



Rapport for

# Bærekraftig forretningspraksis 2021

for Stokke AS





## FNs BÆREKRAFTSMÅL



## Til lesere av rapporten

Næringslivet har stor påvirkning på mennesker, samfunn og miljø og kan både bidra positivt til utvikling, men også medvirke negativt og forårsake skade. Virksomheter har derfor også en nøkkelrolle i å oppnå FNs bærekraftsmål. Alle selskaper, uavhengig av størrelse, er av norske myndigheter forventet å kartlegge, forebygge, begrense og gjøre rede for hvordan de håndterer risiko for negativ påvirkning samt rette opp skade for mennesker, samfunn og miljø – såkalte aktsomhetsvurderinger (due diligence). Dette gjelder både næringsliv, offentlig sektor og organisasjoner. Større virksomheter er fra og med 1.juli 2022, gjennom åpenhetsloven, lovpålagt å utføre dette arbeidet og vise åpenhet om det ved å rapportere offentlig om arbeidet.

Medlemmer i Etisk handel Norge har forpliktet seg til å jobbe med aktsomhetsvurderinger for bærekraftig forretningspraksis. Til grunn for dette arbeidet ligger Etisk handel Norges prinsipper (vår code of conduct), som dekker områdene anstendig arbeid, menneskerettigheter, miljø/klima, antikorrupsjon og dyrevelferd.

Malen for medlemsrapporten er utformet for at virksomheten skal vise åpenhet om sitt arbeid med ansvarlig næringsliv og bærekraftig forretningspraksis, som beskrevet i FNs veiledende prinsipper for næringsliv og menneskerettigheter og OECDs retningslinjer for flernasjonale selskaper. I rapporteringen skal det inngå hvordan virksomheten arbeider med aktsomhetsvurderinger og beskrive hvilke utfordringer virksomheten står overfor, hvilke tiltak som gjennomføres for å håndtere utfordringene samt fremdrift og resultater. Alle medlemsrapportene gjøres offentlig tilgjengelig på Etisk handel Norges hjemmesider.

**Heidi Furustøl**

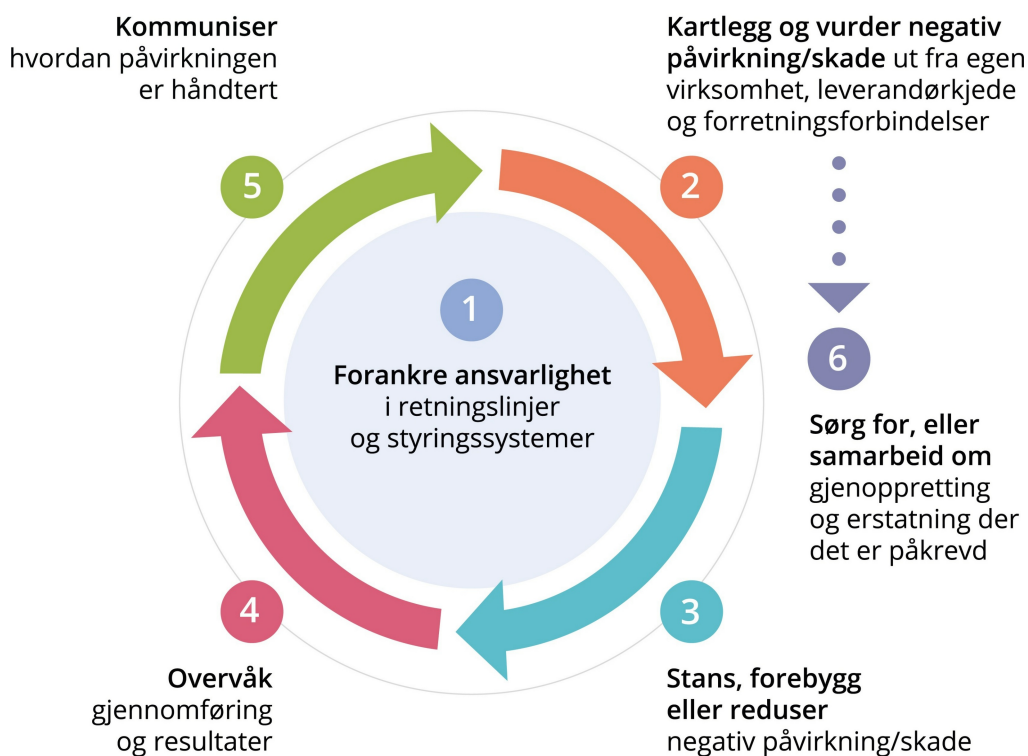
Daglig leder

Etisk handel Norge

# Aktsomhetsvurderinger

Denne rapporten er bygget rundt FNs veiledende prinsipper for næringsliv og menneskerettigheter og OECDs modell for aktsomhetsvurderinger for ansvarlig næringsliv.

Modellen har seks trinn som beskriver hvordan virksomheter kan jobbe for mer ansvarlig og bærekraftig forretningspraksis. Å være god på aktsomhetsvurderinger betyr ikke at en virksomhet ikke har negativ påvirkning på mennesker, samfunn og miljø, men heller at virksomheten er åpen og ærlig om utfordringer og håndterer dette på best mulig måte i samråd med sine interessenter. Denne rapporten er delt inn i kapitler basert på denne modellen.



# Forord av daglig leder

At Stokke, we take great pride in the products we sell and have done since our beginning in 1932. Our company is focused on solutions for babies' development. Every day, millions of people place their trust in our products to take the best possible care of what is most precious to them; their young children. They expect the highest quality and safety from our products! Therefore, we always strive to do whatever is "in the best interest of the child" – our brand promise.

We are all concerned about the environment and how our actions affect it. In today's modern world, caring for our children means much more than providing them with safety, comfort, and protection. Caring for our children means caring for the planet that they will inherit. We strive to create innovative high-quality products in a responsible business environment that provides the assurance and peace of mind that is expected from Stokke products. This will contribute to the preservation of our planet not only for our children, but for generations to come.

Stokke has been member of Ethical Trade Norway since 2006. As a small organization, ETN is an excellent resource center and support in our work to continuously improve and ensure that our business practice respects people, society and the environment. Through this cooperation, we ensure that our actions are in alignment with best practice according to international expectations such as the UN Guiding Principles on Business and Human Rights, the OECD Due Diligence Guidance for Responsible Business Conduct and the UN Sustainable Development Goals. As a member, we are committed to:

1. Implementing strategies and policies which, at a minimum, covers ETNs principles for responsible business conduct.
2. Carrying out due diligence for responsible business to prevent negative impact on people and the environment in our supply chain.

Autumn 2019, ETN updated their minimum requirements to ensure that they reflect what is considered good business practice today. Stokke very much welcomes this update, while at the same time, acknowledges that within a few areas, work is still needed to reach the expected level. Our actions for 2022 and 2023 are based on lifting our internal practice within these areas while keeping up the good work we are already doing.

