



Rapport for

Bærekraftig forretningspraksis 2021

for Active Brands AS

ACTIVE BRANDS Dermal vossatassar KI Sweet Protection BULA





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 veilederende 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

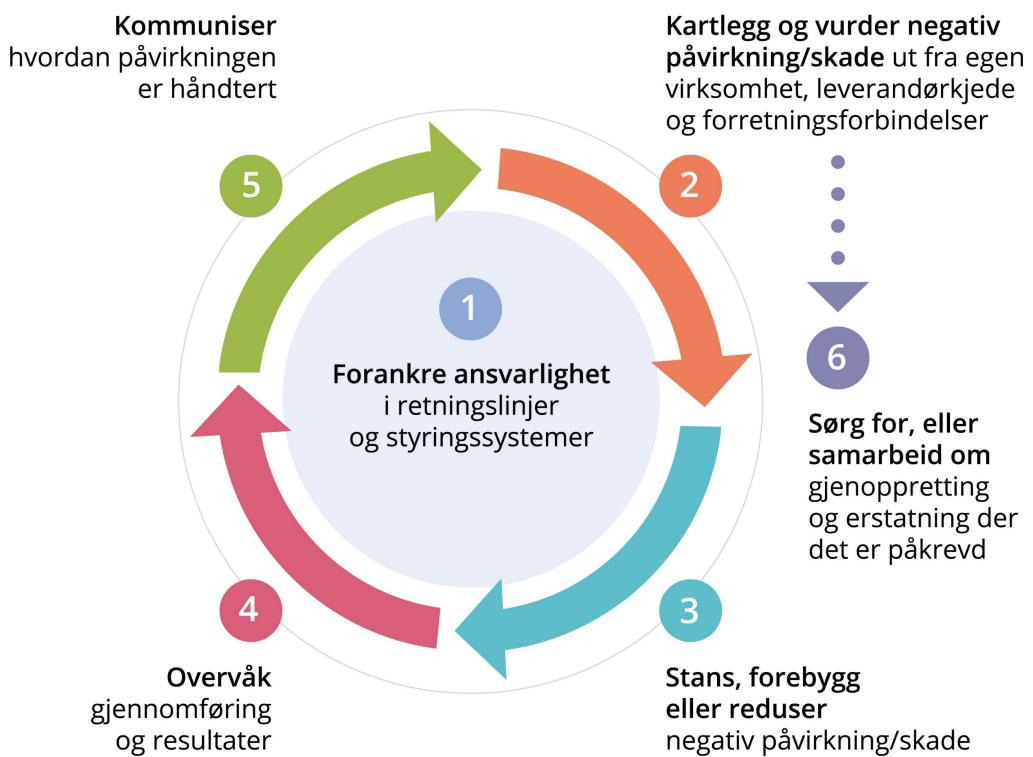
Daglig leder

Etisk handel Norge

Aktsomhetsvurderinger

Denne rapporten er bygget rundt FNs veilegende 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

2021 was a year of recovery for the sporting goods industry and Active Brands managed to deliver great financial results. With the pandemic and affiliated supply chain challenges still ongoing, but at the same time with consumers doing more and more sports out in nature. During 2021 Active Brands has implemented a digital solution for employee feedback, called Winningtemp, and this has resulted in multiple actions for improved employee satisfaction.

Active Brands has through the year defined a new 4-year strategy, where sustainability is one of five key pillars, and we are on a path to become more and more KPI oriented in our sustainable efforts. While we continue to focus on sustainability especially in the areas of increased usage of recyclable materials, designing of durable and long-lasting products and developing new ways of usage of waste material, and aiming at reducing our CO2 emissions and keeping focus on the long-term goal to become carbon neutral.

While the aforementioned strategic changes are a great step forwards for Active Brands and its path towards sustainability, the results will not be visible right away. Strategy is followed by policy and results only follow the implementation of the policy. Therefore, on a surface level, the report over 2021 is a relatively minor change from 2020. With a new ESG manager in place in April 2022, the policy deployment will pick up speed and results should be visible from later in 2022.

