ACTIVE BRANDS



ESG IMPACT REPORT 2025

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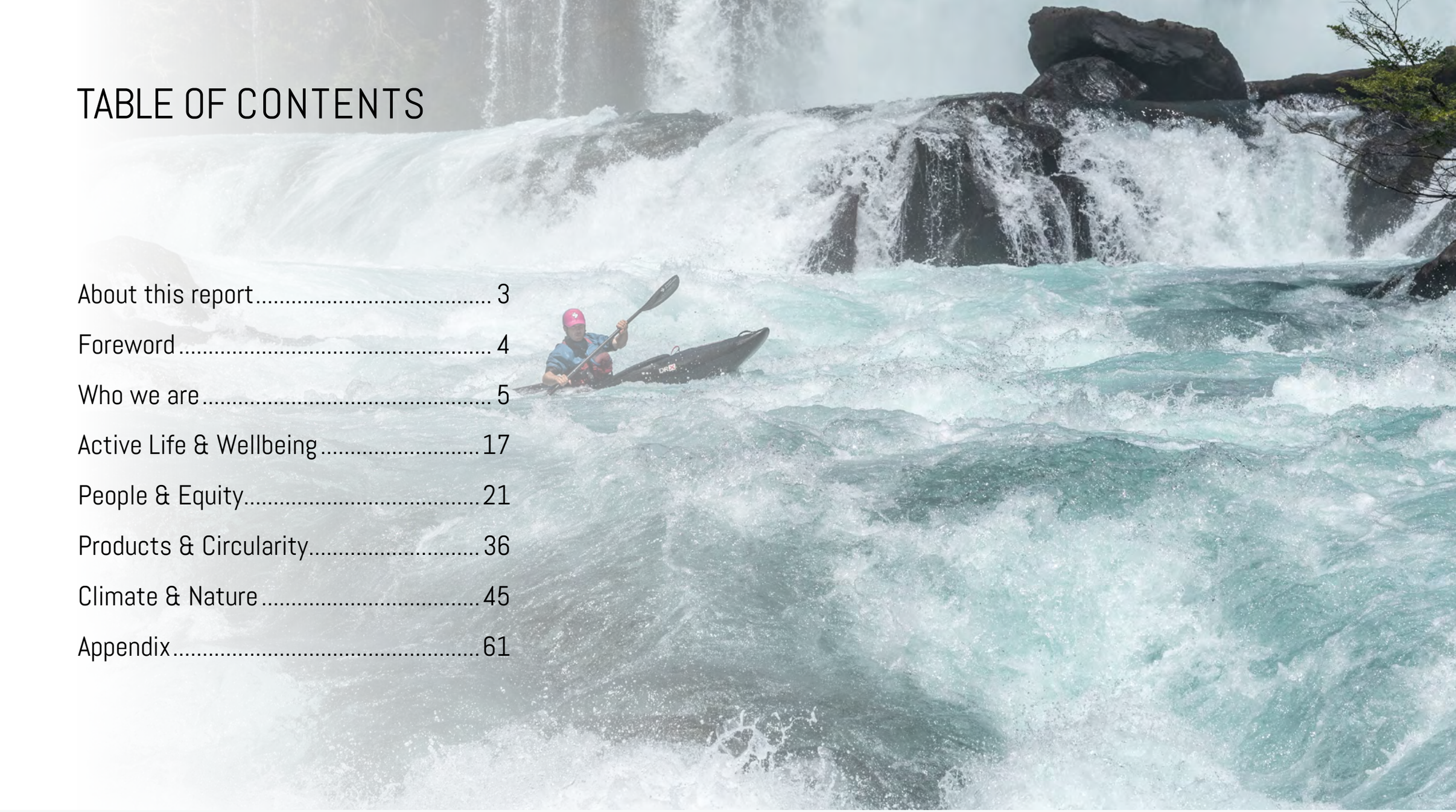
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About this report

This Environmental, Social and Governance (ESG) Impact Report outlines Active Brands' progress, priorities, and ambitions across our global operations in 2025. The report is prepared with reference to the Global Reporting Initiative (GRI) Standards (see Appendix 1). It reflects the actions we have taken, the challenges we have faced, and the commitments we continue to build on in our journey to drive positive impact for people and the planet.

The report covers our full operational footprint, from offices and retail stores to e-commerce, manufacturing, and logistics. It includes both performance outcomes and strategic direction. It captures the fiscal year from January 1 to December 31, 2025.

This report complements the Active Brands Financial Statement 2025 and applies to all entities within 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, Active Brands France SARL, House of Hygge AS (51%) Lillesetra AS (51%) and Akbran AS (51%).



Foreword

Dear Stakeholders,

As we enter 2026, the world around us remains unsettled. Geopolitical tension, economic volatility and a shifting regulatory landscape continue to put pressure on global business. At the same time, the environmental and nature-related pressures we face are not standing still. For companies like ours, that means we must manage the demands of today without losing sight of the direction we need to hold over time.

At Active Brands, our direction remains clear. We are building consumer-centric brands that create products people want to bring on their adventures, and products they can trust to perform in real conditions. That requires focus in our product portfolios, disciplined execution, and long-term investment in the value chain behind every product.

In 2025, we continued to strengthen relationships with long-standing manufacturing partners while also establishing new ones. This is helping us build a broader and more resilient supply chain, including options closer to our markets and stronger presence in countries where we have been less active in the past. We also saw encouraging progress in the adoption of renewable electricity across parts of our value chain, which is important in addressing emissions where our footprint is greatest.

We also made progress together with our manufacturing partners on social and labour topics. In particular, we saw positive development in occupational health and safety, an area that must remain a basic expectation in any responsible value chain. At the same time, we continued preparing for regulations that will reshape our industry in Europe. The political environment can make planning less predictable, but the direction of travel is clear. For us, this is not only about compliance. It is about being ready with better products, better data and more robust ways of working.

Internally, employee engagement reached its highest level to date in 2025. In a demanding market, that reflects the culture our people continue to build across brands, functions and markets. It gives us the energy to improve, the discipline to stay focused, and the ability to keep moving forward together.

Our mission remains the same: to inspire an active lifestyle in the outdoors for professional and everyday athletes through our brands. That mission depends on healthy nature, trusted relationships and products that deliver real value. We are not where we want to be in every area yet, but we are moving with clear priorities and a long-term mindset. That is how we will continue to build a business that is relevant, responsible and resilient.

Øystein Bråta
Chief Executive Officer, Active Brands



Who we are

Active Brands was founded in 2009 to serve as a platform for incubating and accelerating 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. Rooted in Norway, we develop products for real conditions, with respect for nature and the people who depend on it.

Our largest product category is textiles, ranging from accessories such as socks and beanies to base layers and outerwear, including down jackets and technical shells. In addition, parts of our portfolio focus on hard goods such as skis, poles, helmets, protection, and eyewear.

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

In late 2025, a new brand joined our brand portfolio, House of Hygge, a Hemsedal-based outdoor lifestyle brand with a mission to give people a pause from everyday life.

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 over 100-years history and supplier of choice for polar explores.
BULA	Captain of accessories in the Nordics with an attitude and lifestyle to inspire the good life.
PARTNER PROGRAMS	Co-developed brands with selected partners, offering affordable sportswear and activewear. Includes Pilago (unisex for the whole family) and Bounce (women-focused comfort).
vossatassar	Brand born in Voss making colorful clothing for active kids
HYGGE	Deeply rooted in skiing, Hygge® is a full range brand of high quality and durable products keeping you warm in terms of personal climate and cool in terms of personal image.





Our purpose

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



Our mission

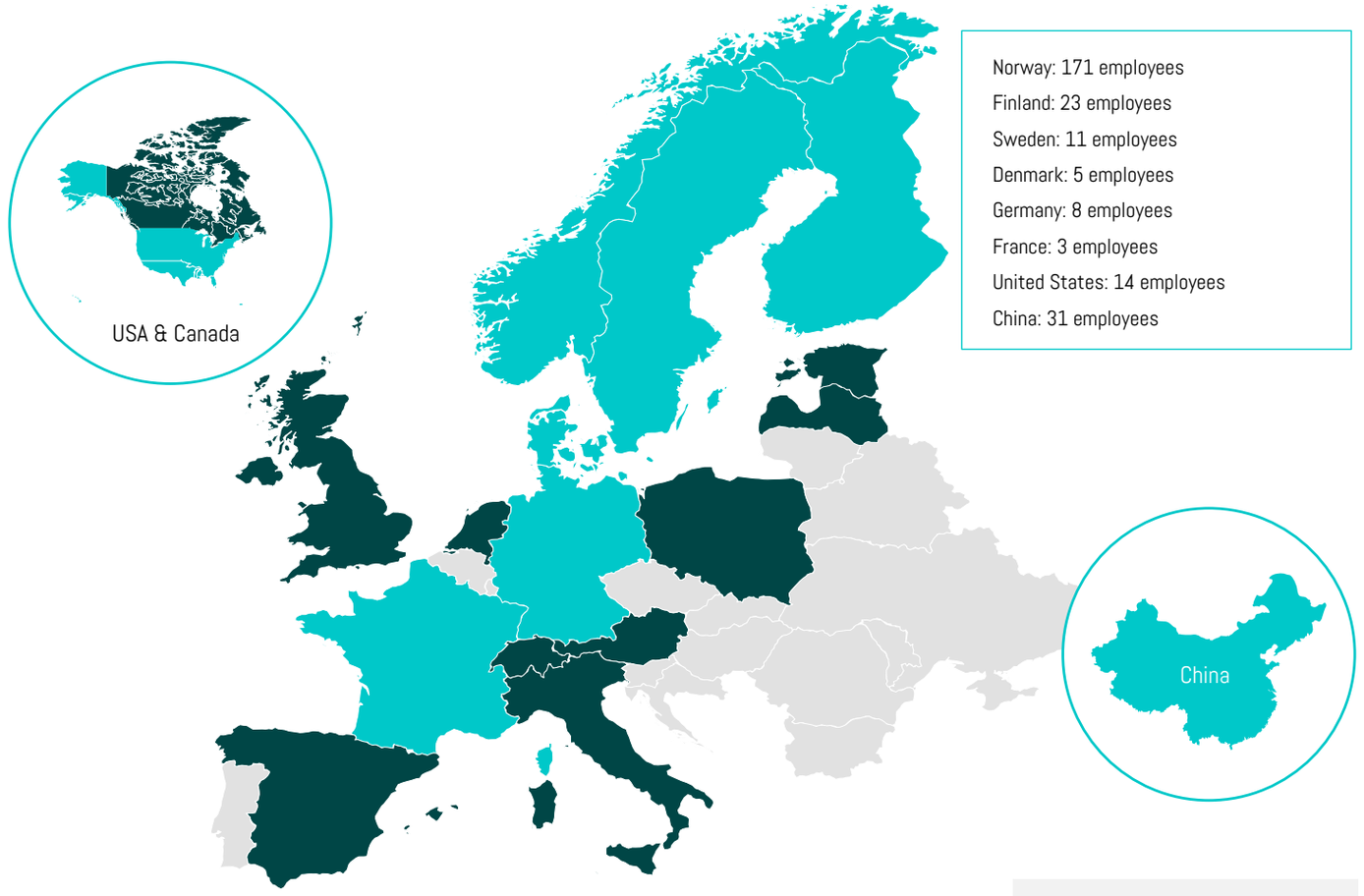
Active Brands acts as the platform for incubating and accelerating strong and sustainable outdoor sports brands into global leaders.

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 corporate functions are located. Our hardgoods product design and development teams are also located in Trysil and Voss. Other functions, such as customer service, are also based there.

In addition to our Norwegian offices, we have a location in Colorado, serving both the US and Canadian 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 our products and material manufacturing are conducted by third parties, mainly located in Asia, with some parts in Europe. Our key markets are the Nordics, US and Canada, and the DACH region, where we provide our products via distributors, own e-com, and own stores.



Norway: 171 employees
Finland: 23 employees
Sweden: 11 employees
Denmark: 5 employees
Germany: 8 employees
France: 3 employees
United States: 14 employees
China: 31 employees

Active Brands offices
Includes HQ, regional functions, sourcing office, and sales offices.

Markets served
Includes direct sales, distributors and agents.

Sold in 54 markets
Ecom in 34 markets
Own stores in 3 markets (NO, SE, FI)

Our approach

At Active Brands, we believe great products come with great responsibility. Our ESG work is about taking action where it matters most, and where we can have real influence, across climate and nature, products, people, and wellbeing. It is also about long-term business resilience. Our brands depend on trust, stable supply chains, and healthy outdoor environments.

We concentrate our efforts where our footprint is largest and where our decisions can make a measurable difference. For us, that is mainly our value chain, including raw materials, manufacturing and logistics. We prioritize long-term improvements, and we aim to be transparent about what is working, what is not, and where we still lack data.

Our direction is set through our ESG Strategy 2025–2030 and acted upon through an annual ESG Action Plan. We prioritise based on two perspectives, our impacts on people and planet, and what affects Active Brands.



ESG framework

Our ESG framework turns ambition into day-to-day decisions. It is built on a clear principle, common standards, and shared ownership across the company.

Our principle: We work to create responsible, long-lasting products and a resilient business. We do this by supporting human potential, and by taking responsibility for our impacts on the planet.

Four pillars that guide priorities and reporting

- Climate & Nature
- Products & Circularity
- People & Equity
- Active Life & Wellbeing

How we work

We prioritise based on two perspectives, our impacts on people and planet, and what affects Active Brands. We focus on where impacts are largest and where the risks and opportunities for the business are most significant. We track progress through shared KPIs and targets. Actions are translated into an annual ESG Action Plan aligned with business planning, so priorities, timing and follow-up are clear. We aim to use verified data where possible, including third-party certifications, audits and independent schemes. We also work through partnerships and industry collaboration to strengthen due diligence, raise standards and help drive change beyond our own operations.