**" In the best interest of the child "**

Jacob Kragh  
*CEO*

# Nøkkelinformasjon om bedriften og leverandørkjeden

## Nøkkelinformasjon om bedriften

### Navn på bedriften

Stokke AS

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### Adresse hovedkontor

Parkgata 6, 6003 Ålesund

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### Viktigste merker, produkter og tjenester

Stokke provides worldwide distribution of children's furniture and equipment within the highchair, stroller, baby carrier and nursery market segments through selected retailers represented in around 70 countries. The products are also available through e-

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### Beskrivelse av bedriftens struktur

Stokke AS is a Norwegian company with subsidiaries in Europe, Americas and in Asia. All subsidiaries companies are fully owned by Stokke AS, and conduct sales and marketing on behalf of Stokke AS in the respective countries.

Stokke is owned by NXMH, an investment company based in Belgium, wholly owned by NXC in South Korea. NXC is the largest shareholder in NEXON Corporation.

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### Omsetning i rapporteringsåret (NOK)

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### Antall ansatte

347

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### Vesentlige organisatoriske endringer siden forrige rapportering

Stokke AS has in 2021 acquired

- MUTABLE™, a multifunctional play table that grows with the child
- LIMAS, a German babywearing company selling baby carrieres and slings
- BABYZEN, the makers of the premium YOYO all-in-one lightweight stroller

Integration of these companies is still on-going and they will therefore become part of the reporting from 2022.

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### Navn, tittel for kontaktperson for rapporten

Gunnhild Ø Thorsen, Director of Sourcing and Production

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**E-post adresse for kontaktperson for rapporten**

Gunnhild.thorsen@stokke.com

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## Informasjon om leverandørkjeden

### Generell beskrivelse av bedriftens innkjøpsmodell og leverandørkjede

Stokke products are manufactured by independent contract manufacturers in 13 countries. The production of wooden products is located in Eastern Europe, textiles are produced in China and the US. Injection molding and assembly is located mainly in Europe, but also for some products in China and Taiwan.

Stokke considers our 1st Tier suppliers as System suppliers that take care of the sub-suppliers on behalf of Stokke. Stokke has a close relation to all our 1st Tier suppliers with frequent visits and close cooperation related to continuous improvement within different areas of the common business. Because of the Covid-19 situation, numbers of visits in 2021 have been significantly reduced. Stokke has continued the close cooperation and follow-up through increased use of online meetings. Our field based colleagues located in Eastern Europe were able to continue visiting, taking the relevant Covid-measures to protect the staff of our suppliers as well as our Stokke-employees.

The main pillars in Stokke Sourcing Strategy are:

- Stokke works with suppliers that promote FAIR WORKING CONDITIONS and SUSTAINABILITY in their work
  - Stokkes production shall ensure PREMIUM QUALITY PRODUCTS
  - Stokke choose suppliers with a LONG-TERM FOCUS and strive for a cooperation based on PARTNERSHIP
- These pillars are giving guidance both in our day-to-day work with the suppliers as well as to our long-term actions.

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### Antall leverandører som bedriften har hatt kommersielle relasjoner med i rapporteringsåret

21

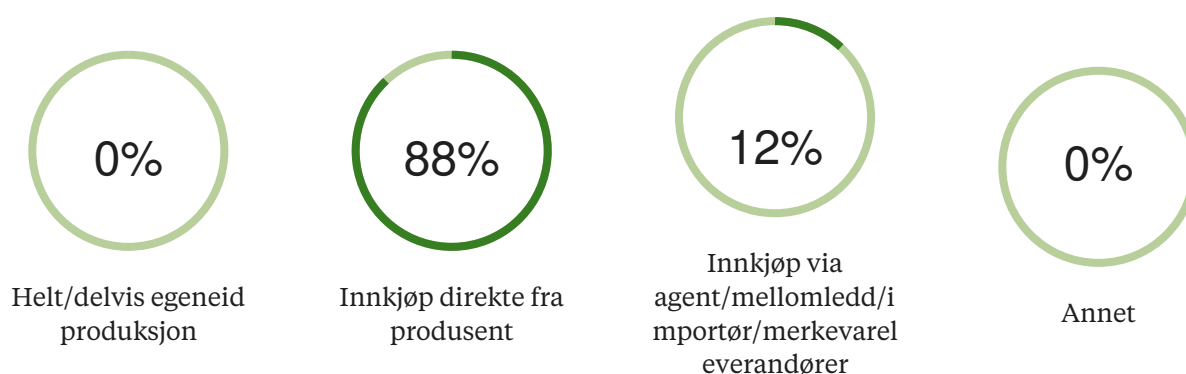
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### Kommentar til antall leverandører

Stokke has a direct commercial relation to 21 factories/agents that supplies to Stokke AS. Including the factories handled by our agents, Stokke has business relation with in total 29 factories.

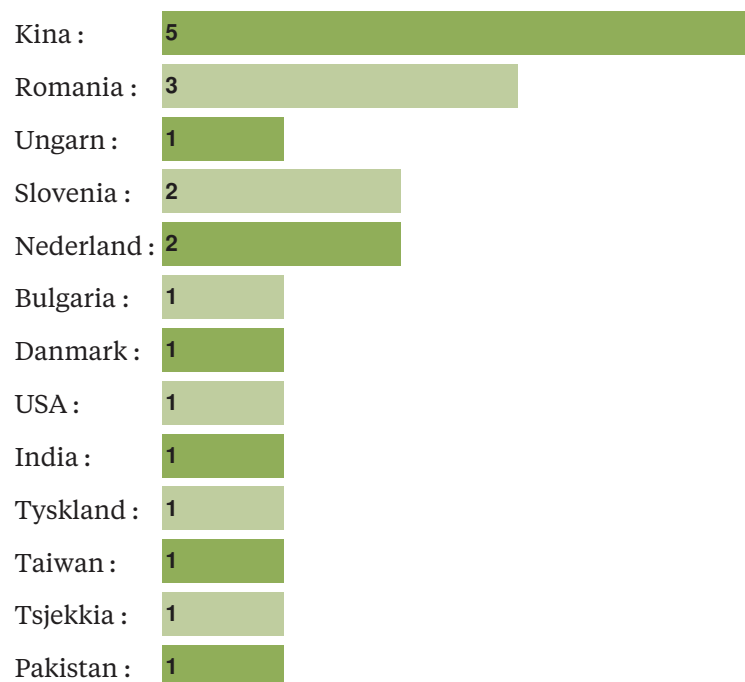
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### Type innkjøp/ leverandørforhold



Purchase of marketing materials and extra packaging for repackaging etc not included

### Liste over førsteleddsprodusenter per land



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**Oppgi antall arbeidere hos førsteleddsprodusenter som bedriften har oversikt over, og hvor mange produsenter dette er basert på.**

#### Antall arbeidere

1 219

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#### Antall produsenter dette er basert på

29

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#### Antall arbeidere per produsent (kalkulert snitt)

43

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#### Kommentar til antall arbeidere

Stokke is producing goods at in total 29 different suppliers. Approximately 1200 employees at these factories are involved in the daily production of the Stokke products.



