



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

Account reporting year 2024

for Helly Hansen Holding AS



*Ethical Trade Norway has assessed the report of Helly Hansen Holding AS to meet the criteria of our Base Level. More information about our Base Level can be found **here**.*



SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

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

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

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

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

Heidi Furustøl

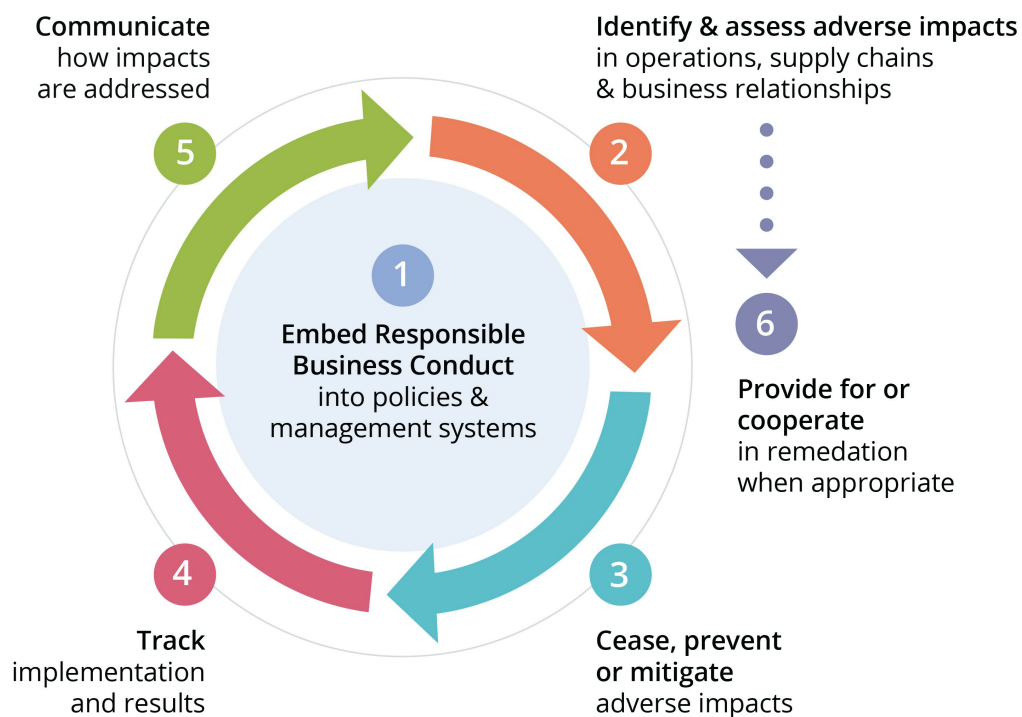
Executive Director

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

At Helly Hansen, ethical conduct and sustainability, are embedded across everything we do. At our core and since our inception in 1877, we have remained firmly committed to developing professional-grade gear that enables individuals to safely enjoy the outdoors. This commitment relies on a healthy planet and the physical and emotional well-being of everyone people across the entire Helly Hansen ecosystem, from our supply chain to our end consumers.

Globally, 2024 was a year marked by a challenging macro environment including geopolitical unrest, macroeconomic volatility, and climate-related issues that impacted global markets and economies. Therefore, the impetus for both the public and private sector to collaborate to find solutions to protect our communities could not be more important.

In 2024, Helly Hansen strengthened and expanded our partnerships across our supply chain. This includes conducting continuous supply chain mapping exercises, exploring confidential grievance mechanism programs, and developing a scorecard for onboarding, reviewing, and monitoring vendors.

At the organizational level, we performed a double materiality assessment to identify the most material ESG topics for our company. The insights from this assessment will inform the development of a comprehensive Environment, Social, and Governance strategy. Additionally, we set Science-Based Targets to measure and reduce our environmental footprint, which will be validated by the Science Based Targets Initiative in 2025.

As we look ahead to 2025, we are confident that, together with our partners, we will continue to drive meaningful change. Our passion for the outdoors and our commitment to preserving it for future generations inspire us to innovate and make a positive impact. We invite everyone to join us on this journey of continuous improvement, guided by our values and vision for a sustainable future.



Carrie Ask
Chief Executive Officer

Board Signature

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Signed by:

Brian McCammond (sign.)
Chairman of the Board

DocuSigned by:

Carrie Ask (Sign.)
CEO and Board Member

Signed by:

Zornitsa Radoslavova
Radkova-Lund (sign.)
Board member

Signed by:


Jørgen Sørli (sign.)
Board member

DocuSigned by:

Eleni Damianakis
(sign.)
Board member

Signed by:

Ellen Andersen (sign.)
Board member

Signed by:

Issam Yousef (sign.)
Board member

Signed by:

Mhairi Christine Bannerman (sign.)
Board member

Oslo
29.05.2025

Enterprise information and enterprise context

Key enterprise information

Enterprise name

Helly Hansen Holding AS

Head office address

Munkedamsveien 35

Main brands, products and services offered by the enterprise

Helly Hansen and Musto apparel, footwear and accessories

Description of enterprise structure

Helly Hansen Holding AS (hereinafter referred to as Helly Hansen) owns Helly Hansen AS, Norway and Musto Topco Ltd, UK. We manufacture and sell apparel, footwear and accessories both through wholesale channels as well as our own Direct to Consumer channel.

Revenue in reporting year (NOK)

7 017 500 000

Number of employees

1 311

Is the enterprise covered by the Transparency Act?

Yes

Major changes to the enterprise since last and current reporting period

On 19 February 2025, Kontoor Brands, Inc. announced it had signed a definitive agreement to acquire 100% of Helly Hansen from Canadian Tire Corporation. The transaction is expected to close in the second fiscal quarter of 2025, subject to the receipt of required regulatory approvals and customary closing conditions.

Contact person for the report (name and title)

Ellen Andersen, CSR and Compliance Manager

Email for contact person for the report

ellen.andersen@hellyhansen.com

Supply chain information

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

Helly Hansen chooses its suppliers based on criteria including but not limited to opportunities, skill set, innovation, quality levels, raw material availability, ethical conduct, and geographical proximity. Helly Hansen also takes Free Trade Agreements and the ongoing geo-political climate into consideration. Currently, Helly Hansen has suppliers in Asia, South East Asia, Turkey, and the EU

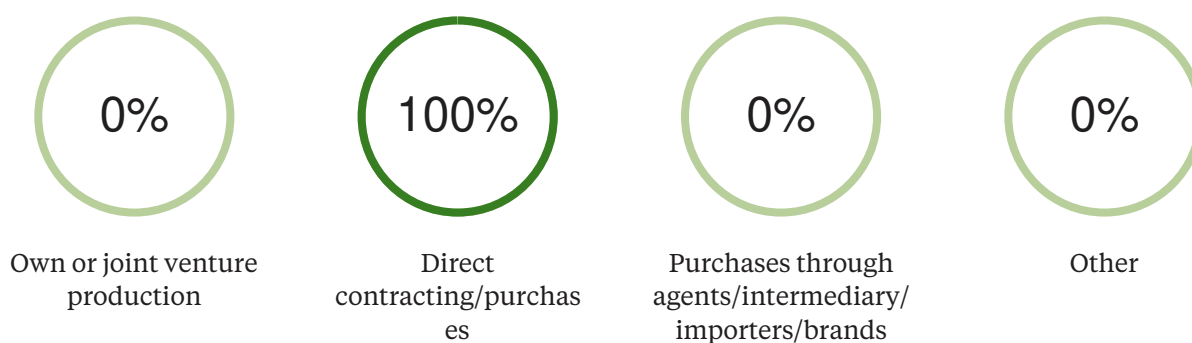
Number of suppliers with which the enterprise has had commercial relations in the reporting year

106

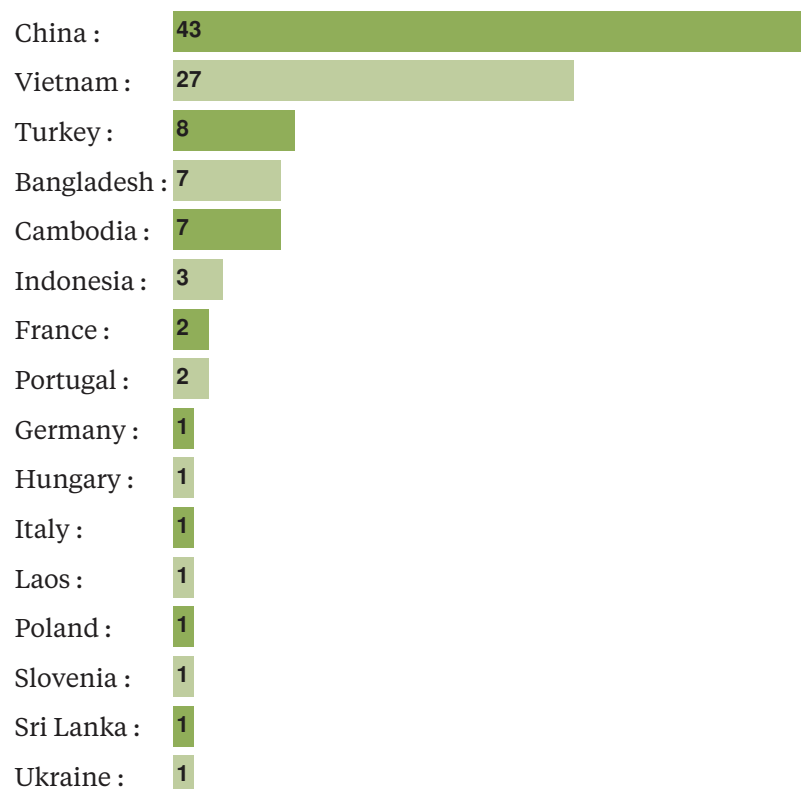
Comments

The number of suppliers are Tier 1 factories

Type of purchasing/ suppliers relationships



List of first tier suppliers (producers) by country



State the number of workers at first tier producers

Number of workers

93 710

Comments to number of workers

The information on the numbers of workers has been collected from Social Audit reports.

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

Polyester	China Taiwan Vietnam
Polyamide	China Taiwan Vietnam
Cotton	Australia Azerbaijan Brazil China Indonesia India Pakistan Turkey USA
Down	China
Polyurethane	China Japan Taiwan
Polypropylene	Thailand
Wool	Australia New Zealand South Africa

Packaging and trims are excluded from the list

Is the enterprise a supplier to the public sector?

Yes

Goals and progress

Process goals and progress for the reporting year

1

Goal : Set our Science Based Targets, and start the work on our transition plan for carbon emission reduction and develop associated environmental requirements and policies for our suppliers. This work will start in 2024 and continue into the coming years.

Status : During 2024, we committed to Science Based Targets and submitted our target to reach 42% absolute reduction by 2030 with 2022 as our baseline year. Our targets will be validated by the Science Based Targets Initiative during Q1 2025.

2

Goal : Start the implementation of Amfori Speak for Change which is a supply chain grievance mechanism program. Implementation will take place throughout 2024 and our focus will be on our key suppliers.