Øystein Bråta

COO

Nøkkelinformasjon om bedriften og leverandørkjeden

Nøkkelinformasjon om bedriften

Navn på bedriften

Active Brands AS

Adresse hovedkontor

Kabelgaten 6, 0580 Oslo, Norway

Viktigste merker, produkter og tjenester

Kari Traa, Dæhlie, Sweet Protection, Johaug, Bula

Beskrivelse av bedriftens struktur

Active Brands is a leading supplier of premium brand goods to sports retail in the Nordic region, following an incubator model. The brand portfolio consists currently of Kari Traa (women's sportswear), Bula (accessories), Vossatassar (kids wear), Johaug (women's sportswear), Åsnes (skis), Dæhlie (running and cross country ski wear), Sweet Protection (helmets, eyewear, protection, and apparel).

The company is a non-subsidiary, independent company with offices in Oslo, Voss and Trysil in Norway, Shanghai in China, sales offices in The USA, Germany, Sweden, Denmark, and Finland. Design and development of all products takes place in Norway, production is handled by the Shanghai office.

The management team consists of 5 members: CEO, CFO, and COO plus two brand directors. The brands do their own collection design, marketing, and sales and report on this through the brand directors. All shared functions, ranging from IT to customer service and from logistics to purchasing, are managed functionally and report to the COO.

Omsetning i rapporteringsåret (NOK)

1 366 078 000

Antall ansatte

256

Vesentlige organisatoriske endringer siden forrige rapportering

No major organizational changes in 2021.

Navn, tittel for kontaktperson for rapporten

Rebecca Johansson

E-post adresse for kontaktperson for rapporten

rebecca.johansson@activebrands.com

Informasjon om leverandørkjeden

Generell beskrivelse av bedriftens innkjøpsmodell og leverandørkjede

Most of Active Brand's first-tier finished product suppliers are located in Asia, with whom Active Brands has long-term collaboration. All of Active Brands' products are designed and developed together with its suppliers.

Antall leverandører som bedriften har hatt kommersielle relasjoner med i rapporteringsåret

51

Kommentar til antall leverandører

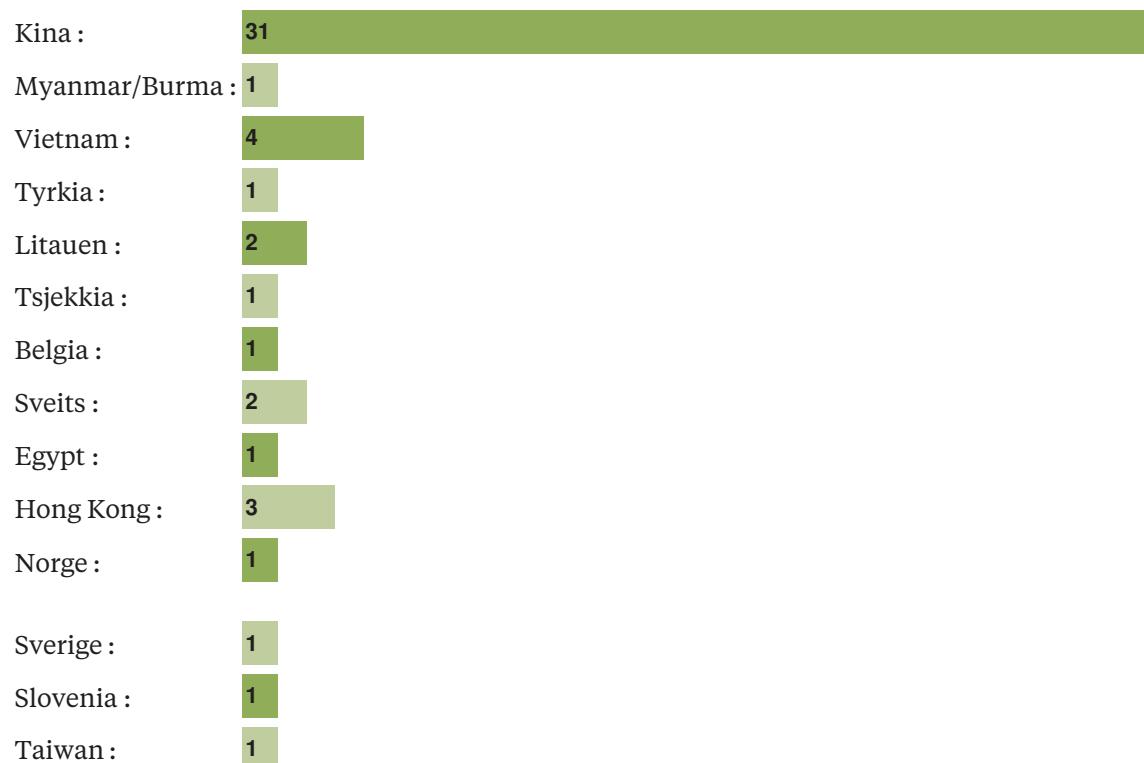
in 2021 we scaled down on certain categories and have 3 fewer supplier this reporting year vs 2020

