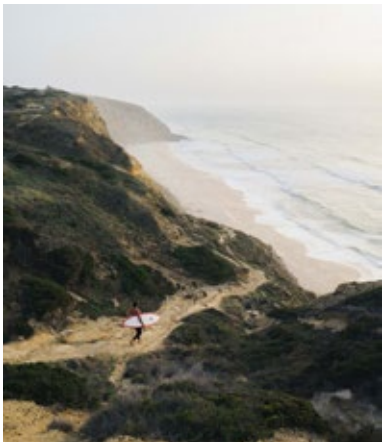
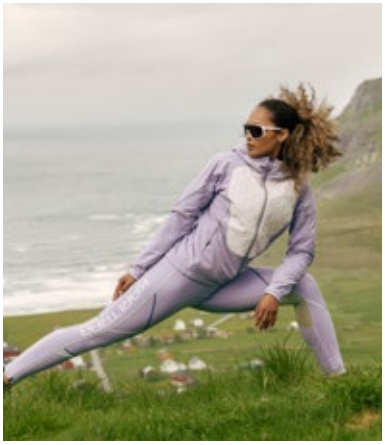
ACTIVE BRANDS

ACTIVE BRANDS IMPACT REPORT 2022



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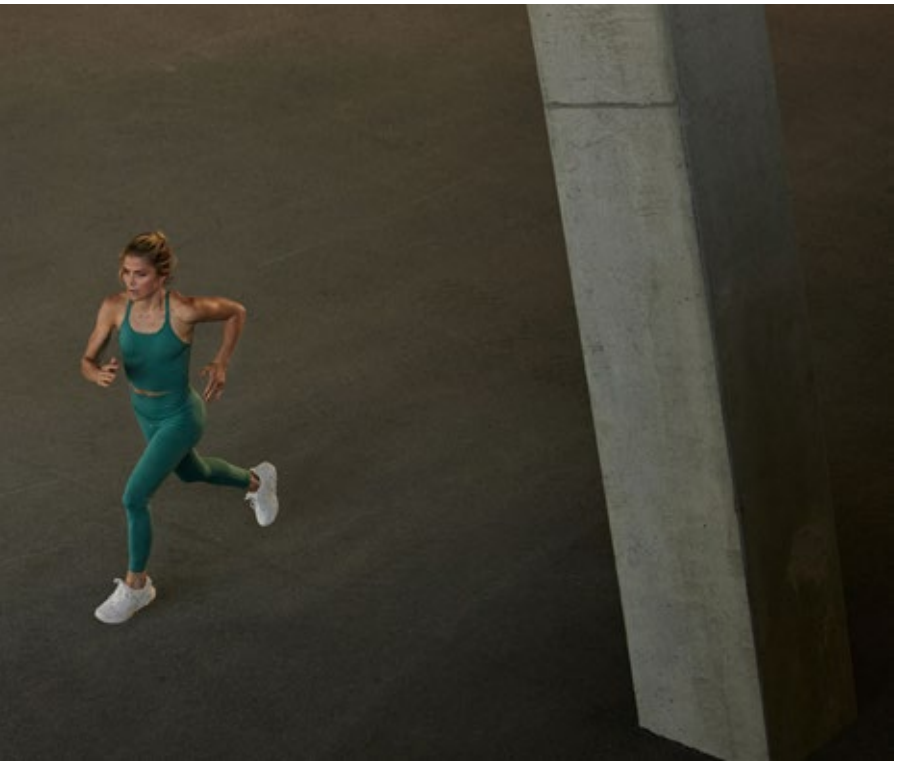






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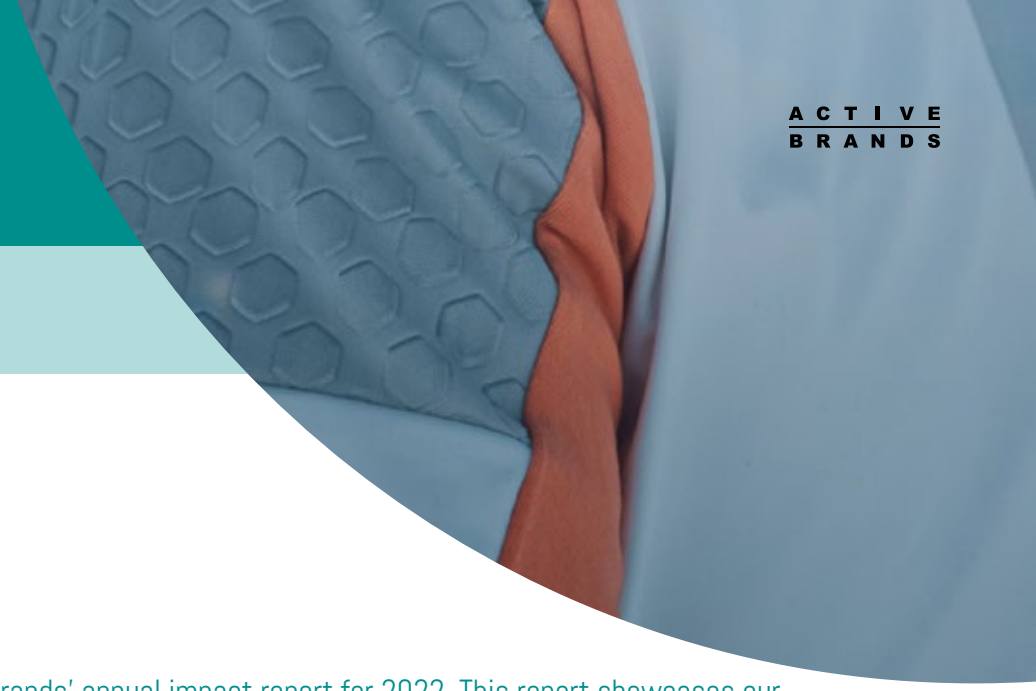
About this report

Active Brands› first Environmental, Social and Governance impact report, which has been prepared with reference to the Global Reporting Initiative standard GRI (Appendix 1), provides details on our progress, strategy, targets, and internal approach to environmental, social, and governance topics.

The report encompasses the performance and future aspirations of our global operations, which include our offices, retail stores, e-commerce, and supply chain, comprising manufacturing and distribution logistics.

The report pertains to the fiscal year 2022, running from January 1st to December 31st.

The report complements Active Brands Financial Statement 2022 and pertains to all entities owned by the group unless otherwise specified; Active Brands AS, Active Brands Butikkdrift AS, Nordic Active Brands AB, Active Brands Shanghai Ltd, Active Brands Danmark Aps, Active Brands North America Inc, Active Brands Finland Oy, Active Brands Germany Gmbh, Lillesetra AS (51%) and Akbran AS (51%).



Foreword

Dear Stakeholders,

We are proud to present Active Brands' annual impact report for 2022. This report showcases our unwavering commitment to integrating environmental and social responsibility into our daily operations and overall business strategy. At Active Brands, we firmly believe that striving to conduct business in a sustainable manner is not only our responsibility but also the key to long-term success. Those who prioritize sustainability will undoubtedly emerge as the winners of the future.

The year 2022 presented significant global challenges, including the ongoing COVID-19 pandemic, geopolitical unrest, and widespread insecurity. While Europe and North America began to emerge from lockdowns, our sourcing team in Shanghai and many of our supply chain partners were impacted by sudden lockdowns. However, we are proud of how our organization has adapted to these challenges with flexibility, resilience, and agility. We have worked tirelessly to ensure that our supply chain, logistics, and interactions with customers continue to meet their expectations.

Despite these challenges, we continued to advance our sustainability strategy throughout the year. We conducted an updated materiality assessment to identify areas where we can have the greatest impact, and we set a net-zero climate target for our entire value chain, which was approved by the Science Based Target initiative. We also increased our use of raw materials with lower environmental impact and committed to rolling out new circular business models for some of our brands, with the goal of eventually expanding these models to all of our brands.

We have long been dedicated to improving the well-being of the people in our value chain. However, the introduction of the Norwegian Transparency Act in 2022 has provided us with an opportunity to bolster our commitment to this crucial matter. Consequently, we have thoroughly assessed our current practices and are committed to building upon our already established processes to ensure that we secure fair and decent working conditions across our value chain.

At last, our brands continue to engage in social initiatives during the year with the purpose to improve both physical and mental health well being. This is at the heart of our outdoor sport brands, and we are proud to continue supporting it.



Christophe Merkel
Chief Executive Officer

Who we are

Active Brands was founded in 2009 to serve as a platform for incubating and accelerating sustainable outdoor sports brands into global leaders. Our mission is to inspire an active lifestyle in the outdoors for professional and everyday athletes through our brands. We currently have seven brands, that design, develop, and market high-quality outdoor sports products and activewear. As a company from Norway, we are experienced in all types of weather conditions and embrace nature's challenges.

Our largest product category is textiles, which includes a range of products from accessories such as socks and beanies to base layers and outerwear with down jackets and technical shells. Additionally, our brands Åsnes and Sweet Protection focus on hard goods such as skis, poles, helmets, protection, and eyewear in their portfolio.

Active Brands is a non-subsidiary, independent company with our Head Quarters in Oslo, Norway.

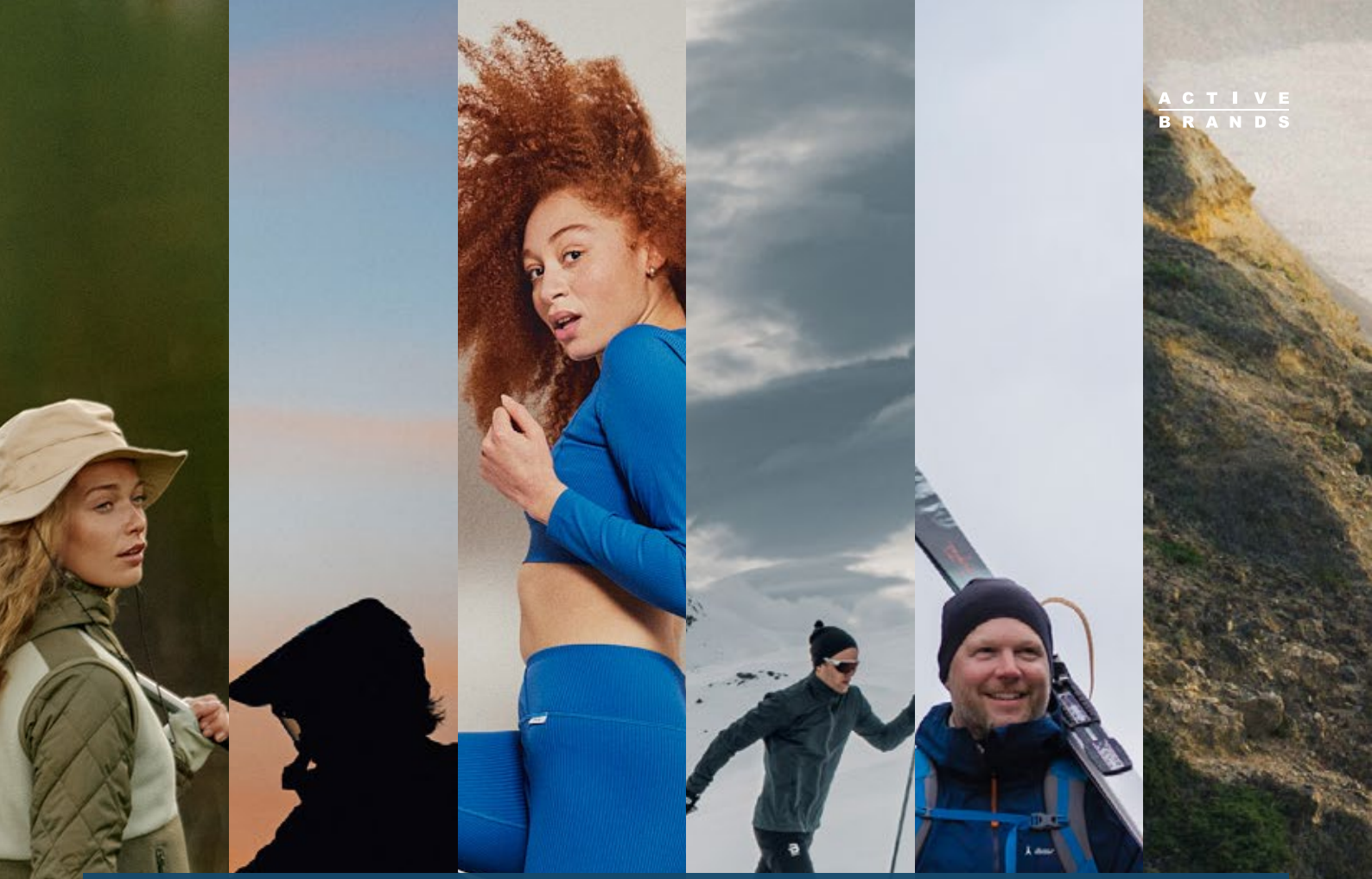












The brands in our portfolio includes:

KARI TRAA	Female-only outdoor sports brand founded by Olympic Gold medalist Kari Traa in 2002. The brand makes iconic designs with a strong, authentic purpose to inspire and empower women.
Sweet Protection	Combines industry leading innovation with best-in-class designs since 2000. Makes highly advanced helmets, eyewear and technical apparel for Bike, Paddle and Ski.
johaug	A feminine hardcore training brand founded by elite endurance athlete Therese Johaug in 2012.
DÆHLIE	Leading high-performance endurance sports apparel brand enabling athletes to maximize their performance. Founded by cross-country skiing legend Bjørn Dæhlie in 1996.
åsnes	Leading provider of backcountry skis with a 100-year history and supplier of choice for polar explorers.
BULA	Captain of accessories in the Nordics with an attitude and lifestyle to inspire the good life.



Our purpose

Through our brands, we inspire an active lifestyle in the outdoors for professional and everyday athletes.

Active Brands mission

Active Brands acts as the platform for incubating and accelerating strong and sustainable outdoor sports brands into global leaders.



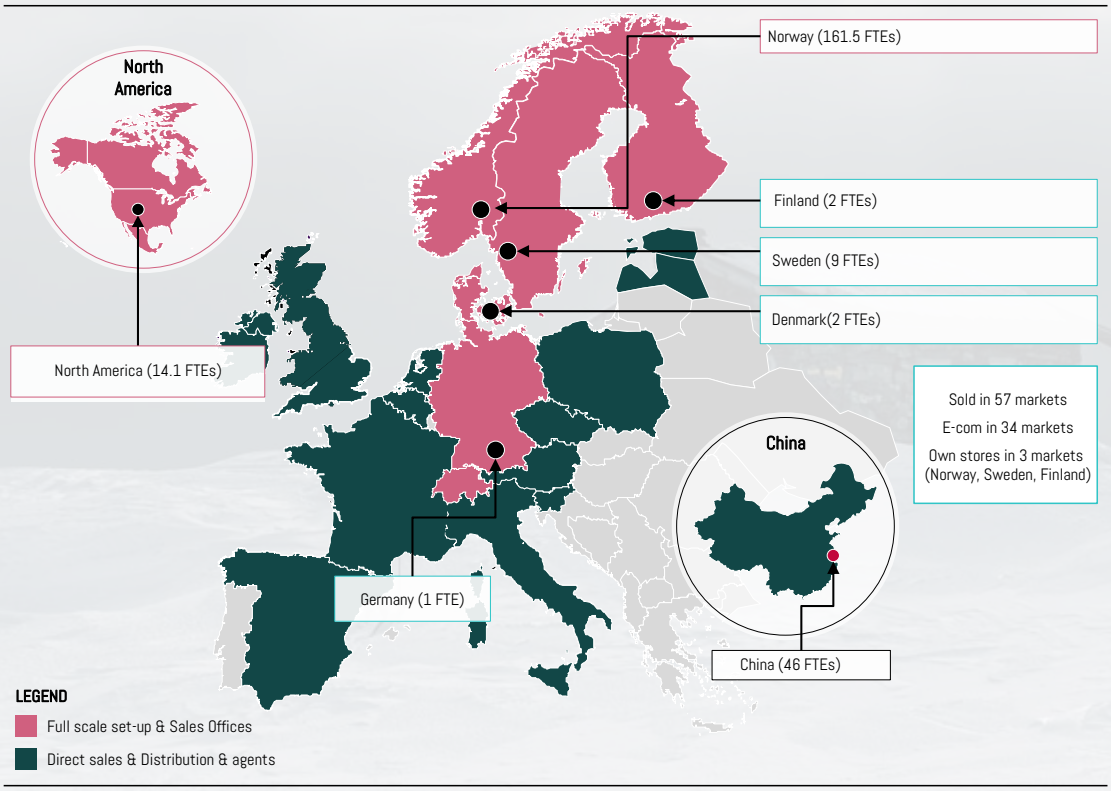
Active Brands at a glance

Active Brands operates across multiple locations to serve our global customer base. Our headquarters is based in Oslo, where most of our main functions are situated, including sales, marketing, and product design and development. Our hardgoods product design and development teams are also located in Trysil and Voss, which includes other functions such as customer service.

In addition to our Norwegian offices, we have a location in Denver, serving the whole North American market, with key functions and sales reps working both cross-brand and brand-specific. We also have a location in Munich that handles central Europe and sales offices in Sweden, Denmark and Finland.

Our sourcing office is based in Shanghai and is responsible for overseeing production, development, quality control, and environmental and social areas with our supply chain partners in Asia. All of our product and material manufacturing is conducted by third parties, mainly located in Asia, with some parts in Europe.

Our key markets are The Nordics, North America and the DACH region, where we provide our products via distributors, own e-com and own stores.



Our approach to environmental, social and governance responsibility

Driving a positive impact for people and the environment is a central part of Active Brands' mission, and one out of five strategic priorities. We hold ourselves accountable for the environmental footprint we leave behind us and strive to improve the wellbeing of people whose lives we touch throughout our operations. We seek to ensure everyone has a voice and maintain a culture where environmental and social responsibility is also beneficial for our business, with policies that align with our values and direction. We believe transparency and collaboration are essential for constant improvement and achieving our goals.

To ensure that we take a comprehensive approach to all significant environmental and social impacts, we use the Sustainable Development Goals (SDGs)[1] as our compass. We focus on the SDGs that are most relevant to our operations to guide our efforts.



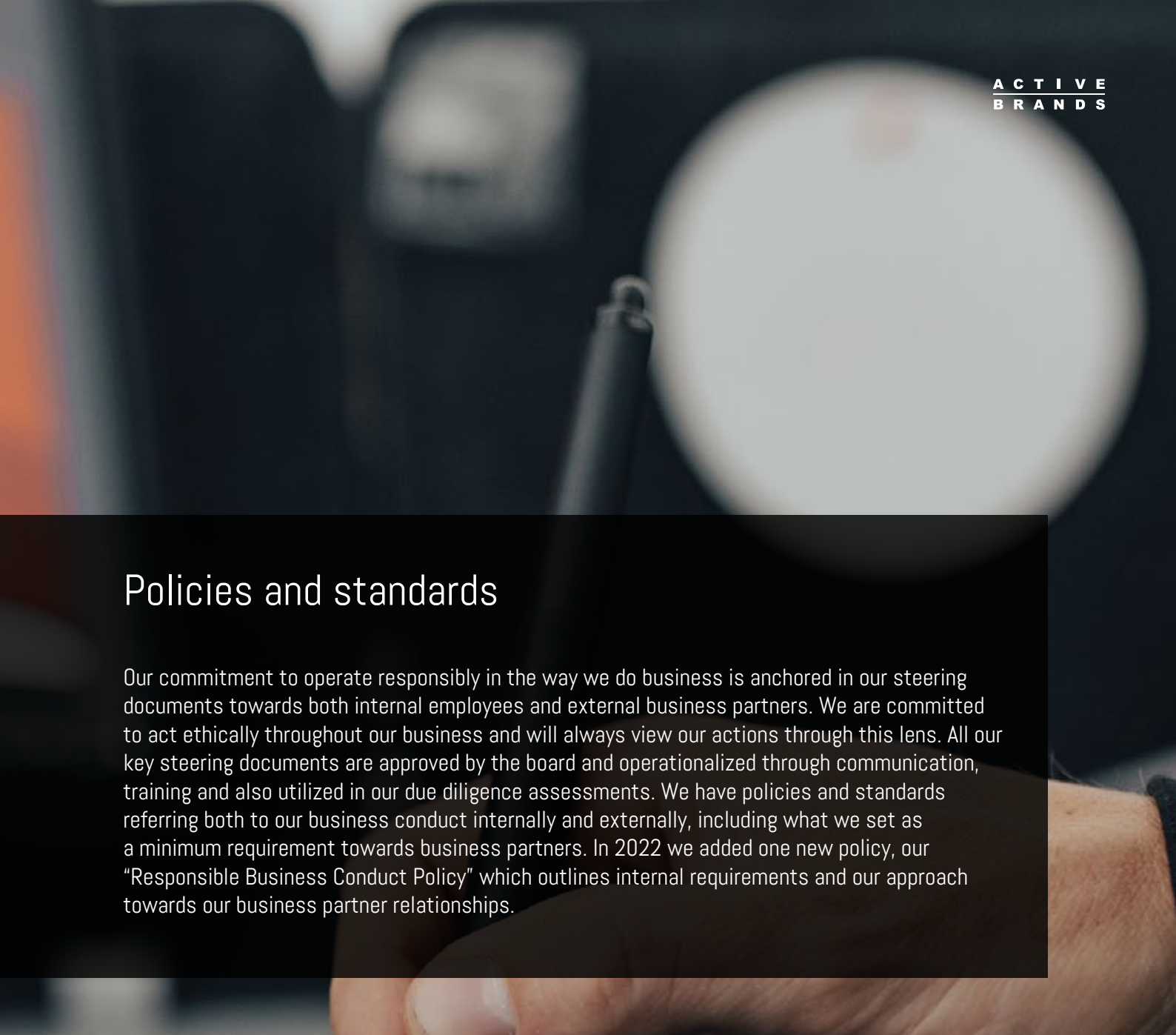


1 Strengthen resilience and adaptive capacity to climate-related hazards & natural disaster in all countries (13.1) Achieve sustainable management and efficient use of natural resources (12.2) and reduce waste generation through prevention, reduction, recycling and reuse (12.5) Protect labor rights and promote safe and secure working environments for all workers (8.8), and facilitate equal pay for work of equal value (8.5). Take measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour(8.7) Promote mental health and wellbeing (34) End all forms of discrimination against all women and girls (5.1). Ensure women's full and effective participation and equal opportunity for leadership at all levels of decision-making (5.5). Mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals (17.16).