This framework helps us stay practical and consistent, while raising ambition over time as data quality, tools and supplier capabilities improve.

PILLAR	NON-NEGIOTIONABLES	OVERALL TARGET	
CLIMATE & NATURE ACTION	We take Climate Action and aspire towards a positive impact in our value chain.	Net-zero in our full value chain by 2050. Follow a 1.5°C pathway for 2030 →SBTi approved. Strengthen water stewardship & nature resilience	→ CLIMATE → WATER → BIODIVERSITY
PRODUCTS & CIRCULARITY	We create products that are durable by design, responsible in materials – and kept in play.	Verified lower-impact materials scaled across all product lines; repair & care available in every key market, circular design in every product by 2030.	→ DESIGN FOR LONGEVITY → RESPONSIBLE MATERIALS → CIRCULAR MODELS
ACTIVE LIFE & WELLBEING	We encourage and empower people toward improved physical and mental health – at work, in sport, and in nature.	Be among the most attractive places to work in the sporting goods industry; lead in engaging people toward a healthier, more active lifestyle.	→ COMMUNITY & MARKET ACTIVITIES
PEOPLE & EQUITY	We support and protect human rights and advance equity across our value chain.	Raise the bar via industry collaboration; ensure sound social & labour conditions via approved 3rd party standards; improve safety, worker voice, and fair pay.	→ PEOPLE IN OUR SUPPLY CHAIN → PEOPLE IN OUR OWN OPERATIONS → DIVERSITY, EQUITY, INCLUSION IN OUR BRANDS

Governance structure

Driving progress on ESG requires engagement and accountability. At Active Brands, ESG is embedded into how we operate, as a shared responsibility across the organisation.

Our ESG Manager reports to the Chief Operations Officer (COO), ensuring alignment at the executive level. ESG is anchored in the Operations team, with close collaboration across Product Design and Development, Sourcing, Logistics, HR and Finance. Each function is responsible for integrating ESG priorities into its day-to-day decisions and delivery.

Sourcing and supply chain related ESG topics are led by our Sourcing Director, working closely with the ESG Manager. A dedicated ESG representative within the sourcing team supports hands-on follow-up with suppliers.

Each brand's General Manager holds accountability for brand-level ESG outcomes. Progress is followed through targets and KPIs, and discussed in leadership forums to ensure focus on key risks, opportunities and trade-offs.

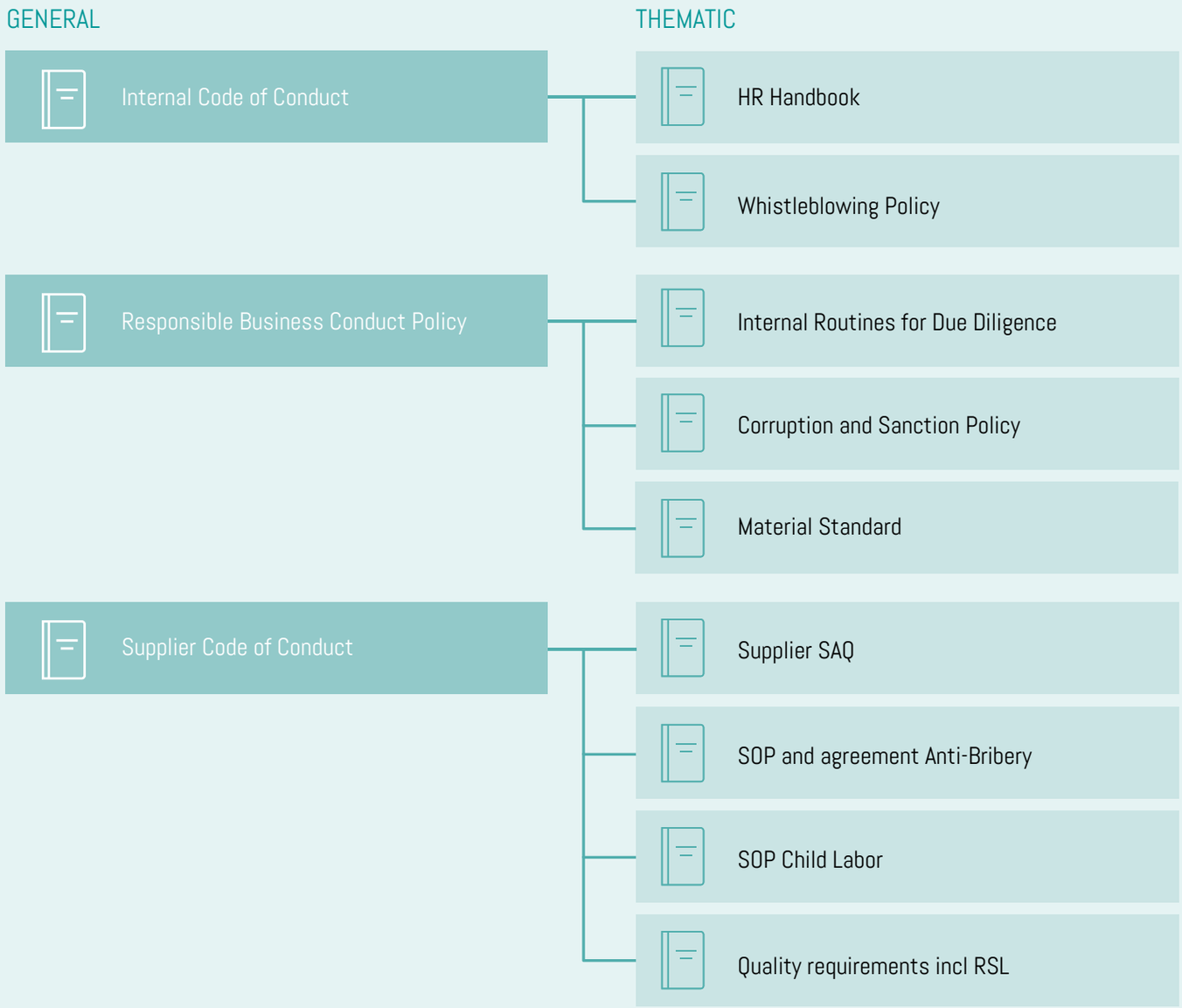


Policies and standards

Our commitment to responsible business conduct is anchored in our steering documents for both internal employees and external business partners. We are committed to acting ethically throughout our business and to consider this in our decisions and actions.

All key steering documents are approved by the Board. They are implemented through communication and training, and used in our due diligence assessments. Our policies and standards cover both how we conduct business, and the minimum requirements we set for our business partners.

In 2025, we made only minor updates and adjustments to existing documents.

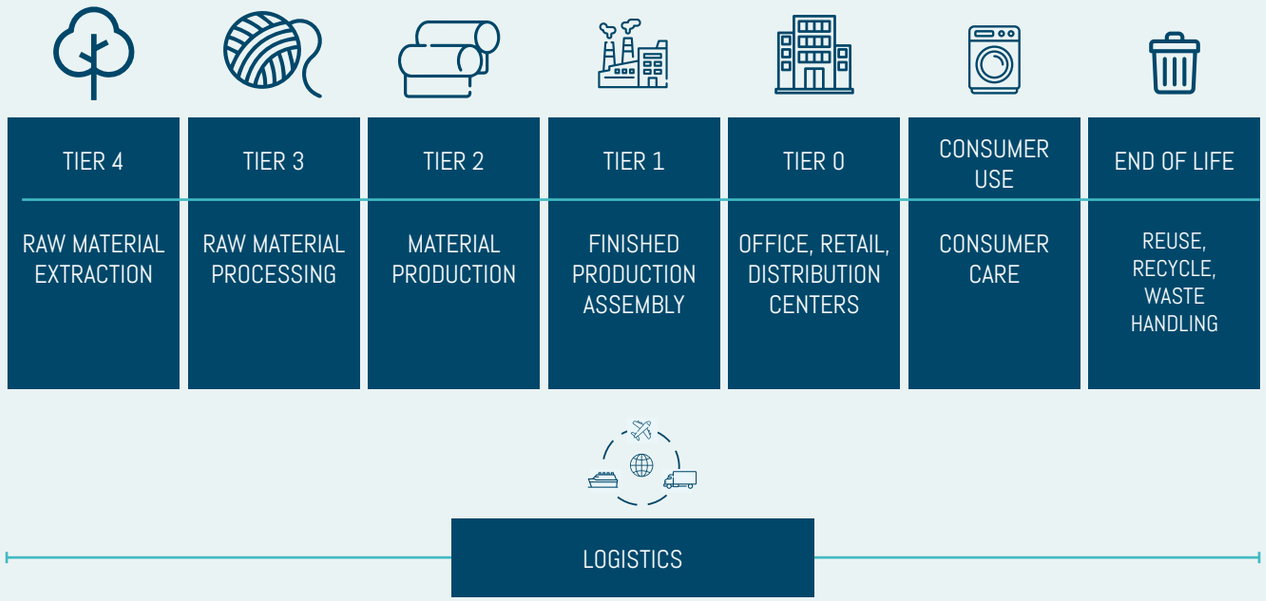


Identifying social and environmental material topics

Understanding where and how we impact people and the planet, and where we in turn are affected, is central to how we prioritise and act. This includes our full value chain, from raw material extraction to end-of-life, with logistics connecting each stage. We consider impacts from an inside-out perspective and risks and opportunities from an outside-in perspective.

In 2024, we completed our first double materiality assessment, aligned with the European Sustainability Reporting Standards (ESRS) and the CSRD framework as they stood in 2024. During 2025, we did not conduct a new assessment, but we continued refining and using the results to guide our ESG Strategy 2025–2030, targets, KPIs and annual planning. Following the European Commission's Omnibus simplification package presented in February 2025 and the subsequent EU agreement to narrow the CSRD scope, Active Brands is no longer in scope for CSRD. We still consider the double materiality assessment a useful exercise to keep our efforts focused on what matters most.

A slightly longer description of how the assessment was conducted is included in the 2024 ESG Impact Report.



A high-level overview of our value chain, spanning from raw material extraction to end-of-life. The illustration outlines key production tiers (Tier 4 to Tier 0), consumer use, and post-use stages, with logistics connecting all phases across the lifecycle.

Stakeholder voices at the core



We see stakeholder engagement as essential to our ESG work and decision-making. We define stakeholders as individuals, groups, or entities who are affected by, or have the ability to influence, our operations. Ongoing dialogue helps us stay responsive to expectations and supports more informed decisions.

Stakeholder engagement helps us test assumptions, understand expectations, and adjust priorities over time. We use a mix of direct input, such as surveys, meetings, trainings, workshops and supplier dialogue, and external sources, such as risk benchmarks and expert reports.

The table below summarises our main stakeholder groups and arenas for engagement. We also treat nature and future generations as silent stakeholders, using independent data to reflect impacts that are not captured through direct dialogue.

EMPLOYEES Bi-weekly pulse survey, internal meetings, trainings and workshops

OWNERS ESG as a topic in every board meeting (minimum quarterly), feedback and discussion on priorities

CUSTOMERS AND CONSUMERS Key customer dialogue (informal and formal), surveys and reports, consumer excellence team, focus groups

REGULATORS Industry organisations, supplier and customer dialogue, official government resources

NGOS, INDUSTRY INTEREST GROUPS AND PEER COMPANIES Multi-stakeholder networks and organisations, peer collaboration, advice and feedback on priorities

SUPPLIERS AND SUPPLY CHAIN WORKERS Direct factory dialogue, audits, grievance mechanisms, worker interviews, workers' rights organisations

NATURE AND FUTURE GENERATIONS (SILENT STAKEHOLDERS) Independent research, impact and risk data, science-based assessments

Our material topics

The topics below reflect the areas identified through our double materiality assessment as most significant across our value chain, where our impacts are largest and where we face the most important responsibilities, risks and opportunities. They form a foundation for our ESG strategy, goal-setting and resource allocation.

A more detailed overview of selected material topics, related mitigation actions, and short-term focus areas is included in Appendix 2. The appendix builds on our 2024 double materiality assessment, as refined and applied in 2025, and is aligned with our ESG framework and ESG Strategy 2025–2030.

Climate change

Most of our emissions sit in the value chain, driven by materials, manufacturing and logistics. This means our operations have a direct contribution to global warming, which we have a responsibility to address. It also creates risks as expectations and regulation tighten, and as the effects of global warming become more tangible year after year across our value chain. This pushes us to improve efficiency and innovate for long-term resilience.

Pollution

Textile production can be chemical-intensive. If chemicals are not managed properly, this can lead to pollution, particularly in dyeing and finishing. Strong chemical management helps protect people and ecosystems, and supports compliance with legal and customer requirements.

Water

Water is used across our value chain, from cultivation to wet processing, and the impacts vary by region and season. In water-stressed areas, high water use and inadequate wastewater treatment can increase local pressure and raise supply risks over time. Strengthening water stewardship with suppliers is therefore part of how we reduce impacts and build resilience.

Biodiversity and ecosystems

Biodiversity risks can occur across our value chain, from raw material extraction to material and product manufacturing. They are linked to land use, water consumption, chemical and microplastic pollution, and greenhouse gas emissions. In a global biodiversity crisis, we need to understand where these risks sit, and prioritise actions that reduce harm and, where possible, support more resilient ecosystems over time.

