



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

# Account reporting year 2024

for Blåbær Production AS



*Ethical Trade Norway has assessed the report of Blåbær Production AS to meet the criteria of our Implementer Level. More information about our Implementer 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 UNGP and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

**Heidi Furustøl**

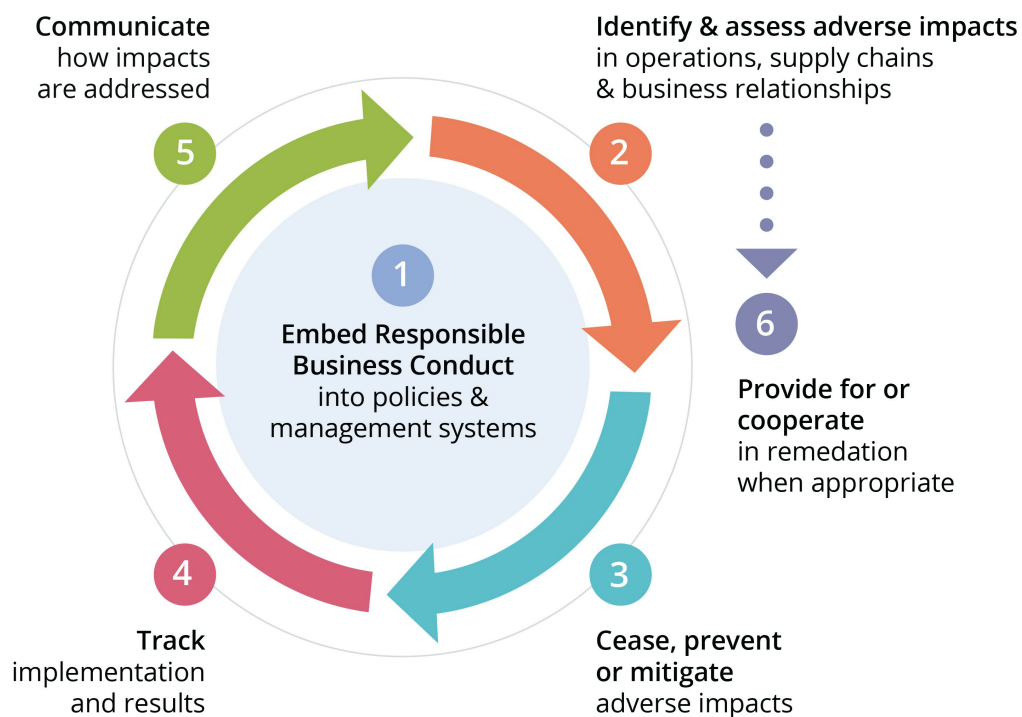
*Executive Director*

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

Blåbær Production is a Norwegian design and production company specializing in textiles and garments. The company emphasizes responsibility for its products, ensuring they meet consumer needs, offer functionality, high quality, and durability. Committed to a more responsible production, Blåbær Production aims to minimize its environmental footprint throughout the entire product life cycle, from initial ideas to final delivery.

The company actively integrates social responsibility across its supply chain, focusing on fair purchasing practices and close collaboration with stakeholders and suppliers.

In 2024 the project "LIC Common Framework for Responsible Purchasing Practices" was completed. Participation in this European initiative was a great learning experience for us, a way to involve all employees and collaborate with suppliers by involving them in parts of the project.

Our long-term commitment and focus on phasing out PFAS chemicals in the supply chain and working towards Living Wage payments at all 1st tiers suppliers, brought us the opportunity to take part and contribute in panel debates and seminars, related to above topics, in Oslo and Stockholm organized by Ethical Trade Norway and Swedish Chemical Agency.

In 2024 we took part in the consortium group of the 4-year project BioSusTex. This EU Horizon project launched before summer 2024 focuses on sustainable textiles and aims to enhance the circular economy within the textile industry. It seeks to develop innovative solutions for the design, production, and recycling of textiles, emphasizing sustainability and environmental impact, and involves collaboration among various stakeholders, including research institutions, industry partners, and policymakers.

In a turbulent world marked by war, division, and significant pressure on democratic values, with clear indicators of a negative shift away from openness and freedom, we believe it is more important than ever to stand firm to our goals and guidelines. We are dedicated to working purposefully to contribute to a transparent supply chain with a holistic focus on people, animals, and the environment.

**" Our vision is to be a greener partner through innovative and solution oriented design, logistics and production. "**

Rolf-Erik Lund  
*Managing director*

# Enterprise information and enterprise context

## Key enterprise information

### Enterprise name

Blåbær Production AS

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### Head office address

Østre Nesttunvegen 12

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### Main brands, products and services offered by the enterprise

Reflex; Design, development, production, logistics and sustainable & ethical procurement

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### Description of enterprise structure

Blåbær Production is a small company with four employees working in close collaboration on daily basis from the main office in Bergen, Norway. We work closely with clients in the textile industry to operate a wide range of services within the textile and garment business. Blåbær Production`s managing director and main owner is Rolf-Erik Lund.

Today our main customer is Barnas Hus Norge, for whom we are responsible of all design, development, production and logistics of their own brand Reflex. Reflex is a textile brand for kids age 0-14 years focusing on outerwear, mid-layer and base-layer garments for everyday play and wear. The brand is sold in the Norwegian market through Barnas Hus` own stores and web-shop. The brand is also available in one shop in Sweden.

Even though each of us have individual expertise within design, sustainability, logistics and purchasing, we are all involved in each project to ensure that all processes will have a holistic approach.

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### Revenue in reporting year (NOK)

8 300 000

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### Number of employees

4

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### Is the enterprise covered by the Transparency Act?

No

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### Major changes to the enterprise since last and current reporting period

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**Contact person for the report (name and title)**

Rolf-Erik Lund

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**Email for contact person for the report**

rolf-erik@blaber.no

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## Supply chain information

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

We are engaged with a diverse array of products and styles while maintaining a selected group of commercial suppliers and manufacturers. We firmly believe that fostering direct relationships with these entities allows us greater visibility into our supply chain and enhances our ability to drive improvements and changes.

In 2024, 82% of our transactions were conducted directly with manufacturers or producers, while 18% involved agents. These figures, based on purchase value, have remained consistent over recent years.

All design, products development, sourcing activities and sustainable & ethical procurement are conducted from our office in Bergen.

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

17

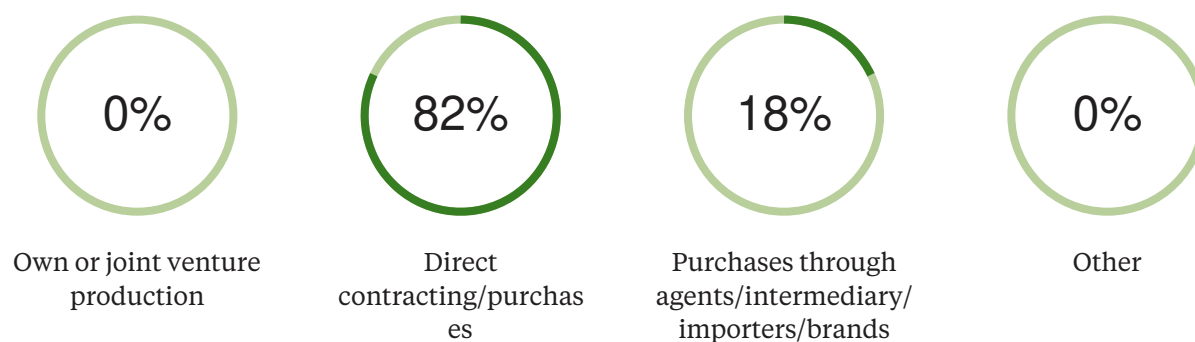
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### Comments

We had total 17 suppliers of whom we had commercial relations during 2024. 2 of these suppliers are new business relations, and 3 out of 17 were on outgoing contracts and are not included when entering 2025.

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### Type of purchasing/ suppliers relationships



82.4% of all purchases, by value, are conducted directly, while 17.6% are made through agents. In terms of quantity, the split between direct purchases and those made through agents is 82.9% and 17.1%, respectively.

#### List of first tier suppliers (producers) by country

China :	28
Sri Lanka :	2
South Korea :	5
Turkey :	2
India :	1

In 2024 we had 38 production units for all styles in total. E.g. our main supplier of outerwear has 4 different production units. This covers 100% of our 17 commercial suppliers.

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#### State the number of workers at first tier producers

##### Number of workers

3 575

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##### Comments to number of workers

3575 workers from a total of 38 production units in first tier and covers 100% of our total 17 commercial suppliers.

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

<b>Recycled polyester, GRS</b>	China
<b>Merino wool, RWS</b>	Argentina Australia New Zealand Uruguay South Africa
<b>GOTS Organic cotton</b>	Australia China India Pakistan Turkey
<b>Cardboard</b>	China India South Korea Sri Lanka Turkey
<b>Polyester, virgin</b>	China Turkey The European Union
<b>Bamboo viscose</b>	China
<b>PU</b>	China
<b>FCS Natural rubber</b>	Thailand
<b>Polyamide/Nylon</b>	China The European Union
<b>EVA</b>	China

The list above outlines the 10 key inputs/raw materials for products and goods imported into Norway. These 10 materials account for 94% of all the raw materials used.

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**Is the enterprise a supplier to the public sector?**

No

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## Goals and progress

### Process goals and progress for the reporting year

1

**Goal :** Continue to strengthen internal commitments by including due diligence and sustainable business practice in all meetings as well as continuing training of employees.

**Status :** Ongoing goal. We have incorporated due diligence and sustainable business practices into our internal routines, business processes, and meetings, placing greater emphasis on these areas. All employees have attended meetings, discussions, training courses, workshops and/or webinars and taken part to ensure we continue building knowledge and stay up to date on legislation and industry standards.

2

**Goal :** Continue collecting downstream data, and start collecting upstream data as well, to enable calculation of our total scope 3 emissions.

**Status :** Ongoing. We have collected, with valuable support from one of our main suppliers, primary data for a large part of the supply chain. For other parts of the supply chain, it is more difficult and complex collecting data. The goal will continue to be pursued in 2025.

3

**Goal :** Further implement Amfori BEPI to improve environmental performance in our supply chain. Map risks based on self-assessment.

**Status :** Started and ongoing. Self-assessments from 12 production units/manufacturers were completed, but there is still a data reporting gap, and we still have insufficient figures that can provide us with good analysis and basis for decision making.

4

**Goal :** Amfori Academy: Select specific courses for our suppliers. 75% of our first-tier suppliers shall complete at least 1 online training, and 40% of our first-tier suppliers shall complete at least 2 online trainings.

**Status :** Completed and will continue 2025. 13 of 17 commercial suppliers (76%) have completed online training through Amfori Academy. 70% have completed 2 or more courses.

5

**Goal :** Water management: Continue to collect data on water use and water management in our supply chain. First step is tier 1 & partly 2 where relevant. Continue internal capacity building.

**Status :** Started but did not reach the level we hoped for. Related to above point 3 with a data reporting gap. Goal for 2025 is revised.

6

**Goal :** Circularity: Increase our focus, knowledge and competence on circularity and circular principles in design and product development.

**Status :** Completed. Circular principles have been a key focus for us throughout 2024. By combining training sessions, discussions, hands-on experience, and collaborative working groups, we have gained a deeper understanding of circularity. This is a dynamic and rapidly evolving field, with many areas still underdeveloped and significant research underway. As a partner in the BioSusTex project, with its visionary and pioneering mission, we are prepared to further strengthen our commitment to circularity in the coming years.

7

**Goal :** Start preparations for implementing “product passport” which has been suggested by EUs green economy plan. Consider the framework of “Ecodesign for Sustainable Product Regulation”.

**Status :** A significant amount of data has been collected throughout the year, which is essential and valuable for product passports. However, this task has not yet been fully prioritized and there is a significant gap between our goal and our status today.

8

**Goal :** Continue to integrate and implement principles from the working group “the Learning and Implementation Community” on the Common Framework for Responsible Purchasing Practices to our daily work. Involve all employees as well as some selected suppliers.

**Status :** Completed. The LIC` s Common Framework for Responsible Purchasing Practices has been a great experience. All principles in framework have been reviewed in collaboration with all employees. Building closer partnerships with suppliers and working purposefully towards equal business practices has been an overall goal to implement and integrate. Fair payment terms have been assessed, and Collaborative planning/forecasting and Sustainable costing will be continuously reviewed and implemented as standard in the coming years.

9

**Goal :** Conduct a materiality assessment within end 2024. Attend training/courses to prepare for assessment during 2024.

**Status :** We have attended training courses but not been able to fulfill this task. Goal to be re-scheduled for 2025.

10

**Goal :** Conduct a complete stakeholder analysis to enable better prioritization, decisions and target settings.

**Status :** Not prioritized during 2024.

11

**Goal :** Make new and updated version of questionnaire to suppliers for mapping our purchasing practices.

**Status :**

Completed. The questionnaire was distributed to all suppliers, and we received a 100% response rate. The feedback provided valuable insights that will guide us in the next steps for improvements and developments.

12

**Goal :**

Climate accounting; Measure our climate impact according to GHG protocol. Continue to collect data with relevance and as much accuracy as possible. Ensure we have comparable data. Finish our emission reduction roadmap.

**Status :**

While progress has been made, we have not yet fully achieved our goals. Key steps, such as collecting data with relevance and accuracy, are ongoing, but more work is needed to ensure comparability across all relevant areas. The 2024 climate accounting report is completed. However, emission reduction roadmap is still in development. This goal remains a priority, and we are committed to taking the necessary actions to fulfill it in the short term.

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## Process goals for coming year

1

Continue to strengthen internal commitments by including due diligence and sustainable business practice in all meetings as well as continuing training of employees.

2

Implement Amfori BEPI to improve environmental performance in our supply chain. 100% of manufacturers/factories must have completed self-assessment by the end of 2025.

3

Amfori Academy: Suggest specific courses for our suppliers. 85% of our first-tier suppliers shall complete at least 1 online training course, and 60% of our first-tier suppliers shall complete at least 2 online training courses during 2025.

4

Conduct a materiality assessment by the end of 2025.

