



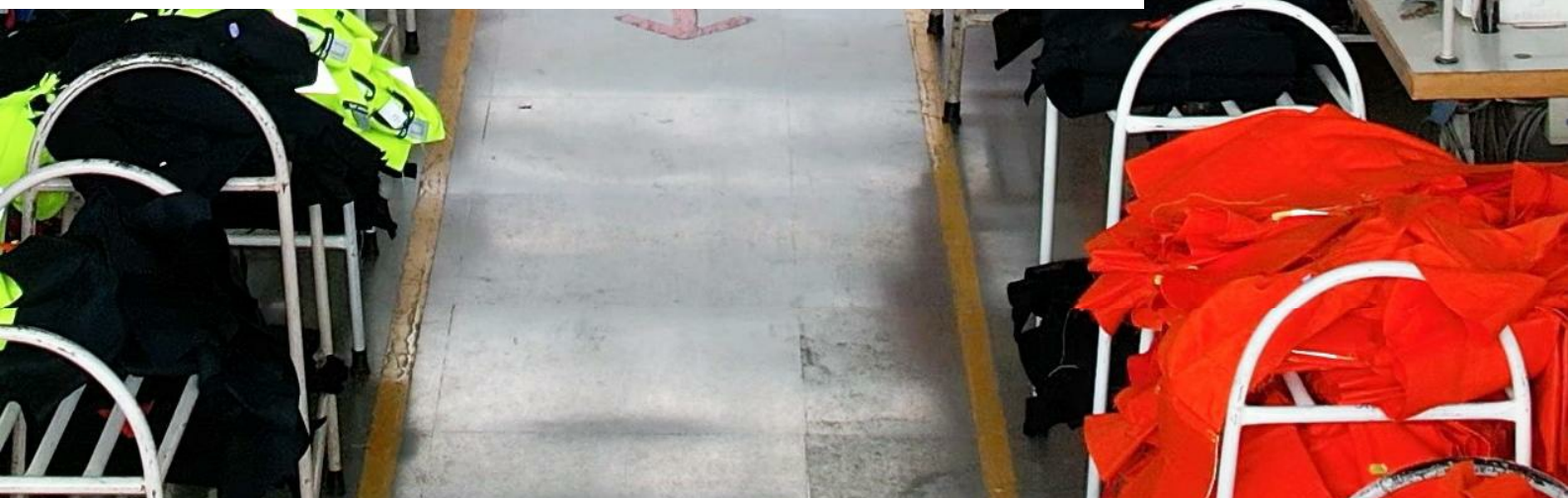
Due diligence for responsible business conduct with regards to people, animals, society and the environment

Account reporting year 2023

for Wenaas Workwear AS



Ethical Trade Norway has assessed the report of Wenaas Workwear AS to meet the criteria of our Base Level. More information about our Base Level can be found [here](#).



SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

Enterprises and the public sector have a great impact on people, society, the environment, climate, and animals and can both contribute positively to development, or negatively by causing harm. Enterprises therefore hold a central role in achieving UN's Sustainable Development Goals (SDGs) and the Paris Agreement's 1,5-degree target.

This report can be used as an account for the Transparency Act, but it has a broader scope with climate and the environment, circular economy, and anti-corruption indicators also being included. Our members are obligated to carry out due diligence and report annually on their work. Base level1 members also meet the Transparency Act's due diligence duty, and partially the Act's information duty.

Ethical Trade Norway's concept of responsible business conduct equals OECD's terminology and due diligence methodology. This is the systematic effort that enterprises do to identify, prevent, or mitigate adverse impacts and explain how they manage their risks of negative impact, as well as provide remediation to people, animals, society, and the environment where this is required – is called due diligence. Norwegian authorities expect all enterprises, regardless of their size, to carry out due diligence on society, the environment, and animals in accordance with the UN's Guiding Principles for Business and Human Rights (UNGPs) and OECD's Guidelines for Multinational Enterprises. This applies to enterprises, the public sector, and organisations.

Ethical Trade Norway's Declaration of Principles (our Code of Conduct) for Responsible Business Conduct covers the areas of decent work, human rights, environment/climate, anti-corruption, and animal welfare. This report is done in full transparency and in line with UNGPs and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

Heidi Furustøl

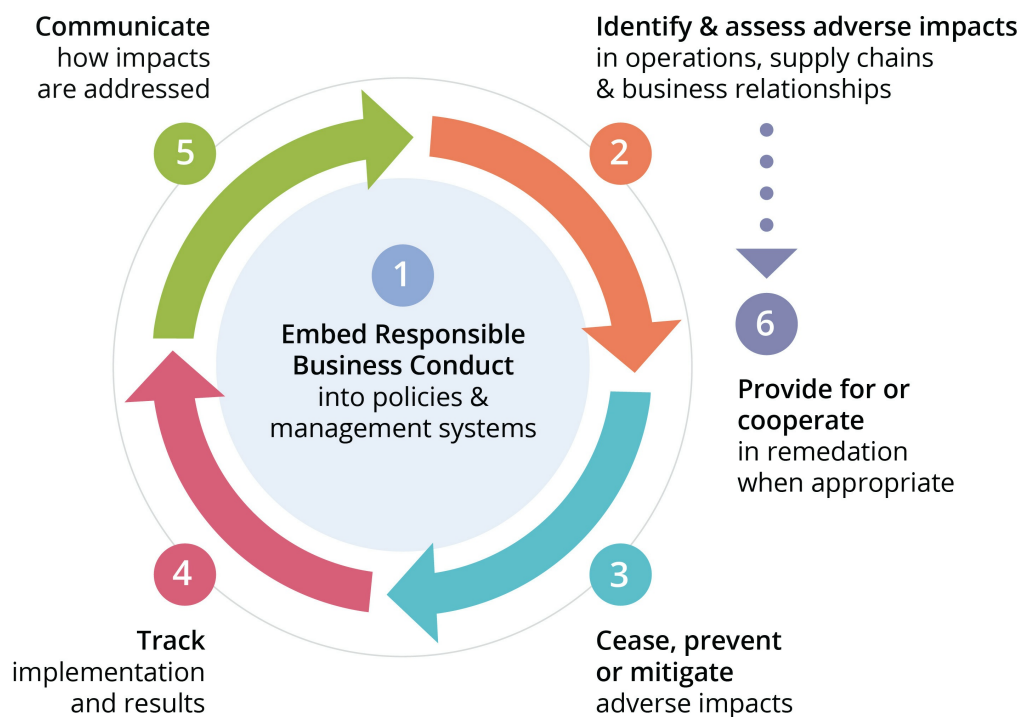
Executive Director

Ethical Trade Norway

Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



Preface From CEO

Today I can report that Wenaas continues to make real progress meeting our ESG Sustainability Goals with a line of Protective Products, better for changes made with the help and in collaboration with our worldwide partners. Our focus is on and will continue to be on improving transparency; the catalyst between sourcing, suppliers, and it is the foundation of our ESG strategy.

Wenaas's employees are innovative, competitive; committed to continual improvement by reaching and surpassing ESG stated goals by incorporating increased audits with external collaboration - all while realizing long-term economic value.

The Wenaas approach continues to be holistic towards Risk Management, Climate Action, Social Governance and responsibly addresses human rights and working conditions, ISO certification standards, collaboration with partners; Amfori BSCI, Amfori BEPI, Ethical Trade Norway, Fairtrade, Sintef, RI.SE, Cemasys and others provide a continuing education in the form of developing knowledge from projects, workshops, and seminars. The variety of forums is important to Wenaas as they help by driving sustainable effective commitments all while promoting smart solutions within the industry in which we operate.

I am fortunate to lead a team of employees at Wenaas who proudly embrace the pursuit of ESG and Ethical Trade Norway initiatives designed for humanity's future. I am therefore optimistic that our children, and their children's children will ultimately enjoy a fairer, healthier more sustainable environment in the years to come and at Wenaas we are committed to doing our share to make it happen.



Katrine Wold Deunk
CEO Wenaas Workwear AS

Enterprise information and enterprise context

Key enterprise information

Enterprise name

Wenaas Workwear AS

Head office address

Bruasetvegen 122, 6386 Maandalen, Norway

Main brands, products and services offered by the enterprise

Complete range of work clothes, uniforms, footwear, gloves and personal protective equipment.

Description of enterprise structure

Wenaas Workwear AS (now called Wenaas) was founded in 1996, but originally originated from Sigmund Wenaas Clothing factory, which was established in 1931. Wenaas has 100 years of industry experience and is an international leading supplier of top-to-toe safety solutions. Wenaas is growing on the domestic market and internationally. We are present in Sweden, Denmark, Netherlands, Scotland, and Singapore. Our head office and warehouse are in Maandalen in Norway, and we have Sales offices over the entire country with stores also located in Stavanger and Oslo. Wenaas produces and distributes work clothing, gloves, shoes, and safety equipment for e.g., to oil & gas, heavy industry shipping and the utility segment.

Our product group portfolio varies and are within flame retardant, rescue, PPE, visibility, safety shoes, construction, food industry and customized sewing. We are a major supplier of Heavy Workwear and a 35% market share within Workwear (incl. gloves), Uniform 35-40% and Safety Shoes 20%. PPE, none inhouse development, only merchandised from 3rd parties (3M, Sundstrøm, MSA etc.). Our products are developed in Norway in close consultation with end users and designed for Norwegian and international conditions. We design, develop, and deliver uniform solutions to a wide variety of companies, ranging from railway, postal service, retail companies to hotel chains. We also supply the Police, Military and Security companies. Our main objective is to dress and protect people at work.

In total we are to date 148 permanent employees spread over five countries - 124 in Norway (HQ), 2 in Denmark, 4 in Sweden, 6 in Netherlands, and 8 in Aberdeen. The management group consists of 5 people - CEO, CFO/HR, Supply Chain Director, Sales & Market Director, and IT & Operation Director. Wenaas has 12 departments distributed to 4 reporting lines:

- Sales, Market and WMS /Customer Service departments reporting to Sales & Marketing Director.
 - Product Development, Sourcing, Purchasing and ESG departments reporting to Supply Chain Director.
 - HR and Financials departments reporting to CFO.
 - Operations, Logistics, and IT departments reporting to IT & Operation Director.
-

Turnover in reporting year (NOK)

853 000 000

Number of employees

148

Is the enterprise covered by the Transparency Act?

Yes

Major changes to the enterprise since last and current reporting period

No.

Contact person for the report (name and title)

Sustainability and ESG Manager - Charlotte Schrader

Email for contact person for the report

charlotte.schrader@wenaas.no

Supply chain information

General description of the enterprise's sourcing model and supply chain

Wenaas operates with a dual sourcing practice and has a diverse range of portfolios represented by suppliers globally. Dual sourcing strategy factors are crucial for Wenaas to consider building resilience and nimbleness into our supply chain, an approach that we believe stimulates to increased flexibility, healthy competition, high quality, enhanced innovation and ultimately benefiting businesses and company value. Our innovative and development skills for our products are to foster growth, to be competitive, safeguard our flexibility, ensure high quality, and to seek new solutions and opportunities when sourcing suppliers globally. Wenaas suppliers and partners are represented in Asia, South-Africa, North America, USA, and Europe.

Our procurement model is built on buying directly from the suppliers of final product (Tier 1). Wenaas purchases goods directly from the manufacturer and has contact with the factories on own brand. In some projects we can ask our supplier (Tier 1) to source sub supplier on certain specialized garments to secure product development and lead-time. By doing so, we reduce complexity and can guarantee delivery for these main orders. This does not mean that we are not connected to these sub-suppliers, it basically means that we follow-up through our main supplier for the project. To reduce risk and ensure our responsibility for sub-suppliers we investigate these factories and require their commitment to our ESG-program. All suppliers, including sub-suppliers, are subject to the same requirements and principles that we follow for all our suppliers and business partners. For 3rd part suppliers, we purchase directly with the producer for these brands. PPE category in Wenaas is 100% contracted through brand owner producers.

Before entering a partnership, all suppliers undergo a screening to see that they comply with our minimum requirements regarding ethical and environmental business practices. All suppliers are evaluated internally by their own data, RFI, questionnaires, accreditations, certificates, and company information provided. In general, this is our sourcing practice throughout our supply chain and is important to us to track supplier compliance on all our key areas from anti-slavery and child labor to full sustainability, environmental and corporate governance. Our own brand suppliers are also evaluated by any 3rd party to provide us with transparent information across the company, especially addressing how they treat their workers. We do understand that due diligence cannot be covered by an audit, however we believe that taking a proactive approach to identify and mitigating our potential risks will ensure that we build long-term supplier relationships.

All suppliers are addressed with the same active approach, opportunities, challenges and concerns we might have. We believe we have clear and consistent communication built for ideas and honest feedback. Wenaas operates with trust and never overpromises our suppliers and acts with fairness. Combined with improving our practices, we drive major sustainability impacts through our supplier chain, from providing for the needs of our customers to assuring for the rights of all workers to optimizing resource and repairing environment negative impact. An ongoing process and to this extent our supplier diversity group listed below contributes to continuing to create sustainable economic growth, our buying influence, responsibility, and performance.