Resources and circular economy

Resource use and waste occur across our value chain, from raw material extraction, production and end-of-life. Recycling infrastructure is still limited, both in many production countries and in our key markets. This increases the likelihood that products and materials end up as waste, while also creating compliance pressure and business opportunities as circular requirements grow.





Own workers

We are responsible for providing a safe, fair and inclusive workplace, with respect for employee rights and wellbeing. This includes a healthy work environment, equal opportunities, and a culture where people can speak up and develop. How we treat our own workforce also matters for the business. It influences engagement, performance, and our ability to attract and retain talent over time.

Workers in the value chain

Production is carried out by suppliers, but our purchasing practices influence working conditions, wages and labour rights, especially in higher-risk regions. Strong due diligence and responsible sourcing help protect workers, and they also support quality, stability and long-term supplier relationships.

End users and consumers

For our brands, trust is strengthened through safe products, responsible ways of handling customer data, and clear, consistent experiences over time. Clear, honest information helps people make informed choices, and it reduces the risk of misunderstandings and weak claims. Getting this right supports brand loyalty and helps manage regulatory and reputational risk over time.

Business conduct

How we conduct business shapes trust and long-term value. Strong governance, anti-corruption practices, responsible supplier management and safe reporting channels help prevent harm and ensure we act consistently across markets and the value chain.

Active Life & Wellbeing



Many of our brands share a clear purpose: to get more people outside, strengthen communities, and make it easier to challenge yourself in nature, whether that means pushing your limits or simply exploring. With deep roots in Norway, shaped by mountains, fjords and changing seasons, we see first-hand how outdoor life can support both physical and mental well-being.

This pillar covers how we encourage and enable active, healthy and inclusive lives through our brands, communities and partnerships. We use three guiding principles for brand-led initiatives in this pillar: inclusion and access, respect for people and nature, and authenticity and relevance. Initiatives should lower barriers to participation, be grounded in each brand's identity, and be built for lasting value.

In 2025, this chapter highlights selected brand initiatives focused on community engagement and role models, including Kari Traa, Åsnes and Dæhlie.

2025 highlights across our brands

Kari Traa: community-led spaces for women

Kari Traa's work on active life and wellbeing is anchored in women's empowerment and inclusive outdoor communities. In 2025, the brand used local partnerships and events to create welcoming spaces where women and girls can move, learn, and meet others.

In Norway, Kari Traa partnered with the Norwegian Cancer Society around breast cancer awareness. Through the Pink Power Club, the brand hosted 10 open Urban Training sessions to build momentum towards the Pink Ribbon Run in October. Participants were encouraged to wear pink to show support. In Innsbruck, the brand launched the Pink Girls Club, a no-pressure running group for women, created together with two ambassadors. Kari Traa also continued partnerships that lower barriers to participation, including the collaboration with Hanan Abdelrahman to invite women from diverse backgrounds into outdoor life as a way to build belonging and connection.

Across winter communities, the brand supported women's confidence and progression in sport. This included sponsorship of Grl Shred in Norway, engagement with Skisisters in the DACH region, and a Kari Traa Session during Denmark's Bungee Breakers Open, designed to help participants step outside their comfort zones, learn new skills, and cheer each other on.

In North America, Kari Traa continued to invest in community building through Girl, Get After It, where the brand was the title sponsor and supported 30+ events across 20+ cities. The brand also continued partnerships linked to women's health and outdoor access through Tits Deep for Breast Cancer and SheJumps, combining events, financial support and product donations.



Kari Traa joins It's Great Out There (IGOT)

In 2025, Kari Traa became a member of It's Great Out There (IGOT), a European non-profit organisation focused on getting more people active outdoors. IGOT connects outdoor brands with community organisations and supports grassroots projects that deliver Outdoor Activity Days across Europe, with a focus on accessibility, inclusion and safe experiences in nature. For Kari Traa, the membership strengthens the link between brand-led community work and local partners across Europe.

Åsnes: partnership with The Polar Academy

Åsnes supports The Polar Academy, a Scottish charity founded by Craig Mathieson. The Academy works with young people who have experienced trauma or mental health challenges, helping them build self-belief and become positive role models through respect, dignity, connection and kindness.

Åsnes have partnered with The Polar Academy since 2016, together with several other Norwegian brands. Each year, a small cohort is selected for a focused training and leadership programme that culminates in a self-supported expedition in Greenland and Finland. The aim is to build resilience and confidence, and to strengthen the participants' ability to contribute to their own communities.





Dæhlie: Team Aker Dæhlie

Dæhlie supports Team Aker Dæhlie, a private cross-country skiing team established by Aker ASA and Dæhlie Sportswear. The initiative was created to strengthen equal opportunity in the sport, and to give athletes better support to stay in skiing longer and develop further.

The team brings together athletes across disciplines, including Ski Classics, FIS and para cross-country, alongside younger athletes. Its approach is deliberately holistic, combining athletic development, athlete health and structured career guidance. Through this set-up, the team aims to build strong role models and make the sport more inclusive, both on and off the tracks.



People & Equity



People are central to our business, in our own teams and across our value chain. We work to protect rights, support safe and fair workplaces, and strengthen equal opportunities.

This chapter covers both our employees and the workers in our supply chain. In our own operations, we focus on culture and development, and on clear routines for continuous feedback, so we can keep improving. In our supply chain, we use risk-based due diligence to identify and address labour risks and strengthen how we work with suppliers over time.

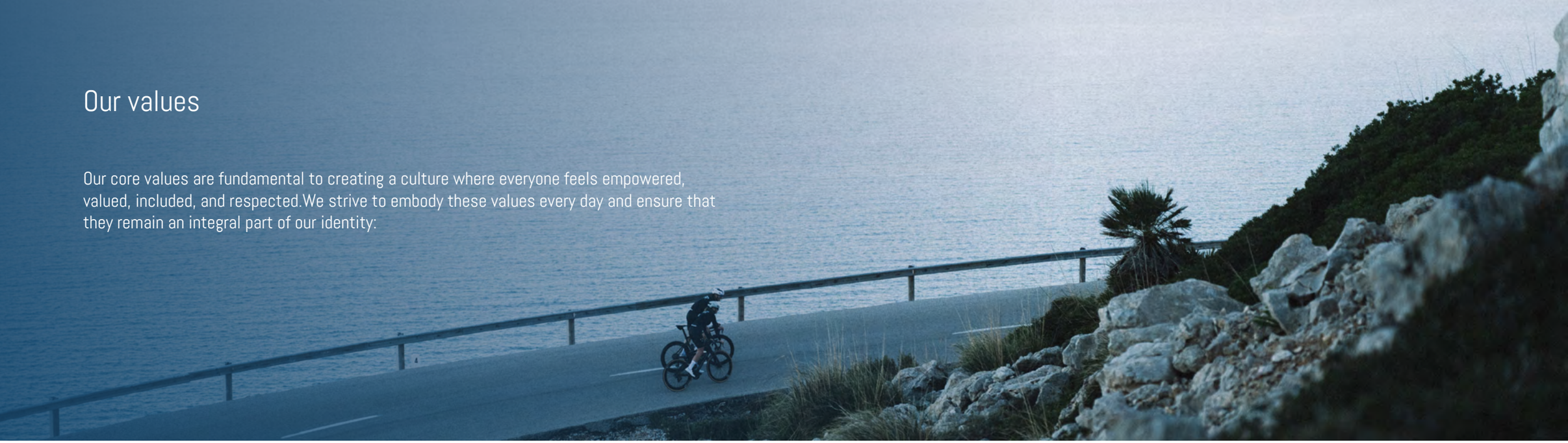


Our people

Our people shape our brands, products, and everyday decisions. We want a workplace and culture where people feel empowered, valued, included, and respected, and where everyday dialogue helps us develop and improve.

We use our coaching and development framework (ACT, Ambition, Collaboration & Targets) to support regular check-ins, development conversations, and goal setting. Our Internal Code of Conduct and HR Handbook set expectations for ethical behaviour, fair working conditions, and workplace rights across all roles and locations.

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 ensure that they remain an integral part of our identity:

We serve and inspire the professional and everyday athlete.

We seek sustainable innovation.

We are one team, chasing gold medals.

We act professionally and are serious about having fun in the process.

We dream big for our business, ourselves and as a team.

We have integrity in everything we do.

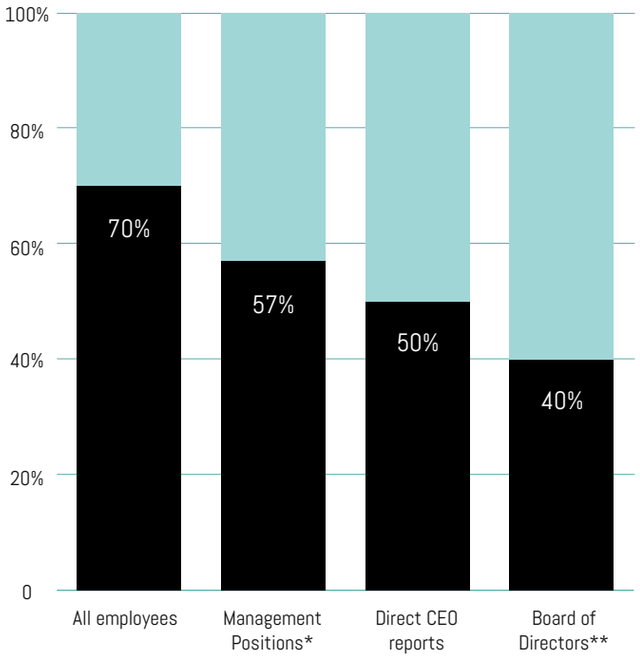
Our employee statistics

At the end of 2025, our global team was 265 employees, representing 232 FTEs.

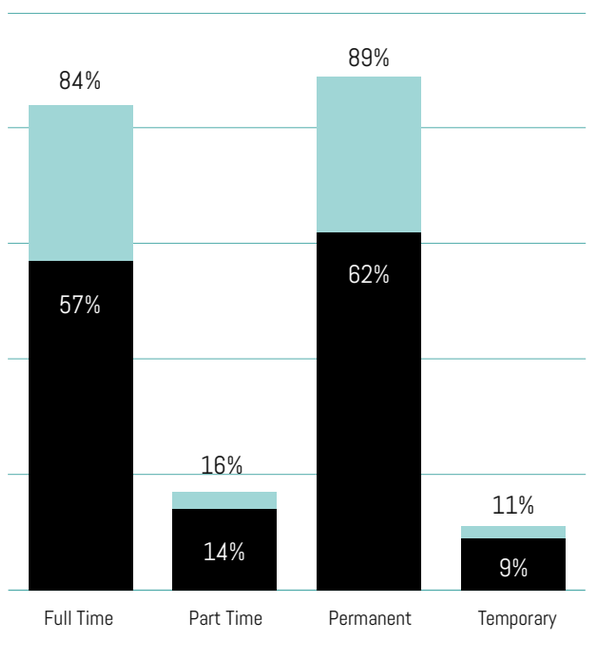
Women represented 70% of employees across the company. In Active Brands AS, women held 57% of management positions and 50% of direct CEO report roles. The Board of Directors for Active Brands AS was 40% women and 60% men. (See employee statistics charts for details and definitions.)

Most employees worked full time (84%) and on permanent contracts (89%). Our largest age group was 30–50 (60%), followed by employees under 30 (26%) and over 50 (14%).

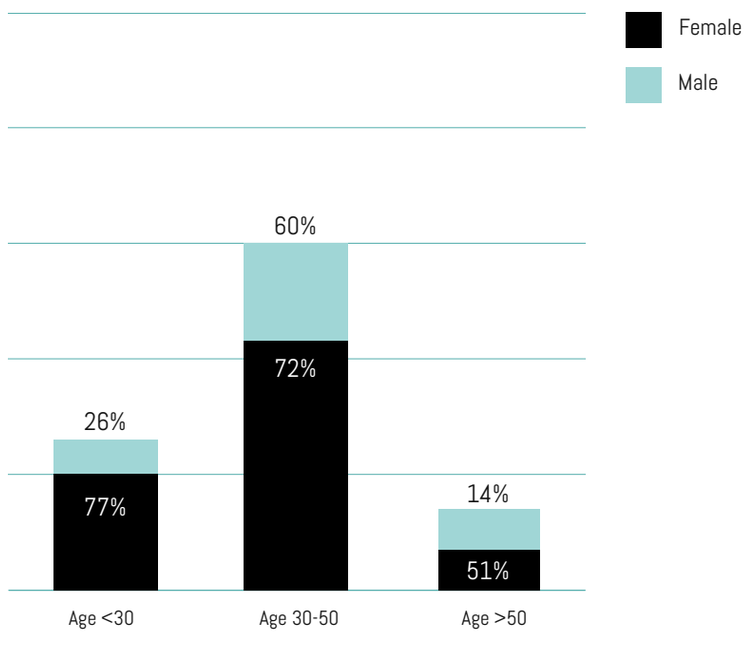
Gender Distribution in the Organisation



Contract Type and Gender Distribution



Age & Gender Distribution



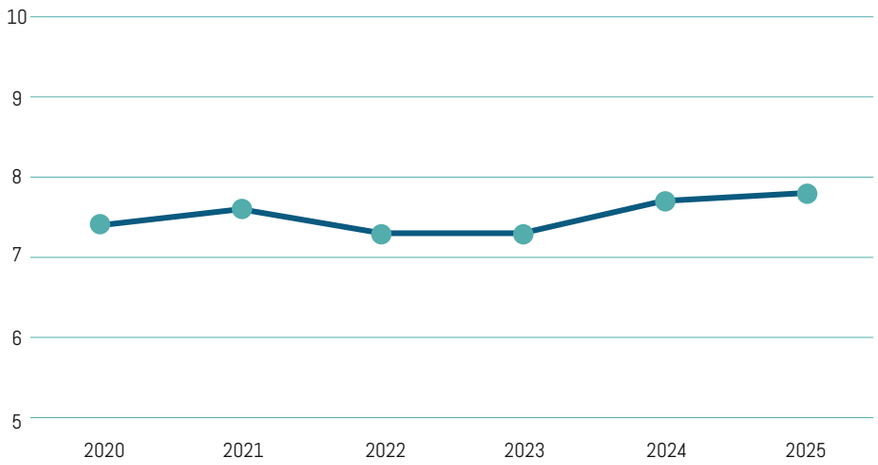
* Refers to Managers in Active Brands AS
** Refers to Board of Directors for Active Brands AS

The pulse on internal engagement

We use short pulse surveys every two weeks. They help us spot issues early and decide where to focus.

