

# Global Fashion Agenda (fond)

Bryghuspladsen 8, 1473 Copehagen K

CVR no. 41 62 72 39

## Annual report 2022

Approved at the Company's meeting of the Board of Directors on 11 May 2023

Approved by:

DocuSigned by:

*Niels H. Eskildsen*

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Niels Eskildsen

## Contents

Statement by the Board of Directors	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	12
Income statement	12
Balance sheet	13
Statement of changes in equity	15
Notes to the financial statements	16

## Statement by the Board of Directors

Today, the Board of Directors has discussed and approved the annual report of Global Fashion Agenda (fond) for the financial year 1 January - 31 December 2022.

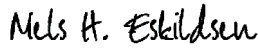
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the foundation's at 31 December 2022 and of the results of the foundation's operations for the financial year 1 January - 31 December 2022.


Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

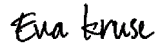
We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 11 May 2023  
Board of Directors:

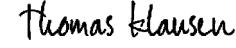
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Niels Eskildsen  
Chairman

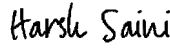
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Cristiana Falcone

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Eva Franck-Kruse

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Peder Michael Anker  
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## Independent auditor's report

To the board of directors of Global Fashion Agenda (fond)

### Opinion

We have audited the financial statements of Global Fashion Agenda (fond) for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the foundation at 31 December 2022 and of the results of the foundation's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

## Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 11 May 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Kaare K. Lendorf  
State Authorised Public Accountant  
mne33819

## Management's review

### Information about the foundation

Name	Global Fashion Agenda (fond)
Address, Postal code, City	Bryghuspladsen 8, 1473 Copehagen K
CVR no.	41 62 72 39
Financial year	1 January - 31 December
Board of Directors	Niels Eskildsen, Chairman Thomas Carsten Alexander Tochtermann Cristiana Falcone Eva Franck-Kruse Peder Michael Anker Pruzan-Jørgensen Thomas Klausen Harsh Saini
General management	Federica Marchionni
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

## Management's review

### Business review

Global Fashion Agenda (GFA) is a non-profit organisation that fosters industry collaboration on sustainability in fashion to accelerate impact. With the vision of a net positive fashion industry, it drives action by mobilising, inspiring, influencing and educating all stakeholders.

The organisation has been leading the movement since 2009 and is behind the renowned international forum on sustainability in fashion, Global Fashion Summit, the Innovation Forum, thought leadership publications including Fashion CEO Agenda and Fashion on Climate, effective global and regional policy engagement and impact programmes including the Circular Fashion Partnership.

In partnership with its Strategic Partners, ASOS, BESTSELLER, Global Fashion Group, H&M Group, Kering, Nike, PVH Corp., Ralph Lauren Corporation and Target, and its Strategic Knowledge Partner, McKinsey & Company, Global Fashion Agenda spearheads the fashion industry's journey towards a more sustainable future. Through its work, Global Fashion Agenda reaches thousands of stakeholders including brands, innovators, NGOs, policy makers, manufacturers, investors and more.

### Strategic focus and activities

Global Fashion Agenda (GFA)'s vision before 2022 was to make sustainability fashion's first priority. After over a decade of increasing awareness and urging the industry to take notice of its social and environmental impact, we are proud to see that fashion has entered a new era. Awareness of the issues has been widely established. Sustainability is now a core priority for most of the industry.

In 2022, it was time to raise our ambitions and move from focusing on why to act to accelerating the urgent implementation of impactful actions. While significant progress has been made, industry actions are not currently sufficient to meet the existing 2030 and 2050 targets, so ushering in this new era for the industry will demand a different type of leadership that addresses societal and environmental impacts and challenges the status quo.

Therefore, in 2022 we set a new vision to guide all of our work. Our ultimate vision is now a net-positive fashion industry for people and planet. We envision an industry that will give back more to the natural world, people, societies and the economy than it takes out. It is an industry that is not only exciting and bountiful but sustainable and inclusive as well.

We know more is achieved when ambition is born out of optimism and passion. Sustainability should not be purely focused on doing 'less bad' but also on generating 'more good'. Let us predicate growth on flourishing both environmentally and socially, which might just prove to be the most valuable economic opportunity of this era.

