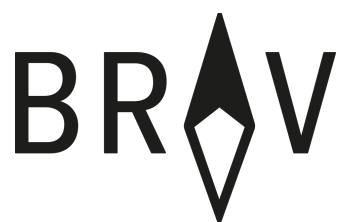




Report on

Responsible Business Conduct 2020

for BRAV Norway AS



SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

Business is key for the achievement of the Sustainable Development Goals (SDGs). A well-functioning and responsible business community contributes to sustainable development through job creation and innovative solutions to global challenges. However, business operations can also have a negative impact on people, the planet and the society. Members of Ethical Trade Norway have committed themselves to work with due diligence for a more sustainable business practice.

The basis of this work is Ethical Trade Norway's Declaration of Principles, which covers the decent work agenda, human rights, environment/climate, anti-corruption and animal welfare. Members are obliged to report annually on challenges they face and on measures carried out to address these. The reporting template is this year for the first time based on the OECD due diligence model. It is new for us and new for our members. It is this report you are currently holding in your hands. The report is publicly available on our website.

The template seeks to respond to the expectations concerning due diligence for responsible business conduct as described in the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. Ethical Trade Norway's report covers essential elements of the Global Report Initiative (GRI) reporting framework and can be used as a progress report for the Global Compact.

Heidi Furustøl

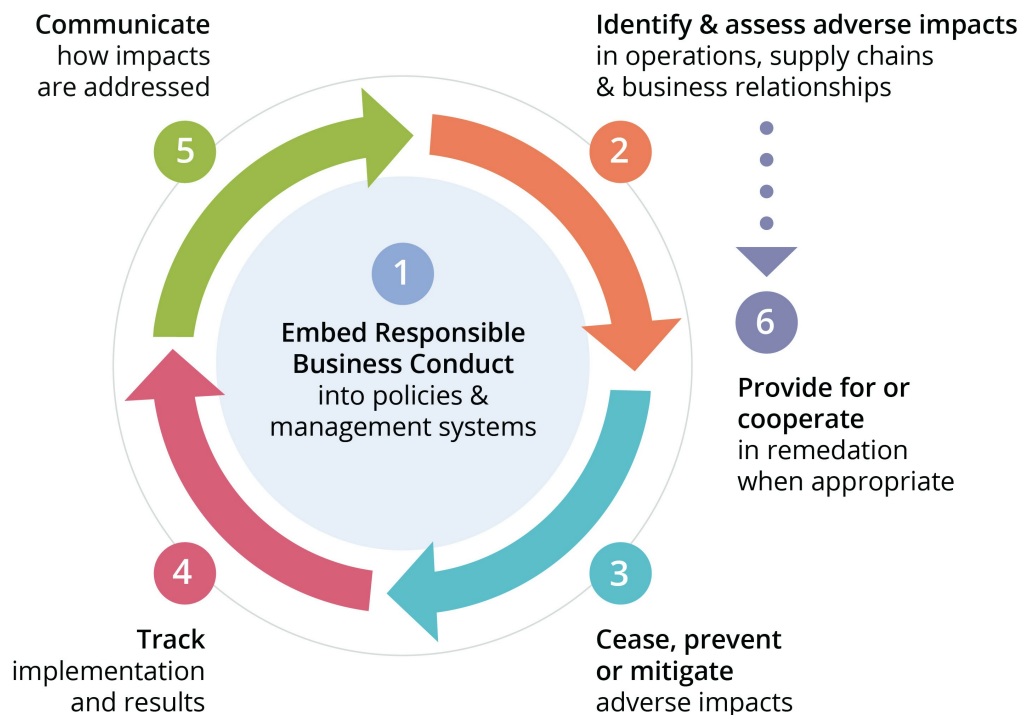
Executive Director

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

Brav develops, markets and sells the brands Swix, Ulvang, Toko, Lundhags, Brav Teamwear, Helsport, and Skisporet.no in a total of 30 countries. All our products are timeless, created for performance and durability through innovation, research and development, made to last and possible to repair and replace parts. Our vision is "turning dreams into memories" and our mission is "to improve our customers quality of life by providing innovative products and services, bringing together and developing talents, acting responsibly". Our cultural values "Teamwork", "Passion" and "Courage" reflect our fundamental beliefs and are the guiding principles that direct our behavior, and how we interact with each other and the world around us.

Brav has been a member of the Ethical Trade Norway since 2007. By this membership we are committed to act responsible in all areas of our business.

2020 has been a year of change and turbulence for the world. This has had consequences for our manufacturers and suppliers, our customers, and for all the employees at Brav. We have seen a tremendous effort by our employees in adopting digital work environments. In our production and warehouse facilities employees have been working in shifts to reduce the risk of spreading infection. 20% of our employees faced temporary lay offs during the spring.

At the same time we have strengthened the effort of engaging 3rd parties to perform social audits and quality control of our manufacturers and production sites. This has reduced our traveling activities and shipments of product samples from Asia, Europe and the USA in 2020. This reduction will continue in the years to follow due to new ways of working.

In 2020 we terminated all production of C6 fluoro based ski waxes to the consumer market and stopped all related marketing activities, even though such products are fully legal and still requested by many customers. By spring 2022 Brav will no longer sell any ski wax products containing fluoro components in the marketplace. We will continue our process to achieve Svanemerket ski wax.

During the fall of 2020 we developed the Brav Corporate strategy for 2021-2024. The strategy clearly sets our ambitions in responsible leadership;

We act responsibly and are considered to be at the forefront in selected areas in sustainable business practices

We decided that UN Development goals are our guiding principles with an extra focus on #8 Decent work and economic growth, #12 Responsible consumption and production, and #17 Partnerships for the goals. By this we invite our partners in and outside the industry, our stakeholders and organisations to join the effort to reach the 2030 UN Development goals.

We have made an ambitious four-year sustainability roadmap implementing the principles of a circular economy, honoring the workers rights, implementing responsibility in our core activities, and using the technological possibilities to significantly reduce waste in our value chain and create a footprint we can be proud of. Implementing fact- and science based targets is a priority. Acting responsible has always been important for our Brands; sourcing of recycled, responsible wool and down, use leftovers from production and claims in new products, drive transparency in our supply chain, and actively follow up on workers rights at our manufacturers.

As the CEO of Brav, I am proud to communicate that we are committed to make responsible business conduct the fundament of all our strategic ambitions. I am well aware that we have a demanding journey ahead of us, including complex dilemmas which need to be solved, but the path is set and we are well underway with the implementation of several initiatives.