In 2025, our Employee Temperature Score was 7.8. We use the findings as input to dialogue in teams and to focus improvement efforts where they matter most for culture, collaboration, and well-being.

Employee Temperature Score





Whistleblowing

We have a separate whistleblowing policy linked to our Internal Code of Conduct. It outlines how employees can report concerns related to unethical behavior or other serious issues. We also offer a digital and anonymous whistleblowing channel through our Winningtemp platform.

Social crew

To support engagement and employee-led initiatives, our headquarters has a dedicated “Social Crew”. The group includes employees from different functions and helps initiate and organise activities that contribute to a positive workplace culture.

Training and knowledge sharing

We support continuous learning through one-to-one coaching and development activities aligned with individual goals. We also identify shared learning needs and follow up with relevant internal sessions.

ESG topics are included in internal forums to build awareness and alignment. In 2025, this included updates tied to our ESG priorities, with feedback tracked and followed up through targeted sessions when needed.

Environment, health and safety

We have a safety representative group to support a safe, secure, and healthy work environment. The group includes two elected employee representatives and two management representatives. The group covers physical safety and health topics and provides a forum for employee-relevant issues, including organisational changes. Group members receive external training to support strong internal practice.



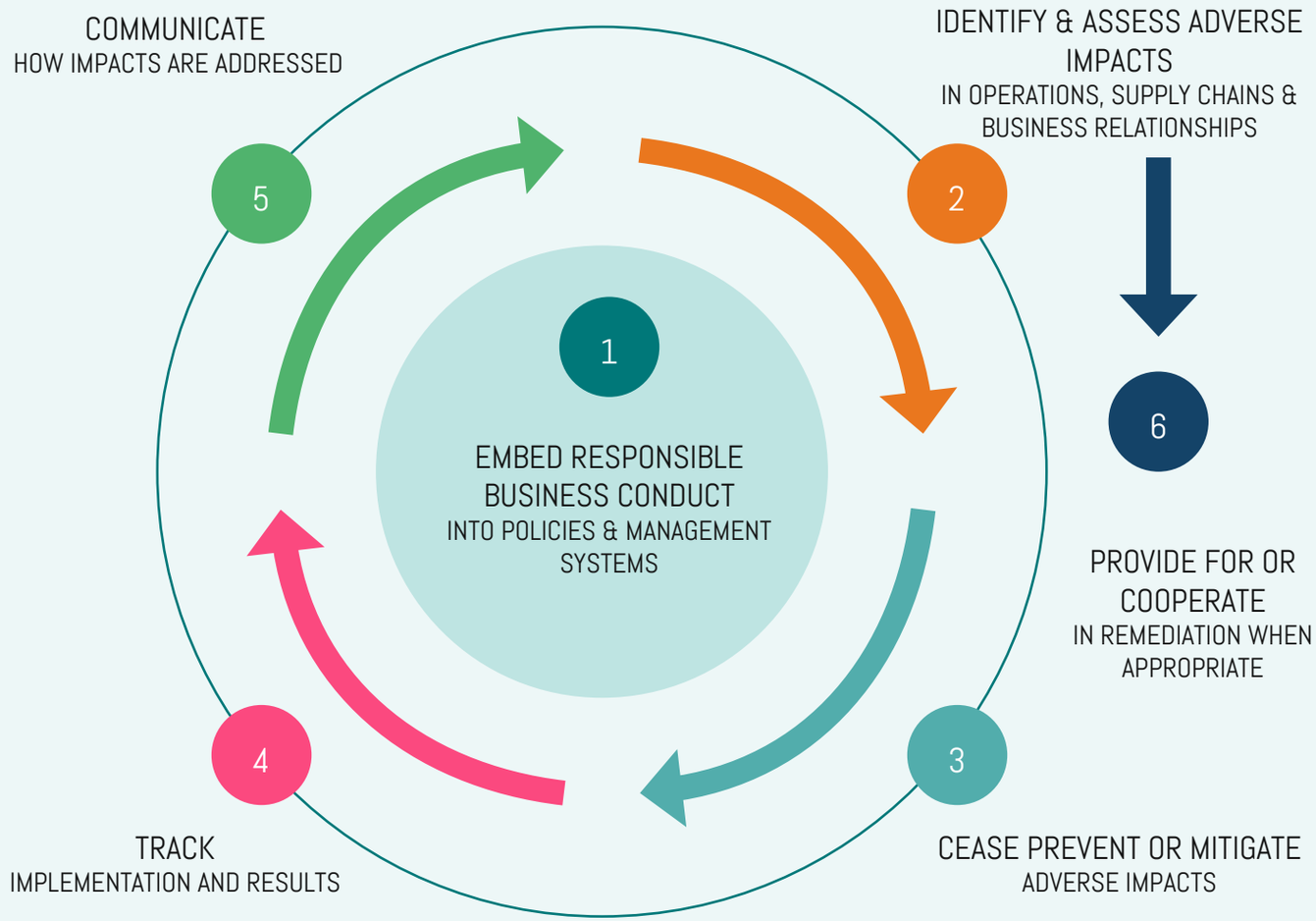
People in our supply chain

Most of the people connected to Active Brands work outside our own offices, in factories that produce our products. Many are women employed in labour-intensive roles. This creates both an opportunity to contribute positively and a responsibility to manage human rights and decent work risks where they are most likely to occur.

How we work: human rights due diligence

Our approach is built on the OECD due diligence framework and is intended to meet expectations under the Norwegian Transparency Act. We embed requirements in policies and management systems, identify and assess risks, prevent and mitigate harm, track progress, communicate how impacts are addressed, and cooperate in remediation when appropriate.

OECD's Six Step Due Diligence Framework



Policies and governance

Our supplier requirements are anchored in board-approved policies and supported by routines and topic-specific procedures. The foundation for our work is:

- Supplier Code of Conduct. Sets our minimum expectations for labour rights, health and safety, business conduct and compliance. It applies to all suppliers and business partners.
- Responsible Business Conduct Policy. Explains how we approach responsible business conduct and human rights due diligence, including how we prevent, mitigate and address impacts in our value chain.
- Internal routines for due diligence. Describes how due diligence is carried out in practice across the organisation, including roles and responsibilities, risk assessment, follow-up, escalation and remediation. (updated in October 2025).

To make these requirements practical in day-to-day work, we use topic-specific tools and procedures, including supplier minimum criteria and self-assessment questionnaires, third-party social audits, anti-bribery procedures, and material and raw material standards such as our Material Standard for textiles and our cotton and wool sourcing policies.

Implementation is led by the operations organisation. The COO holds overall responsibility for our due diligence routine. The ESG Manager and Sourcing Director drive supplier requirements, follow-up and reporting, supported by brand teams and relevant functions.

These routines help ensure clarity and consistency in how due diligence is applied across the organisation. They also help us respond to external inquiries, including those related to the Norwegian Transparency Act. Our ESG Manager is the first point of contact for such inquiries. Contact details are provided on the final page of this report.



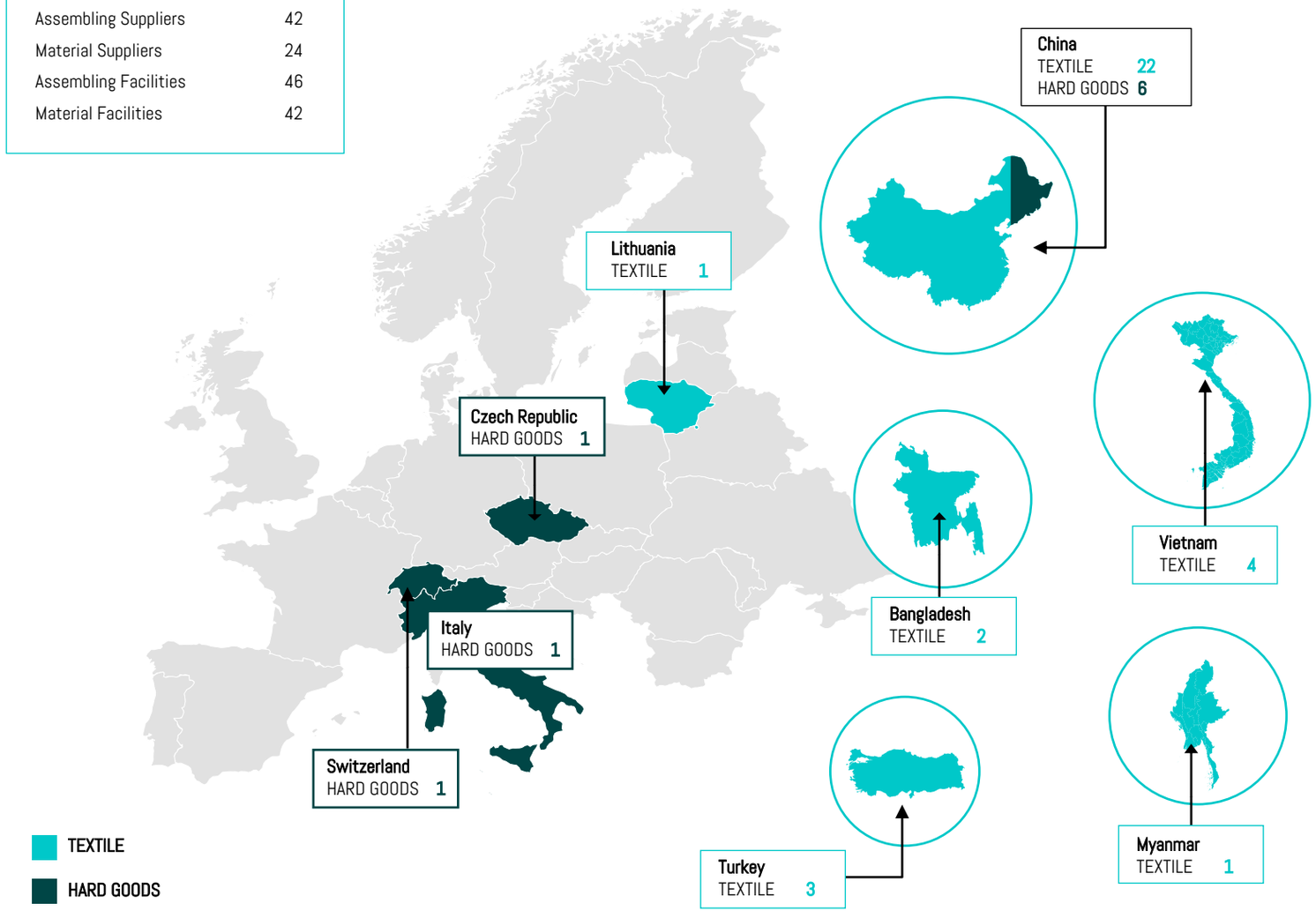
Transparency and supplier engagement

Knowing where our products and materials are made is a prerequisite for monitoring and improving social and environmental performance in our value chain. We do not own manufacturing facilities, but we have direct relationships with key manufacturing partners representing about 99% of our production volume. Our sourcing office in Shanghai manages much of the day-to-day dialogue with suppliers and supports follow-up on our expectations and improvement work.

Beyond Tier 1, we nominate most materials directly and have mapped over 80% of our material manufacturing partners at facility level. We work directly with most of these facilities through nominated materials and ongoing supplier relationships, which gives us better visibility into upstream practices and where to prioritise follow-up.

We publish our Tier 1 and Tier 2 supplier lists on our website and share supplier site locations through Open Supply Hub

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Due diligence starts before onboarding. New suppliers are screened against our minimum ESG criteria, and we require third-party audits or equivalent assurance for Tier 1 suppliers within our scope. In 2025, we screened 2 new suppliers against our ESG minimum criteria as part of onboarding.

Collaboration and collective leverage

We use multi-stakeholder initiatives and industry programmes to strengthen due diligence and increase leverage with suppliers. This includes amfori (with BSCI as the audit and improvement framework used with many suppliers), Accord for building safety in Bangladesh, EuroCham MADE in Myanmar to support enhanced due diligence in a high-risk context, and Ethical Trade Norway for learning, guidance and peer exchange. Audits are one input. We combine them with follow-up, training and remediation to address gaps over time.

Ethical Trade Norway (Etisk handel Norge) – "Gjennomfører" level

Active Brands has been a member of Ethical Trade Norway since 2014. As part of our membership commitment, we publish an annual report describing our due diligence work and how we address challenges and impacts linked to our operations and supply chain. This reporting has now developed into our annual ESG Impact Report. It aligns with our internal due diligence routines and our broader approach to responsible business conduct.

Ethical Trade Norway assesses member reports against objective criteria through its level-grading framework, based on the OECD due diligence model. Active Brands has achieved the level "Gjennomfører" (implementation level) for the last two reporting cycles. This indicates that our due diligence approach is documented and operationalised in practice, including policy anchoring, structured supplier onboarding and risk assessment, action plans and follow-up indicators, and strengthened work on grievance mechanisms and remediation processes.