To reach this vision, we're on a mission to evolve the business model by inspiring, educating, influencing, and mobilising all stakeholders. This is manifested through multiple activities including our Global Fashion Summit, Innovation Forum, thought leadership, impact programmes, advocacy efforts, alliances and partnerships, and communications.

Amidst GFA's breakthrough announcements and developments, 2022 was undeniably also shadowed by extreme weather events, uncertain economic landscapes, geopolitical strife, and both environmental and social challenges. These adversities exemplified the need for GFA to keep working towards its mission of a net-positive fashion industry. Every industry is navigating the repercussions of such turbulent times, but it is imperative that we remain strong-minded and united in our ambitions for a better future.

## Management's review

### Global Fashion Summit: Copenhagen Edition

Formerly known as Copenhagen Fashion Summit, the forum was renamed to Global Fashion Summit in 2022 to manifest its global outlook and reach. The Summit was supported by Principal Sponsor, Polestar, and was centred around the theme 'Alliances for a New Era'. The premise epitomised the current climate – we are living in a time when the majority are ready and willing to evolve but we need to work together to enact truly pervasive change. Under the theme, the event brought together leaders to showcase and foster pre-competitive collaboration within the fashion industry and examined atypical cross-industry alliances, in a bid to accelerate the transition to a net positive reality.

Hosted in the Royal Opera House, on 7-8 June, the event convened over 1000 leaders representing over 500 organisations - from brands, retailers, NGOs, policy, interlinked industries, investment, manufacturers, and innovators. The guests represented seven continents, with the majority coming from Europe and North America however, this year's summit also saw an increase in the representation from Asia.

### Global Fashion Summit: Singapore Edition

Global Fashion Summit was hosted in Singapore on 3 November 2022, marking the first time the Summit was hosted outside of Copenhagen in its 13-year history. The forum built on the conversations and learnings from the Copenhagen event in June, with a deeper focus on the perspectives of manufacturers and supply chain partners and presented diverse voices to further understand how the industry can collaborate to reduce social and environmental impact across the entire value chain. Global Fashion Summit: Singapore Edition assembled over 250 stakeholders. By bringing the forum to Southeast Asia, the new edition drew from learnings in Copenhagen and included even more manufacturer and supply chain partner voices in the programme. Of the 57 speakers, 55% represented Asian perspectives.

## Impact

### GFA Monitor:

In 2022, GFA published The GFA Monitor which is intended as a resource to guide fashion leaders towards a net positive fashion industry by 2050. The GFA Monitor builds on the Fashion CEO Agenda framework which was established in 2018 and puts forward a vision statement for the fashion industry that highlights the imperative need for social and environmental sustainability. The report presents guidance according to five sustainability priorities which outline opportunities for fashion brands and retailers to set fact-based sustainability strategies and take action to achieve the vision. The report is a co-creation with Global Fashion Agenda's Impact Partners and stakeholders which brings together expert insights from multiple organisations with different areas of specialisation, consolidating existing knowledge and reducing complexity. Over 30 partners and organisations were consulted to form the cohesive report.

### Global Circular Fashion Forum:

Advancing GFA circularity ambitions, in June 2022 it launched the Global Circular Fashion Forum. The Global Circular Fashion Forum (GCFF) is a new global initiative funded with support from GIZ. The GCFF will spur local action in textile manufacturing countries to accelerate and scale recycling of post-industrial textile waste in an effort to achieve a long-term, scalable, and just transition to a circular fashion industry. GCFF aims to facilitate knowledge exchange, create knowledge products, and support the realisation of effective circular fashion systems in manufacturing countries as part of a global circular fashion approach. The initiative draws on the learnings and success of the Circular Fashion Partnership in Bangladesh. By mobilising industry stakeholders, investors, global brands and retailers, technology providers and others, influencing policy environments and collecting, consolidating and disseminating best practices, the GCFF intends to establish the necessary ecosystem for locally owned and led, national Circular Fashion Partnerships in other core regions.



## Management's review

### Policy & Advocacy

Our goal is to convene and connect relevant policymakers with fashion industry decision-makers in a collaborative effort to effectively accelerate the fashion industry's sustainability performance.