Espen Falck Engelstad
CEO

Company information and business context

Key company information

Company name

BRAV Norway AS

Head office address

P.O. Box 814, N-2626 Lillehammer, Norway. Tlf: (47) 61 22 21 00

Main brands, products and services offered by the company

Brav is a house of brands covering several international brands: Swix, Lundhags, Toko, Ulvang, Helsport, Brav Teamwear and Skisporet.no.

Description of company structure

Brav has offices and own companies in Norway, Sweden, Finland, Lithuania, Germany, Switzerland, Russia, Japan and the United States. In addition, our premium brands are distributed in more than 30 countries worldwide.

We sell mainly through sporting goods chains and specialty retailers in the sporting goods industry, and directly to consumers through brand stores/outlets and e-commerce.

The majority of the goods we sell is sourced from vendors in Asia and Europe. In addition we own production facilities in Norway (ski wax and plastic parts), Lithuania (ski poles and roller skis) and Sweden (boots).

Brav has an operating model where each brand is given significant opportunities to develop its own unique identity and culture, but with strong common functions in areas where synergies can be realized.

Brav is 100% owned by Ferd Capital.

Turnover in reporting year (NOK)

1 187 745 000

Number of employees

292

Major changes to the company since last reporting period (mergers, acquisitions etc.)

Hard Rocx was in 2020 sold back to its original owners.

Contact person for the report (name and title)

Hanne Haslum. Sourcing Manager

Email for contact person for the report

hanne.haslum@brav.com

Supply chain information

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

Most of our finished goods and raw materials are sourced from external vendors in Asia and Europe. For the most part, we source directly from the vendors, but in some cases we buy our goods through agents or trading companies.

Our brands and category product managers source materials and products suitable for their collections, whereas our supply chain organization is responsible for following up production, purchase orders and code of conduct through social audits.

In most cases we are one of several customers sourcing from and producing in the same factory, using their capacity and skills.

In addition to sourcing goods, we operate our own factories where we produce ski wax and plastic parts (Lillehammer, Norway), ski poles and roller skis (Ukmerge, Lithuania) and boots/shoes (Järpen, Sweden).

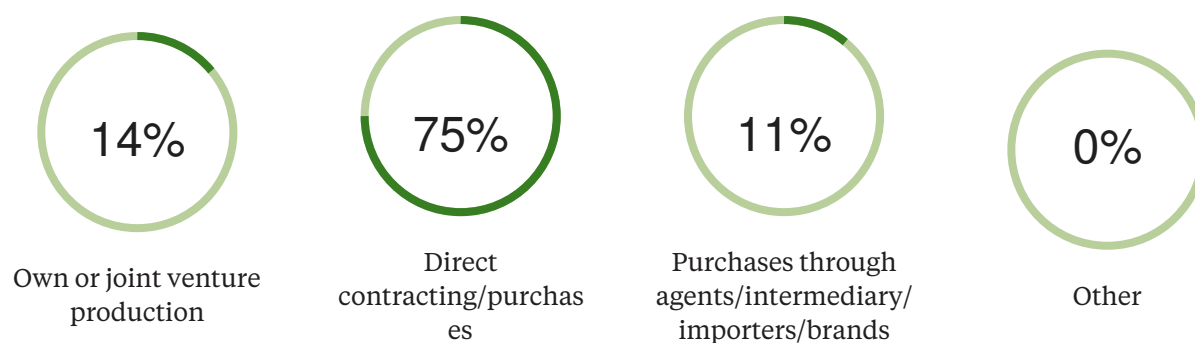
Number of suppliers with which the company had commercial relations in the reporting year

89

Comments to number of suppliers

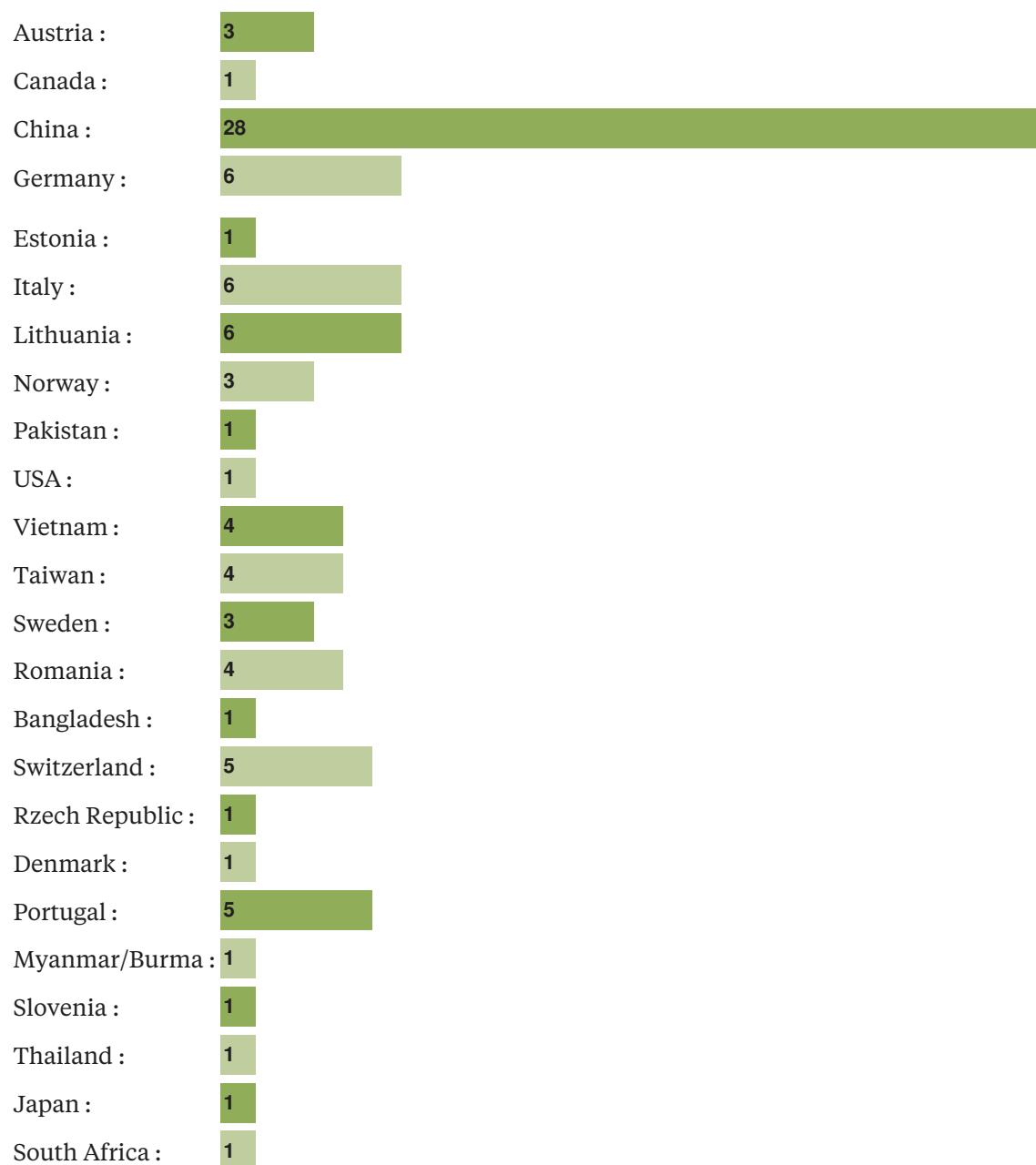
The number is based on external vendors for the whole Brav group. Both vendors for raw materials and finished goods are included.

