

SUSTAINABLE GOALS





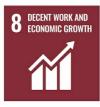


































To Readers Of The Report

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.

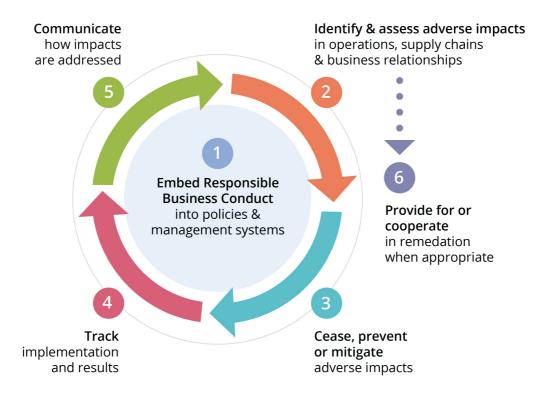
Heidi Furustøl

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

Our vision is to lead and inspire towards a sustainable future. With nature as our playground, we have a responsibility to protect nature and our common resources for future generations. As part of the global textile industry, we bear a social responsibility for all workers in our supply chain. Our membership at Ethical Trade Norway is crucial for taking on the complex realities of ethical trade. We benefit greatly from supportive tools, expert advice and valuable initiatives.

In the past year we have started to work with our new strategy - "Expedition 2030". Our aim is to make significant changes, by collaborating with our supply chain, partners and our customers.

Last year started as any other year. We had rolled up our sleeves and were ready to continue our work on creating improvements in our supply chain. The Covid virus wanted it differently. Suddenly we had to cancel our planned visits to our suppliers and change our focus.

During 2020 we have experienced that our long-term relationships and our resilient value chains has given us an advantage in tackling the consequences of Covid. We have had a continuous and good dialogue with our suppliers during the year, finding new ways to cooperate on product development and delivery issues through closer communication. Sadly, we experience that our project with Quizrr, focusing on workers education and engagement to help improve working conditions on site, has not gone forward the way we planned. We do hope that 2021 will be a better year for common projects that facilitate improvements.

We have continued to engage in the discussion on a proposed Norwegian Law on Ethics information and are positive towards more transparency in global trade and value chains. We believe that openness and more collaboration is key to push businesses towards more ethical trade practices and more sustainable operations.

Climate Change is one of our biggest threats. We are part of the Scandinavian network Swedish Textile Initiative on Climate Action (STICA) to set targets and better collaborate within the industry. In 2020 we have reported our climate emissions in scope 1 and 2, for 2021 our goal is to report on scope 3 as well. We buy renewable energy for our own operations. We have continued to increase our share of recycled materials, use less harmful dyeing techniques as well as collaborated on the development of a more sustainable textile fibre based on wood.

We continue moving our business model towards a circular economy – with services like repair and rental, product return and re-sales as well as redesign. Extending the life span of our products has the biggest benefit for lowering their environmental impact.

Sustainability issues are no longer a trend topic but has become an integrated part of business. Demand from consumers, retailers as well as governments, media, NGOs and co-workers are rising, and increased transparency and digitalization creates more possibilities to gain insight for all stakeholders.

This gives us motivation to increase our efforts. Our products are our value carriers - enabling people to enjoy the outdoors and providing thousands of jobs. Comprehensive environmental and ethical standards in our supply chain in combination with high quality products with a long life are key factors for sustainable success.

Believe in tomorrow - explore today

"Comprehensive environmental and ethical standards in our supply chain in combination with high quality products with a long life are key factors for sustainable success. "

Jan Tore Jensen Chief Executive Officer

Company information and business context

Key company information

Company name

Bergans Fritid AS

Head office address

Hagaløkkveien 13, 1383 Asker, Norway

Main brands, products and services offered by the company

Bergans of Norway: outdoor, ski and lifestyle apparel and equipment (backpacks, sleeping bags, tents, Ally canoes). We offer product services such as repair, rental, reuse and redesign.