In 2022 this was achieved through different activities including the participation in January and October 2022 in high-level roundtables on Sustainable Textiles, hosted by Virginijus Sinkevicius, European Commissioner for the Environment, Oceans and Fisheries. In addition, GFA participated in five bilateral policy meetings in Brussels and met with over 20 core external stakeholders throughout the year to inform and drive policy developments.

GFA has further established in 2022 its role as a convenor on policy through the Global Fashion Summits and other milestone events at for instance COP 27. At Global Fashion Summit: Copenhagen Edition 2022, GFA hosted a panel on 'Policy Power - Alliances Forcing Disclosure, and a Policy Hub Roundtable on 'Consistency Around Transparency Legislation'. Later in the year, GFA presented and masterclass on 'Connecting the EU Textiles Strategy with the Value Chain' and a leadership roundtable on 'The Impact of Free Trade Agreements' at Global Fashion Summit: Singapore Edition.

GFA also presents educational content in a bid to demystify the complexities of policy for sustainable textiles. For instance in April 2022, GFA hosted a Media Masterclass on transparency in partnership with the Policy Hub, which was an opportunity for media to learn about the importance of transparency and the recommended solutions. The event brought together over 10 expert voices and the insights were shared with over 900 journalists.

Furthermore to build on our advocacy efforts and support external commitment initiatives, we joined namely the EU Pact for Skills - a shared engagement model for skills development in Europe as well as the European Fashion Alliance for which we lead its policy workstream.

Last but not least GFA hosted visits from academic institutions including University of Oxford, to present our policy and advocacy work and provide guidance.

### Media

In April 2022 GFA unveiled a new identity and website which was designed to communicate GFA's activities and resources in a more digestible and engaging way. GFA consulted a diverse focus group of users to gain feedback on the functionality and design in order to make it more valuable for our audience. The new look and website - [www.globalfashionagenda.org](http://www.globalfashionagenda.org) - embodies the GFA vision and mission and aims to further showcase what GFA does and how fashion can make an impact.

In November 2022, GFA unveiled a new partnership with BBC Storyworks Commercial Productions to launch a new branded film series on social and environmental sustainability in the fashion industry. Members of the GFA network were invited to share their stories for potential inclusion in this commercial series. As a result, BBC Storyworks Commercial Productions received a flood of inspiring stories for consideration for the series. The series will be released to a wide audience on a dedicated BBC.com microsite in 2023.

GFA also forged a partnership with FT Live - the esteemed experience division of Financial Times. Our partnership revolved around our organisations' key forums - FT Business of Luxury Summit 2022 and Global Fashion Summit: Copenhagen Edition 2022. Through the partnership, GFA shared insights designed to elevate awareness about the urgent environmental and social issues among event attendees and FT readers.

## Management's review

### Partnerships

#### Strategic Partners:

GFA Strategic Partners are a small group of hand-picked companies, representing different market segments and geographies, who lead by example in their dedication to drive sustainable progress and provide essential leadership to support Global Fashion Agenda's mission. They act as a first sounding in shaping our sustainability agenda and play an active role in content development, in particular by shaping of the Fashion CEO Agenda.

The strategic partner members remained the same in 2022, including: ASOS, BESTSELLER, Global Fashion Group, H&M Group, Kering, Nike, PVH Corp., Ralph Lauren Corporation and Target.

#### Associate Partners:

GFA Associate Partners are a group of select companies who are sustainability leaders or have the aspiration to improve their sustainability performance. They provide additional feedback and input in content developed by Global Fashion Agenda.

In 2022, GFA welcomed three new Associate Partners including: Neiman Marcus Group (NMG) and its brands Neiman Marcus, Bergdorf Goodman, Last Call - which are relationship businesses that lead with love for our customers, associates, brand partners, and communities; PUMA - one of the world's leading sports brands, designing, developing, selling and marketing footwear, apparel and accessories; and Vestiaire Collective - the leading global app for desirable pre-loved fashion. These organisations joined our wider group consisting of: Allbirds, Erdos, GANNI, TAL Apparel and Zalando.