## Viktigste innsatsfaktorer/råvarer og geografi

<b>Wood (beech, oak, solid wood and plywood)</b>	Bosnia-Hercegovina Bulgaria Hviterussland Tsjekkia Makedonia Romania Serbia Ukraina
<b>Injection molding and assembly</b>	Kina Ungarn Nederland
<b>Metals (aluminium and steel)</b>	Kina Ungarn Nederland
<b>Polyester textile</b>	Kina
<b>Cotton textile</b>	Kina Pakistan
<b>Mattresses (foam and textile)</b>	Slovenia USA

Er virksomheten leverandør til offentlig sektor?

Nei

## Mål og fremdrift

### MÅL OG FREMDRIFT I RAPPORTERINGSÅRET

1

**Mål:** Establish a policy and regular reporting for Stokke responsible business conduct in line with Ethical trade Norway's' declaration of principles

**Status:** Done

2

**Mål:** Communication of Sustainability ambition towards the suppliers.  
Formalize focus and way of working for evaluation of environmental impact of Stokke suppliers

**Status:** Partly done.  
The Stokke sustainability ambitions have been communicated to the Stokke suppliers and Stokke have gathered input from all suppliers to complete our CO2-mapping on scope 1, 2 and 3 for 2020. Evaluations are ongoing for defining way of working and actions regarding environmental impact of the Stokke suppliers

3

**Mål:** Conduct Quality and Social audits of suppliers according to plan

**Status:** Done

4

**Mål:** Establish way of working to mitigate risk within the salient issue of wood traceability

**Status:** Done

5

**Mål:** Establish collaboration with Taos Certification Body for 3rd party support on most salient issues at the Chinese suppliers.

**Status:** Work initiated, but scope has been extended to find an organization and system to support across the complete supply chain.

## MÅL FOR KOMMENDE ÅR

1

Improve current system of risk management, supplier audit and supply chain transparency through ESG monitoring scheme.

2

Establish emission reduction roadmap for the Stokke supply chain

3

Establish grievance system and remediation mechanism

4

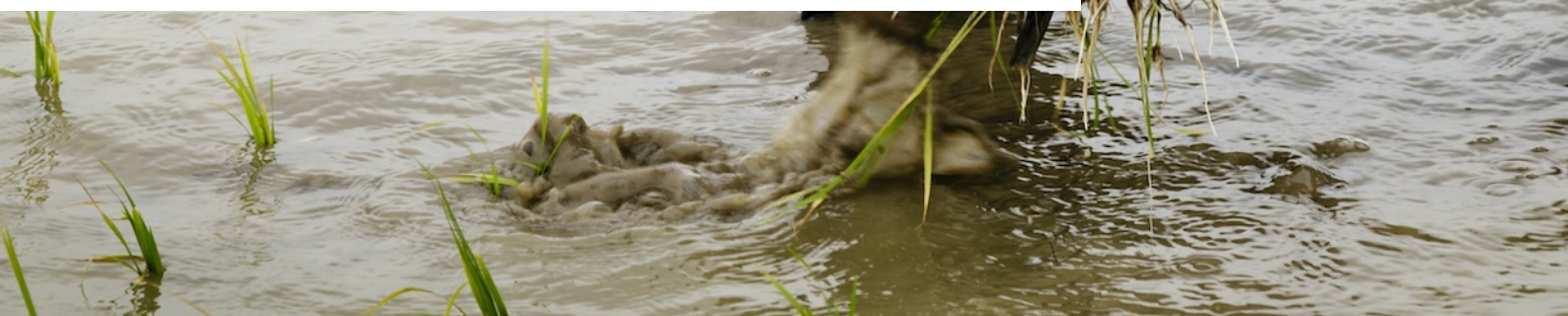
Take action to mitigate identified risks in the supply chain



# 1

## Forankring av bærekraft i virksomheten

Forankring av ansvarlighet knyttet til bærekraftig forretningspraksis i virksomheten handler om å ha strategier, planer, relevante policyer\* og retningslinjer for aktsomhetsvurderinger som er vedtatt av ledelsen. Disse bør omfatte hele virksomheten, samt virksomhetens leverandørkjede og forretningsforbindelser. Effektive styringssystemer for implementering er en forutsetning for å lykkes, og arbeidet med aktsomhetsvurderinger bør være en integrert del av virksomhetens forretningsdrift. Tydelige forventninger fra toppledelsen, samt tydelig plassering av ansvar innad i virksomheten for implementering av de ulike delene av aktsomhetsvurderinger er viktig. Alle involverte må vite hva de skal gjøre. Åpenhet om forpliktelser virksomheten har til seg selv, utfordringer de står overfor og hvordan dette håndteres, er vesentlig.



## 1.A Policy\* for egen virksomhet

### 1.A.1 Lenke til offentlig tilgjengelig policy for egen virksomhet

Stokke has published our commitment to people, society and environment on our homepage: [www.stokke.com](http://www.stokke.com)

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### 1.A.2 Hva sier bedriften offentlig om sine forpliktelser til å respektere mennesker, samfunn og miljø?

Our efforts are always in the best interest of the child. All of our products have a common purpose: to encourage child development and to nurture family bonding.

Not only designing products with superior functionality for comfort and ease of use, our designers create products that bring children closer to their parents. Closeness fosters connection. Children need this sense of connection to feel safe and loved, encouraging them to become self-reliant and confident learners in life.

Caring for children means caring for the planet. We strive towards sustainable solutions in everything we do. High-quality, durable materials, grow-with-your-child functionality, together with timeless design, ensure longevity to all our products –some of them lasting for generations. Stokke's long history of design and innovation began over eight decades ago on the west coast of Norway in 1932. Stokke's values remain deeply rooted in our Scandinavian heritage and our commitment to craftsmanship and quality.

The commitments to sustainability and quality has been part of the Stokke DNA for years. With the launch of a new Stokke strategy in 2020, cross-functional work was conducted to define the Stokke Brand Framework.

Within this framework, Nature is called out as an important part of our Heritage and Brand:

"Being close to nature and living from natural resources, Stokke understands the importance of nature and feels an obligation to care for nature. We strive towards sustainable solutions -for business and for life"

This has led to the definition of Sustainability as one of our three value propositions and Sustainability has been called out to focus on:

- Quality - 'the Stokke way': Long-lasting products that last for generations offer a sustainable choice.
  - Grows with the child: Our core products are made to be used as children grow and develop
  - Sustainable value chain: Sustainable sourcing, labour, material, production, transport, packaging etc.
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### 1.A.3 Hvordan er policy for egen virksomhet blitt utviklet og forankret?