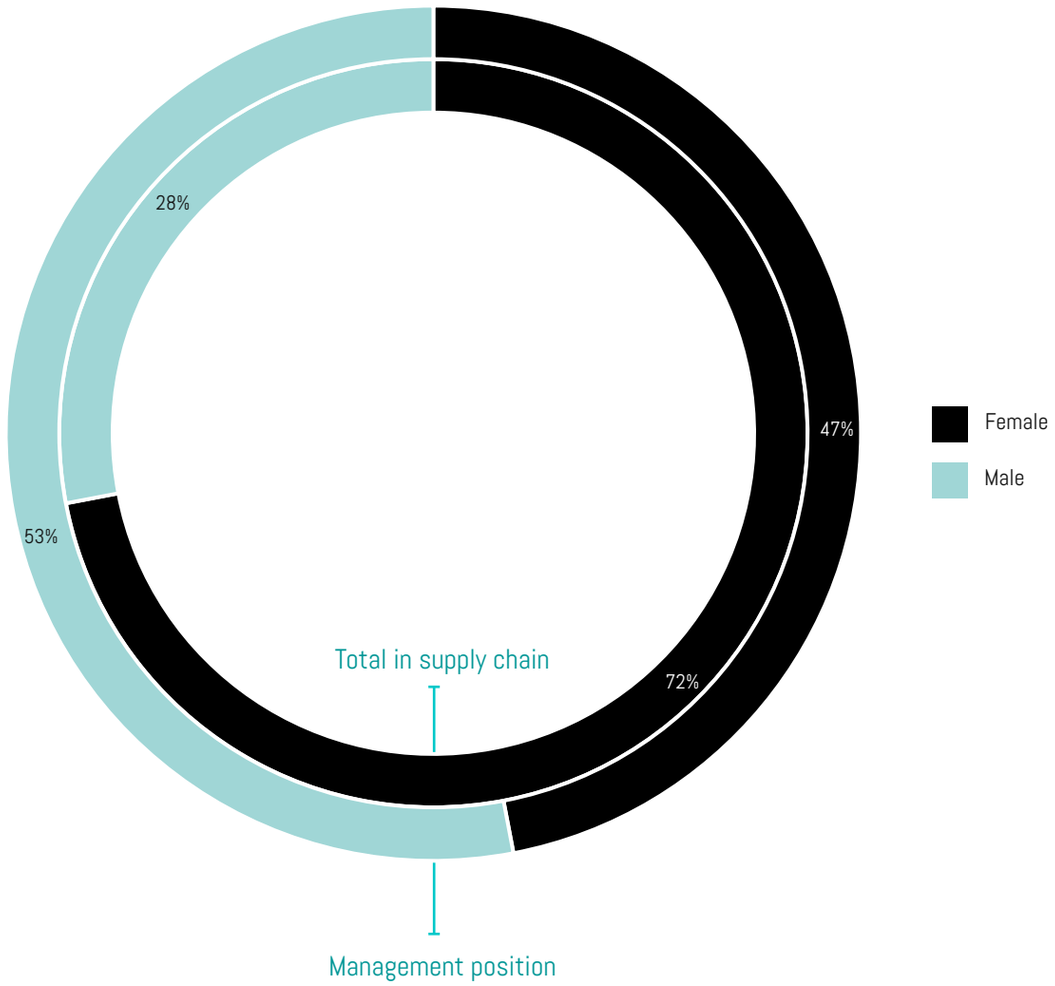


Where the risks are, and how we follow up

Our sourcing is concentrated in China, Vietnam, Bangladesh, Turkey and Myanmar, plus a smaller number of European suppliers. This shapes our risk picture.

Scale matters. In 2025, the workforce across our Tier 1 supplier base was around 24,000 people. This increased compared to previous years, mainly due to onboarding a larger supplier in Bangladesh. Across our Tier 1 supplier base, around 72% of workers are women, and women hold 47% of management positions.

Gender Distribution in Supply Chain



Our priority labour topics remain consistent with last year and with our strategy framing:

We track our main risk topics through third-party audits, supplier follow-up, and targeted worker engagement. Overtime remains a recurring challenge in parts of our supplier base. We address this through audit follow-ups, supplier dialogue, and an ongoing focus on more stable and foreseeable purchasing practices. Leverage matters. In apparel supply chains, most brands share factories and do not have direct control. Where we represent a meaningful share of a facility's production, we have stronger influence to drive improvements together with factory management. We use 10% of production capacity as a practical indicator for meaningful leverage. In 2025, this applied to 72% of our suppliers.

Based on this risk picture, our follow-up focuses on four priority areas:

- Working hours and overtime. Volatile order patterns and peak seasons can drive long working hours. In some markets this can mean overtime beyond legal thresholds.
- Health and safety. Preventing injuries and serious incidents, with focus on safe daily routines and management systems.
- Social dialogue and worker engagement. Whether workers can raise concerns safely, and whether representation and grievance channels work in practice.
- Wages and living standards. Legal wage compliance is a baseline. The bigger challenge is wage progression and closing the gap to living wage benchmarks.



Monitoring and improvement

We combine third-party assessments with ongoing supplier follow-up through dialogue, visits where relevant, and corrective action plans. We do not treat audits as an end point. We use them to prioritise improvement work, verify progress, and decide on escalation when needed. Appendix 3 provides a four-year overview of our key KPIs for people in our supply chain. This section adds context on what sits behind the numbers and how we follow up.

Audit coverage (Tier 1 spend). In 2025, 87% of Tier 1 spend was covered by third-party social audits with at least C grade. For spend outside Europe, coverage was 96%, and most audits were conducted under the amfori BSCI framework.

The remaining 13% are mainly assessed as lower risk suppliers due to location or represent a very small share of our purchase volume. In these cases, we still conduct initial ESG screenings and require audits where risk and scale justify it.

Corrective actions and escalation. When audits or other follow-up identifies gaps, we agree improvement actions with the supplier and follow them up through ongoing dialogue. Where issues persist or expectations are not met, we can limit new business and reassess the relationship. Ending a relationship is a last resort, but we may do so where there is repeated and clear unwillingness to improve, despite several requests from our side or where continued sourcing would increase risk to workers.
In 2025, our audit follow-up did not identify any zero-tolerance issues.

Responsible purchasing practices. We recognise that issues like overtime can be driven by how we plan and buy. This remains an ongoing focus. We aim to place orders with realistic lead times, reduce last-minute changes, and discuss capacity planning with suppliers to avoid avoidable pressure on working hours.

Supplier capability. In 2025, 18 business partners completed 41 social and labour trainings via the amfori platform. The themes covered social management systems, prevention of harassment and violence, responsible recruitment, protections for young workers, and remediation and continuous improvement.

BSCI performance areas



Worker voice and remedy

Ensuring that workers in our value chain are heard, protected, and supported is central to our due diligence efforts. Worker voice is one of the clearest indicators of whether safeguards work in practice. We require suppliers to have functioning grievance mechanisms and to make them accessible and safe for workers. These can be factory-managed channels, third-party channels, or a combination.

In 2025, 87% of Tier 1 spend was with suppliers assessed as having effective grievance mechanisms in place, and these mechanisms were operated by the business partner. 13% was not graded on this KPI.

In 2025, our KPI signal on worker representation shifted towards mid-level performance. The share of spend with suppliers graded A on "democratically elected worker committees and regular management meetings" decreased to 36%, while the share graded B increased to 42% and C decreased to 7%.

A key driver was that suppliers representing 23 percentage points moved from A to B. This was mainly linked to strengthened improvement requirements, including training related to our Supplier Code of Conduct and expectations for grievance channels that also cover external stakeholders, such as surrounding communities. At the same time, suppliers representing 16 percentage points improved during the year, moving from C to B. Overall, this made the B share increase to 42% in 2025.

Myanmar: strengthened grievance focus. As part of our heightened human rights due diligence in Myanmar, worker voice and grievance mechanisms are a priority area. Further details on our Myanmar due diligence work are described on next page. At Handa Yangon, multiple grievance channels are in place (line leaders, HR, worker representatives, suggestion boxes, and the Workplace Coordinating Committee). Procedures are posted in Burmese, a central grievance log is maintained, and improvements are underway, including training for grievance handlers and more systematic communication of trends and resolution rates.

Worker questionnaire pilot (2025)

In 2025, we introduced our first structured worker questionnaire with selected suppliers to complement audits. The aim is to understand whether workers know how to speak up, and whether safeguards work in practice. All workers participating reported that they had received occupational health and safety training and found it clear which safety equipment to use and where to find it. They were aware of the worker committee, understood that it is elected by workers and operates separately from factory management, and reported that they feel safe raising concerns. At the same time, very few had ever raised a concern in practice. Beyond salary, the most important topics to workers were health and safety, reasonable work intensity, and being treated with respect and without discrimination.



Wages and working hours

We track wages and working hours through audits and wage data collection, and we are transparent about the difference between legal compliance and living wage reality.

To understand wage levels in context, we benchmark collected wage information against living wage references. In 2025, our living wage reference data was gathered using a mix of sources: 18.2% from GLWC/Anker references, 37% provided via the auditing company, and 26% manually collected (with auditor support). These percentages describe the sources used for the suppliers where we have living wage reference data available.

In 2025, 87% of Tier 1 spend was with suppliers paying at least the legal minimum wage (with 13% not graded). 22.3% of spend was with suppliers where the minimum wage is above the calculated living wage benchmark in our methodology. Collective bargaining agreement coverage remains limited at 2.8%.

These figures point in two directions at once. Legal compliance is largely in place for suppliers within the KPI scope. Structural wage progression and effective social dialogue remain the harder challenge. Wage levels are also influenced by broader labour market conditions, which can move in both directions.

Health and safety in factories

Health and safety is a non-negotiable baseline and one of the areas where consistent follow-up can drive real improvement.

In 2025, 72% of Tier 1 spend was with suppliers graded A on occupational health and safety, up from 69% in 2024. The share graded D decreased to 3%, from 17% in 2024.

This shift reflects targeted improvement work with suppliers that previously fell below expectations, supported by corrective actions and follow-up.

High-risk contexts and escalation

Myanmar remains a high-risk context due to the post-2021 situation. Active Brands currently sources from one supplier in Myanmar, Handa (Yangon) Garment Co., Ltd., under heightened human rights due diligence.

We conduct regular risk assessments and stay in close dialogue with factory management. We also consult external stakeholders including Ethical Trade Norway, amfori, EuroCham's MADE Myanmar initiative, and the Norwegian Ministry of Foreign Affairs.

As part of enhanced due diligence, we joined the MADE in Myanmar program through EuroCham Myanmar in 2024. In June 2025, Handa Yangon completed its third follow-up assessment under the SMART Factories program (fourth evaluation under the program). The factory achieved 83% overall corrective action completion, including 85% on Environmental Health and Safety and 80% on labour rights.

We maintain a clear position not to initiate new supplier relationships or investments in Myanmar. We also recognise that abrupt exit can harm workers in fragile contexts. Our current approach is responsible continued engagement, combined with heightened due diligence and readiness to adapt our sourcing strategy if conditions change or new information emerges.

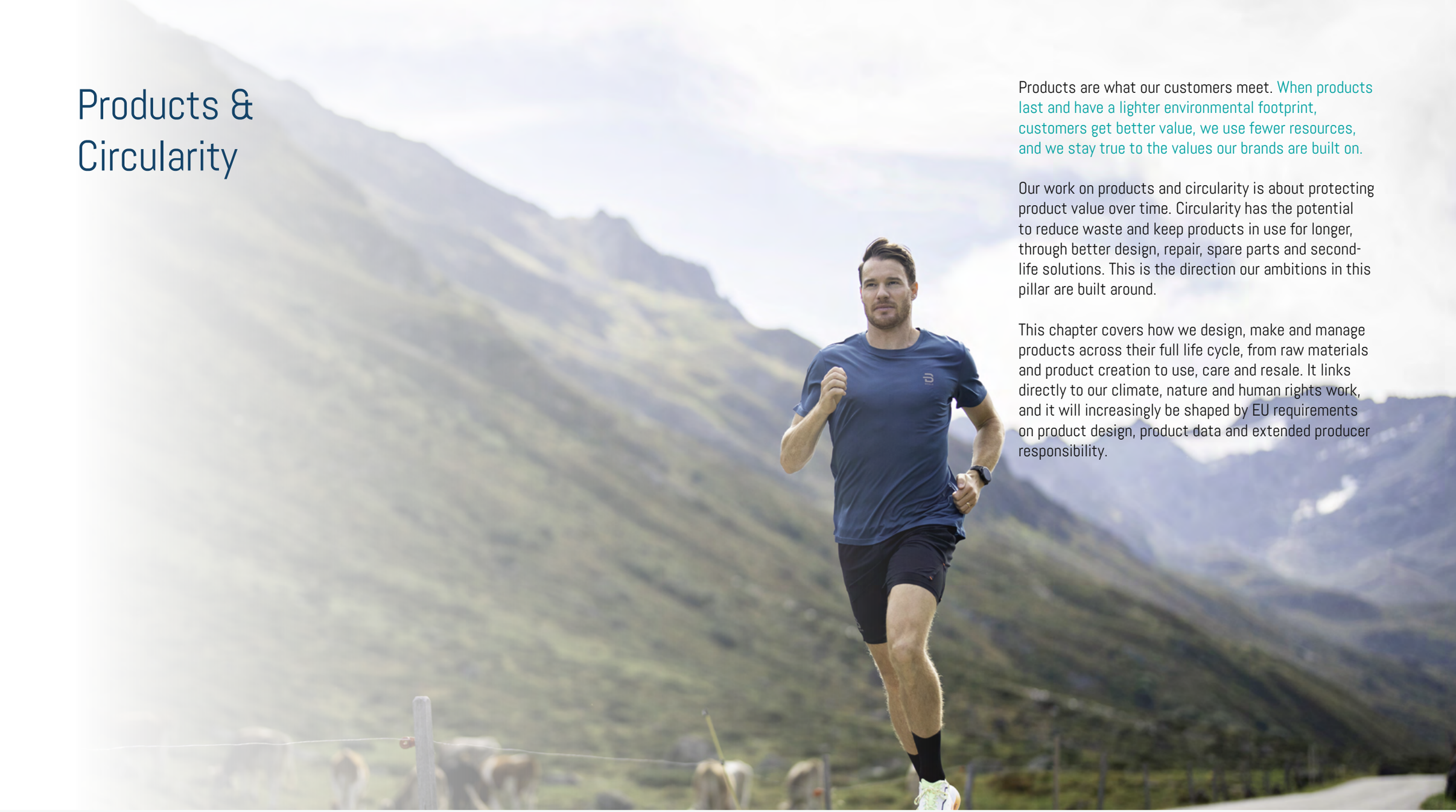
2026 focus areas

Our 2026 direction follows our People & Human Rights strategy priorities. The aim is to move from coverage to outcomes. Fewer repeat findings. Stronger worker voice. More resilient safeguards.