Approximate ratio by sourcing options



We have included purchases from trading companies together with agents. The numbers are based on the same 89 vendors as explained above. In addition, we have added volume from own production at Lillehammer and in Lithuania on a comparable level.

List of first tier suppliers (producers) by country



Only external vendors with a buying volume of more than 500 thousand NOKs during 2020 are considered. We have also included raw material vendors for our fully owned production facilities in these numbers.

State the number of workers at first tier suppliers (producers) that the company has an overview of and the number of suppliers this overview is based on

Number of workers

3 048

Number of suppliers

16

Comments to number of workers

We are currently working on updating key figures for all our vendors.

Key inputs/raw materials and associated geographies

Wool (RWS merino and other thicker wool)	Australia Spain Norway South America
Polyester (GRS recycled and virgin)	China
Down (RDS duck and goose)	China
Carbon fibre	Japan
Aluminium	China Norway The European Union
Paraffines	Germany South Africa
Dry wax	Germany Japan
Cotton (GOTS organic)	Turkey
Nylon (regenerated and virgin)	Italy Japan Taiwan
Steel	Italy
Plastic granulates	Norway
Tencel	China The European Union
Leather	Germany

Cork	Austria Portugal
Polyethylene (PE)	Germany France Romania
Polypropylene (PP)	Germany France Romania
EVA foam	China
Resin	The European Union

Raw material input is based on an estimated largest consolidated value of purchase across brands.

Is the company a supplier to the public sector?

Yes

Goals and progress

Goals and progress for the reporting year

1

Goal : Bring all countries and brands/categories up the wanted group standard. This involves to follow the decided annual process for sustainability, as well as to make local action plans for each brand/country. Secure implementation of the new operating model.

Status : Sustainability/responsibility strategy with a clear ambition and long term corporate goals founded in the organization and approved by the Management group and Board of Directors. Responsibility is the foundation/core of all things we do in Brav ahead and will be measured in all units. This includes training of the whole organization

2

Goal : Mapping risk assessment and performing due diligence with focus on compliant working conditions in our value chain

Status : Mapping risk assessment, focusing on high risk and performing unannounced audits to achieve a realistic picture

3

Goal : Prepare a risk analysis for each brand, each country as well as on the group level, performed by each brand. The result to be analyzed for making priority and follow up of actions.

Status : Risk analysis per brand and country has been developed. The risk matrix is yearly evaluated and revised

4

Goal : Implement program for dilemma training locally regarding anti corruption.

Status : Sustainability/responsibility four-year strategy founded in the organization and approved by the Management group and Board of Directors. Responsibility is the foundation/core of all things we do in Brav ahead and will be measured in all units. This includes training of the whole organization

5

Goal : 100% fluoro free ski wax by 2022

Status : Brav skiwax is fluoro free by spring 2022. Most apparel is also fluoro free by winter 21/22, with a goal to be fluoro free in all Brav products by 2023

6

Goal : Working to secure the chemicals in our products are produced safely and to no harm for people or planet.

Status : Focusing on chemicals in production and regulations, main focus skiwax

7

Goal : For 2021 Swix and Toko is working towards a possible environmental-friendly Eco-label certified skiwax line and care line.

Status : The work on Ecolabel the Swan is progressing through 2021

8

Goal : All down in our products to be Responsible Down Standard (RDS) and traceable to nominated duck farm and goose farm.

Status : All Brav down is certified RDS. Traceability to different approved duck/goose farms.

9

Goal : All wool in our products (all brands) to be Responsible Wool Standard (RWS) and traceable to nominated sheep farm.

Status : All Brav wool is certified mulesing free and approx. 90% is traceable to nominated partner sheep farms. 70% RWS through 2021, the remaining wool to be RWS by 2022, this due to long term traceable wool contracts.

10

Goal : Sustainable recycled or biodegradable alternatives to virgin plastic packaging and FSC cardboard.

Status : All transport packaging polybags recycled plastic and paper cartons FSC certified.

11

Goal : Increasing our use of recycled materials where it is functional and not decreasing durability/product lifetime.

Status : Swix has recycled ocean waste REPREEVE polyester, Swix and Lundhags has ECONYL regenerated nylon and Ulvang testing recycled merino wool

12

Goal : Focusing on decreasing production waste and working on reuse of leftover production fabric.

Status : Status - Corporate initiative to implement principles for circular product life cycle

13

Goal : Reducing water consumption by choice of raw materials and dyeing/washing methods in the production line. Starting 2020 by mapping which of our suppliers have modern water-saving machinery/processes and which of our suppliers have old water-wasting machinery. Next step will be adding reduced/low water-consumption as a requirement for new suppliers, and working to have current suppliers with old water-wasting machinery updating to modern water-saving machinery and processes.

Status : Mapping 2020. LCA 2021 incl. water consumption. Focus on improvement/reducing water consumption measurably by 2030

14

Goal : Focusing on renewable energy in the production line. Starting 2020 by mapping energy sources in our supply chain, exact which of our suppliers use renewable energy and which suppliers use fossile/coal energy and adding this in our Life Cycle Assessment. Next step will be adding renewable energy source as a requirement for new suppliers, and working to have current suppliers with coal energy updating their energy source to sustainable energy.

Status : Mapping 2020. LCA 2021 CO2 emission status. Focus on improvement/reducing GHG emissions measurably by 2030

15

Goal : Working on environmental friendly and ethical transport solutions in our supply chain.

Status : Focus 2020 boat and train transport and consolidating brands. Work in progress.

16

Goal : Continuing repair service, implementing it in all the brands, and communicating it to our customers.

Status : Helsport and Lundhags have many year tradition of repairing service. Implementing this to all brands

17

Goal : Environmental Product Declaration (EPD) and sustainable focus on sourcing all materials in all our clothing, and sourcing for new developments to reduce Green House Gas (GHG) emission in the production line.

