



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

Account reporting year 2024 according to The Transparency Act

for Bergans Fritid AS

Bergans

*Ethical Trade Norway has assessed the report of Bergans Fritid 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

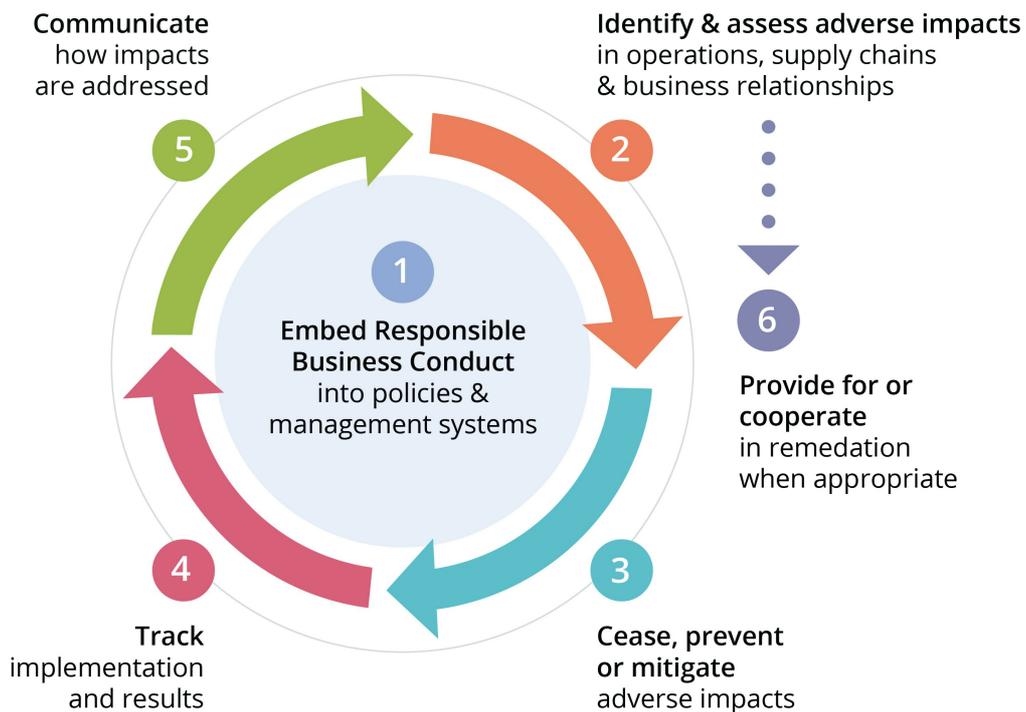
Executive Director

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

Committed to a Sustainable Future

As an outdoor brand, nature is our playground—and our responsibility. We are committed to ensuring that the outdoors we cherish today remains for future generations. Companies like ours play a pivotal role in driving sustainability, both by influencing our own value chains and enabling consumers to make responsible choices in their daily lives.

As part of the global textile and outdoor industry, we acknowledge our impact on nature, climate, people, and consumption. We recognize that we are part of the problem, and therefore, we must be part of the solution. We firmly believe that sustainable business practices are not just necessary for ethical reasons—they are fundamental to long-term success and a key driver of sustainable development.

Responsible Supply Chains and Ethical Trade

Conducting due diligence in textile supply chains is complex, involving numerous people across multiple countries, including conflict areas. As a member of Ethical Trade Norway (ETN), Bergans is committed to responsible business practices that safeguard people, animals, society, and the environment. Our ETN membership provides invaluable support through tools, expert guidance, and collaborative initiatives.

We strongly support the Norwegian Transparency Act, advocating for greater openness and collaboration in global value chains. Transparency is essential in pushing businesses towards ethical trade and sustainability. We also welcome upcoming EU regulations on sustainability reporting and communication. To prepare for the Corporate Sustainability Reporting Directive (CSRD), we have conducted a double materiality analysis and are enhancing our digital systems for risk mapping and sustainability data management. These advancements will feed into our Digital Product Passports, with most of our products featuring unique QR codes by 2025.

Addressing Challenges in Myanmar

Guidance from ETN has been crucial in navigating the critical situation in Myanmar, one of our sourcing countries. Our top priority is the safety and well-being of workers and their families. We are actively engaged in EuroCham Myanmar, connecting with European companies to stay informed and aligned on best practices. Additionally, we participate in the EU-funded MADE Myanmar program, which includes factory audits and training initiatives. The decision to stay or exit is not taken lightly, and we continue to monitor the situation closely, conducting heightened due diligence in collaboration with our suppliers and stakeholders.

Climate Action and Sustainable Materials

Climate change is the greatest challenge of our time. As part of the Scandinavian climate network STICA, we map and report our emissions across all three scopes and collaborate on joint climate initiatives within our supply chain. We are increasing our use of recycled fabrics and trims while sourcing renewable energy for our operations. From 2025, we will cease developing or producing products containing PFAS, reaching a goal we set years ago. We remain dedicated to ensuring the safety of chemicals in our products, with strong support from our partners at Bluesign®.

Advancing the Circular Economy

Bergans is committed to shifting towards a circular economy, offering services such as repair, rental, product returns, second-hand sales, and redesign. In 2024, we continued to promote our Service Deal for Rabot products in partnership with retailers, aiming to shift consumer mindsets by introducing repair services at the point of sale.

A major milestone in 2024 was the Norwegian government's revision of the Law on Second-Hand Sales, making it easier to resell used products. We were honored that the Minister of Commerce chose to announce these changes at our Bergans Flagship Store, recognizing our longstanding advocacy for improved circular service frameworks.

Our Commitment for 2025 and Beyond

Our products are the core of our mission – enabling people to enjoy nature while supporting thousands of jobs. Combining high-quality products with strict environmental and ethical standards and circular services is key to

long-term sustainability. In 2025, we will continue our efforts in strong collaboration with our suppliers and stakeholders to push for a more responsible and sustainable future.

" Combining high-quality products with strict environmental and ethical standards and circular services is key to long-term sustainability. "



Silje Garberg Ree
Chief Executive Officer

Board Signature

This report is electronically signed. See last page for verification.

Petter Schouw-Hansen
Cheif of the Board

Pål Rasmussen
Board Member



Enterprise information and enterprise context

Key enterprise information

Enterprise name

Bergans Fritid AS

Head office address

Hagaløkkveien 13, 1383 Asker, Norway

Main brands, products and services offered by the enterprise

Bergans of Norway: outdoor, hiking, ski, and lifestyle apparel and equipment (backpacks, sleeping bags, tents, Ally canoes). We also offer product services such as repair, rental, reuse and redesign. Our tour operator Bergans Adventures offers hiking trips in Norway and Greenland.

Description of enterprise structure

Our main office is situated in Asker, Norway and here all Bergans departments work together: Product development & design, Purchase, Brand, Sustainability, Sales, Retail, E-commerce, Customer service, Administration, Accounting, IT, Bergans Adventures and our in-house Repair service. In our home market Norway we sell through retailers, but also operate 8 stores as well as our own e-commerce (B2C), which we also launched in Sweden in 2020, in Germany in 2021, and in rest of the EU market in 2024.. We also run three outlet stores in Sweden and Germany.

In our main markets we operate with our own sales representatives, while we only sell through agents/importers and retailers in all other markets. The central warehouse is located in Norderstedt in Germany, where also the Sales department for the European market is located. We also have a sales office in Sweden. Two Bergans co-workers work from our office in Hong Kong to maintain direct contact with all our suppliers. Most of our tier 1 and tier 2 suppliers are located in Asia, a few also in Europe. All product design, development and purchasing is done from Norway.

Revenue in reporting year (NOK)

532 000 000

Number of employees

158

Is the enterprise covered by the Transparency Act?

Yes

Major changes to the enterprise since last and current reporting period

Our new CEO, Silje Garberg Ree, started working in Bergans in spring 2024. During the year, we have gone through a reorganization and right-sizing.

Contact person for the report (name and title)

Yngvill Ofstad, Sustainability Manager

Email for contact person for the report

yngvill.ofstad@bergans.no



Supply chain information

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

Bergans does not own any production facilities but purchase directly from 20 different product manufacturing companies (suppliers in tier 1). Normally, we do not use agents for tier 1. We design and develop all our products, thus we do not order ready-made products. More or less all materials used in our products are nominated from our side and we do maintain direct relationships to around 95 fabric and trim suppliers (tier 2), even though our product manufacturers buy these materials from them.

The textile supply chain is complex, and many parties are involved. To have direct contact with both tier 1 and tier 2 is a strength in our supply chain set-up, when it comes to both quality and sustainability. The same goes for our use of certified animal fibers and bluesign materials, witch helps us gaining traceability of our materials.

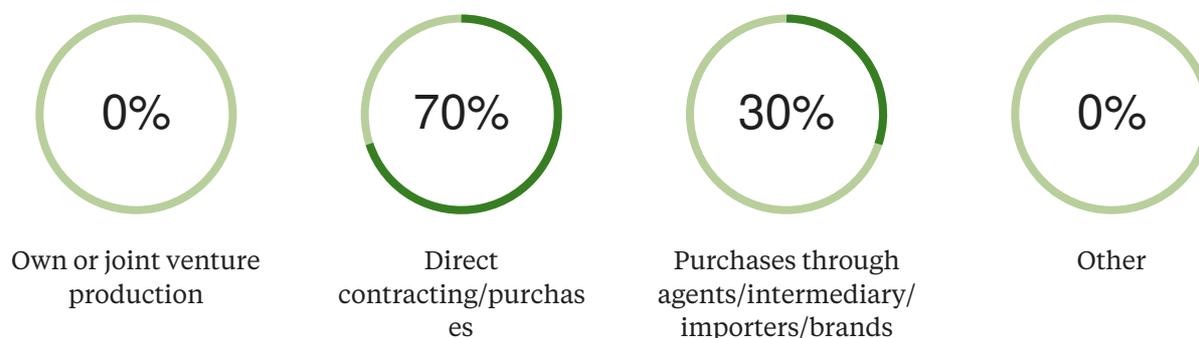
Number of suppliers with which the enterprise has had commercial relations in the reporting year

115

Comments

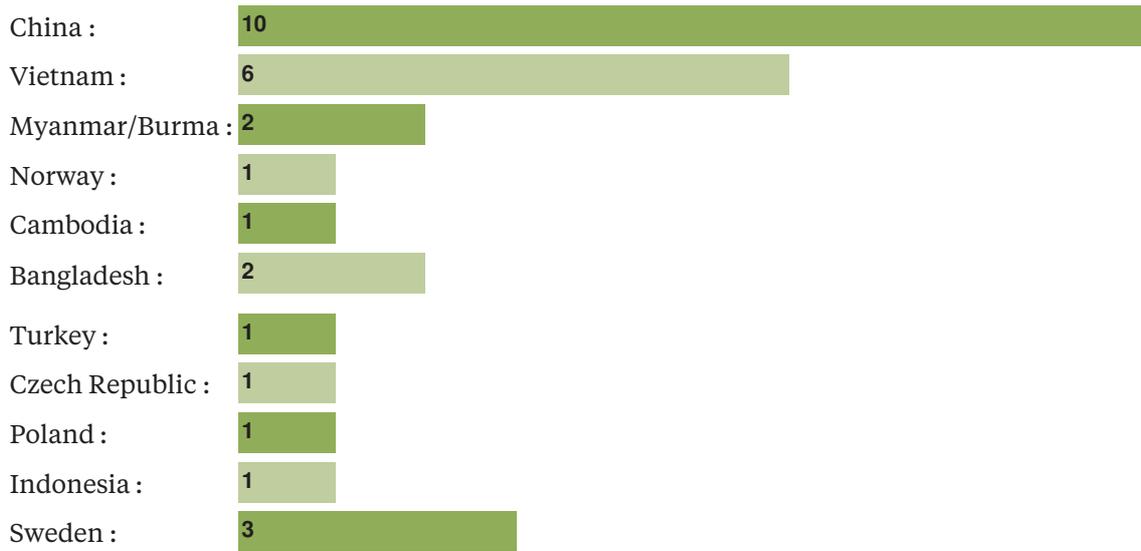
The number above includes both tier 1 (20 product manufacturers) and tier 2 (about 95 fabric and trim suppliers). Indirect spend is not included.

Type of purchasing/ suppliers relationships



These numbers represent both T1 and T2. Almost all our purchases from T1 is done direct from our vendors, and not through agents. But when it comes to our T2 suppliers, it is often the case in the textile industry that T2 fabric suppliers does not own their own production facilities, but work with different fabric mills. This is the case for e.g. PrimaLoft, Clo, Pertex and Toray. We have direct contact with these converters, who in turn place their orders at production facilities owned by other companies.

List of first tier suppliers (producers) by country



Some of our suppliers use factories in different countries, therefore the total number of suppliers from this list (30) is higher than the number of manufacturers stated above.

The biggest share of our purchase volume (about 90 %) is produced at our main partners facilities in Vietnam (textile and hardware), China (textile products), and Myanmar (textile products).

State the number of workers at first tier producers

Number of workers

45 170

Comments to number of workers

The number above is the total number of workers employed at our manufacturers factories. Not all of them are involved in the production of Bergans products. The total number is a result of our mapping in 2024, and includes all workers in our tier one suppliers, including main offices and Development & Innovation centers (in total 38 locations)

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

Polyester	China Hong Kong Italy Japan South Korea Thailand Taiwan
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Polyester (Recycled)	China South Korea Turkey Taiwan Vietnam
Polyamide	China Czech Republic Italy Japan South Korea Thailand Taiwan Vietnam
Polyamide (Recycled)	China Japan South Korea Thailand Taiwan
Wool (RWS certified)	Argentina Australia New Zealand Uruguay South Africa
Recycled Wool	Italy
Cotton (organic)	India Turkey
Down (RDS certified)	China
Down (Recycled)	China
Elasthane	China Italy Japan South Korea Thailand Taiwan
Lyocell (Tencel)	China

The list above describes the production facilities of our fabric suppliers, where the fabric is produced (tier 2), except of natural materials like wool (RWS) and down (RDS) and cotton, where the country of origin of the raw material is stated.