Description of company structure

The company headquarter has during 2020 moved from Hokksund to Asker. Our departments Product development & design, Purchase, Brand, Sustainability, Sales, Retail, E-commerce, Customer service, Administration, Accounting, IT and our in-house Repair service are all situated here. In our home market Norway we sell through retailers, but also operate several stores and our own e-commerce (B2C). In all other markets we only sell through retailers. The central warehouse is located in Norderstedt / Germany, where also Sales and Marketing for the European market is located.

Two employees work from our office in Hong Kong to maintain direct contact to all our suppliers. All product design, development and purchasing is done from Norway. The company is privately owned.

Turnover in reporting year (NOK)

584 585 000

Number of employees

217

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

We opened a new Brand store in Bergen, Norway. Otherwise no major changes in the company structure in 2020.

Contact person for the report (name and title)

Yngvill Ofstad (Sustainability) / Christoph Centmayer (Sustainability)

Email for contact person for the report

yngvill.ofstad@bergans.no / christoph.centmayer@bergans.no

Supply chain information

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

Bergans does not own any own production facilities, but buys directly from 28 different product manufacturing companies (tier 1). Normally no agents are used. We design and develop all our products on our own, thus we do not order ready-made products. More or less all materials used are nominated from our side and we do maintain direct relationships to around 90 fabric and trim suppliers (tier 2), although 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.

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

118

Comments to number of suppliers

The number above includes both tier 1 (28 product manufacturers) and tier 2 (ca 90 fabric and trim suppliers)

Approximate ratio by sourcing options



Own or joint venture production



Direct contracting/purchas



Purchases through agents/intermediary/ importers/brands



Other

List of first tier suppliers (producers) by country

China:	10		
Vietnam:	6		
Myanmar/Burma:	4		
Norway:	2		
Nicaragua:	1		
Turkey:	1		
Indonesia:	1		
Rzech Republic:	1		
Poland:	1		
Sweden:	1		

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

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

27 000

Number of suppliers

28

Comments to number of workers

The number above is the total number of workers employed at our manufactrers factories. Not necessarily all of them are involved in the production of Bergans products. The number of workers is an estimate based on reported numbers from our suppliers.

Key inputs/raw materials and associated geographies

Polyester	China Japan Taiwan
Polyester (Recycled)	China Taiwan
Polyamide	China Japan Taiwan
Polyamide (Recycled)	China Japan Taiwan
Wool	Australia South Africa
Recycled Wool	Italy
Cotton (organic)	China
Down (RDS certified)	China
Down (Recycled)	France
Cellulose (Spinnova, Tencel)	Finland

The list aboves describes the last production facilities of our fabric suppliers (tier 2), except of natural materials like wool where the country of origin of the raw material is stated

	the public sector?	to the	pplier	a su	ompany	the	ls
--	--------------------	--------	--------	------	--------	-----	----

No

Goals and progress

Goals and progress for the reporting year



Goal:

Status:

More sustainable products: continue focusing on long lasting products and make use of more sustainable materials and production methods, phase out more fluorcarbons; switch to more recycled materials for packaging.

We have continued to increase our share of recycled materials, use dyeing techniques with less water and harmful chemicals such as SpinDye, and utilize animal welfare standards such as RDS and RWS, were we recently became recertified. We have continued our innovation work with Spinnova and their textile fibre based on wood, manufactured without harmful chemicals. We have also started a more progressive work on design to repair. Lastly we participate in several research project, one of them focusing on finding alternatives to fluorocarbons in our impregnation.



Goal:

Sustainable and Fair Value Chain: further develop our supplier relations and update our due dilligence procedures; continue working with Quizrr; getting more supplier on the Higg Index; mapping our climate emissions and collaborate with supply chain partners on reducing them.

The Covid virus has unfortunately resulted in fewer visits to our suppliers and our Quizrr program has had fewer training sessions than planned. We have had continous and close dialogue with our suppliers on digital platforms throughout the year. On climate we have reported our emissions on scope 1 and 2, and are planning for scope 3 in 2021. We buy renewable energy for our own operations. During 2020 we have also run a Climate campaign called "Save the seasons".