Status : Starting with the LCA and status where we are now. This is a goal which will continue towards 2030

18

Goal : Mapping how many of our running orders can be placed in low season to avoid overtime and secure more even workflow. After mapping the current situation we will be able to set a clear KPI on amount of orders placed in low season.

Status : Hardgoods, socks and baselayer programs are possible to run on Never out of Stock FLOW. Work in progress for more products on long term orders

19

Goal : Continue strengthening the competence internally in the organization for responsible business throughout all of our business activities.

Status : Sustainability/responsibility four-year strategy where responsibility is the foundation/core of all things we do in Brav ahead and will be measured in all units. This includes training of the whole organization

20

Goal : Updated open factory list and policy published on our website.

Status : Completed for 2020.

Goal for coming years

1

Reduce our eco footprint by reducing our carbon footprint, water consumption, and waste in our value chain. : Implement principles for circular product life cycle. Measuring/KPI carbon footprint

2

Reduce our eco footprint by reducing our carbon footprint, water consumption, and waste in our value chain. : Implement new technologies to eliminate the need of sales samples. Measuring/KPI no of collections with digital sales samples

3

Utilize suppliers, materials and transportation with minimal impact on people, nature and animals: Report our sustainability impact based on a recognized reporting standard. Measuring/KPI publicly communicate progress and results.

4

Utilize suppliers, materials and transportation with minimal impact on people, nature and animals: Integrate UN development sustainability goals 8, 12, and 17 as guiding principles in our business processes. Measuring/KPI Guiding principles in all major business processes

5

Integrate responsible business practice end-to-end in the value chain: Develop competence among all employees in sustainability best practice. Measuring/KPI score of self assessment program.

6

Integrate responsible business practice end-to-end in the value chain: Implement strategy for compliance and risk mitigation through certification and audits of partners, own business and products. I.e BSCI, Responsible Wool. Measuring/KPI share of relevant certifications

7

Integrate responsible business practice end-to-end in the value chain: Establish sales and purchase processes which assures responsible ordering to manufacturers. Measuring/KPI score by manufacturer

8

Drive the industry forward through partnerships with selected organizations and selected partners: Explore and implement alternatives for partnerships according to UN#17. Measuring/KPI no of partnerships and results

9

100% flouro free ski wax by 2022

10

For 2021 Swix and Toko is working towards a possible environmental-friendly Eco-label the Swan certified skiwax line and care line.

11

Increasing our use of recycled materials where it is functional and not decreasing durability/product lifetime.

12

Focusing on decreasing production waste and working on reuse of leftover production fabric.

13

Reducing water consumption by choice of raw materials and dyeing/washing methods in the production line. Starting 2020 by mapping which of our suppliers have modern water-saving machinery/processes and which of our suppliers have old water-wasting machinery. Next step will be adding reduced/low water-consumption as a requirement for new suppliers, and working to have current suppliers with old water-wasting machinery updating to modern water-saving machinery and processes.



1

Governance and commitment to responsible business conduct

Commitment to sustainability means that the business should have relevant policies and codes of conducts in place, as well as effective management systems for implementing them. Central to this is the company's work with due diligence. This means, among other things, the business need strategies and action plans for how the company identifies and manages its risk of negative impact on people, society and the environment, including through business relationships and in the supply chain. Systematic management of such risks will strengthen the company's contribution to the Sustainable Development Goals. Strong commitment from top-management, and clear division of the responsibility for conducting due diligence is key. Those involved need to know how to proceed. Sustainability should be an integral part of business operations. Essential to this is transparency on the company's commitments, challenges faced and measures undertaken to manage those challenges.

1.A Policy commitment

1.A.1 What does the company say publicly about its commitment to respect people, society and the environment?

We are communicating our sustainability work and commitment on our website <https://www.brav.com/se/sustainability/>.

We also list our suppliers/factories on <https://www.brav.com/se/sustainability/>. This list is updated once per year.

As a supplier of sporting goods and equipment for outdoor use, we are committed to taking good care of our customers, securing a safe and healthy working environment for the people developing and producing our products, as well as having a minimal impact on the natural environment.

Brav updated and approved their principles of responsible business 2020, available on <https://www.brav.com/en/sustainability/>

Brav supplier Code of Conduct describes what we expect from our suppliers and factories <https://www.brav.com/en/sustainability/code-of-conduct/>. Brav also have an additional anti-corruption policy available on <https://www.brav.com/en/sustainability/>

These, in addition to General Terms and Conditions for Suppliers, need to be signed and agreed by all manufacturers and suppliers to be able to work with Brav.

1.A.2 How is the commitment/policy developed and how is it anchored in the company?

Brav company policy available on www.brav.com, was updated and public 2020, after being presented to all departments and approved by the top management/board.

1.B Organisation and internal communication

1.B.1 How is the work with responsible business conduct organised within the company and why in this particular way?

Supply chain is organized as a separate strong central unit which works closely with the brands and is in charge of all manufacturers and suppliers. The responsibility for sustainable business conduct lies with the CEO and Supply Chain Director. Sourcing Manager has the day-to-day responsibility for responsible business conduct in the company.

By combining the work for responsible business conduct (ESG) in the Sourcing department, we consider the three P's People, Planet and Profit when actively screening, implementing due diligence, selecting, approving and improving our suppliers, and when negotiating all prices, locations, capacity, qualities and quantities. Brav decided on this organizational structure to improve control of responsible business conduct in the supply chain, and to be able to act directly and efficiently.

The responsibility for integrating the corporate goals and initiatives lays within each department director. By this we clarify the importance, the responsibility, and the authority of integrating responsible business conduct in core processes.

1.B.2 How are employees made aware of the ways in which responsible business conduct should inform their decisions and actions?

Responsibility is the foundation of everything we do and is communicated through all departments. Informed at meetings for the whole organization, on our Brav portal integrated in our Brav 2021-2024 strategy presentation, Our Responsibility and in the Personnel Handbook. All employees are required to read, understand and follow the rules for responsible business conduct in all decisions and actions.

1.B.3 How does the company make sure employees have adequate competencies to work towards implementing responsible business conduct?

The Top management team and key personnel have joined workshops on compliance and the Taxonomy arranged by our owner Ferd Capital AS. As a part of the strategy development we conducted a workshop with external responsibility experts to get knowledge of rules and regulations, trends, and possibilities.