5

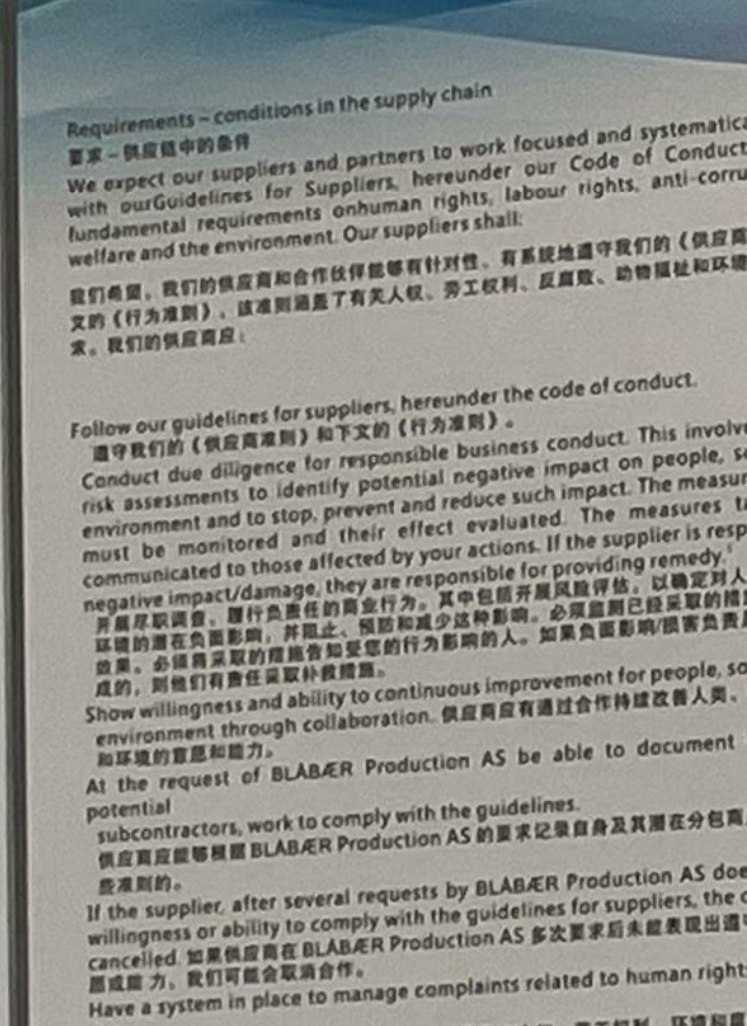
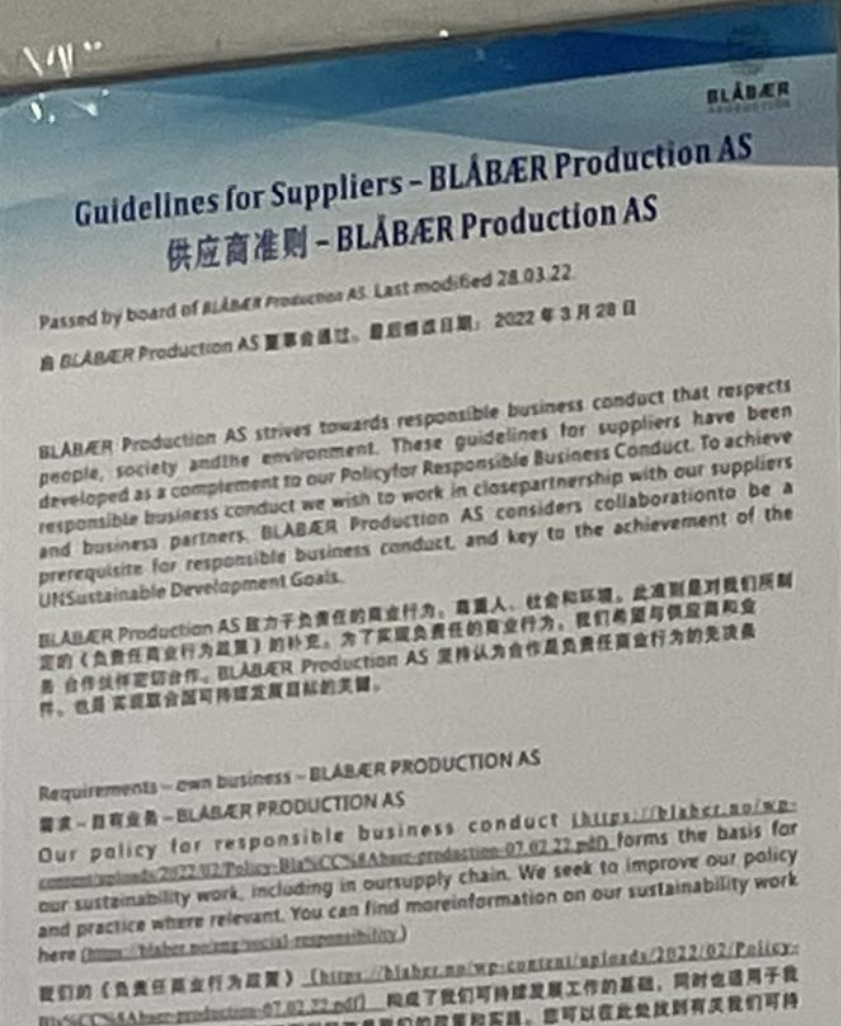
Internal training and increase competence within Water foot print management

6

Continue to integrate and implement principles Collaborative planning/forecasting and Sustainable costing

7

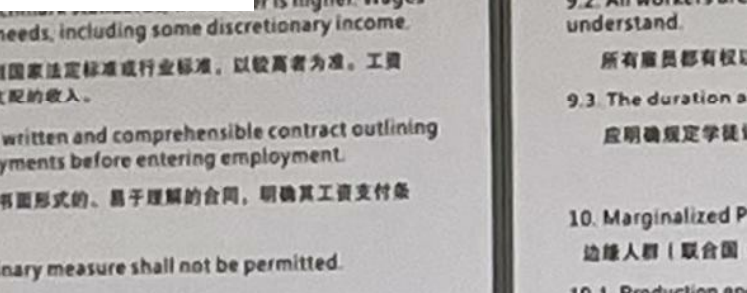
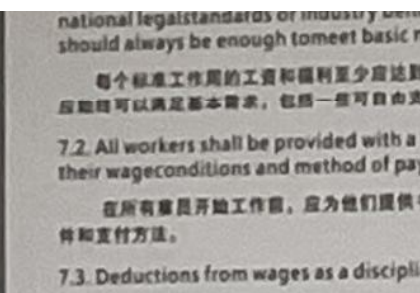
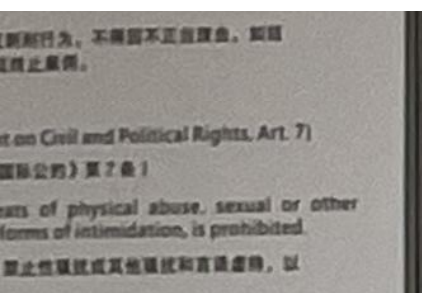
Map energy use in supply chain and collecting downstream and upstream data for our scope 3 emissions.



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## 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://blaber.no/wp-content/uploads/2022/02/Policy-Bla%CC%8Abaer-production-07.02.22.pdf>

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

Blåbær Production's policy for sustainable business practice is posted on our web page Social responsibility – BLÅBÆR PRODUCTION (blaber.no). Our overall commitments to social responsibility are also stated on the same page, along with information about our collaborations with other stakeholders. We want our partners, collaborators and customers to be confident that human rights, workers' rights, animal welfare and environmental aspects are considered and protected at all stages in our production through responsible purchasing and supplier management.

Our policy and Code Of Conduct are also communicated directly to our business partners as these are rooted in our daily practice and work.

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

Through our membership and collaboration with Ethical Trade Norway we have established a policy for sustainable business practice and a Code of Conduct that are our principles for responsible business conduct. These practices and principles set the foundation for our everyday work and purchasing practice. This applies to all our employees and is integrated in our entire process from idea, planning, design, product development, purchasing and logistics.

The UN's sustainability development goals are central and leading for both our due diligence work and our collaboration with suppliers and business partners. In our strategic period 2021-2030 we have focused especially on Goal 8 (Decent Work & Economic Growth) and Goal 12 (Responsible consumption and production). This is based on our risk assessment and mapping of our own supply chain and is furthermore reflected in our due diligence work and prioritized actions.

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## 1.B Organisation and internal communication

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

As a small company with only four employees, our daily work involves a wide range of processes. Due diligence is integrated into every step, from idea generation and planning to design, product development, purchasing, and logistics. All four employees are involved in and responsible for performing due diligent tasks. Since 2021, we have had a Head of Sustainability whose primary responsibility is to prioritize sustainability and due diligence within our company. This role involves both daily oversight and larger projects.

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### 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?

Many of our daily tasks and work will not be clearly divided or separated between each employee. Much of the time we work as a team and our tasks will often overlap and interfere. Due to this sustainable business practice and due diligence work is an important part of all employees' responsibilities and job descriptions. Our policy for sustainable business practice is an important precondition which must be accepted by all employees and is also attached to the employment contract.

Sustainable business is also a daily topic at our workplace and is essential throughout our working process and development as these values set the foundation for our work.

Our Policy is rooted in our daily operations. Expectations for our supply chain, outlined in both the CoC and our minimum criteria, are regularly discussed in internal meetings and when evaluating potential new suppliers.

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

Our managing director and head of sustainability are regularly attending a wide range of courses, webinars and workshops related to responsible business practice and due diligence. Ethical Trade Norway, The Chemicals Group RISE, Chemsec and Amfori are among the valuable networks which provide us with important resources and input. These networks help us to keep up to date and enable us to create a good environment for discussing and sharing experiences with other companies within our industry. Additionally, we are also actively seeking information from other stakeholders. Some examples of organizations with useful information and tools are Amnesty International, IDSN, Médecins Sans Frontières and The Norwegian Environment Agency.

Throughout 2024, we have actively participated in numerous meetings, webinars, and seminars focused on both circularity and chemicals. These are complex subjects, and in many instances, researchers are still exploring ways to improve the situation, as there are no simple solutions. While this can be frustrating and confusing at times, given our eagerness for answers, we continue to gain valuable knowledge and insights. We will use this understanding to navigate these challenges effectively in the future.

All employees have been involved, in various capacities, in the following two projects:

- Multi-stakeholder initiative, Learning and Implementation Community (LIC). The working group aims to foster collaboration among textile and garment companies to promote Responsible Purchasing Practices. Key lessons and outcomes from the group were regularly shared with colleagues in design and product development, as these insights impact both internal operations and relationships with suppliers and business partners.
- BioSusTex, EU Horizon. The project Towards safe and sustainable biobased textile has the objective to demonstrate rapid development of several key technologies which will have a significant impact on the textile value chain, a need highlighted by key industrial partners within the consortium. Focusing on cotton and cellulosic textiles, BioSusTex targets increased recycling rates and substitution of harmful compounds. Blåbær Production will take part in the projects work-package aiming to develop a biobased PFAS-free water-repellent coating, based on an innovative methodology.

## 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?

Our commitments are anchored through our memberships in Ethical Trade Norway, RISE Chemicals Group, Amfori, and are further reinforced by Blåbær's core company values. Our CSR goals focus on both internal practices and external collaborations with suppliers and business partners. We have established short-term and long-term measures and targets to provide a clear and defined framework for our sustainability efforts.

Blåbær Production aims to be a greener partner through innovative and solution-oriented design, logistics, and production. We are committed to reducing our environmental footprint while continuously raising our standards for cleaner, more circular production and logistics.

We emphasize sustainable business practices that respect people, society, and the environment, ensuring we meet the expectations of our customers and consumers. Several meetings are conducted every year to discuss wage levels, risks of discrimination, working hours, worker representatives etc

Blåbær Production creates functional products with long lifespans, taking responsibility for meeting essential needs in daily life, from design to logistics to the final product.

Tracking and monitoring our goals and progress has proven crucial in driving improvements and motivating our team. By integrating more focused work on due diligence and implementing KPIs, sustainability has become more naturally embedded in our product development and purchasing processes.

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### 1.C.2 How are the strategies and action plans for sustainable business conduct followed up by senior management and the board?

Our Managing Director has overall and executive responsibility for our company's strategies and plans for sustainable business practice in daily operation. These plans are also developed and matured in close collaboration with all employees, and responsibilities are defined through each job description and processes. Every year, our action plan is updated with concrete goals, deadlines and distribution of responsibilities. As we are a small team many tasks and roles interfere with each other, but there are some individual adjustments. Since 2021, the company has had a separate position, Head of Sustainability, to ensure that tasks related to this position are followed up.

We have implemented internal routine for due diligence to make sure that all steps are integrated in our daily work and that responsibility and work tasks are clearly defined. During 2024 we have had regular internal meetings to track and update our work on sustainability work and measures set in action plans. Meetings are held every quarter, and all employees attend. During these meetings we discussed our progress, challenges and further priorities.

Members of the Board have been involved in the development of strategy and action plans for sustainable business practice. Documents are approved by the Board.

## 1.D Partnerships and collaboration with business relationships

### 1.D.1 How does the enterprise communicate the importance of responsible business conduct in its business relationships?

Responsible business is an essential part of all our communication and collaborations from development stage and design to final delivery and logistics.

Before any collaboration, new suppliers must accept and sign our Code of Conduct, our Chemical contract, and fulfil the Minimum criteria for collaboration. In addition, the new supplier will receive our own policy. These 4 documents are mandatory in initiative stages.

In 2024 we have for the first time in several years started new collaboration with two first-tier suppliers. During this process BSCI audits, certifications and other tools were used to evaluate and consider whether new suppliers were according to our standards.

All suppliers are expected to make systematic and targeted efforts to comply with BLÅBÆR Productions' Code of Conduct (CoC). The content and framework in our CoC are discussed frequently with our suppliers during meetings and negotiations as well as during daily work and communication. As part of implementing our values in supply chain, we also expect our first-tier suppliers to communicate and share our CoC to all sub-suppliers involved with our production. Updated chemical regulations are sent to all suppliers two times per year. Revised regulations and limit values are discussed during meetings and continuous dialogue with suppliers. Furthermore, we support each supplier with customized instructions and chemical guidance with relevance for their specific production and product groups. Collecting and following up on environmental certificates, checking validity and updates, is done continuously. Revised and updated CoC and Policy was sent out during spring 2022 and is also signed and accepted by all suppliers.