A-Strategic: raw material and/or finished product. Close and long-term relationship to the supplier through developments and complexity to change to the market needs, including sustainable growth and circular thinking in our value chain. Creating business growth opportunities and targets to monitor and communicate progress according to following KPI's.

- ESG program: the supplier has good transparent systems for sustainable development in its own value chain, and is, by agreement, willing to invest in the environmental and circular schemes we request.
- Before entering cooperation: all strategic suppliers (both in-house production and 3rd part) must sign our conditions and show a valid social audit report and/ or certification.
- Amfori BSCI: strategic supplier of in-house production must be qualified on amfori BSCI. An amfori BSCI audit report must be available and approved by Wenaas within one year of entering cooperation.
- Amfori BEPI: strategic supplier of in-house production must quality on amfori BEPI. An amfori BEPI self-evaluation report must be submitted within the first year of partnership. In the second year of the partnership, the supplier must follow up with a third-party audit of amfori BEPI.
- Amfori Academy: to improve own progression according to amfori BSCI and BEPI development, it is a requirement that strategic suppliers of in-house production follow up courses and seminars on the platform.

1-2 meetings per year and if workable a minimum one is at the suppliers' sites. In 2023 this category makes up for 43% of our spend, representing 43% Wenaas Brand.

B-Tactical: products that are not strategically at the same level as group A, however important of market positioning. In terms of sustainability these suppliers are also to act with transparency of their manufacturing operations, sites, and materials. Company profiles complying with national and international guidelines and how their SDGs are being embedded into their cooperate strategies and how they address their challenges and sustainability development. Following KPI's are set forward in this relationship:

- Before entering cooperation: all tactical suppliers (both in-house production and 3rd part) must sign our conditions and show a valid social audit report and/ or certification.
- Amfori BSCI: in relation to spend, country and risk indicators, it is desirable that the tactical supplier of in-house production is qualified and refers to an amfori BSCI report within the second year of partnership.
- Amfori BEPI: in relation to spend, country and risk indicators, it is desirable that the tactical supplier of in-house production is qualified and submits to an amfori BEPI self-evaluation report within the second year of the partnership.
- Amfori Academy: to improve own progression according to amfori BSCI and BEPI development, it is a requirement that strategic suppliers of in-house production follow up courses and seminars on the amfori platform.

1 meeting per year, and location to be decided depending on the project. In 2023 this category makes up for 32% of our spend and with a breakdown of 12% Wenaas Brand and 20% 3rd part.

C-Complementary: products that are not necessarily standard items in stock. These suppliers are used on few products, typically for short-term contracts. Building a health relationship to allow for feedback and ideas between us and engaged within sustainable improvements of operations in the supply chain. Following KPI's are set forward in this relationship:

- Before entering cooperation: all complementary suppliers (both in-house production and 3rd part) must sign our conditions. It is desirable that the supplier refers to a valid social audit report, certification and/ or certification on how they follow-up in accordance with the Transparency Act.
- Amfori BSCI: in relation to spend, country and risk indicators, it is desirable that the complementary supplier of in-house production is qualified and refers to an amfori BSCI report within the second year of partnership.

Meetings when needed depending on the project. In 2023 this category makes up for 25% of our spend and with a breakdown of 6% Wenaas Brand and 19% 3rd part.

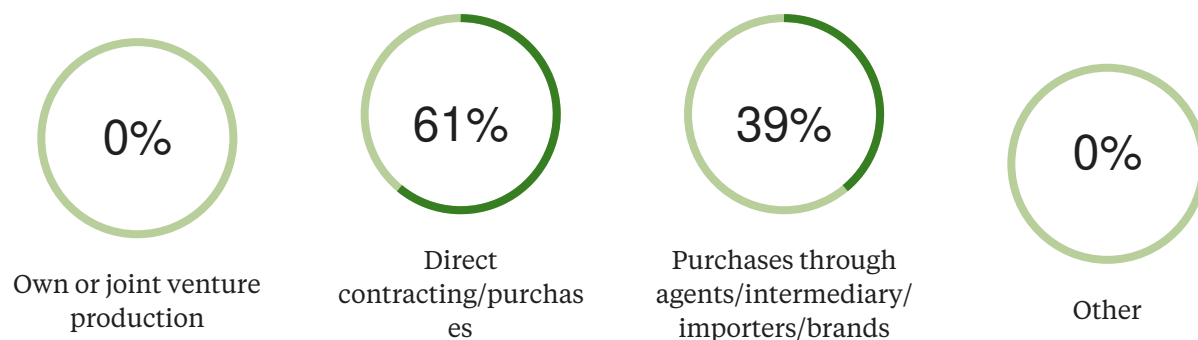
Number of suppliers with which the enterprise has had commercial relations in the reporting year

151

Comments

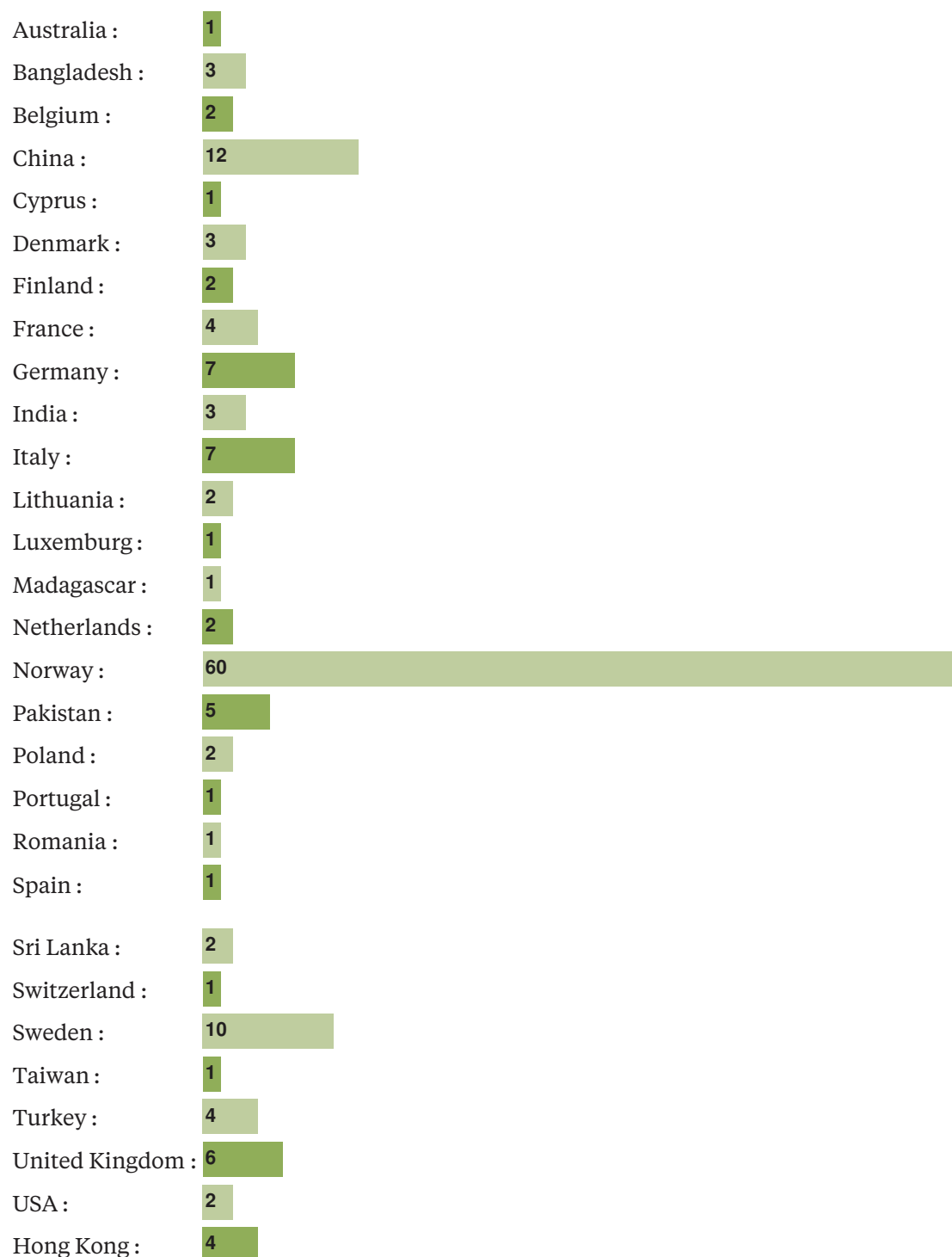
Textiles, Footwear, Gloves and Accessories belong to both our own Wenaas Brand and 3rd part suppliers, while PPE and logo are bought through 3rd party business partners only.

Type of purchasing/ suppliers relationships



151 suppliers (Tier 1) whereas 31 producers represent Wenaas brand, 120 are 3rd part suppliers.

List of first tier suppliers (producers) by country



List of Tier 1 suppliers by country are according to Wenaas brand and 3rd part brand owner's information of where the goods are completed.

State the number of workers at first tier producers that the enterprise has an overview of, and the number of suppliers this overview is based on:

Number of workers

23 121

Number of suppliers this overview is based on

31

Numbers of workers per supplier (calculated average)

746

Comments to number of workers

The information on numbers of workers has been collected from SAQ's, Amfori BSCI and Sedex audit reports, and a tool to help us understand business priorities related to producers social and environmental standards in our own brand factories. 23121 workers in total consisting of female workers are 47% (10676) and male workers are 53% (12354). These figures are calculated from 25 supplier Tier 1 for Wenaas production (out of 31). 3rd parties are not taken into account.

Key inputs/raw materials for products or services and associated geographies

Polyester	China Germany Spain India Madagascar Pakistan Poland
Cotton	China India Madagascar Pakistan Poland
Wool	Australia Uruguay
Leather	Italy Pakistan
Nylon	China
Modacrylic	Germany Portugal
Lenzing FR	Austria
Spandex	China India
Nitril	Sri Lanka
Polyuretán (PU)	China Italy Sri Lanka
Polyvinylchloride (PVC)	The European Union

98% of Wenaas fabrics are 100% OEKO-TEX and sourced through fabrics suppliers.
Trims and packaging are excluded from the list.

Is the enterprise a supplier to the public sector?

Yes

Goals and progress

Process goals and progress for the reporting year

1

OUR SOCIAL TARGETS AND PERFORMANCE 2023:

Goal : • Increase focus on compliance issues (CAP reports by Amfori BSCI) – especially social management system, and decent working hours in China.

Status : Progression of focusing on compliance issued in the CAP reports by Amfori BSCI – especially social management system, and decent working hours in China. In dialog with suppliers and Amfori to address these issues in a positive systematically way – for example by encouraging suppliers to go on the Amfori platform and take courses to improve their training skills and own business performance especially related to their production capacity planning.

2

Goal : • Addressing freedom of association and collective bargaining in China factories.

Status : In dialog with suppliers to understand the complexity associated with this matter. For 2024 we will focus on bringing this issue up in different forums and seminars together with Amfori and Ethical Trade Norway.

3

Goal : • Investigate possibility to apply for ISO 45001:2018 - guidance on health and safety at work with equal growth and development opportunities for all genders.

Status : This is considered by the management group to proceed forward and apply for within the end of 2024.

4

Goal : • Build our knowledge base to identify key actions towards addressing gender gaps. The goal is to create equal growth and development opportunities for all genders in our supply chain.

Status : A continuous goal that is combined with the industry, production process, country and culture meaning that we are keeping an eye on it and mapping more suppliers in terms of workers by gender. For Wenaas, this has already been addressed and established in our ISO.

5

Goal : • Open online supplier list (1st Tier).

Status : A list is given out only by request, and especially related to tender processes.

6

Goal : • Health, safety, and integrity of all Wenaas employees. Roll out an overall The Cotton Group Code of Conduct, E-learning, and Whistleblower. The e-learning site will include the code of ethics and business conduct, specific guidelines, and e-learning training material.

Status : These compliance initiatives will be available for all employees on the The Group Learning platform in January 2024. With that said, the helpline (A Whistleblower system) is launched and can be accessed via the following link: The Cotton Group A/S | Home (integrityline.com). The helpline is developed to comply with the requirements according to the EU Whistleblower Directive as well as local laws.

7

OUR ENVIRONMENTAL TARGETS AND PERFORMANCE 2023:

Goal : • Sustainable development of material info. awareness online, on product portfolios and packaging/tags, to include:

- Maximize a product's lifecycle - "Take care" of your product, including VAS program.
- Own sustainable symbol = shown less environmental impact + >50% of product is mono material.
- Increased FSC-certified paper on packaging, tags, labels, and stickers.
- Reduce plastic packaging and move over to recycled content on our polybags (HDPE & LDPE).