Governance structure

Improvement and change in all areas of our business require a robust internal engagement structure and leadership support. The CEO and the board hold the critical responsibility of reviewing the company's resources to ensure the availability of adequate budget, staff, materials, and equipment necessary to meet our Environmental, Social and Governance (ESG) targets. The ESG manager, reporting to the COO, is responsible for implementing the ESG strategy. Environmental and social issues are integrated into the company at various levels, with the board and senior management making sure that ESG remains central to the company's objectives. They regularly receive updates on ESG-related topics and deliverables towards the strategy, at least on a quarterly basis. Furthermore, we encourage and expects our leaders to stay informed about ESG issues and potential impacts on the business, and they continuously update their knowledge in these areas. To support this effort, our owners organize leadership meetings and conferences throughout the year, providing a platform to share and increase awareness of ESG issues.

The ESG function is part of our operational leadership team, which also comprises of sourcing, logistics, customer service, IT, purchasing, design, and development. The team has weekly updates and monthly meetings where ESG-related priorities, opportunities, and other matters can be discussed. Each functional head as well as the Brand General Manager hold the responsibility to drive and implement the ESG strategy and activities within their function. Across the organization, people from different functions are involved in the ESG agenda, contributing to specific projects and initiatives aimed driving improvements and executing the ESG strategy. Working groups provide support to raise awareness of sustainability internally and serve as change agents to help us achieve our ESG targets.



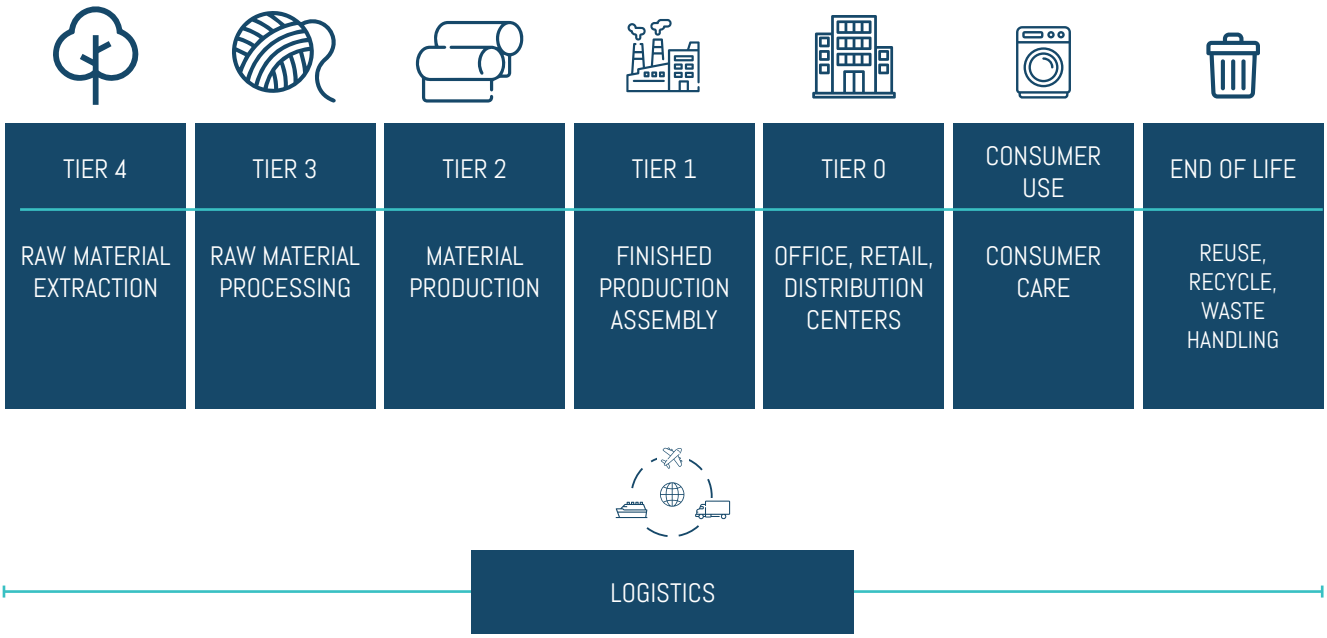
Policies and standards

Our commitment to operate responsibly in the way we do business is anchored in our steering documents towards both internal employees and external business partners. We are committed to act ethically throughout our business and will always view our actions through this lens. All our key steering documents are approved by the board and operationalized through communication, training and also utilized in our due diligence assessments. We have policies and standards referring both to our business conduct internally and externally, including what we set as a minimum requirement towards business partners. In 2022 we added one new policy, our "Responsible Business Conduct Policy" which outlines internal requirements and our approach towards our business partner relationships.

INTERNAL	INTERNAL/EXTERNAL	EXTERNAL
Internal Code of Conduct Whistleblowing policy Employee Handbook	Corruption and Sanction policy Responsible business conduct policy Material Standard Supplier minimum criteria	Supplier Code of Conduct Quality Requirement Master doc and appendices, incl RSL and packaging

Identifying social and environmental material topics

Throughout the value chain we have opportunities to improve our social and environmental impact or risks of contributing to negative ones. We seek to understand the social and environmental context in which we operate and the issues that matter most in our industry to drive contribution towards a sustainable transformation. Our value chain impact stretches from the choices we make already when planning our collections, which usually begins two years before the product reaches the market, to farm and raw materials, material- and product assembling and out to our customers until the product reaches end of life. The possibility to drive improvements in our value chain will vary depending on the level of our influence in the different stages.



Our material topics (Appendix 2) have been identified by reviewing OECD's sector risks for our industry, literature studies, peer-company benchmarking and stakeholder engagement.

To identify which of the material topics that are most relevant for Active Brands we are conducting risk and opportunity analyses on both environmental and social areas throughout our value chain. Risks are considered regarding an outward-facing approach focused on severity to people, environment and likelihood of adverse impacts. The material topics, including related risks and opportunities, have been assessed within each phase of our value chain, considering our specific activities in that phase, raw material mix, geographical locations and related processes. The weighting of the impact does not consider our current mitigation practices in place and, especially risks, are considered regarding whether we are directly linked, causing or contributing to the impact throughout our value chain. To weigh and prioritize our material topics we have relied on literature studies (reference list Appendix 2) and stakeholder engagement with relevant groups.

Through the assessment we identified more than 90 risk and opportunities areas, linked to the material topics in our value chain, which will or can cause or contribute to an impact on people and the environment.

Material Topics with several high risks in our value chain are the following:

- CLIMATE CHANGE
- CHEMICAL MANAGEMENT & POLLUTION
- MATERIAL & PRODUCT LONGEVITY
- HEALTH, SAFETY & WELLBEING
- FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING
- WORKERS & HUMAN RIGHTS, INCL WAGES & WORKING TIME

Although some material topics may carry few risks, they could potentially have severe consequences. Hence, we consider those areas as material for Active Brands. Moreover, we have identified certain material topics with significant opportunities, even though they may not be identified as the most material for Active Brands. We have included such areas with the largest opportunities in our ESG strategy to maximize our potential for positive impact.

For a full overview of the materiality assessment see Appendix 3.



Stakeholder engagement

To us, stakeholders are defined as individuals, groups, or entities who impact or are affected by our operations and decisions. Collaboration and engagement with our stakeholders are an essential component of our ESG strategy, helping us to set priorities and make informed decisions. We believe in building strong and meaningful relationships with our stakeholders, ensuring that their perspectives are reflected and that we support and learn from each other to drive sustainable solutions. Stakeholder engagement is an ongoing process at our company, and we utilize both formal and informal channels, such as meetings and surveys, to ensure that we maintain open lines of communication and engagement. Our key stakeholders are:

Stakeholder Group	Arena of Engagement
Employees	We track the pulse among our employees on a weekly basis via a short online survey every Friday, including opportunity for feedback on work situations, perceived satisfaction, and contribution to sustainability. We also seek feedback and input on ESG specific topics via internal meetings, trainings, and workshops.
Owners	ESG is a topic at every board meeting occurring at minimum quarterly, where the board receives a general update, gives feedback and discusses specific areas to assure ESG maintains central to the company's objectives.
Customers & Consumers	The largest part of our business is B2B where we have a dialogue with our key customers both informally, via surveys and reports. We communicate with end consumers via our consumer excellence team and focus groups.
Regulators	We always aim to stay ahead of upcoming regulations and directives which can impact our business directly or partners we are linked to. We stay informed on regulatory topics via industry organizations, supplier and customer dialogue and official government resources.
NGOs, Industry Interest Groups and Peer-Companies	We are engaging in several multi stakeholder networks and organizations which support us to reflect and consider both current and future relevant ESG topics, as well as seeking advice and feedback on our strategic priorities.
Suppliers and Supply Chain Workers	In our supply chain we are touching the lives of many more people than what we do within our own company and our environmental impact also has its largest footprint here. We rely on close relationships with our supply chain partners and we have a constant dialogue directly with factories. We also receive insights via audits, grievance mechanisms, worker interviews and workers' rights organizations.

Our ESG framework

We are setting our northern star towards zero emissions, zero waste and zero inequality. To reach towards these goals we have identified four key pillars as the focus areas for our ESG initiatives. However, we fully recognize the interdependencies between the different areas within each pillar, where improvements and risks can have trickle-down effects across and between them. Therefore, the pillar structure is solely meant to sharpen our focus and efforts towards our ESG priorities. The focus areas within each pillar capture our short-term and long-term targets, with key performance indicators (KPIs) linked to each focus area. At least once a year, we develop and agree on an action plan to ensure that we are tracking towards the targets and continuously improving.

PILLAR	SUSTAINABLE VALUE CHAIN	PRODUCTS & SERVICES	HEALTH	EQUALITY
NON-NEGIOTIONABLES	We take Climate Action and aspire towards a positive impact in our value chain	We make long-lasting products and take control over our products life cycle – towards full circularity	We encourage and empower towards improved physical and mental health	We stand up for human rights across our value chain
OVERALL TARGET	Net zero GHG emissions across our value chain by latest 2050 with net zero in own operations by latest 2025 and a 60% reduction per product by 2030	Incorporate circular principles in every product creation by 2030 and circular models (re-com & repair) in every key market by latest 2024	Active Brands is rated to be among the most attractive places to work in the sporting goods industry and a leader in engaging people towards a healthier lifestyle	We support and protect human rights, with a focus on empowering people, safe environments, and fair working conditions

Sustainable value chain

Within our sustainable value chain pillar we are capturing our efforts linked to the environmental impact in our value chain. Climate change is very high up on our agenda and we are committed to do our part when it comes to limiting global warming beyond 1.5C°. In 2022, we have focused on further sharpening our climate commitment and developing sub-targets for each brand to assure we move towards our overall climate target as a holding group. Each one of our brands should have a clear roadmap outlining the expectations for their specific product categories to reach our climate targets. This is ongoing work which will continue in 2023.

In 2019, we began to build a deeper awareness and increased knowledge about the consequences of climate change, how rising temperatures can impact the business and the company's own possibilities when it comes to mitigating the worst scenarios of climate change. At Active Brands we measured our Green House Gas (GHG) emissions in scope 1,2 and part of 3 for the first time during that year. In 2020, we conducted a comprehensive climate impact analysis, considering three climate scenarios, with the support from a third party. The analysis identified short, mid and long-term impacts and revealed risks and opportunities related to consumer, customer and employee perception of our brands, as well as regulations steering companies to deliver on climate change mitigation. Increasing temperatures could also lead to supply chain disruption in sourcing countries at risk of physical climate risks such as extreme heat, drought, and flooding. These disruptions could lead to social disruption, including conflict and migration, which impacts both the value chain and world market.

In addition to assessing climate risk with an inward-facing approach we also assessed the risks and opportunities with an outward-facing approach, as part of our materiality assessment, mainly referring to our carbon footprint baseline calculations from 2021. The outward-facing approach was identifying areas where we are potentially contributing to climate change and where our GHG emissions are largest throughout our value chain.

Commitment to net-zero

The latest climate science from the IPCC - described by the UN as "code red for humanity" – shows it is still possible to limit global temperature rise to 1.5C°, but we are dangerously close to that threshold. According to the "carbon law" we globally must halve GHG emissions every decade to reach net-zero by latest 2050 if we are to hinder the worst consequences from climate change. In 2021 the Science Based Target initiative (SBTi), which has developed a credible and robust methodologies for setting climate targets, released their Net-Zero Standard. The Science Based Target initiative's Net-Zero Standard is a rigorous framework that requires companies to focus on rapid and deep decarbonization across their entire value chain, with a target of reducing emissions by 90-95% by no later than 2050. While it is acceptable to use carbon removals to offset any remaining unavoidable emissions, the primary focus must be on cutting emissions in the first place.

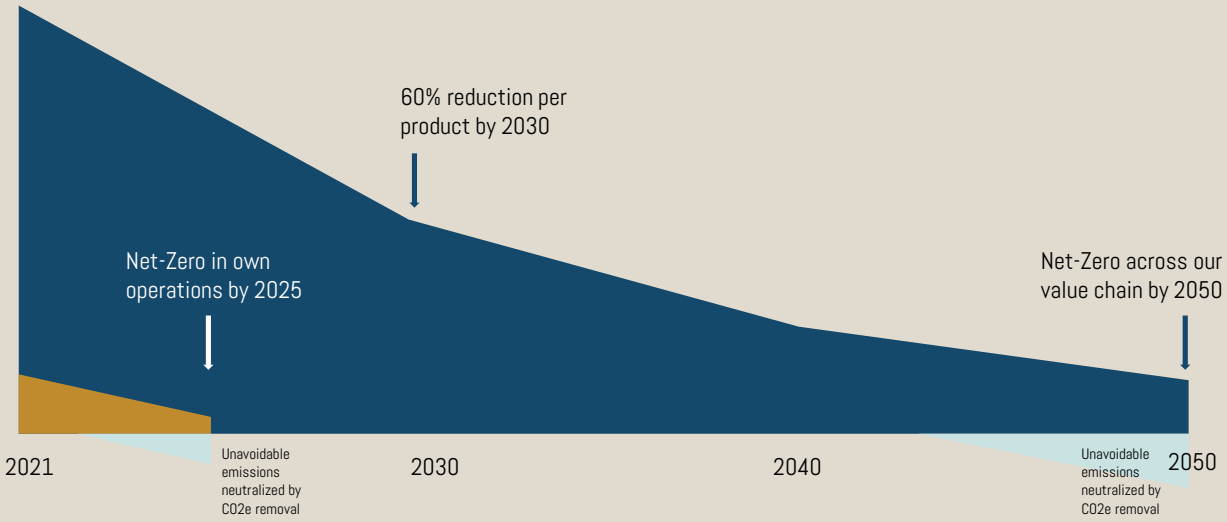
Active Brands has committed to set near-term company-wide emission reductions in line with climate science with the SBTi. Our net-zero target has been approved by the SBTi, and we are committed to reach net-zero across our value chain by latest 2050.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET ZERO STANDARD
SCIENCE-BASED NET-ZERO TARGETS

Active Brands is according SBTi considered to be a SME and therefore must submit our Net-Zero Science Based Target via SBTi's streamlined process. The target was approved at the end of 2022. In parallel Active Brands followed SBTi's methodology to set their near-term scope 3 target. SBTi streamlined process consists of standard target commitments, however when reviewing the sources of emissions, we wanted to be more ambitious for our own operations and now aim to reach net-zero already in 2025.

We are committed to reach net-zero GHG emissions across our value chain by latest 2050 with net-zero in own operations by latest 2025, and 60% reduction per product by 2030.

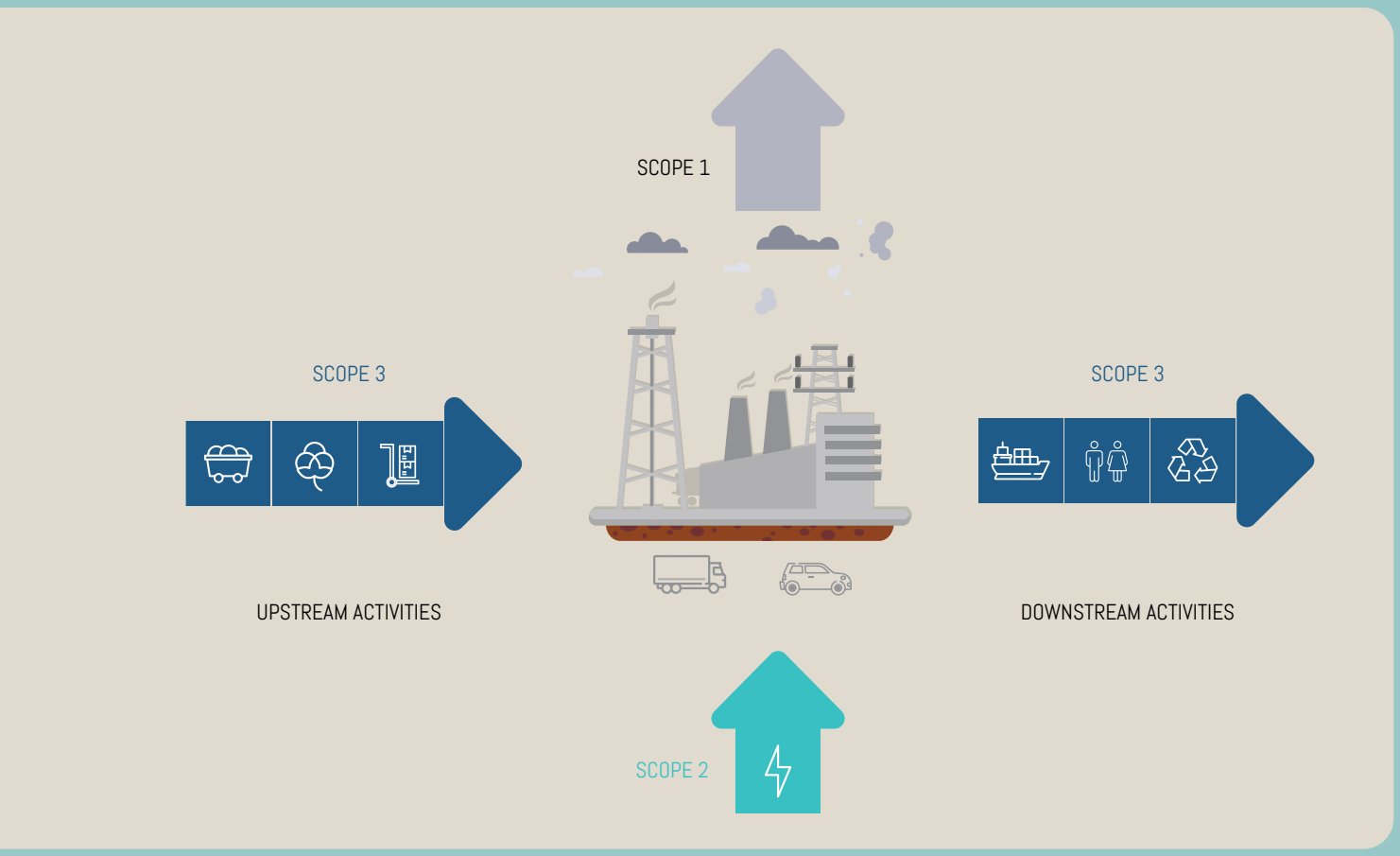


At Active Brands we are utilizing the GHG Protocol for our GHG emissions. The GHG Protocol is the leading international standard describing how GHG emissions should be quantified and reported as CO2 equivalents under three different types of emissions, referred to as Scope 1, 2 and 3.