Status : During 2024 we have been undertaking an ESG materiality assessment to identify Helly Hansen's most material topics. One of these topics is having supply chain grievance mechanisms in place. Therefore, we undertook work to identify the root cause of issues before implementing a grievance mechanism program. In 2025, we will implement a grievance mechanism program in line the principles set out in our ESG strategy

3

Goal : Start internal Chemical Management training. We will focus on capacity building within the product development team throughout 2024.

Status : The Training started in February 2025.

4

Goal : Update and further develop our material strategy. To be completed in 2024.

Status : In 2024, we developed our material strategy to include targets for implementing 100% preferred materials and lower impact processes for production if the materials used. Our preferred materials are: recycled polyester, recycled polyamide, organic cotton and materials of animal origin which must be supported by certified animal welfare policies.

5

Goal : Update the design handbook with new material strategy and circular principles. To be completed in 2024.

Status : Our material strategy and circular principles has been set during the year including a methodology for circular design. This work has been done together with our design and category leads.

6

Goal : Review and upgrade the animal welfare policy. To be completed by the end of 2024.

Status : Following a double materiality assessment, we have deemed animal welfares not to be a high risk and our focus in 2024 was to finalize our materiality strategy. In 2025, we will be updating our full materiality policy, including a review of our current animal welfare policy.

7

Goal : Develop a scorecard for onboarding/ reviewing and monitoring vendors. To be completed by the end of 2024.

Status : During 2024 we have been working on identifying Helly Hansen's material ESG topics and one of these topics is having a scorecard in place. Therefore in 2025, we will be developing a scorecard as part of our ESG strategy.

8

Goal : Develop guidelines for employees, workers and their representatives to conduct workplace risk assessment. To be completed by the end of 2024.

Status : Helly Hansen compliance documents have been updated throughout 2024 and part of this document portfolio is the Helly Hansen Supplier Policy that outlines the processes related to supplier onboarding, risk assessment, risk mitigation and how we perform a supplier assessment. This is now being rolled out in Q1 2025.

9

Goal : Implement risk assessment tools where traceability is key. Look into available software systems. To be implemented in 2024

Status : In 2024, Helly Hansen implemented Kharon which is a risk assessment tool that allows us to screen facilities both before they are onboarded and throughout our partnerships. The tool also enables us to have better oversight of potential risks including when suppliers further down in our chain are onboarded.. In addition, Helly Hansen continued to expand the use of TrusTrace, a traceability and compliance data platform that was introduced as a pilot in 2022. It enhances our ability to see deeper into our supply chain and trace the origin of materials.

10

Goal : Update our Supplier Code of Conduct. Completed in 2024

Status : Helly Hansen have throughout 2024 worked on an update of our Supplier Code of Conduct and in December 2024 this was completed. The CoC has been rolled out to all Tier 1 and Tier 2 suppliers in Q1 2025.

Process goals for coming year

1

42% Absolute reduction by 2030

Targets to be verified by SBTi by 2025. We have begun work on our transition plan including actions which will

help us to achieve our targets.
This will cover Scopes 1, 2 and 3

2

Preferred materials to be 100% Certified by 2030.

100% recycled polyester
100% recycled polyamide
100% organic cotton
100% certified animal origin materials

3

Preferred production processes in place to reduce suppliers' environmental impacts.

Reduce fresh water use and wastage intensity: by increasing low-impact processes in our Tier2 supply chain, rolling out water efficiency programs to reduce water consumption and increasing the use of recycled water in production processes.

Helly Hansen will during 2025 join a water initiative to set the agenda for how to best measure water consumption and scarcity, set targets and develop a roadmap for 2030.

4

Circular design

All new developments follow our set of circular design principles.

These core principles are:

- Product with purpose
- Durable and long-lasting products
- Resource efficiency
- End-of-life in mind

Start implementation in design teams in Q1 2025.

5

Chemical Management Process Training

Will be implemented throughout 2025 for key Helly Hansen employees and Key Tier 1 and Tier 2 vendors.

6

HIGG FEM

100% of key Tier 1/ Tier 2 suppliers assessed and verified annually via Higg FEM (Facility Environmental Module). In place by 2027.

7

Supplier Summit.

To achieve our future targets, close collaboration with our suppliers is essential.

By hosting supplier summits, we can create a platform to present our ESG strategy, outline key focus areas, and address potential challenges suppliers may face. This should serve as an open forum where all parties can voice their concerns.

Completion is targeted for 2025.

8

TrusTrace - continuous mapping

All Key Tier 1 and Tier 2 suppliers doing their supply chain mapping. To be completed in 2025

Start implementing PO tracing on our high volume products. to be started in Q1 -Q2 2025

9

AMFORI grievance mechanism program

"Amfori Speak For Change" is a supply chain grievance mechanism program that enables Helly Hansen to provide support to impacted workers in our supply chain.

In short, the program collects grievances, reviews and investigate the complaints. The investigation then informs the development and execution of a remediation plan.

Scope for the program is Vietnam, Bangladesh, Turkey and Cambodia.

The program will be implemented with Key Tier 1 suppliers by 2025.

10

Create a Visual Observation Form (VOF) for Helly Hansen employees to use during visits to supply chain partners.

Conduct training sessions for teams visiting factories on how to effectively use the form.

A VOF will include sections for health and safety observations, workers well being and general observations.

This form will be ready by Q2 2025.

11

Code of Conduct to be translated into local languages.

Focus on Key Supplier location. Languages to be Chinese, Bengali and Vietnamese.

To be performed throughout 2025.

12

Create a set of policies in line with the ESRS reporting.

- Environmental policy for own operations.
- Environmental policy for suppliers.
- Policy on Freedom of Association.
- Grievance Mechanism policy.

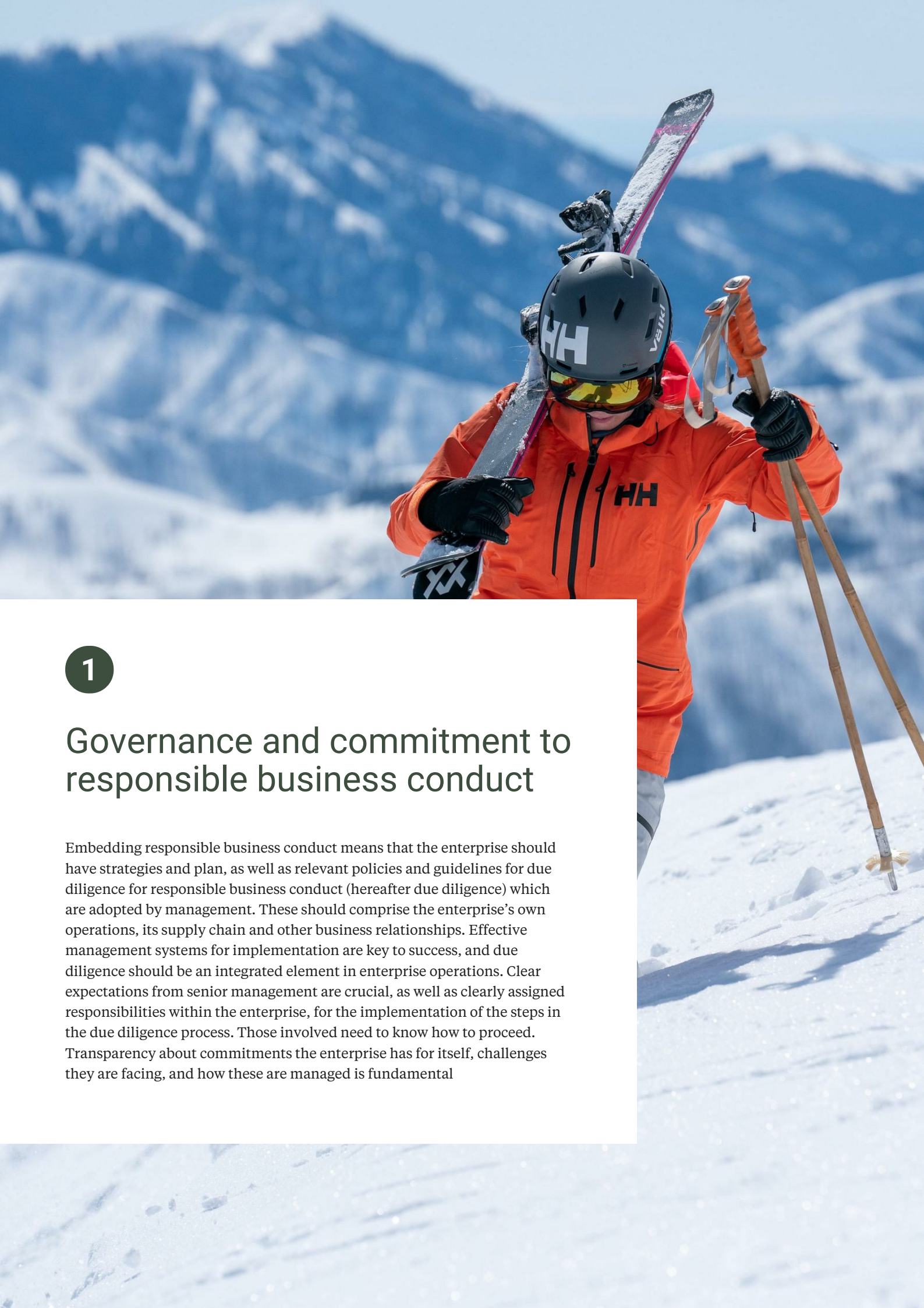
will be in place by Q4 2025.

13

Supplier Score Card

Develop and implement supplier scorecard where key factors like ESG performance are taken into account, in addition to quality, strategic importance and on-time delivery.

This work was started in Q1 2025 and the scorecard will be ready by Q2-Q3 2025.



1

Governance and commitment to responsible business conduct

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

1.A Policy for own enterprise

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

<https://www.hellyhansen.com/sustainability>

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

Our aspiration is to make products that can live through generations. Long-lasting products require durable materials, which is a priority for us and an advantage for the environment. Therefore, we constantly work to develop and choose materials with the lowest environmental impact.

This is done while making sure that we do our social due diligence for all the people that are working in our supply chain.

We have policies and procedures in place and we are transparent about who we work with and where our products are being produced.

Our Policy on Responsible Business Conduct and our Code of Conduct are shared on our website to communicate towards our external stakeholders how we commit to our work doing our due diligence in the supply chain we operate in.

We openly share our supplier list for Tier 1 and Tier 2 on our website. For Tier 1 we include the details of gender split, total number of workers in the factory, migrant worker status and status on labor organizations and collective bargaining.

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

Commitment to responsible business conduct has been a key element for Helly Hansen for many years and this is clearly communicated on our website alongside our governance documents.

In 2024 we have refined our compliance policies including our Supplier Code of Conduct, Chemical Compliance Contract and Vendor Policy.

These policies will be shared with all Helly Hansen employees involved in supply chain management and supplier relations.

Our sourcing team, legal counsel, and CSR and Compliance Manager have been collaborating in this process and the final commitments have been approved by senior management.

These documents form the foundation of our environment and social commitment and are communicated internally through workshops, presentations and sales meetings.