Status:

3

Goal:

Status:

Sustainable Consumption: Lead the transformation to a circular economy and further change consumer habits. Further expand and develop our circular services and collaborate with more external partners.

We have continued to both develope our cirkular services and raise awareness for more sustainable consumption throughout 2020. We have completed two "Tour de Sy" repair tours and also visited Germany with our repair car. We are soon to offer repair in Sweden as well. We have started a colaboration with Asker Produkt on washing, to support our second-hand sales. We have carried out the collaboration on redesign with Esmod for the 3re year, and started the dialogue with schools in Asker regarding cooperation on redesign. We have furter developed our rental services, including subsription on childrens clothing. We participated in the public debate on sustainable consumption and are taking part in noumerous networks to promote the issue.



Goal:

Sustainable Outdoors: continue our collaboration on outdoor activities with DNT and Friluftsfrämjandet, as well as EOCA on nature conservation. Partnership with WWF, amongst others to include the four seasons on the World Heritage List.

Status:

The Covid virus has moved a lot of people out in the outdoors. This is great! At the same time it has been a challenge to carrie out organized activities with for example Bergans Adventures, DNT and Friluftsfrämjandet. We have succeeded with our Save the Seasons campaign with WWF, and we also contrbuted to the TV-aksjon, fundraising for WWF's work on ocean plastics, with our own campaign "Din tur teller".

Goal for coming years



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.



Sustainable and Fair Value Chain: We will protect the environment and secure human and labour rights throughout our supply chain. We will contribute to a positive development for communities where we operate.



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.



Sustainable Outdoors: We will inspire and enable sustainable and healthy outdoor experiencesthrough partnering with people and communities influenced by our business.



1.A Policy commitment

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

Bergans aims to have a sustainable business practice that respects people, 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 sustainable development. Thus 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/sustainability/value-chain

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

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 has been approved by the board, and is published on our website together with our Code of Conduct.

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?

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. We have two Sustainability officers in Bergans, working as expert advisors on sustainability. During 2020 we have also hired a Project leader for Circular services in a full-time position. 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 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.

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

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.

Internal communication and collaboration are key in order to engage and involve all co-workers in our sustainability agenda. All new co-workers receive an hour of sustainability training, including both environmental and social issues, run by the Sustainability department. We regularly inform everyone about new sustainability topics and actions through our internal social media platform and during common co-worker meetings (mostly digital in 2020). This year we engaged our co-workers in the "Din tur teller" campaign for WWF and TV-aksjonen.

The sustainability co-workers 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 often involves both the Purchase department, the Product department, the Sustainability officers and occasionally the Management team.

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

To ensure sufficient knowledge and competence on due diligence work in our supply chain, our Sustainability officers have a good and close dialogue with Ethical Trade Norway. They participate in meetings and trainings, mostly online in 2020. These learnings are brought forward to relevant co-workers in our organisation. We also stay updated by following relevant newsletters and online channels.

Bergans also participates in several collaborative efforts in both the textile and outdoor industry, such as Bluesign, the Higg Index, Kjemikaliegruppen, The Swedish Initiative on Climate Action, the Scandinavian Outdoor Group, the European Outdoor Group, Tekstilforum in Virke, Tekstilaksjonen and of course Etisk Handel. Due diligence and other supply chain issues are now emerging as important collaborative subjects in these fora, in addition to the environmental topics.

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 normally 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 officers as well. Our new PLM-system is also a good tool to have a good overview of efforts made at our suppliers.

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?

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.

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?

Sustainability is core of our business strategy and therefore a focus topic in all board and management team meetings. The milestones in our business strategy work as guidelines for all opreations and the daily work in our company. All reporting and evaluation is made on the basis of our sustainability goals. 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 occasionally taking part in the board meeting to report directly all issues related to this field.

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, 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. All suppliers signed and completed all these documents in 2018, when the documents were updated.

All suppliers must also read, understand and sign our Restricted Substance List (RSL) and Chemical Compliance document every year. All 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 have collaborated with out suppliers in China to carry out the Quizrr training in order to enhance the importance of social dialogue in the workplace. In 2020, there has been fewer supplier visits than we planned for.