We have for several years been prioritizing suppliers that work targeted and actively for social and environmental improvements. We think that the most effective and important incentives for suppliers that are improving, are long term relationships and increased order quantities. As we regularly communicate to our suppliers, sustainable improvements are among our most important criteria for collaborations, but also when planning and evaluating upcoming production, order placement and quantity. We are clear towards our suppliers regarding our requirements and expectations of social and environmental improvements. If these are not met, a collaboration is not sustainable and thus not taken further. Similarly, suppliers who show improvements and progress, will be prioritized for further order placement and collaboration.

Furthermore, we always see it as fair and reasonable to offer guidance, resources and assistance to suppliers to be able to reach our requirements and demands regarding social and environmental improvements. Through our memberships in Ethical Trade, Amfori and RISE Chemicals Group we have access to valuable resources which we share with our suppliers. For example, when requiring that suppliers set up a worker representation, we share tools and guidelines with them. Our updated chemical requirements that are sent out two times per year, is always sent along with an updated chemical guidance with relevant limit values, test methods and legislation for different countries. In many cases, we are also able to provide guidance, trainings and support in local language.

We believe that by encouraging and supporting our suppliers in making social and environmental progress, they will become more competitive, benefiting their business. This, in itself, serves as a significant incentive with both short- and long-term advantages. Our focus and prioritization of these values is something we consider a key responsibility when involved in the production of textiles and garments. All stakeholders in the industry should contribute to driving sustainable and responsible business practices.

We acknowledge our responsibility when it comes to using our leverage over business relationships to address impacts and this is an additional argument for prioritizing long-term business relations.

Link to supplier Code of Conduct:

[https://blaber.no/wp-content/uploads/2022/03/COC\\_BLA%CC%8ABAER-Production\\_2022.pdf](https://blaber.no/wp-content/uploads/2022/03/COC_BLA%CC%8ABAER-Production_2022.pdf)

## Indicator

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



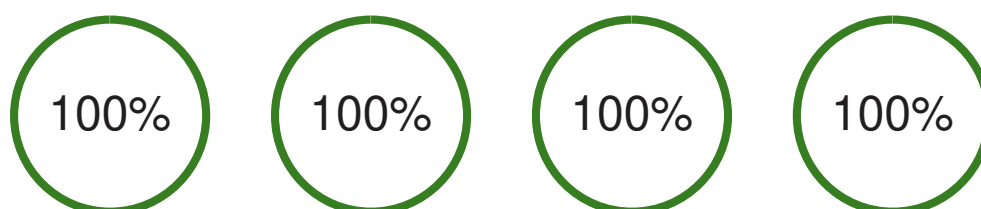
2024

2023

2022

Since year 2018 100% of all commercial suppliers have received, signed and accepted Policy and COC.

### Chemical contract



2024

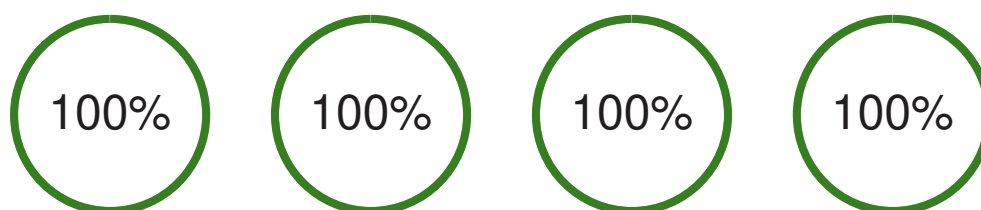
2023

2022

2021

Since 2020, 100% of all commercial suppliers have received, signed and accepted our Chemical Contract and confirmed that their production is in accordance with regulations & guidelines.

### Percentage of staff in contact with suppliers familiar with the Supplier Code of Conduct and Policy for own business



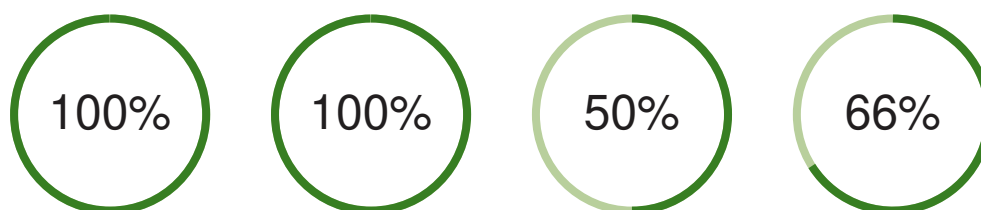
2024

2023

2022

2021

### Percentage of staff reached through training/capacity building on responsible purchasing practice



2024

2023

2022

2021

## 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?

During the reporting year, our company made further progress in integrating sustainable business practices into our operations.

An important value for us is striving for stable and long-term relations with our suppliers and business partners. For several years we have not brought in any new first-tier suppliers in our portfolio. This is done intentionally to build a good foundation for mutual collaboration and trust, as well as to increase our possibility to have positive influence in our supply chain. We have, however, had a few suppliers that have not led up to our expectations regarding continuous improvements when it comes to transparency and social and environmental responsibility. After meeting some new and potential suppliers during 2022, we have started collaboration and business with two new first-tier suppliers. The first orders were placed for delivery AW24, and data/figures are included in this report.

The LIC working group for responsible purchasing practices were fulfilled during 2024. It's been 2 years with good experience and learning! The working group have had regular meetings focusing on different topics within the framework of responsible purchasing practices. We were also encouraged and able to invite two of our suppliers to participate in some of the meetings to work together with us and other garment brands for discussions and workshops on responsible purchasing practices. The main purpose has been to move towards practical solutions for improving purchasing practices (e.g. communication, partnership and joint problem solving; collaborative production planning, critical path management, lead times and sampling and payment terms), to give scope for improved working conditions in factories. We think it has been very valuable to be a part of this kind of community together with our suppliers and brands.

Raising the level of competence in our supply chain was a key objective for us in 2024. Through our Amfori membership, we have actively engaged with our suppliers by offering multiple opportunities to participate in a variety of training sessions and courses. The topics covered in these courses have included:

- The new BEPI platform, focusing on 8 Environmental Performance Areas (e.g., Emissions to Air, Water & Effluents).
- The BSCI platform, with an emphasis on areas requiring improvement (e.g., Fair Remuneration, Decent Working Hours, Social Management Systems).

In addition, we strongly encouraged our suppliers to conduct on-site training sessions for all workers, addressing harassment, discrimination, and violence in the workplace. Several suppliers successfully implemented and documented these training sessions.

To summarize, 13 out of 17 suppliers have completed at least one training course, and the average number of completed training sessions per supplier is 4.5.

We set a clear goal to improve our climate accounting in 2024, and while we've made significant progress in certain areas, we've encountered challenges in others. Collecting reliable data has proven more difficult than we initially anticipated. A key obstacle is getting our suppliers to prioritize this additional workload and provide the primary data we need. Some suppliers have expressed that, aside from Blåbær, other Nordic customers do not require such data, which has hindered progress. Despite these challenges, we have continued collecting data and finalized our 2024 climate accounting report.

We have had 2 trips to China during 2024 visiting different suppliers and factories. Among topics discussed: living wage, BSCI audit reports and improvement plans, sanitary conditions at factories, carbon emission and GHG standard, Blåbær Production's minimum requirements and the over-time situation at factories.

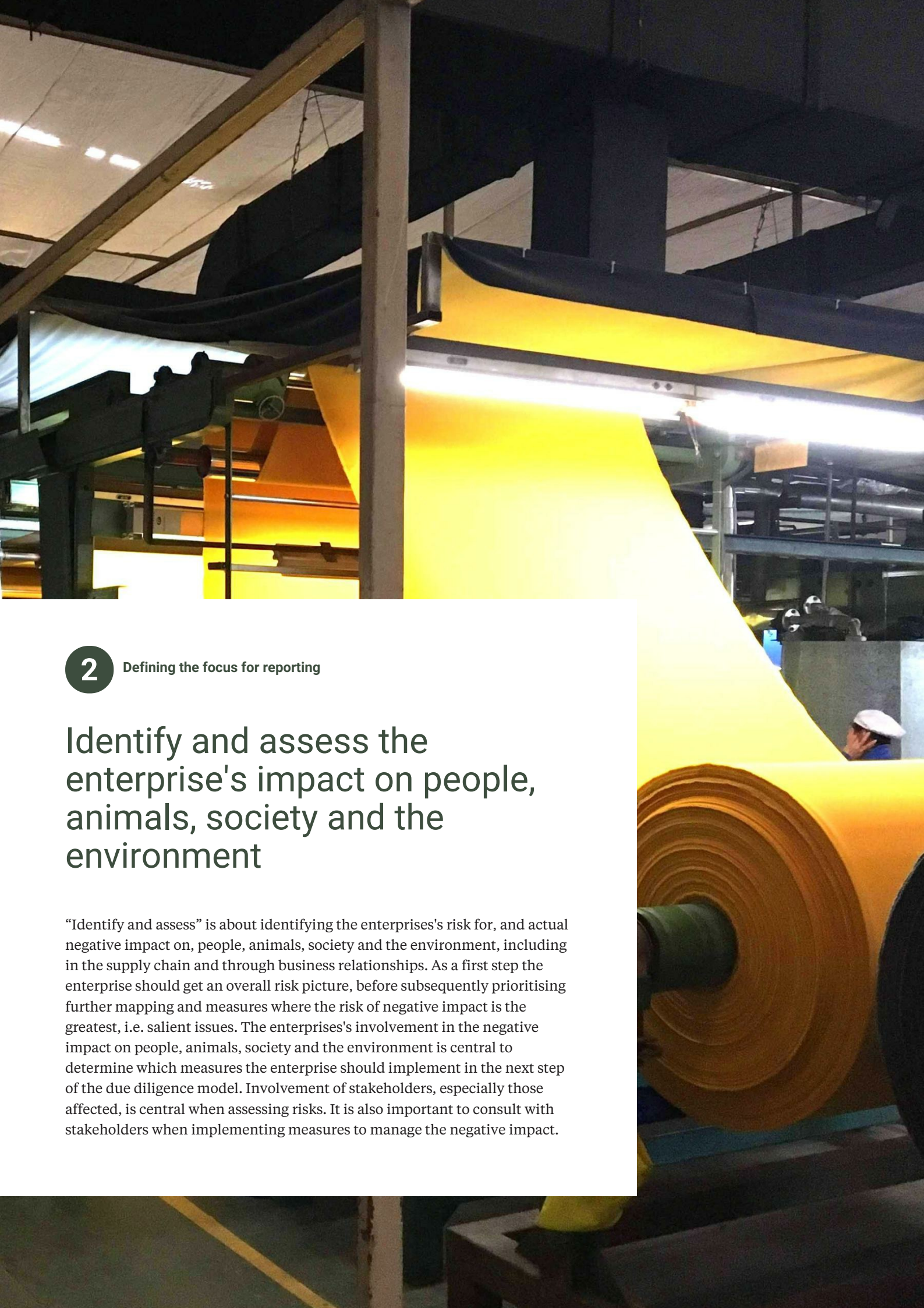
Examples of valuable learning and experiences:

- Living wage: The concept of a "living wage" is often misunderstood. Suppliers may argue that workers earn more than reported due to overtime and additional benefits like free lunch and insurance. We've spent considerable time clarifying our living wage requirements and encouraging suppliers to improve their practices.
- BSCI audits: We always discuss recent BSCI audit findings with suppliers, but this is not common practice among other customers, which sometimes makes us feel a bit pushy. However, the positive outcome is that some suppliers are now familiar with our approach and come prepared with improvement plans when we meet.
- Sanitary conditions: We routinely inspect hygiene standards at production facilities, including soap, toilets,



cleaning schedules, and gender-specific facilities. During a factory visit in March, we found poor conditions at one of our suppliers, which we addressed later. When returning to the same factory in September 2024, we could now inspect newly renovated restrooms.

This year, more suppliers than ever visited us in Bergen, resulting in frequent face-to-face meetings. These in-person interactions have been valuable, allowing for discussions and collaborative product development that are difficult to achieve through video meetings.



## 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 prioritized significant risks and/or actual negative impacts on people, animals, society and the environment.

Salient issue	Related topic	Geography
Child labour & forced labour. Related to cotton farming in several countries and footwear industry in China.	Discrimination Harsh and inhumane treatment Marginalized populations	China India Pakistan Turkey
Labour conditions incl exploitation, wage level, discrimination and labour rights. Related to all countries in our supply chain.	Freedom of association and collective bargaining Discrimination Harsh and inhumane treatment Occupational Health and safety Wages	Argentina China India South Korea Sri Lanka Pakistan Thailand Turkey Uruguay South Africa
Water stress. Mainly related to cotton farming.	Environment Water	China India Pakistan
Chemicals. Applies to all suppliers, at all tiers and in all countries, who use chemicals in their processes.	Occupational Health and safety Environment Emission	China India South Korea Sri Lanka Turkey

Environmental impact: Related to all countries in our supply chain.	Environment Greenhouse gas emission Waste	Argentina Australia China India South Korea Sri Lanka Pakistan Thailand Turkey Uruguay South Africa
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The salient issues in the table above represent our priority focus areas, based on our conducted risk assessments. These will be closely monitored, and we will make strong efforts to improve the situation. The risks are listed in random order, as we consider each one important in its own way. We will address each issue in the most effective manner possible, striving for improvements where we have the opportunity to influence and make an impact.

## 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 prioritized b) activities or sections of the enterprise not covered in this report , if any (product groups, own products, departments etc.), and why c) how the information was gathered, what sources were used, and which stakeholders have been involved d) whether you have identified areas where information is lacking, and how you are planning to proceed to collect more information about this.**

**a)** The company's procedures for identifying and assessing risks are outlined in internal documents dedicated to this topic. All employees are thoroughly familiar with these procedures.

To map and identify our company's risks, we conduct continuous risk assessments. Our risk report is updated at least annually.

Our risk mapping is based on reports covering relevant production countries, industries, and product groups. The risk assessment also incorporates insights from webinars, courses, and resources, as well as information from stakeholders, third-party audits, certifications, suppliers' self-assessments, and our own experience and discussions with suppliers. If there are significant changes in production, production countries, or other factors that could impact our operations, risk mapping is updated to implement new efforts or preventive actions. The Head of Sustainability and the Managing Director are primarily responsible for conducting and updating the risk assessment. However, this process is communicated to all employees to ensure that due diligence is based on the most current assessments.