Starting in Q1 2025 we begun sharing these documents to our suppliers. Throughout the year, we will hold supplier meetings and workshops to ensure that the requirements are clearly understood and aligned with their practices.

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?

There are six people working in the ESG team.

- Sustainability Director
- Sustainability Specialist Analyst
- Sustainability Specialist Product
- Sr Sustainability Specialist Traceability
- CSR and Compliance Manager
- Social Audit Analyst

The Sustainability Director reports to VP Strategy & Operations and the CSR and Compliance Manager reports to Group General Counsel. Through these reporting lines the roles are directly anchored in the senior management team.

The Sustainability Director is steering the overall ESG work which includes leading the team of Sustainability Specialists, working with governance and compliance, educate both internally and externally and work close with Marketing on Sustainability communication.

The CSR and Compliance Manager works with all areas related to Social Compliance, Social Risk & Ethical sourcing and Chemical Compliance. In October 2024 Helly Hansen hired a new person that will be working as a Social Audit Analyst. This person started in beginning of January 2025. This role will report in to the CSR and Compliance Manager.

The Sustainability Specialist Analyst is analyzing and tracking the organizations environmental impact and measures progress against set KPI's and work with decarbonization in our supply chain.

The Sustainability Specialist Product is working with the three phases of a product and investigates how we can design products that last longer, are easier to repair, encourage reuse and create products that are recyclable.

The SR Sustainability Specialist Traceability is managing supply chain, product and material traceability. This role is situated in Hong Kong and works closely with our suppliers on topics related to traceability.

The Social Audit Analyst is a new role, but will play a crucial part in auditing and ensuring social compliance within our supply chain, analyzing supply chain data to report on supplier performance and work on supplier projects related to workers rights.

Throughout 2024, the ESG team has internally presented our ESG initiatives, including the rollout of our new ESG strategy to sales, marketing, product, sourcing and customer operations.

In total we conducted 11 workshops related to our ESG initiatives.

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?

The ESG Team has been given the task of, and is continuously working on, informing and educating internal stakeholders on topics surrounding environmental attributes, responsible purchasing practices, CSR procedures and environmental goals. The different departments have throughout 2024 been presented with our upcoming ESG strategy and the associated targets and goals. For roles that have specific responsibilities related to sustainability and responsible business conduct, this is included in their job description.

The ESG team have clearly communicated that the responsibility for implementing the targets is sitting in all the different departments and throughout 2025 we will continue to educate and prepare the teams towards these targets.

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

Throughout 2024 we have continued to educate the organization on our due diligence processes for both planet and people. The capacity building has been implemented through workshops, internal presentations, webinars and seminars. Additionally, our ESG strategy work has involved senior management in various workshops. In 2025 we plan to arrange an internal training program focused on chemical management compliance and this is scheduled for Q2 2025.

We collaborate with several NGOs and partners, including bluesign, Cascale (Worldly), Kemikaliegruppen, European Outdoor Group, STICA, The American Apparel & Footwear Association, Outdoor Industry Association, and Ethical Trade Norway.

Our key focus has been on educating about upcoming legislations and preparing the organization to meet future requirements.

All internal stakeholders are informed of their roles and how they can contribute to achieving the targets that will be set.

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?

Helly Hansen has throughout 2024 developed an ESG strategy and included in this work, we have done a double materiality assessment, looking into our impact, risks and opportunities. The result of this work is 12 material topics divided under Environment, Social and Governance.

Throughout this process we have identified where our highest risks are and what our targets should be towards 2030.

We have set targets within climate, chemicals, water, waste, supply chain and started to implement circular design principles. For example, for climate, we have started making our transition plan towards our target of reducing our impact by 42% against a baseline year of 2022.

Social auditing and onboarding processes are in place, and expectations for their implementation are clearly communicated to our supply chain partners. When any instances of non-conformance are identified, the Helly Hansen team, along with the Canadian Tire Corporation responsible sourcing team, collaborates with the vendor to develop a corrective action plan, verified through follow-up audits or appropriate third-party confirmation (or both).

Social non-conformances often involve systematic issues such as overtime and lack of management systems. To address these, we need to go beyond social auditing and focus on in-depth conversations with suppliers, long-term projects, and our own purchasing practices. These actions will commence in 2025.

We also work closely with our Tier 1 and Tier 2 supply chain partners to set goals for reducing our environmental footprint related to the production of our materials and products. To achieve this, we use the Higg Facility Environmental Module (FEM). We have communicated our expectation for mandatory use of the FEM module by all key suppliers in the coming years, with verified information. This data will help us identify focus areas for measurable climate action and support our suppliers in transitioning to reduce their environmental footprints.

At the beginning of new Tier 1 and Tier 2 partnerships, we also communicate our material policy, emphasizing preferred materials for our most used fiber types and preferred production processes.

We are part of three different decarbonization programs that focus on education, energy assessments, and setting targets for energy efficiency and renewable energy. By the end of 2024, we had included 11 Tier 2 facilities in these programs.

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

In 2024, Helly Hansen created an ESG Strategy which followed the principles of the CSRD reporting legislation and the ESRS standards.

Senior management was embedded throughout the strategy development process through participation in workshops and meetings.

Included in the ESG strategy work has been internal stakeholder interviews, mapping our own maturity, benchmarking against peers and undertaking a double materiality assessment. Through our double materiality assessment we were able to see the impact we had in our full value chain as well as identifying the financial risks and opportunities.

By identifying our most material topics, we have been able to set long term goals and KPI's these goals will be overseen by the senior management.

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?

For decades, Helly Hansen has been focused on building long-term relationships with its vendors. We view this as highly important to maintaining close dialogs and identifying areas for improvement. Simultaneously, we have strict compliance processes which must be followed which we require new and existing suppliers to adhere to.

All new Tier 1 and Tier 2 vendors are required to sign our Code of Conduct which outlines our standards and policies on labor, working conditions, wages, health and safety and the environment.

The supplier Code of Conduct is supported by an audit process for the Tier1 factories that includes training and education to help our suppliers understand and apply all policies. Our suppliers are risk assessed and based on this Helly Hansen determines the level of monitoring that is required.

Helly Hansen also require that all our Tier 1 and Tier 2 suppliers review, are prepared for, and are in compliance with REACH and they have to sign our Chemical Compliance Contract that outline the expectations we have when it comes to Chemical management.

By building trust and long-term relationships with our suppliers it is easier to set expectations concerning respect for people, society and environment and the expectations regarding our purchasing practices. This is mainly related to how we place our orders, lead-times and payment terms. Close dialog with our purchasing team and the suppliers throughout the year makes it possible to solve any unexpected situations that may occur.

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?

Throughout 2024 we have seen an increase in global legislations that Helly Hansen need to comply to. We have also seen an increase in activity from NGOs and regulators in addition to higher interest from consumers in supply chain governance.

We need to understand the challenges we have in our supply chain, where the risk lies and how we in the best possible way can evaluate and make sure we prioritize these risk areas.

Transparency/ Traceability:

Based on these observations, in 2024, Helly Hansen continued to expand the use of TrusTrace, a traceability and compliance data platform that was introduced as a pilot in 2022. It enhances our ability to see deeper into our supply chain and trace the origin of materials. 84 of Helly Hansen's suppliers have been onboarded to the platform, representing 36 Tier 1 suppliers and 48 Tier 2 suppliers.

This will allow Helly Hansen to know the journey of its material and product produced and used in addition to allow the customer to know where the products came from. We are using TrusTrace for collecting material certification (transaction certificates and scope certificates) so that we can make accurate material claims with evidence in hand. The platform is used to collect evidence from our cotton supply chain.

Labor rights:

In 2024, Helly Hansen identified the cotton supply chain as one of our priority risk areas and we took additional steps to integrate cotton suppliers within the TrusTrace platform. Over the past year, all Helly Hansen cotton suppliers received training on the TrusTrace supply chain mapping program to provide to necessary supply chain data. To further ensure continuous visibility, Helly Hansen has requested selected Tier 1 and Tier 2 cotton suppliers to regularly update their data on the platform.

As we look to improve our supply chain transparency in the future, continued collaboration with technology partners will be key to scaling our learnings across banners and product lines.

We implemented Kharon, which is a risk screening tool that is now a part of our supplier onboarding assessment. This screening tool allows us to screen our suppliers and their supply chain and can provide us with crucial data related to human right risks and how suppliers are exposed to these risks.

Chemical legislations:

We finalized our updated Chemical Management Process where the focus has been on building a system that can educate and drive improvements when it comes to making better decisions in material and product development and making sure that all chemical legislations can be tracked in a proper way.

An internal training program commenced in Q2 2025.

Capacity building:

Throughout 2024 we continued training Helly Hansen employees related to upcoming EU regulations. How each department can work to achieve targets related to our 2030 goals. This training has been webinars, in-house workshops and external meetings with stakeholders and participation in projects.

Collaborations and memberships:

NF&TA is a national association for the fashion and textile industry in Norway and the organizations' objective is a circular and value creating transformation of the Norwegian Fashion, Sports and Textile industry. Helly Hansen is a member of NF&TA and has during 2023 been part of the project repair and takeback in the sport industry. The aim of the project has been to collaborate within the industry to find solutions in Norway for repair and takeback systems.

Helly Hansen continues to be a member of the Cascale and are using the Higg Index tools to:

- map our own performance through Higg BRM to see where Helly Hansen's risks and opportunities lie
- measure supplier impact through Higg FEM to be able to set targets and goals in collaboration with our suppliers
- measure product impact through Higg MSI to be able to see how we can reduce our impact when designing our

products.

With the insight gained by using the Higg Tools, we have a clearer picture of our Scope 3 emissions, of our own product impact at design stage and how we as a brand impact our supply chain. This can result in further discussion and collaboration.