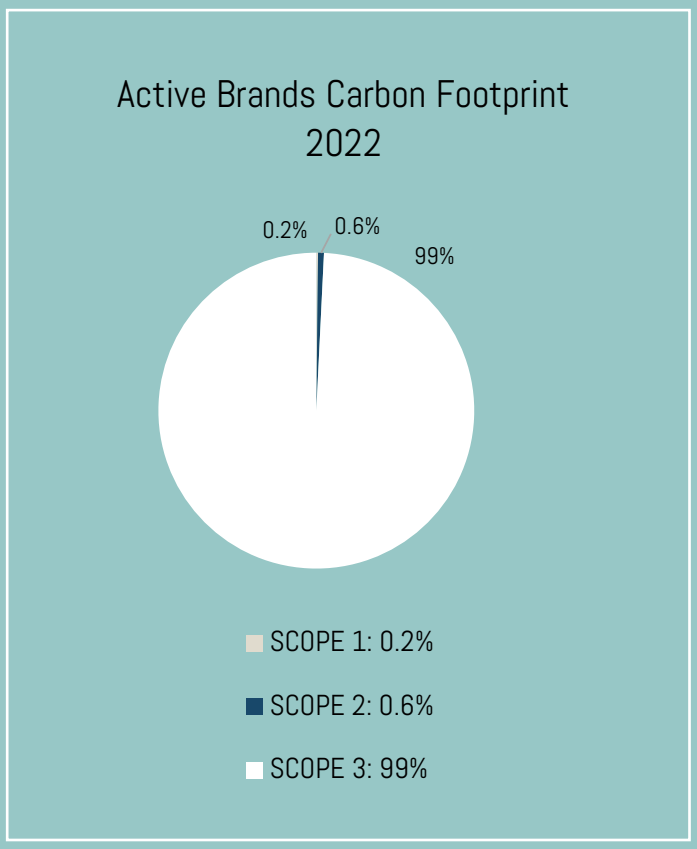
Scope 1: indicates the direct emissions from our own operations. Primarily from offices, stores and company cars.

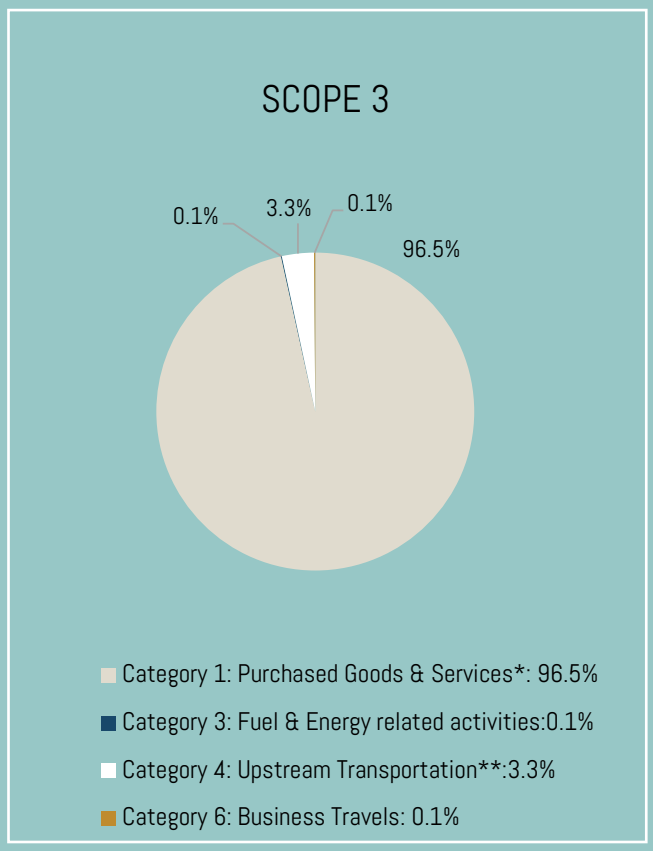
Scope 2: indirect emissions from supplied energy – primarily from purchased electricity, district heating and cooling.

Scope 3: includes indirect emissions related to the value chain, both upstream and downstream. Scope 3 includes several different categories where not all will be relevant for all companies. Active Brands have included 4 out of 15 categories, where the ones included are the categories driving our emissions.



In 2022, our total carbon footprint amounted 43771 tCO2e, with Scope 3 accounting for 99% of our footprint. The largest category in our Scope 3 is by far "Purchased Goods and Services", contributing to 96.5% from the Scope 3 emissions. The second-largest category is logistics (upstream transportation) contributing to 3.3%, while "Fuel and Energy" related activities and "Business Travels" are only contributing to 0.1% each. In below sections we provide more details on each of the largest Scope 3 categories, as well as our own operations, Scope 1 and 2. In 2021, when setting our baseline, we calculated emissions linked to 4 more categories (waste, employee commuting, use of sold products and end-of-life treatment of sold products). These categories were not significant, and the data quality was poor. We have therefore not included those categories in our GHG emission accounting or baseline.





	2021 tCO2e	2022 tCO2e	Change from 2021
SCOPE 1:	104	77	-26.70%
SCOPE 2:	236	262	11.30%
SCOPE 3:	42,779	43,432	1.50%
Category 1: Purchased Goods & Services*	41,511	41,928	1.00%
Category 3: Fuel & Energy related activities	41	38	-9.20%
Category 4: Upstream Transportation**	1,227	1,416	15.40%
Category 6: Business Travels	0	51	not reported in 2021

*Åsnes hard goods not included
** Includes inbound-, outbound transportation and energy consumption in leased warehouses

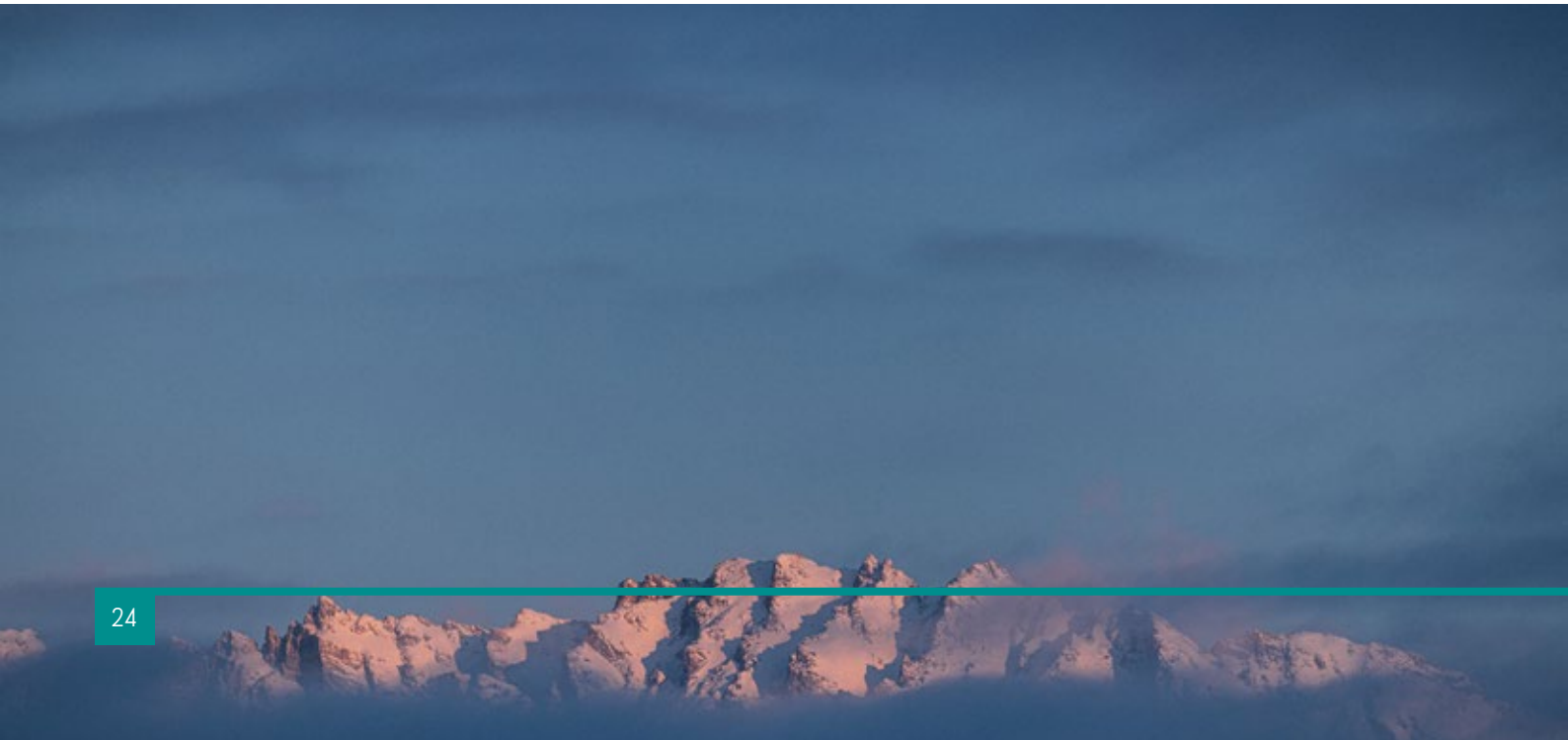
Own operations

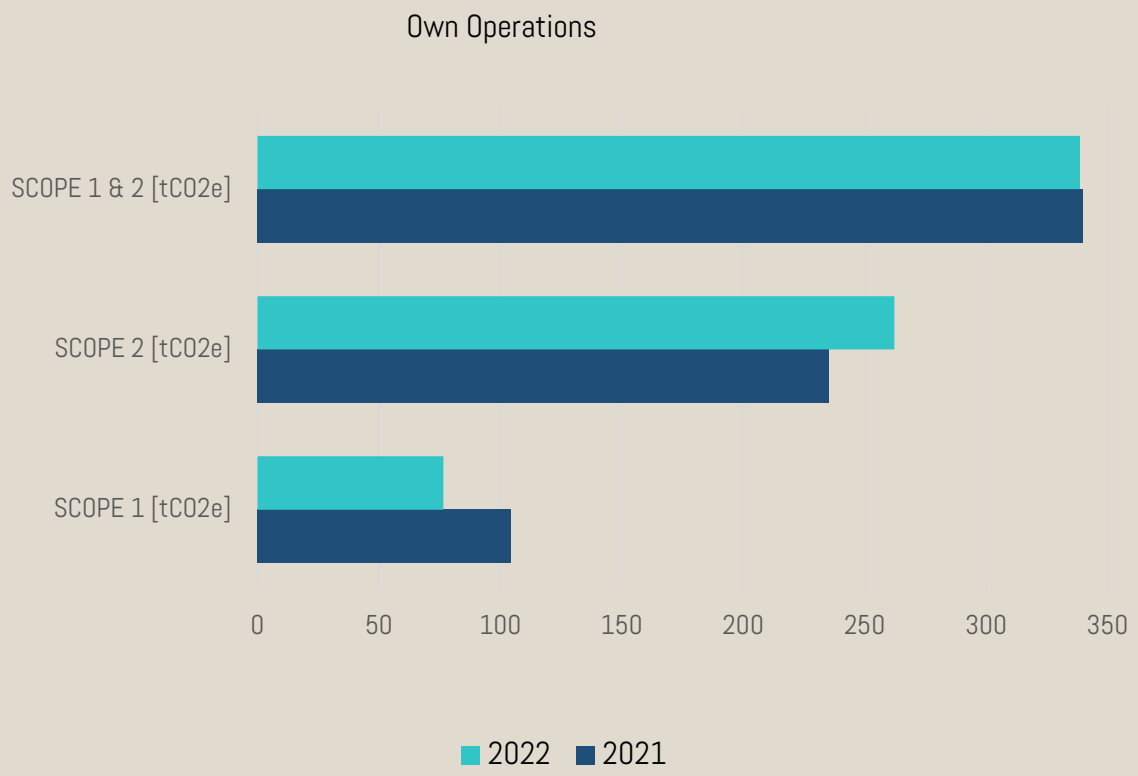
Although our own operations contribute only 1% to our total GHG emissions footprint, we have the greatest degree of control over them, making them the quickest area for us to effect change. We have adopted a market-based approach to electricity use, which accounts for the largest portion of GHG emissions we generate. In 2022, 73% of the emissions related to our own operations came from electricity and combined with district heating Scope 2 contributed to 76%.

Our Scope 2 emissions increased by 11% in 2022 compared to 2021 baseline, which is partly due to an increase in electric cars but mainly due to an increase of electricity consumption in our offices. This increase is due to more employees working from our offices in 2022, while in 2021, we had long periods of home office during Covid lock-downs. We see a significant opportunity to begin using more renewable energy sources in our operations, including in offices and stores, to reduce emissions linked to our own operations.

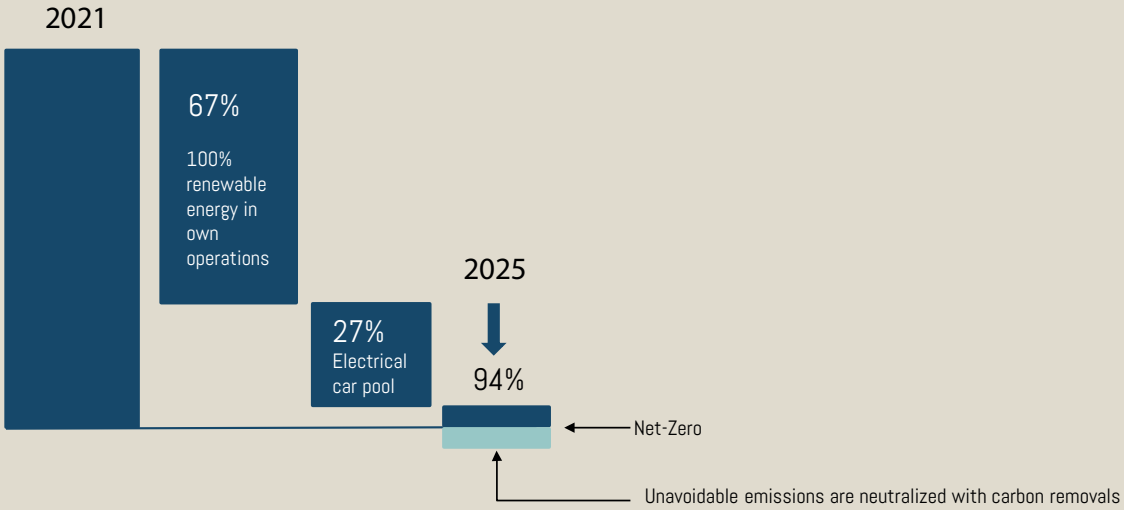
The second-largest contributor to our GHG emissions in our own operations comes from company cars. In 2022, we began transitioning to electric cars in Norway, where the charging infrastructure is well developed. At the global level, 34% of our company cars were fully electric by the end of 2022, and in Norway, more than 80% of the cars we leased were fully electric. Thanks to more electric cars, especially in Norway we have reduced our emissions in Scope 1 by 26.7% in 2022, compared to our 2021 baseline. In order to achieve our Net-Zero target for our own operations by 2025, we will continue to replace our internal carpool with fully electric vehicles and adopt renewable electricity sources for all our global operations.

	2021	2022	Change from 2021
Electricity [MWh]	598.1	622.6	4%
District Heating [MWh]	282.4	312.1	11%





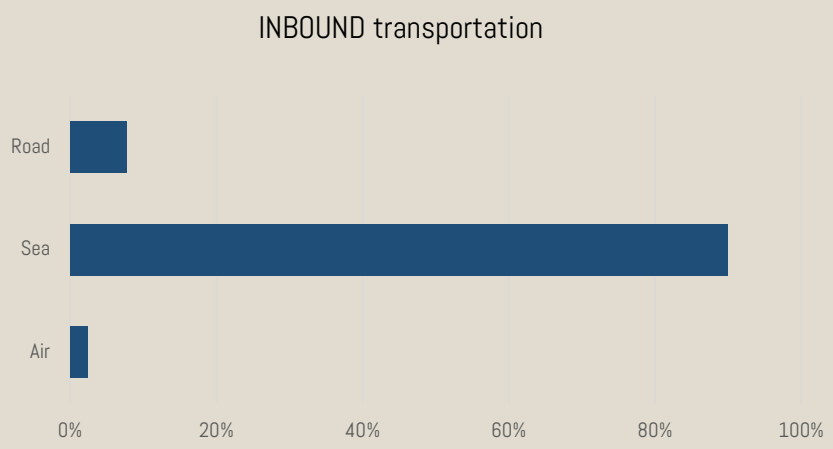
High level reduction plan SCOPE 1 & 2 OWN OPERATIONS



Logistics

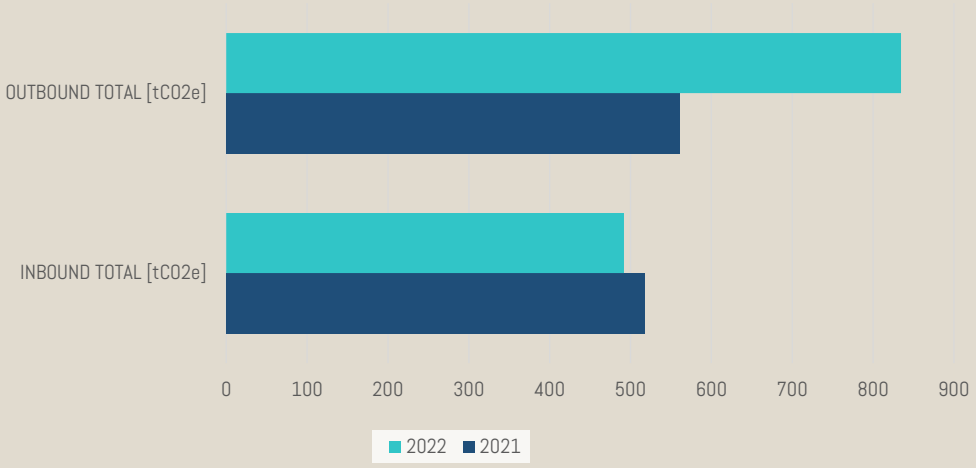
Our company's transportation activities, including moving products from manufacturers to warehouses and ultimately to end consumers, account for a significant portion of our carbon footprint, over 3%. The transportation segments are divided into two main segments: inbound transportation from manufacturing sites to our facilities and outbound transportation from our facilities to customers and end consumer

Inbound transportation, which covers a greater distance, accounts for 37% of our total transportation footprint. We prioritize shipping via sea freight to reduce emissions, with 90% of our shipped weight using this method in 2022. However, air freight, which only accounted for 2% of our shipped weight, contributed to 66% of our inbound transportation emissions due to its higher emissions per unit of weight transported. Our inbound emissions decreased by 5% in 2022 compared to 2021, mainly due to reduced road freight.