Most of the trims we use (buttons, zippers, threads, buckles, tapes, labels, etc.) consist of different materials (like polyester, cardboard, or metal) and most of them are produced in China, some in Vietnam and Taiwan.

Is the enterprise a supplier to the public sector?

Yes



Goals and progress

Process goals and progress for the reporting year

1

More sustainable products

We will source and develop more sustainable materials, secure responsible handling of natural resources, animal welfare and innovation in our design processes.

This we will do by, among other things:

Goal:

- Design high quality products made to last.
- Design for repair: Secure repairability in our high-quality products and improve communication on existing features
- Carry out resource efficient design & development processes.
- Sourcing certified materials (recycled, organic) and increase share of more sustainable fabrics and trimmings.
- Safe chemical management – secure Bluesign®, be in front of regulations, finalize phase out flour carbons (PFAS)
- Secure internal routines and implementing new digital tools regarding certifications, preparing for Digital Product Passport (DPP) and the Green Claims Directive.
- Continue to participate in research on microfibers with TMC, testing selected fabrics for shedding.
- Animal Welfare: implement new policy and strengthen internal routines and tools on certification.
- Packaging: participate in relevant projects, communicate Handelens Miljøfond and reduce the use of plastic bags in the stores.
- Continue the implementation of QR-codes in our care labels in preparation for Digital Product Passport
- Follow all upcoming regulations from the EU and Norway

More sustainable products:

High quality is always a top priority for Bergans. We test all materials in our in-house test lab for all new developments and materials, we also carry out field testing on products before we produce them. Our designers continuously work to implement design to repair features. For example, a most of our skiing pants have been updated with an extra hem that is easy to replace after wear and tear. This year we have collaborated even more close with our suppliers on site, securing high quality and less samples.

In 2024 we have continued with our new development strategy for our products, in order to use our resources more efficiently. We focus more on refining and fine-tuning existing styles, based on input from our suppliers, our repair room, our staff in store and our customers. In this way we improve our product quality and can reduce the need for new developments and new styles. We have implemented a new color strategy, where we reduce the number of seasonal colors. In this way the styles can last for many years, regardless of short-term trends, which also tend to fill up our stock in the warehouses. We work with a 12 months color card instead of 6, in order to have more consistency and longevity of the products, and we are increasing the number of basic colors that can live for several seasons. We have continued our use of 3D-design, reducing the need for samples. We sew up test-products ourselves, reducing the risk of working further with products

that does not work out. Our forecasting and development process has become very streamlined, involving many departments on an early stage, greatly reducing risks of building unnecessary stock.

Securing more certified materials and fabrics is an ongoing process. We have increased our number of RWS-certified wool styles the last years and secured the chain of custody certification. We are continuously working to integrate processes internally. We are audited by IDFL for our RWS and RDS certification on a yearly basis. The separate animal welfare policy is on the way to be implemented, although we already have the standards in our Code of Conduct for suppliers. We are using more recycled materials in our trimmings and care labels. We have also changed from colored zipper pullers to only three different metals, to reduce the use of color / dyeing in the production process, including in our repair service.

Status :

We have reached our goal for the phasing out of PFAS. No more development or production now includes the use of PFAS. Y Mountain Line was the last collection containing PFAS. The products are still in stock and in stores. As a Bluesign® System Partner, we continue the work on safe chemical handling and usage. We have through several meetings with Bluesign® during the year looked into what more we can gain from our partnership regarding the monitoring and data from our tier 2 suppliers (water and energy usage). We receive a yearly report on chemical handling, energy and water usage from our Bluesign® certified T2 suppliers. This is on a total level, we see that we need reports from each and every supplier, also connected to our purchase level at the facilities. Together with other Norwegian Outdoor brands we will explore how to better collect this valuable data in the year to come. We have also participated in the TMC research on microfibers, e.i. sending our fabrics to testing, five fabrics yearly. We will sadly pause our contributions in this research for now due to budget cuts.

We have continued our digitization project together with our existing partners in Centric (PLM) and Trimco (care labels and Certificate Manager), in order to establish a well-functioning platform for sustainability data, connected to product & material data and purchase orders. Our goal is to have a tool that can strengthen both our due diligence work, climate mapping and documentation practices regarding animal welfare and other certifications - and that can serve our DPP obligations going forward. We experience that we do have large amounts of data, it just needs to be organized in a better way.

Our first product with a unique QR-code was launched early 2024 (TIND Insulated W Jacket). In 2025 most of our products will have an unique QR-code. This is the start of our implementation of DPP. We have been participating in a working group in NF&TA, working on an industry guideline on DPP, sharing our experience. We are otherwise following the development of new laws and regulations from the EU closely, i.e. through webinars from The Scandinavian Outdoor Group (SOG), The European Outdoor Group (EOG), The Scandinavian Textile Initiative on Climate Action (STICA), Virke and Ethical Trade Norway.

We have continued communicating the membership in Handelens Miljøfond (HMF) in our stores, and we have (as have all of Norway) seen a dramatic reduction in the use of plastic bags as a result of the increased fee to HMF. We have reduced the amount of plastic bags sold by 52 % from 2023 to 2024. For packaging we are using FSC certified cardboard and recycled content in our polybags.

We are well on track regarding the understanding of the implications of the different EU regulations through our partners Trimco, EOG, SOG, Virke, Celsia, etc.

More sustainable value chain

We will protect the environment, reduce our climate emissions and secure human and labour rights throughout our supply chain. We will contribute to positive development for communities where we operate.

This we will do by, among other things:

Goal :

- Continue to report climate emissions from scope 1, 2 & 3. Improve data collection for tier 2 suppliers.
- Continue the cooperation within STICA to jointly address suppliers for energy efficiency and renewable energy projects
- Create a Climate Transition Roadmap with clear actions in every step of our value chain
- Reduce returns in all countries
- Implement better digital system for supplier mapping - both climate and social aspects, prepare for Digital Product Passport
- Improve external auditing practices - to combine with Bergans factory visits. Continue to look into colab with Sport Holding brands.
- Start social dialogue project with Quizrr in new countries, start with Vietnam.
- Implement written policy on remediation and communication
- Look into better digital grievance systems for suppliers
- Participate in living wage working group, or other relevant collaborations.
- Continue the close follow-up, including stakeholder dialogues, in Myanmar.
- Continue to take part in Eurocham events and secure factory participation in the MADE Myanmar program.
- Better communication on Miljøfyrtårn and Bicycle friendly working place

More sustainable and fair value chain:

We have continued to report our climate emissions from scope 1, 2 & 3 through our membership in our climate network STICA, continuously improving our competence and data. This year we have started working in a new platform for reporting, "Emission Twin". This is more efficient and allows more co-workers in the organisation to contribute with different numbers. We have reduced our emissions in 2023 compared to 2022, but this is mostly related to sales number. The emission results for 2024 are not ready yet.

We have continued the great work in our STICA working groups for Vietnam / Korea and Circular Business Models. The brands in the working groups have opened our supplier lists to find shared suppliers, or suppliers in the same area, and carry out common initiatives, such as energy & water assessment audits offered by local energy consultants. We have already completed actions at our Vietnam suppliers and are now researching similar solutions for our Korea suppliers. STICA has also organized webinars for our suppliers, for example one by WWF about setting energy targets, where several of our suppliers participated. In the Circular Business Model group, we have been looking into methodologies for measuring / calculating avoided emissions from second-hand and repair business models, mainly to be able to work more strategically with such business models in our climate roadmaps.

Our suppliers also initiate their own measures to reduce water and energy consumption and to invest in renewable energy. One of our backpack suppliers in Vietnam has now invested in solar panels, planned to reduce CO2 emissions with 515 tonnes per year. They are also buying renewable energy (IRECs) and have invested in LED lighting. Our supplier in Myanmar has also participated in GHG trainings, among other trainings. From our outdoor networks EOG (Europe) and OIA (US) we have been presented with a tool that enables calculations on potential costs &

climate savings when changing to electric heating technologies. We have shared this with our T2 suppliers.

We are reducing the risk of having to use air freight by having a good and constant dialogue with our suppliers and planning well ahead. Covid forced us to place our orders even earlier than before, and we have continued with these extended lead times. We have always had good lead times, but we have increased this focus even more, to secure good capacity at our suppliers and planning for unforeseen events (such as the need for shipping to sail around Africa).

Status :

In 2024 we decided to start pricing customer returns. We have like other companies been struggling with high return rates and needed to take action to reduce returns both as a cost and climate tactic. We are continuously improving our web page and have also implemented "product notes", meaning comments and reviews from customers, which is also improving the buying process. and hopefully reducing purchase errors. We have started to see a reduction in our returns in all markets as a result of these actions. All returns are put back in stock for sale again.

We have been working to establish a Climate transition plan, and we will complete this plan during 2025. We needed to take a step back and work on the DMA process first, and we will collaborate with our owners in Sport Holding both on the DMA, the CSRD and the transition plan.

We have started a process for implementing a system in order to have a simpler and better overview of our supplier data, including social audits and certificates. We have started the process of on-boarding four pilot suppliers, two from T1 and two from T2. We have also continued researching for common grounds for supplier follow-up with Sport Holding. A written policy on remediation is awaiting board approval. Although we had good results with the Quizrr social dialogue program, we had to pause the implementation to our Vietnam suppliers, because of the energy & water assessment at the same facilities, and due to budget costs. The Living wage working group in ETN has not been active this year, but we will participate again if it starts up again. The digital grievance mechanisms at our Myanmar suppliers are functioning quite good, but we need to look into these mechanisms at other suppliers as well. We will cooperate with Sport Holding to establish a solution.

In 2024 a lot of time and resources had to be allocated to our heightened due diligence work in Myanmar. We are part of EuroCham and are following the updates from the country on a daily basis. Our suppliers are part of MADE Myanmar (facility monitoring and training program), we have had a close dialogue with our suppliers and have continued to speak to stakeholders both in Norway, Myanmar and Internationally, including an online stakeholder meeting at EHN with trade union leader and activist Khaing Zar Aung and The Myanmar Centre for Responsible Business. It is still a challenging situation, and we had to end our relationship with one of our suppliers. We have decided to stay in the country for now with one supplier. More on this later in the report.

The Ministry of Children and Families and the Ministry of Trade, Industry and Fisheries have started an evaluation of the The Norwegian Transparency Act in 2024, and invited businesses and organisations to take part in a full day work shop for feedbacks and comments. Bergans participated here, and have also given written feedback to Ethical Trade Norway, who is collecting input from its members to take forward to the Ministry.

We have continued our reporting to Miljøfyrtårn, and we are up for re-certification in 2025. We will look into how we can collaborate on this subject with Sport Holding, as they have already certified many of their stores as Miljøfyrtårn.

More sustainable consumption

Long live the product! We will take the lead on circular economy by collaborating with our customers through services such as repair, rental, reuse and redesign.

This we will do by, among other things:

Goal:

- Continue to share our experience on circular services to create engagement
- Continue participation in networks and public debates to promote better frameworks for circular economy
- Promote repair through activities such as Tour de Sy and other campaigns. Continue and develop the service deal on our products.
- Improve the customer journey on repair in Bergans.
- Follow the development in the NF&TA Sportsnettverket on collaboration on repair, look into solutions connecting brands, retailers and repair stores.
- Develop our second-hand sales and rental solutions, investigate online pilots
- Carry out second-hand events in Bergans stores.
- Follow up the law development in the law on second-hand sales "Brukthandelsloven"
- Promote redesign as a good entrance to repair in the educational system
- Continue to participate in research projects regarding circular economy

More sustainable consumption:

We continuously share our experiences with our circular services. In 2024 we have participated in numerous webinars, seminars, panels, lectures - sharing our knowledge with businesses, organisations, students, pupils, teachers, politicians, decision makers and the public. In total we have presented our sustainability work on almost 20 different webinars and physical events, such as Arendalsuka, Oslo Innovation week and Delefestivalen. We have welcomed 6 organized visits to our office, among them a visit from businesses attending the Circular Economy Conference, a local rotary group, and visits from our partners in DNT, Virke (creating social media content about our work), NF&TA and Norsk Tekstilgjenvinning. We have also shared our knowledge in the Nordic Circular Design Podcast Series.

The Ministry of Climate and Environment (KLD) is considering establishing a national Mission (Samfunnsoppdrag) for Circular Economy. Bergans has been invited by KLD to participate in two full day work shops together with other businesses and organisations to give our input, one in June and one in October.

We are participating in several networks focusing on different aspects of sustainability, including circular economy. In 2023 we participated in a insight group at Virke giving input to the working group on Extended Producer Responsibility on Textiles (EPR) in 2023, resulting in a report to the Norwegian government. In 2024 this work has continued with outer businesses in the Norwegian Textile industry, aiming for establishing an interim Producer organisation (PRO). We are also using our networks in SOG and EOG to discuss and share knowledge and experience with circular business models. In STICA, we are participating in a Circular Economy Working group - looking into best practices and ways to measure climate reductions from circular business models in the future. In the Norwegian textile network NF&TA, we participate in several working groups; one group working on Digital Product Passport, one group working on textile information & communication ("Opplysningskontoret for tekstiler" and "Vev"), and one Outdoor network looking into common solutions on repair, connection retail, brands and repair providers with new technology. We believe that collaboration is needed when it comes to circular services.

We have, as usual, promoted our repair service and created engagement for more sustainable

Status :

consumption through communication and repair events with our repair car. This year we had to cut costs, but we still managed to visit our Trondheim store, and participate in events in Asker (Ombruksfestivalen), at Breivoll gård (DNT Vår Dag), at Ringkollen (Villmarksfestivalen), Nydalen Fabrikker (Ombruksuka) and Hamar (Fæbrikstad). We also carried out a repair / redesign workshop for students at Norges Idrettshøyskole (NIH). We have continued our promotion of our "Service deal" on Rabot products together with Sport 1, and also included Intersport and Anton Sport. The repair customer journey still need improvements, we plan to work with this together with Sport Holding the coming year.

In 2024 we investigated new solutions for our claims in Sweden. We have teamed up with The Red Cross in Åre, receiving our returned claims, fixing them and selling them second-hand. This resulted in 11.000 SEK to the important work of the Red Cross, and our claimed products did not go to waste. We have also contributed to several more repair backpacks for the DNT cabins in Norway.