Key focus areas:

- Strengthen worker voice, representation and grievance mechanisms, and assess effectiveness in practice through worker interviews and sharing good examples across suppliers.
- Improve performance on worker committees and social dialogue.
- Continue improving health and safety performance, with the aim of increasing A-grade share and preventing regression.
- Continue enhanced focus on highest-risk regions through closer engagement with suppliers and relevant local organisations and initiatives we are part of.

Products & Circularity



Products are what our customers meet. When products last and have a lighter environmental footprint, customers get better value, we use fewer resources, and we stay true to the values our brands are built on.

Our work on products and circularity is about protecting product value over time. Circularity has the potential to reduce waste and keep products in use for longer, through better design, repair, spare parts and second-life solutions. This is the direction our ambitions in this pillar are built around.

This chapter covers how we design, make and manage products across their full life cycle, from raw materials and product creation to use, care and resale. It links directly to our climate, nature and human rights work, and it will increasingly be shaped by EU requirements on product design, product data and extended producer responsibility.





Designing for long life

Making quality, long-lasting products remains a shared focus across our brands. Longevity is prepared for through design choices, material selection and consistent testing throughout development. It is also influenced by how products are used and cared for over time, where we aim to support longer use from our side.

We typically plan collections around two years ahead of launch. Products go through quality checks at several points in the development process, and more technical products require more advanced testing than simpler items. We also use field testing to see how products perform in real-life conditions, and we use market feed-back to improve function and fit over time.

Our Shanghai test lab plays a key role in validating textile quality. Hardgoods testing is handled at our development locations in Trysil. Testing of certified protective gear, as well as tests we do not have available in our internal labs, are carried out by third-party labs to meet relevant standards.

Keeping products in use

Extending product lifetimes is one of the most important circularity levers we have. It starts with products that last, and it continues with practical options that help customers keep using what they already own.

We work with local expert partners who can restore and repair products when needed. We also develop our approach to spare parts, since access to the right components is often what makes a repair possible in practice. Sweet Protection is our leading brand in this area, focusing on repairability and making spare parts available for key product categories.

We stay engaged in industry collaboration through the Norwegian Fashion & Textile Agenda (NF&TA), including workstreams related to repair and lowering barriers for consumers.

We also give products a second chance to stay in use through our "Second Chance" partnership with Tise. In 2025, we sold 212 items through this channel.

Responsible materials

Material choices shape both environmental footprint and product performance. We use our Material Standard as a reference and requirement document for sourcing, design and development. It sets a direction on preferred and less preferred raw materials, defines banned materials and regions, and uses declaration routines for higher-risk materials where origin matters.

Raw material mix in 2025

Raw material use includes textiles, hardgoods, packaging and trims. Skis, poles and skins are excluded, consistent with the boundary used in our reporting.

In 2025, total recorded material use was 2,294 tonnes.

Raw Material	KG	% of total
Polyester	558,505	24%
Cotton	377,639	16%
Merino Wool	324,745	14%
Polyester , recycled	217,835	9.5 %
Packaging - Paper	145,401	6.3 %
Nylon	129,818	5.7 %
Acrylic	78,705	3.4 %
Packaging - Cardboard	61,948	2.7 %
Plastic LDPE, recycled	61,130	2.7 %
Elastane	57,674	2.5 %
Expanded Polystyrene (EPS)	45,494	2.0 %
Polyester for trims	36,495	1.6 %
Polycarbonate	36,320	1.6 %
Polyester dope dyed	26,849	1.2 %
Plastic (PVC)	24,108	1.1 %
Viscose/Rayon	20,809	0.9 %
Polyamide plastic	17,037	0.7 %
Down insulation	13,713	0.6 %
ABS	13,627	0.6 %
Lyocell	10,214	0.4 %
Polyurethane	6,638	0.3 %
Nylon recycled	3,806	0.2 %
Plastic (LDPE)	3,684	0.2 %
Polyurethane foam	3,682	0.2 %
Thermoplastic Urethane	3,190	0.1 %
Brass	2,651	0.1 %
Zinc	2,124	0.1 %
Leather, goat	1,651	0.1 %
Carbon Fiber (PAN)	1,483	0.1 %
Ethylene vinyl acetate	1,433	0.1 %
Silicone	1,305	0.1 %
Rubber, SBR	1,242	0.1 %
Epoxy resin	1,212	0.1 %
Steel, stainless	1,019	0.04%
Glass fibre	494	0.02%
Modal	262	0.01%

Polyester and polyamide-based materials (including recycled and trims) accounted for about 43% of total material use. Bio-based materials (cotton and wool) made up 30%. Fibres come with different functional properties and different impact profiles across climate, nature, chemi-cals and people. There is no one-size-fits-all material choice. We therefore work on multiple levers in parallel: selecting fibres for function and lifetime, improving preferred sources and verified attributes, and strengthening traceability and due diligence for both natural and synthetic materials.

Packaging materials are also part of the material mix table. They are addressed in a separate section later in this chapter.

Use of certified textiles and environmental attributes

We use recognised standards to support safer chemistry, product safety, and credible material attributes. This includes maintaining high coverage of OEKO-TEX® approved textiles and use of bluesign Approved textiles.

In 2025:

- OEKO-TEX® 100 approved textile volume: 84% (stable at a high level over time)
- bluesign Approved textile volume: 17% (includes synthetic and regenerated materials)

	2021	2022	2023	2024	2025
volume bluesign® approved textiles*	19%	18%	23%	18%	17%
volume Oekotex® approved textiles	75%	70%	84%	83%	84%

*includes synthetic & regenereated materials

The bluesign figure has decreased slightly over the last years. This indicator is sensitive to what types of materials and product categories we place on the market, since it reflects volumes sourced from suppliers that are bluesign System Partners and approved within that system. It also varies significantly by brand. In 2025, Dæhlie used the highest share of bluesign Approved textile volumes, at 40%.

These figures help us track progress on verified attributes and chemical safety controls in core textile volumes.



bluesign SYSTEM PARTNER

bluesign is a system for managing chemicals, materials and processes in the textile value chain. It is built around “Input Stream Management”, which focuses on using approved chemical prod-ucts and controlled processes to reduce risks for people and the environment from the start. The system targets lower environmental impact and improved resource use, while also strengthening consumer safety and occupational health and safety in production. Companies that participate are referred to as bluesign System Partners. Active Brands has been a bluesign System Partner since 2023.

OEKO-TEX® STANDARD 100

OEKO-TEX® STANDARD 100 is an independent testing and certification system for textiles and accessory materials. It confirms that a certified material has been tested for harmful substances and meets defined limit values and test criteria. At Active Brands, we use OEKO-TEX® STANDARD 100 certified materials, both textiles and trims, as a practical verification that the material meets these requirements. We do not apply OEKO-TEX® certification at finished product level. STANDARD 100 is a textile safety and chemical compliance indicator, not a full assessment of broader environmental impacts from production.

Recycled synthetics and verified recycled-content claims

In 2025, 26% of our synthetic materials were from recycled certified sources. For polyester specifically, 30% of our polyester was from certified recycled sources. Kari Traa had the highest share across our brands, with 46% of its polyester from certified recycled sources.

We report this transparently as progress, but not as a finishing line. The remaining share reflects that recycled inputs and certification coverage still vary across product groups and supply chains, and we work on scaling low impact materials for all product groups season-by-season.

Active Brands has used recycled materials for a long time. Because we nominate materials and work directly with many material suppliers, we have historically required certification and documentation at material supplier level.

Demand from customers and the market is increasing for proof that recycled-content claims are verified further along the value chain. From 2025, we therefore expanded our approach and established certification coverage up to brand and company level under the Global Recycled Standard (GRS) and the Recycled Claim Standard (RCS). This strengthens traceability and verification of recycled material claims beyond the material supplier level.



Global Recycled Standard (GRS) & Recycled Claim Standard (RCS).

The Global Recycled Standard (GRS) and the Recycled Claim Standard (RCS) are standards owned by Textile Exchange. Both set requirements for third-party certification of recycled content and chain of custody through the value chain, supporting traceability and verification of recycled-content claims. GRS also includes additional requirements related to processing, including environmental and social practices and chemical use. RCS is more narrowly focused on recycled content and chain of custody.



Animal welfare

We are committed to improving animal welfare practices across our value chain. Our goal is that all animal-derived materials are certified, traceable and aligned with the Five Freedoms for animal welfare.

The most commonly used animal-derived materials in our products are merino wool and down. We strongly oppose mulesing, including freeze branding, and ensure that none of our merino wool comes from sheep subjected to these procedures: Our merino wool is either declared non-mulesed through IWTO certifications and tracked via declaration forms across our supply chain, or certified under the Responsible Wool Standard (RWS). Active Brands became RWS certified in 2024. In 2025, 20% of the wool we placed on the market was RWS certified. Changing both product specifications and supply chain set-up to RWS cannot be completed as a full transition in one year. Many of our products run year over year. We are committed to making progress each season by increasing the share of RWS-certified wool in our collections.

We also maintain a clear stance against live-plucking and force-feeding of birds. Since 2018, 100% of the down used in our products has been certified under the Responsible Down Standard (RDS).

Responsible Wool Standard (RWS)

The Responsible Wool Standard (RWS) is a voluntary standard owned by Textile Exchange. It is designed to improve the welfare of sheep and the land they graze on. Farms are assessed against animal welfare and land management criteria, and the wool is tracked through certified sites in the supply chain to the last business-to-business seller, supporting traceability from farm to product.

Packaging and packaging materials

Packaging protects our products in transit and enables in-store presentation. But it also creates waste and we work systematically to reduce its environmental impact.

In 2025, we further structured our packaging approach. We keep prioritizing mono-material packaging, phasing out laminated and coated papers, optimizing dimensions to avoid excess space, and choosing lower-impact materials. All paper used for garment packaging and most paper used for hardgoods remains FSC® certified, and we contin-ued our participation in the Green Dot “Plastic Promise.”

Preparing for tightened regulations

To prepare for the upcoming EU Packaging and Packaging Waste Regulation, we conducted internal training, revised our packaging requirements and began systematic reviews of packaging designs to meet future requirements. At the same time, we expanded our Extended Producer Responsibility compliance to additional EU countries and the US, strengthening both our regulatory readiness and our contribution to more circular packaging systems.



Replacing Plastic with Paptic®

In 2022, we replaced our plastic Ecom bags with Paptic® mailers, positioning us ahead of tightening regulations on plastic and packaging materials.

Renewable sources, lower emissions
Paptic® is made of renewable, wood-based fibers that come from sustain-nably managed, traceable and FSC certified sources. Compared to traditionnal plastic shipping bags, carbon emissions of the materials of Paptic® mailers are 60-80% lower[1].

Less packaging waste
We’re using Paptic® mailers in three different sizes to minimize the amounts packaging material and waste by optimizing the mailer size to our actual need.

Improved recyclability
Paptic mailers can be reused by consumers. After use they can easily be recycled with the paperboard.

[1] Carbon footprint (ISO 14040/14044/14067) per 1,000 kg Paptic Perdix; cradle to gate incl. end of life options; primary data (supplemented by databases); includes fossil & biogenic carbon and land use/ land use change; critical third party review: Ettelplan Ltd. (Finland); issued 17 Jun 2025; recyclable at scale with paperboard – wood based fibres only; PPWR/SUP/EPR/EUDR compli-ant; full LCA report and methods available on request.



		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 100% ●●●●

MOST >75% ●●●○

SOME 25%-75% ●●○○

FEW <25% ●○○○



Building product data for circularity

Product regulation is moving toward more comparable and more visible product information, including product and material durability (robustness), repairability, recycled content and recyclability. Our ESG strategy reflects this shift and sets direction for how we will prepare for the EU Ecodesign for Sustainable Products Regulation (ESPR), Digital Product Passports (DPP) and extended producer responsibility (EPR) requirements.

In 2025, we participated in the EU Interreg-funded program "Data to Business". The program helped us strengthen our understanding of upcoming requirements for transparency, data quality and reporting. It also gave us practical input on how improved data flows and digital product passports can support new services, strengthen dialogue with consumers, and enable more circular business models.