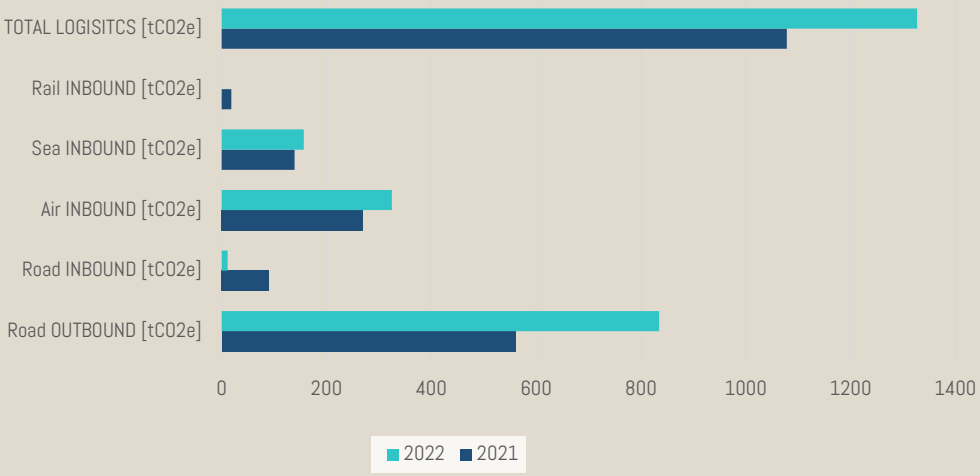


Outbound transportation, which involves smaller shipments to deliver products to customers and end consumers, primarily relies on road transport. In 2022, outbound transportation made up 63% of our logistics-related GHG emissions. Our focus during the year was to improve the accuracy of our transportation emissions data through collaboration with our partner Kinver and the largest logistics partner in the Nordics, where we are now able to track details from every single shipment from our warehouse in Sweden to end-consumers and customers in Norway. This effort resulted in better data tracking and a more precise understanding of where our outbound emissions originate. However, due to the improved accuracy of our data, our outbound carbon footprint increased by 23% in 2022. We are committed to expanding our efforts to improve data accuracy to other European countries in 2023.

INBOUND & OUTBOUND transportation



Transportation footprint split on modes of transport



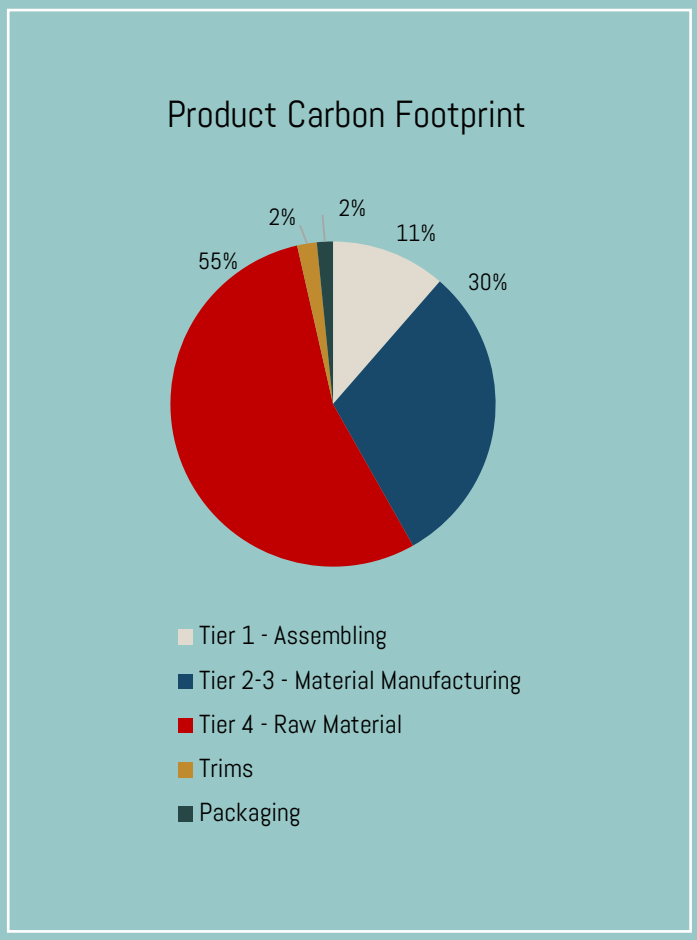
*Energy consumption from leased warehouses is not included in the total, but it is part of our Scope 3 "Upstream Transportation" reporting. Energy consumption from leased warehouses contributed to 6% of this category in 2022

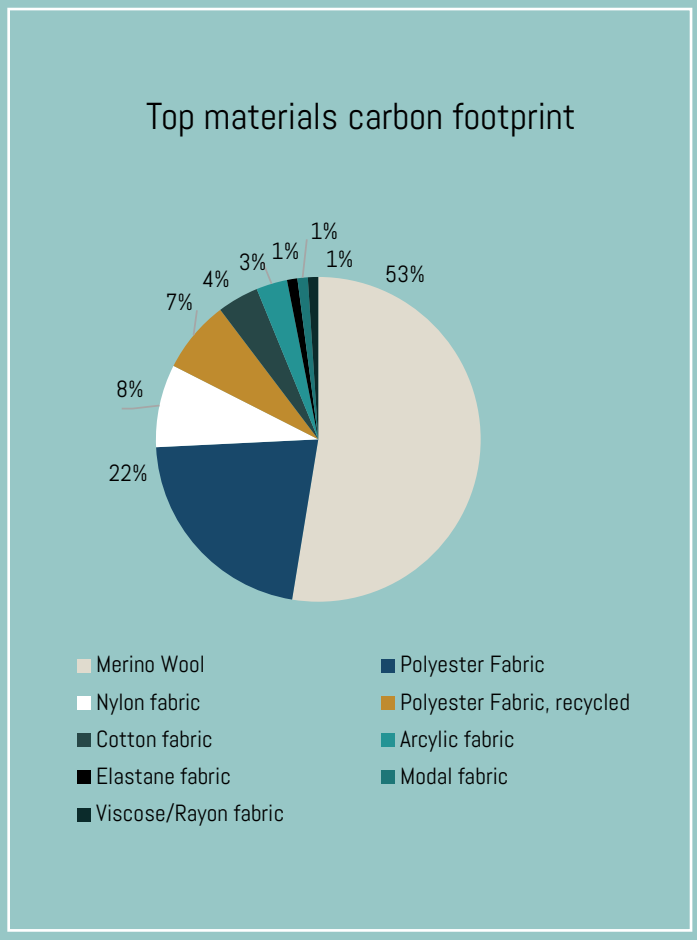
Products

Our products are the cornerstone of who we are as a company. Considering all the production phases involved and all different raw material types required to make our products, it's not surprising that here, we find the largest environmental and social impacts. To account for our climate impact linked to our products we are still relying on emission factors based on global averages to a large extent. We are however, making efforts to improve our datasets here year over year. We already have recordings of most raw material types, use and weight, which allows us to quite accurately calculate impacts related to this stage of our value chain, even if specific factors for our individual raw materials remains to be developed.

At Active Brands, we have built our supply chain on long term partnerships, especially in the tiers closest to us, which has allowed us to collect factory specific data on energy use and/or GHG emissions in 2022 from 87% of Tier 1 suppliers, who are the ones assembling our products, and have thereby been able to utilize actual energy- and GHG emission data for a large portion of the Tier 1 assembling process in our 2022 GHG emission accounting. We are nominating most of our materials directly with the material supplier and in 2022 we collected energy and GHG emission data from our key material suppliers, representing 48% of our textile volumes. However, the collected data was not implemented in our own GHG emission accounting since there are several facilities involved manufacturing the materials. We must collect data and be able to allocate our portion from more facilities until we can integrate the actual energy and GHG emissions in our own accounting for Tier 2. Material manufacturing accounts for around one-third of our GHG emissions linked to products and being able to allocate actual data and progress on reduction efforts for this segment is therefore essential to succeed with our climate target. We are continuously taking efforts to support and challenge our supply chain partners to integrate climate actions and efforts on decarbonizing their processes. In 2022, we set a target that all our key suppliers must have their own GHG emission reduction target and action plan in place by latest 2024. In 2022, 28.7% of our product volumes are made from suppliers who already have a climate target in place and 20% already have on-site solar energy to supply their electricity, covering between 30-80% of their consumption.

Transitioning towards low-impact raw materials is a large focus for us. It's the single largest GHG emission contributor in our carbon footprint. Here we find emission reductions by adopting already available low impact raw materials, but this segment will also require scaling of low impact raw materials which are not readily available today and challenge us on innovation across the supply chain to reach the reduction target linked to raw materials. Overall, at Active Brands we have nine raw material types accounting for around 97% of emissions, including their T4-2 processes. Divided per brand the distribution will differ, however we still aim for collective efforts to address the emission drivers for these materials as a group.


Product Carbon Footprint
2%
2%
11%
55%
30%
Tier 1 - Assembling
Tier 2-3 - Material Manufacturing
Tier 4 - Raw Material
Trims
Packaging


Top materials carbon footprint
1%
1%
1%
3%
4%
7%
53%
8%
22%
Merino Wool
Polyester Fabric
Nylon fabric
Polyester Fabric, recycled
Cotton fabric
Arcylic fabric
Elastane fabric
Modal fabric
Viscose/Rayon fabric

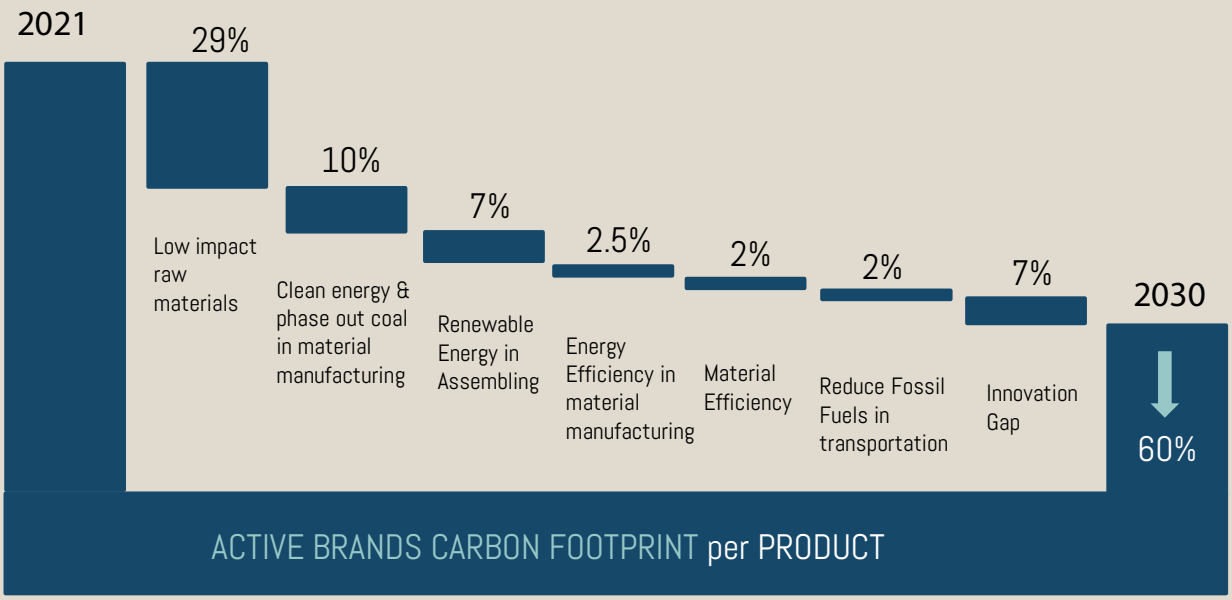
In 2021, we lacked material data for 15% of our products, which meant that those products were assigned an average carbon footprint based on the data we had for products in the same category. Additionally, we were missing critical data points for 5% of our products, so we made assumptions based on similar product types. However, in 2022, we were able to gather a significantly larger amount of actual data for all our products. We did not allocate estimated carbon footprints for any products, and only 3% of our products were missing critical data points, for which we made portions of assumptions based on weight and similar product types. We are however missing critical data points for trims and packaging, and those segments are calculated based on estimates.

Due to the improved data, and adoption of more low impact raw materials our carbon footprint remained almost flat in 2022, despite an 11% increase in the number of products manufactured and included. Moving forward, we are committed to improving our product and supplier data and will consider recalculating the 2021 baseline when we have even more accurate data, or if changes impact more than 5% of our total footprint.

Although we acknowledge that our GHG emission accounting is not flawless, we still find it to be accurate enough to pinpoint the hotspots in our value chain. Identifying these areas enables us to identify the largest opportunities for improvement and make reduction efforts. A crucial aspect of clarifying our climate efforts and actions is our climate roadmap, which helps us drive our objectives both internally to all our brands and externally to our suppliers.

In 2022, Active Brands developed a high-level roadmap for our company and initiated the process of creating a roadmap for each of our brands.

High level reduction plan SCOPE 3 VALUE CHAIN

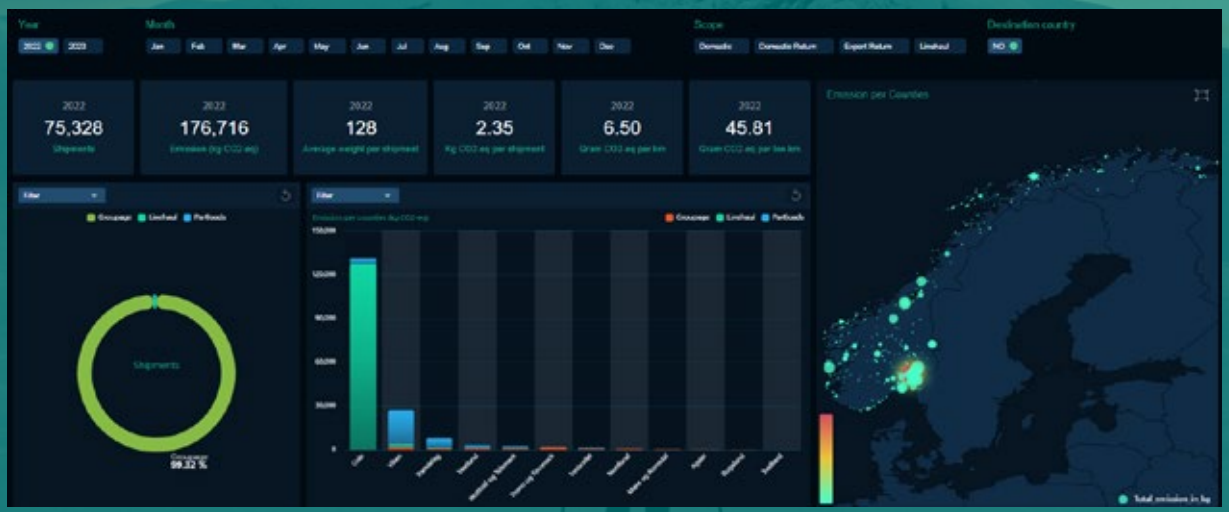


kinver

KINVER

Active Brands has been collaborating with technology provider Kinver for several years. In 2022, we entered into a partnership with Kinver to focus on climate and GHG emissions linked to outbound transportation. Kinver supports its customers in increasing logistics efficiency through its supply chain management platform. Kinver's "Green Module" provides us with aggregated data on transportation emissions, which currently covers emissions related to outbound transportation in the Nordics. By retrieving detailed data from the transportation supplier and feeding it into Kinver's Green Module, we are now able to track each delivery distance and link it to GHG emissions generated for that specific distance. From these insights, we can prioritize actions to reduce emissions where it matters the most.

Our collaboration with Kinver also revealed that our outbound transportation emissions in the Nordics are much larger than what was estimated the previous year when we applied general emission factors, underlining the importance of accessing actual data. In the coming year, we are working closely with Kinver and transportation suppliers to import more outbound logistic data to the Green Module, allowing us to cover a larger part of our transportation footprint. This will help us make more informed decisions and take targeted actions to reduce our transportation emissions, which is a critical step in achieving our climate targets.



STICA

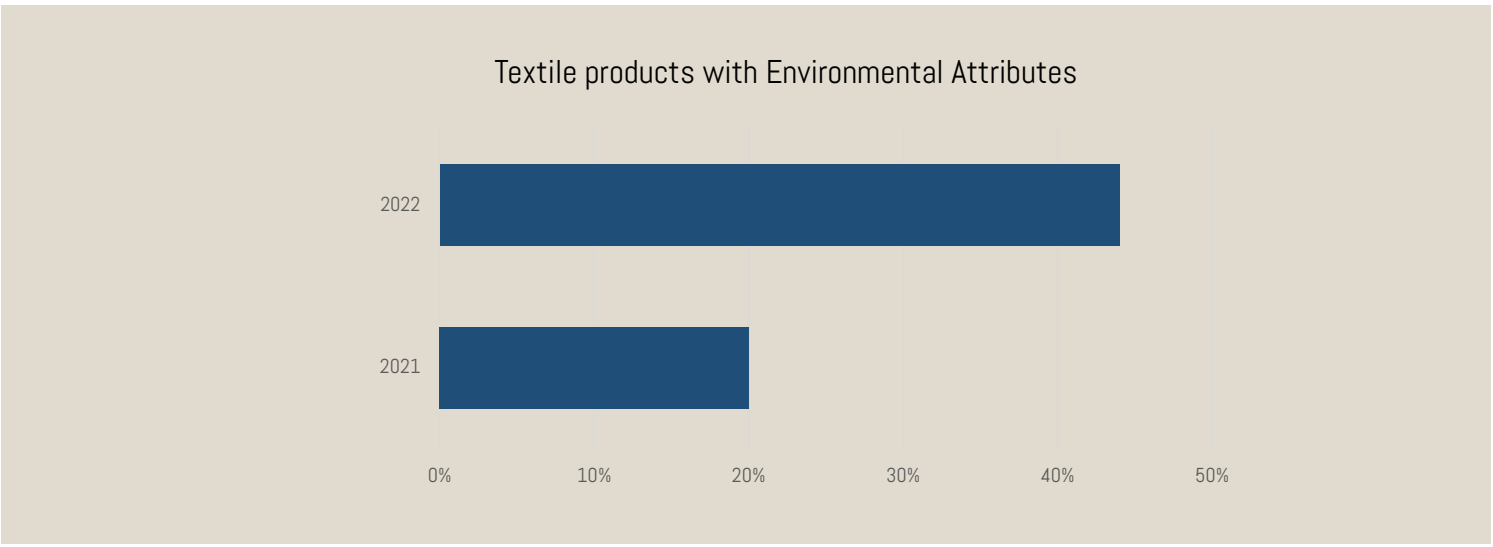
With 99% of our emissions generated outside our direct control, we rely heavily on our business partners to implement the necessary changes and improvements to achieve our climate target. We believe that close collaboration with our key business partners is crucial to empower, challenge, and learn from each other about how we can best address the challenges ahead. We also recognize that collaboration with peer companies is valuable and necessary. That's why in 2021, Active Brands joined the Swedish Textile Initiative for Climate Action (STICA), a network of over 50 members from the textile industry who collaborate on a broad spectrum of topics related to climate action. Through STICA, we share knowledge, encourage each other, and develop common approaches towards our shared suppliers and shared goals to limit global warming. The network's overall goal is to align the textile industry with a 1.5C° pathway, and we are committed to working towards this goal alongside our peers and partners.



Raw materials

Both our raw materials and material manufacturing processes make up an essential part of the products we make and are crucial in determining the longevity of our products and their environmental impact. Because the decisions we make regarding material use and design have a significant impact on our ability to achieve our climate targets, we devote considerable effort to ensuring that we make the best possible choices from the perspectives of sourcing, performance, and durability.

In 2022, we launched our material standard which is a reference and requirement document mainly towards sourcing, design and development for which raw materials we mostly prefer, prefer and least prefer, including specific raw material adoption targets and which we avoid altogether. We will continue to expand our adoption of environmentally preferred materials season by season. In 2022, we set a target to only include new materials in our textile collections if they had at least one environmental attribute incorporated. In total for all our textile products, 44% of the products developed in our 2022 collections had one or more environmental attribute. This is an increase by 24 percentage points from 2021.



* Styles with environmental attributes are defined as;
- min 50% recycled content
- min 50% bluesign approved material content
- min 30% certified MMCF
- min 50% certified wool
- min 50% low impact dyeing
- 100% certified cotton w min 50% content in product

SMUs are excluded

To assure the materials we use as environmentally preferred can be both traced and verified to carry the claimed preference, we require the material to be certified or trademarked certified. In addition to preferred materials, we also have banned ones, or banned regions we do not allow souring from. Some risk materials, for example conventional cotton, are always followed up with declaration forms throughout the supply chain to ensure we know the origin of the material and its region.