Status : These initiatives are to be rolled out during 2024. For packaging/paper tags – work in progress and needs to be aligned with the portfolios and ongoing environmental projects. When it comes to reducing plastic, the product development team in Wenaas avoids unnecessary use of plastic in the design phase and ensures that the material in the packaging is sustainable for material recycling. Our packaging is in accordance with the guidelines with the correct pictogram and explanatory text to make it easy for the end user to see how the packaging should be sorted. For incoming packaging, we buy a combination of recycled and FSC-certified export cardboard. For outgoing packaging, we have changed to FSC certified packaging. We work actively to reduce plastic and have a goal of reducing 50% plastic on packaging by 2025, which will also mean a significant reduction of double packaging products. We would like to point out that we have a long-term goal of transforming to 100% recycled and or/environmentally friendly standard/certified packaging by the end of 2027.

8

Goal : • Increase transparency from raw materials to production. Investigate how to start to track data on raw materials, waste, and energy in production on own brand (Tier 1 & 2).

Status : In general, we are working and in process to map our supplier chain on sub factories (Tier 2) including factories that are linked to Tier 1 for "cut-make-trim" (CMT) on specific projects and bespoke orders. Regarding the waste and energy in production our focus is mainly on Tier 1 and our nominated fabric suppliers (Tier 2 & 3). For Wenaas, this is a decision in line with our strategy and supplier evaluation since +/- 80% of costs are related to fabrics and processing.

9

Goal : • Work for OEKO-TEX® STANDARD and OEKO-TEX®MADE IN GREEN on high-profile and critical products.

Status : Wenaas has inline with our sourcing strategy now two of our major textile strategic suppliers OEKO-TEX® STeP certified, and in the loop for certifying end-products to OEKO-TEX® MADE IN GREEN within workwear within Q2/2024.

10

Goal : • Replace conventional cotton with Better Cotton Initiative (BCI).

Status : Autumn 2023 Wenaas became Better Cotton member, a membership to improve global cotton production. Better Cotton's mission is to help cotton communities survive and thrive, while protecting and restoring the environment. Better Cotton works is the world's leading sustainable initiative for cotton. Wenaas is committed to sourcing 25% of our cotton as Better Cotton and Fairtrade cotton by the end of 2025, and 50% by end of 2027.

11

Goal : • Replace virgin polyester with Recycled Content Standard (RCS).

Status : Polyester continues to be one of the main fibers Wenaas uses in our textile products, and we have therefore a commitment in the coming years to replace virgin polyester with Global Recycled Standard (GRS) instead of Recycled Content Standard (RCS). With that said, we are in a process with Control Union to brand certify to the GRS within 2024. This is a long-term decision and because GRS is ranked especially according to comprehensive ethical and environmental principles covered in our CoC (10 out of 13).

12

Goal : • Consider 3rd party certifications for Responsible Down Standard (RDS), Responsible Wool Standard (RWS) and Organic Content Standard (OCS) on specific B2B requests.

Status : According to Textile Exchange, Preferred Fiber & Materials Market Report, October 2022 – polyester is the largest fiber group (65%), followed by cotton (22%) and cellulose (6%). All fibers that we use a lot in our products, and fibers and materials that have significant impacts on people and the planet. What may be worth noting in this report is that it also shows us how much fiber does not belong to the environmentally friendly fibers and/or certification schemes. We therefore believe that we can contribute to reducing negative environmental impacts and reduce our carbon emissions (scope 3) forward by choosing more sustainable global fibers and materials within the Textile Exchange.

13

Goal : • Require documentation for mulesing free merino wool and leather to increase animal welfare.

Status :

Wenaas requires Leather Working Group (LWG) leather on shoes and gloves, an environmental certification for the leather from the manufacture. In terms of merino wool, we have a requirement for non-mulesing free wool stated in our CoC and require documentation from our suppliers to verify the country of origin. During Q1/2024 Wenaas certified for Woolmark Brand on Uniform Accessories Collection, and we are looking into certifying more wool programs for 2024/2025. However, for merino wool bought from Australia with Woolmark Brand we are paying attention to understand welfare improved practices, as Australian woolgrowers are working towards reducing the reliance on mulesing and providing welfare-improved practices. In 2020 86% of Australian woolgrowers used anesthesia for mulesing. Additionally, The Woolmark parent company has invested AU\$41.6 million to combat flystrike and find alternatives to mulesing practices - working closely with the Royal Society for the Prevention of Cruelty to Animals (RSPCA) and the Australian Veterinary Association (AVA) as well as leading research institutes.

14

Goal :

- Search for digital product passport (DPP) possibilities with sustainability and traceability data throughout the products life cycle to reduce risks.

Status :

Since the DPP is related content of the Ecodesign for Sustainable Products Regulation (ESRP) proposal we are searching for more information and in dialog with several companies to understand more in depth the requirements in the value chain for our suppliers, our end customers, as well as our own possibilities forward. Ultimately, our timeline is set from between 2026 to 2028 to implement DPP on our products as this will be mandatory by 2030 in EU.

15

Goal :

- Investigate biodiesel and electric transportation (inbound and outbound).

Status :

Transportation will be one of many aspects in our carbon emissions mapping for 2023.

16

Goal :

OUR GOVERNANCE TARGETS AND PERFORMANCE 2023:

- Going beyond obligatory compliance with legal and customer-specific requirements by boosting ESG purchasing to meet higher quality of the products. Focus to comply to meet financial and sales goals through our sustainable performance.

Status :

Over time, we believe that by improving our ESG proposition, we will create much higher value for the company. The E, our environmental criteria now include our ambitions to cover our carbon emissions in scope 1,2 and 3 with focus on Tier 1, for more environmentally programs and 3rd part audits. The S, our social criteria are primarily on supplier social audits and following up closely with the suppliers, mapping deeper backwards the strategic suppliers within certain large products groups. For fabrics and processing, we are also seeking possibilities to go forward with Amfori BSCI as we see the benefits of social compliance within the same platform and following up (challenges related to CAP reports and score system). The G, governance we are improving our internal procedures and practices towards ISO 9001 and ISO 14001, and in a process for ISO 45001 by the end of 2024. Our effort goes to comply with the law and meet with our external stakeholders.

17

Goal : • Integrated reporting - Scope 1, 2 and start to map scope 3.

Status : It is in collaboration with CEMAsys, Wenaas has started to measure carbon emissions in scope 1, 2 and 3. The carbon accounting is measured in line with the GHG Protocol, and our aim is to present a reasonably official climate statement report during Q2/2024. Started to map scope 3 on our nominated fabric- and strategic textile suppliers.

18

Goal : • Combining our business and increasing collaboration with our suppliers, partners, and NGO's.

Status : During 2023 we have participated in several external projects (Mepex, Sintef, Customer and Supplier specific developments).

Goal for coming years

1

OUR SOCIAL TARGETS AND PERFORMANCE 2024/2025:

Additional to above mentioned points, we continue to focus on supply chain transparency, prioritizing risks, and monitoring within following areas; a) protecting human and labor rights, b) improving our ethical policies, c) engaging Wenaas employees and building a strong workforce and culture.

• WB Tier 1, risk screening and social compliance - Tier 1 (Invoice) including Tier 1 (CMT sites). Overall ESG identifying/country risk and identifying social risk by preparing screening evaluations for strategic and tactical suppliers on own brand production. 100% social audits by amfori BSCI, SEDEX or similar arrangements on strategic and tactical categories by 2024 (90% in 2023). In terms of spending all strategic suppliers are to be covered by Amfori BSCI by the end of 2024 (71% in 2023). For tactical suppliers on WB the goal is 50% (19% in 2023).

2

• Risk screening and social compliance on WB Tier 2 & 3 (Fabric & Processing). Overall ESG identifying/country risk and identifying social risk by preparing screening evaluations for sub suppliers belonging to strategic and tactical suppliers on own brand production. Total direct spend covered by social audit by Amfori BSCI assessments. 80% by 2025 (40% in 2023).

3

• Amfori BSCI Correction Action Plan (CAP) – increase suppliers' performance by following up CAP reports through dialog and yearly negotiations. Our focus will be according to strategic suppliers since, followed by belonging sub suppliers. We accept min. C, preferably B on amfori BSCI audits. Out of 8 strategic Tier 1 suppliers we have 1 supplier with A, 3 suppliers with B and 1 supplier with C. The 3 suppliers missing on the amfori BSCI – 1 supplier has already started the amfori process and the other 2 suppliers we are in dialog with.

4

• Living wage - start to map WB strategical suppliers (Tier 1) wages. We will use the information provided by Amfori BSCI audit reports in addition to Global Living Wage Coalition living wage gap tool. Our goal is to map, get an overview and if necessary, seek guidance with Ethical Trade Norway on how to reduce the gap from legal

minimum wage to calculated living wage. In dialog with our suppliers and continuing to express our support for free and fair collective bargaining with the intention of, if necessarily, promoting living wage levels.

5

OUR ENVIRONMENTAL TARGETS AND PERFORMANCE 2024/2025:

CO2 emissions - environmental accounting with a reduction of 45% CO2 emissions (Scope 1, 2 & 3) by 2030 (base year 2023). To do so, we will continue to work with chemical management, eco-friendly materials, and certifications. Focus on maximizing a products' lifecycle with increased traceability to eliminate waste and pollution within following areas; a) safety, b) our environmental practice, c) increase product quality and d) energy, water, and waste.

- ISO 9001:2015 - an international standard for Quality Management System (QMS). Achieve continuous improvements and measure annual progression (KPI's).
- ISO 14001:2015 - an international standard for External Management System (EMS). Environmental performance to reduce our waste, pollution, and energy consumption. Improve resource efficiency and drive costs down to gain competitive advantage in our supply chain, especially related to sustainable procurement to avoid peak season and pressure on overtime. Achieve continuous improvement measured by yearly audit (KPI's).
- ISO 45001:2018 - applying for ISO 45001:2010 in 2024 - Occupational Health and Safety Management System (OHSMS). An international standard for the working environment.

6

- Chemical Restricted Substances List (RSL) – yearly update on our supplier RSL- Wenaas RSL is based on the requirements of REACH, the POPs Regulation, the Biocide Directive, and the EU's legal regulation of chemicals. Sent to all suppliers we cooperate with and complied with by signature in return.

7

- Environmental screening - WB Tier 1, and Tier 2 & 3 (fabric & processing). Overall environmental identifying by preparing screening evaluations through Amfori ESG insights and Amfori BEPI (self-evaluations) for strategic and tactical suppliers on own brand production. The goal for 2025 is that all strategic suppliers have performed an SAQ and/or 3rd part environmental audit report.

8

- Traceability of raw materials - ensure that our own brand strategic and tactical suppliers have a plan for sustainable raw materials and certificates that comply with our ESG strategy on material choices. Emphasize the importance of committing to our chosen eco-friendly certifications, and in some cases invest accordingly to the product development requirements. The goal for 2025 is that 100% own brand strategical supplies comply with our ESG strategies in their value chain.

9

OUR GOVERNANCE TARGETS AND PERFORMANCE 2024/2025:

We continue to focus on improving firm performance and creating new opportunities within the following areas: a) reporting and b) collaboration.