#### Alliances:

In March 2022, GFA forged a new alliance with UN Climate Change secretariat (UNFCCC) to accelerate the fashion industry's climate action. The partnership is designed to support the impact of the UN Fashion Industry Charter for Climate Action which aspires to drive the fashion industry to net-zero emissions no later than 2050. Our alliance was activated around our prestigious forums including - Global Fashion Summit, the UNFCCC's annual Fashion Charter meeting and Conference of the Parties (COP). Since the partnership was made UNFCCC and GFA facilitated Fashion Charter meetings during Global Fashion Summit, the UNFCCC's annual Fashion Charter meeting and Conference of the Parties (COP) to raise awareness among leaders on the most pressing issues and priorities and urging commitments from industry leaders to drive change within social, environmental and circular dimensions.

Building further alliances, in November 2022 GFA deepened its collaboration with Sustainable Apparel Coalition (SAC). As organisations committed to leading industry transformation, they have a shared vision of sustainability. SAC envisions a consumer goods industry that gives more than it takes - to the planet and people, while GFA strives for a net positive industry for people and the planet. GFA hosted the SAC Annual Meeting and Global Fashion Summit: Singapore Edition 2022 back-to-back in Singapore in order to complement each organisations strengths, build greater synergy and ensure a more compelling experience for attendees.

### Thanks to our supporters

The Board of Directors, management team and the employees wish to thank the Danish Business Authority, the Ministry of Industry, Business and Financial Affairs and the Ministry of Foreign Affairs and our Strategic Partners ASOS, BESTSELLER, Global Fashion Group, H&M Group, Kering, Nike, PVH Corp., Ralph Lauren Corporation and Target.

## Management's review

### Financial review

The income statement for 2022 shows a profit of DKK 3,156,462 against a loss of DKK 29,436 last year, and the balance sheet at 31 December 2022 shows equity of DKK 4,573,205. Management considers the Company's financial performance in the year satisfactory.

In 2023, GFA will call on our community to push for bolder actions, accelerate the pace of change, and implement further solutions. GFA will focus on creating more alliances to accelerate impact and secure new revenue streams.

GFA will apply more focus on policy and advocacy engagement to convey the needs of the industry to policymakers and communicate the impact of new policies to the industry.

GFA will also grow its educational offering through the execution of the GFA Academy division, including a reignited Designer Challenge, more tailor-made Masterclasses and a programme to engage young talent.

The organisation will solidify the Global Circular Fashion Forum, and also look to create more impact programmes to tackle social and environmental issues.

Building on its significant achievements from 2022, the organisation will continue its efforts to transform and mobilise the fashion industry in 2023 and beyond.

The budget aim for 2022 was to increase the equity whilst expanding the organisation's global reach and impact and growing the quality of the team. Management considers this aim to be adequately achieved.

### Report on foundation governance

#### Foundation governance

Pursuant to section 77a of the Danish Financial Statements Act, Global Fashion Agenda (Fond) must comply with foundation governance by indicating "follow or explain the principle" recommendations. In its day-to-day work of the Board of Directors and the Executive Board, Global Fashion Agenda complies with the intentions in the principles of foundation governance. Formally, the principles are materialized in the Foundation's rules of procedure and articles of association.

#### Openness and communication

Statements on behalf of the Foundation to the press and other media are made by the chairman or the director, unless otherwise in the individual case is decided by the Board of Directors. When communicating with the public we must strive to meet the need for openness and the needs of stakeholders; and the opportunity to obtain relevant updated information about the fund's conditions. An account of foundation governance can be found on the website [www.globalfashionagenda.com](http://www.globalfashionagenda.com).

## Management's review

### Tasks and responsibilities of the Board of Directors

The Board of Directors is responsible for the management of the Foundation's affairs and handles the overall and strategic management of the Foundation. The Board of Directors holds an annual financial meeting before 1 June, where a meeting is held decision on the approval of the Foundation's annual accounts and the use of profits or coverage of deficit in accordance with the approved annual accounts.

The chairman organizes and chairs the board meetings in order to ensure the effectiveness of the work of the board of directors and create the best possible conditions for the work of board members individually and collectively.