We recognize that risks in the first tier are areas where we can have a more immediate impact and make quicker improvements. The prioritized risks in our risk assessment are selected and ranked based on our evaluation of where we, as a business, may have the most significant impact, though not exclusively. We cannot overlook the risks further down the supply chain - such as the extraction of raw materials - and therefore include these in our assessment of salient risks as well. We consider our most salient risks to be associated with our supply chains in China, India, Sri Lanka, Turkey, Pakistan and Thailand.

**b)** Considering our company's total activity and business, there are some aspects that are not considered in our risk assessment. As example: purchases of freight services, business travels and our daily office tasks. We consider the risks and possible negative effects connected to these purchases as minimum. Furthermore, our possible impact will naturally be limited compared with production we are directly linked to.



**c)** Our risk assessments are determined and based on:

- Risk mapping by country and product: To be able to do a thorough risk mapping which is customized for our business and activity, we have used a range of tools from RISE Chemical Group, Amfori and Ethical trade Norway to gather and collect relevant data and information. We include a wide range of various resources from NGO's, NPO's and labour unions such as international reports, statistics, official indexes, official regulations and guidelines from authorities which are regularly updated.

- Perspectives and information from webinars and online events are also included and considered continuously.

- Third party audits, certifications and self-assessment reports.

- Physical meetings and video meetings with suppliers.

- *Climate accounting in accordance with GHG protocol. Includes Scope 1 & 2 and all major emission and categories in Scope 3 related directly to Blåbær Production.*

- Our experience and observations made.

- Stakeholder dialogue: We engage with relevant stakeholders whenever necessary, especially for our salient risks. In addressing issues like discrimination in China and India, we collaborate with organizations and individuals who provide valuable insights and updated information for our risk assessment. This dialogue helps us navigate potential dilemmas and challenges, while also serving as a critical voice to drive continuous improvement and action.

- Reducing and restricting the use of chemicals is also an important focus area for us where some stakeholders have been involved as well. The networks Chemicals Group RISE, Chemsec and Substitutionscentrum are highly valuable for us when approaching risks regarding chemical use in our supply chain. Their tools and guidance enable us to stay up to date on new research, guidelines and upcoming legislations related to chemical substances.

- Amfori, Ethical Trade Norway, Amnesty International, IDSN, Médecins Sans Frontières, Barnas Hus Norge and partners in BIOSUSTEX are among other stakeholders we have involved and/or consulted.

When we encounter potential new suppliers, we gather certificates, audit reports, and other relevant information for evaluation. Our experience in comparing these data generally shows that our existing suppliers maintain a high standard of social and environmental performance. Gathering data for comparison provides valuable insights and helps us stay informed on industry developments

**d)** Through our targeted efforts over several years, long-term business relationships with our first-tier suppliers, and a limited number of these suppliers, we have achieved a comprehensive overview of tiers 1-2, and in many cases, up to tier 5. This has been an ongoing, extensive project, with gradual additions to our supplier requirements at each tier. Our goal is to establish a fully transparent and detailed overview of our entire supply chain.

Supply chains in the textile and footwear industry are complex and lengthy, making it challenging to maintain a qualitative, long-term overview, particularly due to the dynamic nature of these supply chains. Moreover, obtaining detailed and reliable information further down the supply chain becomes increasingly difficult. While factory certifications, certified materials, audits, transaction certificates, and certificates of origin help mitigate risks in the lower tiers, we recognize that these data only reflect the situation at a specific point in time and may change in the future. We must continuously work to maintain an accurate and trustworthy overview of our complete supply chain.

Our focus remains on viscose, rubber, and we will also revisit cotton. These raw materials are associated with significant risks that need to be addressed, and we acknowledge that our current understanding in these areas is insufficient. We will continue gathering more information and adopt suitable certifications as initial steps to mitigate these risks. It's important to note that these risks are primarily associated with our tier 4 and 5 suppliers, where we have limited influence. Viscose and natural rubber together account for less than 8% of our total raw

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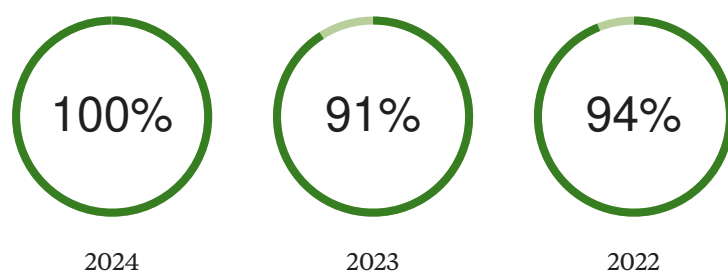
materials.

Overall, we will continue our efforts to increase the number of certified materials and products, as we consider this an important tool for reducing risks.

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## Indicator

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



Percentage in table above based on total purchase value.

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## ADDITIONAL SEVERE IMPACTS

### 2.A.3 Describe other risks of negative impacts on people, animals, society and the environment that were identified but not prioritized, and how these have been handled.

- Recycling of materials:

"The Recycling Industry: Addressing Child Labour and Other Decent Work Challenges" report from the International Labour Organization specifically addresses the issues surrounding labor rights within the recycling sector, with a focus on child labor. The recycling industry, especially in informal sectors and/or in low-income countries where labor protections are weak, is often associated with exploitative labor practices and substandard working conditions. Several reports and research studies from other organizations point out the same risk. Request and demand for recycled materials has increased drastically during the last years. As we request all polyester for our outerwear to be made from recycled materials, we recognize the potential risks within our supply chain.

We have already implemented that all recycled polyester used in our production shall be certified, preferably with Global Recycled Standard (GRS). Transaction certificates are required, and these must contain needed info and references to verify that recycled materials are purchased specifically for our products, for which season and particular styles. The GRS standard have clear social requirements which strictly forbids any forced, bonded, indentured and prison labour as well as child labour from the recycling stage. There will however still be a risk that violations happen at collecting stage and we need carefully monitor and follow up this part in years to come.

- Corruption:

Our goal is "No corruption in our supply chain". Corruption has been among our salient risks for many years and there are reasons we should keep it that way. However, our risk assessments conclude with less risk within the area we can control and have an impact. Furthermore, corruption is still among the risks which we have a strong focus:

- a) both in internal policy, and in relation to how our tasks and work are carried out
  - b) continue to contribute and develop a culture of integrity among our suppliers to avoid corruption in all forms. Doing business with integrity is the right way to build long term relation.
-



Corruption weakens governments' ability to protect citizens, erodes public trust, and exacerbates security threats. Conflict often creates opportunities for corruption, undermining efforts to combat it. We do not tolerate corruption in our supply chain at any level, as clearly outlined in our CoC. We recognize that the risk of corruption is higher in countries with low transparency scores, and, among others, we do our best to check and control the validity of documents and certificates shared with us.

As part of our risk assessment process, which relies on various environmental certificates, audit reports, and transaction certificates, we remain vigilant to the potential risks of corruption and counterfeit documents. To ensure document integrity, we conduct thorough internal checks, engage in dialogue with control bodies and certificate issuers, and maintain open communication with stakeholders. Additionally, we are reassured by initiatives like the ongoing efforts of GOTS to identify and remove companies found guilty of falsifying documents or undermining the certification system.

- **Animal Welfare and wool fibers:**

Animal welfare remains a key focus, prioritized in the past year. Our CoC mandates measures to minimize negative impacts on livestock and working animals. We do not accept wool from sheep subjected to mulesing and require all suppliers to adhere to this standard. Years ago we introduced RWS-certified yarn/products to enforce stricter supply chain standards, but changes by the certificate owner have made it harder to communicate our certified wool choices to consumers. To reduce risks and ensure traceability and accountability, we have consistently sourced RWS-certified wool and collected transaction certificates to verify that the wool we purchase is controlled and validated by a third party.

- **Transparency:**

Our focus and demands regarding transparency have been naturally increasing since 2021. The Norwegian Transparency Act which was set into force 01.07.22 has in many ways been helpful to communicate our demands to business partners. Even though this has been included in our Code of Conduct and communicated to all suppliers since 2021, a few suppliers have been less willing to provide full transparency regarding their sub-suppliers. This has though been improved step by step, and transparency is an integrated part of collaboration with all suppliers. Our supply chain is however more complex and challenging than we first assumed, which means that full transparency is something which needs our on-going focus and targeting. During our updated mapping of purchasing practices conducted in 2022, suppliers stated that communicating increased demands for transparency and improvements to their sub-suppliers is among their main challenges. They also reported that increasing demands are time-consuming tasks which requires significantly more work.

- **Worker Representation and grievance mechanisms:**

In 2024 we have established Amforis project "Speak for change" at our Indian supplier. The grievance mechanism is designed to empower workers within supply chains to raise concerns about labor rights, environmental practices, and ethical issues in a safe and confidential manner. It provides accessible communication channels for workers to report grievances, promotes dialogue between workers, businesses, and stakeholders, and ensures anonymity and protection for those raising concerns. Integrated into Amfori's broader BSCI framework, the initiative helps businesses address compliance risks and improve working conditions, fostering transparency, accountability, and ethical sourcing. As Amfori aims to expand project to China during 2025/2026, we hope more suppliers can take part here as well.

Worker representation remains a focus in our ongoing dialogue with first-tier suppliers. We continue to emphasize its importance through emails and meetings, providing guidelines to suppliers in need of further support. This topic is also monitored during BSCI audits. Some suppliers have shared their worker representation processes, meeting summaries, and plans for improvement. While we observe growing awareness of the importance of effective communication between workers and management, we recognize our limited ability to assess the functionality of these systems. The risk of 'ghost unions' in countries like China and India remains a concern. Additionally, ensuring that grievance mechanisms are well-established and address both employee and community needs is a challenge.

- **Insurances:**

We still experience that some factories do not have satisfactory insurance for all their employees. What is repeated is that a certain proportion of workers are not covered. Laws and regulations regarding insurance for employees in China are complicated and vary from rural areas to countryside. Furthermore, the retirement age in China is low, and hence many workers in textile factories are above retirement age. Other insurance regulations and laws apply for these workers, which further complicate the picture and can make metrics and statistics more complicated to analyze.

For all order placements we require suppliers to make sure that insurance is offered to all employees/workers. Our minimum requirement is that insurances must cover any cases of injury and/or illness which is in any way related to work.

- Fire Security:

Fire security is still among our ongoing focus areas. Several suppliers continue to share photos and training videos from fire drills at factories. Some factories do internal training and drilling, while others contact local fire department for assistance with drills and professional competence. Pictures and updates are sent to us regularly by email by some suppliers. For majority of our suppliers which regularly go through a BSCI-audit, fire security is covered and followed up by the auditor.

- Overtime:

Most factories report excessive overtime during peak seasons, driven by fluctuating labor needs. As we have a policy against unauthorized subcontracting (UAS), this may be a factor in increasing overtime needs during busy periods. At least a positive factor here is that audits confirm workers are paid correctly for overtime.

To address excessive overtime, we introduced early order placements to provide factories with better opportunities for planning and enough time to finish production. As result orders are placed at least six months ahead of shipment schedule, which has received positive feedback. However, we found that many suppliers had limited improvements in lead times from other customers.

A positive result from several suppliers is that they have worked targeted to reduce overtime. By increasing management's competence level on the topic through training and courses, and collaborating with workers representatives, overtime has significantly been reduced.

- Unauthorized subcontracting:

Unauthorized subcontracting, common in China, becomes a problem when it compromises transparency. It is prohibited in our supply chain. In January 2023, we were informed by a third party that part of our production had been sent to an unauthorized factory. After investigating, we learned it was to a nearby factory owned by the same management. We immediately addressed the issue with our supplier, emphasizing that production must only take place at approved sites. The unauthorized factory underwent a third-party audit and was authorized later that year. Despite this, we view unauthorized subcontracting as a minor risk due to our early order placements and clear policy. However, it remains an area requiring ongoing monitoring. In March 2023, we updated our Unauthorized Subcontracting Policy, which was agreed upon and signed by all first-tier suppliers. This policy ensures that Reflex goods are produced only at approved units and reinforces our commitment to supply chain transparency. No incidents detected or reported in 2024.

- Product specifications:

Studies on purchasing practices and its effect on the supply chain has shown that incorrect or deficient product specifications are among the main contributors to poor working conditions and power imbalance between purchasing companies and producers. We want to be as accurate and clear as possible towards our suppliers to avoid unnecessary misunderstandings and insecurities.

Accurate and detailed product specifications have been among the topics and focus areas that has come up in the LIC working group. During 2023 and 2024 we have changed and improved the set up and layout of our product specifications. When implementing this change, we requested feedback from suppliers to better understand their needs and requests for best possible set up. We believe that this has had positive influence on collaboration and communication and may have reduced misunderstandings, extra work and excessive number of samples.





### 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 Describe goals and progress status for the measures you have implemented to reduce the enterprise's prioritized negative impact

	<b>Child labour &amp; forced labour. Related to cotton farming in several countries and footwear industry in China.</b>
<b>Goal :</b>	No occurrence of child labour or forced labour in our supply chain. Demand for complete transparency in our supply chain. Acceptance and understanding of our CoC from first-tier suppliers to gain improved impact.

**Status :**

**Cotton:**

India: Data from NGOs and U.S. Department of Labor reports show forced labor in the thread, yarn, and garment sectors, especially in Tamil Nadu. Workers, including children, face deceptive recruitment, excessive overtime, debt bondage, and movement restrictions. Around 400,000 to 450,000 children, mainly aged 6-14, are forced to produce hybrid cottonseed, mainly in Andhra Pradesh, and up to 100,000 children, aged 8-17, work in garment production, increasingly in home-based settings. Dalit and scheduled caste children are particularly vulnerable.

China: Several international reports claim goods from the Xinjiang Uyghur Autonomous Region, or made by workers transferred from there, are produced using forced labor, including cotton, textiles, and garments.

Turkey: Over a million undocumented Syrian refugees are vulnerable to exploitation and human trafficking. Child labor is prevalent in Turkish agriculture, including cotton farms. According to the Global Slavery Index, Turkey ranks fifth globally for modern slavery, with an estimated 15.6 per 1,000 people affected.