By implementing Responsible Business Conduct Stokke wants to assure our customers and business partners that we understand and manage negative impacts on society and the environment. Stokke Policy for Responsible Business Conduct was developed and presented to the Board in December 2021. We are integrating social, environmental, ethical and human right concerns into our business strategy and operations following the OECD Guidelines on Due Diligence. It is anchored in Stokke Sustainability Strategy and as such part of the training program for newcomers as well as communicated internally through Stokke intranet site.

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## 1.B Organisering og internkommunikasjon

### 1.B.1 Hvordan er arbeidet med aktsomhetsvurderinger organisert i bedriften, og hvorfor?

In the Stokke Leadership team, the Head of Strategy and M&A is the owner of the Stokke Sustainability Strategy. The Stokke Sustainability Manager is reporting to the Head of Strategy and M&A and is responsible for the development and further execution of the Stokke Sustainability Strategy. The Sustainability Manager is also in lead for the focus areas “Early Childhood Development” as well as “Reducing our climate footprint”.

The other focus areas of Stokke Sustainability strategy are located under the relevant functional departments, but are reporting their progress on the Sustainability strategy to the Sustainability Manager. As both “Fair practice for Supply Chain partners” and “Sustainable forest management” are closely related to the supply chain and production of Stokke products, the responsibility of these areas lies at the Director of Sourcing and Production. “Quality Product made to last” is predominantly defined through the design- and product development process and the ownership therefore lies with the Innovation team. As there are many new laws and regulations related to Sustainability and ESG, the Sustainability Team also have a member from our Legal department.

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### 1.B.2 Hvordan blir betydningen av virksomhetens aktsomhetsvurderinger konkretisert og tydeliggjort for de ansatte gjennom stillingsbeskrivelse, arbeidsoppgaver og incentivordninger?

There is a high focus on sustainability across the organization and through the definition and first communication of the Sustainability Strategy, the employees at Stokke have been made aware that Sustainability and responsible business conduct shall inform their decisions and actions moving forward. There is established a cross-functional Sustainability Team and for the key members of the team the focus areas are defined as part of their job descriptions and work tasks are set.

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### 1.B.3 Hvordan sikres det at relevante ansatte har tilstrekkelig kompetanse til å gjennomføre arbeidet med aktsomhetsvurderinger?

Stokke have for years conducted internal and external training of key staff with direct and frequent contact with the suppliers. Global Reporting Initiative (GRI) online training was accomplished by two Stokke representatives. Several colleagues attended training on sustainable textile fundamentals provided by Sustainable Fashion Academy. Stokke is evaluating and planning sustainability related trainings across the organisation in 2022.

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## 1.C. Planer og ressurser

### 1.C.1 Hvordan er virksomhetens forpliktelser til å respektere mennesker, samfunn og miljø forankret i virksomhetens strategier og handlingsplaner?

In 2020, Stokke revisited the strategy for the company. Among other areas, the Stokke Brand Framework was redefined through the process and Sustainability became one of the three value propositions for Stokke. Following this commitment of the Stokke Brand to Sustainability, the Stokke Sustainability Strategy was established.

Sustainability as Stokke see it has three headline dimensions – social, environmental, and economical sustainability. Our sustainability strategy is anchored in the UN Sustainable Development Goals framework to allow stakeholders to easily see where Stokke is aiming to create positive impact on society. While addressing multiple areas around social, environmental, and economical sustainability, the pinnacle area for Stokke will be Child Development, with a focus on Early Childhood Development.

Stokke will have four other focus areas to increase sustainable practice at Stokke, namely:

- Fair practice for Supply Chain partners
- Quality Products made to last
- Reduce Climate footprint
- Ensure sustainable forest management.

The focus in 2021 has been to build a foundation of initiatives that can be started and scaled in the years to follow. These initiatives are anchored in action plans managed by the Stokke Sustainability Manager.

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### 1.C.2 Hvordan følges virksomhetens strategier og planer for å være ansvarlig og bærekraftig opp av ledelse og styre?

The Stokke Sustainability strategy is owned by the Head of Strategy and M&A, who is a part of the Stokke Leadership Team. The Strategy is approved by the board and progress is reported on a frequent base.

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## 1.D Partnerskap og samarbeid med forretningsforbindelser, spesielt leverandører

### 1.D.1 Hvordan tydeliggjør virksomheten viktigheten av ansvarlighet og bærekraft i møte med forretningspartnere, spesielt i leverandørkjeden?

Stokkes developed and implemented the Code of Conduct (CoC) for our work with Suppliers in 2010. This policy was developed by the Director of Sourcing and Production in cooperation with Ethical Trade Norway and has since then been part of our way of working with our suppliers.

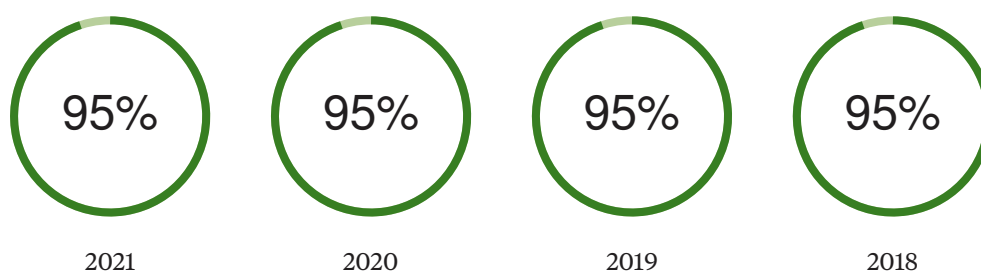
The Stokke Code of Conduct present our expectations towards our suppliers when it comes to:

1. Forced and compulsory labour
2. Freedom of Association and the Right to Collective Bargaining
3. Child Labour (UN Convention on the Rights of the Child)
4. Discrimination
5. Harsh or Inhumane Treatment
6. Health and Safety
7. Wages
8. Working Hours
9. Regular Employment
10. Marginalized Populations
11. Environment
12. Corruption
13. Animal welfare
14. Management systems of suppliers

Stokke CoC is a key document that is signed early in the process when sourcing new suppliers. Regular Social Audits, depending on risk profile of the country and supplier, also put the issue on the agenda at the suppliers. The topic is also a fixed agenda point in the yearly business review with our 1st Tier suppliers. In 2021, Stokke have communicated the new Sustainability Strategy to the suppliers and emphasized the increased focus from Stokkes side on the topic of responsible business conduct moving forward.

## Indikator

### Share of 1st Tier suppliers, who have received and accepted the Stokke Code of Conduct



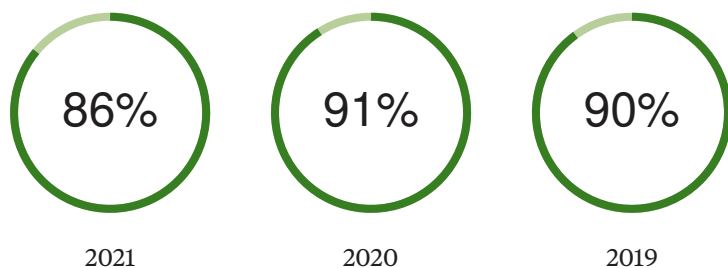
Percentage of Stokkes first tier suppliers who have received and accepted our CoC for ethical trade (percent based on number of suppliers). If the percent should have been based on total monetary value of purchase then % would have been 99,9% for 2021, 99,6% for 2020, and 99% for 2019

The deviation from 100% is caused by one supplier of Stokke that has not signed the CoC. This supplier is introduced to Stokke through co-branding. The supplier is located in China and has together with it's direct customer an extensive program for sustainability and ethical trade. During visits and screening, Stokke has considered their inhouse program to be equivalent to our Code of Conduct.