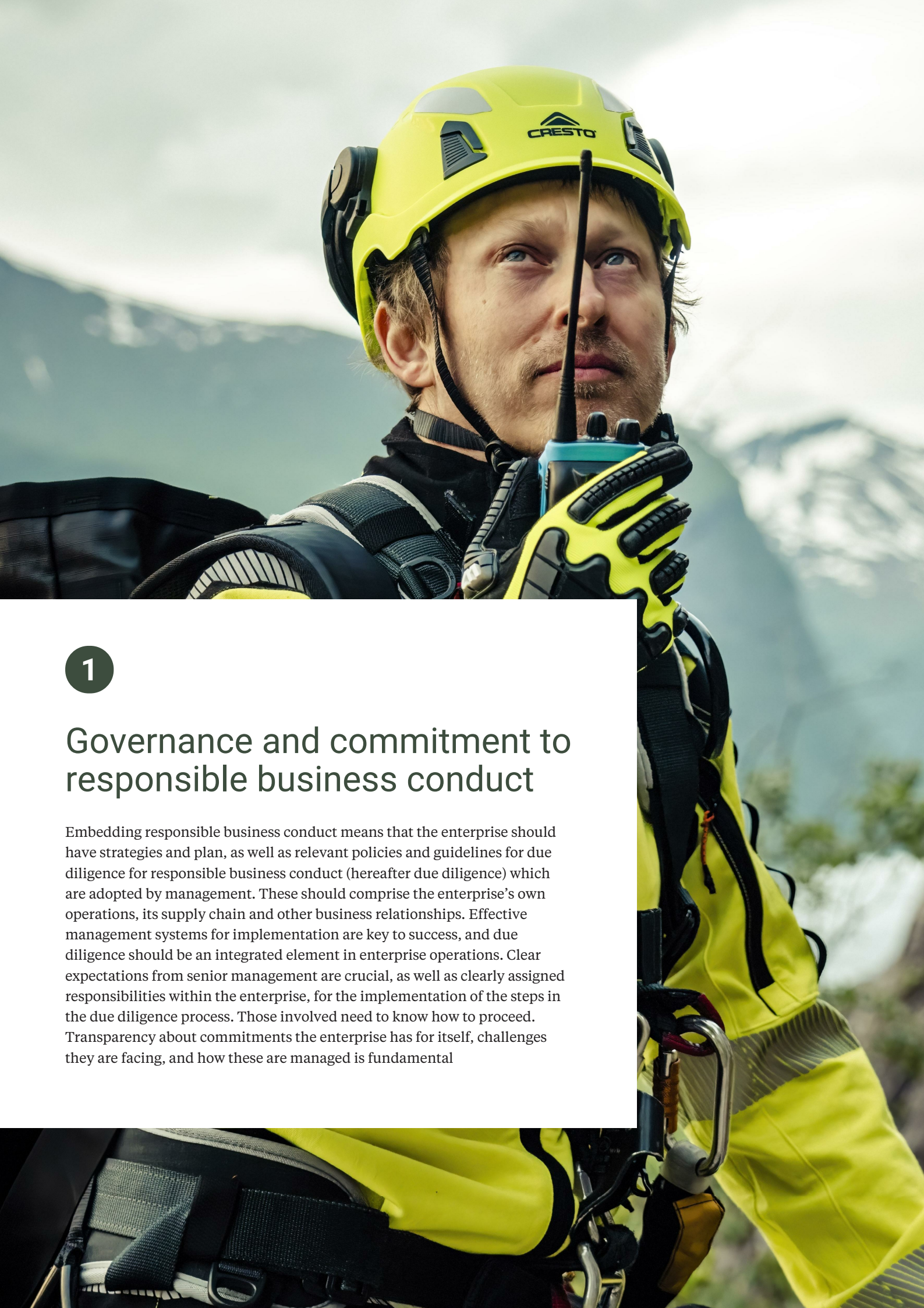
- Social governance compliance - improve annual reporting by documenting responsible production in our supply chain. Continue to map through due diligence and risk reporting (6-step methodology) to reduce negative impact in the value chain – a process in accordance with the OECD's international standard.

10

- Ethical conduct beyond obligatory compliance - go beyond obligatory compliance with legal and customer-specific requirements - combining our business and sustainability strategies and publishing integrated reports according to our progression. Connecting ethical conduct to company's guiding principles to engage employees and meet sustainability targets. Incorporate ESG strategy and keep communicating our activities, memberships, preferred eco-friendly materials and certifications.

11

- Best Practice sharing - sticking with sustainability by communicating in relation to sustainable improvements step by step in a short- and long-term practice. Share "best practice" cases and continue to sustainability training programs initiated by Ethical Trade Norway and Amfori platform. Through sourcing projects and ongoing product developments, improve our own understanding of sustainability and drive the company's ability to innovate forward. The goal for 2025 is employees in these departments participate x2times per year on sustainable training programs (83% in 2023 distributed among 15 employees).



1

Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the enterprise should have strategies and plan, as well as relevant policies and guidelines for due diligence for responsible business conduct (hereafter due diligence) which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to success, and due diligence should be an integrated element in enterprise operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the enterprise, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed. Transparency about commitments the enterprise has for itself, challenges they are facing, and how these are managed is fundamental

1.A Policy* for own enterprise

1.A.1 Link to publicly accessible policy for own enterprise

<https://www.wenaas.com/en/sustainability>

1.A.2 What does the enterprise say publicly about its commitments to respect people, animals, society, the environment and climate?

At Wenaas the way we create results is important because it is our responsibility to protect people at work. We are aware that our business has an environmental and social impact far beyond the company itself. Being one of the market leaders in workwear and protective equipment it is essential to set high standards for ourselves, to care and promote responsible business practices throughout our value chain and actively engage with improvement that can be measured. Wenaas has overall guidelines for how we should handle Health, Safety and Environment (HSE), responsible purchasing, product safety and anti-corruption.

In addition to seeking out improvements within our own organization on an ongoing basis, we also make demands to our suppliers. All our suppliers and partners we work with sign our Code of Conduct (CoC) that sets out rules and regulations for how to respect employees and the environment. In this context, we take a zero-tolerance approach to forced labour and to child labour. We also insist that our partners respect the freedom to organize, equal opportunities and fair, statutory pay, fixed working hours, a safe working environment, and legally binding working conditions; and we follow up to make sure that all obligations, laws, and regulations concerning social security are respected. Violation of the CoC and unwillingness to improve will give Wenaas the right to terminate the contract.

Corporate social responsibility in production of workwear and personal protective equipment:

- Wenaas meets principles for responsible business conduct based on international labour standards, UN, and ILO conventions. The relevant legal framework is to be respected and where national laws and regulations address the same subjects, the most stringent shall apply.
 - The UN Sustainable Development Goals (SDGs) is the world's joint action plan for sustainable development. Wenaas works actively with the SDGs.
 - Wenaas is certified in accordance with the ISO 9001:2015 (Quality Management System) and ISO 14001:2015 (Environmental Management System). Additionally, other recognitions to enhance customer satisfaction; Achilles, StartBANK, Magnet JQS, IMPA and ShipServ.
 - The fabric materials used in various models of work clothes are certified according to the OEKO-TEX® STANDARD.
 - Wenaas abides by the requirements of REACH – the EU regulations concerning chemicals imported into the EU/EEA.
 - Our ESG program is comprehensive, and we do everything possible to make sure that all production of workwear and personal protective equipment is carried out under sustainable conditions that withstand inspection.
-

1.A.3 How has the policy/commitment been developed and how is it embedded in the enterprise?

The policies and commitments to responsible business conduct have been developed for several years and these overall goals are anchored by management before they are implemented in the value chain and throughout the departments. The procurement of textiles, footwear and PPE is an important consideration when setting sustainable goals, now more than ever. Our policies illustrate some key steps to make our supply chain more sustainable from manufacturing to distribution and use.

The safety of workers will always remain our number one priority. We continue to innovate ourselves and develop new solutions to deliver optimal protection to our customers and improve our sustainability. Wenaas commits to sustainable development as defined by the UN Guidelines for Business and Human Rights, and by the OECD Due Diligence Guidelines Responsible Supply Chains in the garment and footwear sector. Contributing to the Commission's 2030 targets and continuously working to be in line with the Paris Agreements on climate change.

Through the UN SDGs, Wenaas will inspire and contribute value to customers, employees, suppliers, and partners to take sustainable choices. By integrating sustainability into our core business and embedding targets across departments and functions, we believe this is the way to succeed towards addressing these goals. In our strategy we have a commitment to support:

- * 8th UN goal – “Decent Work and Economic Growth”
 - * 10th UN goal – “Reduce Inequalities”
 - * 12th UN goal – “Responsible Consumption and Production”
 - * 13th UN goal – “Climate Action”
 - * 17th UN goal – “Partnership for the Goals”.
-

1.B Organisation and internal communication

1.B.1 How is the due diligence work organised within the enterprise, embedded in internal guidelines and routines, and why?

The Sustainability & ESG Manager reports directly to the Supply Chain Director on responsible business conduct. Master data Manager quality assures supply data and information towards supplier. Product Development, Sourcing and Purchasing departments work closely with following up our sustainable goals in our supply chain and report directly to the Supply Chain Director.

Five dedicated Product Managers are responsible for sourcing and development within their defined categories (Textiles, Footwear, Gloves, PPE, and Fabrics & Trims). The product development department is a teamwork of in total ten people and split into certifications, designing, tailoring and product development areas. To secure demands six purchasers work closely together with each of their respective product managers.

Organized in this way continuously predicts dilemmas and secures information internally on supplier decisions, risk assessments, purchasing planning and practices on our ESG standards and principles. Throughout 2024, the Sustainability and ESG Manager will continue to work closely on due diligence work and track down the impacts of sustainability efforts Wenaas has planned to ensure our ESG goals are achieved.

1.B.2 How is the significance of the enterprise's due diligence work defined and clarified for the employees through their job description (or the like), work tasks and incentive structures?

Together with Sourcing Chain Director the Sustainability and ESG Manager will continuously follow-up information towards internal stakeholders and management on due diligence work within the supplier chain. To address these topics our ESG strategy has set targets and performance goals in a short- and long-term perspective. All employees in Wenaas receive clarified job descriptions and training programs are implemented to increase awareness within their working field.

Throughout 2023 product and sourcing departments has gone through improved sustainable practice courses by Ethical Trade Norway to understand deeper the impact we have in our supplier chain. In 2023 fifteen employees within these departments have participated in more than one course. For 2023 83% participated, and our target is x2times per year to participate in ETN courses. Sales departments receive customized training and information to address sustainable awareness and increase their competitiveness in a professional way. The intention of this approach is to continue to meet our customers' expectations of high quality and trust and to maintain a safe, environmental standard in the production of our products.

1.B.3 How does the enterprise make sure employees have adequate competence to work on due diligence for responsible business conduct?

ISO certifications standards and internal and external collaboration will be arranged by partners such as Sintef, RI.SE, Amfori BSCI, Ethical Trade Norway, Fairtrade, Norsk Industri Teko, Cemasy and others in forms of developments, workshops, and seminars. These different kinds of collaboration forums are important for driving sustainable development commitments for Wenaas, but also for promoting valuable and smart solutions in the industry we operate in.

To deliver on safety and safeguard the health of everyone, Wenaas has clear expectations towards our employees and suppliers on how to work together for openness, with consistency, efficiency and to promote transparency at all stages of our value chain for the products we produce and purchase. Building a long-term partnership with our suppliers and partners allows and provides improvements. We believe that mutual commitment, clear communication, and strong and trustworthy cooperation are some of the key factors to our success.

Throughout 2023 we have continuously been focusing on adequate competence to work on due diligence for responsible conduct in our supplier chain. To strengthen the sourcing team's work on due diligence, we have drawn up a "sourcing kit" to help us during supplier and factory visits. In short, our sourcing kit contains all our supplier requirements including an SAQ for producers and a letter explaining these documents of high importance and how to comply. The additional documents are information, among other things about the Norwegian Transparency Act and a checklist used to summarize the factory visits. The checklist is based on Wenaas CoC and our commitment with amfori BSCI, all with the intention to deliver a regular risk assessment, identify gaps and track progress over time in dialog with supplier.

1.C. Plans and resources

1.C.1 How are the enterprise's commitments to respect people, animals, society and the environment embedded in strategies and action plans?

The overall ambitions for Wenaas to respect people, society and the environment are continued by offering professional products and knowledge where sustainability is embedded in our strategy and at the core of our operations. Further, and within a strong social supplier commitment and through our own operations and in collaboration with others, we are convinced that great results will be achieved. During the first half year of 2023 Wenaas identified potential sustainability issues directly relevant to our organization's value chain through a material analysis. The result is a visual representation of Wenaas Environmental, Social and Governance (ESG) priorities and targets in a short- and long-term sustainable roadmap. The company's commitment is rooted in our ESG strategies which are also defined and linked to the United Nations Sustainable Development Goals (SDGs). To inspire stakeholders in our sustainability work, we would like to share our vision that guides us to take decisions to execute change by;

“Taking responsibility, being transparent and trustworthy. Fulfilling the needs of current and future generations, while ensuring a healthy balance between both positive and negative impacts Wenaas has towards economic growth, the environment and social well-being”.

1.C.2 How is the enterprise's strategies and action plans to work towards being responsible and sustainable followed up by senior management and the board?

Wenaas board and top management group use their significant position and leverage to deliver on our value proposition to the market. Not only are they involved in the strategic plans and decisions, but they also take action to see that targets are implemented and followed through. Our ESG strategy is based on long-term commitment to increase our innovation, profitability and promote sustainable value creation – all done in a responsibly produced manner followed up closely by top management and the board.

1.D Partnerships and collaboration with business relationships, suppliers in particular

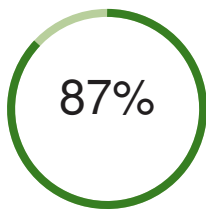
1.D.1 How does the enterprise emphasise the importance of responsible and sustainable business conduct in its business relationships, particularly in the supply chain?

Wenaas bases their supply agreements into three categories A-Strategic, B-Tactical and C-Complementary and emphasizes the importance of business relationships. In terms of our own brand production, suppliers' risk is addressed according to the agreement. Beyond that, the suppliers' relationships are based on our market needs. However, we work with the intention of achieving long-term supplier relationships. Our supplier commitment is split into three categories and for 2023 the outcome for our total business looks like this:

- Long-term relationship (≥10+ years): 47%
- Mid-term relationship (≥4-9 years): 34%
- Short-term relationship (≥1-3 years): 19%

Indicator

Percentage of the company's suppliers that have accepted guidelines for suppliers



2023

87% of the company's suppliers have accepted our guidelines for suppliers with the following distribution by brand and supplier categorization;

- All 31 Tier 1 suppliers of Wenaas Brand including 27 sub factories.
- The remaining 13% are 3rd part supplies categorized as complementary, and in dialog.