The Brav strategy 2021-2024 has clear ambitions, corporate goals, and initiatives. A row of workshops to familiarize the Brands and the various departments with ambitions, goals, and expectations have started. This includes topics such as circular economy and the UNSDGs in general and those we have decided to focus on; #8, #12 and #17.

A group with participants from each geography, department, and brand will be initiated in the first quarter of 2021. The purpose is knowledge sharing and idea generation. Each member is responsible for updating the others on trends, initiatives, and regulations concerning their area of expertise. By implementing LCA Scope 1 + 2 supply chain, finance, and relevant stakeholders will be trained.

We choose to lean on external expert competence such as Ethical Trade Norway, Swedish Textile Initiative for Climate Action (STICA), and TEKÖ. We lean on and contribute to the industry by active memberships in, for example European Outdoor Group, and Scandinavian Outdoor Group, where Lundhags holds a board member position.

1.C. Plans and resources

1.C.1 How is the company's commitment to respect people, society and the environment rooted in strategies and action plans?

There is increased focus on raw materials to manage risk (both human/working conditions and environmental) at the beginning of the value chain.

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

Execution of implemented strategies is done through game plans/action plans. Implemented action plans, status and progress on these are followed up in top management meetings and status is annually reported to the Brav board of directors.

During 2020 risk areas have been identified and presented in the Management group. This was followed up with 3rd party audits and findings through Elevate ERSA protocol, including a corrective action plan (CAP) presented to the Management group.

The Chair of the Board has initiated several compliance workshops with the Management group and key personnel. Responsibility is requested from the Board of Directors to be on the agenda as a separate topic in 2021.

1.D Partnerships and collaboration with business associates, such as suppliers

1.D.1 How does the company make clear in its business relationships (in particular in the supply chain) the importance it places on responsible business conduct?

All suppliers must sign Brav Code of Conduct and Brav anti-corruption policy every year.
<https://www.brav.com/en/sustainability/code-of-conduct/>

Company representatives visit the factories frequently (although 2020 has due to the pandemic been digitally meetings, with 3rd party inspections on site).

Brav is committed to having a long-term supplier relationship and most suppliers have been with us for many years, some even from the very beginning more than 40 years ago, which means that we have got to know them quite well and are confident in their seriousness in the work. In several instances, we are now working with the second generation of owners over these long-term supplier relationships, and we have grown and developed together over the years through both better times and challenging times. We strive to be fair and balanced in our approach when it comes to price, volume, quantity and capacity utilization, and we are having the responsibility focus with us in all our purchasing decisions and supplier dialogue.

When sourcing for new suppliers we also have the same intention of a long-term supplier relationship. The Brav General Terms and Conditions for Supplier, Supplier Code of Conduct, Anti-Corruption Policy and Restricted Substances List are distributed to all suppliers when initiating a business relationship. Before any orders are placed, all suppliers must read, understand and sign these documents.

Our suppliers are audited, both announced and unannounced, to see to that working conditions and environmental criterias are followed.

Suppliers are informed of the non-compliance we identify during mapping and inspections at factories and are given timelines for when we expect the issues to be resolved. Follow-up activities are held regularly when needed.

We communicate our expectations clearly and continuously throughout the cooperation with our suppliers. No supplier can produce for us unless the factories have been approved on our people, society and environmental requirements by the sourcing department. Price negotiations are done by the same sourcing department and our expectations that our suppliers respect people, society and environment are discussed equally.

Brav focuses on transparency and fair play in dialogue with all suppliers and believe this is key to enable improvements. We will support our suppliers in doing the required improvements. Suppliers that are not willing to do the required improvements will get alerted that improvement measures are necessary for a continued cooperation. Lack of cooperation with respect to implementation of responsible business practices will affect future orders and volumes. Continuous lack of cooperation on required improvements will result in termination of the business cooperation with a supplier.

Indicator

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



1.E Lessons learned and changes

1.E.1 What lessons has the company learned during the reporting period concerning sustainability, and what has changed as a result?

During the reporting year 2020 we finalized our new Brav strategy where responsibility is foundation and the true integrated core of everything we do.

Brav decided that UN Development goals are our guiding principles with an extra focus on #8 Decent work and economic growth, #12 Responsible consumption and production, and #17 Partnerships for the goals. Brav recognizes and communicates the need for collaboration between our partners in and outside the industry, our stakeholders and organisations to reach the 2030 UN Development goals.

From March 2020 and throughout 2020/21, due to the pandemic and lockdown/closed borders, the ability to be on site was reduced, something which causes lack of transparency and may cause more insecurity and possible exploitation of workers in the value chain. Closed borders and no possibility to visit our suppliers, forced us to strengthen the effort of engaging 3rd parties to perform social audits and quality control of our manufacturers and production sites. This has reduced our traveling activities and shipments of product samples from Asia, Europe and the USA in 2020. This reduction will continue in the years to follow due to new ways of working. Although this cannot replace our presence in order to check, evaluate and educate compliance for responsible business conduct, it can after borders open and we again will be able to resume travelling, be an efficient more integrated supplement to our on site visits.

A man with a slight smile, wearing a white hairnet and a dark blue long-sleeved shirt, is looking towards the camera. He is in a factory or industrial setting, with blurred machinery and structures in the background. The lighting is soft, highlighting his face.

2

Defining the focus for reporting

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

“Identify and assess” is about identifying the company's risk for, and actual negative impact on, people, society and the environment, including in the supply chain and through business relations. As a first step the company should get an overall risk picture, before subsequently prioritising measures where the risk of negative impact is the greatest, i.e. salient issues. How the company is involved in the negative impact is central to determine the right actions to take. 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

STATEMENT ON SALIENT ISSUES

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 In the table below state the salient issues associated with the company's activities and business relationships, particularly in the supply chain and during the reporting period

Salient issue	Related topic	Geography
Workers safety, migrant workers, marginalized populations, child labor	Forced labour Child labour Discrimination Harsh and inhumane treatment Occupational Health and safety Marginalized populations	Bangladesh China Myanmar/ Burma Pakistan Turkey
Workers rights, freedom of association and collective bargaining	Freedom of association and collective bargaining	China Myanmar/ Burma Turkey
Working hours, use of overtime, decent wages in our supply chain	Wages Working hours Regular employment	Bangladesh China Myanmar/ Burma Pakistan Turkey
Chemical production control	Emission Waste Water Use of materials	Global
Anti-corruption	Corruption	Global
Animal welfare	Animal welfare	Argentina Australia China South Africa

Water scarcity/drought, water consumption in the supply chain	Water Use of materials	Australia Bangladesh China Pakistan South Africa
Greenhouse Gas (GHG) emission, Carbon footprint	Emission Greenhouse gas emission Energy Waste Water Use of materials	Global

The list above reflects what we consider to be the salient issues in our value chain, related to the various production countries.