Raw material use 2022

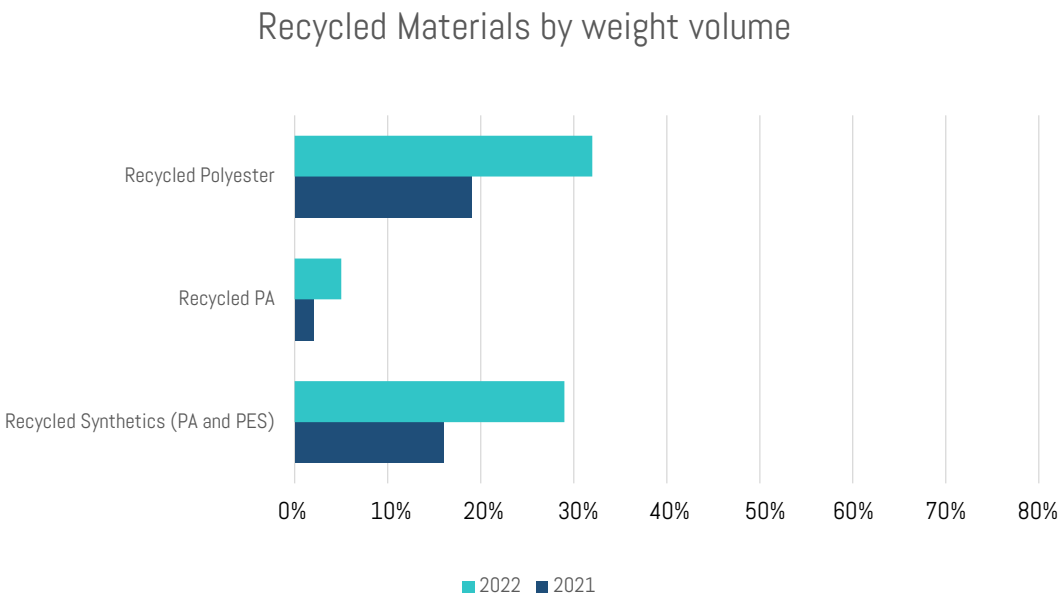
Raw Materials	% weight of total
Polyester fabric	25.9%
Merino Wool	15.1%
Polyester fabric, recycled	124%
Paper, virgin	11.9%
Nylon fabric	6.1%
Cotton fabric	54%
Plastic LDPE Packaging, recycled	3.2%
Polyester trims	2.8%
Elastane fabric	2.8%
Acrylic fabric	2.5%
Cardboard	2.3%
EPS (Expanded Polystyrene)	1.5%
PC (Polycarbonate)	1.1%
Modal fabric	1.0%
Down insulation	0.7%
ABS (Acrylonitrile butadiene styrene)	0.6%
Polyamide hard goods	0.6%
Polyester hard goods	0.6%
Viscose fabric	0.5%
PVC (Polyvinyl Chloride)	04%
Lyocell fabric	04%

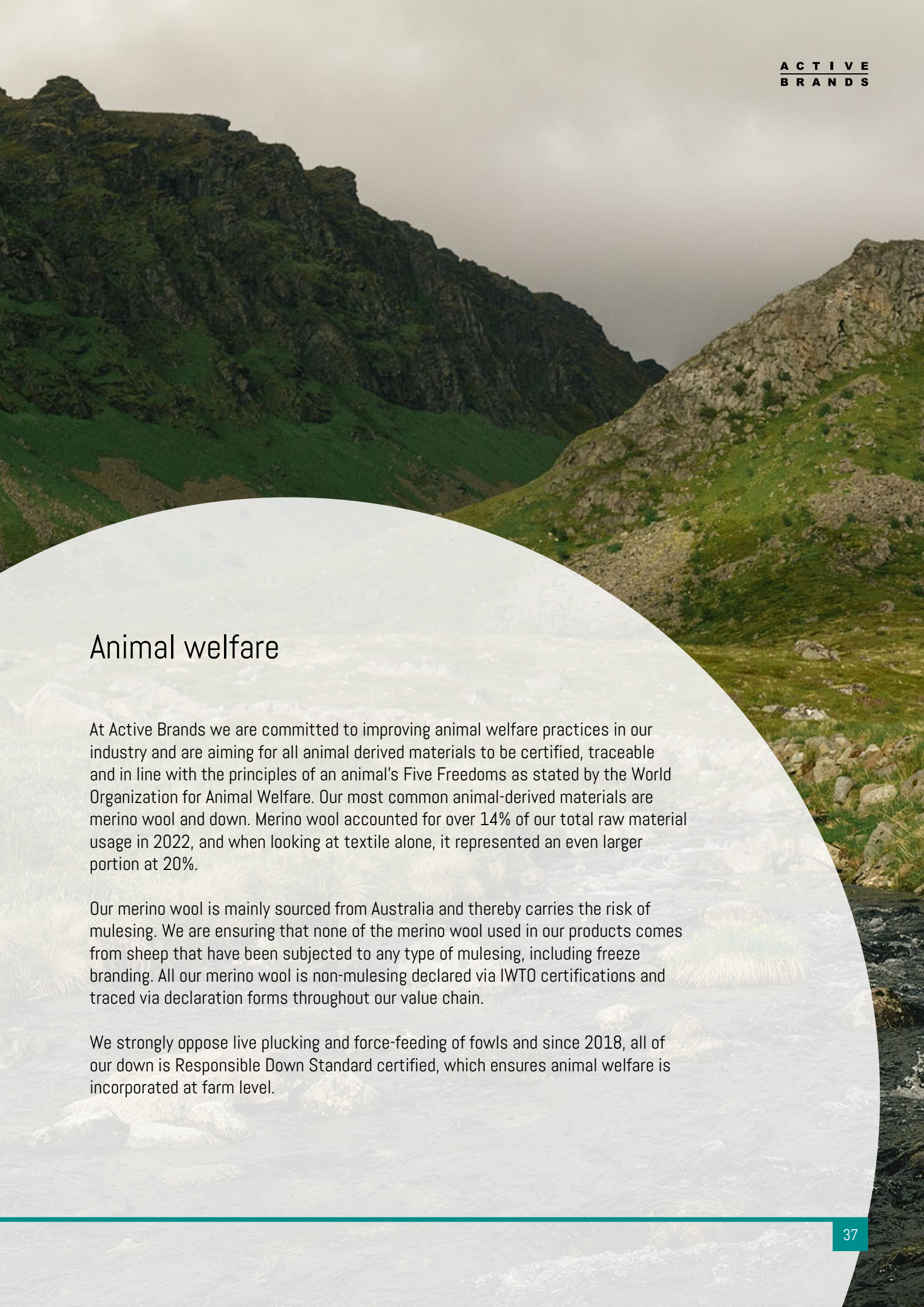
Nylon fabric Recycled	0.3%
Polyurethane fabric	0.2%
Acrylic fabric Recycled	0.2%
Zinc	0.2%
Polyurethane foam	0.2%
Brass	0.2%
Thermoplastic Urethane (TPC)	0.2%
Plastic (HDPE)	0.1%
Leather, goat	0.1%
Ethylene vinyl acetate	0.1%
Styrene Butadiene Rubber (SBR)	0.1%
Silicone	0.1%
Carbon Fiber	0.05%
Epoxy resin	0.04%
Plastic Packaging	0.03%
Steel, stainless	0.03%
Glass fibre	0.02%
Cashmere wool	0.02%
Rubber/Neoprene	0.01%
Rubber/Neoprene	0.01%

- Raw Material use includes textiles, hard goods, packaging and logistics and trims. Skies, poles and skins are excluded
- Total raw material use in 2022 was 3316 tons


DÆHLIE

Polyester and Polyamide raw materials make up 45% of our total material use, combining both textiles and hard goods. When only considering textiles polyester and polyamide is contributing to an even larger part of the raw material use, 61%. To reduce our environmental impact from these raw materials we are transferring towards recycled versions, with a target of having at least 80% of all polyester and polyamide as recycled, or other low-impact versions by latest 2030. In 2022 we increased the portion of recycled polyester and polyamide textiles by 13 percentage points.





Animal welfare

At Active Brands we are committed to improving animal welfare practices in our industry and are aiming for all animal derived materials to be certified, traceable and in line with the principles of an animal's Five Freedoms as stated by the World Organization for Animal Welfare. Our most common animal-derived materials are merino wool and down. Merino wool accounted for over 14% of our total raw material usage in 2022, and when looking at textile alone, it represented an even larger portion at 20%.

Our merino wool is mainly sourced from Australia and thereby carries the risk of mulesing. We are ensuring that none of the merino wool used in our products comes from sheep that have been subjected to any type of mulesing, including freeze branding. All our merino wool is non-mulesing declared via IWTO certifications and traced via declaration forms throughout our value chain.

We strongly oppose live plucking and force-feeding of fowls and since 2018, all of our down is Responsible Down Standard certified, which ensures animal welfare is incorporated at farm level.

Packaging and packaging materials

At every stage of our product's journey to the consumer, packaging plays a crucial role. During transportation, it protects the product from extreme variations in temperature and humidity that can occur during sea freight from one continent to another. Once it arrives at the warehouse, the packaging supports storing and picking. Finally, in-store packaging is used to merchandise the product and communicate with consumers.

However, our use of packaging also generates packaging waste, and we are committed to controlling and reducing this waste to the greatest extent possible. To achieve this we have taken the Green Dot "Plastic Promise" and are committed to the following approach:



- We are conscious of how and why we use packaging, and we avoid unnecessary packaging wherever possible. We also design out free space to increase packaging efficiency and minimize packaging material use.
- We use materials and packaging designs that allow for recycling, to minimize the environmental impact of our packaging waste.
- We choose better packaging materials, with lower environmental impact.

For the past few years, we have been focused on addressing concerns surrounding plastic materials. Through several Life Cycle Assessment, from research available to the public, we have found that low density polyethylene has a lower environmental footprint compared to most biobased plastic substitutes. However, the end-of-life stage for plastic materials remains a significant issue.

In Europe, there is currently limited infrastructure for handling biobased plastics, which are only biodegradable in industrial facilities. As a result, we have concluded that biodegradable plastics are not a viable option for the packaging plastic material we use today. Instead, we have taken steps to transition our packaging plastic material to recycled versions. Additionally, we have begun to replace plastic with paper for some of our packaging, using FSC® certified paper.

In 2022, we have collaborated with the packaging supplier Paptic® to introduce their recyclable packaging in our ecommerce channel in Europe. Paptic® is an innovative material made from wood fibers, sourced from sustainably managed forests. The material is not only durable enough to handle transportation but also light and flexible, making it an ideal choice for our e-commerce channel. At end of its life cycle the packaging can be recycled as paper.

		TEXTILE PRODUCTS	HARD GOODS
RECYCLED PLASTIC PACKAGING	POLYBAGS		
	PRIMARY PACKAGING		
RECYCLABLE PACKAGING	PRIMARY PACKAGING		
	E-COM PACKAGING		
	CARDBOARD BOXES		
FSC® CERTIFIED PAPER	PRIMARY PACKAGING		
	E-COM PACKAGING		
	CARDBOARD BOXES		

 ALL

 MOST >75%

 SOME 25%-75%

 FEW < 25%

KEY ACHIEVEMENTS IN 2022
* All polybags for textile products are with recycled content, GRS certified * Introduced new e-commerce bags in collaboration with Paptic® * Reduced the use of plastic packaging with 40% per pair of skies * Optimized size of packaging for our helmet and protection snow categories and introduced FSC® certified paper for those categories



Material manufacturing

Our approach towards how we are working with material manufacturing partners to address climate change by increasing energy efficiency and reducing GHG emissions is covered in the Products section. Textile manufacturing also requires a significant amount of water, and chemicals, which can have negative environmental impacts. In contrast, our hardwear products are often made directly from pellets or processed raw materials, which reduces the need for additional manufacturing stages. However, hardwear products still require chemical applications and can pose risks related to the materials themselves. To mitigate these risks, we apply a chemical management approach across all of our brands and product categories, which includes:

1. Requiring our suppliers to comply with our chemical agreement, which includes adherence to international and national chemical regulations, such as the European Chemical Regulation REACH, Stockholm Convention on Persistent Organic Pollutants, The California Safe Drinking Water and Toxic Enforcement Act, Biocidal Product Regulation, and The California Safer Clothes and Textile Act. Our chemical agreement also includes our Restricted Substance List (RSL), which is based on bluesign®'s RSL
2. Prioritizing materials with certifications, such as bluesign® approved and Oekotex®-100 certified materials, that guarantee safe use and application of chemistry. By choosing certified materials, we can reduce the need for additional testing and follow-up with suppliers. During 2022 our volumes of bluesign® and Oekotex®-100 certified materials decreased slightly for most of our brands. This was a result of increased volumes from non-certified materials, while the number of fabrics in our collections carrying one or both of the certifications remained stable.

	2021	2022
Volume % bluesign approved textiles	19%	18%
Volume % Oektoex approved textiles	75%	70%



3. Where the material doesn't carry a certification or similarly it's considered higher risk and will be included in our 24-month chemical testing cycle. The purpose of this cycle is to perform chemical testing on all material and product categories, based on content risk and supplier throughout a 24-month period. During 2022 we performed close to 200 chemical tests with findings on 2 materials, where we followed up with the material supplier to trace the source and phase out the unwanted substances.

In addition to performing chemical tests based on RSL risks we have a few focus substances and groups which we have put effort behind phasing out over several years. One of these groups are anti-bacterial or biocidal substances, which can be used as anti-odor applications in products. Active Brands have had a ban on antibacterial treatments for over a decade and are instead applying odor capturing technologies, such as activated carbon, where anti-odor properties are required.

The PFAS group of substances are another focus area for us. PFAS substances are traditionally applied in our industry mainly to achieve dirt and oil repellent properties or in membranes to achieve highly breathable and waterproof performance. Substitutes for PFAS have existed on the market for many years, and our most common branded substitute used, in order to still achieve high-quality water-repellent properties, is the BIONIC FINISH® ECO by Rudolf. The PFAS substitutes were for many years a niche development however increased R&D investments in PFAS-free applications have brought this category on-level with the conventional PFAS-containing ones. We began transitioning away from PFAS in 2013 and today all of our brands are using 100% PFAS-free durable water repellent finishes in our textile categories.

Water can be required in different stages during material manufacturing. Active Brands portion of cotton, which is often considered to be one of the most water intense raw materials in the textile industry, is relatively small and our focus on water risks therefore lies in the material manufacturing stage. During this stage, water is used for dyeing, cooling or cleaning of equipment and is held during processing but might return to its original watershed. If too much water is held, it can contribute to water scarcity in the local area. Optimizing and reducing water use is therefore important. The water can also be polluted during the processing stage and is therefore not returned to its original watershed in the same shape which can have negative effects on the surrounding ecosystems. The latter is linked to ensuring a sound chemical management system and wastewater treatment possibilities, on or off-site. The former is controlled at the facility by optimizing water use, or by utilizing dyeing technologies which requires less or close to no water. At Active Brands, we are working closely with our material manufactures whom we are nominating our materials from, and we are tracking the systems and certifications they have in place to verify that environmental parameters are controlled. The bluesign® approved manufacturers are required to systematically measure, control and improve environmental parameters, including water use and pollution, and this is in addition to ensuring safe chemistry, another reason why our textile brands at Active Brands are prioritizing the use of bluesign® approved materials.



Products and services

Creating products that are built to last and retain their value over time is a priority for all our brands. Achieving this requires a dedicated and thorough approach, involving careful planning and meticulous monitoring at every step of the process.

To produce high-quality, long-lasting products, we start planning our collections well in advance of their release, typically around two years beforehand. During this time, we conduct extensive research to identify demand and preferences, ensuring that our products are purpose-built to meet the needs of our customers. We also pay close attention to the visual appeal of our products, selecting colors and designs that are both attractive and timeless. By doing so, we aim to increase the likelihood that our customers will treasure and use our products for an extended period of time.

To achieve a high physical durability, we test and refine our materials and constructions which ensures that they can withstand the demands of frequent use. Finally, we focus on creating products that fit perfectly for their intended use, and remain comfortable and functional over the long run.

Our quality testing process is tailored to the type of product we manufacture, with different procedures in place depending on the complexity of the item. For instance, a highly advanced ski helmet requires a much more extensive testing process than a simpler textile accessory.

Prior to releasing any product on the market, we subject it to physical testing in different stages, to ensure its durability and longevity. This step is crucial in establishing our confidence that the product will stand up to use over time. Our in-house physical testing laboratory for textiles is based in Shanghai, while our hard goods laboratories are located at our design and development locations. Most apparel and accessory tests are carried out in our in-house laboratory, except for when extended testing is required, which is then performed at third-party laboratories. Our in-house test laboratories for our hard goods are used for extensive testing during the design and development stages and for certified products, which several of our protection gear falls under, the products are also tested in third party laboratories as a procedure to achieve the certification.

Products where performance, fit and/or durability are crucial elements to meet or exceed customers' expectations we bring the product out for field testing. This allows us to gain valuable insights into how our products function in real-world settings and identify what is working well and areas for improvement. Insights from field testing are looped back to our product teams and assures that we continuously evolve. During production, our internal quality control team works closely with manufacturers to ensure adherence to our standards. In addition, we conduct sample testing of critical quality parameters to make sure that each product meets our specifications.

Our product quality development cycles in general, applicable for the majority of our products, are described as the following



We strive to provide our customers with excellent support whenever they have questions, need guidance, or experience any kind of issue with our products. Our customer service team and online Helpdesk are dedicated to ensuring that every customer receives the best assistance. In 2022, we had over 35 000 people contact our customer service team for guidance. Whenever possible, we aim to provide solutions that allow our products to continue to be used and enjoyed.

Although we do not have our own repair center, we work closely with expert local repair centers to restore our products when necessary. In 2022, we made it a priority to expand and improve our repair services, making them even more accessible to our customers. We also collaborated with the Norwegian and Textile Fashion Agenda's Repair Project, which will continue in 2023. Through this project, we are gaining valuable insights and solutions for applicable repair possibilities, while lowering the barriers for people to utilize them.

Internally, we have held several cross-functional workshops that focus on active and long-lived products. Our goal is to further strengthen our strategy in this area and uncover untapped opportunities that will help us and our customers to maximize the longevity of the products. Retaining the value of our products for as long as possible and making sure they actively stay in use is an integrated part of our ESG strategy

Circular models

Many of us can relate to the experience of owning products which are perfectly good for use, yet they remain un-used in our wardrobes or home storage. These products often have built-in value and resources that we believe should be utilized to their fullest potential, and Active Brands is therefore embarking on new business models that prioritize the reuse of existing products.

In 2022 we signed an agreement with the Norwegian start-up Vandre who is a technology company developing solutions for re-sell. We are excited about further tapping into this new business model and being able to offer both new and used products from our brands.

Many of the products we create are activity or season-based. For people who might only engage in certain activities a few times, or who are not living in areas requiring the type of gear or garments for longer periods, or who simply likes to circle their wardrobe, leasing instead of purchasing could be a great offer. Active Brands is collaborating with the leasing and renting provider Fjong who offers our products both via their subscription model, where customers pay a monthly fee and can access a variety of products, and via their special occasion model, where customers rent for a shorter period of time. We believe these new business models will become increasingly important in the future, and they are an essential solution for maximizing the active lifetime of our products. Our target is to offer circular models in every key market by latest 2024.

NF&TA

Norwegian Fashion & Textile Agenda

Active Brands is a member of the Norwegian Fashion & Textile Agenda (NF&TA) which is an industry organization driving the transformation in Norway towards a more sustainable textile sector. The organization's strategy is anchored in a circular model and they focus on facilitating projects and collaboration within the Norwegian textile sector between a variety of actors spanning from recyclers, brands and technology providers.

Health

Our group comprises brands that empower people to enjoy themselves, challenge their limits, and embark on outdoor adventures. With our origins in Norway, a land of mountains, fjords, and changing seasons, we know how to embrace nature and make the most of the outdoors to recharge, stay active, and compete in the sports we love. For us, the great outdoors is a space for enhancing well-being, pushing our boundaries, achieving personal goals, and socializing with loved ones. Through our brands, we strive to enable more people to access the outdoors and experience nature as a means of improving both physical and mental health.



Improving physical and mental health

The connection between physical and mental health is well-established, and our brands are engaging in initiatives that strengthen mental health through improving physical health. Our efforts extend beyond athletes and enthusiasts to include individuals who have yet to introduce physical activities into their lives. For instance, Bula's "Buddies" program partnered with a young man in 2022, helping him discover extreme sports as an alternative to his previous troubled lifestyle.