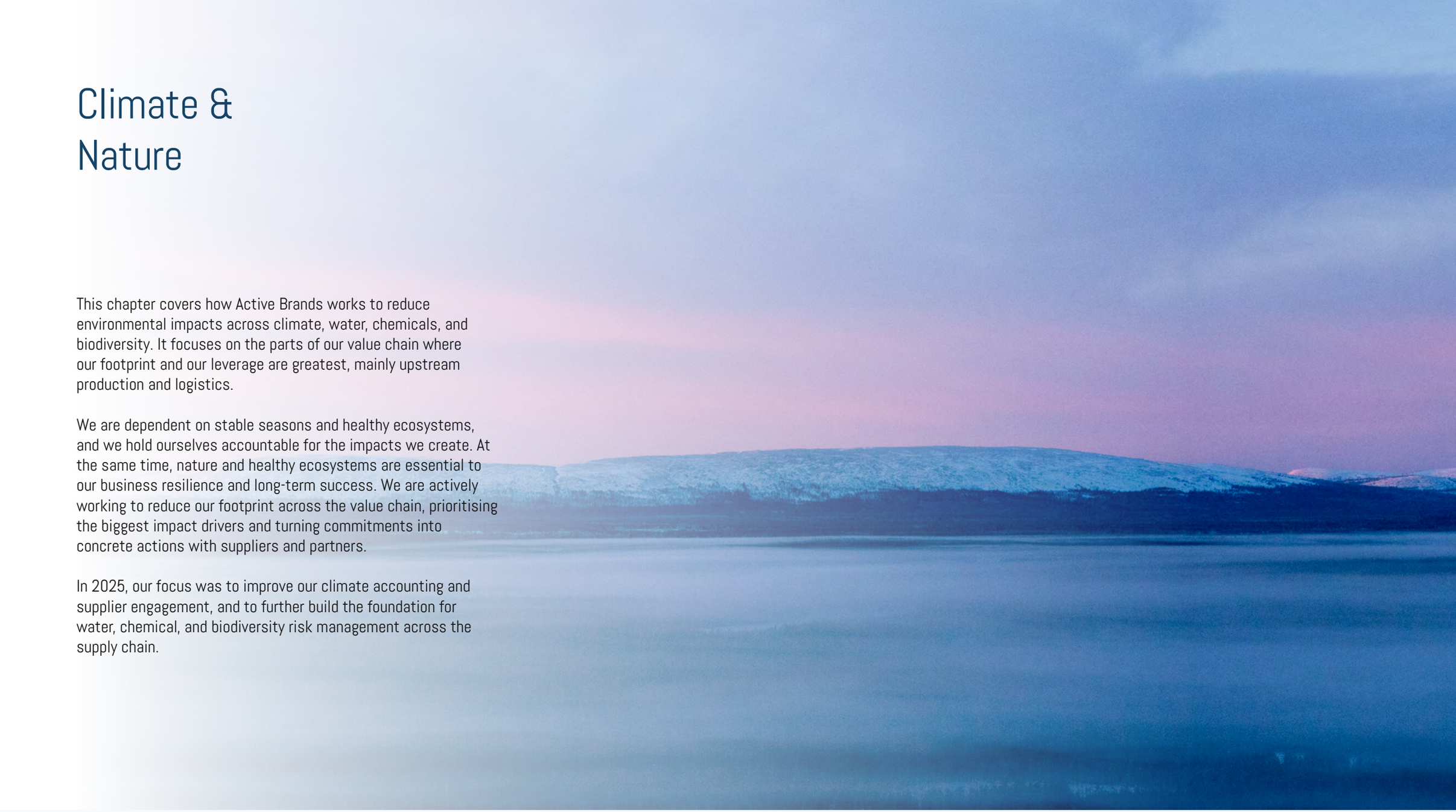
Products remains central

Across our brands, product quality, product care and credible material choices remain central. Durability is built through design and testing, then protected through practical options that keep products in use, including repair, spare parts and resale.

In parallel, we are strengthening how we document materials and product information. This improves the basis for verified claims and traceability, and it prepares us to continue improve on transparency and comparable product requirements.



Climate & Nature



This chapter covers how Active Brands works to reduce environmental impacts across climate, water, chemicals, and biodiversity. It focuses on the parts of our value chain where our footprint and our leverage are greatest, mainly upstream production and logistics.

We are dependent on stable seasons and healthy ecosystems, and we hold ourselves accountable for the impacts we create. At the same time, nature and healthy ecosystems are essential to our business resilience and long-term success. We are actively working to reduce our footprint across the value chain, prioritising the biggest impact drivers and turning commitments into concrete actions with suppliers and partners.

In 2025, our focus was to improve our climate accounting and supplier engagement, and to further build the foundation for water, chemical, and biodiversity risk management across the supply chain.



Climate

In 2025, global temperatures stayed close to record levels, continuing a long-term warming trend. The impacts are already tangible, and we feel them through more frequent and intense extreme weather and growing pressure on ecosystems and communities. To avoid the worst consequences of climate change, every fraction of a degree matters. This reinforces the need for sustained, measurable emission reductions across the economy, including our sector.

Climate has been a priority area for Active Brands for many years. To act on what we can influence, we started by measuring emissions from our own operations in 2019, and expanded our accounting to cover full value chain emissions (Scope 3) from 2021.

Active Brands has validated science-based targets through the Science Based Targets initiative (SBTi). Active Brands is categorised as a small and medium-sized enterprise (SME) according to SBTi criteria, and the targets were therefore validated through the SME Streamlined Target Validation Route, where the near-term Scope 1 and 2 reduction level is predefined. The SBTi target states that Active Brands commits to reduce Scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year, and to measure and reduce Scope 3 emissions.

To drive reductions, we also work with an internal, more ambitious Scope 3 target of a 60% reduction per product by 2030, which is inline with a 1.5°C pathway. The targets and roadmap will be updated in 2026 to align with the shift to FLAG accounting and the latest requirements.

Our carbon footprint

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 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, and therefore where emission reductions will have the largest impact. 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.

What changed with FLAG in 2025

FLAG stands for Forest, Land and Agriculture. These are emissions linked to land-based production in the value chain, such as agriculture and livestock (including methane from sheep), and land-use and land-management related emissions.

In 2024, we conducted our first FLAG screening to better understand how large portion of our total footprint that is linked to FLAG emissions. In 2025, we have integrated FLAG emissions into our full climate accounting where relevant. This means we now report our emissions split between:

- Energy & Industry (also referred to as "non-FLAG"): emissions from energy use and industrial processes, including manufacturing energy, fuels, and transportation.
- FLAG: emissions linked to land-based activities.

This split improves transparency and makes it easier to track reduction levers, as land-related emissions follow different accounting rules and mitigation pathways than energy and industrial emissions.



Carbon footprint development

Note: 2021–2023 are calculated without FLAG emissions (and therefore use different emission factors). These years are not directly comparable with 2024–2025 for the parts of our footprint where FLAG is relevant, primarily Scope 3 Category 1 (Purchased Goods & Services). 2024–2025 are split into Energy & Industry and FLAG.

	2021 tCO2e	2022 tCO2e	2023 tCO2e	2024 tCO2e			2025 tCO2e		
				Energy & Industry	FLAG	Total (Eng&Ind+FLAG)	Energy & Industry	FLAG	Total (Eng&Ind+FLAG)
SCOPE 1:	106	75	80	69		69	55		55
SCOPE 2:	236	262	16	16		16	11		11
SCOPE 3:	42,779	43,432	25,149	20,145	8,964	29,109 [1]	21,160	9,972	31,132
Category 1: Purchased Goods & Services[2]	41,511	41,928	23,359	18,825	8,964	27,789	19,604	9,972	29,576
Category 3: Fuel & Energy related activities	41	38	34	40	-	40	35		35
Category 4: Upstream Transportation[3]	1,575	1,798	1,641	1,226	-	1,226	1,445		1,445
Category 6: Business Travels	-	51	78	55	-	55	74		74

[1] Primary data for 2 key suppliers was adjusted for 2024, in our 2025 accounting.
[2] Åsnes hardgoods raw material category is not included
[3] Includes inbound-, outbound transportation and energy consumption in leased warehouses

Details behind our 2025 footprint

In 2025, our total carbon footprint (Scope 1–3) was 31 198 tCO2e. Scope 3 accounted for 99.8% of total emissions (31 132 tCO2e). Total emissions increased by around 7% compared to 2024.

FLAG emissions represented around 32% of our total footprint in 2025, broadly in line with 2024. Wool is the largest contributor to our FLAG emissions, while cotton also accounts for a smaller share.

The increase in Scope 3 Category 1 emissions in 2025 vs 2024 was primarily driven by higher overall volumes, with total raw material weight up 6.4%, combined with changes in material mix. Wool volumes increased by 15%, which has a material impact because wool is FLAG-intensive, and we also saw a significant increase in the raw material polyamide volumes (around 60%), where polyamide has a higher emission factor than many other synthetics this had an impact of the overall footprint. In addition, reported natural gas from our assembling manufacturing partners, increased due to supplier changes and known allocation and tier-splitting limitations in 2025, which we will continue to improve during 2026. Sweet Protection hardgoods also grew significantly (around 50%), increasing upstream material emissions, while higher renewable energy in manufacturing and assembling helped keep the overall hardgoods footprint stable (2024 to 2025). Finally, transportation emissions increased due to more shipments and higher sea freight emissions.



Climate roadmap to 2030 (FLAG-aligned planning)

Our climate roadmap translates our 2030 ambition into practical levers across the value chain. In 2025, we shifted to FLAG accounting for land-based emissions where relevant. Our existing science-based target was set before this shift and is not yet fully FLAG-aligned. Updating our target and submission is a priority for 2026.

In parallel, we built our roadmap using separate pathways for Energy & Industry and FLAG, because the drivers and reduction levers differ. The pathway assumptions follow a 1.5°C-aligned trajectory, with an indicative annual reduction rate of 4.2% for Energy & Industry and 3.03% for FLAG.

The graphs on the next pages show how this translates into a reduction plan towards 2030. Some levers relate to materials and packaging, which are explained in more detail in the Products & Circularity chapter. They are included here to show the climate effect.

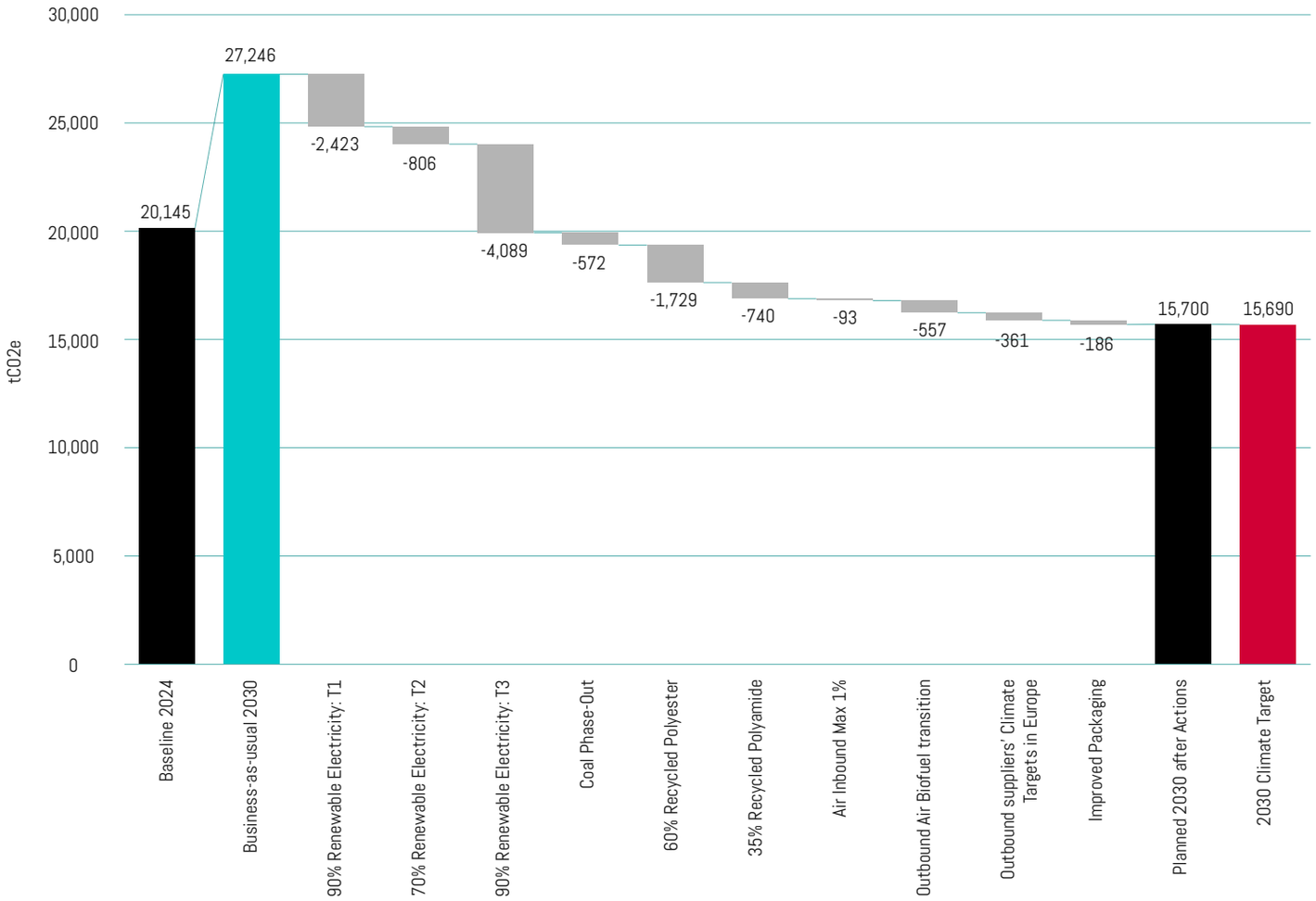
Energy & Industry: planned pathway to 2030

Without additional action, Energy & Industry emissions in Scope 3 are projected to increase from 20 145 tCO2e (2024) to 27 246 tCO2e (2030). Our roadmap shows a reduction plan that brings emissions down to 15 700 tCO2e by 2030, broadly in line with the 15 690 tCO2e target.