Our biggest win in 2024 was that the Norwegian authorities changed the Law on Second-hand sales ("Brukthandelsloven"), making it easier to sell second-hand. The Minister of Commerce decided to launch these changes in our Bergans Flagship store, recognizes our long-standing efforts to advocate for a change n this law and for better frameworks for circular services in general.

We have continued our endeavors selling second-hand products in our Flagship store. On Black Friday we continued our tradition arranging a second-hand event in the store, combined with a 30 % discount on repairs. This event is very well received by our customers. We also sold second-hand products at the Fæbrikstad event in Hamar, and also left-over materials witch was extremely popular. An online solution for second-hand sales has not been prioritized, although we have had dialogues with some potential solution providers. New developments in our rental solution is still on hold, awaiting possibilities in our new web solutions. We have lifted re-impregnation as an important area in our NF&TA working groups.

We are participating in the research program REDUCE, led by OsloMet, and we are also participating in a study led by Gore in Sweden looking into the durability of shell jackets. In addition we have given interviews to another OsloMet reasearch project called "Designed to last", potentially giving us some great insights in circular design going forward. We have also shared our insights to several master students writing papers on circular economy (and other sustainability subjects), and we have held guest lectures for both high school students and University students (digitally) on circular economy and sustainability.

More sustainable outdoors

We will inspire and enable sustainable outdoor experiences through partnering with people and communities influenced by our business.

This we will do by, among other things:

Goal :

- Promote and enable outdoor activities for everyone
- Create responsible and meaningful outdoor experiences, advocate for sustainable tourism, leaving a positive impact for the communities (Bergans Adventures)
- Contribute to health, well-being and social inclusion by promoting and enabling outdoor activities. Bergans Adventures will work to set up a program for social entrepreneurship, enabling social inclusion for young people falling out of the education system.
- Support and take part in our partners' work on nature, reducing climate emissions and circular economy (DNT)
- Create and promote guidelines for sustainable tourism
- Support and promote nature conservation projects and build awareness on worldwide environmental issues among consumers (EOCA). Invite Norwegian projects to apply.
- Support our partners in projects aimed at conserving nature and promoting health and development in local communities where we operate

More sustainable Outdoors

Through everything we do, we are always promoting the value of being outdoors and staying active. We strongly believe that people that are out in nature, will care more about preserving nature.

Status :

Bergans Adventures has offered a great variety of trips during the year, for both newcomers and more experienced hikers. In 2024 Bergans Adventures has started working with a social entrepreneurship program, planned to reach out to young people falling out of school.

As before, we have continued the great collaboration with DNT, and participated in several activities promoting sustainability in the outdoors. The repair-kits at the DNT cabins are well in use, and we have recently provided 30 more repair backpacks. We continue our rental solutions in some of the DNT cabins and our repair car has visited DNT events.

We have continued our support to the European Outdoor Conservation Association (EOCA).

Create Engagement

We will enable change by engaging co-workers, customers and stakeholders. To reach our targets, we need everyone on board. For Bergans, sustainability is not a separate function, but a way of working, a mindset.

This we will do by, among other things:

Goal :

- Create engagement together with our co-workers, customers, partners and other stakeholders
- Continue to integrate sustainability in our organization, creating awareness and ownership, ensuring that sustainability is a part of all our co-worker's everyday work
- Enhance our sustainability communication and transparency, to enable our customers to make well informed purchase decisions and invite our customers to take part in our journey
- Take part in the public debate, to secure a good understanding of the role of businesses in the shift towards a more circular and sustainable economy

Create Engagement

In 2024 we started the process of Double Materiality Analysis, preparing for the CSRD reporting for 2025. We have teamed up with the consultancy firm Celcia, and conducted several internal workshops with co-workers from all departments giving their inputs. This has been a very interesting and engaging process in our company.

Status :

Many co-workers from different departments have also been actively involved in both the climate reporting, the certifications process of RDS/RWS, the new Certificate manager platform and following up on the coming regulations from the Green Deal. We have established a sustainability task force internally, meeting every other week to secure that we are updated on all regulatory developments.

Bergans is in the forefront of the establishing of a Digital Product Passport. Although it is still not clear what the regulation will demand, we have a good overview and good systems on our product data, we are implementing new platforms and we are implementing unique QR-codes in all our products during 2025.

We are taking part in the public debate, as mentioned above.

Process goals for coming year

1

More sustainable products:

- Complete DMA process and CSRD reporting to Sport Holding. Update and renew Sustainability strategy with clear goals & KPIs.
- Design high quality products made to last. Carry out resource efficient design & development processes.
- Design for repair: Secure reparability in our high-quality products, and improve communication on existing features
- Sourcing certified materials (recycled, organic) and increase share of more sustainable fabrics and trimmings.
- Prepare for the Extended Producer Responsibility (EPR) on textiles, in all countries. Give input to the process in Norway.
- Follow the development on fibre-to-fibre recycled materials.

- Safe chemical management – secure Bluesign®, be in front of regulations.
- Secure internal routines and implementing new digital tools regarding certifications, preparing for Digital Product Passport (DPP) and the Green Claims Directive.
- Animal Welfare: implement new policy and continue working with internal routines and tools on certification.
- Packaging: participate in relevant projects, prepare for new regulation, communicate Handelens Miljøfond and reduce the use of plastic bags in the stores.
- Continue the implementation of QR-codes in our care labels in preparation for Digital Product Passport. Take part in collaborative projects for LCA / PEF connected to product DNA.
- Follow all upcoming regulations from the EU and Norway (Eco-design directive)

2

More Sustainable and fair value chain:

- Complete DMA process and CSRD reporting to Sport Holding. Update and renew Sustainability strategy with clear goals & KPIs.
- Continue to report climate emissions from scope 1, 2 & 3. Improve data collection for tier 2 suppliers.
- Create a Climate Reduction Roadmap with clear actions in every step of our value chain
- Continue the cooperation within STICA to jointly address suppliers for energy efficiency and renewable energy projects
- Reduce returns in all countries
- Implement better digital system for supplier mapping - both climate and social aspects, prepare for Digital Product Passport
- Improve external auditing practices - to combine with Bergans factory visits. Continue to look into colab with Sport Holding brands.
- Collect more specified data from Bluesign® regarding our T2 facilities.
- Implement written policy on remediation and communication
- Look into and establish better digital grievance systems for suppliers, connected directly to us as a brand
- Participate in living wage working group, or other relevant collaborations.
- Continue the close follow-up, including stakeholder dialogues, in Myanmar. Continue to take part in Eurocham events and secure factory participation in the MADE Myanmar program.
- Re-certification of Miljøfyrtårn

3

More sustainable consumption

- Complete DMA process and CSRD reporting to Sport Holding. Update and renew Sustainability strategy with clear goals & KPIs.
- Expand our repair service to include other brands together with Sport Holding. Find better digital solutions for our Customer center and the customer repair journey.
- Promote repair and second-hand through activities and campaigns.
- Continue and develop the service deal on our products.
- Continue to share our experience on circular services to create engagement
- Continue participation in networks and public debates to promote better frameworks for circular economy, including the reduction of VAT.
- Develop our second-hand sales and rental solutions, investigate online pilots
- Promote redesign as a good entrance to repair in the educational system. Give input to education on repair (Udir)
- Continue to participate in research projects regarding circular economy

4

More sustainable outdoors:

- Promote and enable outdoor activities for everyone
- Create responsible and meaningful outdoor experiences, advocate for sustainable hiking, leaving a positive impact for the communities
- Contribute to health, well-being and social inclusion by promoting and enabling outdoor activities.
- Support and take part in our partners' work on nature, reducing climate emissions and circular economy (DNT)
- Support our partners in projects aimed at conserving nature and promoting health and development in local communities where we operate

5

Create engagement:

- Create engagement together with our co-workers, customers, partners and other stakeholders
- Continue to integrate sustainability in our organization, creating awareness and ownership, ensuring that sustainability is a part of all our co-worker's everyday work. Prepare for upcoming regulations.
- Enhance our sustainability communication and transparency, to enable our customers to make well informed purchase decisions and invite our customers to take part in our journey
- Take part in the public debate, to secure a good understanding of the role of businesses in the shift towards a more circular and sustainable economy



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

Bergans
OF NORWAY



1.A Policy for own enterprise

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

<https://www.bergans.com/no/info/baerekraft/verdikjede>

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

Bergans aim to have a sustainable business practice that respects people, animals, society and the environment. Our Policy on Sustainable Business Practices, together with our Code of Conduct for suppliers, forms the basis for our work with our value chain.

Bergans considers sustainable business practice as a prerequisite for doing business– and at the same time a central contributor to sustainable development. This means that today's generations can meet their needs without compromising the needs of future generations. Bergans' vision is to "lead and inspire towards a sustainable future".

Bergans works actively with the UN Sustainable Development Goals. In particular, we see SDG number 8 (decent work and economic growth), 12 (responsible consumption and production), 13 (climate action) and 17 (partnership for the goals) as essential to our work.

<https://www.bergans.com/en/info/sustainability/value-chain>

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

In 2019 we updated our former "Sourcing and Production policy" from 2015. We have further developed this document and adjusted with support from our advisors in Ethical Trade Norway. The name of the policy is "Policy for Sustainable Business Practice". This was approved by the existing board in 2020 and published on our website together with our Code of Conduct. The policy was presented and discussed in the management team before anchoring it in the new board in 2022 (Sport Holding). Our Routine for Due Diligence was developed late 2024 and is now awaiting board approval. We have practiced due diligence for many years but have been lacking written formal procedures.

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?

Sustainability is at the top of our business strategy for our company. Our company vision is to "Lead and inspire towards a sustainable future" and our company values are "Authentic, Responsible and Passionate Explorers".

Our CEO, our management team and our board are the main responsible for sustainability in our company. The Sustainability Manager in Bergans is working as an expert advisor on sustainability for the whole organisation, in close collaboration with the Sustainability Manager in Sport Holding. In Bergans we regard sustainability as a way of working rather than as a specific function. Therefore, we work to integrate different sustainability issues in relevant departments and create ownership. It is our goal that all co-workers contribute and feel part of our sustainability agenda.

Our work on due diligence in our supply chain is well anchored in our board and management team, and they own our Policy on Sustainable Business Practices. This policy is also deeply rooted in our organisation, as maintaining a responsible relationship with our suppliers, which we often have worked with for ten years or more, has historically always been embedded in our way of working in Bergans. In our daily work, the due diligence is mainly divided by our Purchase team, our Product team, our Hong Kong office, and the Sustainability Manager, each with different responsibilities.

Our Purchase team secure a close and constant dialogue with our suppliers regarding planning and placing orders, securing capacity and good lead times, and thereby a responsible purchasing practice. Our Product department has likewise a good dialogue with our suppliers regarding design, fabrics, and development, and they visit the suppliers securing a good understanding of our products. Our Hong Kong office visits our suppliers often, conducting on-site inspections on quality and sustainability (visual observations and corrective action plans). We always ask our suppliers to share their latest external audit reports. The Sustainability Manager cooperate with the Product team in order to follow up on Minimum requirements, Code of Conduct, Factory profiles, corrective action plans, audit reports, certifications, etc. We initiates improvement actions, such as on energy efficiency, renewable energy, and social dialogue projects. The Sustainability Manager also initiates and develops new policies and guidelines, and carries out stakeholder dialogues, most often together with co-workers in the other mentioned departments. If a breach of our Code of Conduct is discovered, the Sustainability Manager, Purchase team, Product team and the HK office will collaborate on planning and carrying out appropriate measures.

Moving forward, we are working with our PLM supplier (Centric) and our care label supplier (Trimco) to implement a better digital tool for risk mapping our suppliers regarding social audits, for a better overview of supplier sustainability data and for a certificate management. We have started with four pilot suppliers and will roll out to all suppliers during 2025.

Our sustainability work is rooted in our sustainability strategy; "Expedition 2030", with four focus areas: More sustainable products, More sustainable and fair value chain, More sustainable consumption, and More sustainable outdoors. All departments have been part of the development of the strategy and have ownership to the different parts and goals in the strategy. Moving forward we will revise the strategy according to our DMA.

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 Sustainability Manager regularly have meetings with all departments and are involved in all projects concerning sustainability development. We strive to have a cross-functional way of working in all our sustainability efforts. For example, working with improvements in our supply chain and due diligence always involves both the Purchase department, the Product department, the Sustainability Manager and occasionally the Management team. In 2024 we established an internal task force group, meeting bi-weekly to coordinate and plan different sustainability tasks. Many co-workers from all departments have been part of the DMA process this year, giving their input. Including more sustainability aspects in more co-worker's written job descriptions is on our agenda moving forward.

Internal communication and collaboration are key in order to engage and involve all co-workers in our sustainability agenda. All new co-workers receive sustainability training, including both environmental and social issues, run by the Sustainability Manager. We regularly inform everyone about new sustainability topics and actions through our internal social media platform and during common co-worker meetings.

As a company developing products to be used outdoors, our co-workers spend a great deal of time outside in the nature. All co-workers are a member of the Norwegian Tourist Association (DNT) and all new co-workers must complete a two-day Tour guide course when they join Bergans. We arrange work meetings and co-worker trips in the mountains and in the woods and celebrate both summer and winter parties outside. People who spend time in nature, tend to care more about nature. This is core to Bergans.

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

To ensure sufficient knowledge and competence on due diligence work in our supply chain, our Sustainability Manager has a good and close dialogue with Ethical Trade Norway. She participates in meetings, trainings and working groups, and has also contributed by giving presentations in EHNs courses. Bergans also receives relevant and updated information on the development in the EU from the Scandinavian Outdoor Group, the European Outdoor Group, Virke and NF&TA. These learnings are brought forward to relevant co-workers in our organisation. We also stay updated by following relevant newsletters and online channels. Co-workers in the Purchase team also participate in courses on responsible sourcing through Ethical Trade Norway.