DETERMINATION OF SALIENT ISSUES

2.A.2 Describe how the salient issues were determined, in terms of processes and sources of information, including any input from stakeholders

Through due diligence and risk assessment per country, raw materials and type of production, and potential scale and scope of the salient issues, we have determined which salient issues to focus on for the upcoming years.

The risk assessment is based on open international sources where we define risk on country and raw materials. The risk assessment was carried out after a workshop at Ethical Trade Norway and uses, among other things, country reports from Ethical Trade Norway, reports from United Nations Development Programme, US Department of State Bureau of Economic and Business Affairs, ITUC Global Rights Index, and Transparency International.

We use Excel files that lists risk and tries to define priority both on country, type of production and materials. Then we do a risk matrix on impact and probability, seek approval and agreement internally from superiors on the priorities, and act according to that.

ADDITIONAL SEVERE IMPACTS

2.A.3 Identify any severe impacts on people, society and the environment that occurred or were still being addressed during the reporting period, but which fall outside of the salient issues, and explain how they have been addressed.

Brav has followed the factory we work with in Myanmar closely for a while due to information in the UN Fact-finding mission report 2018. In addition to regular risk assessment and due diligence, we have used triangularity of information to identify, and if possible terminate, any possible economic connection with Tatmadaw/MEHL. To check working conditions and workers health and safety we conducted an unannounced 3rd party social audit of the factory in December 2020. A corrective action plan (CAP) is in place, improvements have been done and there is frequent follow-up.

We prepared for a Financial Due Diligence of the landlord and facilities January/February to detect any possible financial transactions/connections to Tatmadaw/MEHL.

This work was interrupted by the military coup February 2021. We chose to redirect our effort to maintain a close dialogue with the factory management to ensure workers safety and regular paid wages. We are following the factory closely ensuring buffer stock on raw materials and flexibility regarding deadlines to see workers are not forced to transport themselves to work if the situation escalates.

We have actively sought expertise from NGOs as Norwegians Peoples Aid, Future in our Hands Norway and Ethical Trade Norway to receive expert advice on our actions towards the factory and the workers well being.

A woman in a blue surgical cap and gown, looking down, in a hospital setting. The background is blurred, showing other people in similar attire and bright overhead lights.

3

Management of salient issues

Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings in a way that contributes to a sustainable and responsible business conduct. The most severe negative impact on people, society and the environment should be prioritised first. This does not mean that other risks are less important or that they are not handled. The way the company is involved in the negative impact is central to taking the right action. Negative impact that the company causes or contributes to must cease, and the business must work to prevent and mitigate such risk. To address negative impact directly linked to the company, e.g. in the supply chain, the business must use its leverage to influence the entity causing the adverse impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the company's policy documents and management systems. Effective management of the negative impact on people, society and the environment is a major contribution to the achievement of the SDGs.

3. A Cease, prevent or mitigate

3.A.1 For each salient issue in your supply chain, add a goal, status and describe specific actions and progress made in the reporting year

Salient issue	Workers safety, migrant workers, marginalized populations, child labor
Goal :	Safe working environment for all workers in our supply chain. No workers should be exploited or discriminated.
Status :	More thorough due diligence screening work started 2019 and continued 2020, and will be further systemized to gather more information regarding migrant workers
Objectives in reporting year :	Identifying migrant workers and focusing on revealing potential supplier non-compliance regarding workforce exploitation

Actions :

Identifying more potential risk areas and suppliers and performing more unannounced audits to uncover non-compliance

Salient issue	Workers rights, freedom of association and collective bargaining
Goal :	Workers in our supply chain should be allowed to collective bargaining and able to speak their opinion
Status :	Our Policy and Code of Conduct states our demand for collective bargaining and workers ability to speak their opinion. We are addressing the issue with our suppliers, but will have to find a better system to follow this up and to give systematic training to workers in our value chain
Objectives in reporting year :	Establish a system for interviewing and training the workers and factory on the workers' rights, not only interviews during audits.

Actions :

We are currently mapping our supply chain for understanding practices for workers' rights (focus China and Myanmar). This is also being checked at 3rd party audits. We are looking into training tools for improving this work.

Salient issue	Working hours, use of overtime, decent wages in our supply chain
Goal :	Workers in our supply chain should be paid fairly, and have decent working hours
Status :	We are addressing the issue with our suppliers
Objectives in reporting year :	Continuing the process of finding out how the situation is for our workers in our supply chain. Continue the work on forecasting and ethical purchase practice

Actions :

We are continuously working on mapping our supply chain for understanding practices for living wages, and use of overtime. This is also being checked at audits.

We communicate that living wages should be discussed in general, also when negotiating the product prices. We are working on responsible buying practices, and communicate our forecasts/production plans and deadlines through our supply chain as soon as they are ready. Running orders are placed in low season where it is possible.

Salient issue	Chemical production control
Goal :	Responsible chemical use, storage and waste
Status :	We are addressing the issue with our suppliers
Objectives in reporting year :	All suppliers including raw material suppliers must follow REACH and Brav restricted substances list. We need to map to see they follow responsible chemical use, storage and waste, with no harm to workers or environment

Actions :

Mapping our wet process producers (dyers, washers, raw material producers, chemical production) to see they have functioning protection equipment, water cleaning systems and HSE routines. This is also being checked at 3rd party audits.

Salient issue	Anti-corruption
Goal :	Transparency in our supply chain (as opposed to opaque suppliers) as a tool to limit corruption
Status :	We are working to have our supply chain transparent. We are for 2021 conducting Financial Due Diligence in addition to the social audits at where we are not completely sure about the ownership/transactions or where there are changes and where the volumes are high (scale/scope)
Objectives in reporting year :	Using transparency and knowledge in our supply chain to work against and limit corruption, requesting all suppliers to show open calculation, and continue to nominating spinners, weavers and accessories suppliers we have direct communication with.

Actions :

Seeking advice at Transparency International, accountant companies (PwC) and Ethical Trade Norway. Having direct communication with nominated spinners, weavers and accessories suppliers to be able to check and negotiate prices and free to place orders with the most suitable supplier with the best environmental and social criteria and at the correct price. Doublechecking manufacturers CMT prices when we know the materials cost. Checking local news and stakeholders whether there are any cases or issues on the factories. It is important to raise awareness and work to prevent the risk of corruption also in connection with certifications and 3rd party audits.