1.E Experiences and changes

1.E.1 What experiences have the enterprise encountered during the reporting period concerning responsible business conduct, and what has changed as a result of this?

The ESG strategy plan has a focus on how to address and continue our responsible business conduct in our supply chain. Policies and procedures are up-to-date and combined with internal and external solutions we believe this will make a significant difference to our sustainable growth. However, collaboration with our key suppliers requires careful planning and openness to our ESG actions. We are fully aware that this is performed with effective two-way communication and by the supplier's trust.

Wenaas, like many of our suppliers, experience a challenging situation on global supply chains as production is vulnerable to shortage of national lockdowns, flow of raw materials, climate change, logistics challenges, increasing costs and disrupting manufacturing. In general, for 2023 and ahead our suppliers and business partners see the willingness to meet our sustainable requirements and projects. Together with our suppliers and partners we are convinced that we can challenge climate change together by choosing more eco-friendly production and materials.

To summarize, we believe that our experiences for 2023 have encouraged us to increase access to information in our supply chain. By understanding deeper the complexity in Tier 1, 2 and 3, and being part to positive solutions is a win-win situation for all parties involved in the process. There is no doubt that by promoting transparency, we can build long-term trust, all with the intention to secure safe production practices, ensure safety standards, enhance efficiency, minimize risk, and make better decisions. The result of this is that we have more accurate information about our suppliers' capabilities and their performance.



2

Defining the focus for reporting

Identify and assess the enterprise's impact on people, animals, society and the environment

“Identify and assess” is about identifying the enterprises's risk for, and actual negative impact on, people, animals, society and the environment, including in the supply chain and through business relationships. As a first step the enterprise should get an overall risk picture, before subsequently prioritising further mapping and measures where the risk of negative impact is the greatest, i.e. salient issues. The enterprises's involvement in the negative impact on people, animals, society and the environment is central to determine which measures the enterprise should implement in the next step of the due diligence model. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.



2.A Mapping and prioritising

PRIORITISED ACTUAL OR POTENTIAL NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.

2.A.1 List the enterprises's actual negative impacts and/or prioritized significant risks of negative impact/harm on people, animals, society and the environment. Take note that the prioritized risk that you list in the table below will be exported to step 3 of this report, where you will be asked to answer how you work with stopping, preventing, or reducing the negative impact.

Salient issue	Related topic	Geography
Health and a Safety workplace	Occupational Health and safety	China India Madagascar Pakistan
Freedom of Association at work	Freedom of association and collective bargaining	China India Madagascar Pakistan
Decent working Hours at work	Wages Working hours	China India Madagascar Pakistan
Discrimination and gender equality at work	Discrimination Harsh and inhumane treatment Regular employment	China India Madagascar Pakistan
Welfare of livestock and working animals	Animal welfare	Australia China Italy Pakistan Uruguay

The impact of climate change and the environment	Environment Greenhouse gas emission Energy Waste Water Use of materials	Global
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The salient issues listed in above table are based on our salient risks and country risks from our self-assessment questionnaire (SAQ), audits and visits during 2023.

These salient risks are based on industry and not necessarily addressed to all our partners and suppliers; however, we see that in some countries such as China, India, Pakistan, and Bangladesh that we will increase our focus forward on freedom of associating and collective bargaining. For China and Pakistan, we will start prioritizing working hours in our dialog as we see that overtime is highlighted in the audit reports.

Protection again discrimination and harassment, encouraging equality, wages, and social productive improvements are areas we understand are exposed in several Asian countries, and therefore to be kept a strict eye on forward. In terms of climate change and the environment, even though we have strict requirements, we believe this is a bigger topic we as a single company can address alone, and therefore prioritized as a global problem. We believe that salient issues are an ongoing priority in our daily work to reduce negative risk on people, society, and the environment.

JUSTIFICATION FOR THE PRIORITISATION OF RISKS OF NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

2.A.2 Describe: a) the enterprise's routines for mapping and identifying risk and show how the negative impact was identified and prioritised in this period: b) eventual aspects of the enterprise that have not been covered in this report (product groups, own products, departments etc.) and why you not chose to prioritize these in the continued work: c) how information was gathered, what sources were used, and which stakeholders have been involved/consulted: d) whether you have identified areas where information is lacking in order to get an overview, and how you are planning to proceed to collect more information/handle this.

In 2015, Wenaas implemented an extensive process to addresses the salient human rights issues, and we will from 2023 annually review these features based on internal and external insights. Our salient issues are recognized where risks to people’s human rights and living conditions are greatest and by focusing on our ongoing analysis across our business operations, we follow-up and priorities.

Wenaas Brand stands for 61% of our total spend, whereas 82% is on our own brand and 18% 3rd part within our textile product groups. It is therefore natural that this is top priority in proceeding with more information to handle our salient risks. Over 85% of our major producers are in East and South Asian countries and play an important role in the global textile front. With that said the supply chain in the textile and footwear industry is long and complex, and employees engaged have activities that vary from production of extraction of raw materials to manufacturing. The industry is labor intensive in large parts, and it is why we commit to work for a fair wage and working environment. Due to the complexity of our supply chain, we are concentrating our efforts on our own business operations and manufacturing.

The risk assessments for 2023 are performed on Tier 1 including our strategic sub suppliers (Tier 2 & 3) for our own manufacturing brand. Throughout this work we have focused on audits and heat maps of labor and human rights, working hours and freedom of association at work. Based on the outcome from these risk assessments and our supplier’s performance salient issues are identified and extra attention for improvement is followed through with action plans. It is without doubt an ongoing systematic process continuing supplier dialog and addressing

salient issues deeper. We therefore regularly update and make progress to improve our general understanding of the world through our suppliers, partners, and NGO's.

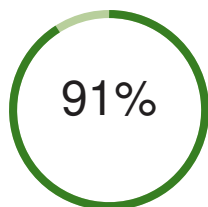
In this report PPE product group has not been fully covered since this category is 3rd part, contracted and purchased through importer/brands and not developed by Wenaas. However, for 3rd part suppliers, we are working for increased transparency in their supply chains, especially for goods we purchase from them. In general, our dialog is with our largest spend concerning 3rd part business partner to understand what these brands do in terms of social compliance in their sourcing practice and own manufacturing sites. Several 3rd part business partners are represented worldwide, and our opinion is that they take their social responsibility seriously to protect their employees following through with professional frameworks and social standards. Non-commercial goods and services are not performed due diligence on in this report.

Listed below are our important routines for mapping and identifying risk.

- First prioritization is based on in-house risk knowledge, cross-functional and cross-organizational thinking, business visits and calculated country risk according to the industry.
- Amfori ESG due diligence risk assessment tool.
- Audit and Corrective Action Plan (CAP) reports from social and environmental audits.
- Self-Assessment Questionnaires (SAQs).
- Stakeholder initiatives for chemical guidance and lab testing (RI.SE in Sweden, SGS Fimko in Finland and Aitex in Spain).
- Country and sector specific recommendations based on regulation and policy surveillance.
- UN Global Compact - Guiding principles for business and human rights framework.
- OECD Due Diligence Guidance for Responsible Conduct.
- OECD Green growth sustainable development strategy and international studies and frameworks to establish network infrastructure, especially in areas as human rights, energy, water, transport, and communications network.
- Ethical Trade Norway, Amfori BSCI and BEPI, Norsk Industri.
- World Economic Forum, Our World in Data – Human Rights, MVO CSR Risk Check, Swedwatch, DFØ, UN SDGs, Human Rights Index Map 2022, UN Development Program, IPCC Sixth assessment report and The WageIndicator Foundation.
- BI Senter for Sustainability and Energy by Per Espen Stoknes and Caroline Dale Ditlev-Simonsen. Johan Rockström at The Stockholm Resilience Centre et al.

Indicator

Percentage of suppliers in high risk supply chains that have been mapped



2023

All Tier 1 suppliers on own brand are mapped, whereas 9% spend (7 suppliers) are identified and measures are put in place for 2024.

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe any other negative impacts on people, animals, society and the environment that were identified in the mapping of the enterprise, supply chain or other business relationships during the reporting period and how these have been handled.

In general, the risks are assessed as lower in Europe, nevertheless we follow our suppliers with the same guidelines and approach to ensure that workers have equal opportunities regardless of the country in which they operate in. Other interesting findings emerged in the surveys were that all our suppliers paid premium overtime payment in line with labor law. However, we know overtime is an improvement area to address, especially in China and Pakistan. Other negative findings were that animal welfare was limited to only a few suppliers who had this policy within their management system. The traceability of raw materials and sub-suppliers in our own brand and 3rd part supply chains are also topics to improve.

After our membership with Ethical Trade Norway spring 2023, we have updated our Code of Conduct (CoC) and implemented several new business policies to increase our responsible purchasing practice. This work was rolled out Q2 and Q3/2023 to highlight to our suppliers and business partners that not only is this relevant and maintains our integrity in our procurement process, but it also sets out a clear guidance on what is expected behavior in our supply chain. To identify risks on a broader scale we have also made use of salient risk tool and mapped down to product group per supplier producer, per share, per raw material and country. This tool has helped us identify and priorities the salient human risks in our supply chain and put measures in place to mitigate these risks. As highlighted above, we conclude that our remediation plan continues to map and address occupational health and safety, freedom of association and collective bargaining, working hours, discrimination, and animal welfare.

Autumn 2023 we have worked actively to get a total overview of the current situation of our suppliers (Tier 1) including sub supplier (Tier 2) linked to CMT production. At the same time, we have escalated Amfori BSCI and BEPI solutions and followed up with dialog for stronger business relationships (RSP), scheduling monitoring, asking for CAP reports and in general trying to understand challenges the factory face to raise their score higher (B and higher). We have also started addressing Tier 2 & 3 to increase information on raw materials, fabrics, and processing units. In addition, all our Product Managers and Sourcing Manager have annual negotiations and business trips to Europe and Asia suppliers and manufacturing sites where transparency is highlighted on the agenda.



3

Management of salient issues

Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings from the risk assessment in a good way. The most salient negative impact on people, animals, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the enterprise is involved in the negative impact is key to taking the appropriate action. Negative impact that the enterprise causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the enterprise, e.g. in the supply chain, the business must use its leverage to influence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the enterprise’s own policy documents and management systems. Effective management of the negative impact on people, animals, society, and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).

3. A Cease, prevent or mitigate

3.A.1 For each salient risk, add a goal, progress status and describe the measures you have implemented to handle the enterprise’s prioritized negative impact on people, animals, society, and the environment

<p>Salient issue</p>	<p>Health and a Safety workplace</p>
<p>Goal :</p>	<p>As we are sourcing and producing over 80% of Wenaas Brand in Far East countries there is a higher risk of human rights violation. We need to ensure that our partners and suppliers’ workers are represented adequately through our routines, throughout the entire value chain. Our goal is to always promote ethical working conditions, decent work, and increased transparency to provide all workers with secure, safe, and healthy working conditions when producing our products. We believe that respectful supplier negotiations, factory monitoring commitment and practicing ethical trade in our supplier chain prevents violations and ensures respect for human and labor rights.</p>
<p>Status :</p>	<p>To continue to ensure occupational health and safety management system is addressed, during 2023 we have updated our Code of Conduct (CoC) and procurement policies accordance with Ethical Trade Norway recommendation. During Q2 and Q3/2023 these contracts are carried out with all our partners and suppliers in Tier 1 in our supplier chain. We see our guidelines, policies, and contracts as tools to set even stricter requirements, foreseeing more transparency, precisely to improve working conditions and labor rights in our supply chain. General status is done through meetings, SAQs, reports, audits, and factory visits by us, Amfori BSCI, SEDEX etc. Reviewing conditions on Tier 1 in this way gives us a very good basis for prioritizing our work with Tier 2. Something we have stated and will continue through 2024.</p>
<p>Goals in reporting year :</p>	<p>Wenaas is to secure and provide ethical, healthy, and safe working conditions for both our own employees and all the workers in our supply chain. Our focus is to systematically schedule regular audits and remediation and keep a close collaboration with our suppliers if any non-compliance issues have been identified, and if they do not align with our ESG program. Continuously work to prevent any negative impacts that are within building maintenance, electricity, fire equipment, first-aid, chemical handling, PPE requirement and user guide, and in general healthcare, transportation, and communication for workers.</p>

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

Updated and implemented stricter CoC and policies in 2023. Wenaas Brand suppliers complying with Amfori BSCI program, SMETA (SEDEX) or other social auditing.

- 97% (30 out of 31) A-Strategic and B-Tactical
- 77% (24 out of 31) of all categories, including C-complementary.