Bergans participates in several collaborative efforts in both the textile and outdoor industry, such as Bluesign®, the Higg Index, Kjemikaliegruppen, The Scandinavian Initiative on Climate Action (STICA), the Scandinavian Outdoor Group (SOG), the European Outdoor Group (EOG), the Textile network in Virke, NF&TA, and of course our network in Ethical Trade Norway. Due diligence and other supply chain issues are now emerging as important collaborative subjects in these fora, in addition to circular economy, climate & environmental topics. In 2021-2024 we have carried out extensive stakeholder dialogues in relation to the critical situation in Myanmar. This work, demanding as it is, has off course given us a lot of experience working with suppliers in conflict areas.

In addition, we rely on several well experienced co-workers working in our own Product and Purchase departments, and at our Hong Kong Office. They have been working close together with our suppliers for many years, they visit them often and know them well. They also have experience in how to evaluate potential new suppliers when it comes to diverse sustainability issues. New suppliers are always evaluated by our Sustainability Manager. Our PLM-system is a good tool to have a good overview of efforts made at our suppliers, and from 2025 we will learn the value of our new Certificate manager as well, an improved tool for digitizing our supplier sustainability data, providing us with a better overview and risk mapping, including making reporting and communication easier going forward.

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?

Sustainability is at the top of our business strategy for our company. Our company vision is to "Lead and inspire towards a sustainable future" and our company values are "Authentic, Responsible and Passionate Explorers". Our main sustainability goals are part of our business strategy.

Our sustainability work is rooted in our sustainability strategy; "Expedition 2030", with four focus areas: More sustainable products, More sustainable and fair value chain, More sustainable consumption, and More sustainable outdoors. All departments have been part of the development of the strategy and have ownership to the different parts and goals in the strategy. From our strategy, we set develop a detailed action plan for every focus area every year. This is a working document that can change during the year. During 2025 we will use our DMA to formulate new actions and KPIs.

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

Sustainability is core of our business strategy and therefore a focus topic in board and management team meetings. The goals in our business strategy work as guidelines for all operations and the daily work in our company. In 2024 we have again experienced budget cuts, resulting in tougher prioritization, also when it comes to sustainability related areas. At the same time, as a mature organisation following the developments in the EU on laws and regulations, we have managed to maintain the speed in most of the sustainability work.

The Sustainability strategy, supplier documents such as the Code of Conduct and Company policies are discussed and approved by both the Management team and the Board. Relevant sustainability topics are regularly discussed in the Management team. The Brand Director, as the leader of the company's Sustainability team, is in close contact with representatives from the board and discuss issues related to this field on a regular basis.

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?

We have worked with our suppliers for many years and have experienced that long-term relationships based on mutual respect are both good for business, good for us, good for our suppliers, and also serves as a good foundation when working with improvements within either social or environmental areas.

We have minimum standards for all suppliers, including a set of general requirements and some specific requirements for high-risk areas. All suppliers, both in tier 1 and tier 2, have read and signed our Code of Conduct*, and completed our supplier documents such as the Factory Profile and the Sustainability self-assessment Questionnaire. Our CoC includes our requirements on bribery and corruption. Our suppliers also share their last external social audit reports with us, including improvement action plans and status updates.

All suppliers must read, understand, sign and follow our Restricted Substance List (RSL) and Chemical Compliance document every year. As a Bluesign® System Partner we receive the updated RSL from Bluesign® every year. All major tier 1 suppliers receive regular visits from Bergans, both from our Product and Purchase co-workers and from our Quality- and Compliance officers in Hong Kong. The latter completes sustainability reviews when visiting the factories. We use the services of SGS for product inspections. We also conduct regular Teams meetings with our suppliers. Many of our T2 suppliers are Bluesign® certified, meaning Bluesign® conducts regular audits of these facilities. We have not been able to travel to our Myanmar suppliers since before covid and the military coop. We are working in other ways to secure our due diligence in this country, such as working with EuroCham, the MADE program and the SMART factory inspections. We have met with the Ministry of Foreign Affairs and the Embassy in Yangon and addressed the Norwegian travel restrictions, explaining that the restrictions causes challenges for our possibilities to carry out our due diligence work, as demanded by the Transparency Act. The Ministry understood our concerns, but we do not expect that we will be able to travel to our suppliers in Myanmar in the near future.

We have collaborated with our suppliers in China to carry out the Quizrr training, to enhance the importance of social dialogue in the workplace.

As a result of being part of Sport Holding, we have a closer dialogue with the retail chains owned by Sport Holding. We have started the dialogue about collaborating on important sustainability issues, such as due diligence in the supply chain, for example regarding factory audits.

*<https://www.bergans.com/no/info/baerekraft/verdikjede>

Indicator

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



All new suppliers must read, understand, and sign our Code of Conduct before entering any business relations with Bergans. For 2025 our suppliers will upload the signed CoC's in our Certificate manager platform.

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



We always aim for long term relationships with our suppliers. In 2024 we have one new vendor (T1) in China. We have worked to reduce our supplier base, as a part of our strategy to fill up production capacity at our main suppliers (for both seasons) and to be able to have a closer relationship with fewer suppliers. Our five main suppliers produce about 80 % of our purchasing volume.

Due to the politically unstable situation in Myanmar, we have been forced to look into alternative factory locations. Together with our supplier, we moved part of our production to other facilities in Cambodia and Bangladesh in 2021. These facilities have been on-boarded with our usual routines, supplied with external audit reports, since it was not possible to inspect them personally at the time during covid. We have been able to visit them in 2023 and 2024. For now, we have decided to stay in Myanmar, and to work to secure and improve the worker's situation together with other brands, MADE Myanmar and EuroCham (this is further described in chapter 3).

Percentage of payments in time to our suppliers



We always pay our suppliers in time, and according to agreements.

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?

This year we have continued to develop and promote our circular services, mapped our climate emissions, finalized our work on phasing out PFAS from our product development and production and we have embarked on the digital passport journey. We have become even more experienced in our systems for supplier information (PLM), and we have realized that we need to combine digital solutions in order to get an even better overview of our supplier and sustainability data. We have spent a great deal of time on stakeholder dialogues and working on our heightened due diligence in Myanmar. Finally, we have continued to give input on sustainability challenges to politicians, government, NGOs, researchers, and different institutions. We have together with others succeeded in our endeavors making changes in the law on second-hand sales, making it easier for commercial companies to sell second-hand products in Norway.

We reported our Scope 3 emissions to STICA for the fourth time, which included gathering an extensive amount of environmental and energy data from our tier 1 suppliers. This has been challenging, especially securing high quality and comparable data from all suppliers. Since the textile supply chain is complicated and consists of many suppliers, we have had to make assumptions and use of average data for textile materials and their impact on emissions. We will have to improve the way of using, mapping, calculating, and reporting this data in the coming years. We have also succeeded in completing a energy and water assessment in two of our suppliers in Vietnam, and are now looking into similar projects for our tier 2 suppliers in Korea, together with one of the STICA working groups.

The political situation in Myanmar after the military coup in February 2021 is still extremely challenging. This means that our due diligence work here has the absolute highest priority. We have had two suppliers with three facilities in the country. Our deepest concern is for the safety and well-being of the workers and their families, and our highest priority is for the people at our suppliers to keep having a job to go to and thereby a safe livelihood. Throughout the year we have had a very close dialogue with our suppliers. We are a member of EuroCham Myanmar, giving us a great network of European companies operating in the country and valuable information through regular meetings with relevant topics, including monthly meetings in the Garment group. We also receive daily updates about the situation on e-mail. Participation in EuroCham enables us and our facilities to take part in the EU funded MADE Myanmar program. MADE stands for “Multi-stakeholder Alliance for Decent Employment in the Myanmar apparel industry” and includes a factory program for social and environmental compliance, among other things. Both our suppliers have been taken actively part in MADE during 2024, both with facility inspections and with workers and management participating in several training sessions during the year.

We have continued to have a close dialogue with our advisor in Ethical Trade Norway, and we have had several meetings with both Norwegian brands with suppliers in Myanmar, and bigger European textile companies and German outdoor companies. Through our numerous online meetings in EuroCham we both receive updated information about the current situation, we get updated on the MADE program and we have good discussions with brands, unions, the EU Ambassador in Myanmar Mr. Ranieri Sabatucci and other stakeholders. We have also attended the online version of the OECD Forum on due diligence held in Paris, watching a session on Myanmar with participants with contradicting views on the conflict and how western companies should act. Together with ETN we have arranged a stakeholder meeting in Norway with different stakeholders; among them the trade union leader and activist Khaing Zar Aung, a representative from The Myanmar Centre for Responsible Business, Styrke and Norsk Folkehjelp. We have also met with representatives of The Norwegian Foreign Ministry and the Norwegian Embassy in Yangon.

We have encountered difficulties with one of our suppliers in Myanmar. We have received several grievances during the last years, and have together with two other European outdoor brands addressed this for the supplier repeatedly. The supplier has responded and implemented corrective actions. The situation overall did not improve, in fact it seemed to get worse. Our local partner MADE visited the facilities several times trying to support the supplier, but eventually reported back to us that things were not improving. We also received information about unauthorized outsourcing, which is a big red flag. The other brands experienced quality issues as well. After several years of poor cooperation, our three brands unfortunately had to end the partnership with this supplier.

We are convinced that our close and long-term relationship with our suppliers helps enormously to tackle the challenging situation. A decision to stay or go is not one we take lightly. For now, the arguments from stakeholders stating that leaving will make lives worse for our (mostly female) workers, carries the heaviest weight. Therefore, Bergans has decided to stay in the country, continuing our heightened due diligence work together with our supplier and EuroCham. We are at the same time following the development very closely going forward in 2025.

The last years we have also started looking into the topic of living wage in or supply chain. We have participated in an EHN working group on living wage - getting insights and learning working methods from other Brands - and sharing our approach. We have done a preliminary mapping of several different wage parameters at our tier 1 suppliers. Our initial learning from this is that this is a topic of great complexity, and that we need to go even deeper in order to get a greater understanding of the field - and then again be able to take actions for improvements.

We believe that more collaboration is needed when it comes to the challenges we face, referring both to the planet and to our industry. The challenges are way too big for one company to solve alone, and we all need to realize that sustainability is not to be treated as a competitive advantage (although we do believe that companies that do not take this issue seriously will forfeit). Competitors within the industry needs to cooperate with each other – through diverse initiatives and projects such as Ethical Trade Norway, STICA, Scandinavian Outdoor Group, Virke and others. And we need to collaborate even more with our suppliers, our customers, NGOs, the authorities, and research institutions.



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
Safeguarding workers rights at our suppliers	Freedom of association and collective bargaining Occupational Health and safety Wages Working hours Regular employment	Bangladesh China Cambodia Myanmar/Burma Turkey Vietnam
Climate emissions and environmental impact	Environment Emission Greenhouse gas emission Energy Water	Global
Chemical management	Occupational Health and safety Environment Emission Water	Global
Political crisis and unrest	Freedom of association and collective bargaining Harsh and inhumane treatment Wages	Myanmar/Burma

We are prioritizing workers' rights for our Tier 1 suppliers (labor intensive), while environmental impact and chemical handling is our focus for Tier 2 suppliers (fabric production, less labor intensive). Risks regarding workers' rights differ somewhat between the different production countries (Tier 1). Due to the politically unstable situation after the military coup in Myanmar early 2021, we have added political crisis as a salient issue for Myanmar. In 2022 to 2024 we have added wages for Myanmar, due to high inflation rates and political instability. For more information, see below.

We have carried out a DMA and will use this risk mapping as our foundation for prioritizing going forward. This work is not completed yet.

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.

Through our membership in Ethical Trade Norway, we have since 2009 committed ourselves to carry out due diligence assessments in our supply chain, to secure responsible business practices with respect for people, animals, society, and the environment, and to prevent and reduce negative impacts. This year we have carried out our double material analysis (DMA). This will form the basis of our sustainability strategy and actions plans in the years to come.

Close and long-lasting supplier relationships

It is important to note, that our strongest advantage regarding our supply chain management, is the long-term and resilient relationships we have with our suppliers. We have had a long cooperation with most of our suppliers, meaning we know each other well, we visit often, and our dialogues are based on mutual respect and understanding. This is important when developing technical garments and outdoor equipment such as backpacks and sleeping bags - this takes time and great effort, and we are dependent on collaboration and good competence at our suppliers. In addition, we also have direct dialogues with our tier 2 suppliers, as we nominate all fabrics and trimmings in the products we design and develop, we very seldom order ready-made products. This gives us a good control of our supply chain.

Mapping risks, factory visits and heightened due diligence

When assessing risks, we firstly take into consideration known facts about the country and region of operations. These facts we collect from Ethical Trade Norway, industry forums (such as the European Outdoor Group) and other relevant information sites, e.g., Fair Wear Foundation (FWF), Transparency International, International Trade Union Confederation (ITUC), US State Department country reports and others.

As previously mentioned, we have heightened our due diligence work in Myanmar, as this is a high-risk area. We joined EuroCham in 2023, and are receiving up-to-date information about the situation every day. In addition to having a close dialogue with our suppliers, we have conducted a great deal of stakeholder dialogue, with other European companies with suppliers in the country, with organisations, unions, the EU Ambassador, the Norwegian Foreign ministry, The Norwegian Embassy in Yangon, and with representatives and the Director of Myanmar Center for Responsible Business. We have also met with the trade union leader and activist Khaing Zar Aung digitally twice, enabled by Ethical Trade Norway. We read updates through international news articles and read reports and publications from various organisations. The different stakeholders in Myanmar gives us contradicting advise about staying or leaving the country, with well-founded arguments on both sides. This makes our work even more demanding.

All suppliers receive our Code of Conduct, and must read, understand, and sign this before we enter into any purchase agreement. We always visit new suppliers before starting business. Our co-workers both in Norway and in Hong Kong have years of experience in analyzing suppliers first hand, knowing quite instantly if this is a supplier worth moving forward with. This kind of competence can never be underestimated. We also perform an extra evaluation on our supply chain partner every time new product lines are being developed. Our main risk assessment documents are the Self-Assessment Questionnaire (SAQ) and the Factory Profile, which are based on Ethical Trade Norway's recommendations and ILO standards.