Pakistan: Despite a ban on bonded labor, it persists, worsened by Pakistan's economic crisis. Bonded labor thrives in Sindh, Punjab, Balochistan, and Khyber Paktunkhwa, particularly in agriculture and brick-making. Child labor in cotton farming is also reported. Pakistan has one of the highest rates of modern slavery globally, with 2.35 million people affected.

83% of our cotton is sourced from India, with no indication of child or forced labor in our supply chain, according to mapping, audits, certifications, and stakeholder discussions. However, we acknowledge the complexity of monitoring all operations back to cotton farming. We also recognize that cotton production in India's garment industry carries high risks. The remaining 17% of our cotton comes from Pakistan (8%), Turkey (2%), the USA (1%), Australia (4%), and China (1%), each with varying risk levels. Our mapping shows no indications of child or forced labor, and we apply the same mitigation measures as in India, though monitoring remains challenging.

**Footwear:** Forced labor concerns in China's footwear industry include abuse, threats, and coercion of workers in factories and work sites. Based on investigations, audits, and NGO information, we believe child and forced labor is not present in our supply chain in China. However, we recognize that state-sponsored forced labor is increasing, especially in the Xinjiang region, affecting industries including apparel.



**Goals in reporting year :**

Cotton from all countries: Proceed with GOTS-certification for all cotton products. Continue to require and control transaction certificates and dialog with certification bodies.

Footwear: Consolidate our footwear production to a smaller number of factory units and work exclusively with one commercial manufacturer who adheres to and fully complies with our policies.

**Describe already implemented or planned measures :**

- GOTS certification is mandatory for nearly all our cotton products, even when cotton is used as a minor component. TC's are required, checked and controlled continuously.
- Our control and oversight of the footwear supply chain have significantly improved over the past year, as we now collaborate directly with factories, eliminating the need for intermediaries.
- The majority of our first-tier suppliers have established official policies and guidelines for sustainable and ethical business practices, which include specific provisions on anti-discrimination and anti-harassment.

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

- Continue with GOTS-certification for cotton products and strive to further increase rate of certified cotton. The Global Organic Textile Standard certification is quite thorough when it comes to ensuring ethical practices in the supply chain, including preventing forced labor and child labor. Furthermore, GOTS requires full traceability of materials and products throughout the entire supply chain. This means we can verify the cotton's origin and be confident there is no occurrence of child labour or forced labour in our supply chain.
- Prohibit cotton which origins from conflict areas and/or are associated with higher risks.
- Continue to increase traceability and transparency in the footwear supply chain.
- Ensure all first-tier suppliers have their own official policy and guidelines for sustainable and ethical business, and that these include a specific point on anti-discrimination and anti-harassment.
- Continue to push for complete transparency and traceability in our supply chain with special attention on areas which we consider not fully covered.
- Clearly state and remind our guidelines and policy with zero-tolerance for any form of forced labour and child labour, and ensure our suppliers work targeted for same goal.
- Continue dialogue with stakeholders and certificate owners in order to gain better overview of the risks of forced or child labour occurring in cotton farming. More information must be collected to do a more detailed risk assessment.



	<b>Labour conditions incl exploitation, wage level, discrimination and labour rights. Related to all countries in our supply chain.</b>
<b>Goal :</b>	Enhance labor conditions across our supply chain by fostering safe, healthy work environments and upholding workers' rights in line with relevant ILO conventions. This includes ensuring a living wage, comprehensive insurance for all workers, equal pay, and a commitment to non-discrimination.

**Status :**

Our main first-tier production countries - China, India, and Turkey - each received a score of 5 on the ITUC Global Rights Index 2024. Sri Lanka and the Republic of Korea, which were also part of our first-tier production countries, have a score of 4. The situation in our lower-tier production countries is similar or slightly better.

Countries rated 5 are the worst for workers, where access to legal rights is severely limited, and workers face autocratic regimes and exploitative labor practices. In countries with a rating of 4, workers experience systematic violations, with governments and companies actively undermining collective rights and suppressing workers' ability to organize.

Discrimination in the textile sector across our first-tier (and lower-tier) countries involves a range of issues that significantly impact on workers' rights and well-being. Common challenges include gender-based discrimination, marginalization of minorities and migrant workers, and the suppression of labor unions and workers' rights. Additionally, we recognize several key issues: ethnic discrimination against Uighurs and Tibetans in China, caste-based and religious discrimination in India, ethnic discrimination against Tamils in Sri Lanka, and discrimination against Kurds in Turkey. These problems reflect deep-rooted systemic challenges within the textile sector across these countries.

Risks related to paying below the living wage include poverty, worker exploitation, and poor quality of life for workers. This can lead to increased inequality, social unrest, and high turnover rates. Workers may also face poor health and inadequate access to education and basic services, perpetuating cycles of poverty.

Working conditions in the textile supply chain have historically fallen short of acceptable and decent standards, with numerous reports highlighting poor labor practices across many countries within our supply chain. The absence of robust trade unions, coupled with widespread violations of the right to collective bargaining and the right to strike, exacerbates the challenges faced by workers. These issues not only compromise the well-being of workers but also hinder progress toward fair and ethical labor practices. As such, thorough and proactive due diligence is essential to address these concerns and ensure the protection of workers' rights throughout our supply chain.

**Goals in reporting year :**

In order to achieve improvements of labour conditions in our supply chain, we must continue to follow up on the focus areas which have been proven to have some insufficiencies during 2023. Living wages, insurances, overtime and worker representation will continue to have our focus and attention.

**Describe already implemented or planned measures :**

- In 2024, we have utilized the Amfori sustainability platform to monitor and track social compliance among our first-tier suppliers. BSCI reports have served as our primary starting point for ongoing discussions and follow-up meetings. While we acknowledge the limitations and challenges associated with social audits, we view them as valuable tools for systematically collecting data and metrics, providing us with an overview and a basis for comparison.
- We have actively encouraged and ensured that a greater number of factories and suppliers engage with and successfully complete the BSCI audit.
- Addressing and reducing the living wage gap has been a top priority in our discussions with Chinese suppliers throughout 2024. We have supported suppliers by providing resources and training on the methodology for calculating living wages and securing fair wage levels.
- The majority of our first-tier suppliers have implemented official policies and guidelines for sustainable and ethical business practices, which include specific provisions on anti-discrimination and anti-harassment.
- We have recommended and provided access to Amfori Academy training to build awareness on issues of harassment, discrimination, and violence in the workplace. We have also encouraged suppliers to conduct this training with all workers during regular working hours. The course was conducted in local language.
- We have suggested and provided access to Amfori Academy training on fair remuneration and ensuring decent working hours. The course was conducted in local language.
- We launched the "Speak for Change" program at our supplier in India and proposed activities aimed at raising awareness and enhancing employees' understanding of key workplace issues.

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

- Target suppliers where living wage is not yet achieved with open minded discussion and a collaborative approach.
- We will clearly communicate and reinforce our policy about “No discrimination in our supply chain”. Universal Human Rights that are stated in ILO 100, 101 and UN’s CEDAW (convention on the elimination of discrimination against women) must be complied by all of our suppliers. Addressing discrimination requires targeted efforts to strengthen workers' rights and promote equal treatment in the workplace.
- We will continue to encourage suppliers to actively participate in Amfori Academy trainings, fostering a deeper understanding of key topics related to sustainability, labor rights, and ethical business practices.
- We will engage in discussions with suppliers and stakeholders to explore how to effectively and systematically influence lower-tier suppliers, ensuring they align with our requirements, policies, and goals to improve labor conditions across our supply chain.

	<b>Water stress. Mainly related to cotton farming.</b>
<b>Goal :</b>	Take concrete actions to reduce water usage in our supply chain.
<b>Status :</b>	<p>The United Nations World Water Development Report 2024, titled "Water for Prosperity and Peace," shows that agriculture accounts for around 70% of global freshwater withdrawals, followed by industry (just under 20%). The report emphasizes the need for enhanced international cooperation, better water governance, and the adoption of innovative technologies to address water challenges. Prioritizing water security can foster economic growth, social well-being, and environmental sustainability, contributing to global peace and prosperity.</p> <p>Cotton, the most common natural fiber in textiles, makes up about 33% of all fibers. It is also a water-intensive crop. India's cotton cultivation is the most water-intensive globally due to environmental challenges, inefficient irrigation, and socio-economic factors like fragmented landholdings and limited access to technology. In Pakistan, outdated irrigation methods contribute to water wastage, exacerbating water scarcity. Overuse of water for cotton irrigation in China threatens local water resources.</p> <p>Research indicates that climate change and ecosystem degradation will worsen water-related challenges. Climate change will increase water scarcity, especially in already stressed areas. About 10% of the world's population lives in countries facing high or critical water stress. According to WRI, climate- and socioeconomic models predict that by 2040, 7 of the top 10 cotton-producing countries will face high to extreme water scarcity, leaving businesses, farms, and communities more vulnerable.</p> <p>Deforestation, soil depletion, and overgrazing - issues linked to our supply chain risks in wool farming, natural rubber, and bamboo - are environmental challenges that significantly exacerbate water scarcity. These practices disrupt the water cycle, impair land's water retention, and increase soil erosion, creating a cycle of environmental degradation that depletes water resources and hinders long-term sustainable water management.</p>

**Goals in reporting year :**

- We will continue with our requirement of GOTS-certified cotton and printing as well as dyeing in closed-loop system.
- In the following year we hope that the Amfori BEPI program will help us to strengthen knowledge and competence internally as well as for our suppliers.
- We also need more knowledge and updated information on how to reduce water usage and enable smart water management in our supply chain.

**Describe already implemented or planned measures :**

- The majority of our cotton is GOTS-certified, and we have continued to pursue these certifications. Organic cotton is grown using sustainable farming practices that prioritize environmental responsibility. It relies on natural methods for pest and weed control, such as crop rotation, biological pest control, and manual weed removal. Organic cotton farming focuses on water conservation and efficient irrigation practices. Techniques such as drip irrigation and rainwater harvesting are commonly used to reduce water consumption, in contrast to conventional cotton farming, which is typically more water-intensive.
- Our cotton dyeing process is carried out in a closed-loop system, which helps minimize both water usage and wastewater generation. We have discontinued printing techniques that do not meet the standards for regulated water usage.
- We have also fully integrated 100% RWS-certified wool into our product range. The Responsible Wool Standard (RWS)-certified Merino wool focuses on sustainability and ethical practices, offering a more water-efficient approach compared to conventional wool farming. Sustainable grazing practices, soil health, and environmental management on RWS-certified farms ensure that water resources are used more effectively, and that the land retains water more efficiently.
- Our outerwear is primarily made from GRS-certified polyester, sourced from recycled PET bottles. The production of recycled polyester generally consumes less water and energy than the creation of virgin polyester fibers from raw materials.
- We have begun collecting data from suppliers through the Amfori BEPI platform. However, a significant data gap remains, and our previous goal was too broad and ambitious. As a result, we plan to narrow our focus in 2025, prioritizing dyeing mills in higher-tier supply levels.



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

- We will continue to uphold our requirements for:
  - \* GOTS-certified cotton and sustainable printing and dyeing processes in a closed-loop system.
  - \* RWS-certified merino wool, ensuring sustainability and ethical practices.
  - \* GRS-certified polyester, sourced from recycled materials.
  - \* Dyeing processes in closed-loop systems to minimize water waste.
- In addition, we will focus on increasing these standards across our supply chain while closely monitoring the associated risks and continuously improving our environmental footprint.
- We aim to connect second-tier suppliers, particularly in the dyeing sector, to the Amfori BEPI platform to establish reliable, consistent data and better track water usage.
- To further improve our internal expertise, we plan to offer targeted courses and training on water conservation, resource management, and best practices in water-efficient production methods for our team and suppliers.

	<b>Chemicals. Applies to all suppliers, at all tiers and in all countries, who use chemicals in their processes.</b>
<b>Goal :</b>	No prohibited chemicals are present in our products, and any restricted chemicals will be strictly limited to updated legal standards. We aim to reduce and eliminate hazardous chemicals in our supply chain, supporting suppliers with information and guidance on safe substitutes whenever possible.
<b>Status :</b>	Textile production is traditionally linked to use of a wide range of chemicals, many of which can be toxic and have the potential to harm workers and cause irreversible damage to the environment. It is estimated that textile dyeing and treatment contribute to up to 20% of the global industrial water pollution. Hazard chemicals will in the end be released to air, soil and ground water, fresh water sources or at the sea, and put millions of people at risks.
<b>Goals in reporting year :</b>	We will proceed with our routines for updating chemical requirements and restrictions towards our suppliers. Updated Chemical guidance and X-lists will be sent out to all suppliers two times during 2024. We will attend courses and webinars targeting chemical use and updates within the industry. We will continue to conduct random tests on selected materials and samples from nominated suppliers. Through our commitment to the initiative “No to PFAS” driven by Chemsec, we will continue to push for a complete ban of the forever chemicals. We will have meetings with stakeholders regarding how to address salient issues related to chemicals with our suppliers. Furthermore, we will continue to work targeted on how to reduce chemical use even further in our supply chain.

**Describe already implemented or planned measures :**

- We provide all manufacturers with Chemical Guidance and customized instructions tailored to their production needs, delivered twice a year. Details, requirements and usage guidelines are discussed in dedicated meetings.
- 100% of our suppliers have accepted and signed our Chemical Agreement.
- All employees have completed courses and webinars focused on chemical use and industry updates.
- A comprehensive range of specific tests, targeting particular chemicals or groups, are conducted on both ready-made garments and fabrics/accessories before bulk production. Random tests are also carried out on selected materials and samples.
- We have expanded our selection of Oekotex-certified materials and garments.  
Furthermore, we continue to uphold certifications that ensure safe and strict chemical management, including GOTS-certified cotton, RWS-certified wool yarn, and GRS-certified polyester.

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

- Distribute updated chemical guidance and X-lists to all suppliers twice during 2025.
- Evaluate the current chemical contract to determine if revisions or updates are necessary. If required, distribute a revised agreement to all first-tier suppliers by the end of 2025.
- Keep up with industry developments by attending webinars and courses on legislation and advancements in textile and chemical research. Select materials and samples for regular testing and control.
- Maintain the requirement for Oekotex-certified materials, GOTS-certified cotton, RWS-certified wool yarn, and GRS-certified polyester.