Salient issue	Animal welfare
Goal :	All animal fibre for Brav products should be sourced responsibly and traceable
Status :	Achieved Responsible Down Standard (RDS) down, achieved non-mulesing wool for all wool, and traceability for most of the wool. Certified Deloitte non-mulesing transaction certificate and Responsible Wool Standard (RWS)
Objectives in reporting year :	Animal welfare focus, certificate and traceability in all our down and wool products.

Actions :

Making sure all our down is Responsible Down Standard (RDS), and continue the work to request traceability by balenumber to farms on our products. KPI on % of our wool which is Responsible Wool Standard (RWS), and continue the work to request traceability by balenumber to farms on our products. It is important to raise awareness and work to prevent the risk of corruption also in connection with certifications and 3rd party audits.

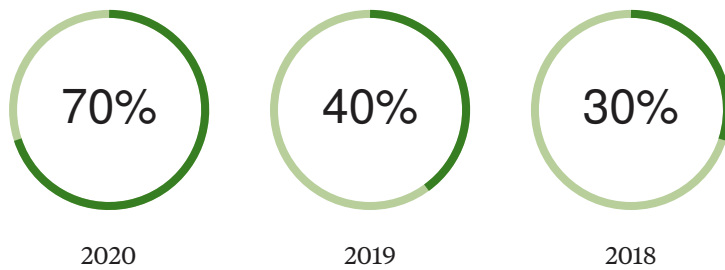
Indicator

Amount of Responsible Down Standard down in our products



Helsport and Swix both use Responsible Down Standard (RDS) down in their down products

Amount of Responsible Wool Standard (RWS) wool in our products.



Ulvang, Lundhags and Swix all use 100% certified mulesing-free and traceable wool but with different certificates. We are during 2021 continuing the work of having most of the traceable mulesing-free wool to be Responsible Wool Standard (RWS) certified which covers the 5 freedoms for animals

Salient issue	Water scarcity/drought, water consumption in the supply chain
Goal :	To use production processes and raw materials which are water saving
Status :	Started addressing 2019, this work will continue in 2021 as a continuing of the LCA
Objectives in reporting year :	Addressing areas, raw materials and wet processes which are open for improvement when it comes to saving water

Actions :

Looking into new water-saving colouring methods and type of new washing/dyeing machines which use less water

Salient issue	Greenhouse Gas (GHG) emission, Carbon footprint
Goal :	Measurable reducing our Greenhouse Gas (GHG) emissions/our Carbon footprint.
Status :	Focus 2021
Objectives in reporting year :	Mapping our Greenhouse Gas (GHG) emissions/our Carbon footprint by conducting a life cycle assessment (LCA) to address focus areas for measurable improvement.

Actions :

We are conducting a life cycle assessment (LCA) scope 1, 2, 3 to get a better overview where to start improving.

Cross-cutting actions related to management of negative impact:

Describe cross-cutting actions to cease, prevent or mitigate negative impacts, including in your supply chain

3.B.1 Reduction of environmental and climate footprint

Brav has phased out fluorocarbons in ski wax production. Swix and Toko are both working towards a goal to be 100% fluoro free by spring 2022.

Brav has since 2013 worked intensively on identifying sustainable replacement materials with initiatives supported by Swedish and Norwegian research authorities (2013-2019 LowFriMat (SINTEF), 2017-2020 POPFREE (RI.SE), 2019-2021 GoGlobal (Vinnova) and 2019-2023 Nano2Glide (NTNU/SINTEF)).

In 2021 Swix and Toko are continuing the work towards a possible environmental-friendly Eco-label the Swan certified skiwax line and Care line.

3.B.2 Adapting own purchasing practices (sourcing)

We supply our textile suppliers with forecasts for preparing coming seasons.

We follow up deliveries and orders each week, based on information from our suppliers reported in a documents called WIP (work in progress) Status of each order is reported, and in case of any issues it is reported here for follow up by our QC and any other relevant parties.

We supply early buy orders so suppliers can use low season to produce for us.

We use a model internally called "FLOW" where stock of NOOS goods are evaluated regularly, resulting in orders being placed regularly throughout the year to even out production and capacity.

During the pandemic there was a challenge regarding responsible business practice when parts of the world shut down, but we have been working hard to honor our order/volume promises and on-time payments, and keeping close dialogue with our suppliers. Due to the pandemic we have experienced both delays and price increases at several of our suppliers due to lockdown in different parts of the world at different periods, lower capacity on transport due to insecurity and border controls/covid tests, amongst other reasons. We keep a constant dialogue with problem-solving constructive focus, and understanding possible delays and challenges further down in the value chain.

3.B.3 Choice of product design and of raw materials

We source for environmental friendly yet functional materials and alternatives, and plan for the majority of our products to have some form of certification to ensure the traceability/origin or quality of the product and make it recognizable and measureable. Example of product certifications in our different products: OEKO-TEX, Bluesign, Responsible Down Standard (RDS), Responsible Wool Standard (RWS), GOTS organic cotton, FSC certified bamboo and tencel, Global Recycled Standard (GSR) polyester, ECONYL nylon, REPREEVE our ocean polyester, ASI recycled aluminium, Oceanworks recycled plastic.

We are constantly following up on and requesting for new developments of sustainable fabrics and processes through our suppliers, spinners, media, visits to fairs etc.

Regarding recycled materials from waste, we are for 2021 looking into whether certifications cover ethical working condition for the raw material gathering and sorting. If working conditions are not covered by the certifications, we will look into this separately.

Product design is in addition to the focus on high performance, longevity and repairability, increasingly focusing also on circularity/recycleability. Some Helsport tents and Lundhags boots can have up to 20-30 years of use with proper care and repair in our repair studios.

3.B.4 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.

3.B.5 Contribute to development, capacity building and training of suppliers and workers in the supply chain:

We are working on the mapping of our value chain of the standards related to people, society and the environment. So far we are doing risk assessment and due diligence, and factory audits which also include workers' interviews. But the systematic training is something which is in focus for 2021.

3.B.6 Other plans and measures taken to deal with salient issue



4

Track implementation and results

Tracking implementation of actions and results is key to the company's due diligence process. For example, is the identifying and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect real conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the company's negative impact work as intended? Is negative impact remediated where relevant? This may apply to actions taken by the company alone or carried out in collaboration with others. Companies must have procedures and systems to track their implementation and results in order to assess them. The company's experience with due diligence is used to improve processes and results in the future.

4.A Monitoring and assessment

4.A.1 Describe responsibilities and procedures within the company for tracking performance with respect to due diligence activities

Monitoring is carried out through risk analysis, triangularity of information, data collection and reporting.

Sourcing manager has the responsibility for due diligence activities, and collects and systemizes the information.