Åsnes has supported the Polar Academy for several years, which provides life-changing opportunities for children and families who have experienced bullying, abuse, or low self-esteem. The Academy helps these individuals to become leaders and role models through demanding training and goal-setting in the wilds of Greenland. In 2022, Åsnes also supported the "Draumen om Grønland" expedition, where Tord Meisterplass crossed Greenland despite paralyzed legs, fingers, and reduced arm strength.



Our athlete Therese Johaug is passionate about improving women's health by staying active and achieving physical activity goals. Johaug is a former Norwegian cross-country world champion who now works as a lecturer and advocate for women's health through her own "Johaug Recharge Camps" and the podcast Johaug Redaksjonen, launched in 2022.



Team Beyond

To drive diversity in the cross country sport segment, Dæhlie Sportswear established the Aker Dæhlie's Beyond initiative in 2022. This is a groundbreaking effort to promote the importance of achieving beyond the realm of sports. With a team consisting of athletes from Ski Classic, FIS/All-round, Paralympic cross country skiing, and younger age groups, Beyond is the first private team competing at the highest level that includes such a diverse range of athletes.

The team's mission is to actively address challenges related to the lack of equal opportunities for athletes within the cross-country skiing sport. It seeks to inspire people to follow their dreams and chase their goals while setting a new standard for developing and strengthening the sport.

Team Beyond is founded on three core values: inclusivity, challenge, and leadership. The team aims to challenge the status quo and include athletes from various backgrounds without regard for gender, age, disability, or nationality. Beyond seeks to create a team consisting of an equal number of women and men, athletes from multiple nations, and Olympic and Paralympic athletes, all achieving together as one team. Beyond also aims to offer and organize resources beyond what is expected and create engaging content that presents the sport and athletes beyond the expected.

Part of the Beyond initiative is the Next Generation talent program, which will develop the next generation of Beyond heroes. Young athletes, with and without disabilities, from several nations, will come together to share knowledge and experiences. These athletes will receive a scholarship, a mentor, two training camps, and team merchandise.

Beyond seeks to create heroes and role models that inspire, motivate, and encourage others to participate in further developing the sport. The team aims to build and nourish strong relationships that increase and enhance the engagement of the society, the sports community, and strategic team partners.

Through its values and actions, Team Beyond seeks to lead the way and inspire others to achieve extraordinary results both on and off the ski course. Fear of failure will not prevent the team from challenging the status quo and striving to achieve its goals. Beyond believes in the importance of achieving beyond the realm of sports and seeks to inspire others to do the same.



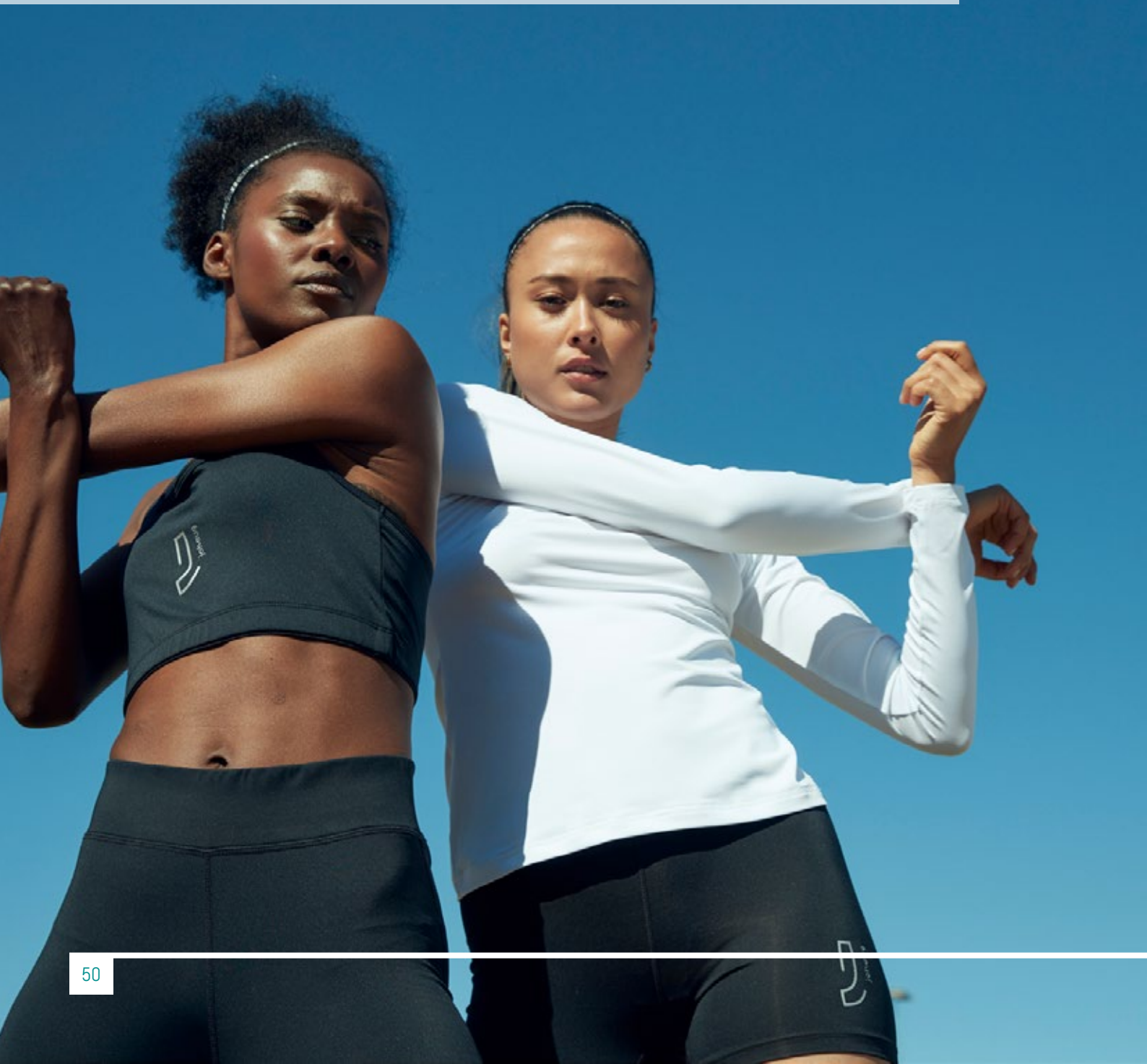
Raising awareness and support to combat breast cancer

Every year, breast cancer affects 2.3 million women and causes 685,000 deaths globally. That's 685,000 mothers, daughters, wives, sisters, friends, and partners lost to this devastating disease. To battle these statistics, we are engaged in several initiatives aimed at improving these numbers by increasing awareness of the importance of early detection and self-exams, supporting organizations researching better detection and cures, and providing support to those affected by breast cancer. In 2022, Åsnes collaborated with Expedition Pink Ribbon, an organization that encourages men and women worldwide to stay physically active as a preventative measure against health-related issues, with a focus on combating breast cancer. They arrange adventures to various destinations and in 2022 the Greenland expedition began preparation.

Johaug supports the Norwegian Cancer organization in their fight against breast cancer where all profits from products sold through the second-hand marketplace, Tise, are donated to the cause. Similarly, Kari Traa donates a portion of the earnings from each bra sold to the Norwegian Cancer organization, while also using their channels to raise awareness about breast cancer among women.

Equality

We are committed to upholding human rights throughout our value chain and strive to foster equal opportunities for all. We recognize that individual circumstances vary and that achieving equality for all requires us to consider individual needs. By taking into account these needs, we can work towards creating a level playing field where everyone has an equal chance to succeed.



Our people

People are the foundation of our company, and they represent our most valuable asset. Active Brands attributes its competitiveness and success to the talented and dedicated employees that make up our organization. We are committed to creating a workplace where everyone feels valued, empowered, and part of a cohesive team working towards shared goals. We recognize the importance of caring for our people, providing opportunities for personal growth, and creating an environment that fosters innovation and progress.

To achieve this, we are implementing structured processes and formal initiatives, but more importantly, we are promoting a culture of respect and collaboration. We value diverse perspectives and understand that it takes a collective effort to achieve success. By working together and supporting each other, we can achieve great things and continue to build a thriving company culture.

We believe in promoting equality and providing equal opportunities for all, and we take a clear stance against any form of discrimination. We have set a goal to achieve greater gender diversity and increase the representation of women, particularly in senior positions. We strive to achieve this goal through both internal and external recruiting processes, and we actively encourage qualified women to apply for open positions. By doing so, we hope to create a more balanced gender distribution throughout the company.

Our internal code of conduct establishes the basis for fair working conditions and responsible business practices as well as specific expectations and guidelines for how we behave and do business. It applies to everyone working at our company, regardless of location. To ensure that our employees have access to detailed and practical guidance, we have a comprehensive Human Resource Handbook that is available on our intranet.

Throughout the year, all our employees participate in coaching and development sessions, which include at least two assessments to evaluate their business and personal development goals. These assessments help to identify opportunities for growth in the short, mid, and long terms.

Our formal coaching and development process provides a clear framework for employees to understand their role within the organization, and to actively influence their career pathway. By clarifying expectations and identifying areas for improvement, our employees are empowered to achieve their professional goals and contribute to the success of our company.



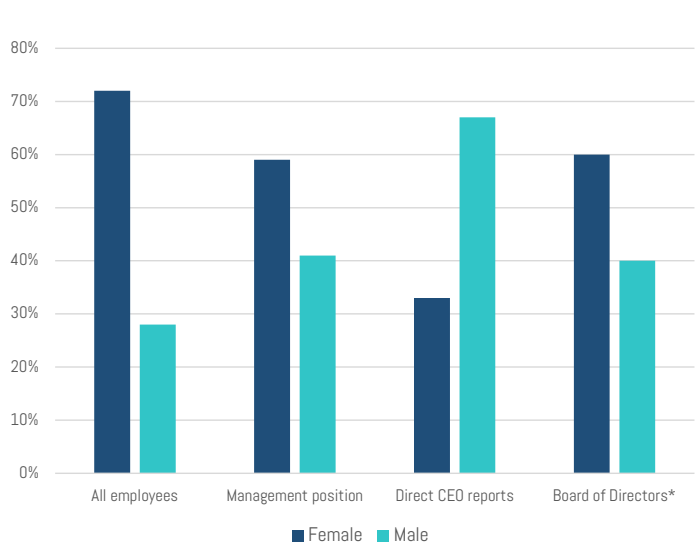
Our values

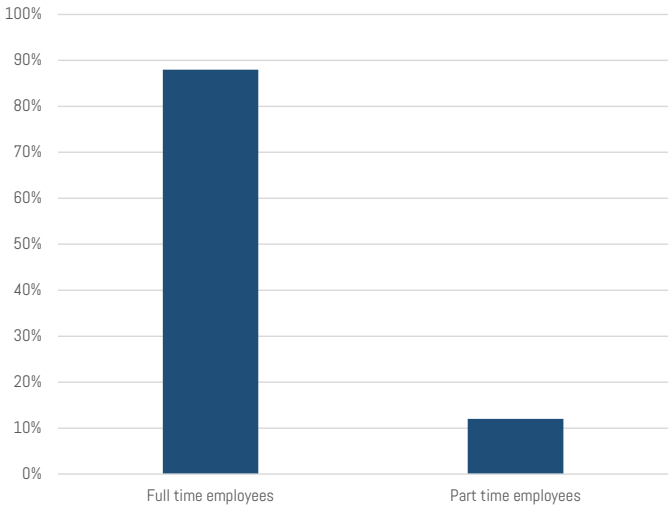
Our core values are fundamental to creating a culture where everyone feels empowered, valued, included, and respected. We strive to embody these values every day and ensures that they remain an integral part of our identity:

We serve and inspire the professional and everyday athlete. No matter which function we are in, we listen to our consumers and put them at the center of all our ambitions and processes.
We are one team, chasing gold medals, because we know that you can't win without the full team's support. And we win and lose as one team. Our team is our biggest asset and we put our people first. We are empowered and responsible, we rely on each team member and care for one another.
We dream big for our business, ourselves and as a team. Every win and accomplishment opens the door for a new challenge, as the only way to continue to develop and grow. We are agile and challenge the establishment in our pursuit of awesomeness.
We act professionally and are serious about having fun in the process and believe we are at our best when we combine professionalism and some craziness. We always aim for the best and most efficient solutions. Speed matters and we seek solid progress over perfection.
We seek sustainable innovation and constantly strive for sustainable solutions positively impacting our world.
We have integrity in everything we do and always play by the rules. We trust our colleagues and partners and keep our organization authentic and reliable. We are focused on providing an equal playing field, speaking up when that is not the case.

Our employee statistics

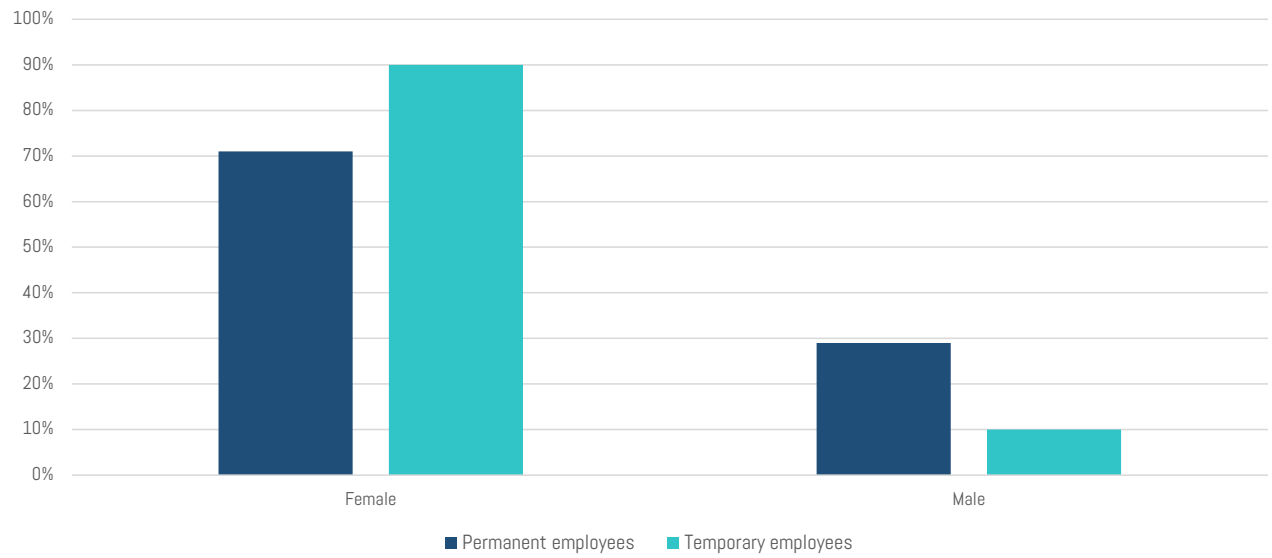
Globally we have a team of 267 employees, accounting for all employees at the end of 2022

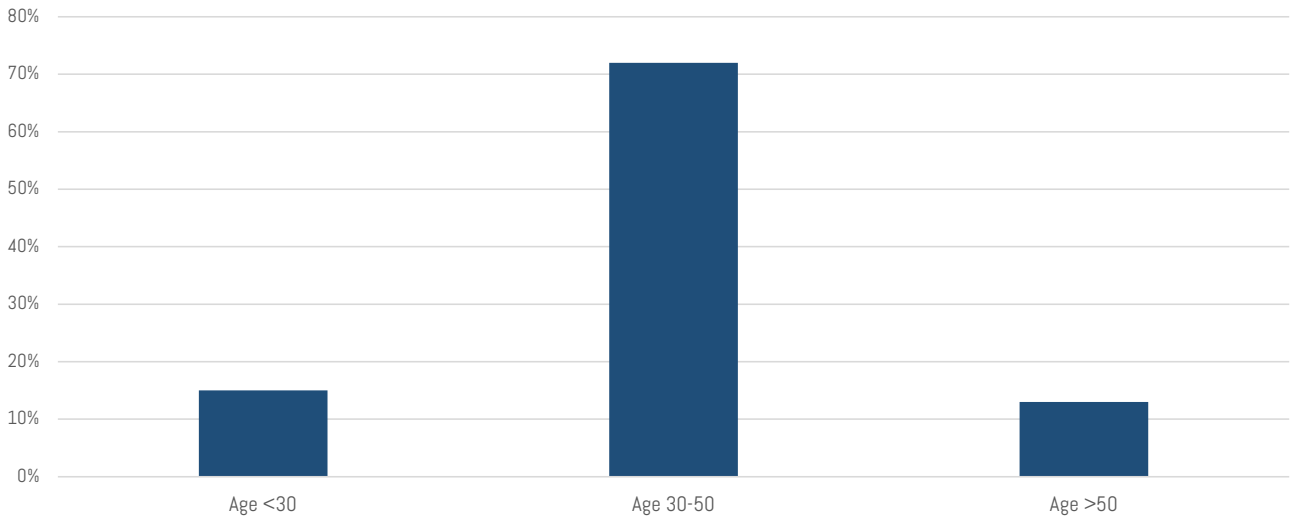




*Refers to Board of Directors for Active Brands AS







- 95% of part-time employees are working in our retail stores
- Age graph refers to Norway only (63% of total)

The pulse on internal engagement

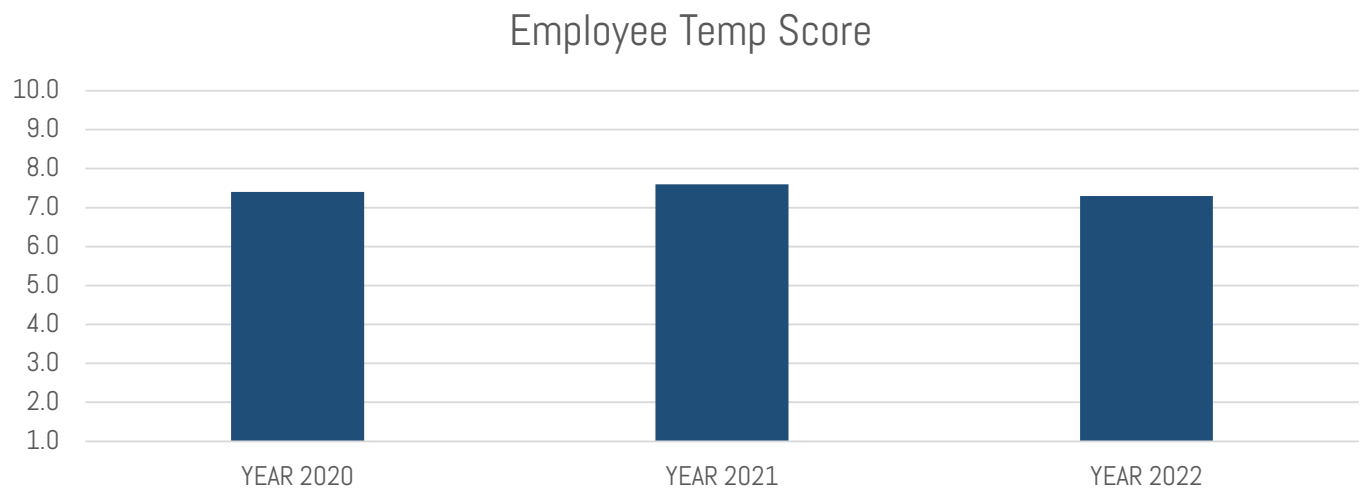
While formal processes are useful for evaluating priorities and setting new directions, we believe that day-to-day engagement, challenges, and contributions towards building a thriving workplace are better addressed through more frequent feedback channels. We recognize the importance of creating an environment where everyone's voice can be heard, and where the threshold to be heard is low.

To support this belief, we introduced a new platform provided by Winningtemp in 2021, which we have continued to roll out during 2022. The platform is built on the idea of using data-driven insights to help companies unlock the potential of their people and create a thriving workplace. It combines millions of data points to provide meaningful feedback throughout the organization.

Once a week, Active Brands employees receive a short set of questions covering nine categories, including job satisfaction, work situation, team spirit and more. The survey results in a temperature index that reflects the weekly pulse of the company. Employees also have the opportunity to include comments or questions on specific areas, which are followed up by our HR department.

During 2022, our response rate varied between 76% and 84%, allowing HR to continuously track the pulse of the organization and quickly respond to areas requiring follow-up. This platform is helping us to create a culture of transparency and continuous improvement, where every employee's feedback is valued and acted upon. Our overall employee temperature score in 2022 remained steady during the first part of the year compared to 2021, but slightly decreased towards the end of the year. Due to the challenging global market conditions, including increasing raw material costs, energy prices, and decreasing purchasing power in our key markets, we adapted and prioritized our resources to maintain our operations. Unfortunately, this required us to freeze several planned projects and ambitions for 2022, which may have contributed to a slight drop in employee satisfaction. Furthermore, we underwent a reorganization of the team reporting structures in 2022, which took some time to settle.