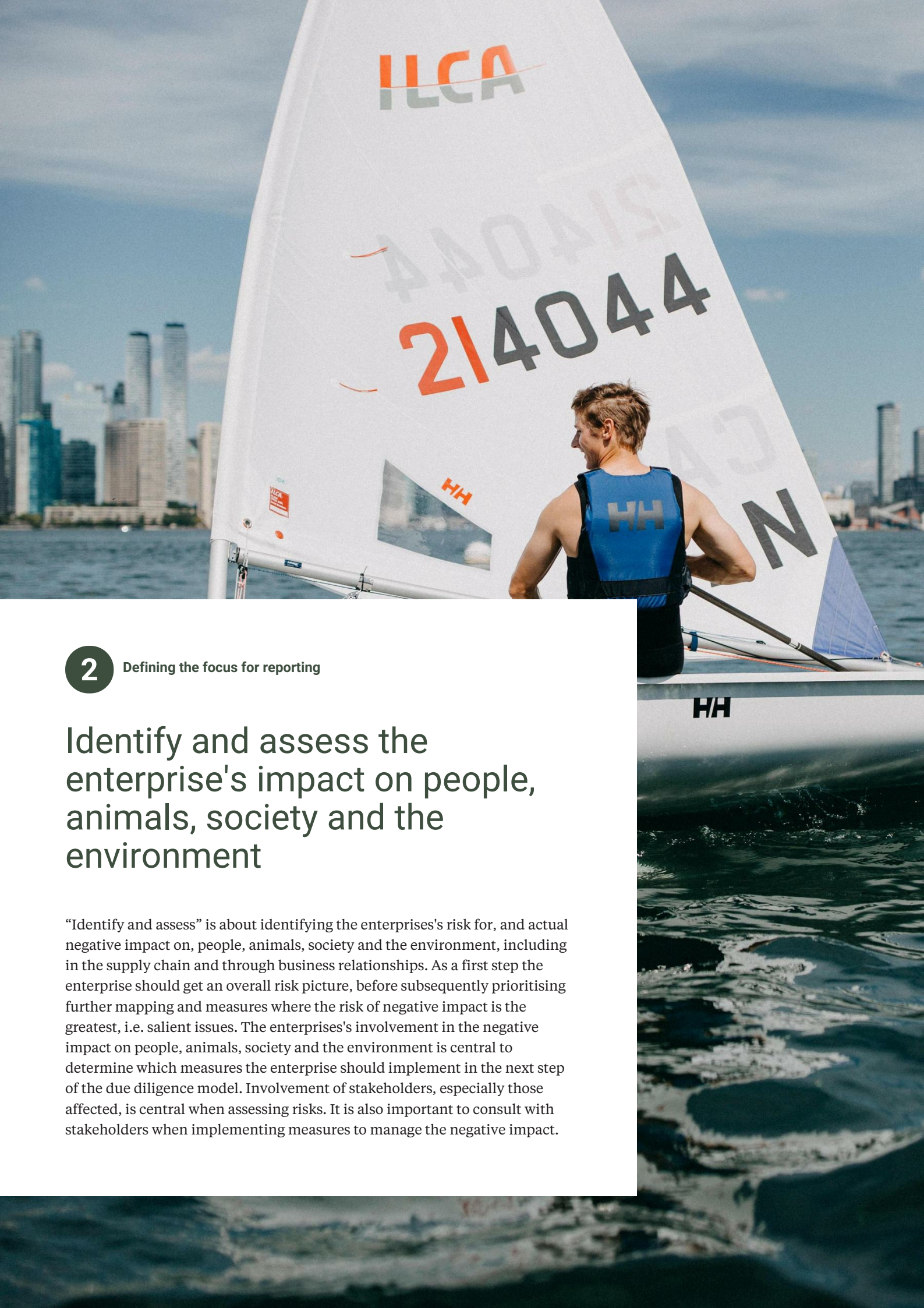
In 2024, Helly Hansen joined a multi-brand initiative led by Cascale to identify shared suppliers, including those beyond Tier 1, to collectively encourage Higg FEM participation. In 2024, the Higg FEM program was rolled out to 45 of Helly Hansen's Tier 1 suppliers and 128 Tier 2 suppliers.

In 2024, Helly Has was part of three different climate initiatives and decarbonization programs:

- EOG (European Outdoor Group) Carbon reduction program
- STICA, Scandinavian Textile Initiative for Climate Action
- Climate Action Corp through the Outdoor Industry Association

In response to our customers' growing information needs, we have assessed the most efficient ways to communicate with them. As a result, we have developed tools and guidelines for our sales teams and customer operations to use during customer interactions.

The information shared is related to all three ESG topics.



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
Hazardous chemicals	Environment Emission Water Use of materials	Global
Health and safety	Occupational Health and safety	Bangladesh China Indonesia Cambodia Laos Sri Lanka Turkey Vietnam
Climate impact	Environment Greenhouse gas emission Energy	Global
Forced labor	Forced labour Child labour Harsh and inhumane treatment	Bangladesh China Turkey Taiwan
Water: scarcity, consumption and pollution	Environment Water Use of materials	Global

Discrimination and harassment	Discrimination Marginalized populations	Bangladesh China Indonesia Cambodia Turkey Vietnam
The right to form and join trade unions and to bargain collectively	Freedom of association and collective bargaining	Bangladesh China Indonesia Cambodia Turkey Vietnam
Animal welfare	Animal welfare	Australia China New Zealand South Africa

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.

Risk mapping for Helly Hansen's supply chain involves identifying the countries we operate in, the types of products we produce, the raw materials used in our products, the number of suppliers we work with, and whether we source directly from them or through agents. Given our complex supply chain, considering all these factors helps us determine where higher risks exist and where we need to focus our efforts.

a) Helly Hansen's risk mapping is primarily conducted through:

- Reviewing third-party audit reports
- Conducting country-based risk assessments
- Screening suppliers using Kharon, a supply chain risk mapping tool.
- Visiting factories, meeting suppliers, and communicating with other brands producing at the same facilities
- Engaging in stakeholder dialogue
- Utilizing HIGG FEM and HIGG FSLM
- Responding to customer requests and demands
- Reviewing NGO reports
- Addressing international pollution concerns supported by scientific reports
- Preparing for upcoming legislation

Helly Hansen's sourcing model is based on direct contact with suppliers and factories, striving to build solid, long-term relationships. We also aim to consolidate our production facilities to reduce the number of factories we work with whenever possible.

b) The risk assessment described in this report focuses on our supply chain, prioritizing areas with a higher risk of human rights violations linked to the production of our products and raw materials (Tier 1 and 2). We do not find the same risk exposure in our head office, warehouses, or retail operations.

c) Data for conducting a proper risk assessment is gathered through:

- Analyzing third-party audits and CAPs to get an overview of the facility, demographics, and historic audit results. Facilities are involved in this process and in creating the CAP, which is later worked on together with Helly Hansen.
- Gathering country briefings from AAFA and Amfori ESG Risk Compass, which provide good indications of the country's overall state based on internationally recognized sources.
- Screening suppliers in our risk tool to determine if they have any connections with entities using forced labor.
- Visiting factories and conversing with suppliers and other brands producing in the same facilities to understand the facility's operations and setup.
- Collaborating through stakeholder initiatives, which create platforms for discussing risks and collaborating on risk mitigation. Examples include Kemikaliegruppen, European Outdoor Group, Cascale, STICA, and AAFA.
- Using HIGG to assess and analyze our supply chain partners concerning environmental and social risks (HIGG FEM and HIGG FSLM).
- Highlighting risks from four different angles in our ESG strategy work: circularity, value chain resilience, product transparency, and corporate narrative and reporting. This work was done during workshops with the executive team.

d) Through this process, we have identified gaps related to worker involvement in the facilities we operate and the need for a more stringent onboarding procedure. By 2025, we aim to address these gaps through new onboarding routines and the implementation of a pilot project with Hillestad Consulting, focusing on risk assessment and worker involvement.

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.

The risk of negative impacts in the textile industry is inevitable due to the resource-intensive and labor-intensive nature of our supply chain. While salient risk areas are described in section 2.A.1, there are additional areas that, although not as prominent, still require our attention and strategic focus. These areas include:

Waste Management:

We generate waste during production processes, but an efficient waste management system can help reduce this waste.

This can be achieved through improved marker planning, implementing recycling programs for pre-consumer waste, and better design and production practices.

Post-consumer waste can be addressed through recycling and upcycling initiatives.

Circular Economy and Recycling:

Transitioning from a linear business model to a circular we can significantly reduce our environmental impact. This involves designing products that have a purpose and are durable and last long, being mindful with the amount of resources we use, work with low impact processes and chemistry, promoting garment repair, reuse and recycling, and collaborating with industry peers to develop fibre-to-fibre recycling systems.

Lack of Management Systems in Our Supply Chain:

Many facilities we work with lack structured management systems, leading to inefficiency and poor oversight. The lack of formal mechanisms makes it difficult for management to address the systematic issues that comes up.

Helly Hansen can contribute to improving this through the policy work we are doing right now, by partnering with Amfori on processes like grievance mechanism programs and giving the suppliers better guidelines on workers rights.

These are all areas that we will address throughout 2025.

Overtime in Our Supply Chain:

Garment workers are often required to work overtime, frequently exceeding legal limits, due to tight production timelines and last-minute order changes. This can lead to health issues and workplace injuries.

Helly Hansen must ensure that the facilities we work with comply with local laws regulating working hours and provide overtime pay.

This is now part of a pilot project we have started with Hillestad Consulting where we will work on more in-depth communication with the facilities and ensuring that they understand how to tackle systematic issues and how they can communicate this to their workers.

We are also looking into collaborating with organizations that work on improving purchasing practices and we will approach this internally looking at how we can improve our planning and order placement.



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

	Hazardous chemicals
Goal :	Helly Hansen aims to be in compliance with all global chemical regulations and making sure that there is no hazardous exposure of chemicals to the people in our supply chain, the end user and the environment where the product is being produced and used.
Status :	<p>We are committed to ensuring that most of Helly Hansen's materials and trims are bluesign approved, with an increasing number of products achieving bluesign certification.</p> <p>Bluesign and its Input Stream Management System is ensuring that the chemical process is done correct all the way from its first stage. This process ensures that both the manufacturing process and the final product have the least possible impact on people and the environment.</p> <p>We as a brand are encouraged to work with our suppliers on applying the substitution principle so that all unwanted substances in the products are replaced with safe substances.</p> <p>Throughout 2024, we finalized our Chemical Management Process Guidelines, including an updated Chemical Compliance Contract, ensuring all suppliers sign and comply. This contract is now more stringent, ensuring suppliers understand and adhere to global regulations and expectations. Our Restricted Substances List (RSL) is updated annually, with a separate RSL for footwear, both published on our website. Helly Hansen is a member of Kemikaliegruppen, OIA Clean Chemistry & Materials Coalition, AAFA Product Safety Council, and EOG, where global chemical compliance topics are discussed, and legal advice is available. Through these organizations, we stay informed about upcoming laws and requirements.</p>
Goals in reporting year :	<p>Throughout 2024, Helly Hansen continued to expand our bluesign approved material portfolio, regularly testing non-bluesign approved materials based on chemical risk.</p> <p>Testing was also conducted on materials reviewed due to specific country legislations. This was specifically related to recycled polyester.</p>

Describe already implemented or planned measures :

Helly Hansen has continued its collaboration with bluesign, aiming to increase the number of bluesign approved materials and trims in our collection.

Our goal for 2030 is to have 80% of our products bluesign certified.

Helly Hansen is actively working to eliminate PFAS in all remaining products.

By Spring/Summer 2025, only a small number of offshore sailing and buoyancy aid products will contain intentionally added PFAS. In the US, specialized offshore products are exempt with disclosure requirements, and workwear products do not have disclosure requirements. These will be phased out as PFAS-free alternatives are developed and tested to meet performance standards, with full compliance by 2028 when a total PFAS ban comes into force in the US.

For the EU, we are preparing for the regulation effective October 2026, carefully monitoring our inventory to ensure all PFAS is removed before the regulation takes effect.

The increasing use of recycled materials has raised concerns about hazardous chemicals, many of which are unknown and unregulated. We will monitor our material portfolio carefully and perform necessary tests to eliminate risks. We have established the Chemical Management Process which will be implemented throughout 2025. Workshops will be arranged in Q1 2025 to educate product management, design, and product development teams on processes and risks related to human and environmental impact.