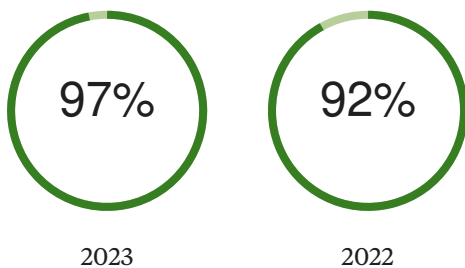
Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

To ensure health and safety implementation of Wenaas brand production we will continue to improve our ethical business behavior through certifications or through membership of Amfori BSCI. Our aim is 100% of Tier 1 suppliers in category A-Strategic and B-Tactical are subject to compliance audits by 3rd party organizations. After each audit, a report and follow-up plan to be followed-up within the time frame set on the corrective action plans (CAP) and try to understand in depth challenges the factory faces to raise their total score.

With that said, we have improved our internal supplier onsite checklist tools to be used by Wenaas employees during factory visits. On factory visits check all facilities and accommodation used for our production. We have also started a deeper mapping of Tier 2 and 3 related to our largest spend to address risk and relevance. Continue to work according to our ESG strategy 2023-2027. In terms of measuring our supplier's performance within labor and human rights we participate in Amfori annually meetings in collaboration with other members.

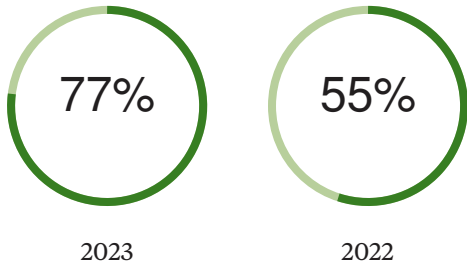
Indicator

Social compliance programs - Wenaas Brand (A+B)



Wenaas Brand suppliers categorized as our A-Strategic and B-Tactical comply with social compliance programs (authorized auditors). 97% (30 out of 31)

Social compliance programs - Wenaas Brand (A, B+C)



Wenaas Brand suppliers categorized as our A-Strategic, B-Tactical and C-complementary with social compliance programs (authorized auditors). 77% (24 out of 31) of all supplier categories.

Salient issue	Freedom of Association at work
Goal :	According to ILO, ACTRAV Bureau for Workers' Activities (J. Visser, 2019), globalization in the past few years has generated millions of industrial and service jobs in the Global South, but it has not created an upsurge in unionization in these countries. Part-time and temporary workers are less unionized everywhere compared to workers employed full-time and with open-ended contracts. Even among workers with standard employee contracts, union rates are usually very low. We believe that all workers must be free to join organizations of their own choice. By addressing the freedom of association at work more openly with our suppliers we will overcome some of the future challenges of integration for the unions. Start cooperation with partners, suppliers and/or other relevant systems/trade unions/organizations to avoid unintended negative impacts and for increase supplier and worker engagement.
Status :	Through our Responsible Business Practices, we continue to monitor our Self-Assessment Questionnaire (SAQ) results to measure and discuss the challenges our suppliers have in terms of this topic.
Goals in reporting year :	Our goal has been to map how many of our own manufacturing suppliers (Tier 1) have workers representatives, and how many of them again have trade unions. The goal is naturally to understand that the factories have established routines for workers to express their opinions and concerns regarding their operational tasks and work life. The freedom to discuss work-related matters with management is important in a free and open society, and a goal we believe has a major positive impact for both working and living conditions of the workers.

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

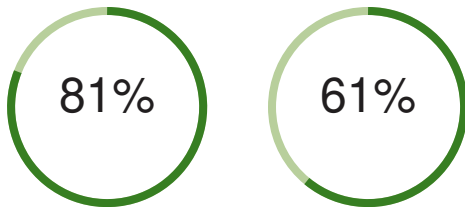
Our focus has been Amfori BSCI auditing on Tier 1 and ensuring that our suppliers are compliant with our terms and conditions. Now for 2023 we have updated and implemented stricter contracts to set a stronger baseline, and therefore it is a natural step forward to start addressing the freedom of association at work more openly with our partners and suppliers.

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

We believe that there is a need for increased collaboration to work together by exploring partnerships with companies sourcing from the same suppliers as us from the Amfori BSCI platform. Input has been given to Amfori that it could be an opportunity to see which company holds RSP, to possibly contact the other member. The intention is to work together to improve the CAP issues that will improve all areas, however for this reason in specifically, the addressing the freedom of association at work, how the factory is handling concern in workers representatives, workers themselves, management, and grievance procedures. The possibility of submitting an anonymous complaint and the follow-up process is extremely important and is taken seriously by the management. Encouraging our supplier's management to have open communication with their workers is the key. We will investigate the possibility of a step-by-step guide to respond appropriately to this topic in dialog with our suppliers.

Indicator

Wenaas Brand suppliers (Tier 1) with worker representatives.



2023

2022

39% have Trade Unions (18% in 2022).

<p>Salient issue</p>	<p>Decent working Hours at work</p>
<p>Goal :</p>	<p>Our goal is to prevent and address excessive working hours in the supply chain. It is important to us that we deal with our suppliers in a respectful, fair, and lawful way without the need for uncertainty regarding the risks and costs in our production, delivery, and payment. By encouraging dialog for collective bargaining and identifying living wage gap we believe better practices can be addressed in our negotiations to minimize overtime.</p> <p>We are ISO 9001 certified, and this has an overall focus on our Quality Management System (QMS). This system provides us with an overall framework and approach that aims for Wenaas to continuously improve our own quality system processes. With that said, we will continue to follow up and understand how our purchasing practices can be improved to minimize our suppliers' use of overtime.</p>
<p>Status :</p>	<p>The ISO 9001 has important quality points that ensure that we only start mass production until the tech-packs and product certifications are approved. Wenaas does not work with collections and timeframes as we order on assignments and specific customer contracts. We have six assortment meetings per year to plan our approximate need for current assortments in the next twelve months. In these meetings our CEO, Supply Chain Director, Sales Director, Key Account Managers, Marketing, Design and Product departments are represented. Orders are placed according to these prognosis and approved lead time in both Europe and Asia.</p>
<p>Goals in reporting year :</p>	<p>The goal is to ensure that our supplier keeps within the working hours permitted by national law. However, excessive overtime in the textile industry sector is still a structural problem in especially China. In 2023 our Amfori BSCI reports show us that this issue is linked to "Social Management System" (PA1), meaning that the factories have established workforce capacity management procedure. However, the reports show us that in some cases the supplier has not evaluated whether its workforce capacity could meet the expectation of delivery orders. Therefore, the records show monthly overtime hours of employees exceeding legal requirements. In dialog with our supplier management, they often state that due to labor shortages, turnover, and product delivery times, employees wish to work overtime. It is important to emphasize that the workers' overtime is voluntary; however, this is a point to map deeper in 2024/2025. The intention is to raise the amfori audit score from C to B and reduce audits to every two years, making it also cost efficient for suppliers.</p>

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

Continuously yearly internal quality progress regarding ISO 9001. See if a % of goods can be produced outside of peak season to reduce the pressure on the factories. Monitor and follow up Amfori BSCI audits on own brand suppliers and address the CAP reports for improvement on use of overtime.

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

The risk of excessive working hours has especially been identified in China in 2023. The main reasons are yet to be addressed; however, we do know that suppliers overtime depends on order delivery, last minute order amendments from customers, combined with unexpected things happening during bulk such as power restrictions by Chinese government. In some cases, suppliers have established overtime control policy, but the management says it is difficult to implement completely.

A reflection to address the problem is that even if Wenaas cannot set guidelines for our supplier's workers' wages, we will continue to source and buy with better conditions and to promote collective bargaining. The reason for saying this is because we believe that through collective bargaining - paying a living wage will be a positive outcome, and overtime will therefore need to be addressed. It's a complex problem but wherever possible, we will encourage dialogue to help to improve our purchasing routines by building a deeper understanding of production, and therefore our supplier workers' conditions. To find a healthier solution for today's use of overtime we also wish to share responsibility for better practices and make these labor standards a core of our sourcing and buying negotiations.

Ongoing forward we will start working on mapping legal minimum wage against lowest wage paid for regular worker at the production site for Wenaas Brand suppliers. We believe that measuring this data up against the calculated living wage and the workers fixed salary (w/o additional employee perks) will give us an overview to understand the living income and living wage risks. This will be a step-by-step approach in collaboration with ETN and Amfori guidance and based on information provided from our audit reports and wageindicator.org. In 2023 none of Wenaas Brand supplier has inconsistency related to minimum wage.

Salient issue	Discrimination and gender equality at work
Goal :	Our goal is to prevent discrimination and increase gender equality at work in our value chain. According to The Decent Work in the Garment Sector Supply Chains in Asia project based on 2016 resolutions by the International Labor Organization (ILO) gender inequality is still common throughout the sector. Wenaas stands behind this project to contribute to improved working conditions and rights of woman and men workers, as well as improved social dialogue, productivity, gender equality and environmental sustainability in the garment sector in Asia.
Status :	As per today we have identified through our Self-Assessment Questionnaire (SAQ) and Amfori BSCI that our own brand production represents 47/53 female and male workers. Statistics show that India's female labor rate is less than 20% as in countries like China over 40% woman participate in the workforce. However, we see some of those specific countries in our survey are unbalanced in gender equality. This result of diversity is interesting to address in our supplier meetings as we believe women's participating more equally in the workplace also tends to capture opportunities from a social perspective too.
Goals in reporting year :	We continue in 2024 to gather information with Amfori BSCI and ETN to prevent gender discrimination and equal pay for men and woman. Additionally, on our visits check how the supplier's follow-up gender and violence training is handled to ensure that women are not exclusively to, among other similar risks protected from harassment sexual intimidation (ref. anonymously reporting).

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

Updated and implemented stricter CoC and policies to prevent discrimination and measures established to protect workers.

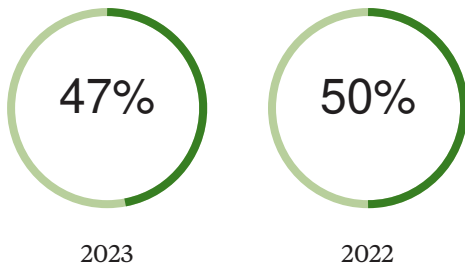
Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

According to ILO woman are paid less than men, have fewer opportunities for advancement, suffer workplace violence, harassment, and discrimination, as well as lack influence at decision making level. Systematically and according to our sourcing strategy, Wenaas has a stricter routine to monitor our suppliers through Amfori BSCI regarding all 13 performance areas (PA) including no discrimination. We continue to build our knowledge base to identify key actions towards addressing gender gaps and creating decent and productive employment that both are appropriate and accessible for woman workers in our supply chain. Going forward we will in dialog with our suppliers, encourage factory managers to go on the Amfori platform and sign up for courses to improve their awareness, training skills and business performance. These courses are especially related to improvements identified in the latest CAP report.

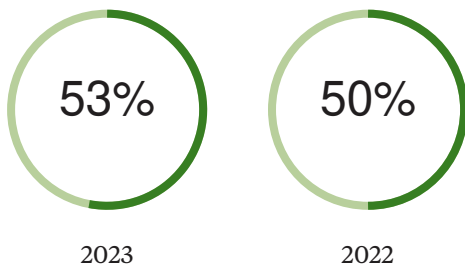
We do understand that some of these issues are related to religion and culture, but combating discrimination is an essential part of promoting decent working conditions. Opportunities yet remain to persist gender gaps and decent work for all, and we therefore do our best to play an important role in it by knowledge sharing and seeking progress in a whistleblower scheme to encourage the reporting of violations internally, as well as externally.

Indicator

Gender - female workers.



Gender - male workers.



Salient issue	Welfare of livestock and working animals
Goal :	Our goal is to ensure that working animals are treated humanely and develop a plan for increasing traceability based on e.g., Woolmark and/or Responsible Wool Standard (RWS) certification for wool. For leather we will be focusing on increased transparency and documenting animal origin e.g., OEKO-TEX® LEATHER STANDARD and Leather Working Group (LWG) certifications to increase animal welfare in all stages of production from tannery to product.
Status :	Status for 2023 is that we buy most of our wool through 3rd part supplier where the wool fiber is well documented from Uruguay. For our own brand we have identified that the merino wool raw fiber is from Australia. Leather is from Italy and Pakistan and mainly used in footwear and gloves.
Goals in reporting year :	2023 Wenaas launched 7 glove series according to OEKO-TEX® LEATHER STANDARD. Additionally, we have identified that leather used in our working shoes from both Europe and Italia are according to Leather Working Group (LWG) certification. In terms of merino wool, we continue to seek transparency in the value chain to receive origin documentation.

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

Updated and implemented stricter CoC and policies to increase animal welfare.