Chemical management and compliance is also an important part of the assessment, where our RSL document is key, and we are also a Bluesign system partner and a member of the Nordic Chemical Group (Kjemikaliegruppen). We factor in information gathered through our own on-site visits and interviews with suppliers, quality inspections and other external social audit reports, third-party certifications, and other external sources of information about the supplier. We always have continuous communication with our suppliers, and we aim to reach agreements based on mutual understanding, respect, and flexibility. Our Hong Kong-office visit our suppliers at least once a year, and in addition to quality controls they also carry out visual observation controls and following up irregularities with corrective action plans.

Supplier data & DPP

Our PLM system Centric contains all information about our supply chain. This tool help us evaluate our suppliers based on quality standard and business practices, including information from our screening of environmental and social conditions and the results of our own inspections on site. Centric helps us to map our supplier base and to have a good overview on all information, documents, permits, certifications, etc. As Centric is a PLM tool more than a due diligence tool, we plan to supplement this with a digital platform better suited for supply chain reporting, to collect more data, documentation, and certifications from all our partners in the supply chain in a more efficient way, for all parties, also in connection with the coming digital product passport (DPP).

Indirect purchases

Our supplier mapping, through Centric or other tools, in this report does not cover our indirect purchases such as office supply, company cars, canteen food etc. We do have clear preferences when carrying out our purchases, for example choosing electrical cars and certified coffee and avoiding disposable products, but we do not have a fixed set-up of requirements yet. Our main office in Asker is Miljøfyrtårn-certified, meaning that we are required to report on, and improve, our office-related purchasing practices and environmental impact. The report does not cover any form of due diligence work on transport of goods (shipping, trucks, etc). We have not reached this area regarding social issues as of now, but we do collect climate data from all our transport companies (inbound and outbound) for our climate mapping.

Mapping of natural materials

Through our RWS and RDS chain of custody certification we are able to map of our sourcing of these natural materials down to country and region of origin, as this is listed on the Transaction Certificates following all orders. Our wool comes mainly from Australia, New Zealand, Argentina, Uruguay and South-Africa. We are from time to time mapping other natural materials such as cotton, making sure that it does not come from high-risk areas such as the Xinyang Province in China. Our organic cotton comes mainly from India, and conventional cotton (such as in our caps) comes from the US. These value chains are long and complex, it is a global market and there is always a risk that this information can change over time. Therefore we rely on certifications, and will probably have to utilize even more certified materials going forward. As we do use small quantities of cotton, this will probably not be a prioritized area for us, other than to continue to focus on using organic cotton in our products and securing that the cotton does not originate from high-risk areas. For wool and down, we will prioritize the use of RWS / RDS certified materials (or Re:Down), securing third-party certified chain for custody for the whole supply chain. The RWS also focuses on social rights at the farms.

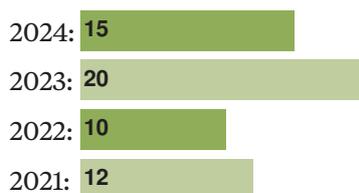
Certification is not always a guarantee. In December the animal welfare organisation PETA discovered poor animal welfare in ZQ certified New Zealand farms. We have not been able to find out if wool in Bergans products comes from these farms yet, but we are looking into it. We see that the New Zealand Merino Company are researching these cases together with the government. In any case, we truly believe it is much better to be part of a standard that advocates for the highest levels of animal welfare, than to not engage. It is also crucial to maintain perspective. The actions of a few individuals do not represent the hundreds of certified farms in New Zealand.

Cooperation is key

Cooperation in our industry is key. As a small company in a global industry, we do not always have the leverage we would like when addressing issues with our suppliers. But together with others, our voice is stronger. We aim to increase the dialogue with our partners and with our competitors in the textile and outdoor industry, to create improvements in our supply chain. We are already sharing and comparing our supplier lists in several projects with other brands, mostly on climate issues, but also some on social topics.

Indicator

Number of factories visited



Our own co-workers, either from our main office in Asker or from our Hong Kong office, carry out regular visits to our suppliers. Such visits include quality control, product development and visual observation on safety, social and environmental issues. In 2024, 13 of our co-workers visited 15 different facilities 26 times in total. Some facilities have received several visits due to ongoing product development and quality control, also four persons from our management team including our new CEO visited several suppliers during a round-trip to get to know our suppliers. We have not been able to travel to our suppliers in Myanmar, as the travel recommendation from the Norwegian Government prohibits travel to the country. Some of our suppliers, both vendors and fabric suppliers, have also visited us in our office in Asker. We also always meet up with our suppliers at ISPO.

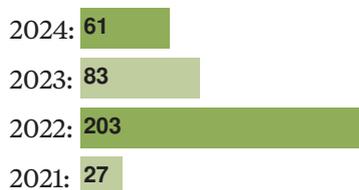
Visiting and meeting our suppliers is a big part of our due diligence work. We started using SGS inspections for quality control during covid, and we have continued to do so in 2023 and 2024, although to a lesser extent.

Percentage of tier 1 suppliers with unions or other forms for worker representation



We started mapping this question in 2018, when updating our SAQ. In 2022 we carried out a new survey on wages, where worker organisation also was covered. All of our major suppliers in tier 1 suppliers report that they have a form of working committee present at their factories. Some smaller factories says they have not. We will ensure the quality and accuracy of this information when we plan to send out through a new reporting system, so we have not mapped this in 2024.

SGS inspections (external quality inspections at production facilities)



SGS inspections are third-party inspections of our suppliers, but mostly focusing on the quality in production. There are several visits to the same facilities, for example SGS completed 11 and 9 visits to the two suppliers in Myanmar, which we are not visiting at the moment. We also used SGS inspections at our suppliers in China, Vietnam, Turkey and Indonesia. The high usage of external SGS audits in 2022, was due to global travel restrictions. We started using SGS in 2021.

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 supply chain of textile companies are large and complex, and the area of sustainability is growing rapidly. The nature of the sustainability work is often long-term, and new issues are revealed as the work progresses. We are not able to cover everything at once and we need to prioritize. Also, changes in our Sustainability team and budget cuts has an impact on what we are able to accomplish.

We know from our due diligence work that **water usage** is a salient issue in our industry. We have chosen to source organic cotton. From Bluesign we water consumption data from Bluesign certified T2 suppliers, but we see that we have little improvements in water reduction at these suppliers. Two of our suppliers (T1) have carried out water usage mapping and are implementing actions. Still, we do not have a very good overall monitoring of water usage in our supply chain, and we need to consider setting targets and actions in this area going forward.

We are mapping our climate emissions and implementing actions on reductions. But we did not manage to complete a **Climate Transition Plan** and set science based targets in 2024, as we had planned. This is due to changes in the Sustainability team. We will carry on to set these targets the coming year in collaboration with Sport Holding.

In order to really improve workers rights and **social dialogue at facilities**, we recognize that it is not always sufficient with factory visits, external social audits and CAPs. Capacity building through for example training programs on basic rights and responsibilities for both workers and management can move things forward much faster. We have succeeded with some facilities with the Quizrr training program, but have had to pause this due to other programs and budget restraints. We hope to be able to re-launch this at a later stage.



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

	Safeguarding workers rights at our suppliers
Goal :	Secure social dialogue and worker representation at all suppliers
Status :	<p>We continue to have a close cooperation and dialogue with our suppliers on social dialogue and worker representation. The Quizrr program on social dialogue has been put on pause due to other actions and because of budget cuts. We hope to re-engage with this program at a later stage, as we experienced good results with a couple of our suppliers in China completing this training.</p> <p>We have had to prioritize the situation in Myanmar. The MADE program has great focus on worker engagement and social dialogue, and our suppliers have participated in several trainings on this issue, including Labour Law, HR Strategy, Supervisory Skill and OHS training in 2024. MADE have also had inspections at the facilities, showing progress on several areas.</p>
Goals in reporting year :	Continue to use the social dialogue training tool together with Quizrr, to better educate workers on their rights and responsibilities. Evaluate status at current facilities.

Describe already implemented or planned measures :

We sometimes find small breaches of our requirements for Environmental Health & Safety when visiting factories during our own inspections. These breaches are always reported to our supplier together with an Improvement Action Plan (IAP), which helps our suppliers to implement corrections. Our suppliers also have regular visits from third party auditors. These reports are shared with us, and we follow up improvements from these inspection with our suppliers. We will strengthen our supplier mapping with an even more systematic and detailed approach through our project on digitization of our sustainability data with our partners in Trimco an Centric, and are piloting with four suppliers. We are also continuing the dialogue with Sport Holding, looking into areas of collaborations.

We have been working with Quizrr since 2019. Three of our Chinese suppliers have made use of the social dialogue training tool. The progress has halted somewhat during covid, especially in one of the facilities. One of the facilities has been especially successful during the years, and most workers here have completed many of the different training sessions. The feedback from the evaluation has been very positive from this supplier. The three facilities are now done with the training. We had plans to expand the program to our suppliers in Vietnam this year and have presented the program to the suppliers. But due to the focus on energy efficiency programs in the same facilities, we decided to postpone the Quizrr project to avoid overburdening the suppliers. Because of heavy budget cuts, we continue to pause this program, hoping to re-engage at a later stage.

Our Myanmar suppliers has joined MADE Myanmar and the SMART facility program. This includes both inspections at the facilities and several different trainings for both workers and management. Both suppliers have previously been audited by both Fair Wear and BSCI, but because of the military coup, this is no longer possible. Consequently, the MADE program is essential. The workers are still able to use the Fair Wear hotline.

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

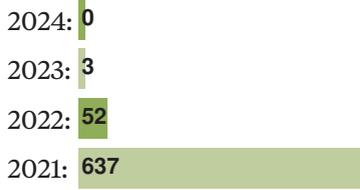
For the Quizrr program, we do not have anything new to report for 2024, as the program has been on hold due to already mentioned priorities. For the SMART Myanmar facility program, which off course also includes social dialogue and worker representation, we have received audit results and corrective actions from the three facilities from our two suppliers. Please see the the results from these audits on in the section about Myanmar below.

We will continue to monitor the trainings and the inspection on our facility in Myanmar and evaluate the effect this has on worker representation and other worker's rights. We are also very much looking forward to working according to our newly completed DMA and our new platform for supplier data.

Indicator

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Number of workers that have completed a workers rights training program in Quizrr



Since 2019, three of our Chinese suppliers have made use of the Quizrr tool workers training tool. In total 1733 workers have completed 8477 training sessions since we started. We have put these plans on hold due to the climate & energy program at the same facilities and due to budget cuts.



	Climate emissions and environmental impact
Goal :	<ul style="list-style-type: none"> - More sustainable materials and production methods - Measurable environmental and climate improvements in the supply chain - Lead in the transformation to a more circular economy
Status :	<ul style="list-style-type: none"> - We are working to increase our share of more recycled materials and trims. - We have continued mapping climate emissions for all scopes, started to work actively with collaborative actions together with our suppliers. We have been working with Bluesign to map out what supplier data in tier 2 they can collect for us. Suppliers are also implementing solar and other initiatives by themselves. - We have continued our engagement for repair, carried out second-hand events, and have successfully advocated for better conditions for circular services
Goals in reporting year :	Mapping and reporting on our climate emission for Scope 1 (offices and transport), Scope 2 (energy use) and Scope 3 (emissions from our supply chain). Continue the work on materials & trims, and enhance and develop our circular services.

Describe already implemented or planned measures :

We have continued our work to increase the share of **recycled materials**. We often change from virgin materials to recycled when updating our product versions. We also choose more recycled trimmings when available, and we have really succeeded to enhance the use of recycled trims this year. We experience that sourcing recycled materials sometimes can be a challenge, due to either quality or delivery issues. We have also continued to use more sustainable production methods like **solution dyeing** in our Stranda collection. As the Stranda collection now is being phased out, we do not have any collection continuing this focus. It is a challenge working with solution dye as this is expensive, have high MOQs among other things. We have to think in other ways to be able to continue the use of such technologies. We did try to implement the amazing Spinnova materials, mechanically produced from wood fibers without harmful chemicals, in commercial products. Unfortunately, we did not get enough orders to make the MOQ for these products, so they ended up not being produced.

Through our participation in the Scandinavian Textile Initiative on Climate Action (STICA) we are mapping our **climate emissions**, as a big part of our negative impact is the emissions our production of fabrics and products contributes to. We need to map this to know where to prioritize our reduction actions, and we have committed to report these emissions annually as well as to initiate actions to



reduce our total emissions at least 50 % until 2030. In 2024 we again reported our emissions for Scope 1, 2 & 3 to STICA, who in turn publishes a common and open report with the calculated emissions of all brand members. In 2023 we experienced a decrease in our emissions, mainly due to lower sales figures. The numbers for 2024 are not ready yet.

We have already started the dialogue on reducing emissions together with other members of STICA as well as a selection of our suppliers. We discovered that some of our suppliers have already carried out **water and energy efficiency mapping** and have also started implementing actions. One of them, a Bergans supplier in Vietnam, shared with us their good experiences with a local energy consulting agency. We have introduced this agency to more of our suppliers, and to other brands in our Vietnam STICA working group, resulting in more brands and suppliers engaging in water and energy efficiency mapping. The brands are paying for the initial mapping of the facilities, to speed up climate action measures. In 2024 one of our other suppliers in Vietnam carried out a water and energy mapping at the facility with the same consultancy, resulting in an extensive report with big and small suggested actions, included with costs and potential savings. Bergans participated digitally the last day of the consultancy visit. The facility is now implementing relevant actions. Another one of our suppliers in Vietnam has now invested in **solar panels**, planned to reduce CO2 emissions with 515 tonnes per year. They are also buying renewable energy (IRECs) and have invested in LED lighting.

We are also following a **decarbonization project** in the European Outdoor Group (EOG) and have shared our supplier list both in tier 1 and 2, to see if we share suppliers with other brands in order to create grounds for common actions. We have previously contributed financially to a joint carbon tech assessment which has been organized by EOG on behalf of the members in the initiative. We have also shared a tool on electrifying heating sources with our T2 suppliers, developed by OAS and American Outdoor Brands.

We are buying **Guarantees of Origin for renewable energy** for all our own units and are looking into an even better collaboration with our renewable energy partner in Norway Becour. We have also been part of a STICA project group, with the aim of enabling our suppliers to purchase renewable energy certificates.