Type innkjøp/ leverandørforhold



No own production, no agencies or importers in between - Active Brands buys everything through a direct relationship with our first-tier suppliers.

Liste over førsteleddsprodusenter per land



Minor changes, some moved or split factories into different countries. Overall, our supplier base is consistent and relationships are both strong and long-term.

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

Antall arbeidere

51 000

Antall produsenter dette er basert på

51

Antall arbeidere per produsent (kalkulert snitt)

1000

Kommentar til antall arbeidere

Based on a estimated 1000 workers from each supplier

Viktigste innsatsfaktorer/råvarer og geografi

Wool	Australia
Technical fabrics and trims	Kina

Wool is our largest raw material, and we go to great lengths to ensure both sustainability and quality all the way down the supply chain.

Er virksomheten leverandør til offentlig sektor?

Nei

Mål og fremdrift

MÅL OG FREMDRIFT I RAPPORTERINGSÅRET

1

Mål : Continued focus of reduction of GHG emissions. Active Brands has set the goal of reducing its GHG emissions and carbon footprint by 50% until 2030 and 30% by 2025, versus baseline in 2019.

Status : On track - exceeding forecast for Scope 1 and 2. The consumption in scope 1&2 is pretty much flat, despite a 45% increase in revenue from 2020. In scope 3 transportation, and mostly upstream transport, we see a decrease of around 10% across the board. This is largely due to switching carriers with a better focus on emission reductions and updated lower volume packaging.

2

Mål : Continued focus on the usage of sustainable raw materials such as recycled polymers and fibers made of waste materials. Active Brands has set the goal of increasing usage of recycled polymers to 30% of its total garment production by 2025.

Status : On track - of all styles sold in 2021 19,2% was made up of at least 30% traceable recycled raw materials.

3

Mål : Continued focus of workers' conditions by assessing number of temporary workers at supplier factories. Temporary workers often lack proper insurances which must be provided for permanent employees by local governmental laws.

Status : With the surge in demand combined with the shift in the workforce as a result of Covid-19, many factories have hired extensively. This continues to be of concern and is an integral part of our supplier evaluation.

4

Mål : Increasing employee satisfaction at Active Brands is a recurring goal and for 2021, Active Brands will use and implement "WinningTemp" to help employees and leaders interact through constructive feedback and to improve open dialogue.

Status : Winningtemp was introduced in mid-2021, and we now have enough data to start drawing the first conclusions. We see an uptick in employee satisfaction to 7,6/10 from our baseline of 7,4, and the number of employees using the tool is still growing - currently at around 80%.

5

Mål : Circular business models and services is continuing to be a focus for Active Brands. The company will explore new take-back solutions, reuse and repair tools.

Status : Goals are identified, roadmap development is underway - to be accelerated when new ESG manager starts in April.

MÅL FOR KOMMENDE ÅR

1

Products made of singular materials: 12%

2

Products made of recycled materials (>30% content): 25%

3

Repair service for 4 initial product categories.

4

Expand care instructions and encourage longer use through QR codes, labeling and information on websites.

5

Continue to measure and improve employee satisfaction. The Focus area for H1 is learning and development, as the initial data showed in 2021 that this is an area where we have room for improvement.