In addition, we have started a dialogue with our retail partners on important sustainability issues.

Indicator

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



All new suppliers have to read, understand and sign our Code of Conduct before entering any business relations

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. We have some new suppliers the last three years, among others in relation to innovation projects. The new suppliers represent ca. 2 % of total purchace volume. We have reduced our supplier base somewhat, 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.

Percentage of payments in time to our 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?

This year we have focused on developing and promoting our circular services, mapping our climate emissions and looking into climate compensation, continued our collaboration on development of new fibres made out of Scandinavian wood (Spinnova), we have gotten more experienced in our new systems for supplier information (PLM) and we have continued our program on social dialogue with our suppliers (Quizrr) - the latter in a lower speed than planned. We have also given input on sustainability challenges to politicians (mostly regarding circular economy and climate reporting) and we have participated in the discussion on the proposed new Law on transparency in the supply chain.

During 2020 we have experienced that our long-term relationships and our resilient value chains has given us an advantage in tackling the consequences of a pandemic like Covid. We have had a continuous and good dialogue with our suppliers during the year, finding new ways to cooperate on product development and delivery issues through closer communication.

We maintain our view that the challenges we face, referring both to the planet and to our industry, is that more collaboration is needed. The challenges are way to 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, the Sustainable Apparel Coalition, STICA or the Scandinavian Outdoor Group. And we need to collaborate even more with our suppliers, our customers, NGOs, the authorities and research institutions.

We have followed the debate about corporate communication on sustainability, and the Consumer authority's actions against this. We support actions against false and undocumented claims of sustainability. At the same time, many companies have been reluctant to communicate their sustainability actions, out of fear of being accused of greenwashing. We believe that too strict supervision will reinforce this fear. It is important that companies who work actively and credibly with sustainability communicate what they have achieved. This will inspire others to get started or work even harder - and constantly enhance the standard for what consumers can expect from us. It will move us all forward.



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 rights	Freedom of association and collective bargaining Occupational Health and safety Wages Working hours Regular employment	China Indonesia Myanmar/Burma Nicaragua Turkey Vietnam
Environmental impact	Environment Emission Greenhouse gas emission Energy Water	Global
Chemical management	Occupational Health and safety Environment Emission Water Use of materials	Global
Migrant workers / refugees	Forced labour Wages Working hours Regular employment	Myanmar/Burma Turkey

We prioritize workers rights for our tier1 suppliers (labour intensive), while environmental impact and chemical handling is our focus for tier 2 suppliers (fabric production, less labour intensive). Risks regarding workers rights differ somewhat between the different production countries (tier 1). In 2020, as a result of Covid, there has been a great risk of workers loosing their jobs or beeing temporarily laid off without compensation or any form of social security.

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

When rating the risks of a supplier we always take into consideration known facts about the country of operations. These facts we gather 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. Cooperation in our industry is key. We aim to increase the dialogue with our partners and also with our competitors in the textile and outdoor industry, in order to create improvements in our supply chain.

We perform risk assessment on all 1st tier suppliers. We create risk profiles for suppliers where country of production and type of production is categorized as medium to high risk. We base our priority for our own onsite control on the following criteria:

country of production, product type, production volume, scores on previous inspections, quality issues, years of cooperation and general impression of cooperation and communication.

We have developped a scorecard for all our tier1-suppliers which includes both quality standard and business practices as well as factors based on our screening of environmental and social conditions and the results of our own inspections on site.

The main documents are the Self-Assessment Questionnaire (SAQ) and the Factory Profile which are based on IEH's recommendations. Then we factor in information gathered through our own on-site visits and interviews with suppliers, other audit reports, third-party certifications and other external sources of information about the supplier or the area of production.

We have started to use our new supplier information system (PLM) which helps us to map our supplier base and to have a better overview on all information, documents, permits etc

In 2020, during the Covid situation, we have had an even closer dialogue with our supply chain partners about the consequences the pandemic had on the production and workers' situation. We have had continious communication with our suppliers regarding delivery, logistics and shipments, and reached agreements based on mutual understanding and flexibility. We have not cancelled any orders because of Covid.