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**Andel av bedriftens leverandører som bedriften har hatt forretningsforhold med i mer enn tre år**

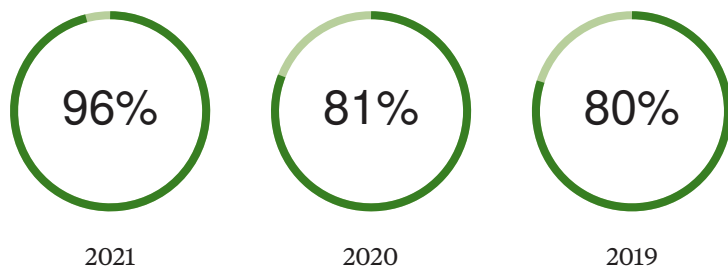


The percentages is based on numbers of suppliers. Stokke AS started to produce in 2 new locations in 2020 and 1 in 2021.

Looking at purchase value the percentages are 2018: 98%, 2019: 97%, 2020: 98%.

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**Andel leverandører i risikofylte leverandørkjeder som er kartlagt**



Numbers based on purchased value. An increased focus on suppliers in Eastern Europe last years, and social audits of all new suppliers have resulted in a significant improvement of this indicator. Countries defined as "high risk": Romania, Bulgaria, Macedonia, China, Pakistan and India

## 1.E Erfaringer og endringer

**1.E.1** Hvilke erfaringer har virksomheten gjort seg om arbeidet med bærekraftig forretningspraksis i rapporteringsåret, og hva har endret seg som et resultat av dette?



2

Fastsette fokus for rapporten

## Kartlegging av virksomhetens påvirkning på mennesker, samfunn og miljø

Kartlegging handler om å identifisere virksomhetens risiko for, og faktiske negative påvirkning eller skade på mennesker, samfunn og miljø, inkludert i leverandørkjeden og gjennom forretningsforbindelser. Det handler om å først danne seg et overordnet risikobilde, for så å prioritere mest vesentlige risikoområder for grundigere kartlegging og håndtering av funn. Hvordan virksomheten er involvert i eventuell negativ påvirkning på mennesker, samfunn og miljø, er sentralt for å avgjøre riktig respons og tiltak. Involvering av interessenter, spesielt påvirkede parter, er sentralt i kartleggingsarbeidet, så vel som i tiltak for å håndtere utfordringene på en god måte.

## 2.A Kartlegging og prioritering

### PRIORITERT NEGATIV PÅVIRKNING/SKADE FOR MENNESKER, SAMFUNN OG MILJØ

Å prioritere en eller flere risikoområder på bakgrunn av alvorlighetsgrad, betyr ikke at noen risiko er viktigere enn andre, eller at virksomheter ikke gjør noen med annen risiko, men at det som har størst negativ påvirkning prioriteres først. Kartlegging og prioritering er en kontinuerlig prosess.

#### 2.A.1 List opp virksomhetens prioriterte risiko for negativ påvirkning/skade på mennesker, samfunn og miljø.

Prioritert negativ påvirkning / skade	Relatert tema	Geografi
Workload	Fagorganisering og kollektive forhandlinger Lønn Arbeidstid Regulære ansettelses	Bulgaria Kina Pakistan Romania
Risk of deforestation and negative impact on environment due to illegal logging	Miljø Korrupsjon Materialbruk	Bosnia-Hercegovina Bulgaria Hviterussland Makedonia Romania Serbia
Climate footprint of Stokke production	Miljø Utslipp	Globalt

The list represent the most salient issues that Stokke has identified and prioritized during 2021

## BEGRUNNELSE FOR HVORFOR DISSE UTFORDRINGENE ER PRIORITERT SOM MEST VESENTLIGE FOR MENNESKER, SAMFUNN OG MILJØ

**2.A.2 Beskriv kort virksomhetens rutiner for kartlegging og identifisering av risiko og vis til hvordan den negative påvirkningen/skaden ble identifisert og prioritert i denne perioden. Beskriv hvordan informasjon ble hentet inn, hvilke kilder som er benyttet og hvilke interessenter som er involvert/dere har snakket med. Beskriv videre også om det er identifisert områder eller tema hvor det er manglende informasjon for å danne seg et helhetlig bilde, og hvordan dere planlegger å gå frem for å få mer informasjon/håndtere dette.**

In 2019 Stokke established a process and systematic approach for performing risk assessment of our supply chain.

For existing suppliers, but also potential new suppliers the assessment performed is split in two parts:

1. General risk assessment of breaches to our Stokke Code of Conduct in the relevant country and industry. The assessment is performed based on available information in the database [www.mvorisicochecker.nl](http://www.mvorisicochecker.nl)
2. A Stokke internal review of the specific supplier. Input to this review is information gathered through
  - a. Social audits performed by 3. party companies
  - b. Own visits and frequency of follow-up
  - c. Own knowledge of risk parameters
  - d. Deep-dive audits of most salient issues at the relevant supplier

The risk evaluation gives a score to the supplier and a list of most salient issues to follow up at the different suppliers in our portfolio. Based on the total list, the issues listed in 2.A.1 have been prioritized.

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## ANNEN NEGATIV PÅVIRKNING/SKADE

**2.A.3 Beskriv annen negativ påvirkning/skade på mennesker, samfunn og miljø som ble identifisert i kartleggingen i egen virksomhet, leverandørkjeden eller hos forretningsforbindelser i rapporteringsåret og hvordan disse er håndtert.**

A woman in a blue lab coat and cap is shown in profile, looking down at a piece of equipment in a laboratory setting. Other people in similar attire are visible in the background, working at their stations. The lighting is bright and clinical.

### 3

#### Håndtering av prioritert påvirkning

## Stanse, forebygge eller redusere negativ påvirkning

Stanse, forebygge eller redusere handler om å håndtere funn fra kartleggingen på en god måte. Virksomhetens mest vesentlige negative påvirkning på mennesker, samfunn og miljø prioriteres først. Dette betyr ikke at annen risiko er uvesentlig eller at det ikke håndteres. Hvordan virksomheten er involvert, er sentralt for å treffe riktige tiltak. Faktisk negativ påvirkning/skade som virksomheten forårsaker eller bidrar til må stanses, forebygges og reduseres. Virksomheter som er direkte forbundet med negativ påvirkning må bruke sin innflytelse til å få forretningsforbindelser (f.eks. leverandører) til å stanse, forebygge og redusere dette. Dette innebærer å utvikle og iverksettes planer og rutiner for å håndtere risiko, og kan kreve endringer i egne policyer og styringssystemer. Virksomheters vellykkede håndtering av negativ påvirkning på mennesker, samfunn og miljø er et avgjørende bidrag til FN's bærekraftsmål.