We will continue to work with NGOs and organizations to track and implement relevant upcoming legislations.

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

Internal and Supplier Training:

By implementing a more stringent Chemical Management process, we expect a deeper understanding of risks related to our material portfolio and how internal stakeholders can ensure we source materials with minimal impact on people and the environment. With our Chemical Management process in place, we will establish a good dialogue with suppliers on chemical handling and educate them on upcoming global legislations. This will reduce chemical exposure risks for workers producing our materials and end consumers using our products.

Chemical Compliance Contract: A clear and concise chemical contract, along with training and guidance on upcoming legislations, will better equip suppliers to understand and comply with requirements.

Follow-up on PFAS Compliance and Internal Monitoring: Customers, consumers, and regulatory bodies are requesting more information about our PFAS phase-out. We will continue testing new PFAS-free alternatives.

We will continue to work towards the reporting requirements for PFAS put forward by the US Environmental Protection agency under TSCA.

	Health and safety
Goal :	<p>A key focus for Helly Hansen is to provide a healthy and safe working environment for all the people in our supply chain. To achieve this we are performing regular audits and work in close collaboration with the factory if any non-compliance issues have been discovered. Key focus areas within Health and Safety are: fire, electrical and structural integrity, chemical handling and labelling, correct use of PPE equipment and health checks for workers.</p>
Status :	<p>Helly Hansen has largely focused on Fire, Electrical and Structural safety, these being our most salient issues under health and safety. In Bangladesh we are collaborating with Nirapon to implement improvements in the factories we work with and we have been members of Nirapon since September 2021.</p> <p>Nirapon is an organization that work towards creating safe work environments in which workers understand their role in upholding a safe workplace and are empowered to raise their voices to identify and address safety issues.</p> <p>In addition we do regular 3rd party audits where health and safety are one of the areas we monitor closely and all non-compliance issues are followed up with a CAP (Corrective Action Plan) that needs closure before production can continue.</p> <p>Zero tolerance issues can be identified through our regular social auditing. If there are findings the facility is required to act immediately and put production on hold until the findings have been fixed. This is a process that is followed up both in writing and by Helly Hansen personnel visiting the facility. There are also strict procedures in the Amfori BSCI System manual that we follow.</p>
Goals in reporting year :	<p>Health and Safety Improvement is an ongoing process that is followed up throughout the year.</p> <p>By performing Social Audits we are not only pinpointing hotspots in some factories, but we also create awareness around Health and Safety and how to comply to national and international regulations.</p> <p>We have a good dialog with our suppliers on how they can improve, and we ask for evidence when the improvement has been done. This can either be through photographs or small films they send us. The factory has to go through a follow-up audit making sure that all improvements are implemented.</p>

Describe already implemented or planned measures :

Through our auditing efforts, we have identified hotspots and implemented necessary improvements to ensure factory compliance. Health and Safety are non-negotiable priorities.

Throughout 2024, we conducted 89 third-party social audits, Health and Safety assessments being part of these. When discrepancies are discovered, we require factories to follow up with a timeline for completion and keep us informed of their progress.

Amfori BSCI also ensures workers are equipped with the knowledge to identify and address discrepancies.

In 2024, common issues included workers not wearing PPE, blocked escape routes, missing lights in exit signs, improper storage and labeling of chemicals, and insufficient regular worker training.

We had planned to participate in the EIS Pilot in Bangladesh in 2024, which aims to ensure effective protection for work-related injuries within our supply chain, thereby fulfilling workers' rights to a safe and healthy workplace.

However, due to our focus on completing the ESG Strategy and limited resources, we aim to participate in this pilot in 2025.

This pilot provides a framework where both national and international actors can engage and work together to create a long-term fully nationally owned social insurance scheme against workplace injury from which all will gain.

The scope is 6 factories in Bangladesh that Helly Hansen works with. The implementation of the project will start in Q2-Q3 2025.

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

Helly Hansen Tier1 vendors are audited on a periodic basis for compliance against our Code of Conduct (generally, at least every two years) where Health and Safety has its own paragraph. and this process is ongoing and will continue also for 2025.

Due to the work we have completed around our ESG strategy we have not had the resources to focus on the implementation of EIS Pilot project (Employment Injury Insurance Scheme), but have now set this as a focus for 2025 and will be implemented throughout the coming year.

We will also complete a "Visual observation form/ factory audit training list" and this document will be a training tool and a checklist to help employees visiting the factories become familiar with basic social compliance issues. The checklist will also make it easier for them to know what to look for and report back if there are irregularities they are worried about.

	Climate impact
Goal :	Reduce our emissions in line with the Paris agreement 1.5 target – 42% reduction in Scope 1, 2 and 3 by 2030.
Status :	<p>We have during 2024 committed to the Science Based Target initiative and submitted our target.</p> <p>We have calculated our green house gas emissions in all 3 scopes to identify where we have our biggest emissions. We have set sub targets to reduce our impact on production of our material and products which stands for over 90% of our total climate impact.</p> <p>In our transition plan, we have identified actions along our full value chain that we need to take to be able to reach our 2030 targets, examples of those actions are increasing low impact materials, working with marker efficiency, working with our supply chain on decarbonization efforts and identifying low impact processes for e.g. dying of our fabrics.</p> <p>We are active in three climate initiatives, the OIA, the Climate Action Corps, EOG, European Outdoor Group and in STICA, Scandinavian Initiative for Climate Action. Through our participation in those decarbonization programs, together with our supply chain partners we are expecting to see a reduction in overall climate impact over the coming years.</p> <p>We continue to establish our climate work, by increasing the scope of our emission calculations and setting a clear target for 2030.</p> <p>During 2024, we worked to educate our internal stakeholders, develop a transition plan to 2030, and continue ongoing climate initiatives. For more information, please refer to our climate goals.</p> <p>We continue to roll out the Higg FEM to all our key Tier 1 and Tier 2 suppliers.</p> <p>We are focusing on creating preferred fibre and material strategies and have rolled out internal workshops for capacity building.</p>

Goals in reporting year :

Our goal for 2024 has been to commit, submit and have our climate targets verified by the Science Based Targets Initiative. As part of this, we have increased the scope of what is included in carbon emissions calculations and developed a transition plan on how to achieve these targets. We submitted our targets of reducing our impact by 42% absolute in all 3 scopes by 2030 during 2024. Validation of our target took place in Q1 2025.

One way of reaching our climate targets is to go away from a linear business to a circular business. We have started that work by identifying our circular principles; products with purpose, Durable and long-lasting products, Resource efficiency and End of life in mind. The methodology for circular design has also been worked on together with our design and category leads.

Describe already implemented or planned measures :

We work with our supply chain partners on creating as little impact as possible with the tools and resources we have available.

Through our focus on finding materials and treatments that have a lower impact we have managed to see some reduction in our CO2 emissions.

By using solution dyed material, a technology that is dyeing the yarn during spinning instead of dyeing the ready yarn, we have lowered both CO2 emissions and water usage. The savings of CO2 emissions have for 2023 is in total 379 692 kg CO2 for dyeing in total 265 810 Kg of material.

We have during 2024 conducted a GHG emission calculation for scope 1, 2 and 3 and identified data gaps. We can see that our biggest impact is within the production of the material we use in our product (Scope 3 Purchased goods). The smallest portion is Scope 1 and 2, own operations that stand for approximately 1% of the total.

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

As we prepare Helly Hansen for its first ESG report in line with CSRD standards, our goals for 2025 and the years to come will include clear governance structures and action plans which are aligned internally.

Some of these action points include establishing a material policy including developing circular principles for design and repair services, and creating a strategy and policy for shipment and transportation. For each action point, a baseline will be set against which progress can be tracked.

We will also continue employee awareness of our ESG strategy and required actions to achieve our goals.

	Forced labor
Goal :	Forced labor is a serious violation of human rights and is an issue in several countries where Helly Hansen operates. It is essential that our suppliers provide fair and safe working conditions for all workers in our supply chain. This can be achieved by ensuring our suppliers adhere to ethical and legal codified in contracts, as well as providing adequate training for management and workers on their rights and responsibilities.
Status :	<p>Helly Hansen is committed to upholding ethical and responsible business practices across our supply chain, with a strong focus on combating forced labor. We have strengthened our social compliance documentation by updating our Code of Conduct and introducing a Supply Chain Social Due Diligence Policy. These documents clearly define our expectations for suppliers and their subcontractors, requiring formal agreements before any production can commence.</p> <p>There is a higher risk connected to China on a raw material level. Since China is one of our main sourcing countries, we work to ensure that we have appropriate risk monitoring processes in place to find and mitigate potential risks related to forced labor.</p> <p>We continuously monitor our Tier 1 suppliers through a social audit program and utilize TrusTrace to ensure transparency and traceability not only in Tier 1 but also in Tiers 2, 3, and 4.</p> <p>Additionally, we have implemented Kharon, a supply chain risk mapping tool, to identify potential forced labor risks, providing actionable alerts when concerns arise.</p> <p>By fostering greater transparency and gaining deeper insights into our supply chain, we are better equipped to monitor and mitigate forced labor risks.</p>
Goals in reporting year :	<p>Throughout 2024 we continued our work on implementing Trustrace and making sure that more of our suppliers map their supply chain through the platform giving us visibility down to Tier 3 and 4. The Kharon risk mapping tool makes it possible for us to screen all new suppliers for potential forced labor risks and we have established internal routines if there are findings during the screening process.</p> <p>This mapping gives us a clear picture of the location of our raw materials, and this will make it easier for us as a brand to identify hotspots with regard to forced labor. In addition to this we have done regular audits through Amfori BSCI and continued mapping of vulnerable groups in the factories we source from.</p>

Describe already implemented or planned measures :

We continue to maintain an active dialog with our suppliers to ensure they are aware of our policies, standards, and expectations surrounding the prohibition of forced labor in our supply chains. This is done through our Code of Conduct and our onboarding process. We will continue to monitor the suppliers to discuss the importance of appropriate worker policies and procedure and how to implement them. Close dialog with our suppliers is key, and for 2025 we are scheduling supplier meetings/ supplier summits where these issues are discussed in depth.

In 2024, a U.S. based organization, Transparentem, reported on the use of recruitment fees and other labor abuse in Taiwanese textile mills and 47 brands were exposed in the report, Helly Hansen being one of them and two of our Tier 2 suppliers were included in the report.

Throughout 2024 Helly Hansen collaborated with other brands to audit factories and develop corrective action plans. We also urged Taiwanese authorities to address systemic issues and visited Taiwan with a delegation to support action. We agreed to work with the Taiwan Textile Federation to develop responsible recruitment metrics.

The brands are still in discussion on repayment of recruitment fees and the role of brands in terms of financial support.

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

By having a proper risk assessment tool available we are able to risk assess our suppliers and find potential hotspots, clearly communicate our expectations towards our suppliers with regard to the risk of forced labor and establish proper mitigation processes.

We will continue working with our supplier to ensure they are aware of the increased risk associated with having migrant workers in their workforce and ensure that proper management systems are in place so migrant workers are not subject to forced labor and are treated in a fair and inclusive way.