Indicator

Visits/Inspections at our suppliers, run by Bergans personell



Normally, our own personell, either form the head office or from our Hong Kong office, carry out regular visits to our suppliers. In 2019 we did in total 70 visits at 36 factories of 26 of our suppliers (tier 1 & tier 2). Our CEO was part of 7 of these factory visits. Such visits include quality control and product development. In 2020 we visited 5 factories in January, before it was recommended to stop travelling. We have continued our good dialogue with our suppliers through other channels, such as teams meetings and Whatsapp.

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

2020:	82
2019:	82
2018:	82

We started mapping this question in 2018, when updating our SAQ. We have reduced the amount of suppliers in 2020. 23 of 28 tier 1 suppliers report that they have a form of working comittee present at their factory. We plan to ensure the quality of this information in 2021.

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.

We have mapped our climate emissions in scope 1 and 2, and will continue with scope 3 in 2021. As a result of the initial mapping, we have worked with reducing our emmissions by reducing and improving our company cars and investing in renewable energy. In 2020, our main office moved to a more energy efficient building, close to a hub for public transport.

Normally, during our inspections at our suppliers' factories, we sometimes find small breaches of our requirements for Environmental Health & Safety, which we always report to our supplier together with an Improvement Action Plan (IAP), which helps our suppliers to correct these breaches.



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 rights
Goal:	Secure social dialogue and worker representation at all suppliers
Status :	We continue to have a close cooperation with our suppliers. Factory visits have not been carried out as planned in 2020. We continue to work with Quizrr in 2020, but progress has been slow in 2020.
Objectives in reporting year :	Make use of a workers training tool (Quizrr) to better educate workers on their rights and responsibilities in Chinese factories

Actions:

In 2019 we started to work with Quizrr. 3 of our Chinese suppliers have made use of this workers training tool.

Indicator

Share of workers that have completed a workers rights training program

2020: 424 2019: **762** 2018: 0

We have started to work with Quizrr and 3 of our Chinese suppliers have made use of this workers training tool. In total 1180 have completed 2753 sessions since we started. Progress has been slow in 2020 due to Covid.

Salient issue	Environmental impact
Goal:	 More sustainable materials and production methods Measurable environmental improvements in the supply chain Lead in the transformation to a more circular economy.
Status :	Increased our share of more sustainable materials Started with mapping climate emissions Further developing our circular services
Objectives in reporting year :	Mapping and reporting on our climate emission for Scope 1 (offices and transport) and Scope 2 (energy use)

Actions:

We have increased the share of recycled materials and have continued to use more sustainable production methods like solution dye. We are testing and developing more sustainable fibers based on wood and launched a "Collection of Tomorrow" with a couple of products together with Spinnova. Through our participation in the Swedish Textile Initiative on Climate Action (STICA) we have started to map our climate emissions. In 2020 we mapped all our emissions for Scope 1 and 2 and reported to STICA. We have reduced and improved our car pool and have invested in Guarantees of Origin for renewable energy for all our units.

We have further developed our own circular services such as rental, subscription, redesign, repair and reuse, and have started collaboration with several external partners.

Salient issue	Chemical management
Goal:	Safe chemicals – secure RSL compliance and increase bluesign® approved materials for our products.
Status :	Ongoing, RSL is constantly being updated.
Objectives in reporting year :	Increase share of bluesign approved materials.

Actions:

Our product development always prioritize to source bluesign approved materials. While still increasing the share of bluesign approved fabrics, our developers have also implemented many more bluesign approved trims (zippers, buckles, buttons, thread etc.). Following the implementation our new Product Lifecycle Management system (PLM), we now have better tools to monitor the progress.

Salient issue	Migrant workers / refugees
Goal:	Secure labour and human right at all our suppliers.
Status :	Ongoing, constantly under review.
Objectives in reporting year :	Map risk situation concerning refugee issues in Turkey in relation to our supplier (tier1). We have started mapping issues in Myanmar, and are considering teaming up with both NGOs on the ground in Myanmar, and also starting a dialogue with other brands having factories in the country.