6

Develop a coherent ESG strategy, that aligns us as a company while allowing for targeted diversification per brand. Sweet Protection focuses more on safety, Kari Traa more on equality, etc. Once this is aligned across the brands, we will set up a comprehensive strategy and guidelines for communication, both internally and externally.

A close-up photograph of a woman wearing a traditional Vietnamese conical hat with a pink ribbon. She is smiling and appears to be working in a rice field, with green rice plants visible in the background. The image is partially cut off on the right side.
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 aktksamhetsvurderinger 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 aktksamhetsvurderinger 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 aktksamhetsvurderinger 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

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

- Active Brands is owned by FSN capital, and as such required to report on ESG every quarter, which FSN publishes.
- The company's engagements are publicly available on each brand's website:
<https://www.karitraa.com/no-no/blog/about-us/environmental-social.html>
<https://www.dahlie.com/no-no/environmental-social-responsibility.html>
<https://www.sweetprotection.com/no-no/responsibility.html>
<https://www.johaug.com/no-no/blog/about-us/environmental-social-responsibility.html>
- Strong social media presence when it comes to ESG, diversified per brand.

1.A.3 Hvordan er policy for egen virksomhet blitt utviklet og forankret?

The ESG strategy and policies are the responsibility of the ESG manager, who is an integral part of the operations management team and reports directly to the COO. Since sustainability is one of the five main strategic pillars towards 2025, several KPIs related to ESG are both parts of the leadership team's Monthly Operating Review and of our monthly reporting package for investors & stakeholders.

1.B Organisering og internkommunikasjon

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

QA and ESG team are a part of Operations inside the organization (Org. Chart attached). ESG manager reports to COO who reports to the CEO of the company. ESG department is included in the Operations for being able to have direct contact and collaboration with other impacting departments such as Production, Sourcing and Logistics. The ESG department is independent from Sales, Production and Purchasing departments with good oversight into the mentioned departments, which enables the ESG department to plan and implement needed changes with regards to sustainability and social responsibility.

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

In addition to the fact that ESG manager is a part of the Operations Management Team, she reports to the board of directors on a quarterly bases. There is also a Quality and Sustainability Work Group consisting of key functions and individuals who are working on sustainability implementation in their daily work. This group has a meeting every two weeks where the collections and product-lines are assessed based on the company's sustainability goals and routines which have been decided by the board. The Sustainability Work Group's major task is to share information and updates with the brands within the company.

Regular yearly training is arranged by the ESG Manager for the entire company to inform about goals and changes in policies or regulations.

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

Besides the inhouse training held by the ESG department, different employees within different departments and brands participate in a number of outside gatherings and training regarding Sustainability and Social Responsibility.

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?

The company sets yearly goals for short terms ESG strategies. The short term goals are set together with operation management team and presented to the board of directors who approves and sets the budget for the short term strategy.

The board of directors steers over long term strategies set by the company. New supplier markets and assessments of them is financed by the board and assessed by the ESG manager. Long term goals such as reduction of GHG emissions, moving towards a more sustainable supply chain, promoting resource and energy efficiency are set and budgeted by the board of directors.

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

Company's management and Board of Directors are involved in every decision and strategy making process.

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?

Active Brands has long term collaboration with its suppliers. The company develops critical raw materials (mostly fabrics) with its fabric suppliers with focus on sustainability, life cycle and durability. Together with fabric suppliers, Active Brands has developed a traceability scheme for wool (farm to finished product), cotton (farm to finished product) and recycled polymer (polymer supplier to finished product). The company has also worked actively to substitute conventional fabrics and replace them with Blue Signed certified fabrics, reducing the use of harmful chemicals, minimizing water waste and strengthening the working conditions for workers.

Indikator

Andel av bedriftens leverandører som har akseptert retningslinjer for leverandører



As a minimum requirement for being a supplier to Active Brands, vendors and producers must agree to Active Brands' Code of Conduct and compliance requirements.

Andel leverandører i risikofylte leverandørkjeder som er kartlagt



Active Brands maps all critical sub-suppliers. The stated percentage is an estimate for all sub-suppliers and not only critical sub-suppliers. Due to Covid-19, the number of mapped suppliers remained the same during 2021.