However, we are optimistic about the future and are committed to enhancing employee engagement and satisfaction in 2023. We have a strong focus on developing our teams and creating a supportive work environment, which we believe will lead to a boost in employee temperature in the coming year.



Whistleblowing

At Active Brands we have a separate whistleblowing policy which sits as sub-document to our internal code of conduct. The whistleblowing policy includes channels to where concerns regarding unethical behavior or other serious issues should be reported. In end of 2022 we implemented a channel for whistleblowing via our Winningtemp platform, ensuring we had an easy access for everyone to report any matters of concern, and take action to address them.

Environment, health and safety

Maintaining a safe, secure, and healthy work environment is crucial for the well-being of all employees. At our company, we have established a safety representative group to ensure that the best practices are in place to achieve this goal. The group consists of two employee elected representatives and two management employees.

The safety representative group covers various areas related to physical security and health in the workplace. It also addresses potential organizational changes and serves as a forum for discussing topics relevant to employees. To ensure that the group is equipped to fulfill its responsibilities, we provide the participants with training by external experts. This training gives them a solid foundation to maintain high internal standards for health and safety.

By having a safety representative group in place, we can be confident that our work environment is continuously monitored, evaluated, and improved upon.

Training and knowledge sharing

Continuous learning and growth are essential for both individual and organizational development. At Active Brands, we are committed to providing opportunities for employees to develop their skills and knowledge. One-to-one coaching and development sessions are tailored to individual needs and aspirations.
In addition, we provide training in areas where we identified a need for improvement in our internal knowledge base.

In 2022, we launched a new learning tool focused on IT security and awareness. This tool includes a series of shorter training sessions, called nano-learning, which are sent out to employees every second Tuesday. Each session is designed to take only three minutes, making it easy to fit into busy schedules.

These sessions cover essential areas to maintain a high IT standard within the company, as well as knowledge relevant for a secure digital life outside of work. By providing this training, we empower our employees to take an active role in maintaining the security and integrity of our systems.
Specific ESG projects and topics are shared and developed within smaller teams in the organization depending on area and ownership of the area. We always aim to create a clear accountability of the ESG field within the company, which is driving the integration of ESG across the organization.

The ESG trainings during 2022 included updates on Active Brands' ESG strategy and workshops designed to shape and refine our approach. We also incorporate ESG sessions into every seasonal kick-off meeting, where we discuss opportunities and challenges related to ESG, which is tracked and followed up with smaller sessions afterwards.

To further strengthen our ESG practices, we have planned broader ESG trainings in 2023, specifically targeted to relevant functions within the company. These trainings will provide in-depth knowledge and understanding of ESG principles and practices, enabling employees to integrate ESG considerations into their work effectively. Due to Covid lock-downs in China we weren't able to proceed with the planned sessions on anti-corruption, which is a part of updating employees on our policies and business partner requirements related to the topic. The sessions instead have been planned for 2023.



New crew

We highly value the perspectives and ideas of all our employees, regardless of their position or function. We believe in creating an open and established channel that encourages new ways of working and fosters engagement within the workplace. It's crucial for us to empower our employees to take the initiative and suggest activities that support employee engagement, and for this reason, we established “The New Crew” in our headquarters in 2022.

“The New Crew” is a team of five female employees from diverse functions who serve as key representatives for crowd sourcing and initiating activities and initiatives related to employee engagement. They organize various activities within and outside the office and provide valuable suggestions and feedback on building a strong and positive workplace culture. We believe that this team will help us maintain a high level of employee engagement, and we encourage all employees to share their ideas and perspectives with “The New Crew” or their managers.



People in our supply chain

The processes of transforming raw materials into finished products involves several phases, some having a high degree of automation and little human labour, while others are labour-intense and require manual labour. Especially the phases for textiles and apparel in the assembling stage and production of certain raw materials such as cotton, have particular labour-intense stages. The global supply chain in the apparel and footwear sector is an important source of employment, especially for women who may face barriers to accessing paid employment. In 2019, the global textile and garment sector provided employment for approximately 91 million workers, of whom 50 million were women. Specifically in the garment manufacturing stage about 80% are women, making it the largest employer of women across all industries.[1]

The industry has great potential to positively impact millions of people, particularly women's lives. At the same time the global supply chain poses risks of challenging working conditions and a lack of labour rights, which have been well-documented in the industry. At Active Brands, we are committed to working only with supply chain partners who uphold high standard and addresses potential issues that may affect the well-being of people involved in making our products. It is our priority to ensure that everyone involved in the production of our products is treated fairly, which will benefit both individuals and our business relationships in the long run.

1 ILO "The state of the apparel and footwear industry: Employment, automation and their gender dimensions", January 2022

Our policies and framework – social & labour

At Active Brands, we prioritize the respect of workers' and human rights, and we have embedded this commitment in our policies and steering documents. These documents are approved by the board and operationalized through our internal functions, and we extend this approach to our business partners by identifying and managing risks and applying due diligence. Our key policies for ensuring we set clear standards towards our business partners and uphold responsible business practices include:

1. Supplier code of conduct: Our supplier code of conduct sets out our expectations for our business partners, including compliance with laws and regulations, labour standards, human rights, and environmental protection. We require all our suppliers to sign and adhere to our supplier code of conduct as a condition of doing business with us. The supplier code of conduct is founded on key recognized international frameworks, including the Universal Declaration of Human Rights, International Labor Organizations (ILO) International Labor Standards, UN Guiding Principles on Business and Human Rights and UN Convention on the Rights of the Child. The full code is published on our website. To strengthen our commitment to eliminating any form of corruption and underage labour from our value chain, we have developed sub-policies and standard operating procedures. These guidelines outline our strict requirements and approach to ensure that we maintain a high standard in these areas across our entire value chain.
2. Responsible business conduct policy: Our responsible business policy outlines our commitment to conducting our business in an ethical and responsible manner, including respect for human rights, fair labor practices, and environmental sustainability. We aim to continuously improve our responsible business practices, perform due diligence involving conducting risk assessments to identify potential negative impacts on people, society, and environment and to stop, prevent and reduce such impact. The measures put in place are monitored and their effect evaluated, as well as communicated to those affected by our actions. To steer our efforts in this area we rely on the OECD guidelines for corporate governance for multilateral enterprises.

In 2022, the Norwegian Transparency Act was enacted, and as of 2023, companies are required to publicly report on their efforts to ensure fundamental human rights and decent working conditions throughout their value chain. While Active Brands has been reporting on these areas for several years as part of their membership in the Ethical Trade Norway organization, we have taken additional steps to ensure full compliance with the Transparency Act. This includes a review of our internal steering documents and procedures, resulting in the introduction of our Responsible Business Conduct Policy and an updated materiality assessment that includes a deep dive into the risks throughout our value chain, as described in the first section of this report.

ETHICAL TRADE NORWAY

The Ethical Trade Norway organization serves as a resource center and driving force for promoting sustainable business practices that safeguard human and employee rights, society, animals, and the environment. Active Brands has been a member of Ethical Trade Norway since 2014 and publishes a yearly report on Responsible Business Practices, as required by all members. The report undergoes review and commentary by our Ethical Trade Norway contact person, who provides feedback and guidance on areas for improvement and focus. As a next step towards increasing transparency and communication around ESG-related challenges and accomplishments, we have replaced our Ethical Trade report with this report for 2022.
In addition to supporting our ESG communication and priorities, the Ethical Trade Organization offers several trainings and webinars throughout the year. They also organize working groups for specific topics and connect us with relevant organizations that possess expertise in those areas. In 2022, we have participated in trainings with Ethical Trade Norway on Due Diligence in the value chain and The Norwegian Transparency Act. We are also involved in the working group on Living Wage and challenges in Myanmar, which is further elaborated on in the section dedicated to Myanmar.

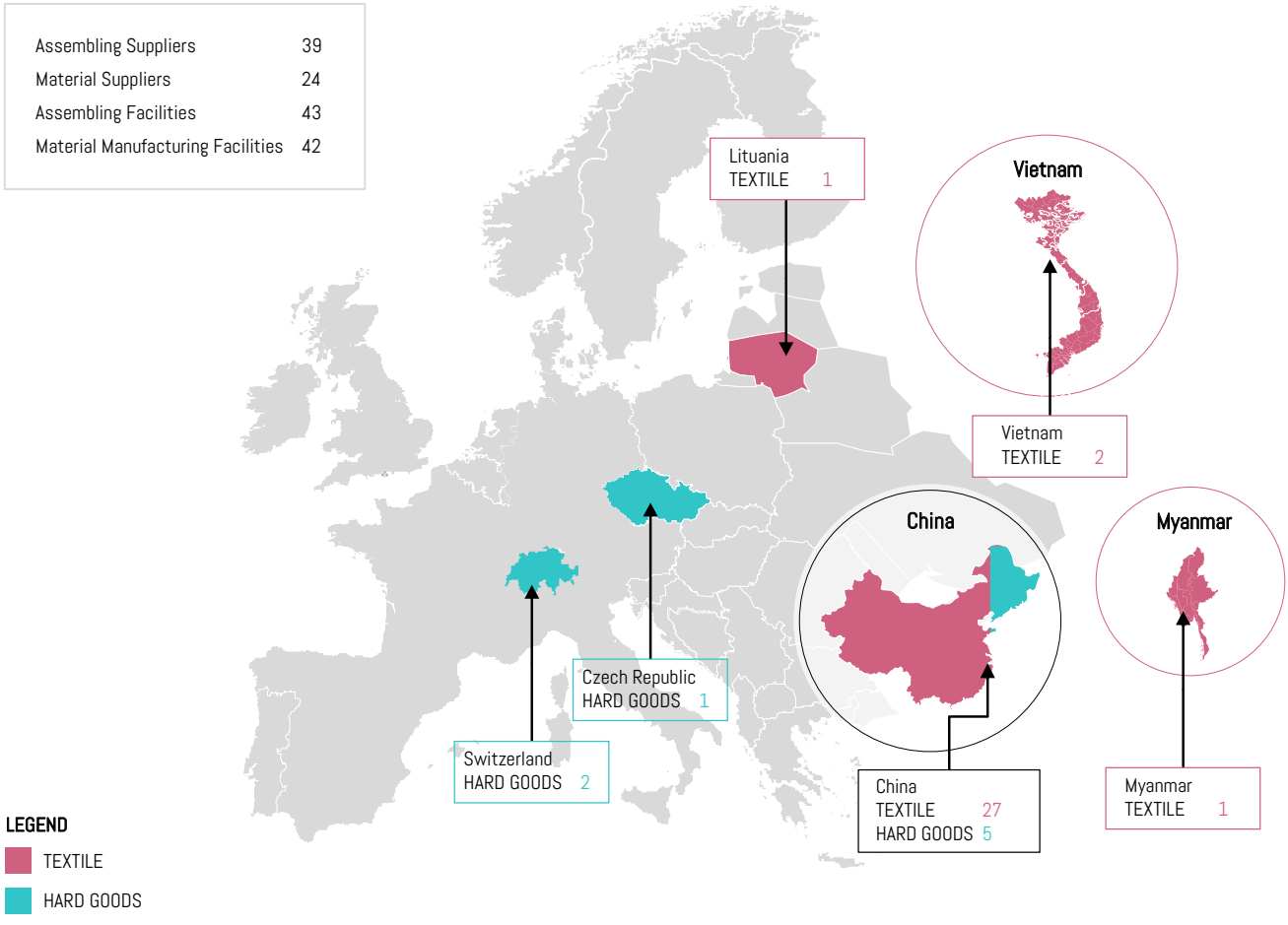
AMFORI

Amfori is a leading global business association for open and sustainable trade. They empower 2400 companies to operate as successful and sustainable businesses by helping them monitor and improve the social and environmental performance of their supply chain. This is achieved through a neutral and apolitical engagement environment that enables them to operate efficiently and responsibly. Active Brands has been members of Amfori since 2014 and we have been working on rolling out Amfori's Business Social Compliance Initiative (BSCI) standard among our supply chain partners. By 2022, over 80% of our business partners had enrolled in BSCI. The BSCI standard includes in-person audits that may be unannounced, semi-announced of fully announced and covers comprehensive review of 13 performance areas. All results, findings and status on required adjustments are available for linked business partners via the Amfori platform.
In addition to being an important tool for identifying challenges and assessing the social and environmental performance of our supply chain partners, Amfori is also a valuable resource partner that helps us stay up-to-date on local challenges and connects us with experts and peer companies that share our suppliers.

Supply chain transparency

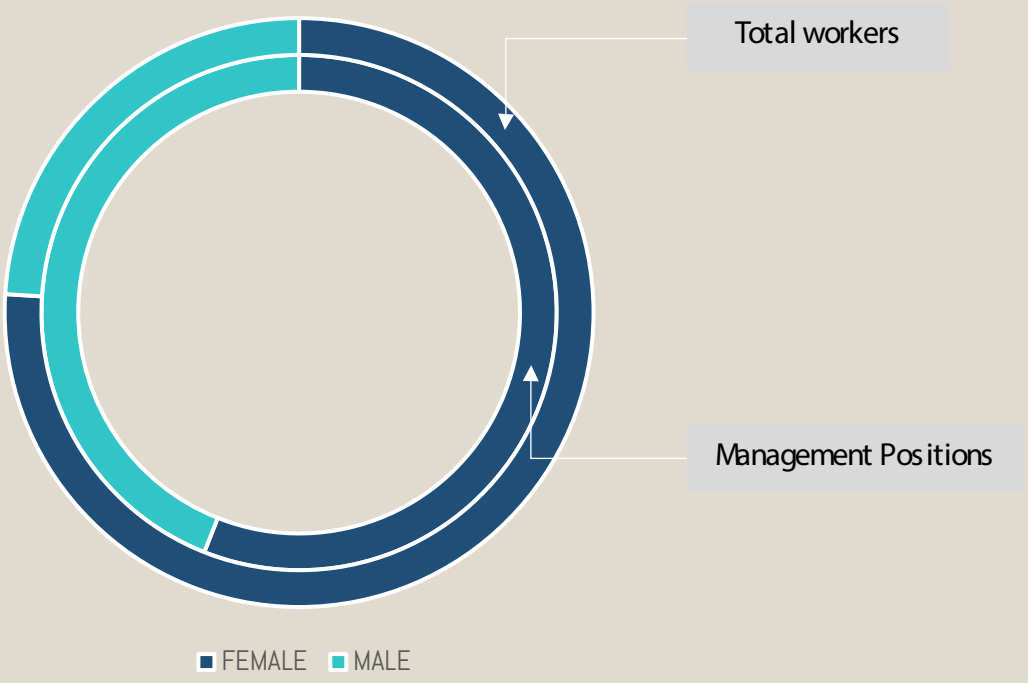
Knowing where our materials and products are made, including facility locations, is a prerequisite for both monitoring and improving social and environmental impacts of our operations. At Active Brands we don't own any of our manufacturing sites ourselves but have a direct relationship with selected manufactures representing 98% of our volumes. This relationship allows us to maintain transparency and accountability in our supply chain. In our sourcing office in Shanghai, we have a team of over 40 employees who are managing the daily contact and production tasks over the year. This team also follows up on both social and environmental areas with our suppliers and ensures our social and environmental standards are met in our supply chain. In addition to our direct relationship with assembling manufactures we are nominating the majority of our materials directly with the material supplier and have mapped over 80% of our material manufacturing facilities. We share the locations of all our key suppliers via Open Supply Hub and our assembling partners are also listed on our website.

Assembling Suppliers	39
Material Suppliers	24
Assembling Facilities	43
Material Manufacturing Facilities	42



We are working with a range of business partners in our supply chain, stretching from smaller facilities in Europe to large factories in Asia. In total, we have around 14,500 workers among the partners making our products. From suppliers where we are tracking the female:male ratio, which represents over 80% of our volumes, 76% are female and we find 56% females in management positions.

Female:Male in our supply chain



Responsible purchase practices

Our internal procedures and standards can have a significant impact on the companies we source from and, ultimately, on the lives of workers in the supply chain. Internal procedures are an area we have direct control over with the opportunities to ensure our own ways of doing business support our supply chain partners to follow and improve working conditions in their operations. Responsible purchase practices encompass a range of activities, including design and product development, planning and forecasting, management of critical processes, contracts, technical specifications, order placement and lead times, cost and price negotiations, payment terms as well as underlaying behaviors and principles in our relationships with our supply chain partners. By adopting responsible practices in all these interactions, we can support suppliers' abilities to plan production effectively, manage working hours, pay workers fairly as well as invest in improving labor conditions. This in turn has a positive impact on productivity, workforce turnover and resilience in the supply chain. Responsible Purchase Practices sit as a central part in our Responsible Business Conduct Policy, and we are taking steps to increase internal awareness of the trickle-down effects from our actions on the supply chain partners as well as building on the good routines we already have in place.

At Active Brands we have established and predictable purchasing routines that we clearly communicate to all our business partners. We have early conversations with our partners to discuss production capacity and forecasts for the season ahead. With the resources we have available in our sourcing office in Shanghai, we are able to keep a close eye on daily output during production. In cases of variability, we discuss options to adjust directly with the manufacturer. We always agree on lead times, payment terms and prices with our suppliers before production and engage in close dialogues and visits through the process. We rarely allow late minute changes and always aim to keep predictability in our order volumes and deadlines.

We have built a stable supply chain and when entering into new business relationships, our goal is always to make them long-lasting. In 2022, 93% of our business was with partners we have had for five or more years in our supplier portfolio. To be able to influence our supply chain partners' practices, we must be considered an important customer of theirs. This is closely linked to our portion of their production volumes, as well as the overall relationship. In 2022, 72% of our business was with partners where we represented 10% of their total production volume or more.

For the coming year, we have set on the agenda to increase internal training around Responsible Business Practices and increase the feedback from our suppliers on how they perceive our practices and overall relationship. We already have routines on vendor evaluation and cooperation meetings with suppliers where the sourcing team discusses performance related to key performance indicators at minimum twice per year.

How we follow up with our suppliers

Before entering a new supplier partnership, we have a rigorous process for evaluating how well the supplier would fit into Active Brands portfolio and live up to our minimum requirements, as well as contribute to reaching our upcoming targets. Alignment with our ESG requirements and goals are part of the initial evaluation process. Our ESG responsible person in the sourcing team conducts on-site visits and reviews available standards, strategies and certifications before we decide to include a new supplier. When considering sourcing from a new country, we perform a broader assessment of the status and risks related to human rights and environmental practices in that region. We prioritize working with suppliers who share our commitment to ethical and sustainable practices. During 2022, we did not enter into any new supplier partnerships.

A pre-requisite for all our supply chain relationship is agreeing to and following our Supplier Code of Conduct. Upon updates, the suppliers are always requested to re-sign the Code of Conduct and in order to underline the importance of compliance we are referring to this document in our purchase orders.