If the chairman is exceptionally requested to perform special tasks for the Foundation, this must be done by a separate decision of the Board of Directors, which shall at the same time contain measures to ensure that the board of directors retains the overall management and control function. One must be secured below sound division of labour between the chairman, the rest of the board of directors and the executive board.

The Board of Directors continuously assesses and determines which competencies it must have in order to be able to perform its tasks in the best possible way. If the Board of Directors finds that there are significant weaknesses in composition of the board of directors, the board of directors must take the initiative to change the composition.

The Board of Directors is the ultimate authority of the Foundation. The board is self-elective and constitutes itself under the articles of association. There is no gender, ethnic and age limit for the members of the board.

The Foundation follows the provisions for foundation governance, in accordance with recommendations 2.3.4 and 2.4.1, the composition of the Board of Directors is explained on the foundation's website ([www.globalfashionagenda.com](http://www.globalfashionagenda.com)).

### Management remuneration

The foundation must follow the state's rules in terms of salary and employment and can, according to the Ministry of Industri, Business and Finance affairs's details provision enter into collective agreements and otherwise stipulate salary and other terms of employment employees of the foundation. The remuneration to the Board of Directors and the Executive Board is disclosed in the notes to the financial statements as a whole amount and includes any consideration received.

### Report on the foundation's distribution policy and distributions in the year

#### The fund's distribution policy

The foundation object is to promote innovation and advocate for sustainable business models and systems to meet social and environmental challenges in the global fashion industry and related industries.

#### Scholarship list

No distributions have been made during the financial year.

#### Events after the balance sheet date

After the end of the financial year, no events have occurred that could materially affect the assessment of the company's financial position.

#### Outlook

A zero profit is expected for 2023 due to the global economic turmoil and the agreed discontinued economic support from the Ministry of Industry, Business and Financial Affairs.

## Financial statements 1 January - 31 December

## Income statement

Note	DKK	2022	2021
	Revenue	27,788,525	16,303,013
	Production cost	-7,614,749	-2,562,176
	Expenses, property	-454,949	-748,317
	Marketing cost	-324,411	-135,467
	Other external expenses	-3,321,026	-2,250,239
	Gross profit	16,073,390	10,606,814
2	Staff costs	-11,747,932	-10,333,993
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-139,323	-187,651
	Profit before net financials	4,186,135	85,170
3	Financial income	54,333	1,261
4	Financial expenses	-161,768	-95,712
	Profit/loss before tax	4,078,700	-9,281
5	Tax for the year	-922,238	-20,155
	Profit/loss for the year	3,156,462	-29,436
	Recommended appropriation of profit/loss	3,156,462	-29,436
	Retained earnings/accumulated loss	3,156,462	-29,436

## Financial statements 1 January - 31 December

## Balance sheet

Note	DKK	2022	2021
	ASSETS		
	Fixed assets		
	Intangible assets		
	Goodwill	258,333	358,333
		<u>258,333</u>	<u>358,333</u>
6	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	17,348	56,671
		<u>17,348</u>	<u>56,671</u>
	Investments		
	Deposits, investments	74,011	269,896
		<u>74,011</u>	<u>269,896</u>
	Total fixed assets	<u>349,692</u>	<u>684,900</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	3,846,147	1,576,254
	Other receivables	618,492	318,257
	Prepayments	0	211,958
		<u>4,464,639</u>	<u>2,106,469</u>
	Cash	<u>6,518,357</u>	<u>2,815,440</u>
	Total non-fixed assets	<u>10,982,996</u>	<u>4,921,909</u>
	TOTAL ASSETS	<u>11,332,688</u>	<u>5,606,809</u>