## 3.A Stanse, forebygge eller redusere

### 3.A.1 Legg til mål, status på fremdrift, og beskriv tiltak dere har iverksatt for å håndtere virksomhetens prioriterte negative påvirkning/skade på mennesker, samfunn og miljø

<p><b>Prioritert negativ påvirkning/skade</b></p>	<p><b>Workload</b></p>
<p><b>Overordnet mål :</b></p>	<p>Production and overtime practice of our suppliers should be according to local law</p>
<p><b>Status :</b></p>	<p>With increased sales in 2021, Stokke have requested additional production volumes from many of our suppliers, primarily in Europe.</p> <p>In combination with higher absence rates due to the Covid-situation overtime has occurred compared to last years. Stokke have had a close dialogue with the suppliers around the production increase with weekly meetings. This dialogue has been focused on how to increase production through investments at the suppliers combined with commitments from Stokke. Next to that there has been an open dialogue where the supplier have been open on what volumes are possible with their availability of staff and not conflicting with local legal framework.</p>
<p><b>Mål i rapporteringsåret :</b></p>	<p>Significant increase of production capacity at key 1st Tier suppliers in Europe without violating overtime regulations</p>

#### Utforte tiltak og begrunnelse :

- China: Cooperation with 3rd party audit company to assess relevant suppliers on the topics of worker engagement, overtime practice and wages. Close follow-up by our local long-term sourcing agents
- Europe: Close cooperation with suppliers to increase production capacity, with commitments from Stokke to support the growth. Social audits performed based on risk evaluations.

<b>Prioritert negativ påvirkning/skade</b>	<b>Risk of deforestation and negative impact on environment due to illegal logging</b>
<b>Overordnet mål :</b>	Establish overview of the wooden supply chain down to the forestries
<b>Status :</b>	Legality confirmation established and signed by all 1st Tiers of Stokke FSC® certification implemented for Sleepi, Klikk and Steps Gaps for FSC® certification for Tripp Trapp mapped out and action plan in progress Assessment of wood supply chain ongoing
<b>Mål i rapporteringsåret :</b>	Get detailed overview on origin of wooden raw material, including risk assessment

#### Utforte tiltak og begrunnelse :

Stokke has contracted a neutral third party, Soil Assotiation (SA), to assess our Supply chain for all sustainability aspects. Soil Association is well known NGO with founded experience in forestry with experts located in countries where Stokke operates.

In Phase 1 (Oct 2020 – May 2021) Soil Association assessed the legality and sustainability of the Stokke supply chain relating to the Tripp Trapp chair. 1st and key 2nd Tier suppliers were contacted by the local SA assessment team and asked to provide information about their supply chains and due diligence systems using a checklist format. Site visits were conducted when possible, but due to COVID pandemic travel restrictions other assessments were conducted remotely via email, phone and on-line meetings.

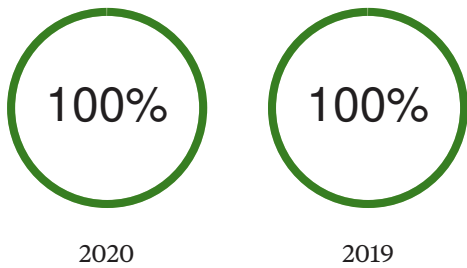
Assessments included documents, reports and records inspections, interviews with relevant personnel and review of audit reports carried out by government agencies. Systems developed by the companies to assess legality of their supplies were discussed in relation to EU Timber Regulation (EUTR) and national legislation of the supplying countries.

In Phase 2 (Aug 2021 – Feb 2022) Soil Association is gathering further information from suppliers and sub-suppliers with the main objective to identify the actors along the supply chain and to assess their capacity to trace the timber up to the forest of origin. The expected outcome of Phase 2 is a supply chain map providing detailed information along with a risk assessment and potential risk mitigation proposals for each main supplier/sub-supplier.

## Indikator



**Stokke wood suppliers (1st and 2nd Tier) in high-risk countries that are FSC certified**



Stokke have defined a 3-years plan for the further work within the focus-area of Sustainable forest management.

High risk is based on CPI-rating.

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<b>Prioritert negativ påvirkning/skade</b>	<b>Climate footprint of Stokke production</b>
<b>Overordnet mål :</b>	Reduce climate footprint of Stokke
<b>Status :</b>	<p>Scope 1, 2 and 3 emissions were calculated by external consultant following the GHG Protocol method.</p> <p>Stokke committed to short (2030) and long (2050) term emission reduction targets following the Science Based Target (SBT).</p>
<b>Mål i rapporteringsåret :</b>	Establish baseline and target for Stokke's work to reduce our climate footprint

**Utforte tiltak og begrunnelse :**

The first climate footprint for 2020 was performed by external consultant CemaSys.. The mapping included the total Stokke business and will in 2022 serve as a base for setting climate actions for our business and our supply chain

Targets have been established for our ambition level following the guideline for Science Based Targets:

- Stokke commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2020 base year. Stokke also sets a target to reduce absolute scope 3 GHG emissions 25% within the same timeframe.
- Stokke commits to reduce absolute Scope 1 and 2 GHG emissions 90% by 2050 from a 2020 base year. Stokke also sets a target to reduce absolute scope 3 GHG emissions 90% within the same timeframe.

## Tverrgående tiltak for å håndtere negativ påvirkning/skade:

**Beskriv virksomhetens tverrgående tiltak for å stanse, forebygge eller redusere negativ påvirkning/ skade på mennesker, samfunn og miljø i leverandørkjeden**

### 3.B.1 Reduksjon av miljø- og klimafotavtrykk

extile production is known to have significant environmental impact. Majority (98%) of cotton used in Stokke products is organic cotton certified according to Organic Content Standard (OCS). Most of our indoor textile (%?) are certified according to Oeko-Tex Standard 100, world's best known label ensuring substances used are harmless for humans. Stokke have for several years been working on reducing the impact by securing our cotton textiles are certified according to Oeko-Tex and Organic content standard OCS. Stokke has also worked on securing PFC-free coating for all relevant products.

Actions taken for the textile products in 2021:

- Organic cotton according to OCS-standard: 98% of the cotton used is now according to OCS and actions in progress for the remaining items
- Outdoor textiles: 100% PFC-free for relevant products achieved
- Recycled polyester from plastic bottles is used for the main textile in our Xplory X Strollers.