	<b>Environmental impact: Related to all countries in our supply chain.</b>
<b>Goal :</b>	Minimize the environmental impact of our production and operations.
<b>Status :</b>	<p>We acknowledge that our activity and production have an environmental impact and there is a need for significant changes and improvements to ensure sustainable development and progress. We need to address this in various ways and commit to specific efforts, such as;</p> <ul style="list-style-type: none"> <li>• Increased use of sustainable materials, such as recycled and certified options</li> <li>• Setting clear and stringent chemical use requirements.</li> <li>• Mapping our carbon emissions to establish concrete reduction goals.</li> <li>• Enhancing focus, knowledge, and competence on circularity in design and product development</li> </ul> <p>Deforestation, soil depletion, and overgrazing are key environmental issues linked to our supply chain risks in wool farming, natural rubber production, and bamboo forestry. These practices disrupt the natural water cycle, reduce the land's ability to retain water, and increase runoff and soil erosion. This creates a vicious cycle of environmental degradation, depleting water resources and making ecosystem restoration increasingly challenging.</p>
<b>Goals in reporting year :</b>	<p>We will proceed with our requirements regarding recycled and certified material and garments;</p> <p>Oekotex-certified materials and garments, GOTS-certified cotton, RWS-certified wool yarn and GRScertified polyester. Next step regarding certification of bamboo viscose is to increase the traceability of the entire process and minimize the salient risks that are connected to further steps. We will also consider which other measures we can take to increase traceability and minimize risks. Additionally, we will consider new certifications/manufacturing processes which have less impact and footprint on the environment.</p> <p>We will proceed with strict requirements regarding chemical use.</p> <p>We will implement mapping and registrations of our carbon emissions in order to have quarterly reports.</p> <p>Finalize Climate Action Roadmap.</p> <p>We will have an increased focus, knowledge and competence on circularity and circular principles in design and product development.</p>

**Describe already implemented or planned measures :**

- Since 2024, we have required bamboo viscose and rubber to be FSC-certified. All our hang tags are FSC-certified, uncoated, and 100% recyclable. FSC certification ensures sourcing from well-managed forests that meet strict environmental, social, and economic standards.
- The majority of our polyester is recycled with a GRS certification, reducing water and energy consumption compared to virgin polyester. Using recycled materials helps divert plastic waste from landfills and oceans, while the recycling process typically requires less energy than producing virgin polyester.
- We have increased the number of OEKO-TEX-certified materials and garments. OEKO-TEX certification contributes to a cleaner environment by limiting toxic chemicals and reducing air, soil, and water pollution.
- We have also increased the number of GOTS-certified materials and garments. GOTS-certified garments help reduce environmental impact by prioritizing organic materials, lowering chemical and water usage, and promoting sustainable manufacturing practices.
- We now use 100% RWS-certified wool yarn in our products. RWS-certified merino wool supports sustainable land management, helping protect ecosystems, prevent soil degradation, maintain water quality, and safeguard native flora and fauna. The environmental footprint of RWS-certified wool is minimized through responsible farming practices and reduced chemical use.
- We have implemented climate accounting software, a flexible and effective SaaS tool for monitoring and calculating our organization's climate impact. We now track Scope 1 & 2 emissions, along with all major emissions in Scope 3 related to Blábær Production. Calculations follow the framework specified in the GHG Protocol.

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

- We will continue to uphold our requirements for recycled and certified materials and garments, including OEKO-TEX-certified materials, GOTS-certified cotton, RWS-certified wool yarn, and GRS-certified polyester. We will also explore additional measures to improve traceability and minimize risks, alongside evaluating new certifications or manufacturing processes that have a lower environmental impact.
- We will maintain strict requirements on chemical use and implement mapping and registration of our carbon emissions to generate quarterly reports.
- Furthermore, we will finalize our Climate Action Roadmap and increase our focus, knowledge, and competence in circularity and circular principles within design and product development.

## 3.B Other actions related to management of negative impact

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

Actions Blåbær Production have taken to reduce or prevent negative impact on nature- and environment are:

- Reduced numbers and variations of fabrics and dyes/colorways within our designs and collections.
- Use of RWS certified wool. Wool is among our main raw materials, and improvements in the wool supply chain will have a greater impact in our business model. Land use and water pollution are among the negative factors associated with wool production. In addition to requirements within animal welfare and social compliance, the RWS certification also ensures that farmers and ranchers must take a progressive approach to land management.
- Use of GRS certified recycled materials. Polyester is widely used as the main material for almost all our outerwear. Virgin polyester has a substantial negative impact on the environment. This is mainly due to the consumption of non-renewable resources and energy. While numbers and data regarding recycled polyester may vary, there is no doubt there are clear benefits from this recycled option: Material does not require refining new oil. Plastic and PET bottles used in recycling processes may be traced from landfills and ocean helping to clean up these spots. Water intensity is also reduced in recycling process vs virgin process.
- Use of GOTS certified cotton. Cotton is well known as a water intensive fiber. In addition to strict social criteria in complete supply chain backed by independent certification bodies, GOTS-certified cotton also provides reduced water consumption and no use of hazardous pesticides or synthetic fertilizers. These steps both provide not only a global lower environmental impact but also reduce exposure to harmful chemicals and pollution of air and water for local communities.
- Use of OEKOTEX 100 class 1 certified materials. Certified materials and products are rigorously tested for over 1,000 harmful substances, ensuring they are safe for both consumer and the environment. Final products, including every thread and accessory, meet globally standardized criteria and are re-evaluated annually to reduce harmful impacts. By maintaining strict testing protocols across laboratories worldwide, this certification helps minimize the ecological and personal risks associated with toxic chemicals in textiles.
- Use of FSC certified natural rubber, bamboo and cardboard/paper for hangtags and cartons. FSC-certified materials help reduce environmental impact by ensuring that forests are responsibly managed, preserving biodiversity and ecosystems. These certifications promote sustainable harvesting practices that protect wildlife habitats, reduce deforestation, and support reforestation efforts. By using FSC-certified products, companies contribute to the long-term health of forests and the reduction of environmental degradation.
- Strict chemical regulations with targeted support to supply chain. The textile and apparel industry are known for its wide variety and intensive use of chemicals. Our strict regulations, supported by our membership with RISE Chemicals Group, play a crucial role in minimizing the use of hazardous chemicals in all our garments. These regulations are tailored for each supplier and product group, ensuring a targeted focus on materials of concern. Suppliers receive updated chemical guidance and regulations twice a year to maintain ongoing compliance and safety.

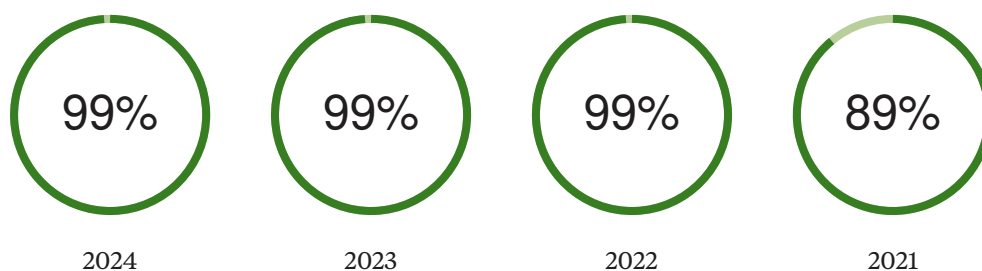
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## Indicator

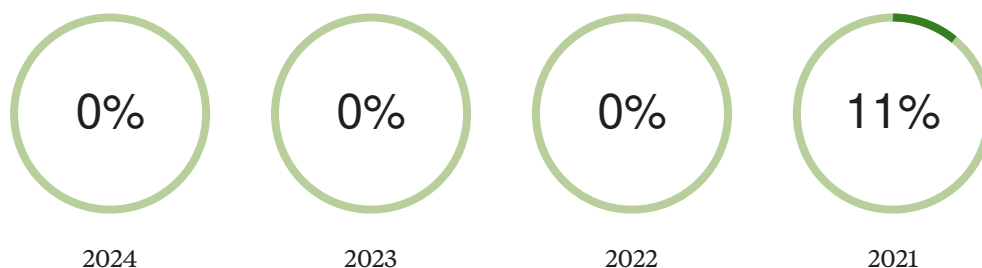
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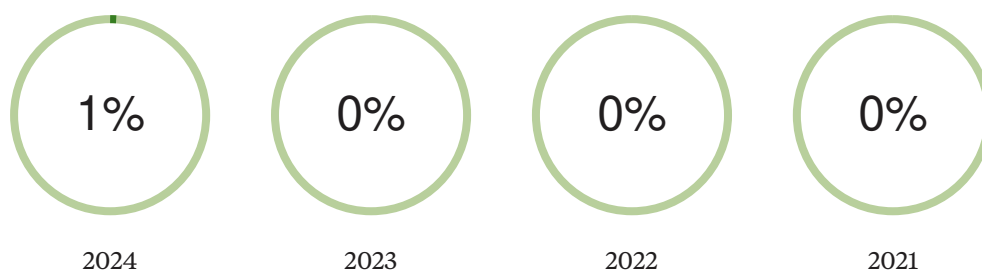
#### Sea transport



#### Rail transport

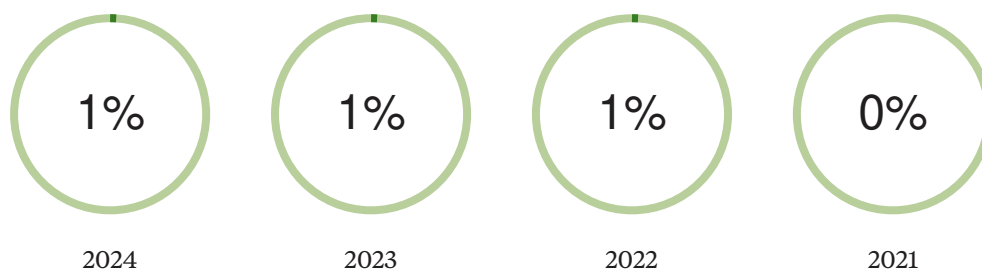


#### Air transport



As one of our productions had significant delay, 30% of this qty was shipped by air. Remaining by sea. Air shipment account for less than 0,5% of our volume 2024, and close to 0,2% by value.

#### Road transport



One shipment by truck in Europe. Account for less than 1% in total volume.

### 3.B.2 Reduction of greenhouse gas emissions

Like most companies in the textile industry, over 90% of our emissions fall under Scope 3, primarily linked to our production (purchased goods and services) as well as upstream transportation and distribution. We recognize

the need to focus on reducing emissions in Scope 3 and are actively working on strategies to make a meaningful impact in this area.

Actions Blåbær Production has taken to reduce greenhouse gas emission are:

- In early 2024, we invested in a new heating system for our office, incorporating timers to regulate the heating more efficiently. As a result, we achieved a 28% reduction in energy consumption from 2023 to 2024
- Implemented DHL GoGreen Plus during 2024. Approx 50% of shipment used this service. GoGreen Plus service utilizes Sustainable Aviation Fuel (SAF) to significantly reduce carbon emissions in air freight. SAF, derived from renewable sources like used cooking oil and agricultural residues, can lower greenhouse gas emissions significantly compared to traditional jet fuel. This initiative not only reduces DHL's carbon footprint but also encourages the aviation industry to adopt more sustainable practices.
- Almost 100% transport by sea in 2023
- LNG vessels are prioritized when available.
- Consolidating freight when possible and avoiding shipping half-empty containers is a key strategy to reduce carbon emissions and improve supply chain efficiency. By optimizing container space and ensuring shipments are full, companies can reduce the number of trips needed, leading to lower fuel consumption and fewer greenhouse gas emissions.
- Choice of materials as listed in 3.B.1 also have impact to reduce emissions. Most of our polyester is already recycled, and we will continue to strengthen this part for the coming years as well.

Link to our Climate account report: [https://blaber.no/wp-content/uploads/2025/05/Detailed-climate-report-EN\\_2024\\_GHG123\\_emisoft.pdf](https://blaber.no/wp-content/uploads/2025/05/Detailed-climate-report-EN_2024_GHG123_emisoft.pdf)

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### 3.B.3 Improvements in own purchasing practices

Early order placement has now been integrated into our purchasing practices for several years. This has been positively received by our suppliers as it enables better planning and the reduction of high peaks in production times. In addition to the many advantages early order placement will have for our suppliers and their production planning, this effort will reduce the risk of excessive overtime, unauthorized subcontracting and irresponsible sourcing.

We strive for ongoing communication with our suppliers to enable forecasting and production planning. If we, for some reason, are not able to send the formal purchase order sheet as early as we have planned for, we confirm the order volume/quantity to suppliers to enable them to source and purchase their materials as early as possible.

Predictability and stability in our orders are also important to us.

To be able to measure and track how our purchasing practice is experienced by our partners, we actively request feedback from our suppliers. We encourage suppliers to have an ongoing dialogue with us to make sure we can adapt and improve on our side. In addition, we send out questionnaires every second year to all first-tier suppliers to map our purchasing practices. Previous mappings were conducted in summer 2024. 100% of first-tier suppliers gave us their feedback. Suppliers where contracts had been terminated during 2023, and 2024 was last year of delivery, were left out of mapping.

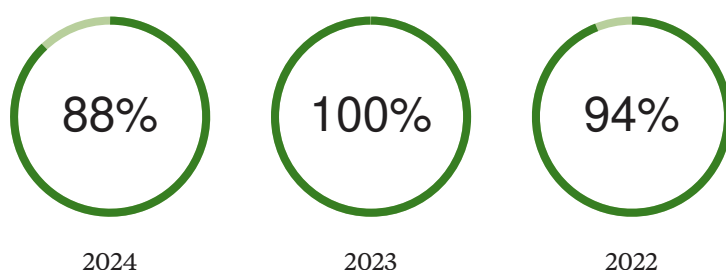
We aim for as many direct relationships with our suppliers as possible. Using agents and intermediates makes communication less efficient and might also reduce traceability and control. In cases where we work through an agent, we require the agent to do regular and comprehensive follow-up to make sure we will have as much insight and control as possible.

In the working group LIC in the years 2022-2024, we have among others discussed and focused on Fair Payment Terms. We acknowledged through these discussions and workshops that we have had limited insight and information on how suppliers determine their requests for payment terms including amount of deposit payment and due date. During 2024 we had open-minded discussions with suppliers to better understand their perspectives, experiences and needs.