Responsible business conduct is measured independently from business criteria such as price and profit, and plays an important part when suppliers are being evaluated.

4.A.2 Describe how the company evaluates the effect of its own efforts, or those made by suppliers (and other business relations), to identify, prevent and mitigate salient issues

We continuously evaluate the effect of our own efforts and the efforts taken by suppliers and factories.

After announced/unannounced audit the reports are being analyzed and Corrective Action Plan is followed up with factory management, and possible follow-up audit.

We are committed to having a long-term supplier relationship and most suppliers have been with us for many years, which means that we have got to know them well and are confident in their seriousness in the work.

A woman with dark hair tied back, wearing a light blue button-down shirt and a brown leather apron, is looking down at a large, round, metal tray with several circular indentations. The background is a blurred kitchen or industrial setting.

5

Communicate how impacts are addressed

Relevant external communication on company due diligence for responsible business conduct needs to build on specific activities and results. This include external communication of policies and codes of conduct, or processes and activities related to identifying and managing the company's actual and potential negative impact on people, society and the environment. Communication should also include findings, effects and results of concrete actions or activities.

5.A External communication

5.A.1 Describe how the company communicates with affected stakeholders when managing its salient issues

Responsibility strategy with a four-year ambitious roadmap is approved by the Board of Directors firmly founded in the organization.

Our BOD is being updated on plans, risk, actions, and findings and Responsibility is planned as a topic in 2021 board meetings.

We have started introducing our position of responsibility towards major customers.

Externally, our work on sustainable business practices and our membership in Ethical Trade Norway is communicated through various communication channels and to various stakeholders.

5.A.2 Describe how the company communicates publicly about its own work on identifying and management of salient issues

We are working for transparency and are informing on our website <https://www.brav.com/en/sustainability/?epslanguage=en>

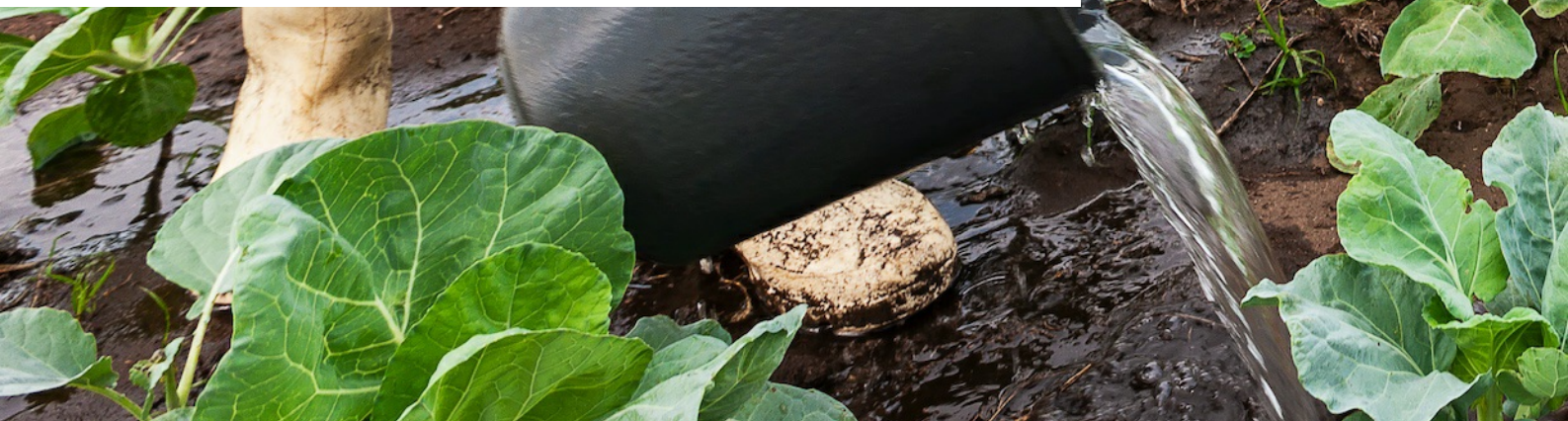
Our work on ethical trade is annually reported to Ethical Trade Norway, and the report is publicly available.



6

Provide for or cooperate to ensure remediation when appropriate

Once a company has identified that it has caused or contributed to negative impact on people, society or the environment, the company must provide for, or cooperate to ensure remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. When appropriate, companies should provide for or cooperate with legitimate remediation mechanisms through which impacted stakeholders and rights holders can raise complaints.



6.A Remediation

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

By being a member of Ethical Trade Norway, we are committed to working for sustainable business practices that respect people, society and the environment.

We work actively with our suppliers and in the screening selection of our suppliers, to make improvements regarding working conditions and environmental issues in our supply chain. This is in line with Ethical Trade Norway's Statement of Principles and our Code of Conduct/ethical guidelines for suppliers.

In the event of a violation of the ethical guidelines, we will work with our supplier and possibly intermediaries to create a plan for the recovery within a reasonable agreed time.

Should circumstances arise where Bravs business directly or indirectly is linked to negative impact or harm to people, society or the environment, we will do our best to contribute to remediation being done.

6.A.2 Describe cases of remediation in reporting year, if relevant

There are no cases of remediation in the reporting year.

Ref. reporting PFOA contamination previous year report, we follow the upcoming courtcase and expect to see justice done.

6.B Secure access to grievance mechanisms

6.B.1 Describe what the company does to ensure that workers and communities have access to effective remediation mechanisms, when appropriate:

Internally, Brav has good procedures for dealing with complaints, both for the corporate and consumer markets.

Operational-level grievance mechanisms (OLGM):

Internally: Through the employee handbook on the Brav portal employees have a channel for reporting of misconducts /whistleblowing: We believe that transparency and good communication is key to foster a better workplace culture. We expect our employees to report occurrences or suspicions of misconduct. This could include violations of Brav's organizational policies and procedures, as well as applicable laws and regulations. Examples of breaches include, but are not limited to fraud and corruption, harassment and discrimination, and violations of environmental and human rights laws. Employees should report concerns to someone they trust in Brav, preferably directly to their line manager. Brav confirms that employees reporting potential misconduct are protected against retaliation and negative consequences. Employees may also decide to report directly to: whistleblowing@brav.com. By using this email the HR department will confidentially process your concern.

Externally: The e-mail whistleblowing@brav.com is also available on our website, and is currently being communicated to the suppliers in our value chain. This is the main channel worldwide for raising complaint to the enterprise.

Brav employees are represented by union representatives and safety representatives.

Contact details:

BRAV Norway AS
Hanne Haslum, Sourcing Manager
hanne.haslum@brav.com