Our **circular services** on repair, rental, return scheme, second-hand sales and redesign have a special place in our sustainability strategy. In 2024 we have continued to promote our Service Deal on our Rabot products in collaboration with Sport 1, and have also expanded to Anton Sport and Intersport. We have visited several places with our repair car during the year - promoting our service and creating awareness, also through the media, about sustainable consumption. We have campaigned for our return scheme and second-hand sales, including arranging two large second-hand events during the year. As mentioned earlier, the change in the law on second-hand sales is a great win, now we continue our advocacy on reduced VAT. We have visited universities and carried out redesign workshops - realizing that focus on sowing and repair is greatly missed in our education system. We now experience that the Agency of Education is looking into education on textile repairs, and we have given our input in an initial meeting with them.

We are participating in **several networks** working with collaboration on circular economy, among them STICA and NF&TA. We are closely following the regulations coming in this area as well, sharing our practical insights with decision makers through Virke, for example on the coming Extended Producer Responsibility (ERP) on textiles.

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

Goals for the coming years:

- Continue to source more sustainable materials and trims
- Collect real data from T2 using our Bluesign partnership
- Investigate in and utilize more sustainable production methods
- Continue mapping emissions, continue to utilize the digital data collecting platform, Emission twin
- Continue and expand the energy projects with our suppliers in several countries
- Create a road map for our climate emissions, with clear milestones (STICA and EOG requirement)
- Take the lead in the transformation to a more circular economy, including development of our services and continue advocating for better conditions for services that contributes to more sustainable consumption

	Chemical management
Goal :	Safe chemicals – secure RSL compliance and increase Bluesign® approved materials for our products.
Status :	<p>This is an ever-ongoing priority. Our RSL is updated every year, we send the updated list from Bluesign® to all our suppliers every August. We are conducting third-party chemical testing (blind tests) once a year to secure RSL compliance.</p> <p>We have done an extensive amount of work on phasing out PFAS, both on our own and in collaboration with our industry. This work has during 2024 been finalized, we are no longer developing or producing products with fluor carbons. We still have to work on detection of "hidden use" of PFAS in different parts of our products (beyond fabrics and DWR). Here we are collaborating with other brands in Scandinavia. We are now looking into how to use our Bluesign® partnership even better, as they are on-site at many of our T2 suppliers.</p>
Goals in reporting year :	Increase share of Bluesign® approved materials. Continue the work on finding alternatives to PFAS. Contribute to the microfiber research project.



Describe already implemented or planned measures :

The Bluesign® partnership provides us with a yearly updated Restricted Substances List (RSL) which we share with our suppliers, who in turn reads and sign this through our Chemical Compliance procedure. Bluesign® also secure strict regulation in the handling processes of chemicals in facilities

Our product development team always prioritize sourcing Bluesign® approved materials and trims, where possible. While still increasing the share of Bluesign® approved fabrics, our developers have also implemented many more Bluesign® approved trims (zippers, buckles, buttons, thread etc.). In our Product Lifecycle Management system (PLM) we monitor the progress and are now looking into finding better ways to monitor sustainability KPIs within this system, also in combination with the certificate manager in the Trimco platform. In 2024 we have again updated our Restricted Substances List (RSL) in accordance with bluesign.

Through joint research projects the last years, and through our own internal CO-project, we have succeeded to test and gain insights to alternatives to PFAS in our impregnation. These projects have now ended, and the learnings are implemented in normal working routines. We launched our last products containing PFAS in 2023. We have also communicated this work in a press release, participating in media interviews and we have had communication flyers in our stores and in eCommerce orders. We now see the need to communicate care instructions and re-impregnation more strongly to our customers going forward.

Regarding microfibers, we have continued our participation in the TMC research project - sharing our fabrics for testing to their building of a database, among other things. We are also mapping our supply chain partners and have conducted a survey to receive insights on how they are working with this subject. The topic is still at an early research stage, but we will contribute with what we can to build competence.

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

Goals for the coming years:

- Continue the work on increasing bluesign approved materials and trimmings. We will look into if a Bluesign® product may be in reach for us. We are also monitoring the role of Bluesign® in the EU Green Claims Directive, and following new regulations withing chemicals in general (REACH)
- Implement new digital system (Trimco / Centric) - better way of following up RSL / Chemical compliance and Bluesign® certifications.
- Communicate care instructions and re-impregnation solutions to customers
- Follow the research development on microfibers in the TMC, and keep updated on potential demands in the DPP.
- Collaborative work on detection of "hidden use" of PFAS in different parts of our products (beyond fabrics and DWR)

	Political crisis and unrest
Goal :	Secure safety of workers at our supplier's factories in Myanmar
Status :	The political situation in Myanmar after the military coup continue to have impacts on people in our supply chain. We have heightened our due diligence, keeping a close dialogue with our suppliers and engaging in stakeholder dialogues.
Goals in reporting year :	The military coup in February 2021 and the following conflicts and political unrest in Myanmar has forced all western companies with suppliers in the country to heighten their due diligence work. Our goal for 2024 was to keep a close dialogue with our suppliers, keep and enhance our stakeholder dialogues, participating in EuroCham and MADE Myanmar and make sure that our suppliers also take an active part in MADE (trainings, forums, joint efforts) and have inspections from the SMART facility program (a part of MADE).

Describe already implemented or planned measures :

The political situation in Myanmar after the military coup in 2021 still has impacts on our supply chain and the workers in the facilities. During 2024 we have had two suppliers with three facilities in the country, and our deepest concern is always the safety and well-being of the workers and their families. We also believe that in order to have the strength to protest against a military dictatorship, people need to have jobs. Throughout the year we have prioritized to have a close contact with our suppliers, with a goal to have an extensive understanding of the situation locally and to safeguard the security of our workers at the factories.

Bergans joined EuroCham and the MADE program early 2023. This has, as mentioned earlier in this report, given us a great network of European companies operating in the country and valuable information through regular meetings with relevant topics, including monthly meetings in the Garment group. We also receive daily updates about the situation on e-mail. Participation in EuroCham enables us and our facilities to take part in the EU funded MADE Myanmar program. MADE stands for “Multi-stakeholder Alliance for Decent Employment in the Myanmar apparel industry” and includes the SMART facility program for social and environmental compliance, among other things. Both our suppliers have taken actively part in MADE, both with facility inspections and with workers and management participating in several training sessions during 2024.

As this is an extremely complex and quite an unprecedented situation, the way forward is not evident. One of the biggest ethical dilemmas is the discussion on what has the greatest negative impact on the people in Myanmar, and especially on the (mostly female) workers at textile factories, should western companies pull out or should they stay? Our stakeholder dialogues have been both a



high priority for us, and utmost helpful. During the year we have continued to have a close dialogue with our advisor in Ethical Trade Norway, and we have had several meetings with both Norwegian brands with suppliers in Myanmar, and bigger European companies within both fashion and outdoor. Through our numerous online meetings in EuroCham we both receive updated information about the current situation, we get updated on the MADE program and we have good discussions with brands, unions, the Myanmar Centre for Responsible Business, the EU Ambassador in Myanmar Mr. Ranieri Sabatucci and other stakeholders. We have also again attended the online version of the OECD Forum on due diligence held in Paris, watching a session on Myanmar with participants with contradicting views on the conflict and how western companies should act.

Together with Ethical Trade Norway we have again arranged physical and digital meetings with different stakeholders. In September we conducted a meeting with the Norwegian labour organisation Styrke (LO), the NGO Norsk Folkehjelp, a representative from the Myanmar Centre for Responsible Business, the union leader and activist in exile Khaing Zar Aung (online) and other Norwegian Outdoor companies. We have also met with representatives of The Norwegian Foreign Ministry and the Norwegian Embassy in Yangon. We received quite a clear message that the Norwegian government is in line with the EU, continuing to support European businesses operating in Myanmar. We addressed the travel restrictions that hinders our due diligence work, and although we received an understanding of the dilemma, no changes seem to be on the table. We also joined Ethical Trade Norway at a second meeting with the Ministry, addressing the need for more clear advice from the government to Norwegian companies operating in conflict- affected areas in general.

Reports about the situation from ILO, The World Bank and others, and different media articles about the situation are deeply worrying to read. There are stakeholders stating that the required heightened due diligence is not possible to accomplish. Some stakeholders, like the IndustryAll Global Trade Union, are urging the EU to end its support for the MADE Myanmar, to cut the EBA*, and are urging companies to stop operating in the country, as this will in turn force the military regime to surrender. This was also stated in a Norwegian news article in "Fri Fagbevegelse" this summer, where Bergans among others was urged to leave the country by IndustryAll and several other Norwegian organisations. We were not surprised by the article written by IndustryAll, but we were surprised about some of the Norwegian organisations signing it. We have been open about our engagement, including participating in open dialogues and publishing an open statement on our webpage. In a Norwegian open context, we have an expectation that organisations invites us to a dialogue before criticizing us in the media. We have had a good and understanding conversation with one of the organisations afterwards. It is still worrying for us that H&M has decided to phase out their production in Myanmar, as a result of an overall assessment of their ability to secure heightened due diligence for all of their facilities. We have again had an online meeting with the H&M Myanmar Manager, receiving great insights.

EuroCham and the EU, is still convinced that due diligence is possible, although challenging. They believe that the textile industry has little or no leverage in the country, and that western companies leaving and the EU terminating its support will only make the living situation for the workers much worse. Also as stated before, people without jobs are not likely to have the same protesting strength. EuroCham has developed a comprehensive Fact sheet for the Myanmar Garment Sector, that aims to update stakeholders on the current state of Myanmar's apparel sector and is intended to contribute to greater transparency and understanding of the sector's importance for the livelihoods of the hundreds of thousands of people in Myanmar. The Fact sheet covers the structure of the sector

(including garments, footwear, and luggage), the situation of workers, and the sector's contribution to Myanmar's economy, including tax revenue. It also addresses the question of military involvement in the sector.

Bergans is convinced that our close and long-term relationship with our suppliers helps enormously to tackle the challenging situation. A decision to stay or go is not one we take lightly. All stakeholders we are in dialogue with all have the same goal - to create, democracy, peace and freedom of fear in Myanmar. They just advocate for different ways to reach this goal. For now, the arguments from stakeholders who state that leaving will make lives worse for our (mostly female) workers, carries the heaviest weight. Therefore, Bergans has decided to stay for now, continuing our heightened due diligence work together with our suppliers and with EuroCham. We are at the same time following the development very closely going forward in 2025.

* EBA stand for "Everything but Arms". The EBA scheme removes tariffs and quotas for all imports of goods except arms and ammunition, coming into the EU from the least developed countries (LDCs).

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

Our two suppliers have previously before the coup been audited by both Fair Wear and BSCI. As this is no longer possible, their participation in the MADE and being audited by the SMART Facility program is crucial for our due diligence work. Our suppliers have been participating actively throughout the year, and we have received audit results, corrective actions, and improvement scores from the three facilities from our two suppliers. Our suppliers are also participating in several different training sessions provided by MADE.

Training of staff

One of our suppliers (one facility) has had co-workers participating in ten different trainings, regarding topics such as HR strategy, Labor law, Supervisory skills, Chemical management (level 1 and 2), OSH and ergonomics training, Boiler operator training, GHG emission, and Electric safety. They have also participated in several MADE forums, together with other garment suppliers and brands, and also union organisations, among others. They have had several audits and follow-ups from MADE. From the first to the last audit, the facility has made great improvements. Our reports from both MADE and other brands producing at this facility is that this is a supplier that takes good care of their workers and is genuinely and actively working to safeguard workers' rights. This is also our experience working with the same supplier in Vietnam.

Breach of Code of Conduct

Our other supplier (two facilities in Myanmar) has also been a part of MADE the last years, and has been audited several times and have also had co-workers participating in different trainings. However, several issues were raised both in MADE inspections and in the MADE grievance mechanism, similar to what was described in the Fair Wear report form 2022; about harassments, missing overtime payments and poor leadership in general. Some of these cases had also appeared in Myanmar Labour News. MADE stated to us that they have been very disappointed with the suppliers' declining performance the last years, including the "resistance of top management/ownership to

even meet basic legal obligations unless repeatedly compelled by their buyers." We have had a close dialogue with the other European companies producing at this supplier for several years, and we continued the meetings and discussions from early 2024. They did not have the same travel restrictions as we have in Norway, so they visited the supplier and monitored the production during several months at that time. They discovered unauthorized outsourcing both of their products and Bergans products. This is a huge red flag for any company, and a breach of our Code of Conduct. Both we and the other companies addressed this and other issues to the supplier. One of the other companies also experienced poor quality, possibly resulting from many skilled workers leaving the supplier due to poor conditions. Bergans did not experience this. Finally, after years of trying to make a previously good supplier to comply to basic standards of labour rights, we sadly felt that we had to end the relationship with this supplier early spring in 2024. All three companies have had separate meetings with the supplier, planning for a responsible exit, taking down orders gradually. Bergans last order was shipped late in 2024.

Goals for the coming year:

We will continue to monitor the situation through dialogue with our suppliers, Ethical Trade Norway, EuroCham, other companies and other stakeholders. Through EuroCham we will continue to receive direct information on what is happening on the ground. We will strive to keep our heightened due diligence, especially through the MADE Myanmar program, with a goal to secure and improve the workers situation. We hope to be able to visit our suppliers in the coming years. If we are not able to do so, we will have to reconsider the situation, as this normally is a prerequisite for our engagement with our suppliers. Finally ,we continue to prepare for a responsible exit strategy, in case an exit will be necessary.



3.B Other actions related to management of negative impact

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

As mentioned in our CEO's introduction to this report: As an outdoor brand, with nature as our playground, Bergans has both a self-interest in and a responsibility to ensure that the outdoors we have today will be there for the next generation to enjoy. Co-workers in Bergans spends a lot of time out in nature, both in our work time and in our spare time. We know that people who our out in nature, tend to care more for nature. Therefore, in our business strategy, we have stated our mission: "To inspire, enable and share the best outdoor experiences".

Through our own travel operator Bergans Adventures, and through our long-standing cooperation with **Den Norske Turistforening** (DNT) and the Swedish Friluftsrådet, we inspire people to go outdoors and experience nature - and our goal is always to enable a sustainable outdoor life ("leave nothing behind but tracks").