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



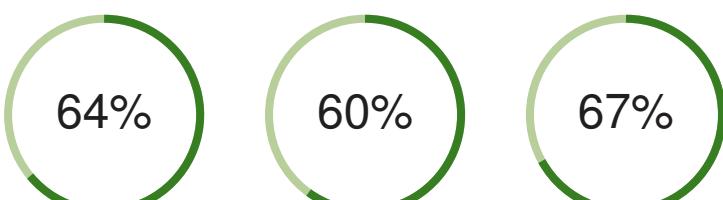
2021

2020

2019

almost 80% of our suppliers have been partnered with us for 5 years or more, supplier base is very stable.

Andel leverandører med annen arbeiderrepresentasjon enn fagforening



2021

2020

2019

The percentage refers to the number of the company's first tier suppliers, outside Europe, who we've placed an order with, who are a member of BSCI and have been audited by a third party auditing authority. Suppliers not audited by 3rd party schemes are followed up via our internal social auditing schemes. We have a target to increase 3rd party audits by 2025 to 95%. in-person auditing has been a challenge during the last 2 years due to lock-downs.

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?

Active Brands' overall social and environmental strategy has been fully revised during 2020 with great focus on traceability of sustainable materials used in production. Accurate traceability documentation will be a beginning for achieving full transparency of Active Brands' supply chain.



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 interesser, 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
Discrimination of minorities.	Diskriminering	Myanmar/Burma
Overtime in China is an issue and Active Brands is working tightly together with suppliers to minimize through better sourcing routines and long term production planning.	Arbeidstid	Kina
Plastic waste in the company's packaging solutions was a major focus for Active Brands during 2019. The company managed to reduce its plastic waste by more than 70%. We continue to push, with a goal of 100% recycled polybags and 100% FSC paper packaging by 2024., as well as exploring alternative ways of packing (and not packing!) goods.	Avfall	Globalt
Active Brands has also initiated a GHG Emissions measurement scheme. We are currently measuring the entire company's GHG emissions based on production, transportation and energy consumption. The goal is to set a Science Based Net Zero target and have it approved by latest 2023	Utslipp	Globalt
Active Brands is focused to reduce use raw materials leading to high amount of water waste. Brands usage of cotton is low and many of the collections containing cotton is made of organic cotton. The technical fabrics that are Blue Sign certified are preferred which minimizes waste of water.	Vann	Globalt

Active Brands has some production in Myanmar. During 2018, the company received Ethical Trade's "Myanmar Roadmap, Operating in a High Risk Environment" and did a thorough assessment of the factory, ownership and

the location of the factory. Active Brands also sent the factory's Chinese management team to "Myanmar, Managing Across Cultures Workshop" held in Yangon in November 2019.

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 interesser 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.

The discrimination case in Myanmar has been handled by many stakeholders. Customers, owners, board of directors, Norwegian governmental input and Ethical Trade policies and recommendations.

Overtime in China is a known issue due to many different regulation within the country and the number of working days in a week. Many provinces in China still have 6 working days and 1 weekend free day. This leads to a working week of 48 hours in some cases. The governmental regulation of maximum allowed 6 hours of overtime becomes tricky to handle.

The public and company's outrage over excessive usage of plastic in packaging and the company's own goals to implement sustainable solutions determined the change in our packaging solutions.

Indikator

Andel leverandører som måler sine klimagassutslipp



We see an uptick in awareness of sustainability, and more suppliers are putting this on their agenda. In part because of pull factors such as Active Brands & other customers who demand this more often.

Plastic Waste Reduction

2021:	90000
2020:	65000
2019:	206000
2018:	206000

With a significant push to decrease the use of plastic packaging in our supply chain, we have managed to continue this downtrend and add on by using far fewer physical samples. The absolute increase from 2020 is explained by revenue growth of 45% YOY.

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 photograph showing several workers in a factory or laboratory setting. They are wearing blue protective caps and light blue protective gowns. One worker in the foreground is looking down at a task on a table. The background is blurred, showing more of the industrial environment with metal structures and overhead lighting.