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

Our goal for the upcoming reporting year is to use mulesing-free merino wool that is traceable, and wool certified according to The Woolmark standard. For leather gloves we are in the process of certifying more products according to OEKO-TEX® LEATHER STANDARD, and for footwear we are looking into a couple of options for certifications. In 2024 we believe that communicating this topic, we will together with our suppliers address an awareness and increase our responsible production for animal welfare in the supply chain.

Salient issue	The impact of climate change and the environment
Goal :	Our goal is to improve our ethical business behavior and reduce our negative impact on the environment in our value chain - especially on use of materials and the Co2 emissions. By choosing environmentally certified fibers and fabrics, the risk is reduced. Continuously work to be in line with the Paris Agreements on climate change while halving our carbon footprint by 2030 and reaching Net Zero by 2050. To do so, we will prioritize, engage, and reduce our carbon footprint and water footprint.
Status :	<p>Our status for 2023 is that we have started to report our greenhouse gas emissions (GHG) on scope 1 and 2 emissions. However, this is not complete, and we have therefore in collaboration with CEMAsys started to measure our carbon emissions in scope 1, 2 and 3 in a systematic way. By using CEMAsys GHG-Carbon Accounting solution Wenaas will get an overview of our total emissions, and from there prioritize and track energy reduction initiatives forward.</p> <p>In terms of materials, we have started using recycled polyester that is part of the Global Recycled Standard (GRS). This certification is environmentally friendly, and we will in general focus on increasing renewable and recycled materials in the designing phase of our products. In addition, in fall 2023 Wenaas became a member of Better Cotton and started to roll out in our workwear portfolios. On customer request, we can offer sustainable certification such as Fairtrade as an alternative to cotton on uniform categories.</p>
Goals in reporting year :	Yearly updated chemical guidelines and restriction substance list (RSL). Wenaas RSL is based on the requirements of REACH, the Pops directive, the Biocide directive, and the EUs legal regulation of chemicals.

Describe already implemented or planned measures to cease, prevent or mitigate negative impacts and reasoning behind the selected measures :

Updated chemical guidelines and restrictions to approach sustainable procurement and to increase our awareness of climate change in our supply chain.

Describe actual or expected results of measures mentioned above, as well as goals and activities for the coming reporting year :

Our goal for the upcoming reporting year is to eliminate waste and pollution by facilitating future-oriented tools to analyze sustainable data with our strategic and tactical suppliers. Implement use of more eco-friendly materials and 3rd party certifications. Address a traceability overview for sustainable raw fibers and fabrics in Wenaas, including Tier 2 and Tier 3 information.

To approach sustainable procurement and to increase our awareness of climate change in our supply chain we continue to investigate how tracking data on materials, waste, and energy in production on own brand products (Tier 1). Phase out and replace critical product groups and/or specific B2B requests with more recognized programs and promote initiatives for environmental materials and certifications. Address the Textile Exchange Corporate Fiber & Material Benchmarking program to measure, track and compare our progress related to these chosen fibers and materials. For our streamlined cotton portfolios, we have already started replacing conventional cotton with Better Cotton Initiative (BCI). It is worth mentioning that several of our strategic suppliers are OEKO-TEX® STeP certified. In collaboration with these nominated suppliers, we have therefore begun to certify chosen high-profile products for OEKO-TEX® STANDARD 100 and OEKO-TEX® MADE IN GREEN.

Summarized, and just like the other mentioned salient issues this is a long-term plan and implemented step-by-step, and in collaboration with our suppliers, partners, customers, and NGOs.

OTHER ACTIONS RELATED TO MANAGEMENT OF NEGATIVE IMPACTS

Describe the enterprise's general measures to cease, prevent or mitigate negative impacts, including in the supply chain.

3.B.1 Reduction of nature- and environmental impact

Additional to mentioned goals, below measures are relevant information and awareness for sustainable development to cease, prevent, or mitigate negative impacts in our supply chain include;

- Convey professional product development expertise and use our "Green Growth Ladder" of sustainable levels for B2B.
 - Predefining KPIs with high-quality, mono eco-materials and versatility as key.
 - Track and reduce carbon footprint on inbound and outbound transportation.
 - Reduce carbon footprint on packaging (recycled paper and/or FSC certified and recycled plastic).
 - Promote design for longer life (design principles, durability, care extend symbol, Value Added Service (VAS) center).
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3.B.2 Reduction of greenhouse gas emissions

Wenaas has a commitment to reduce our GHG emissions according to the Paris agreements - to limit global warming to 1.5°C target and reduce Co2 emissions by 45% (to 2010 levels) reaching net zero by 2050. According to Ellen MacArthur Foundation the textiles industry produces 10% of all global Co2. That leaves opportunities untapped for us. Below are listed some improvement measures that we believe contribute to reducing our GHG emission:

- Closing the loop – a changemaker in our supply chain

Wenaas has started a project with one of our strategical Indian suppliers to recycling our own initial textile cutting waste. The process is without dyeing keeping textile resources in circulation, resulting to Upcycle to new products. The waste applies to cotton and polyester product categories. Naturally there are challenges due to fibers and their properties, process, and material appearance. However, we believe this is a huge step in the right direction towards a circular economy thinking in the textile industry. Our aim is zero waste - 100% circular production, developing new enabling products. Environmental impact of calculations is for e.g., for one cotton t-shirt:

- Saved 2700L water.
- Saved 1kg. Co2 emission.

- Environmental efforts towards Better Cotton (BCI) and Global recycled standard (GRS)

Regardless of which material we choose in our product developments, Wenaas business partners and suppliers shall ensure compliance with all applicable laws and regulations pertaining to air, water, noise pollution, and ground contamination. With that said, our focus is now on phasing out and replacing critical portfolios with more recognized programs and initiatives for environmental certifications to minimize waste resources in production in use and after use (reduce energy, water, and waste).

Based on the complexity of our supply chain, from fiber production, yarn production, fabric production, dyeing and finishing, garment assembly, distribution and retail, use-phase and in best case including end of life, we believe that we can make the greatest impact reducing our GHG emissions in the beginning of the product development. This means that to reduce scope 3, GHG emissions we purchase eco-friendly raw materials (Tier3). Our largest materials are within cotton and polyester and by replacing conventional cotton to Better Cotton (BCI) and virgin polyester to recycled polyester according to Global Recycled Standard (GRS) we will guarantee traceability of the fiber and reduction of the products footprint excessively. These certifications will additionally also comply with 10 out of 13 principles related to our human and labor rights, environment, corruption, and animal welfare assessed in our CoC.

- Digital Product Passport (DPP)

Another change in our supply chain will also be to investigate DPP forward in 2024 with the intention to have traceable data throughout the product's life cycle. This is in the early stage within the industry; however, we believe that it will contribute to reducing our carbon footprint and increase supply chain traceability for our B2B customers and B2C consumers to make better choices in their purchases.

3.B.3 Adapting own purchasing practices (sourcing)

Continuously through 2023 we address how to improve collaborative planning and forecasting with suppliers and warehouses. Sustainable costing is reflected in both direct and indirect costs. Forward, keep focused on our integrated ESG strategy in our sourcing practices, talking about it in joint gatherings, and tracking our performance accordingly. Listed below are a set of KPIs to track our progress on responsible purchasing practices from 2023.

- 16% of Wenaas staff are in contact with partners and suppliers daily and very well familiar with our supplier terms and conditions.
- 6% of sourcing and purchasing staff with responsible business practices are included in the job description.
- 4 times a year meeting points for staff in direct contact with suppliers to collaborate on improving social standards in the supply chain.
- Quarterly review by Senior Management to assess sourcing strategy and impacts of planning and purchasing on compliance.
- Seldom price change after PO is sent to supplier as product development is finalized and approved for bulk. If of any change it may be related to MOQ (surcharge) or raw material price adjustment.
- 95% of orders with on-time payment to suppliers.
- 0% of orders where penalties and/or deductions are imposed for late delivery.

3.B.4 Choice of products and certifications

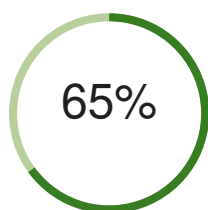
According to the ESG strategy and as highlighted above, Wenaas has made following choices for our products forward;

- The FAIRTRADE Cotton Mark.
- Replace conventional cotton to Better Cotton (BCI).
- Replace virgin polyester with recycled polyester according to Global Recycled Standard (GRS).
- Product certification for OEKO-TEX® STANDARD 100.
- Product certification for OEKO-TEX® LEATHER STANDARD
- Product certification for OEKO-TEX® MADE IN GREEN.
- Product certification for Woolmark Blend.
- Increase leather from LWG certified tanneries.
- Tecasafe® Ecogreen FR multinorm fabric.

Certification is one of our measures to stop, reduce and prevent our negative impact on humans, animals, society, and the environment. However, we have expectations that suppliers will have additional schemes and measures to ensure environmentally responsible practices in their supply chain. All these standards are important to us as they are verified through an independent third party, and insurance to all parties as it is based on an objective review of criteria.

Indicator

Percentage of suppliers in high risk supply chains with sustainability certification



2023

3.B.5 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation

Wenaas actively supports collective bargaining and the right to join a free trade union organization. However, as stated by ILO these national legal frameworks, especially for Chinese workers joining a free trade union organization (adopted in 1992) – that right is decreased as all enterprise unions must associate with the one national legally-mandated body: All-China Federation of Trade Unions (ACFTU).

In our SAQ mapping during 2023 we identified that 81% of Wenaas Brand suppliers have worker representations (committee), whereas 39% have trade unions. Even though these numbers have improved since last year, it still gives us reason to believe that there is potential for improving in this area. We will therefore continue to monitor and address the topic through dialog with the factory's management, as our goal is to help our suppliers' overall performance. Given the possibility it would be interesting to investigate if grievance mechanism and following a complaint process connects with all workers, including the younger workers. If possible, find new ways for suppliers to build coalitions with trade unions, other organizations, and movements to engage their workers' rights to worker representation and/or trade unions than practiced today.

3.B.6 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain

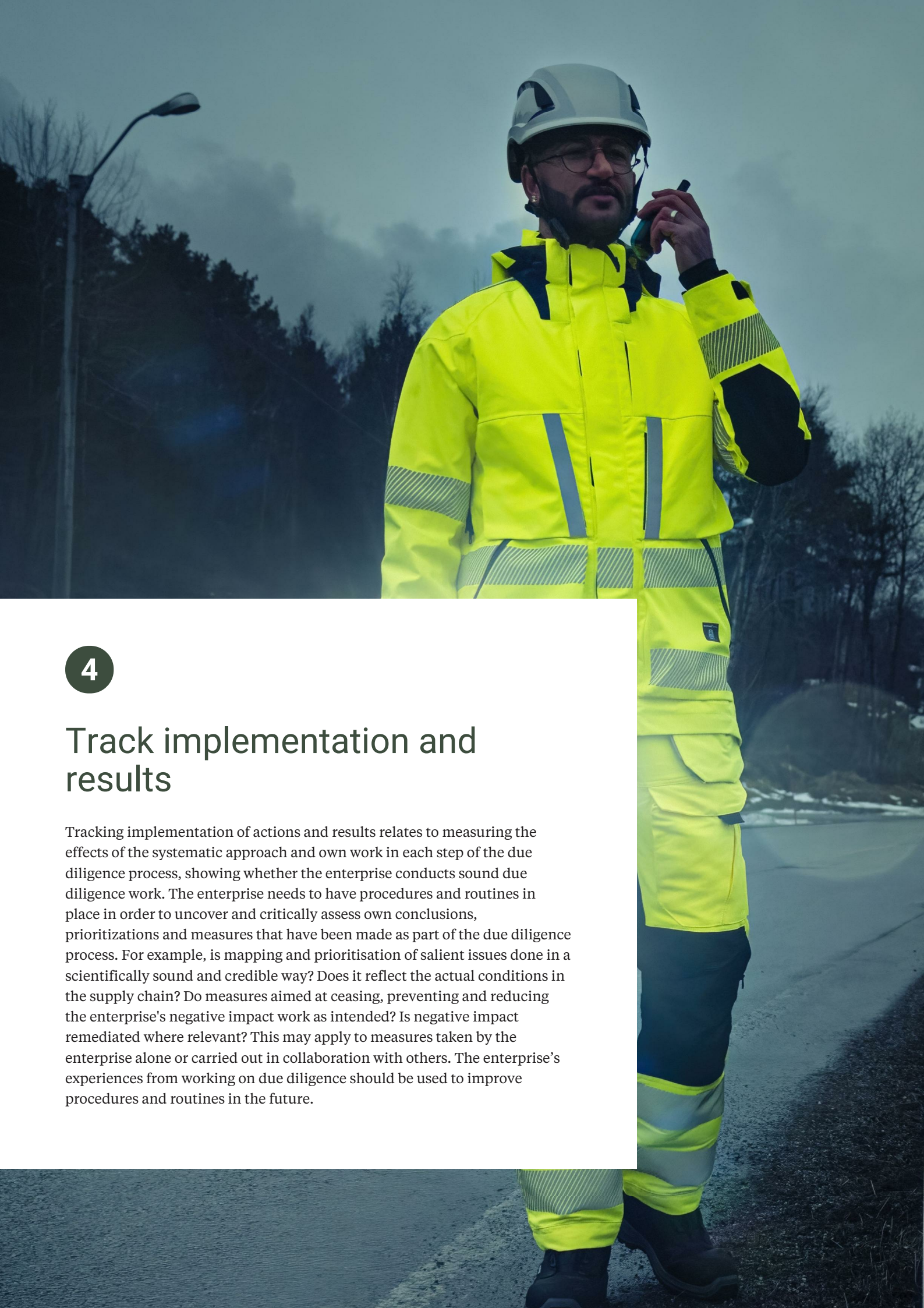
No doubt closer supplier relationships between Wenaas and our suppliers create significant value. In our business practice we have an integrated approach to supply chain optimization, raw materials, and ways to reduce our waste. We collaborate on planning, reducing risks and generally strengthen each other's value. To contribute to further development, we would like to agree on some sustainable KPIs to measure and track progress. We will therefore continue to communicate with trust as we believe that is the key to succeeding in developing the relationship. As for today, we see possibilities for improvements, especially related to Amfori BSCI platform. There are several requirements addressed to the training of our suppliers and workers in the supplier chain. These requirements are particularly linked to our major key suppliers where our spend is the greatest. In terms of internal capacity building, we work cross functional and will continue our engagement and knowledge for human rights due diligence within several departments. We would also like to emphasize the importance of collaborating across the industry and with other brands to increase supply chain transparency and generally promote higher ethical and environmental standards.