As already stated in this report, Bergans does extensive work on **chemical management**, and is committed to the Bluesign® system which secures that we avoid harmful chemicals in our production and products, and always lie ahead of regulations. It also safeguards the handling of chemicals in the facilities. We are closing in on phasing out fluorocarbons (PFAS) in our products. We participate in research programs on microfiber, together with suppliers, research partners, test institutes and other brands. We have started mapping the awareness of the topic among our fabric suppliers, and some of them have already started testing and implemented actions. All our fabric suppliers are obliged to have wastewater treatment systems, and some are using these systems for preliminary testing of microfiber shedding in production.

Regarding the use of animal-derived materials, our animal welfare policy in our Code of Conduct is very clear: all animals in our supply chain shall be treated humanely and according to strict regulations. Bergans only accepts virgin down certified by the **Responsible Down Standard (RDS)** and recycled down in our products. We demand that all virgin down included in our products must be a by-product of the food industry. We do not in any circumstances tolerate "live-plucking" of down. When it comes to wool, Bergans does not accept the practice of "mulesing", and we require certificates from our suppliers to ensure mulesing-free practices. We are moving rapidly towards our goal to only purchase wool certified by the **Responsible Wool Standard (RWS)** or recycled wool. Bergans does not use fur, neither from animals nor synthetic, the latter due to the risk of shedding of microplastics.

The use of water in the textile industry has a severe impact on water scarcity in many areas of the world. This is both a case in the cultivation of natural resources such as cotton, but also the production of textiles has a great impact, especially in the dyeing and finishing processes. Bergans does not use a great amount of cotton, and close to all the cotton we do use is **certified organic cotton (GOTS)**. We are using more sustainable dyeing technology on some of our products, such as SpinDye, which reduces the use of water up to 75 %. Also, the Spinnova material uses less water in production. We will investigate in more actions regarding water usage going forward.

Bergans is a member the **European Outdoor Conservation Association (EOCA)**, a charitable organisation created by the European outdoor industry - working together giving something back into the environment that we all care about so passionately - as well as depended on for our livelihood. The EOCA directly funds specific grassroot projects concerning threatened wild areas, species and habitats. This may include for example moorland, hills, mountains, coasts, rivers, forest, grassland, peatland, lakes and ocean areas. During the last 15 years the EOCA has funded 184 projects, in 65 countries, to the tune of nearly €5 million.

When it comes to packaging, we use recycled materials in our polybags, eCommerce bags, return bags (pantepose), and shopping bags. We are a part of the **EOG Single-use plastic program**, and in 2022 we participated in a project where we reduced the use of polybags in our eCommerce. This was followed by a customer survey, with great feedback. Bergans is a member of Grønt Punkt Norge (EPR) and Handelens Miljøfond, paying 2 kr per sold shopping bag. Handelens Miljøfond is Norway's largest private environmental fund, supporting projects that reduce plastic littering, increase plastic recycling and reduce the consumption of plastic carrier bags.

3.B.2 Reduction of greenhouse gas emissions

The global textile industry, of which Bergans is a part, contributes to significant greenhouse gas emissions, and thus to global warming. At the same time, the industry is contributing to an ever-increasing consumption and an increasing amount of waste. We are aware that we are part of the problem, therefore we have a responsibility to be part of the solution.

Bergans is actively working to reduce our emissions while offering services that extend the life of our products. To reduce emissions, we are firstly mapping our emissions in scope 1, 2 and 3, and have committed via STICA to reduce these emissions in line of the Paris agreement, which means reducing our emissions with at least 50 % by 2030.

In STICA, brands are working together to find common solutions regarding climate actions in supplier countries. We have opened our supplier lists, both tier 1 and 2, in order to find shared suppliers or suppliers in the same areas. Bergans is participating in two country working groups with other brands in STICA, one on suppliers in China and one for Vietnam suppliers. The China working group organized a series of joint supplier webinars for capacity building on climate related topics and started an initiative to buy Renewable Energy certificates for our suppliers together as a group. The Vietnam working group organized an energy & water assessment audit offered by a local energy consultant company, for our suppliers in Vietnam. Two of Bergans' suppliers has carried out such an audit with the consultancy, and shared both their experiences and results with us, enabling us in turn to share this with the rest of the group. We are also looking into similar solutions with our T2 suppliers in Korea.

We have also been participating in a Decarbonization project together with brands in the EOG, looking into actions at our tier 2 suppliers in Taiwan. We are constantly investing in more sustainable quality materials, more sustainable coloring technologies and buying renewable energy for our own operations. Lastly, we always design our products with high quality standards, made to last and made to repair - and we offer services that prolong the life of our products and are at the forefront promoting a more circular services in Norway. (see more above).

In 2025 we will set our Climate Transition Plan, with more detailed goals of reduction throughout our value chain. We aim to set SBTI targets during the year, in collaboration with Sport Holding.

3.B.3 Improvements in own purchasing practices

Our Purchase department always has a good and constant dialogue with our suppliers concerning placement of orders, capacity, delivery times, etc. It is our suppliers who set the time frame from our order deadlines to their delivery dates, which forms the base of our time planning for a new collection. Since we most often use a rather small part of the total capacity in these factories, we have to accept the time frame set by the supplier and are not in a position to push any deadlines. This is also the case when it comes to our fabric suppliers. We plan our time frames with good margins, and we forecast the volume (meter, yards) in good time. There are long lead times on fabrics, and as we nominate all our own fabrics, good and close communication with our fabric suppliers is a natural part of the daily work of our Fabric team and our Purchase department.

The global logistics situation has been challenging the last years, due to covid, the war in Ukraine and attacks on cargo ships in the Red sea. Our Purchase department has been in a constant dialogue with our vendors to monitor and adjust shipping dates. As a consequence of these logistic disruptions, we now place orders much earlier than we have been used to before. This gives the vendors more room to prepare their production planning.

Indicator

Percentage of payments to suppliers that are made on time



This is not an issue in our value chain since we always pay our suppliers on time. This has also been the case during the current logistics challenges. Also, we have still paid on time, and even on some occasions up front, in cases where the deliveries have been delayed.

3.B.4 Choice of products and certifications

Our goal is to increase the share of more sustainable and/or certified materials and production methods. We are working on this by:

- Bluesign®: constantly increasing the share of bluesign approved materials and trims, including being ahead of chemical legislation.
- Down: All our virgin down is certified after the Responsible Down Standard (RDS). We use recycled down from Re:down
- Wool: We always demand non-mulesing certificates from all our wool suppliers and we have a good progress in increasing the share of Responsible Wool Standard (RWS) certified styles. These are chain-of-custody certifications, and we have been re-certified in 2024.
- We require certificates for recycled materials (Global Recycled Standard, GRS) and for organic content (Global Organic Textile Standard, GOTS). We will consider chain of custody (like we have for RDS and RWS) for these materials going forward.
- We always design our products with high quality standards, made to last and made for repair (no standards for this yet).
- We test all our fabrics in our in-house lab, though a number of different quality tests. We also order external chemical test for a range of products to secure our high chemical standards. In addition we also test our fabrics in real-life field tests.
- In 2025 we will prepare for the digital product passport and implement a new platform (certificate manager) in order to secure the documentation on all certifications in a better way. We have already started implementing unique QR-codes in our products.
- We are following, and preparing for, the development on new regulations coming from the EU Green Deal closely, for example the Green Claims Directive and the CSRD. We already comply to the updated GPSR (EU) and Produktkontrollöven.
- We are collaborating with the industry, for example the EOGSustainability Data Exchange Project (SDEX).

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

In our Code of Conduct, we very clearly state our requirements to our suppliers on freedom of association and the right to collective bargaining. This can be found in paragraph 2.1 - 2.4, and is based on the ILO Conventions no. 87, 98, 135 and 154. Workers at our suppliers shall, among other things, have the right to join or form trade unions of their own choosing and to bargain collectively.

We have mapped our suppliers on the presence of worker committees, and most of our suppliers state that they have this in place at the facilities. What kind of role, responsibilities, mandate and leverage the committees have, seem to differ. In our recent mapping on wages, not many of our suppliers state that workers committees take part in collective bargaining. Our previous training project together with Quizrr focuses on social dialogue as a valuable tool to create an effective dialogue between workers and the factory management - also about wages. The importance of worker organisation, and the quality and effectiveness of these committees, will be an important part of our mapping in our new tool going forward. Social dialogue has also been part of the MADE Myanmar training program for our suppliers there.

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

As mentioned previously, all new co-workers in Bergans receive sustainability training. Internal communication channels, such as Workplace, the bi-yearly Sales meeting and other common meetings are heavily used for communicating a wide variation of sustainability topics. As certified RWS / RDS we are obliged to conduct an internal training about animal welfare and the standards on a yearly basis, and keep training records. The Sustainability Manager, the Product team and the Purchase team participate in trainings run by Ethical Trade Norway. We also have a close dialogue regarding the developments in Myanmar. In 2024 we established an internal sustainability task force, meeting bi-weekly to keep updated on coming regulations and other issues. We stay updated on relevant topics from Virke, EOG, SOG, Ethical Trade Norway, NF&TA and other networks and stakeholders. We share relevant information with the rest of our organisation. We are also always positive to share our own knowledge and experience in the same networks - and also to pupils, students, teachers, other businesses, politicians and other decision makers.

Customer Service and the Repair team have a close dialogue and regular meetings with the Product department, sharing knowledge and insights about product wear and tear, and potential weak spots. The repair car team give regularly updates to the product team with learnings from repair stories from Norwegian consumers around the country.

Regarding our suppliers, we have initiated the use of the Quizrr training platform, and three of our suppliers have completed trainings in social dialogue and workers rights & responsibilities. 1733 workers have completed 8477 training sessions. This program is now paused. Our suppliers who are bluesign certified are regularly trained and supervised on safe chemical handling and our suppliers who are RDS / RWS certified have regular training and supervision on animal welfare. All our suppliers are social audited. Our Myanmar suppliers have been participating in several training sessions through MADE. Two of our suppliers in Vietnam have completed Energy and Water mapping by the local consultancy EnerTEAM, and a third has already initiated actions on renewable energy. Through STICA and EOG we have offered several trainings in climate and energy actions, including a tool for mapping out electrification of heating boilers. Through our mapping on climate emissions, renewable energy, microplastics, workers organisation and living wage, we are also creating awareness at our suppliers about these topics.

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

Our rules and guidelines for corruption and bribery for Bergans co-workers are stated in our Ethical Guidelines for Employees (staff manual) in our internal digital platform Alexis (Visma). All new co-workers are introduced for these guidelines. The HR department is implementing new procedures on digital signing of the guidelines for all co-workers shortly.

Bergans' position and guidelines on corruption is also stated in our Policy for Sustainable Business Practices. In our Code of Conduct, a document all suppliers must read and sign before we enter into any form of business relations, the following is stated in paragraph 16.1: "Corruption in any form is not accepted. That includes any form for bribery, extortion, kickbacks, or improper benefits (private or professional) to any customers, agents, sub-suppliers (or employers of such parties), as well as government officials."

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

We are following the development in the EU regarding the Green Deal and the Circular Economy Action Plan, and the Norwegian Transparency Act. We are positive to all the frameworks and regulations coming, as we firmly believe that regulations will contribute to both levelling the playing field for companies, give the consumers better possibility of informed sustainable choices, and move the whole textile industry faster towards more sustainable business practices. We take part and give our insights where we can, for example through our partners in Virke, NF&TA, SOG, EOG and Ethical Trade Norway.



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.

We have two employees in our Hong Kong office who have frequent contact with our suppliers. They are on regular visits to their facilities to conduct quality controls and to monitor the situation regarding workers' rights, environmental and health & safety. After every inspection, they set up improvement action plans and secure their follow-up together with the supplier. Our HK-office employees are highly experienced and have a well-developed eye for evaluating the quality of our facilities, which is closely related to sustainability issues. Our HK-office also orders SGS audits for product quality inspection at our suppliers.

Our Supply Chain department are the main contacts towards our suppliers and responsible for all business relations including the dialogue with our suppliers on order placements, pricing, production, lead times, capacity, and delivery as well as payment terms. The employees in our Product Design & Development department have a tight dialogue with our suppliers regarding product development and are also visiting the factories to assist during the phase of product development and specification and sample production, as well as for quality checks during the initial phase of production. Visual observation on social issues is part of all visits done by Bergans employees.

The Sustainability Manager is together with the Product department and HK Office responsible for following up Code of Conduct, Factory Profile, Self-Assessment Questionnaire, chemical management, audits, and projects concerning social dialogue, community involvement and climate action. We have now started the dialogue on how we can better collaborate on supplier management together with our owners in Sport Holding.

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

Our supply chain set-up with a limited number of suppliers, our focus on long-term and close relationship, and the routines we have established through many years, form the basis for our risk management in our value chain. Our internal working group on sustainability meet biweekly and evaluate existing routines and policies, and monitor the development in regulations. Through our due diligence work we have mapped social dialogue and environmental & climate action as our main focus areas. During the last three years, Myanmar has become a high-risk area, and thus made our due diligence work in this country a top priority.

To deal with our main priorities we participate in larger projects and initiatives together with industry peers and other stakeholders. Projects like Quizrr enables us to assess the number of workers that is educated in rights and responsibilities. Our Hong Kong office carries out inspections at our suppliers, working with corrective action plans (CAP) and monitoring results. We also follow up CAPs from third-party audits. In addition Bluesign is monitoring our certified T2 suppliers regarding, water & energy consumption and safe chemical handling. We receive a report from Bluesign every year in April where we can monitor progress at our suppliers. For the year 2023 (report received in 2024), we can see that our Bluesign certified T2 suppliers have had improvements in energy consumptions, no improvements in water consumptions, improvements in greenhouse emissions, improvements in the use of renewable energy (non fossil energy carriers) and improvements in the company's use of responsible chemicals.

The emissions mapping within STICA gives the possibility to evaluate our climate emissions and implementing actions. In Myanmar we are part of EuroCham and MADE, strengthening our due diligence together with other brands and other stakeholders. Finally, our reporting to Ethical Trade Norway provides us with a very valuable framework for constantly monitoring our due diligence work.