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 treffen 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 FNs 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

Prioritert negativ påvirkning/skade	Discrimination of minorities.
Overordnet mål :	The company's engagement in Myanmar shall not in any form contribute to the conditions for the Rohingya minority in the Rakhine state of Myanmar. Active Brands has decided to monitor the situation closely by assessing its production in Myanmar in a way that the military in Myanmar is kept out as a stakeholder.
Status :	Active Brands production is located to areas outside the conflict area. Active Brands has also made sure that the military of Myanmar is not in any way participating as stakeholders in the production of the company's products.
Mål i rapporteringsaret :	Assessing and documenting activities of development and building of new factories that could be involved in the company's production in the coming years.

Utforte tiltak og begrunnelse :

Active Brands has shared Ethical Trade's Roadmap for Myanmar with the Chinese management of the factories in Myanmar. The management of the factories have also participated in the courses held by Ethical Trade in Yangon. The Chinese management teams are willing to cooperate with Active Brands to make sure that the company's Myanmar Objectives are met.

Prioritert negativ påvirkning/skade	Overtime in China is an issue and Active Brands is working tightly together with suppliers to minimize through better sourcing routines and long term production planning.
Overordnet mål :	Highlighting and handling the overtime issue for the suppliers that have been given poor rating due to excessive overtime.
Status :	Active Brands suppliers that are audited by a third party auditing institute are given a "corrective action plan" to prevent excessive overtime within 1 year. The Action Plan covers also Active Brands sourcing routines and not only the suppliers internal policies.
Mål i rapporteringsaret :	As we shift to a more D2C oriented organization, our supply chain will undergo significant change in the next years. The relevant impact of that shift will be more focused on continued production and spreading of load, versus seasonal sprints. This will enable us to plan further ahead and keep the workload smoother - both internally and at our suppliers.

Utforte tiltak og begrunnelse :

The supply chain redesign project has a significant position within the operational responsibilities for 2022 and is closely monitored on the leadership team level.

Prioritert negativ påvirkning/skade	<p>Plastic waste in the company's packaging solutions was a major focus for Active Brands during 2019. The company managed to reduce its plastic waste by more than 70%. We continue to push, with a goal of 100% recycled polybags and 100% FSC paper packaging by 2024., as well as exploring alternative ways of packing (and not packing!) goods.</p>
Overordnet mål :	To eliminate the usage of hard plastics in the company's pacakging solutions.
Status :	As the end of 2019, Active Brands eliminated up to 99% of hard plastics in its packaging solutions, reducing its plastic waste amount by more than 70%.
Mål i rapporteringsaret :	The new packaging solutions to become norm and adopted by all brands in throughout all product categories.

Utforte tiltak og begrunnelse :

The usage of hard plastics in packaging solutions have been banned. Active Brands has been in close collaboration with Grønt Punkt Norway to reduce amount of packaging waste in general and specifically plastic waste.

Prioritert negativ påvirkning/skade	Active Brands has also initiated a GHG Emissions measurement scheme. We are currently measuring the entire company's GHG emissions based on production, transportation and energy consumption. The goal is to set a Science Based Net Zero target and have it approved by latest 2023
Overordnet mål :	overall goal is to meet a Net Zero target on Climate.
Status :	in 2021 and continuing in 2022 we are setting our baseline on GHG emissions throughout Scope 1,2 and 3 and aim to have out Net Zero target on Climate approved by the Science Based Target initiative by latest 2023
Mål i rapporteringsaret :	Measuring Scope 1 and 2 and transportation in Scope 3. Collecting data for Scope 3 Product & Services

Utførte tiltak og begrunnelse :

Indikator

Scope 1 GHG Emissions [tons CO2e]



Scope 2 GHG Emissions [tons CO2e]



Scope 3 GHG emissions [tons CO2e]



including: Upstream transportation and distribution, Fuel and energy related activities (not related to Product & Services).

GHG emissions for 2020 are not included in the reporting. We changed transportation supplier in 2021 who are

allowing us to measure GHG emissions based on freight mode and actual weight. We have plotted those numbers against the previous method used to measure in 2020 and have reduced emissions by around 8% in 2021 despite increase of volumes shipped (the decrease from previous method vs new method to calculate is much larger). The reduction is a result of lower carbon transportation fleets. Our new inbound transportation supplier have set Science Based climate targets which is well inline with Active Brands future ambitions.