3.B.7 Combatting corruption and bribery in own enterprise and supply chain.

Wenaas has a Corruption & Anti-Bribery Policy for combatting corruption and bribery in our own company and supply chain. Whoever Wenaas may deal with, and wherever we may operate, we are committed to doing so lawfully, ethically and with integrity. As part of this commitment, all forms of bribery and corruption are unacceptable and will not be tolerated. Our Corruption and Anti-Bribery policy sets out how Wenaas prevents acts of bribery and corruption taking place. It is intended to comply with criminal legislation governing bribery and corruption on a global basis. This policy provides guidance on the standards of behavior to which we in Wenaas adhere and most of the contents hereof reflect the common sense and good business practices that we all work to in any event. It is designed to help identify when something is prohibited so that bribery and corruption are avoided.

3.B.8 Other relevant information concerning the enterprise's work to reduce, prevent, and manage negative impact on people, animals, society and the environment

In general, Wenaas works to increase our enthusiasm and support to our partners, suppliers, and customers to share knowledge and to have an open mind approach to reduce, prevent, and manage negative impact on people, environment, and society. We believe that increased awareness, strong ESG commitment and effective communication will be the key forward to reaching our goals.



4

Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the enterprise conducts sound due diligence work. The enterprise needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the enterprise's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the enterprise alone or carried out in collaboration with others. The enterprise's experiences from working on due diligence should be used to improve procedures and routines in the future.

4.A. Track and assess

4.A.1 Describe the a) assignment of responsibility for tracking the effect and result of measures implemented to cease/prevent/mitigate salient risks of negative impact on people, animals, society and the environment, as well as how the tracking is done in practice, b) who is responsible for evaluating the enterprise's implementation and work with due diligence, and how the evaluation is done in practice.

The assignment of tracking the effect of measures implemented to cease/prevent/mitigate salient risks of negative impact is covered through many different initiatives, including through Amfori BSCI. Amfori BSCI provides a system for our due diligence activities to help Wenaas improve working conditions with our suppliers and a system that also encourages producers to go further and achieve best practice. 13 Performance Areas (PA) additional to the Amfori BSCI Code of Conduct (CoC) are implemented to the supplier.

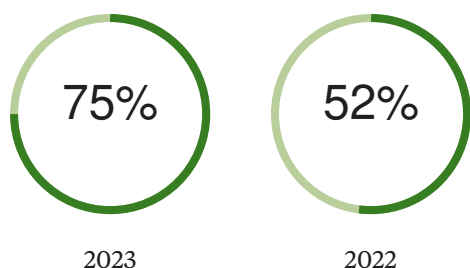
In terms of environmental focus, Wenaas follows-up yearly with updated restricted guidelines according to REACH. Our business is mainly focused on standards and certification systems within all product groups, and closely monitored by external partners. Amfori BEPI provides a framework that supports our suppliers to reduce their environmental impact. An Amfori BEPI audit covers 8 Performance Areas (PA), from energy use to greenhouse gas emissions to chemical management.

Regardless of whether it is Amfori BSCI or Amfori BEPI, challenges are addressed, and together with the supplier we follow up with the corrective action plans (CAP) report. The main driving improvement actions are in general higher standards, ordering procedures, sharing best-practice, and increasing our learning with the supplier. Other external factors can be if the supplier complies with national regulations and limited risk, spend and our importance to own progressions lays as a key factor for the supplier to improve themselves.

In general, Wenaas is in direct contact with the suppliers regarding product development, ordering procedures, yearly follow-up on Amfori platform, in addition to other audits our suppliers are complying with. Suppliers are thoroughly considered according to quality and manufacturing process, relevance, and risk. Following up with a social and environmental audit will identify any gaps and allow the supplier to close the loop for any deviations, non-conformances, or delays. Audits ensure quality standards, quality control and help us understand suppliers' standards of labor, health and safety, environmental performance, and ethics at the supplier's site. Our goal is to continue to deepen the social and environmental responsibilities of supplier assessments, to evaluate our supplier's performance and improvement areas to reduce the risk of our CoC.

Indicator

Social audits (Tier 1) based on total spend



2023: 75% (45 suppliers Tier 1)

2022: 52% (36 suppliers Tier 1)

4.A.2 Describe how the enterprise ensures that measures taken to identify, prevent and reduce negative impact actually work

Wenaas performs with regular factory visits to existing suppliers for our own brand, and new key suppliers will also be paid a visit to perform quality inspections. Our procurement documents are also used to help us determine what our suppliers best meet our needs and to make sure they comply with the set of contracts and guidelines we require before going into a cooperation. We believe that visiting and interacting with employees during a factory visit will significantly provide us with information to judge the company's culture. Through a site visit we can determine if a new or existing supplier has the necessary organizational leadership, operation process in place and leadership to meet our material and service requirements. We are confident that if our supplier is good at keeping their employees safe and happy, they are also good at keeping their customers pleased. Regarding 3rd-part suppliers, we will also have physical meetings with their office and make sure that their factories are performing on quality, sustainability progress and reasonable due diligence process in their own supply chain.

Wenaas supply chain is globally represented, and we need to have a pragmatic and holistic approach to solving problems in a sensible way by acceptance of other social certifications than Amfori BSCI. This is decided to ensure suppliers' operations meet our requirements of relevant ethical standards without focusing on only one audit standard. Especially SMETA and Amfori BSCI have similar risk assessment on supplier social responsibility towards issues addressed on as forced child labor, health and safety, freedom of association and collective bargaining, discrimination, working hours, disciplinary practices, and management systems. In our supplier mapping and to avoid safety system audit fatigue we accept the following on own brand supplier category "Complementary" and 3rd part suppliers; SA8000, ISO45001, WRAP, FWF and Blue Sign. It is worth mentioning that we require a minimum C-score rating or better for an Amfori BSCI audit and should a supplier receive a D-score rating or lower, we will be following up immediately with the CAP plan and require a conducted audit within 6 months.

In general, to identify, prevent and ensure the safety of employees throughout our supply chain and make our business more socially responsible, we continue to use Amfori BSCI and Amfori BEPI risk management system. Amfori BSCI is our social audit standard for our own brand suppliers and follows-up with regular yearly audit inspections. BSCI provides us with auditing and reports, and through this agreement we have zero tolerance (Code RED). Code RED is a list of non-compliance issues, and if zero tolerance is uncovered in a factory visit during an audit, no order will be placed and/or production will stop immediately. Finally, if we were to uncover any ethical guidelines that are not complied with and according to our CoC, we would follow up with our supplier throughout the entire improvement process within the timeframe to improve. Naturally these are deviations which are not identified as serious (Code RED), so we will be able to continue the collaboration. As mentioned, our CoC also requires our suppliers (Tier 1) to pass on to and follow our guidelines with their sub-suppliers.

No recorded code RED flags have been identified or lower than C-score rating during 2023.



5

Communicate how negative impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Enterprises should make relevant documents concerning due diligence publicly accessible, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the enterprise's actual and potential negative impacts on people, animals, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åpenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

5.A External communication

5.A.1 Describe how the enterprise communicates with affected stakeholders about managing negative impact

Wenaas has a close relationship with our suppliers, and this is a crucial factor for managing the negative impact on our supplier chain in a professional way. Our major key suppliers are therefore familiar with our ESG goals. There is no doubt that direct operations for ongoing sustainable topics are very important to drive our goals forward, but only together with our suppliers and their suppliers again can we fully manage the social and environmental challenges together. Wenaas communicates with affected external stakeholders on our website by providing the following documents:

ESG program

- Wenaas Workwear Code of Conduct (CoC)
- Wenaas Workwear Policy for Responsible Business Conduct
- Wenaas Workwear Minimum Criteria for Suppliers
- Wenaas Workwear Corruption & Anti-Bribery Policy
- Wenaas Workwear Restricted Substances List (RSL)
- Wenaas Workwear Chemicals Guidance REACH
- Wenaas Workwear Supplier Compliance Guidelines – Amfori BSCI
- Wenaas Workwear Code RED process – Amfori BSCI

- Wenaas Workwear ESG ambitions and our committed UN's SDGs
- Wenaas Workwear Due Diligence Accounting Report.
- Wenaas Workwear GHG accounting report (launch Q2/2024)
- Wenaas Workwear Product development and product certifications.
- Wenaas Workwear Industry certifications and recognitions.
- Wenaas Workwear NGO's, Memberships and Collaborations.

5.A.2 Describe how the enterprise publicly communicates its own work on identifying and managing negative impact/harm

Wenaas communicates our work on identifying and managing salient risks on our official website: <https://www.wenaas.com/en/sustainability>.

Regarding tender processes, we communicate on how we work with our ethical and environmental improvement measures in the value chain.

5.A.3 Describe the enterprise's routines for maintaining and answering external inquiries related to the information requirement imposed by the Transparency Act

Wenaas has established systems and routines for the handling of information requests imposed by the Transparency Act. We publish it on our website and in our annual report. Information regarding how we address actual and potential adverse impacts will be answered in writing, and according to the deadline within 3 weeks after the request is received. If the amount of type of information requested is burdensome to reply within 3 weeks, a longer deadline is required, and we will take up to 2 months.



6

Provide for or cooperate to ensure remediation when appropriate

Once an enterprise has identified that it has caused or contributed to negative impact on people, animals, society or the environment, the enterprise must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect of remediation is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.

6.A Remediation

6.A.1 Describe the enterprise's policy for remediation of negative impacts on people, animals, society and the environment

Wenaas has formalized and implemented our documented principles and procedures, with attention to the rights and need of individuals from groups or populations that might be vulnerable, and regard to the risks that may be faced by woman or men in our supplier chain. Our suppliers and partners sign our CoC, and with our Minimum Criteria for Suppliers and our Policy on Responsible Business Conduct they commit to be responsible to require human rights due diligence. Meeting our requirements and standards defines the mission, rules, and expectations of our suppliers and partners in the relationship with social and environmental matters.

Wenaas reviews yearly whether our policies, regulations and enforcements measures are effectively addressed to heighten risks, including solutions for human rights due diligence. If, or where we identify gaps, we will take appropriate actions to address them. Critical indiscretion will be followed up, summarized, and approved by the Management Team.

6.A.2 If relevant, describe cases of remediation in the reporting year

N/A.

6.B. Ensure access to grievance mechanisms

6.B.1 Describe what the enterprise does to ensure that employees in own enterprise and other stakeholders, especially impacted workers and local communities have access to whistleblowing systems and grievance mechanisms when this is needed

To ensure that workers and local communities have access to effective grievance mechanisms when this is needed, there are no official system initiated in place by Wenaas today towards our supply chain. However, this will be something to investigate to handle complaints and concerns relating to working conditions and other factors raised by our suppliers' workers. January 2024 Wenaas have an employee grievance system. This is an overall whistleblowing channel with the possibility to file a report anonymously. The Cotton Group's helpline is to raise a concern, problem, or complaint that an employee has about their work, the workplace, or someone they work with, including management.

Wenaas continues to proceed with a clear and transparent framework for addressing grievances related to the recruitment process, in the workplace and in Wenaas supply chain. Our internal procedures for complaints are addressed, followed by consideration, management response and feedback – all according to national laws and anchored processes.

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