-use plastics with sustainable alternatives.
- *Conscious Design:* The brand considers its social and environmental impact when designing its products.
- *UN Global Goal - Life Below Water:* The brand is taking action to conserve and sustainably use marine resources for sustainable development.
- *UN Global Goal - Responsible Consumption and Production:* The brand takes steps to minimize the amount we consume as a planet by producing more sustainably.
- *Forest Conservation:* The brand uses materials from certified sources as a

commitment to forest conservation

- *Philanthropy:* The brand has its foundation that supports charitable causes.
- *Recyclable Packaging:* The brand's packaging is entirely recyclable.
- *Responsible Sourcing:* The brand sources raw materials that do not harm local communities or ecosystems.

6. Social and Employee Matters

The company is committed to diversity and inclusion and prohibits any forms of discrimination. Employment opportunities are available regardless of individual's race, color, religion, creed, sex, national origin, age, disability, marital status, veteran status, or any other status protected by applicable law.

The majority of the company's workforce is led by women, and by the end of 2021, 87% of the employees hired with permanent contracts were women and 13% men.

Furthermore, the company values its mutual understanding and trust with its suppliers and achieves its purpose by working closely with its suppliers. By the end of the year, KAMPOS is continuously working and sharing its principles with its responsible suppliers that meet the expectations and

the minimum standards of ethical and conduct behavior of the company outlined in the Supplier Code of Conduct.

7. Human Rights Matters

The company respects the human rights of each worker and its suppliers to be informed and be consulted on its objectives, principles, and expectations to foster a well-organized, respectful, collaborative environment.

KAMPOS also established the following policies:

- The Employee Policy
- Employee Code of Conduct
- Expense Reimbursement Policy
- Discount Policy
- Work From Home Policy
- Bonus Policy
- Supplier Code of Conduct

In order to secure the rights and benefits of each employee in line with the company's business and management goals.

The company has sets mechanisms and actions to prevent, mitigate and solve human rights abuses in the workplace activities and throughout its business

relationship, including its suppliers to have a specific disclosure on handling complaints and providing solutions.

8. Anti-corruption and bribery matters

The Company does not tolerate corruption and strictly prohibits any form of bribery, payment, offers of payment as anything of value directly or indirectly to influence or obtain an undue business or personal advantage.

The company ethically advocates its business with integrity, dignity, and respect that protects the team, the organization, the brand, and the clients. The Employee Code of Conduct is constructed to highlight and inform the employees and stakeholders of its business principles and expectations to sustainably foster fair, transparent, and legal practices within the organization.

For any further questions and information. Please contact

info@kampos.com