Prioritert negativ påvirkning/skade	Active Brands is focused to reduce use raw materials leading to high amount of water waste. Brands usage of cotton is low and many of the collections containing cotton is made of organic cotton. The technical fabrics that are Blue Sign certified are preferred which minimizes waste of water.
Overordnet mål :	The overall goal is to systematically manage environmental impacts in our supply chain, including GHG emissions, water pollution -use & -consumption, chemistry, air pollution, waste and biodiversity
Status :	During our process of developing a target on climate we are also considering other environmental impacts which will serve as our base for specific KPIs on raw material and material manufacturing
Mål i rapporteringsaret :	We are developing our baseline for GHG emissions and as a part of that process we are also conducting a more granular mapping of where in the supply chain we have our largest environmental impacts (opportunities and risks)

Utforte tiltak og begrunnelse :

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

As in end of 2019, Active Brands started to use Greenhouse Gas Protocol Initiative's (The GHG Protocol) standard to report on the entire company's GHG emissions. The company has offices and employees in North America, Scandinavia and China and GHG emission reporting will include all the locations Active Brands has a presence. This is a part of a continues efforts to align greenhouse gas emissions with a Science Based target on climate.

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

Active Brands has several ongoing projects for improving purchasing practices based on adequate forecasts. Increasing the number of "carry over styles" and decreasing the number of "new styles" reflecting seasonal fashion trends aims to both prolong product life-span as well as reducing purchases on forecasts.

Indikator

Andel leverandørbetalinger i rapporteringsåret som er utført i tide



Active Brands takes pride in solid, long-term supplier relationships. Payments are made on time, and if deviations are expected, this is always discussed up front. In 2021, with Covid effects throughout the supply chain, we have actively supported some suppliers with earlier payments to secure stock of raw goods, and have also shifted some payments back because of liquidity issues. Overall, this is done in good faith and collaboration, and the overall on-time payment estimate remains unchanged.

3.B.3 Valg av produkter og sertifiseringer

Active Brands continues to push for supply chain transparency, and certifications are an important part of that. We have moved to several industry standards such as Bluesign, Oeko-tex and GRS.

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

In those countries where collective bargaining is challenging, Active Brands is aiming to see active internal workers' unions and groups are built. Their leaders shall not be members of the management teams and they are chosen by the workers through votes.

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

Active Brands uses both Ethical Trade's and BSCI's initiatives to hold training for suppliers and workers in the supply chain. We regularly send out suggestions to our suppliers to participate in important training the two mention organizations hold.

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

This is a topic that is steadily moving to the center of the stage at Active Brands. With the start of our new ESG manager in April 2022, this will get yet another push into a more consolidated approach across the house, while still allowing individual brands to differentiate in what they do and how they communicate with their customer.

4

Overvåking av gjennomføring og resultater

Overvåkning 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

Active Brands' performance and supply chain management with regards to social and environmental governance is closely monitored by FSN through Key Performance Indicators. Corrective Action Plans are followed up by the board of directors on a quarterly basis and are part of our accounting review cycles.

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

Active Brands performs supplier market assessments before entering a new supplier market. The factory of interest goes through a rigid qualification before first order. The factories are visited and inspected and the findings are continuously monitored to ensure suggested improvements.

5

Kommunikasjon av hvordan negativ påvirkning/skade er håndtert

Forutsetningen for god ekstern kommunikasjon om arbeidet knyttet til virksomheters aktksamhetsvurderinger for bærekraftig forretningspraksis er at den bygger på konkrete aktiviteter og resultater. Virksomheter skal kommunisere offentlig om relevante styringsdokumentet knyttet til aktksamhetsvurderinger, 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 aktksamhetsvurderinger.



5.A. Kommunisere eksternt

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

Investors are informed about the company's engagements on a quarterly basis through Board meetings. Active Brands holds yearly workshops for employees to inform them about the goals and progresses made by the company. Our external communication on this topic will get re-vamped in 2022.