We will also continue to monitor the number of migrant workers in our supply chain through Amfori BSCI and follow up on any non-compliance issues that is related to this particular risk factor.

	Water: scarcity, consumption and pollution
Goal :	In 2025, we will set a target for reducing our use of water.
Status :	<p>In the same way as we are setting climate targets, we will set a target for reduction of our impact using water. Our long-term target will be defined during 2025 when we have explored best practice for how to measure water usage, water scarcity, setting our baseline and identify the actions needed to reach the target. This could include reduce or remove hazardous chemicals from wastewater streams from our supply chain partners and to reduce total usage of water in the production of our materials.</p> <p>We are mapping our production and wet facilities in our supply chain, focusing on our Key suppliers that covers 80% of our total volumes. By doing this we will be able to set a baseline and impact reduction can be planned accordingly. Today we use the Higg Material Index to measure the water scarcity of our Tier 2 suppliers, those who use the most water in the processing of material.</p> <p>We also see that the work of increasing the amount of bluesign certified material will support our targets. We are actively working towards having more of our products bluesign approved. Internal capacity building is part of achieving this goal and focus on preferred materials part of the process. Close collaboration with our key suppliers in material selection is key.</p> <p>We are also exploring the possibilities of water saving dyeing methods.</p> <p>We have implemented the use of recycled material coming from Oceanbound plastic. Ocean Bound plastic is coming from plastic bottles sourced within a 50 kilometer/ 30 miles radius of costal areas.</p>
Goals in reporting year :	<p>Throughout 2024 we continued to increase the amount of material used with lower impacts on water, including the use of recycled content and solution dyed materials. We have seen a significant saving in the use of water and chemicals as a result of these actions.</p> <p>Helly Hansen have also continued to focus on implementing more bluesign approved material. Bluesign has an input stream management system that controls and regulates water consumption and water pollution. By using more bluesign materials we have lowered our use of water by 31% year on year.</p>

Describe already implemented or planned measures :

We are working in close collaboration with our supply chain partners to make sure that water management is one of their priorities.

Through our bluesign collaboration we are working with our supply chain partners making sure that water management is one of their priorities.

By selecting bluesign materials that we know have reduced water impact we also know that we automatically eliminate harmful chemicals in water streams.

Many of our key suppliers are also integrating water treatment plants that can reuse the water used during production.

Through HIGG FEM we have created awareness around water preservation and will continue the dialog with them on future projects Helly Hansen can participate in.

Helly Hansen will continue its environmental risk assessment related to water scarcity and consider this data when deciding on its sourcing location and sourcing partners.

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

During 2025, Helly Hansen will join a water initiative to set the agenda for how to measure water consumption and scarcity, set targets and make a roadmap for 2030.

	Discrimination and harassment
Goal :	<p>Our goal is to have a supply chain where the risk of discrimination has been eliminated and open and honest communication is being promoted.</p> <p>Modern slavery, migrant worker discrimination, female discrimination, sexual harassment and other forms of harassment are salient issues that we seek to eliminate through regular audits, close dialog with our supply chain partners and awareness training for all the workers in our supply chain.</p>
Status :	<p>More instability around the world, more severe weather and more conflicts are all factors that result in a higher risk for discrimination and harassment. We as a brand must ensure that our supply chain follows the due diligence processes we require and take care of the workers that produce our products. Our long term relationships with most of our Key suppliers also makes it possible to have an open and honest dialog around issues related to discrimination. Non-conformance issues are addressed directly with the factory and a remediation plan is drafted and followed up throughout the process.</p> <p>Amfori BSCI monitor our suppliers, and training is done through the Amfori onboarding package.</p>

Goals in reporting year :

In 2024, we continued to monitor issues related to discrimination and harassment mainly through Amfori BSCI and the Amader Kotha helpline. Amfori BSCI allows us to reach all our Tier 1 suppliers by providing training. The Amader Kotha helpline, a trusted resource for garment workers in Bangladesh to report and resolve workplace concerns, enables us to connect with all of our 7 suppliers in Bangladesh.

Our social audit program requires all suppliers to sign and comply with our Code of Conduct, that states they shall provide equal opportunities to all workers and not engage in or tolerate discrimination and shall also protect their workers from harassment.

Any non-conformance findings are addressed through a Corrective Action Plan with follow-up actions. Management and workers collaborate to address these findings.

In 2024, two incidents were reported through the Amader Kotha helpline, one involving physical abuse and harassment. Reported in late November, the incident was followed up by the supplier, our CSR team, and Amader Kotha, and resolved in January 2025..

Addressing discrimination and harassment can be complex and may require a systematic approach. While we have not yet reached this level, in 2025, we plan to explore solutions through worker involvement programs and capacity building, including on-site training and e-learning platforms. We will begin mapping available programs in Q1-Q2 2025.

Describe already implemented or planned measures :

To prevent or mitigate negative impacts related to discrimination and harassment, Helly Hansen will continue its work with Amader Kotha in Bangladesh and Amfori BSCI through the social auditing program. In 2024 we had planned to implement the grievance mechanism program "Amfori Speak for Change", but since the focus in the reporting year has been on establishing actionable targets and setting goals for 2030 this limited our capacity to focus on this during 2024. We are now planning to start this work in Q1/Q2 2025 and have already reached out to Amfori to gain more information on the system and how we can start the implementation process with the suppliers.

"Amfori Speak for Change" is a supply chain grievance mechanism program that allow workers and communities to voice their concerns anonymously through a software program where the complaints will be handled by Amfori and a designated Helly Hansen employee if the report is seen as a human rights violation. All Amfori members linked to the involved supply chain partner will have access to the same data which means that Helly Hansen can collaborate with other brands to solve issues related to discrimination and harassment.

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

Through capacity building and by having a platform where they can voice their concerns, we hope that workers in our supply chain can feel heard if there are issues in their workplace, and this will hopefully build trust.

Both through the Amader Kotha Helpline and "Amfori Speak for Change", the factories will also gain a better understanding of some of the problems their workers may have, and this will give them the opportunity to improve processes and systems.

	The right to form and join trade unions and to bargain collectively
Goal :	<p>Our goal is to establish fair ways for the workers in our supply chain to be able to express their opinions and concerns related to their work life. There should be clear and open communication between the workers and factory management. Having Worker representatives or Workers Union should be encouraged as this has an overall positive impact on the people throughout our supply chain.</p>
Status :	<p>The right to form and join trade unions and to bargain collectively is embedded in our Code of Conduct, which sets minimum criteria that suppliers are required to meet. This aspect is also included in our regular factory audits, allowing us to track the number of factories with trade union or worker representatives.</p> <p>Currently, 47 out of the 106 Tier 1 factories we collaborate with have trade unions in place. However, we have not yet established communication with these union representatives to understand their roles and influence in decision-making. Through capacity building, we aim to encourage supplier engagement and foster mutual understanding.</p> <p>Our capacity-building efforts will involve highlighting the business benefits, conducting educational workshops, clearly communicating our expectations, and exploring collaboration with other brands and NGOs to establish effective communication channels and share best practices.</p>
Goals in reporting year :	<p>In 2024 we continued to monitor the number of factories having unions and worker representatives in place and we have collected this information through our social audits.</p> <p>The information gives us indications on how the factory is set up. We also follow up with factories when no trade unions or collective bargaining systems are in place to understand why this is the case. Having systems in place where people can join a trade union freely or the workers can choose a worker representative is critical to a healthy worker environment.</p> <p>In 2024 we have not had the capacity to look into this any further mainly due to the ESG Strategy we have developed.</p>

Describe already implemented or planned measures :

Helly Hansen will continue to monitor its suppliers and have a strong focus on close dialog with them. We are planning to implement a Freedom of Association Policy that will clarify the responsibilities the suppliers have to ensure they respect the right of workers to form a union, to bargain collectively and to interact with workers in the workplace. This policy will be implemented in 2025 and rolled out to all new and existing suppliers. We will also have supplier training sessions and supplier summits. These can help us push this work forward.

Our Code of Conduct has also been updated and a separate paragraph describes our expectation towards our suppliers to do their due diligence related to freedom of association and the right to collective bargaining.

In 2025 we are planning to arrange supplier meetings and host a supplier summit where we can discuss:

- The benefits of having Trade Unions or worker representatives in the facilities.
- Facilitate educational workshops where expectations related to international labor standards are raised and how this practically can be implemented in the facilities.
- Recognize and reward suppliers that have good practices in place.

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

Through capacity building, we are hoping to create a better understanding amongst the workers and the factory management on what their rights and responsibilities are and this could create a closer collaboration between them.

	Animal welfare
Goal :	Our 2030 target is to only buy animal origin material that is 100% certified as in line with internationally recognized animal welfare standards.
Status :	Helly Hansen is certified for Responsible Down Standard and Responsible Wool standard, following the Textile Exchange Content Claim Standard. We are also a member of Leather Working group, and all our Merino wool is ZQ certified, a standard in line with our animal welfare policy.
Goals in reporting year :	For 2024, we have a 100% Leather Working group certification in place, 100% Responsible Down Standard certification in place and 90.8% of our wool is either Responsible Wool Standard or ZG certified.

Describe already implemented or planned measures :

Our aim is to update our full material strategy and material policy during the coming year, and we are in a constant dialogue with our suppliers on importance of being certified and work with certified materials.

We are asking our suppliers to provide us with the transaction certificate not only on the certified material, but for the final product. That means that we as a company can make the relevant claims for the product.

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

Our aim is to update our full material strategy and material policy in 2025, and we are in a constant dialog with our suppliers on importance of being certified and working with certified materials.

3.B Other actions related to management of negative impact

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

- * Calculation of our environmental footprint with a focus on GHG and water.
 - * Apply tools and policies such as HIGG Index and bluesign.
 - * Focus on introducing materials and treatments with a better environmental profile such as recycled, solution dyed and organic cotton.
 - * Apply a circular perspective with the priority order: QUALITY, REUSE, REPAIR, RECYCLE.
 - * Respect animal lives and treat animals fairly in line with internationally recognized international standards.
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3.B.2 Reduction of greenhouse gas emissions

Helly Hansen has set a climate target, yet to be verified by the Science Based Targets Initiative. As part of our transition plan, we are working together with our management team to identify actions that can support us towards the 2030 target.