## Financial statements 1 January - 31 December

## Balance sheet

Note	DKK	2022	2021
	EQUITY AND LIABILITIES		
	Equity		
	Base capital	1,426,872	1,426,872
	Retained earnings	3,146,333	-10,129
	Total equity	<u>4,573,205</u>	<u>1,416,743</u>
	Provisions		
	Deferred tax	1,004,734	82,496
	Total provisions	<u>1,004,734</u>	<u>82,496</u>
	Liabilities other than provisions		
7	Non-current liabilities other than provisions		
	Other payables	1,015,706	994,815
		<u>1,015,706</u>	<u>994,815</u>
	Current liabilities other than provisions		
	Trade payables	585,209	324,717
	Corporation tax payable	17,416	17,416
	Other payables	1,781,003	911,401
	Deferred income	2,355,415	1,859,221
		<u>4,739,043</u>	<u>3,112,755</u>
	Total liabilities other than provisions	<u>5,754,749</u>	<u>4,107,570</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>11,332,688</u></u>	<u><u>5,606,809</u></u>

- 1 Accounting policies
- 8 Contractual obligations and contingencies, etc.
- 9 Collateral

## Financial statements 1 January - 31 December

## Statement of changes in equity

DKK	Base capital	Retained earnings	Total
Equity at 1 January 2021	1,426,872	465,486	1,892,358
Base Capital increase	0	-446,179	-446,179
Transfer through appropriation of loss	0	-29,436	-29,436
Equity at 1 January 2022	1,426,872	-10,129	1,416,743
Transfer through appropriation of profit	0	3,156,462	3,156,462
Equity at 31 December 2022	1,426,872	3,146,333	4,573,205



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Global Fashion Agenda (fond) for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities, elective choice of certain provisions applying to reporting class C entities and the provisions in the Danish Act on Commercial Foundations.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Basis of recognition and measurement

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals, which are due to changes in estimated amounts previously recognised in the profit and loss account, are recognised in the profit and loss account.

#### Income statement

##### Revenue

The foundation has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from public fund and the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

##### Expenses, property

Property expenses include expenses relating to renting out the Company's investment property, including expenses relating to running and maintaining such property.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises and bad debts.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Amortisation/depreciation

The item comprises depreciation of goodwill and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Goodwill	5 years
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Where individual components of an item of equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	3 years
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## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

##### Balance sheet

##### Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 5 years.

##### Property, plant and equipment

Items of equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of equipment are recognised in the income statement as other operating income or other operating expenses.

##### Impairment of fixed assets

The carrying amount of goodwill and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

##### Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

#### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risk of changes in value.

#### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

#### Liabilities

The foundation has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

#### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

## Financial statements 1 January - 31 December

## Notes to the financial statements

DKK	2022	2021
2 Staff costs		
Wages/salaries	11,272,213	9,892,250
Pensions	275,347	303,513
Other social security costs	200,372	138,230
	<u>11,747,932</u>	<u>10,333,993</u>
Average number of full-time employees	<u>17</u>	<u>15</u>
Remuneration to members of Management:		
Board of Directors	3,310,862	3,103,657
	<u>3,310,862</u>	<u>3,103,657</u>
Board of Directors include management.		
3 Financial income		
Other financial income	54,333	1,261
	<u>54,333</u>	<u>1,261</u>
4 Financial expenses		
Other financial expenses	161,768	95,712
	<u>161,768</u>	<u>95,712</u>
5 Tax for the year		
Deferred tax adjustments in the year	922,238	20,155
	<u>922,238</u>	<u>20,155</u>
6 Property, plant and equipment		
DKK		Fixtures and fittings, other plant and equipment
Cost at 1 January 2022		<u>520,259</u>
Cost at 31 December 2022		<u>520,259</u>
Impairment losses and depreciation at 1 January 2022		463,588
Depreciation		<u>39,323</u>
Impairment losses and depreciation at 31 December 2022		<u>502,911</u>
Carrying amount at 31 December 2022		<u>17,348</u>
Depreciated over		<u>3 years</u>

## Financial statements 1 January - 31 December

## Notes to the financial statements

## 7 Non-current liabilities other than provisions

Of the long-term liabilities, DKK 0 falls due for payment after more than 5 years after the balance sheet date.

## 8 Contingent liabilities

## Other financial obligations

## Other rent liabilities:

DKK	<u>2022</u>	<u>2021</u>
Rent liabilities	<u>87,867</u>	<u>168,280</u>

Rent and lease liabilities include interminable rent agreements with remaining contract terms until 31 March 2023.

## 9 Collateral

The fund has not provided any security or other collateral in assets at 31 December 2022.