In 2021, Stokke took action to further extend our efforts within textiles and provide guidelines for the organization as part of the Sustainability Strategy:

- Increased internal competence through participation on the training "Sustainable Textile Sourcing" with a deepdive in textile qualities and production methods. With cross-functional participation from Innovation, Compliance & Safety as well as the Sourcing & Production team, we secured competence and alignment across disciplines.
- 3rd party assessment performed by CemaSys to evaluate the materials used, certification status, dyeing processes and treatments. The conclusion of the study is the recommendation to move certifications standards to higher level with a strong focus on environmental and social aspects (Global Organic Textile Standard, GOTS and Global Recycled Standard, GRS).
- Roadmap defined to raise the level of certification:
  - Identify products eligible for Global Organic Textile Standard (GOTS)
  - Establish Global Recycled Standard (GRS) certification

Stokke have through 2020-2021 made long-term agreements with key suppliers giving them room for more long-term planning as well initiating investments to modernize production equipment. Two key suppliers have with the support from Stokke been provided funding from Norway Grants for investment for replacing old production equipment. The funding was granted as the new equipment comes with reduction of environmental and climate footprint.

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### 3.B.2 Tilpasning av egen innkjøpspraksis (sourcing)

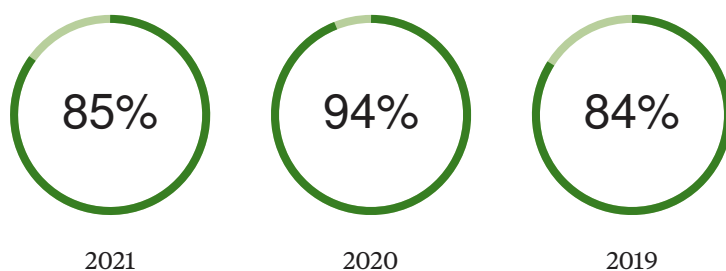
Stokke maintain a close dialogue with our suppliers to ensure both parties can operate in a sustainable way. In 2021 the following examples of Stokke adapting our purchasing routines can be mentioned:

- Stokke have in two cases after discussion with suppliers adapted payments terms for a short/longer time period to support them through a challenging time period in 2021
- Stokke have through discussions with suppliers, made long-term agreements with key suppliers giving them room for more long-term planning as well initiating investments
- Stokke is about to adapt our purchase practice towards some of our suppliers, where a long back-log of orders have been the way of working for years. New structures and way of working has been defined and will be implemented in 2022

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## Indikator

### Andel leverandørbetalinger i rapporteringsåret som er utført i tide



### 3.B.3 Valg av produkter og sertifiseringer

Wooden products:

Stokke have in 2020 implemented FSC®-certification on our wooden products STOKKE® SLEEPITM, STOKKE® CLIKKTM and STOKKE® STEPS™ CHAIR. For TRIPP TRAPP®, Stokke has mapped the availability of FSC-material in our Supply Chain and is now performing a 3rd party feasibility assessment of implementing FSC or similar certification.

Formaldehyde emission prevention is a key focus area for Stokke for wooden products with glued parts. Stokke is meeting the regulatory requirements but our efforts are focused to achieve the lowest possible emissions level. TRIPP TRAPP® is meeting the F 4-Star standard in Japan, which is the best Formaldehyde Emission grade according to JIS A 1460 (2005). The laminates are according to TSCA certification (Toxic Substances Control Act).

Textiles:

Stokke have Standard 100 by Oeko-tex for Product Class I for the indoor textile products. The Oeko-Tex product label certifies adherence to the specifications of the standard by the same name, a document of testing methods and limit values for potentially harmful chemicals. This independent testing and certification system supports our target to develop products in the best interest of the child.

Stokke have the OCS certification for cotton used in our textile products. The Organic Content Standard (OCS) applies to any non-food product containing 95-100 percent organic material. It verifies the presence and amount of organic material in a final product and tracks the flow of the raw material from its source to the final product.

In 2021 Stokke launched our new stroller Xplory X. The fabric used for the seat, canopy, shopping bag and baby inlay is made from recycled polyester.

Chemicals

In 2015, Stokke implemented an extensive upgrade of Stokke Restricted Substances List (RSL). The list describes which substances shall be tested through which test method and defines acceptable levels. All suppliers must confirm that their deliveries to Stokke will comply with the RSL. We have updated RSL in 2021 to ensure that Stokke products follow rules and legislations, voluntary standards and industry trends. Stokke is following state-of-the-art practices as well as voluntary standards and acts precautionary restricting chemicals that could potentially be harmful, often ahead of legislation.

In 2018 Stokke started the work of implementing a new water-repellent PFC-free coating to our textiles. PFC (Per- and polyfluorinated chemicals) are a family of man-made, fluorine-containing chemicals with unique properties to make materials stain resistant (especially oil) and waterproof. They have been used (and are being used) for most outdoor products on the market. Research has shown that PFCs are incredibly resistant to breakdown; some have the potential to remain in the environment for hundreds of years after being released. PFCs are not known to go directly through the skin and there is no evidence of direct health risks from wearing clothes containing PFCs, but researchers are concerned about potential effects. PFCs are released into the environment during the textile's manufacture, as well as when they are washed and disposed. Stokke have developed a new PFC free test plan together with a 3rd party test-lab. According to our RSL we now test for 33 PFC's versus previously 2 PFC's. Since 2018 all new products being launched by Stokke are PFC-free and Stokke has been working on implementing the PFC-free coating into our existing collection as well. From January 2021, all Stokke products are PFC-free.

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**3.B.4 Støtte aktivt opp om fri fagorganisering og kollektive forhandlinger, eller der lovverket ikke tillater dette, støtte aktivt opp om andre former for demokratisk valgt arbeiderrepresentasjon**

Mentioned in Stokke CoC. Not a prioritized action to Stokke to follow up on besides through audit.

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**3.B.5 Bidrag til utvikling, kompetanseheving og opplæring internt og av leverandører og arbeidere i leverandørkjeden**

Not prioritized in 2021

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**3.B.6 Annen relevant informasjon for hvordan dere arbeider med å redusere, forhindre og håndtere negativ innvirkning på mennesker, samfunn og miljø.**



## 4

# Overvåking av gjennomføring og resultater

Overvåking av gjennomføring og resultater handler om å måle effekten av systematikken og eget arbeid i hvert trinn i aktsomhetsvurderingene, og viser hvorvidt virksomheten gjør gode aktsomhetsvurderinger. Virksomheten må ha systematikk og rutiner på plass for å kunne fange opp og kritisk vurdere egne konklusjoner, prioriteringer og tiltak som er gjort som en del av aktsomhetsvurderinger. Eksempelvis: Er kartlegging og prioritering av mest negativ påvirkning gjort på en faglig god og troverdig måte, og som reflekterer de faktiske forholdene? Virker tiltakene for å stanse, forebygge og/eller redusere virksomhetens negative påvirkning/skade etter hensikten? Er skade gjenopprettet der det er relevant? Dette kan gjelde tiltak virksomheten gjør selv og som utføres av eller i samarbeid med andre. Erfaringene virksomheten gjør seg med arbeidet med aktsomhetsvurderinger brukes for å forbedre prosesser og resultater i fremtiden.