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## Indicator

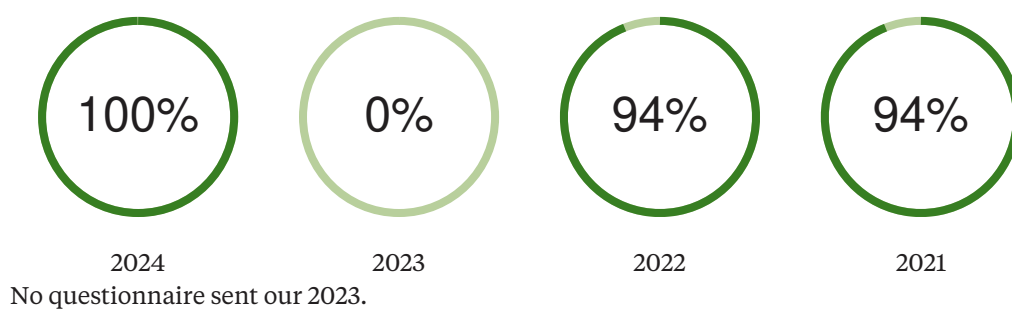
**Percentage of the company's suppliers with whom the company has had a business relationship for more than three years**



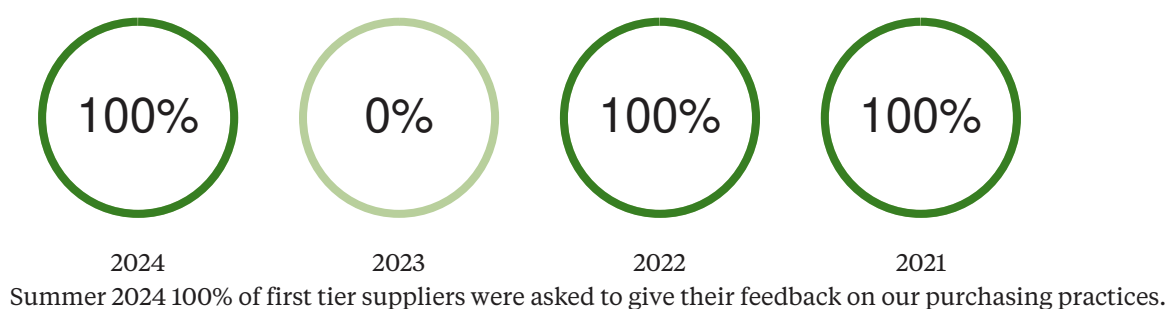
2 of 17 suppliers had their first deliveries during 2024.

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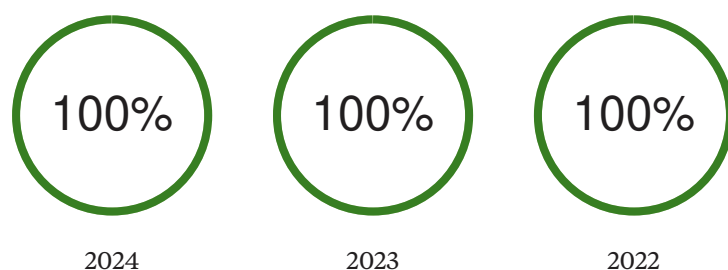
#### Percentage of our first-tier suppliers who have provided feedback on our purchasing practices



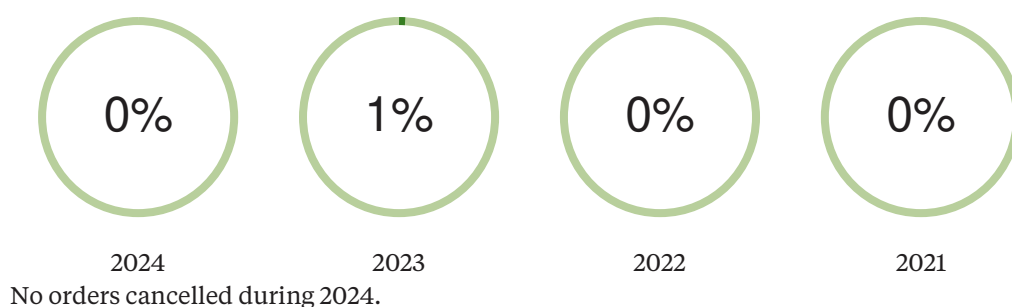
#### Percentage of our first-tier suppliers who have been asked to provide feedback on our purchasing practices



#### Percentage of first-tier suppliers where we have initiated dialogue on living wages and potential for increasing workers' wages



#### Percentage of orders cancelled after the purchase order was issued



#### 3.B.4 Choice of products and certifications

During 2024, we continued to prioritize certifications such as Oeko-Tex, GOTS, RDS (Responsible Down Standard), RWS (Responsible Wool Standard), FSC, and GRS (Global Recycled Standard).

Oeko-Tex Standard 100 is a certification that ensures final products do not contain allergenic or harmful chemicals. Class 1 is the strictest product class, applying to products for babies and children up to 3 years old. Class 2 includes all products with skin contact. We aim for Class 1 certification on all garments.

GOTS (Global Organic Textile Standard) is a certification for organic textiles, which must comply with both environmental and social requirements throughout the entire production process. This includes the entire process from farming and working conditions to the finishing of the final product. GOTS covers processing, manufacturing, packaging, labeling, trading, and distribution of textiles made from at least 70% certified organic fibers.

RDS (Responsible Down Standard) applies to all products in our portfolio containing down. It is a global certification scheme with specific requirements regarding animal welfare, prohibiting live-plucking and force-feeding. RDS-certified down will only originate from animals that have already been used for food production. In 2019, the standard was updated to include new requirements for enhanced animal welfare.

We require all wool yarn to be certified with RWS (Responsible Wool Standard), ensuring animal welfare and responsible production. This certification ensures wool comes from farms with a progressive approach to land management, where sheep are treated responsibly and in compliance with updated animal welfare standards.

GRS (Global Recycled Standard) certifies recycled materials, ensuring traceability throughout the entire production process. For our outerwear with technical requirements, synthetic fibers remain the most appropriate choice, and the use of recycled materials represents a significant step forward in minimizing emissions and environmental footprint.

In 2022, we implemented FSC (Forest Stewardship Certification) for our hangtags. This certification ensures products come from responsibly managed forests that provide social and environmental benefits. As part of our commitment to increasing focus on circularity, it's crucial that our products' hangtags are 100% recyclable. Since 2023, we have also required FSC certification for bamboo fibers and natural rubber. These materials were identified as risk areas in our previous year's risk mapping. Certification helps reduce risks and is an important step in preventing and minimizing negative environmental impacts.

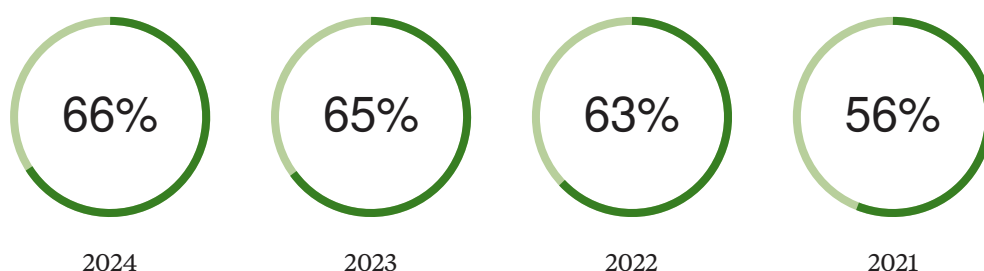
Bionic Finish ECO is the textile finishing agent used for all our technical outerwear garments. It is guaranteed to be free from PFAS/fluorocarbons and other harmful substances. We maintain a zero tolerance for PFAS in our production, and Bionic Finish ECO is one of several measures we take to ensure this commitment is met.

We believe certified materials and products are essential tools for setting concrete requirements and standards in our production, as well as increasing transparency in the supply chain. However, it is also important for us to remain critical and cautious regarding the risks of corruption and document forgery.

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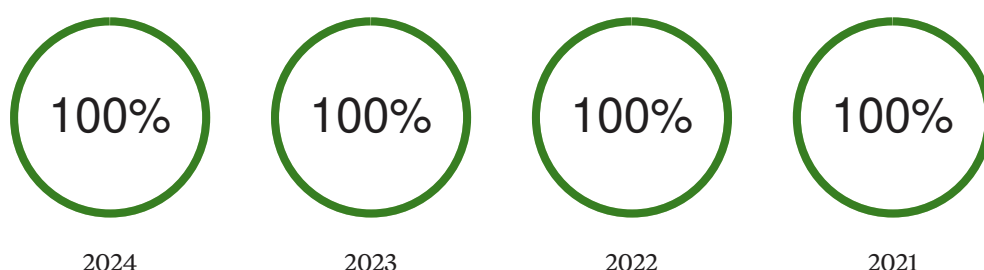
## Indicator

#### Percentage of REFLEX-items certified with OEKOTEX 100



Percentage of OEKOTEX 100 certified items out of the total quantity of Reflex garments: Several of our suppliers who are not OEKOTEX certified still use only OEKOTEX certified materials as per our specifications. In total, 93% (by number) of our 2024 garments are either certified or made entirely from OEKOTEX certified materials. This is up from 87% in 2023.

#### Percentage down garments with RDS certified down

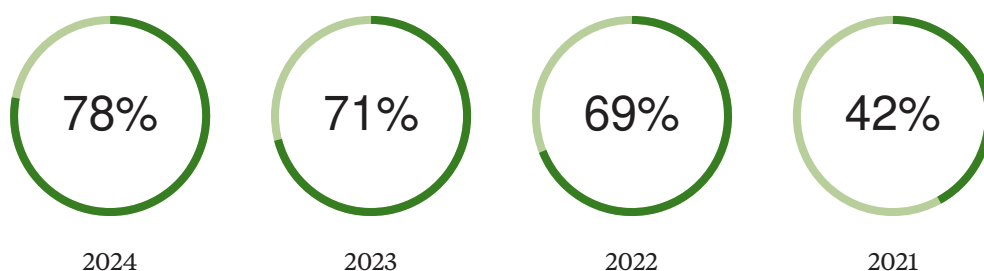


Percentage garments which content RDS down by number out of total qty containing down.

#### Percentage cotton garments made with certified organic cotton

Cotton garments with composition of min. 50% cotton, made by certified Organic cotton (GOTS and OCS 100).

#### Share of syntethic garments made by at least 65% certified recycled materials



Garments included in above values are: technical outerwear, PU rainwear, fleece midlayer, polyester baselayer and swim wear.

#### 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

One of our minimum requirements for suppliers is that worker`s representation must be established and functional at all plants. A worker representative shall be freely elected by workers, and we advise suppliers to encourage workers of all ages, gender, ethnical background, and all positions in the company, to set for election. There shall be 1 representative per 50 workers. Worker`s Representative shall have full access to carry out their



representative functions in the workplace to enable best possible communication and co-operation between workers and management.

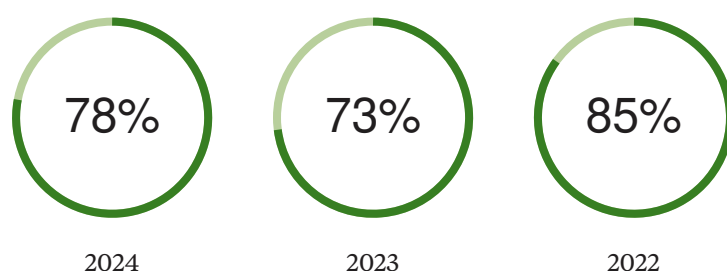
This is particularly important in countries and areas where independent trade unions are not legal which is the case in China. Working with China we aim to communicate good practices, require ongoing improvements and enable ongoing dialogue.

We have experienced a setback in this area in recent years and have recorded a lower score in this KPI. Some of the issues are related to suppliers' unwillingness to take necessary steps for improvement. Despite addressing these concerns multiple times, the desired results have not been achieved, which has led to the termination of certain contracts/suppliers.

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## Indicator

### Percentage of suppliers with worker representation other than trade union



Our quantification is based on both 3rd party audits and our own visits to factories meeting many of the elected representatives.

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

Through our membership in Kemikaliegruppen RISE, we have implemented chemical guidance and customized X-lists, which are sent to all suppliers twice a year. We maintain ongoing discussions and provide follow-up on these topics, advising on how to substitute chemicals to ensure compliance with future restrictions at an early stage.

We also provide resources, guidelines, and close follow-up to support our suppliers in establishing functional worker representation or workers' committees. These efforts are tracked during the evaluation and follow-up of suppliers' BSCI reports.

We consistently communicate with suppliers to emphasize sustainability and certifications, aiming to improve both sustainability performance and competitiveness. Step by step, we are witnessing improvements as suppliers act, make suggestions, and share valuable information to help us all improve.

In 2022, we became a member of Amfori, a global business association focused on promoting sustainable trade and supporting companies in managing social and environmental performance within their supply chains. One of Amfori's key services is the Amfori Academy, which offers a comprehensive range of training programs, workshops, and e-learning modules in local languages for our suppliers. Since joining the Amfori network, we have encouraged multiple suppliers to attend these trainings. We are pleased to see that the competence level within our supply chain is steadily increasing as a result, leading to improvements in factory KPIs. Training and capacity building will remain a focus area in 2025.

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

Blåbær Production maintains a zero tolerance for corruption and bribery, as clearly stated in both our internal business policy and our Guidelines for Suppliers. In late 2022, we conducted a review of our policy and guidelines for suppliers to ensure clarity on all points, with anti-corruption being a key area of focus. We recognize that combating corruption is a challenging task requiring a wide range of efforts and measures. These measures, and how they are integrated into our daily operations, have been further outlined in the relevant sections.