Actions:

Our Supply Chain Director and Head of Product have visited our supplier in Turkey to get a better understanding of and insight in the current situation. We have asked our supplier to present more documentation from recent audits.

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

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 - in order to set science based targets of reduction. We are also investing in more sustainable quality materials, more sustainable coloring technologies and climate compensation.

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

Our purchase department always has a good and constant dialogue with our suppliers concerning delivery times. It is our suppliers who set the timeframe 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 timeframe set by the supplier and are not in a position to push any deadlines.

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 is also the case during covid19, and we have not cancelled any orders during this period. Also, we have still payed on time even in cases where the deliveries have been delayed.

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

Our goal is to increase the share of more sustainable and/or certified materials and production methods:

- bluesign: constantly increasing the share of bluesign approved materials
- Solution Dye: we have continued to use SpinDye for our ski collection, svaing water, chemicals and energy under teh dyeing process
- Down: All our virgin down is certfied after the Responsible Down Standard (RDS), if it's not recycled down from Re:down
- Wool: We always demand non-mulesing certificates from all our wool suppliers and have started to integrate the Responsible Wool Standard (RWS) in our product line (available in 2020)
- We ask for certificates for recycled materials (Global Recycled Standard GRS) and for organic content (Global Organic Textile Standard GOTS)
- We have developed and used a new and wood-based and more sustainably produced fibre (without any

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.

82 % of our suppliers allready state that they have some sort of workers comitee. For the future we have the ensure the quality and effectiveness of these commitees.

We believe in social dialogue as a valuable tool to create an effective dialogue between workers and the factory management (see also Quizrr participation)

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

We have continued to use a workers training tool (Quizrr) to better educate workers on their rights and responsibilities in three of our Chinese factories.

762 have completed 2040 training sessions so far.

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

We have followed the further development of the Sustainable Apparel Coalition's Higg Index and have continued to being a licensee to taking advantage from the different tools and modules offered within the Higg Index Suite of Tools. Our plan for the future is that most of our suppliers will use the Higg Index facility tools for better assessment of their social and environmental performance. More active work on persuading and convincing our supply chain partners is necessary to fully use all the advantages the system offers and to standardize assessment of environmental and social key performance indicators.

We have participated in several research projects concerning microfibers, to get better knowledge and insight into the different factors contributing to the shedding of microfibers from our textiles.

One central issue where all these projects have been actively involved was the development and establishing of a common test method to measure microfibre shedding. Continued research is needed to get further knowledge and build on the gained insight on microfiber shedding - to finally get a decision framework when choosing alternatives in product development that effectively reduce fibre shedding.



4.A Monitoring and assessment

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

Normally, our two employees of our Hong Kong office have frequent contact to all our suppliers and are on regular visits to their factories to conduct quality controls and to monitor the situation regarding workers rights and Environmental/Health & Safety, to set up improvement action plans after inspections and secure their follow-up together with the supplier. In 2020 this has proven more difficult. We have continued the dialogue with our suppliers through different digital means.

Our Supply Chain Department are the main contacts towards our suppliers and responsible for all business relations including order situation, pricing, production and delivery as well as payment terms. The employes in our Product Design & Development department have a tight dialogue with our suppliers regarding product development and are often 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.

The sustainability department is 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.

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

Our supply chain set-up with a limited amount 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. Through our due diligence work we have mapped social dialogue and environmental & climate action as our main challenges. To deal with these we participate in larger projects and initiatives together with industry peers and other stakeholders.



5.A External communication

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

We always strive to have an open and transparent communication around all issues and challenges regarding our social and environmental impact. This also includes our internal information.

We continue the dialogue with different stakeholders such as NGOs, research institutes, organizations and policy makers. We always respond to any inquiries from NGOs or media and actively contact stakeholders when we face new challenges or need further knowledge or insight.

We have partnerships DNT, Friluftsfrämjandet and with the environmental organization WWF, to join us in working towards our future sustainability goals.