3.B.3 Improvements in own purchasing practices

2024 presented significant challenges, particularly the high backlog of inventory, which led to a necessary reduction in buying power. To navigate this, we focused on tighter inventory control, supplier collaboration, and strategic adjustments to our purchasing approach. Key measures implemented include:

- Stricter Inventory Management & Controlled Purchasing – Given the elevated stock levels, we took a more selective approach to purchasing, prioritizing core and high-performing products while deferring or reducing buys for slow-moving categories.
 - Supplier Collaboration on Volume Flexibility – To align with lower purchasing capacity, we engaged suppliers in discussions around more flexible MOQs, phased deliveries, and adjusted commitments to mitigate overproduction risks.
 - Reallocation & Sell-Through Optimization – A significant effort was placed on reworking the allocation of existing inventory, leveraging outlets, D2C, and alternative sales channels to clear backlog efficiently without deep markdowns that could impact brand equity.
 - Increased Frequency of Buy Plan Sharing – To improve supplier alignment and agility, we moved to more frequent sharing of our buy plan, allowing vendors to adjust production schedules accordingly and reduce excess inventory risk. This helped suppliers plan more efficiently while supporting our efforts to minimize overstock.
 - Lean Material Booking & Utilization – Pre-booking of materials was handled with even stricter risk assessment, focusing only on essential commitments while repurposing surplus materials from previous seasons to reduce waste and cost.
 - Long-Term Supplier Strategy Adjustments – With reduced buying power, we worked closely with strategic suppliers to ensure continued partnership stability, balancing short-term constraints with long-term collaboration to maintain supply chain health.
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3.B.4 Choice of products and certifications

Helly Hansen sees that the products we are producing can potentially have a negative impact on the environment, but by considering the decisions we make in the design and development stage we can contribute towards reducing our footprint.

Some of these action points are:

- Establish a material strategy with low impact materials.
- Implementing circular design principles, since 80% of the impact from a product is decided in the design phase.
- Rollout of a HIGG facility Environmental Module.
- Continue sourcing bluesign materials and increase the percentage of bluesign approved products in our collections.
- Increase the volume of recycled and solution dyed materials.
- Continue to use ZQ certified merino wool and for other wool focus on certified Responsible Wool Standard, which we also are certified to.
- Ensure our products are high quality and made for longevity.
- Investigating different solutions for textile-to-textile recycling by participating in industry research as well as
- Work with our most important suppliers in T2 to reduce their carbon emissions. Building capacity, making energy assessments and roadmaps to phase out coal, as well as implement energy efficiency measures and renewable energy.
- Continue to work on the final phaseout of PFAS from our products through strict inventory control, monitoring new developments and testing PFAS free solutions making sure the correct performance requirements are in place. Also follow up on all global legislations coming into force making sure we are compliant.

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

The factories that Helly Hansen collaborates with have signed our Code of Conduct, which clearly states that workers have the right to join or form trade unions, shall not be discriminated, and should have access to perform their representative functions within the workplace. Suppliers have legally agreed to uphold the values outlined in the Code of Conduct.

Additionally, the Code of Conduct specifies that in regions or countries where the right to freedom of association and/or collective bargaining is legally restricted, suppliers must facilitate, rather than obstruct, the development of alternative forms of independent and free worker representation and negotiation. This is particularly relevant in China, where it is crucial for us to provide alternative reporting channels or ways for workers to express concerns. In 2025 we will continue to develop ways of workers involvement and long-term projects that can be linked to this.

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

Throughout 2024 we held training sessions for our suppliers on Supply Chain mapping through the use of TrusTrace. All key suppliers have now been trained on how to use the TrusTrace platform.

We have also continued to focus on internal education where we have presented the ESG Strategy and the targets we have set and goals that should be met by 2030. This was first done to sales on our sales conference in Q3 and then internal workshops for all the different departments throughout Q3 and Q4 2024.

Several material certification trainings have also taken place.

Training both internally and externally related to the use of our HIGG tools:

* For environmental training and capacity building for our Tier 1 and Tier 2 suppliers we are working with HIGG FEM (Factory and Environmental Module) that will give them clear indications on improvements that can be done in terms of production processes and emission reduction.

*The HIGG BRM module (Brand and Retail Module) is a module that gives us as a brand clear indication on how we are performing on environment and social in the areas of management systems, brand, stores and operations & logistics.

The BRM that was performed in different departments in Helly Hansen in Q2 2024 is a self assessment and in Q4 the information was verified and approved by an external verifier. The external verifier then presented a gap analysis and came with suggestions on improvement work that can be done within the company and a suggested improvement plan.

The results of the assessment were: Environment (22.9%), Social (32.2%), and Governance (41.2%).

In addition, when working with Amfori BSCI there are several requirements related to training and worker involvement. This is part of the annual audit procedure for our suppliers and informs us if Corrective Action Plans needs to be addressed.

By having a close collaboration with suppliers and also strict implementation of compliance procedures we are able to look at the gaps where focus needs to be on training and development.

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

Internally, we are asking all our new Helly Hansen employees to sign and adhere to our anti-corruption policy.

This policy is a critical part of our commitment to maintaining the highest ethical standards within our organization. Additionally, our supply chain partners are required to sign our Code of Conduct, which includes a specific section dedicated to anti-corruption and financial misconduct.

This section clearly states that Helly Hansen has zero tolerance for all forms of corruption. It outlines in detail the various areas covered under the contract, such as bribery and any other unethical financial practices. By signing the internal anti-corruption policy and Supplier Code of Conduct, both our employees and supply chain partners acknowledge their understanding and commitment to these principles.

Currently, we do not conduct any further follow-ups in this area. However, we trust that by signing our contract, both suppliers and Helly Hansen employees will comply with these standards. We believe that having these contracts in place we can ensure that all parties involved uphold our ethical values.

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



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) Tracking

When onboarding new suppliers, our sourcing department sends out the Social Compliance Documents, which consist of our Code of Conduct, Helly Hansen Policy on Responsible Business Conduct, and our Chemical Compliance Contract (including the current RSL list). All our suppliers are required to have a valid audit in place before any purchase orders (POs) can be produced. The supplier onboarding process is followed up by the CSR and Compliance Manager, along with a social compliance team from our parent company, Canadian Tire Corporation.

All social audits are performed by third-party auditing firms that report back to us, and any non-compliance issues and CAP reports are followed up by the CSR and Compliance Manager and Social Audit Analyst. Regular internal inspections monitor Helly Hansen's factory portfolio to ensure compliance. Also, through our membership with Cascale and Worldly and the use of the Higg tools, the sustainability team monitors our Tier 1 and Tier 2 key suppliers and their environmental and social performance. The data collected is used to track performance, set up improvement programs with suppliers, and engage in brand collaboration. We will continue this work throughout 2025.

Tracking Responsibility & Practical Implementation:

The Demand Planning team, together with our Supply Planning team in Hong Kong, is responsible for tracking the impact and effectiveness of implemented capacity management measures. Their key responsibilities include:

Monitoring and Adjusting Capacity vs. Actual Bookings: They work closely with suppliers throughout the season to ensure that overbooking is minimized and production schedules remain balanced.

Mitigating Overbooking Risks: In cases where overbooking occurs, they coordinate with suppliers to redistribute capacity to other factories, ensuring capacity is distributed to avoid excessive overtime. Additionally, they consider expanding the production line where feasible to accommodate demand while maintaining ethical working conditions.

Year-Round Capacity Regulation: The team continuously monitors factory production levels to optimize low-peak periods, enhancing efficiency and reducing unnecessary workload surges.

Impact on Sustainability: Their work directly influences overtime reduction, worker well-being, and fair capacity distribution, contributing to responsible supply chain practices.

By assigning these responsibilities and implementing these tracking mechanisms, we ensure that our capacity management measures are effective and contribute to our overall sustainability goals.

b) Evaluation of implemented measures

We have established several tracking processes through our membership reporting in Cascale, Higg vBRM, bluesign brand assessment, and internal ESG team evaluations. The Demand Planning team, together with our Supply Planning team in Hong Kong evaluates:

- **Factory Visits:** Conducting regular evaluations of production planning, sample development, and waste management.
- **Optimizing Efficiency:** Working with factories to adjust samples, enhance workflows, and minimize waste.
- **Considering Production Line Expansion:** Assessing the potential benefits of expanding production lines to optimize capacity and alleviate bottlenecks.

We recognize that there are significant opportunities for developing KPIs to monitor supplier progress related to social compliance and purchasing practices. Consequently, we have initiated the development a tool for the Social Compliance team to track and measure progress, based on OECD guidelines. We aim to have this tool ready by Q2-Q3 2025.

We recognize that there are significant opportunities for developing KPIs to monitor supplier progress in our social compliance and purchasing practices. As a result, we have begun developing a tracking tool for the Social

Compliance team to follow up and measure progress, in accordance with OECD guidelines. We plan to have this tool ready by Q2-Q3 2025.

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

Helly Hansen is annually verifying its supplier by using Amfori BSCI standards. The verification process itself is done by 3rd party auditing companies. This process specifically focuses on the areas that are outlined in the BSCI's Code of Conduct that are based on the same international standards as Helly Hansen's Code of Conduct. Monitoring of our factories gives us good indications on their social performance and allows us to engage when non-compliance issues are found and work with them on a corrective action plan.

Helly Hansen is also part of Nirapon, a nonprofit organization that uses education and capability-building to help factory owners, managers and workers prioritize safety as an integral part of daily operations.

Nirapon provides a Safety Management Program which includes helpline services through a factory maintenance and safety support program with ELEVATE, worker training with BRAC and the Amader Kotha helpline that provide workers with a mechanism to report and resolve safety and other concerns in their workplace. The workers receive information about this through in-factory training sessions, helpline cards, posters and visual materials that are posted in the factories.

There are approximately 330 factories that is part of the Nirapon Safety Management program and 6 are Helly Hansen's supply chain partners.

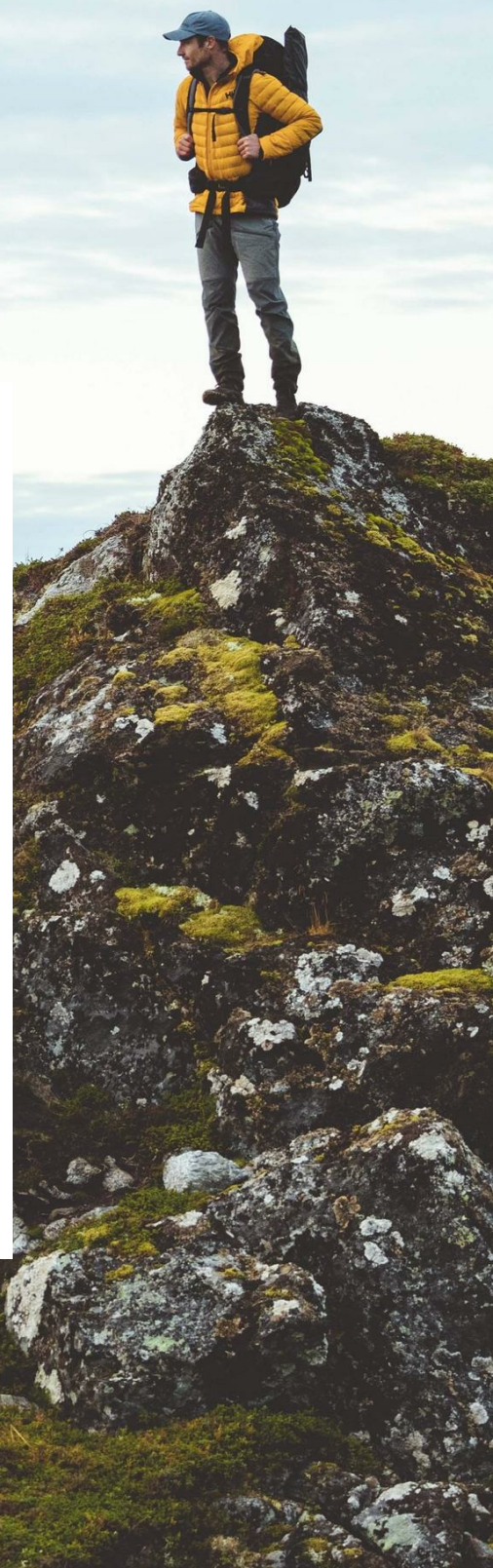
Helly Hansen performs regular factory visits and we have quality inspection personnel in our key factories who are our "eyes and ears" who report back to us if there are any findings. They do also have direct dialog with the factory workers.