## 4.A Overvåkning og evaluering

### **4.A.1 Beskriv hvem som har ansvar for å overvåke effekten av tiltak iverksatt for å håndtere virksomhetens vesentlige risiko for skade/negativ påvirkning på mennesker, samfunn og miljø, og hvordan overvåkingen gjennomføres i praksis**

Director of Sourcing and Production is responsible for tracking performance with respect to due diligence activities in the supply chain. Performance is controlled through dialogue with suppliers after findings in 3rd party audits.

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### **4.A.2 Beskriv hvordan dere sannsynliggjør at virksomhetens tiltak for å identifisere, forebygge og redusere negativ påvirkning faktisk fungerer**

The effort that Stokke takes in identifying, prioritizing, preventing and mitigating issues is coming as a combination of findings during visits, risk assessments and findings in 3rd party audits. Stokke addresses our suppliers or 3rd party cooperation partners to take actions on prioritized and relevant actions. To evaluate the effect of these efforts, Stokke either ourselves or through our suppliers or 3rd party partners requests proofs of actions taken to prevent or mitigate the salient issues.



## 5

# Kommunikasjon av hvordan negativ påvirkning/skade er håndtert

Forutsetningen for god ekstern kommunikasjon om arbeidet knyttet til virksomheters aktsomhetsvurderinger for bærekraftig forretningspraksis er at den bygger på konkrete aktiviteter og resultater. Virksomheter skal kommunisere offentlig om relevante styringsdokumentet knyttet til aktsomhetsvurderinger, eksempelvis policyer, retningslinjer, prosesser og aktiviteter knyttet til å identifisere og håndtere bedriftens faktiske og potensielle negative påvirkning på mennesker, samfunn og miljø. Kommunikasjonen bør inkludere hvordan risikoen er avdekket og håndtert, samt hvilke effekter man oppnådde av tiltakene/aktivitetene. Etter åpenhetslovens §4 skal virksomheter som er omfattet årlig offentliggjøre en redegjørelse for aktsomhetsvurderinger.



## 5.A. Kommunisere eksternt

### 5.A.1 Beskriv hvordan virksomheten kommuniserer med berørte interessenter om håndteringen av negativ påvirkning/skade

Communication with management at suppliers regarding findings in Social audits. During product development of new products we target a close dialogue with the supplier to ensure a product designed for manufacturing and the processes at the supplier.

Within the area of Sustainable forest management a cooperation with an 3rd party NGO has been established to provide support on this salient issue.

Within the area of responsible business conduct towards our suppliers, more involvment of stakeholders in on the agenda.

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### 5.A.2 Beskriv hvordan virksomheten kommuniserer offentlig rundt eget arbeid med kartlegging og håndtering av negativ påvirkning/skade

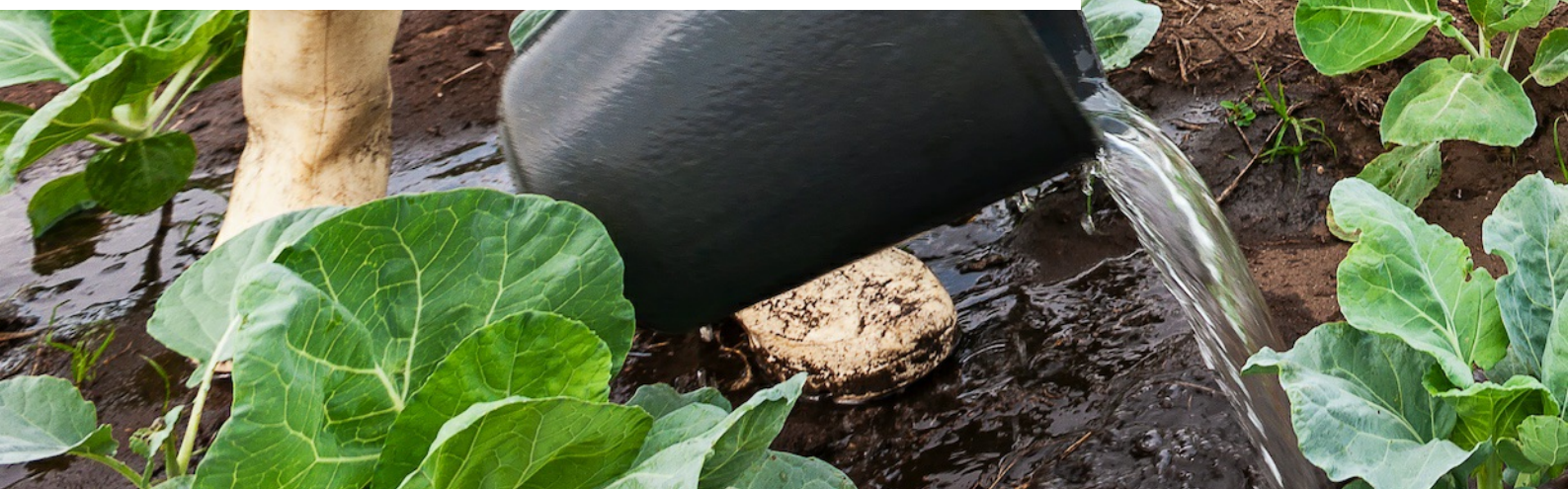
Communication about Stokkes responsibility is done through the reporting on Responisble Business Conduct to Ethical Trade Norway.



## 6

### Gjenoppretting der dette er påkrevd

Når en virksomhet har identifisert at den har forårsaket eller bidratt til skade på mennesker eller samfunn, håndteres skaden gjennom å sørge for gjenoppretting, eller samarbeide om gjenoppretting. Gjenoppretting kan innebære økonomisk erstatning eller kompensasjon, en offentlig beklagelse, eller at skaden på annet vis rettes opp. Det handler også om å sørge for tilgang til klageordninger for arbeidere og/eller lokalsamfunn slik at de kan få sin sak hørt og håndtert.



## 6.A Gjenoppretting

### 6.A.1 Beskriv virksomhetens policy for gjenoppretting ved negative konsekvenser for mennesker, samfunn og miljø

The measures put in place are monitored and their effect evaluated. The measures are communicated to those affected by our actions. If our activities are found to cause or contribute to negative impact on people, society or the environment, we will stop the activities and seek to provide remedy. If our supplier is responsible for the negative impact, the supplier is responsible for providing remedy.

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#### Beskriv eventuelle tilfeller av gjenoppretting i rapporteringsperioden

Not relevant

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## 6.B Tilgang til mekanismer for gjenoppretting

### 6.B.1 Beskriv hva selskapet gjør for å sikre at påvirkede arbeidere og lokalsamfunn har tilgang til effektive mekanismer for gjenoppretting, når det er aktuelt

Stokke have set as a goal for 2022 to establish an effective grievance mechanism.

Kontaktinformasjon:

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