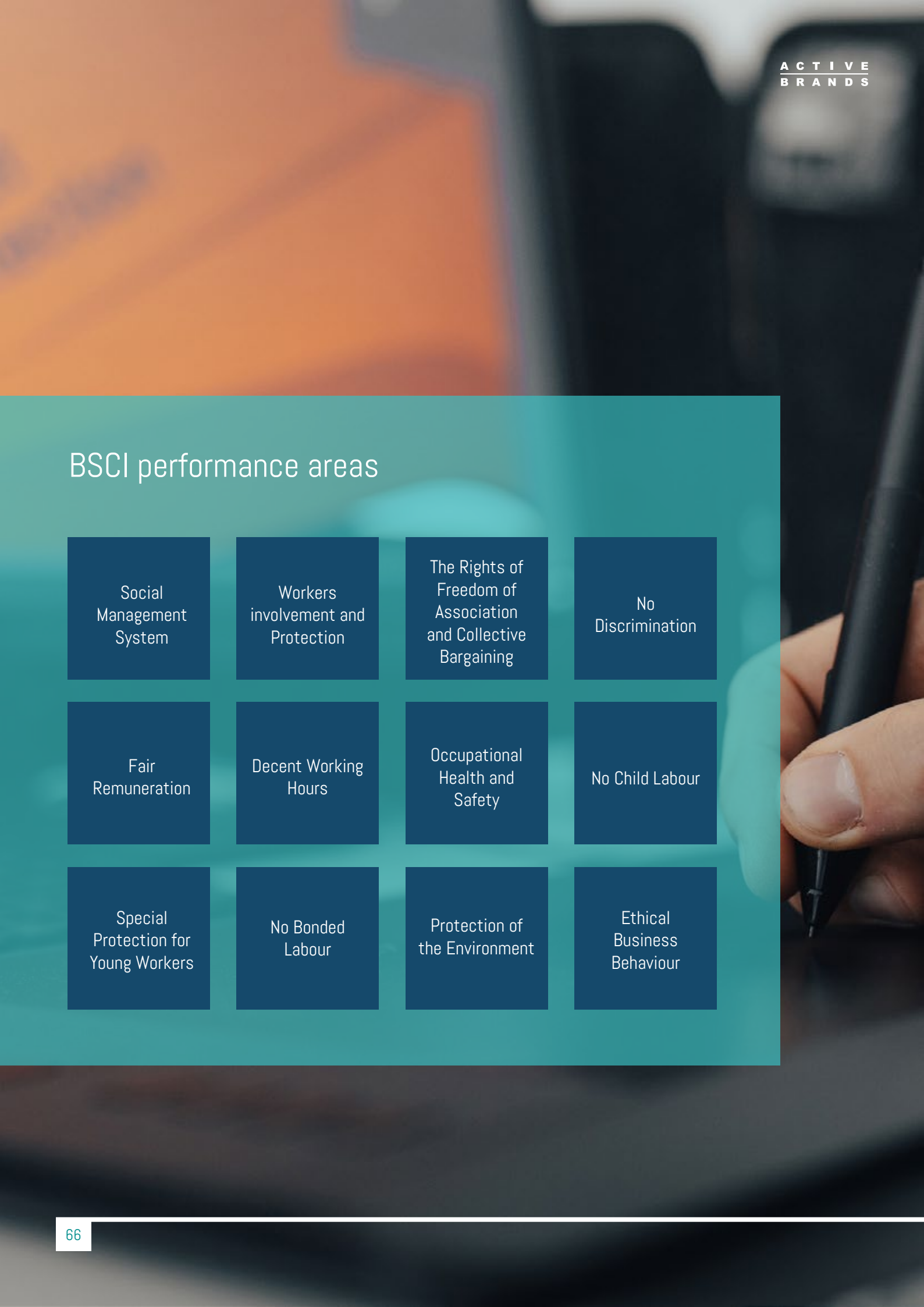
At Active Brands, we have a steadfast commitment to ongoing monitoring and improvement of the social and environmental impacts of our value chain. To achieve this, we conduct thorough third-party audits and internal on-site assessments with our direct supply chain relationships.

We also place a high value on fostering close dialogue with our supply chain partners. By understanding each other's perspectives, we can work together to support our manufacturers in defining and achieving continuous improvement in social and environmental areas.

However, we recognize that there are human rights risks that extend beyond our direct supply chain relationships. To effectively manage these risks, we identify the risks that pose the greatest severity and likelihood and explore possible remediation strategies and opportunities for our influence through stakeholder engagement and expert resources.

We integrate risk mitigation strategies into our steering documents, and we rely on established and recognized certifications to the extent possible or declaration forms to ensure compliance with our standards. Additionally, we aim to avoid sourcing from regions that we know involve high risks of human rights violations.

Through the Amfori BSCI system we are able to closely monitor supply chain performance in accordance with the BSCI standard. In 2022, 81% of our business volume was with suppliers who conducted a third-party BSCI audit where all passed at minimum an acceptable grading as a result of reviewing 13 different performance areas. Included in the standard are zero tolerance issues, where in case any of these would occur there's a direct reaction from Amfori to the responsible business partner for the supplier, who are also to alert other linked partners. Active Brands had no alerts on zero tolerance issues during 2022.



BSCI performance areas

Social Management System	Workers involvement and Protection	The Rights of Freedom of Association and Collective Bargaining	No Discrimination
Fair Remuneration	Decent Working Hours	Occupational Health and Safety	No Child Labour
Special Protection for Young Workers	No Bonded Labour	Protection of the Environment	Ethical Business Behaviour

To enhance our supply chain, we recognize the importance of setting high standards for our business partners, and also empowering the individuals within each organization to voice their concerns and drive positive change. We promote the creation of a formal workers' committee, comprising democratically elected workers, to facilitate collaboration between employees and managers. The committee would hold regular meetings with management to foster constructive dialogue and represent the workers, championing the issues that matter most to them. We have emphasized focus on workers committee in sourcing countries where trade unions and general freedom of association is not well established or accessible.

To monitor the status of workers' committees within our supply chain partners, we rely on the BSCI platform and engage with our partners as necessary. The BSCI assessment examines whether suppliers have set goals to protect their workers, in collaboration with them, and how effectively they involve workers in management practices. It also assesses their training and development programs to promote responsible business practices among all employees.

In 2022, 62% of our business partners have demonstrated excellent practices in involving workers in relevant social topics, while 19% have shown potential for improvement, and another 19% were not evaluated in this area during the year.

While creating an environment for allowing a social dialogue between workers and management is crucial for driving continued improvements, it's also important that workers have access to effective grievance mechanisms. A well-functioning system ensures a fair and credible process for addressing concerns, gathering information for due diligence, and serving as an early warning. In 2022, all our business partners assessed regarding their grievance mechanisms, covering 81% of our business volumes, had a functioning system in place. While a functioning system was in place, around one-fifth required improvements. These improvements ranged from enhancing the accessibility of the grievance system to actively engaging and encouraging workers to utilize it. While most business partners operated the mechanism independently, 35% linked their grievance mechanisms to an external operator.

Supply chain social & labour focus areas

Our process to map and evaluate salient social and human right risks and opportunities in our supply chain and with individual partners is performed via a multi facilitated approach which includes; visits, dialogues with key stakeholders and expertise organizations, self-assessments and audits. As outlined in the previous section, we have a strong focus on ensuring our supply chain partners have sound and functioning processes and systems in place to build a thriving working culture within their company, based on involvement and feedback systems.

To identify areas where our suppliers need improvement, we track the findings and remarks from social audits. In 2022, 291 findings or remarks were recorded, with 40% related to occupational health and safety. These ranged from workers' involvement in developing EHS policies to unclear PPE signs for workers. While there were no critical findings, we follow up on all remarks and findings through the BSCI continuous improvement system.
We are particularly focused on working hours and wages among our supply chain partners. Excessive overtime during high production periods is a challenge for some partners, although workers may also request it to earn more. There are also regional variations within sourcing countries on hours included in a standard working week. Experts recognized that overtime must be addressed by first addressing wages, and decent wages across our value chain are a priority. In 2022, we participated in working groups and seminars to increase our internal knowledge on this topic, which includes parameters such as bonuses, insurances, frequency and system of payment, and level of payment based on skills and experience.

To ensure consistent and sustained decent wages across the industry the preference would be to raise minimum wages, and ensure workers have sound representation and negotiating ability to realize collective bargaining agreements that meet their needs. We encourage our suppliers to consistently work on internal assessments and development to monitor their workers' wages. All the business partners assessed in 2022 paid at least minimum wages to their workers. In front of a BSCI audit they are encouraged to estimate the required living wage in the region, based on the Anker's living wage methodology.

Net Wage = Basic (Contracted) Wage + Cash Benefits + In-Kind Benefits – Mandatory
Taxes and Legal Deductions. Payment of overtime is excluded.

In 2022, we mapped our suppliers' current wages against the estimated living wage, based on a sample of workers' wages recorded during the BSCI assessments. Based on this, 13% of suppliers are currently paying above the calculated living wage. We remain committed to working with our suppliers to understand the root causes that can impact the final wages on the supplier level and improve wages for all workers in our supply chain.

Myanmar

Active Brands maintains a long-standing relationship with one supplier located in Myanmar. Following the military coup in February 2021, the country has been classified as high-risk in terms of human rights, in accordance with our Code of Conduct. We are carefully monitoring the situation and are engaged in ongoing discussions with our supplier to ensure that they are upholding our standards. In addition, we have conducted a thorough due diligence process to ensure that our supplier has no ties to the ruling military in Myanmar.

To further safeguard human rights in Myanmar, we consult with various NGOs, including Amfori and Ethical Trade Norway, as well as the Norwegian Ministry of Foreign Affairs. The factory we source from, Handa Garment, is shared with other European brands and is audited annually via our BSCI auditing scheme, while other customers of Handa are auditing their factory every second month. We also engage in ongoing dialogue with the factory between audits to ensure that workers' well-being is being protected as much as possible.

We have a clear policy of not initiating any new investments or business relationships in Myanmar. We are committed to maintaining high efforts to uphold human rights in the factory we are currently engaged with and are continually monitoring the situation in the country. Due to the unstable situation in Myanmar, our ability to perform heightened human rights due diligence may change quickly, and we regularly re-evaluate our presence in the country.

ACTIVE BRANDS

Appendix



Appendix 1: GRI index

ACTIVE BRANDS

Active Brands AS has reported the information cited in this GRI content index for the period 1 january-31 December 2022 with reference to the GRI Standards

GRI content index	Disclosure No.	Description	Page	Notes
GRI 2: General Disclosures 2021				
The organization and reporting practices	2-1	Organizational details	4,6,11	The new majority owners in 2022 are FSN Capital VI and Verdane Edda II
	2-2	Entities included in the organization's sustainability reporting	11	
	2-3	Reporting period, frequency and content point	4	
	2-4	Restatement of information		N/A
	2-5	External Assurance		No external assurance. The report is approved by the highest governance body and senior executive team
Activities and workers	2-6	Activities, value chain and other business relationships	11,15,62	
	2-7	Employees	53-54	Partly report 2-7b There are no significant variations in number of employees over the reporting period
	2-8	Workers who are not employees	62-63	
Governance	2-9a	Governance strucutre and composition	13	
	2-12	Role of the highest governance body	13,6	
	2-13	Delegation of responsibility for managing impacts	13	
	2-14	Role of the highest governance body in sustainability reporting	13,14,17,78	
	2-16a	Communication of critical concerns	56	
	2-17	Collective knowledge of the highest governance body	13	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	5	
	2-23	Policy Commitments	14,60,65-69	Link to RBC policy and COC: https://www.active-brands.com/code-of-conduct/
	2-24	Embedding policy commitments	57, 64-69	
	2-25	Process to remediate negative impacts	64-69	
	2-26	Mechanism for seeking advice and raising concerns	56,67	
	2-27	Compliance with laws and regulations		no significant instances of non-compliance with laws and regulations during the reporting period
	2-28	Membership associations	31-32,38,45,61	

Stakeholder Engagement	2-29	Approach to stakeholder engagement	17	
	2-30	Collective bargaining agreements		The company doesn't have signed union agreement but employees are members of unions and are not in any way restricted in engaging with unions
GRI-3: Material Topics 2021				
Material Topics	3-1	Process to determine material topics	15-16, Appendix 2-3	
	3-2	List of material topics	16, Appendix 2	
	3-3	Management of material topics	19-30,40-42,43-45,46-49,55-56,60,65-68	
GRI 205: Anti-corruption 2016				
Anti-corruption	205-1	Operations assessed for risks related to corruption		All suppliers where we have direct relationships have been assessed and are required to sign, agree with and follow our anti-corruption policy
	205-2	Communication and training about anti-corruption policies and procedures.	57	
	205-3	Confirmed incidents of corruption and actions taken		No reported or confirmed incidents during the reporting period
GRI 206: Anti-Competitive Behaviour				
Anti-Competitive Behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices		No legal actions raised during the reporting period
GRI 301: Materials 2016				
Materials	301-1	Materials used by weight or volume	34	
	301-2	Recycled input materials used	34,36	
GRI 302: Energy 2016				
Energy	301-2	Energy consumption within the organization	24	
GRI 303: Water and Effluents 2018				
Water and Effluents	303-1a	interactions with water as a shared resource	42	
GRI 305: Emissions 2016				

Emissions	305-1	Direct (Scope 1) GHG emissions	23-25	
	305-2	Energy indirect (Scope 2) GHG emissions	23-25	
	305-3	Other indirect (Scope 3) GHG emissions	23,26-30	
	305-4	GHG emissions internsity		Emissions per product produced: 544 kgCO2e/ product (Scope 3 divided by number of products included)
	305-5	Reduction of GHG emissions	23	
GRI 308: Supplier Environmental Assessment				
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental critera		No new suppliers were introduced during the report-ing period
GRI 403: Occupational Health and Safety 2018				
Occupational Health and Safety	403-1	Occupational health and safety management system	56,68	
	403-4	Worker participation, consultation and communication on occupational health and safety	56,68	
	403-5	Worker training on occupational health and safety	56	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	68	
GRI 404: Training and Education 2016				
Training and Education	404-2	Programs for upgrading employees skills and transition assistance programs	57,67	
GRI 406: Non-discrimination 2016				
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken		No reported incidents of discrimination during the reporting period
GRI 407: Freedom of Association and Collective Bargaining 2016				
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of associtaion and collective bargaining may be at risk	67,69	
GRI 408: Child Labor 2016				
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labour	34,65	Part of zero tolerance issues

GRI 409: Forced or Compulsory Labor 2016				
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsary labor	34,65	Part of zero tolerance issues
GRI 414: Supplier Social Assessment 2016				
Supplier Social Assessment	414-1	New suppliers that were screened using social critera		No new suppliers were introduced during the reporting period
GRI 416: Customer Health and Safety 2017				
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		No cases reported during the reporting period

Appendix 2: Material topics

ACTIVE BRANDS

MATERIAL TOPICS	DEFINITION	MATERIAL TOPICS	DEFINITION
BIODIVERSITY & LANDUSE	Impacts on biodiversity and ecosystems through changing habitats. Main areas related to landuse and monoculture related to farming and agriculture. Deforestation due to direct use of materials derived from forest or due to making land available for growing and farming raw materials.	HEALTH, SAFETY & WELLBEING	Internal employees' physical and mental well being as well as the health and wellbeing of workers in the supply chain by promoting safe and balanced work places.
CLIMATE CHANGE	Greenhouse gas emissions through the value chain linked to raw material extraction, manufacturing, material processing, product assembling, transportation use, end-of-life of products and own operations	FORCED LABOUR, UNDER-AGE WORKERS	Fairness of treatment and fair compensation for all workers in the value chain. Securing and managing no under-age workers
WATER POLLUTION	Water pollution during agriculture processes by use of for example pesticides, during material processing from dyeing and other wet processes or in the use phase via microfiber pollution and potential leak of unwanted checmicals.	GENDER EQUALITY & NO DISCRIMINATION	Possibility for all employees to be heard and represented with their voice. Promoting equality between gender, minority groups and age groups throughout the value chain
WATER USE & CONSUMPTION	Water consumption related to agriculture practices, especially in water scarce/stressed areas. Water use during material processing	FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	The right for all workers in the supply chain, as well as internal employees to have access to workers' representive groups, join unions and conduct collective bargaining on their important topics. Access to effective grievance mechanisms internally and in the supply chain.
CHEMICAL MANAGEMENT & POLLUTION (incl air emissions in addition to GHG emissions)	Chemicals used and substances which can potentially be released to the environment and/or expose people, during raw material production/ cultivation/extraction, material processing product manufacturing and use phase.	WORKERS & HUMAN RIGHTS INCL WAGES AND WORKING TIME	Protecting and tracking labour rights in the supply chain and supporting improvements on decent and fair wages, managing excessive overtime and securing human rights are met.
ANIMAL WELFARE	Animal welfare especially related to sheep, duck and goose farming securing the 5 freedoms of animals are respected.	ANTI CORRUPTION & INTEGRITY	Securing ethical sound business practices both internally and in external relationships, including the relationships of our business partners upstream and downstream suppliers.
WASTE & RECYCLING	Design and product construction choices reducing waste produced. Solid waste and sludge generated during material and product manufacturing. Single use packaging and excessive use of packaging. End-of-life solutions for products.		
MATERIAL & PRODUCT LONGEVITY	Design, construction and material choices contructions to long lived, high quality, products. High quality materials and quality assurance processes from raw material to final product stage. Guidance towards consumers enabling correct wash and care for products.		

Appendix 3: Assessment environmental

ACTIVE BRANDS

ENVIRONMENTAL MATRIX	BIODIVERSITY & LANDUSE		CLIMATE CHANGE		WATER POLLUTION		WATER USE & CONSUMPTION		CHEMICAL MANAGEMENT & POLLUTION (INCL AIR EMISSIONS IN ADDITION TO GHG EMISSIONS)		ANIMAL WELFARE		WASTE & RECYCLING		MATERIAL & PRODUCT LONGEVITY	
	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY
DESIGN , DEVELOPMENT, SOURCING	Medium	High	Medium	High	Medium	High	Medium	High	Medium	High	Medium	High	Medium	High	High	High
RAW MATERIAL EXTRACTION & PROCESSING	High	Medium	High	Medium	Medium	Low	Medium	Low	Medium	Medium	High	High	Area not assessed		High	High
MATERIAL PRODUCTION	Area not assessed		High	Medium	High	Medium	High	Medium	High	Medium	Area not relevant		Medium	Medium	High	High
ASSEMBLING			High	Medium	Low	Medium	Low	Medium	Medium	Medium			High	Medium	High	High
LOGISTIC, DISTRIBUTION AND PACKAGING	Low	Medium	Medium	Medium	Area not assessed								Low	Medium	Area not relevant	
OWN OPERATIONS (offices and stores)	Area not assessed		Low	High									Low	High		
SALES AND MARKETING			Low	Medium	Low	Medium	Low	Medium	Low	Medium	Low	Medium	Low	Medium	Low	Medium
USE			Low	Low	Medium	Low	Low	Low	Medium	Medium	Area not relevant				Medium	High
END-OF-USE/ LIFE			Low	Low	Low	Low	Low	Low	Medium	Medium			Medium	Medium	Area not relevant	

Appendix 3: Assessment people, social and labour

ACTIVE BRANDS

PEOPLE MATRIX	HEALTH, SAFETY & WELLBEING		FORCED LABOUR, UNDER-AGE WORKERS		GENDER EQUALITY & NO DISCRIMINATION		FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING		WORKERS & HUMAN RIGHTS INCL WAGES AND WORKING TIME		ANTI CORRUPTION	
	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY	RISK	OPPORTUNITY
DESIGN , DEVELOPMENT, SOURCING	Medium	Medium	Low	Medium	Medium	Medium	Medium	Medium	Medium	High	Medium	High
RAW MATERIAL EXTRACTION & PROCESSING	Medium	Medium	Medium	Medium	Medium	Low	Medium	Low	Medium	Low	Medium	Low
MATERIAL PRODUCTION	High	Medium	Low	Medium	Medium	Medium	Medium	Medium	High	Medium	Medium	Medium
ASSEMBLING	Medium	Medium	Low	Medium	Medium	Medium	High	Medium	High	Medium	Medium	Medium
LOGISTIC & DISTRIBUTION	Low	Low	Area not assessed				Medium	Low	Low	Low	Low	Low
OWN OPERATIONS (offices and stores):	Low	High	Area not assessed		Low	High	Low	Medium	Low	High	Medium	High
SALES AND MARKETING	Low	High	Area not relevant		Low	Medium	Area not relevant				Low	Medium

Reference list

KEY REFERENCES	LINKS
Environmental Performance index	https://epi.yale.edu/
Biodiversity Consultancy	https://www.thebiodiversityconsultancy.com/
polyamide production	https://oecotextiles.blog/2012/06/05/nylon-6-and-nylon-66/
Global Forest Watch	https://www.globalforestwatch.org/map/
Water Risk map - Aqueduct	https://www.wri.org/data/aqueduct-water-risk-atlas
CSR Risk Check	https://www.mvorisicochecker.nl/en/start-check
Textile Exchange material reports	https://mci.textileexchange.org/insights/
Transparency International's Corruption Perceptions Index (CPI)	https://www.transparency.org/en/cpi/2021/index/ssd
Global Slavery Index	https://www.globalslaveryindex.org/2018/findings/regional-analysis/
ITUC Global Rights Index	https://files.mutualcdn.com/ituc/files/ITUC_GlobalRightsIndex_2021_EN_Final.pdf
UNICEF, Percentage og children in employment	https://data.unicef.org/topic/child-protection/child-labour/
Gender Inequality Index	https://hdr.undp.org/data-center/thematic-composite-indices/gender-inequality-index#/indicies/GII
Global Gender Gap Index	http://www3.weforum.org/docs/WEF_GGGR_2021.pdf

ACTIVE BRANDS

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