In 2024 we had one critical infraction called in via the Amader Kotha and this was related to Physical Abuse & Harassment. The critical infraction was followed up and internal training was organized with a follow-up survey to measure the effects of the training.

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 (Åbenhetsloven) §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

Helly Hansen is aware that the industry we operate in can cause negative impact on environment and people and it is therefore important to communicate this risk towards our stakeholders and how we as a brand can manage negative impacts.

This dialog with various stakeholders is crucial to gain a better understanding of what the challenges are and to understand what good measures can be if we have contributed to any alleged violation of human rights or decent working conditions in our supply chain.

We have partnered with external stakeholders through various NGO memberships like American Apparel & Footwear Association (AAFA), Amfori, Outdoor Industry Association and bluesign, participation in working groups and environmental and social dialog with our suppliers.

These dialogs and training sessions can be supplier training related to certified material compliance and supply chain mapping, webinars, summits and seminars with other brands discussing how we can work on these challenges together, decarbonization programs like EOG Supply Chain Decarbonization Project and STICA (Scandinavian Textile Initiative for Climate Action): Working Group Vietnam/China, Cascale and Worldly where we work with the HIGG tools to onboard the majority of our suppliers to both the FEM (Facility Environmental Module) and FSLM (Facility Social and Labor Module).

In addition to this we have a Code of Conduct that is accessible for everyone through our website. Our Code of Conduct is also shared with all the factories we work with. IN 2025 we will have our Code of Conduct translated into the languages used in the key countries we operate in. The translation will be in Chinese, Vietnamese and Bengali. The Code of Conduct should be shared with the workers by making it visible on notice boards or communicated in worker meetings.

Our suppliers are informed about our due diligence processes during onboarding and it includes social audits and corrective actions taken if negative impact has been found. Through the social audit program training is also mandatory making sure that our due diligence process is understood.

Helly Hansen do have regular supplier meetings at the end of each season and we do also have training sessions with the suppliers where we communicate how we want to work on managing negative impact.

Through our website we communicate how we work on reducing our impact by looking at preferred materials, how the products should be used and cared for and what to do with the product at end-of-life.

When non-compliance issues arise in our supply chain, such as a critical infraction reported at one of our factories in Bangladesh involving physical abuse and harassment, we collaborate with the management at the affected facilities to resolve and mitigate these issues. This process includes discussions, and together with our parent company, Canadian Tire's Ethical Sourcing team, we organize meetings with management and workers, conducts training sessions, and follows up with surveys to ensure the training is understood.

Many of the non-compliance findings are systemic issues that require more time to address. When our Ethical Social Analyst is onboarded, this role will focus on working closely with workers, union representatives, and factory management to find solutions and mitigate findings.

In 2024, we also partnered with other brands to address issues related to recruitment fees and other labor abuses in Taiwan. This involved interviewing affected stakeholders, holding regular meetings with suppliers, and engaging in discussions with Taiwanese authorities to address these systemic issues.

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

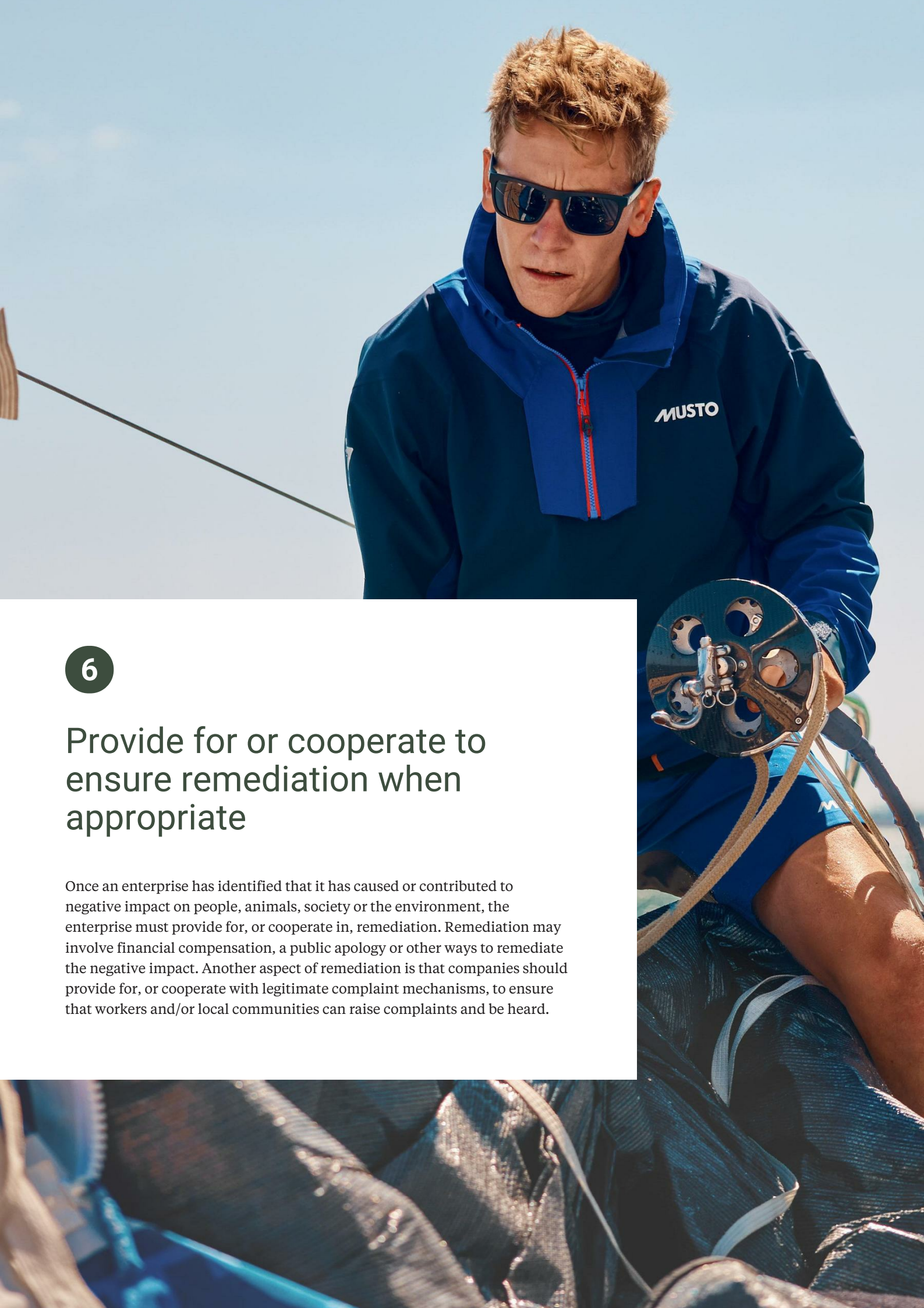
We communicate our work through our official website <https://www.hellyhansen.com/sustainability/>

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

Helly Hansen has a dedicated employee responsible for providing feedback to external inquiries related to the Transparency Act. We have also conducted internal meetings with Customer Operations to inform them about the Transparency Act, our duty to respond, how to respond, and to ensure they can provide the necessary information. Additionally, we have information available on our website, and for product-specific requests, we handle them on a case-by-case basis.

Currently, we do not have a separate email or website for these inquiries, but we plan to update our website in 2025 to include a clear channel for such requests.

Throughout 2024, we received approximately 24 general ESG requests from customers, consumers, and other stakeholders, some of which were related to the Transparency Act. Many of these inquiries have been addressed through direct feedback, while others required completion of online surveys.



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

If our activities are found to cause or contribute to negative impact on people, society or the environment, we will stop the activities and provide corrective action plans. If our supplier is responsible for the negative impact, the supplier is responsible for remedying the situation, in line with the standards set in our Code of Conduct.

Helly Hansen follows formalized procedures if cases that require remediation are identified in our supply chain. This is done on a case-by-case basis and will depend on both the severity and Helly Hansen's mitigating control for the risk.

The formalized procedures would for example, entail that further assessments and investigations are conducted, such as on-site audits and submissions of questionnaires, and review of relevant documentation. Furthermore, we would require the vendor to implement appropriate corrective action plans with clear timelines, objectives and designated responsible individual.

In some cases we would provide training and resources to help the vendor to improve their practices and align with Helly Hansen's compliance standards.

We always aim to influence or cooperate with the vendor to rectify the situation through dialogue and close collaboration.

Helly Hansen also works with Amader Kotha in Bangladesh through Nirapon, a helpline established in 2014. The helpline can be used by workers to make it possible for them to report on issues related to health and safety, physical abuse and sexual harassments.

All critical infractions discovered through the helpline are followed up on and in the end must be signed off by senior management with an Approval Summary.

This helpline is so far only available in Bangladesh.

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

In 2024, we addressed two non-compliance findings in our supply chain. One was highlighted in the Transparentem report mentioned earlier in this report, which focused on recruitment fees and other labor abuses in Taiwan. The other involved a reported incident of physical abuse and harassment at one of our factories in Bangladesh. The latter case has been resolved, resulting in penalties for the reported manager. Regarding the Transparentem case, all involved brands are still working on systematic changes to improve the treatment of migrant workers, determine their compensation, and identify the parties responsible for financial payouts. These findings have underscored the need for greater transparency in our Tier 2 supply chain. Consequently, we have begun monitoring higher-risk suppliers, planning regular supplier meetings, and organizing training sessions.

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

Helly Hansen has a Whistleblowing policy that applies to all Helly Hansen employees, and the policy describes the process in detail. This policy is available on our intranet.

Through our membership with Amfori BSCI, suppliers commit to establishing and participating in operational-level grievance mechanisms for individuals and communities, maintaining accurate records. Regular audits allow us to identify any issues raised and assess how they have been addressed.

Helly Hansen is also considering a program initiated by Amfori BSCI, known as Amfori Speak for Change, which is a supply chain grievance mechanism program. It has been implemented in Vietnam, Turkey, Bangladesh, and India, with further roll-out planned for additional countries starting in 2024.

The program offers easy access to various feedback channels (phone, online form, or chat app), collects complaints within our supply chain, collaborates on independent investigations, remediates complaints, and provides insights for our risk analysis. If we decide to adopt this program, it will be implemented in Q2 – Q3 2025. For suppliers in countries not covered by the "Speak for Change" program, we are currently mapping out available programs for collaboration. This decision will be made in Q3-Q4 2025.

Currently, Helly Hansen does not have an anonymous channel for warnings or complaints from external stakeholders. However, recognizing its importance to our Due Diligence process, we aim to implement this in 2025.

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