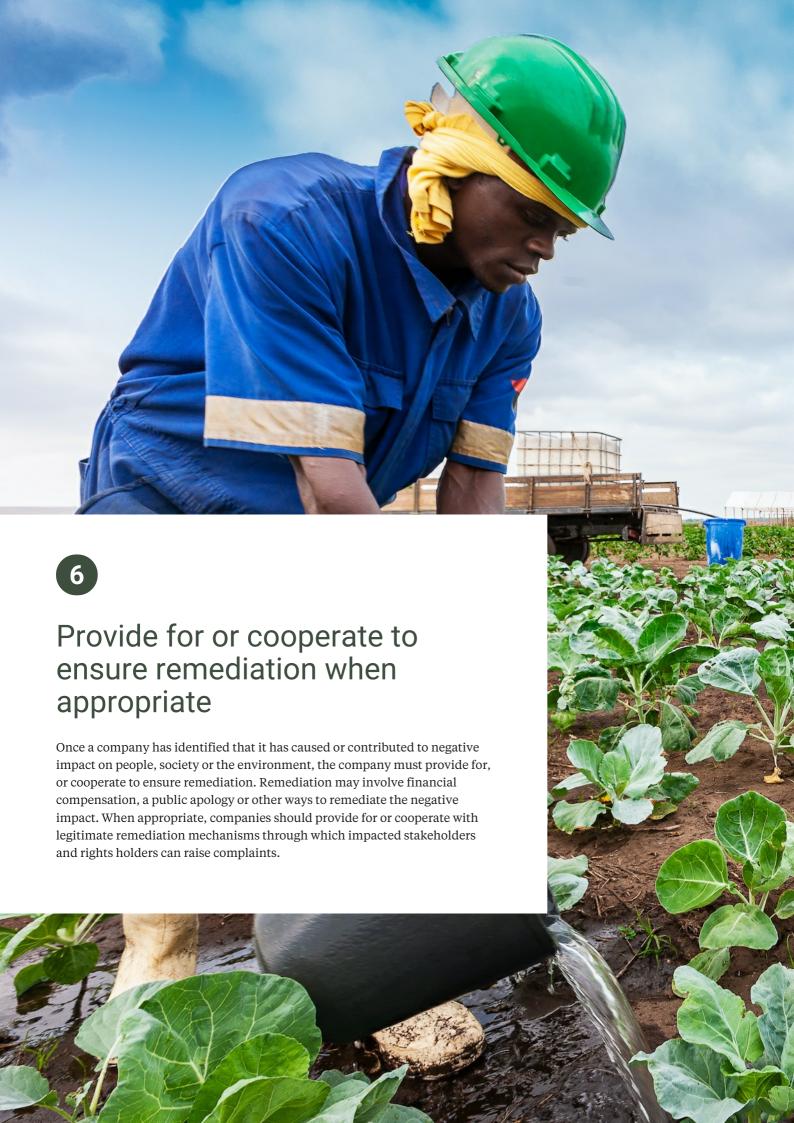
5.A.2 Describe how the company communicates publicly about its own work on identifying and management of salient issues

We communicate our sustainability efforts as thoroughly as we can through comprehensive information on our webpage bergans.com. https://www.bergans.com/en/sustainability

We also 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.

Our reporting to Ethical Trade Norway is available to the public.

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 contibute to set the agenda.



6.A Remediation

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

In our Policy for Sustainable Business Practice, we underline our own obligation on due dilligence, that is: "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 between the supplier and Bergans. The business relationship will only be terminated if the supplier shows unwillingness to remedy the breach following repeated enquiries."

Going forward, we see the need to establish clear routines and guidelines for remediation and how to handle potential severe breaches that may occur.

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

There has not been any detected issues for remediation in the reporting period.

6.B Secure access to grievance mechanisms

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

In our Code of Conduct (CoC) 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 of our suppliers have stated that they have a functioning grievance system in place at their factories. There has not been an issue that so far where remediation has been neccesary.

Contact details:

Bergans Fritid AS Yngvill Ofstad (Sustainability) / Christoph Centmayer (Sustainability) yngvill.ofstad@bergans.no / christoph.centmayer@bergans.no