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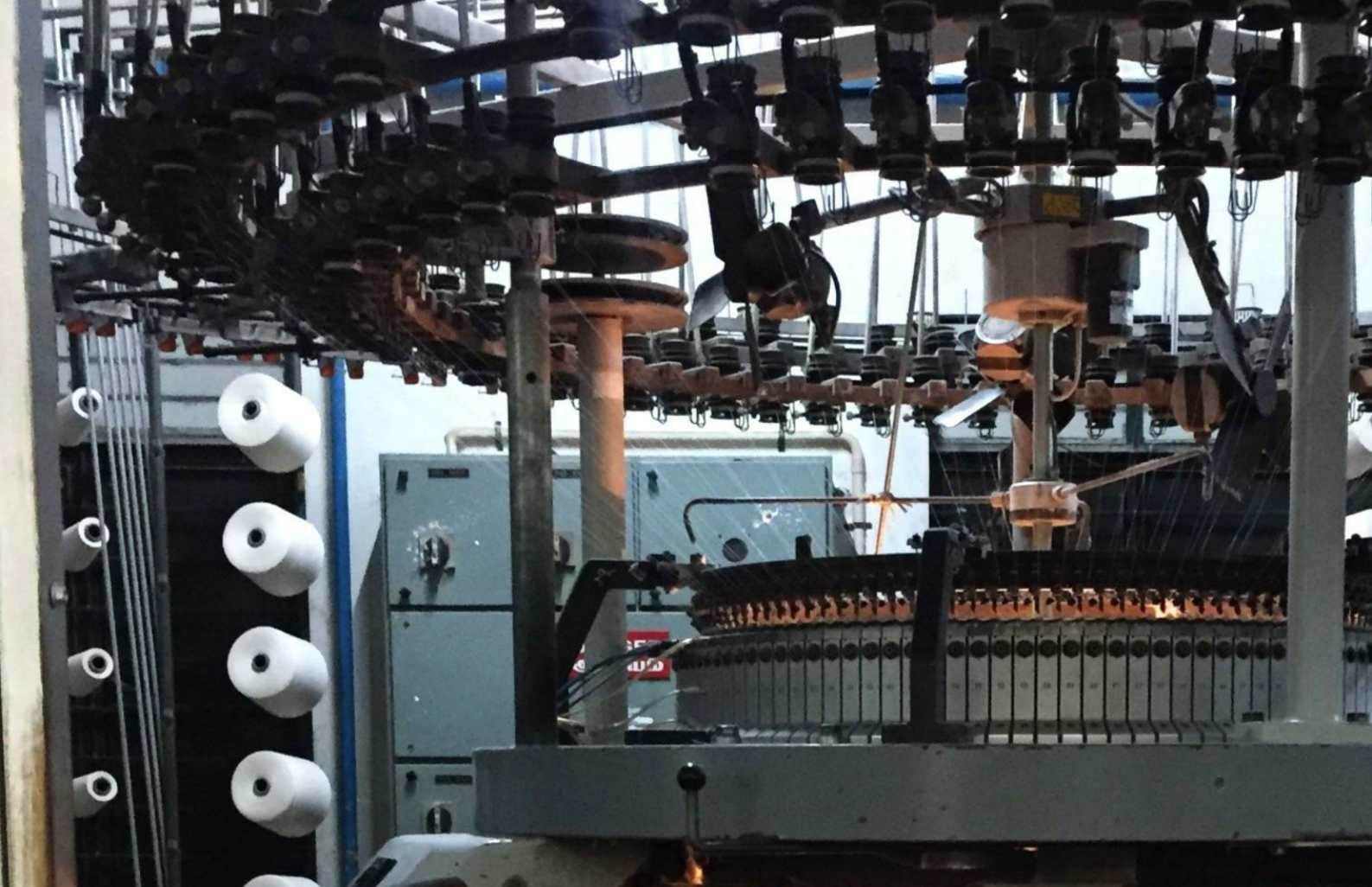
### **3.B.8 Other relevant information concerning the enterprise's work to reduce, prevent, and manage negative impact**

#### **Business Travel:**

We always prioritize attending meetings and webinars online whenever possible to avoid unnecessary emissions from transport and travel. When physical attendance is required for courses or meetings, we strive to travel as environmentally friendly as possible. For domestic business travel in China, Norway, and other locations, we commonly use trains and buses.

#### **Samples:**

We strive to minimize sample usage and avoid unnecessary sampling requests in our design and product development processes. To conserve resources, reduce material use, and lower emissions from freight, we have integrated the practice of requesting fewer samples throughout the process. However, this effort is also influenced by our clients' demands for samples, and we did not achieve our reduction target for 2024. After each production cycle, we collect all samples and donate them to SAS Juleflyet, a charity initiative supporting disadvantaged children in the Baltic states and families in Ukraine. This cooperation, initiated by BH Nordic/Barnas Hus, helps provide aid to those in need.



## 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 a) assignment of responsibility for tracking the effect and result of implemented measures, as well as how the tracking is carried out in practice, b) who is responsible for evaluating the enterprise's implementation and work with due diligence, and how the evaluation is carried out in practice.**

**a)**

In Blåbær Production, the responsibility for tracking the effect and results of sustainability measures lies with the Head of Sustainability, who conducts regular and daily follow-ups. The CEO holds the overall responsibility and decision-making authority for sustainability efforts. The tracking process is integrated into the daily working routines and purchasing practices. Key tracking activities include:

- Early design and development processes, where materials and colors are planned to minimize negative impacts from dyeing and production processes.
- Introduction of products from leftover stock fabrics to reduce waste and promote material utilization.
- Collection and organization of supplier information, certifications, and audit reports, supported by a tool from the Amfori sustainability community, which offers the BSCI and BEPI frameworks.
- Supplier visits conducted twice a year to ensure compliance with responsible business practices, environmental, and social standards, using supplier visit forms to track progress.
- An updated questionnaire for mapping purchasing practices, helping identify areas for improvement and understanding how suppliers are affected by the company's practices.
- Ongoing stakeholder dialogue to gain insight from NGOs, NPOs, suppliers, customers, and factory workers on salient risks, helping to guide decisions and improvements.

**b)**

The responsibility for evaluating the enterprise's due diligence work falls on the CEO and the Head of Sustainability. The evaluation is done through regular follow-ups, internal sustainability KPIs, and annual reporting. The company uses a set of relevant KPIs tailored to its business context, providing long-term data on progress and areas for improvement. Additionally, the use of tools such as the Amfori platform, including BSCI and BEPI, helps evaluate the social and environmental performance of suppliers. Evaluations also take place through factory visits, stakeholder dialogues, and the results of supplier questionnaires, ensuring continuous assessment of both internal practices and supplier collaboration.



#### **4.A.2 Describe how you track the effect, and/or demonstrate the probability of effect, of measures taken to reduce negative impact.**

One of many advantages with prioritizing long-term business relations is the possibility to track improvements and developments within important focus areas. Despite challenges related to different cultural viewpoints and standards we have experienced improvements on several areas.

Focus on environment and sustainability in our industry in general, and in our company specifically, is constantly increasing. Our experience is that our suppliers and business partners have shown increased awareness as well.

More or less all of our suppliers have increased understanding related to our demand regarding openness and transparency. Only one of our suppliers has been less willing to provide full transparency regarding sub-suppliers despite our requirements. We have however experienced a positive development, and this supplier is now showing an increased understanding of transparency and openness.

Hence, we think that our continuous emphasizing is important to have a positive impact. When discussing these issues with other western stakeholders, many of them state that they experience the same. This is an ongoing focus area and important to enable continuous improvements.

As our demands and expectations to our suppliers and business partners have increased and evolved, we have also seen the need to map how this is experienced by them. Mapping our own purchasing practice has been done by sending out questionnaires requesting honest and constructive feedback. We have asked suppliers to comment on how we can improve and adapt to enable better partnership and stable business relations. Some trends were that early order placement, fair payment terms and predictability were important factors that will help suppliers plan production time & material use, reduce overtime and enable safe and good working conditions. This kind of mapping will be important tool to proceed with in the coming year to learn how we can improve partnership and collaboration with suppliers.

As mentioned above, we have integrated the use of KPI's that are linked to our detected risks and improvement areas. These can be used to measure and track our work for improvements internally in our business as well as in our supply chain. The selected KPI's used for annual reporting and our continuous sustainability work are set with a long-term perspective in order to see our progress and improvement areas over a longer period. Our experience is also that integrating KPIs increase motivation and ability to improve even further.





## 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

One of our major stakeholders is the owner of REFLEX brand, BH Nordic. We have frequent and regular meetings with them where due diligence is always a central topic. We provide information and guidelines for customers and consumers that are relevant for our products. This information is available on hang tags, care labels, webshop etc.

An ongoing dialogue with NGO's is also a natural part of how we work. This dialogue is typically related to challenges and opportunities in the textile industry in general and in our supply chain more specifically. We believe that dialogue between NGO's and companies from the textile industry is constructive for sharing knowledge and experience. While many NGO's have important perspectives and information related to their area of expertise, it is also a fact that buyers, product developers and designers have experiences and insights that are essential to combine with these. We hope that this kind of dialogue will be even more constructive in the future to make sure that consumers get credible and transparent information related to products put to the Norwegian market.

When working with countries like China and India, we consider one of the most challenging aspects of due diligence work to communicate with workers. We do not speak these local languages, and the workers do seldom understand and speak English. We do however see the need and importance to include workers view and perspective in our risk assessment. We have translated our CoC to Chinese to make sure that the guidelines are understood by everyone involved in our production. We regularly emphasize the importance of ongoing communication between workers and management and have seen an increased awareness and focus on this among our suppliers. Some of our suppliers have for example printed the Chinese version of our Code of Conduct and posted this on the wall in their factories. In this way, the guidelines are more likely to reach out to all employees and factory workers. We see this as a good initiative which we will encourage several suppliers to do.

When conducting third party audits through Amfori BSCI, these always include interviews with workers in their local language. These interviews are anonymous, but aims to reflect the workers perspectives, opinions and potential complaints to a neutral part. Even though we acknowledge that there might be limitations and challenges related to this way of collecting perspectives, we think that it enables grievance and feedback, as well as increased awareness among workers about their rights.

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

We communicate how we work with due diligence and responsible business on our web site <https://blaber.no/vart-samfunnsansvar/>

Our annual report on Ethical Trade is also publicly available on the same page as well as on Ethical Trade Norway's webpage. This document work as an important tool to give partners and stakeholders insight in our work, progress and challenges related to our salient risks.

We are also participating in discussions, webinars and workshops with other actors in the industry to share experiences and advice. We believe that these kinds of collaborations and sharing of experience are important to reach common goals as well as push each other in the right direction.

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

For all goods where we are responsible for the development, production and transportation, we will provide any requested information concerning how we address our possible adverse impacts on fundamental rights and decent working conditions. When receiving a request from a customer or other stakeholder, we will submit a comprehensive reply as soon as possible. If we receive extensive questions that requires details or information that we do not have available, we will within reasonable time collect this information and submit it to the person(s) who has requested it.

Even though our company is below the threshold for being covered by the Norwegian Transparency Act, we chose to follow all requirements and regulations that are connected to the law. A more common framework for due diligence work has been needed in our industry for a long time, and we see new regulations as helpful and guiding when trying to navigate within a complex sector.





## 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 impact

In our policy for responsible business conduct we communicate how we will take responsibility if we are involved in any cases that have caused or contributed to human rights abuses:

“If our activities are found to cause or contribute to negative impact on people, society or the environment, we will stop the activities and seek to provide remedy”.

Remedy can in these cases be acknowledging and apologising, restitution and rehabilitation, financial compensation or implementing measures that will prevent similar cases in the future.

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

During a factory visit in March 2024, we discovered that the hygienic and privacy standards at the workers' toilets in one of our factories were far from acceptable. Rather than addressing this directly on-site or during the meeting, we decided to test the suggestion box. We left a message in English on a note and anonymously placed it in the suggestion box later that same day. We wondered, would they find it? Would they take the time to understand the message?

A month later, we were contacted by the factory's merchandiser, who informed us that the CSR manager had found the note during the monthly worker representation meeting and had asked what the message said. By the end of that week, they began looking into improvements for the toilets. When we visited the factory again in August, we were pleased to see that the restroom facilities had been fully renovated to a high standard.

We recognize that this example of recovery is not among the most critical or severe. However, out of respect for the workers at the factories, especially women and pregnant workers, we strongly believe that decent toilet facilities and hygiene are essential minimum requirements that should receive greater attention.

Living Wage has been a key focus in 2024 and during our visits to China. Our monitoring of BSCI reports has provided valuable data, highlighting insufficiencies in wage levels. A lack of understanding, among suppliers, of the living wage concept (often confused with minimum wage) or insufficient knowledge of how to calculate it can lead to discrepancies and wage gaps.

The wage level deviations and gaps identified in 2024 were addressed with suppliers and are being followed up on throughout the year, prior to new audits. We are pleased to see that some suppliers have taken immediate action to close the gaps we pointed out.

Remediating wage level issues is not always a quick fix, as it often requires training for factory management, updated calculation procedures, and new routines to stay current with living wage data. Providing guidance and feedback to suppliers has proven effective and must remain a priority moving forward.

## 6.B. Ensure access to grievance mechanisms

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

Amfori Speak for change initiative is implemented at our Indian supplier. The initiative is a supply chain grievance mechanism designed to provide stakeholders - such as workers, communities, and rightsholders - with a safe and effective platform to voice concerns about potential violations of the Amfori BSCI Code of Conduct or the Amfori Guidelines for Responsible Purchasing Practices. The program offers multiple channels for submitting grievances, including voice calls, web forms, and chat applications, ensuring accessibility across diverse regions and contexts. Amfori collaborates with members and independent experts to address complaints, facilitating a joint approach to remediation and continuous improvement.

Since its pilot launch in Vietnam in April 2021, Speak for Change has expanded to countries including Turkey, Bangladesh, India, and Cambodia, with plans for further global expansion.

We aim to implement Speak for change at other suppliers in available countries such as Turkey, and China which is at start-up point.

Over the past years, third-party audits and direct conversations with suppliers have been our primary methods for assessing the effectiveness of grievance mechanisms within our supply chain. When deficiencies were identified, such as through BSCI reports, we required suppliers to submit concrete action plans to ensure progress and the integration of effective grievance systems.

In the coming year, we will continue monitoring all suppliers to ensure these systems are well-established and functioning properly. We will also maintain our emphasis on the requirement for suppliers to have a freely elected worker representative or committee, in addition to the information gathered from audits, as they provide only limited insight into system effectiveness. While factory visits and inspections are useful for verifying these systems, we believe that ongoing dialogue via video meetings and email can further enhance understanding and awareness of their positive impact.

While we have seen growing openness from suppliers regarding these issues, it remains a challenge to ensure an accurate and comprehensive view of the status of grievance mechanisms. Workers may feel reluctant or fearful about voicing complaints related to working conditions or conflicts with management or colleagues, which complicates the process of gaining a true understanding of the situation.



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