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

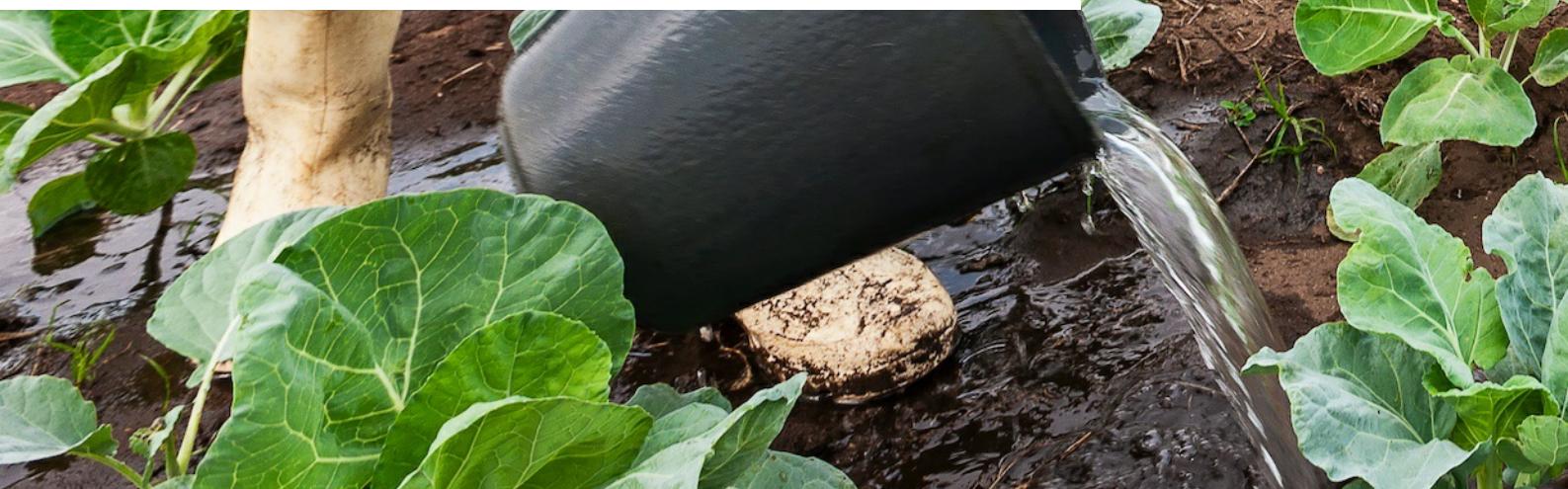
Besides the publications made online through brands' web-pages, Active Brands publishes 2 yearly reports which are publicly available.



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

Active Brands has a procedure in place for reporting non-compliance. The non-compliance shall be thoroughly investigated with all stakeholders involved. The Non-compliance must be reported to the relevant management and up to CEO level. It is also investigated whether the public shall be informed and how.

Active Brands has a Zero Tolerance Protocol that must be followed by the inspector outside the normal inspection procedures. The situations are:

Child Labour

- Workers who are younger than 15 years old (or the legal minimum age defined by the country)
- Workers younger than 18 who are subjected to forced labour

Bonded Labour

- Not allowing workers to leave the workplace or forcing them to work overtime against their will
- Using violence or the threat of violence to intimidate workers to force them to work
- Inhumane or degrading treatment, corporal punishment (including sexual violence), mental or physical coercion, and/or verbal abuse

Occupational Health and Safety

- Occupational health and safety violations that pose an imminent and critical threat to workers' health, safety, and/or lives

Unethical Behaviour

- Attempted bribery
- Intentional misrepresentation in the supply chain (e.g. hiding production sites, lacking a business licence, and purposefully under-declaring the size of the workforce)

Beskriv eventuelle tilfeller av gjenoppretting i rapporteringsperioden

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

Through own inspections and third party inspection institutes, Active Brands monitors the suppliers' Grievance Policies. In countries where collective bargaining is not a norm, local workers groups and unions are encouraged and a system for employees to raise a problem or complaint to their employer must be in place. The supplier shall also be able to explain how the system works and how complaints are handled.

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