5

Communicate how negative impacts are addressed

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

5.A External communication

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

We strongly believe in transparency and have an expressed goal to always have an open and transparent communication around all issues and challenges regarding our impact on people, nature, and climate. Transparency is also important to us in our internal communication; our co-workers shall be the first to know.

One of our most important stakeholders are our suppliers. It is essential for us to have long-term and resilient relationships with our partners in our supply chain. We have had a long cooperation over many years with most of our suppliers, meaning we know each other well. We regularly have Teams meetings with them, and we visit them about once a year, sometimes more often. Our dialogues are based on mutual respect and understanding. This is important when developing technical garments and outdoor equipment - this takes time and great effort, and we are dependent on collaboration and good competence at our tier 1 partners. In addition, we also have direct dialogues with our tier 2 suppliers, as we nominate all fabrics and trimmings in the products we design and develop, and very seldom order ready-made products. All this gives us a good platform and good leverage to address challenges should they arise.

As previously mentioned, we always carry out visual observations and dialogue about social and environmental issues during our visits and develop an Improvement Action Plan (IAP) together with the supplier. Also, we always strive to have a preparation meeting ahead of any travel from the main office, between the Sustainability Manager and the co-workers travelling. This is to plan any issues we want to be raised with the supplier. We always strive to have a debriefing after all travels as well. In our experience, our suppliers are eager and positive to discuss these issues with us, either via e-mail, teams or at visits, and to correct and improve any issues that may occur.

In 2024 we experienced that one of our suppliers in Myanmar was not responding properly to concerns or complaints from either their workers, us, the other European customers of the supplier or from MADE. Although they were taking some corrective actions that was communicated to us, the complaints from the workers kept coming again and again. We and the two other brands were also contacted by the Business & Human Rights Resource Centre and invited to respond to reports of alleged labour and human rights abuses of garment workers in its supply chain in Myanmar linked to us, through the Myanmar Garment Worker Allegations Tracker. This was linked to reports from the above mentioned supplier. We responded two times to similar allegations: <https://www.business-humanrights.org/en/companies/bergans/>

After two years of recurring malpractice from this supplier (including unauthorized outsourcing), after several meetings and dialogues, and after quite clear advice from MADE, we decided to end the relationship with this supplier. The two other companies have done the same. We gave the supplier proper notice in early 2024, and had our last production sent from the supplier in October.

We continue the dialogue with different stakeholders such as our suppliers, NGOs, research institutes, organizations, other businesses and networks within the industry, and policy makers. We always respond to any inquiries from NGOs or media and actively contact stakeholders and seek advice when we face new challenges or need further knowledge or insight. This is also the case with the situation in Myanmar, where we have had an even closer communication with our suppliers and other stakeholders in the country these past few years. Our partnerships with Ethical Trade Norway, Virke, EOG, SOG, NF&TA, Bluesign, Kjemikaliegruppen, DNT, Næring for Klima and EOCA supports us in working towards our sustainability goals.

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

We communicate our sustainability efforts as thoroughly as we can through comprehensive information on our web page [bergans.com](https://www.bergans.com):

<https://www.bergans.com/no/info/baerekraft>

Our yearly reporting to Ethical Trade Norway, which is also our report complying to the Transparency Act, is honest, open and extensive, and it is available both on Ethical trade Norway's web page, as well as our own:

<https://www.bergans.com/no/info/baerekraft/verdikjede>

Our climate reporting is done through our partnership with STICA. A yearly report is published at their web page, including our numbers:

<https://sustainablefashionacademy.org/stica/reporting-guidelines-annual-reports/>

This is also linked from our own web page:

<https://www.bergans.com/no/info/baerekraft/verdikjede>

We have for now decided to stay in Myanmar, with one supplier that is functioning very well (this is also stated clearly from MADE and other European companies producing at this supplier). As this is a complicated situation which can be hard to understand for outsiders, we have published a statement on our webpage explaining both our background, our considerations, and why we have decided to stay for now. This is published together with a Factsheet about the garment industry in Myanmar, written by EuroCham. We have also participated in several seminars, mostly together with Ethical Trade Norway, and have spoken openly about our experiences and assessments operating in a high-risk area. We have also invited Norsk Folkehjelp / Norwegian People's Aid and The Ministry of Foreign Affairs to meet with us to discuss the situation.

We always respond rapidly to NGO, authority, or media inquiries, and also to our customer's concerns in our stores, via e-mail or through social media. We have been proactively open about our work with phasing out fluorocarbons (PFAS) in our products, including communication openly on our webpage and sending out press releases. Even though this is a relatively negative subject, we have participated in interviews from the media on the subject for a long time, in order to inform the public about this demanding phase-out process. Recently we openly accepted journalists from the Norwegian media Klassekampen to come to our office to conduct an extensive interview with several of our co-workers. This resulted in an 8 page story, giving good insights to the public:

<https://klassekampen.no/artikkel/2025-01-18/jakkekapplopet>

We participate in numerous of seminars, webinars, conferences, and school and university visits during the year - sharing our experiences to the public. We are part of many networks where we both communicate our efforts, are part of the dialogue and learn from others. These networks are Ethical Trade Norway, Virke, STICA, NF&TA, Scandinavian Outdoor Group (SOG), European Outdoor Group (EOG), Kjemikaliegruppen, and Næring for Klima, among others. We have also shared information and explained about the Transparency Act to textile companies outside of Norway in these networks.

We also strive to be proactive in our actions and communication, rather than reactive. Our vision is to "lead and inspire towards a more sustainable future" - thus we want to be a part of the discussion and contribute to set the agenda.

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

To prepare for the Transparency Act, we updated our web page spring 2022 with more extensive information on our due diligence work. Updating this page is always work in progress. We also made it more clear how customers can contact us if they have questions regarding our work, including an e-mail address: <https://www.bergans.com/no/info/baerekraft/verdikjede>

The link to our reporting is also easily accessible for our customers: <https://www.bergans.com/no/info/baerekraft/verdikjede>

We established a guideline for our Customer Service and other co-workers that are in contact with our customers on how to handle enquirers connected to the Transparency act, which mainly consists of forwarding them to the Sustainability Manager. This is also the case for anyone in the company receiving questions from stakeholders, be it co-workers in our stores, our sales representatives, social media co-workers or the Communication manager. The whole organisation has been informed about the law on several occasions in good time before the law came into force, and relevant co-workers have received the guidelines, more explanatory information, and have been encouraged to read and get to know the information on our webpage. We have also informed our suppliers about the Norwegian Transparency Act.

6.A Remediation

6.A.1 Describe the enterprise's policy for remediation of negative impact

In our Policy for Sustainable Business Practice, we underline our own obligation on due diligence:

"Bergans will conduct due diligence for sustainable business practices. That is: make our own risk mapping of negative impact on people, society, and the environment, and stop, prevent and reduce such impact. The measures are monitored, evaluated, and communicated to affected. Where our activities cause or contribute to a negative impact on people, society, or the environment, we shall stop this activity, and we will seek to remediate the damage. Where the supplier is responsible for the negative impact / damage, the supplier is also responsible for remediation."

In our Code of Conduct (CoC) we have outlined our requirements for remediation and corrective action in the event of a breach:

"In the event of a breach of the Code of Conduct, Bergans and the supplier will jointly prepare a contingency plan for remedying the breach. Remediation shall take place within a reasonable period of time, as mutually agreed upon by the supplier and Bergans. The business relationship will only be terminated if the supplier shows unwillingness to remedy the breach following repeated inquiries."

Our procedure remediation is finally written and is awaiting board approval. The Procedure outlines Bergans' approach to addressing non-compliance with our Code of Conduct, local and international laws and conventions. It is intended to ensure that corrective actions and remediations are implemented effectively, in close dialogue with the supplier and worker representatives, and managing responsible disengagement from suppliers when necessary. It is based on OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. We do believe that we both have experience and the "right mind" in handling such issues today, but we have been lacking written routines. The Procedure will be implemented during 2025.

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

Background

In February 2021 the military seized power of Myanmar in a coup, arrested Aung San Suu Kyi and other civilian leaders, and declared martial law in several regions of the country. The situation in Myanmar has remained unstable since the coup. Armed conflicts between the military junta and opposition groups are still ongoing, particularly at border crossings. Due to the escalation of violence and repression, many trade unions leaders and workers' rights organizations have fled the country, along with several international organizations. At the same time, the situation has calmed in some areas, such as the Yangon region. There are still trade unions working in the country, although they have had to adapt their methods to the uncertain and at times dangerous situation (read more in our public statement here: <https://www.bergans.com/no/info/baerekraft/verdikjede>)

In September 2022, we were informed about several breaches on our Code of Conduct and ILO working rights standards at one of our suppliers in Myanmar. We were contacted by two other outdoor brands, which reached out to us, as we shared the same supplier. The breaches were reported through a Fair Wear audit and concerned mainly wages below minimum wage to so-called "daily workers", who also did not have proper contracts. This concrete issue was also raised at a webinar about Myanmar by ETI UK, as a common issue in the country, that had its roots in both covid, the coop and high inflation in general. The audit also raised other malpractices at the facility, such as harassment, inappropriate handling of occupational accident, non-compliance with health and safety requirements and verbal abuses by superiors. Firstly, our three brands met though teams, discussing the findings, and appropriate actions to be taken. We agreed to send a joint letter to the supplier addressing the issues, signed by our three CEOs. Together the three brands have quite high leverage at the facility in question. Our supplier responded quickly, stating that they were already taking the audit very seriously, and later we received a longer description of implemented actions to create improvements and remediation. The suppliers two facilities had previously been audited by both Fairwear and BSCI, but as they were no longer in the country, the facilities joined the SMART factory program run by the local MADE organisation.

Developments in 2024

Since this first grievances, the three brands have continued to receive complaints from the workers at the facilities, both through the Fairwear hotline and through MADE about missing payment for overtime, requested work in public holidays, impossible to reach bonuses and a general lack of management at the facilities. Both the brands together and MADE have addressed this with the supplier, and the supplier as responded thoroughly and implemented corrective actions. They have also shared and explained their point of view on some of the cases, it is probably not always black and white. Even so, the complaints from the workers kept coming again and again. The three brands have continued the dialogue - both with each other and the supplier during 2023 and 2024. We and the two other brands were also contacted by the Business & Human Rights Resource Centre and invited to respond to reports of alleged labour and human rights abuses of garment workers in its supply chain in Myanmar linked to us, through the Myanmar Garment Worker Allegations Tracker. This was linked to reports from the above mentioned supplier. We responded two times to similar allegations: <https://www.business-humanrights.org/en/companies/bergans/>

As Norway has a travel ban on Myanmar, we in Bergans have not had the opportunity to travel and visit our suppliers since the coup. EU has different travel restrictions (they allow travel to some parts of the country), so co-workers from the two other outdoor brands have visited the facilities, one person even staying for several months at the facility. They then discovered unauthorized sub-contracting of the production, both of our and their own products. This is a breach of our Code of conduct, and a great red flag for any company. One of the other brands also experienced poor quality in their products. We did not, but this can probably be due to the fact that many skilled workers had already left the supplier because of poor working conditions.

After two years of recurring worker complaints from this supplier, after discovering unauthorized outsourcing, after several meetings and dialogues, and after quite clear advice from MADE, we decided to end the relationship with this supplier. The two other companies have done the same. We gave the supplier proper notice in early 2024, and had our last production sent from the supplier in October.

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

For our own employees in Bergans, we have an internal whistle-blower channel through the internal co-worker platform Alexis (Visma). We have a written Whistleblower Procedure in Bergans, explaining how an employee can report any concerns about unacceptable conditions in the workplace.

In our Code of Conduct (CoC) for our suppliers, we have outlined our requirements for grievance systems at the factories:

"The supplier shall have an effective management system for handling complaints to human rights, workers' rights, environmental issues and corruption. The supplier shall ensure that both workers and external partners, such as local communities and civil society organisations, are able to submit complaints."

All our suppliers have stated, by responding to our extensive Sustainability Assessment Questionnaire (SAQ), that their facilities have a "complaint system so that workers can bring environmental or work-related concerns, complaints or grievances to the management's attention" and that workers can "file complaints confidentially, without fear of reprisal". Most suppliers respond that they have a form of suggestion box and a working or welfare committee for this purpose, other suppliers are Fair Wear audited and therefore have implemented the Fair Wear helplines to voice their concerns or complaints. The Fair Wear Foundation has mechanisms in place in order to handle complaints and finding appropriate solutions. As stated in 4.A.1, our co-workers in our Hong Kong office visit our suppliers regularly, and after every inspection they set up an Improvement Action Plan (IAP) which is communicated to our Head office in Norway and followed up together with the supplier. These issues are also subject to discussions and dialogue when co-workers from our Purchase or Product department visit our facilities or when our suppliers visits us in Norway. For example, during one of their last visits to our Vietnam suppliers, our co-workers from the Product department were introduced to how the Unions had secured that all workers took leave with pay during the common holidays. Another example is when a supplier explained that they had discovered under aged workers in their facilities, and told us how they had handled this issue. They did not want to just kick them out at once, as they knew that would only make things worse for these young persons. The cause of the age confusion had to do with difficulties of receiving proper ID documentation from the government. So, the facility helped the young persons with these papers, and also helped them back to the education, system. Most of the young persons were offered an appropriate job training program at the facility in addition to school. The facility hired many of these workers back when they were old enough.

Our experience is that because of the close relationship we have with our suppliers, they feel that they can speak quite openly with us about their challenges and how they work to handle these challenges with appropriate measures and remediation, in the best interest of both the supplier and the workers.

Regarding the case of Myanmar, both our suppliers were Fairwear audited before the coup. Fairwear has left the country, but the helplines are still functioning for the time being. As we are not a Fairwear member ourselves, we do not have direct access to complaints from the hotline. But, with our good cooperation with the two European brands who share our suppliers in Myanmar, we do receive the complaints through them. The MADE Myanmar program has now established a new grievance hotline, and Bergans' suppliers is a part of of this. Also, we are looking into collaborating with Sport Holding, establishing a common grievance system with them.

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