The largest levers in the plan are the shift to renewable electricity across manufacturing tiers (Tier 1, 2 and 3), coal phase-out, and targeted material shifts. Additional reductions come from limiting inbound air freight, transitioning outbound air freight to lower-carbon fuels where possible, and working with key suppliers on climate targets.

Key actions we are prioritising include clear energy sourcing expectations for new suppliers and strategic engagement with key partners to support the shift to renewable energy, improved traceability to at least Tier 3 and systematic collection of energy data, and accelerating the shift to lower-emission synthetic materials.

Climate Roadmap: Energy & Industry

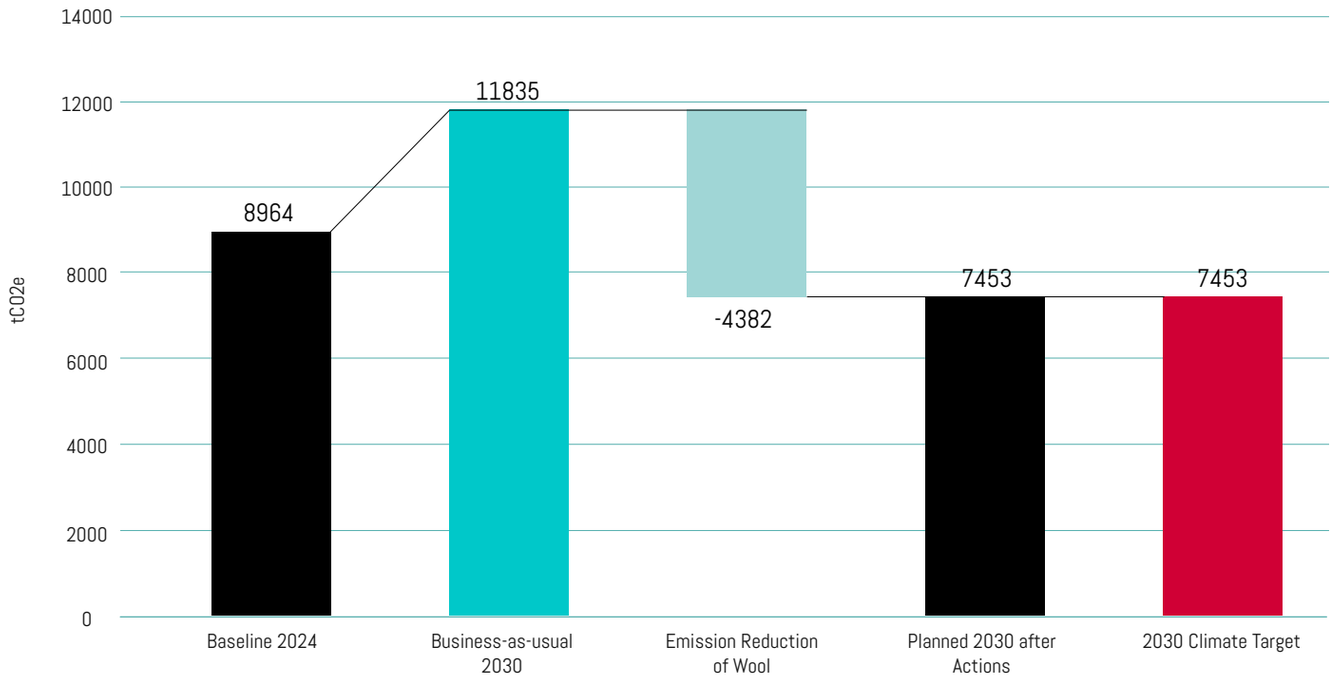


FLAG: planned pathway to 2030

For FLAG emissions, the baseline is 8 964 tCO2e (2024) and the business-as-usual projection is 11 835 tCO2e (2030). The roadmap focuses on a major reduction lever linked to wool, bringing planned 2030 emissions down to 7 453 tCO2e, in line with the 7 453 tCO2e target.

This lever reflects both the importance of wool in our footprint and the fact that wool emissions are sensitive to underlying datasets and methodology choices. There is ongoing industry work to improve how wool-related emissions are measured and to enable more credible differentiation based on verified farm-level practices. Our priority is to engage in these efforts and support alignment of RWS-certified wool with lower FLAG emissions where robust methods and data allow it. We will also monitor developments in recycled wool and other lower-impact wool pathways, and assess claims carefully against recognised methods.

Climate Roadmap; FLAG (Forest Land & Agriculture)



Own operations

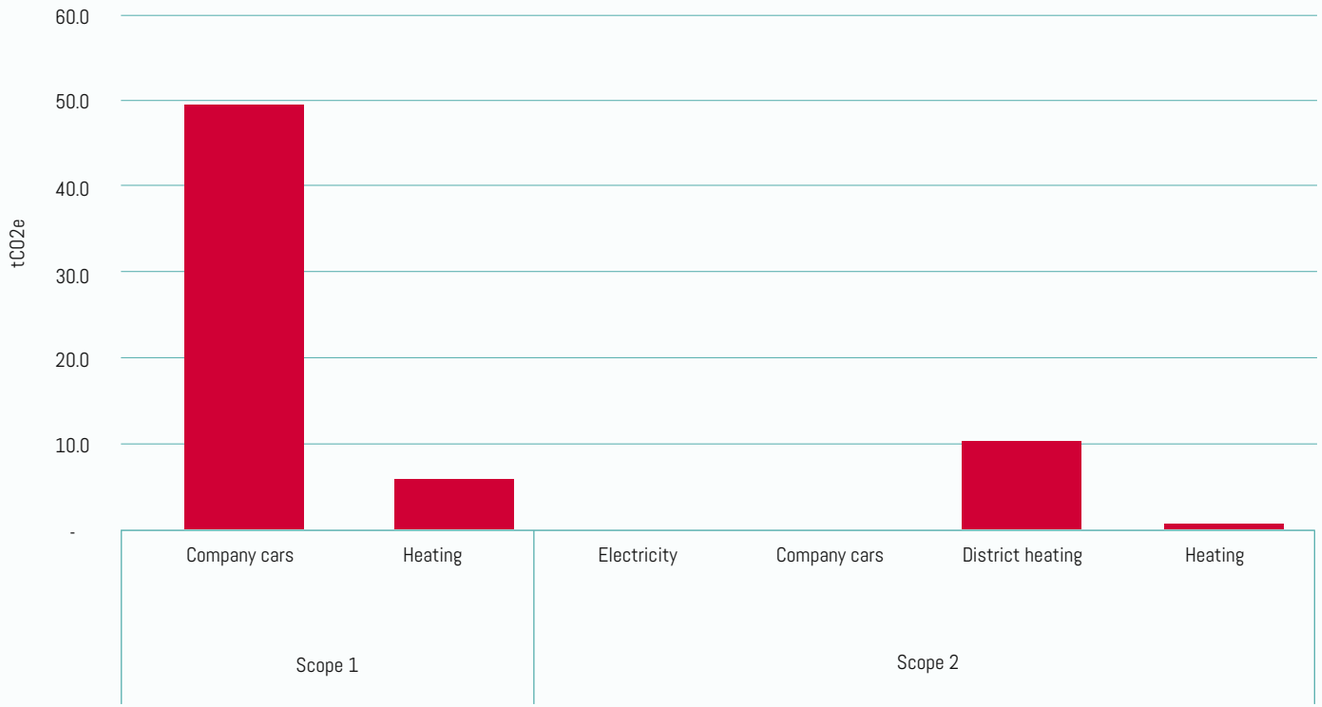
Although our own operations contribute less than 1% of our total GHG footprint, this is the part we control most directly, and where we can move fastest on climate action. Our direct emissions mainly come from energy use in offices and stores, and from company vehicles. We use a market-based approach to electricity reporting. Purchased electricity was the largest contributor to our operational footprint in our baseline year.

In 2025, we reduced Scope 1 and 2 emissions by 81% compared to our 2021 baseline. We had an ambition to reach operational net-zero by 2025, defined as a 90% reduction from the baseline and compensation for remaining emissions. We did not fully reach the 90% reduction level, but we came close and have materially reduced our footprint in our own operations.

Electrifying our company cars remains an important lever. In 2025, company cars in Norway were 100% electric, and globally 67% of company cars were electric. We will continue the transition towards 100% electric vehicles across markets.

	2021	2022	2023	2024	2025
Electricity [MWh]	598	622	553	697	668
District Heating [MWh]	282	312	437	372	313

Own Operations



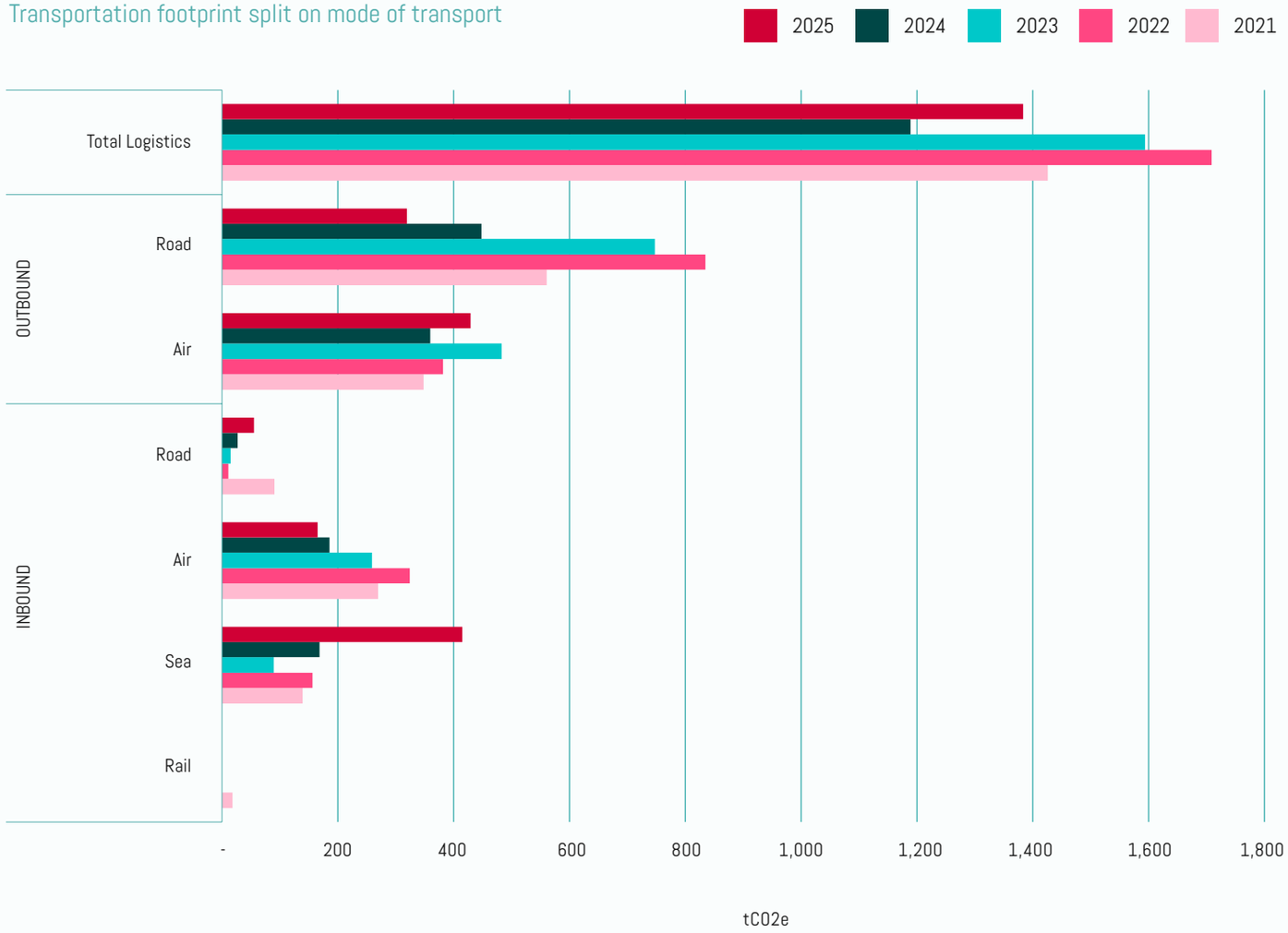
Logistics

Our transportation activities, from manufacturers to warehouses and onwards to customers and end consumers, account for around 5% of our total carbon footprint. We track emissions across inbound transportation into our distribution set-up and outbound transportation to markets.

In 2025, inbound and outbound emissions were close to a 50/50 split. We saw a notable increase in inbound sea freight emissions, mainly linked to a change in inbound sea freight supplier in 2025. Bringing inbound sea freight emissions back towards previous levels is a key focus for 2026 and beyond, together with clearer expectations for our logistics partners on data quality, efficiency and lower-carbon solutions.

We also saw a small increase in tonnes moved by air, especially in the outbound segment. Because air freight has high emission factors, this resulted in almost a 20% increase in air-related emissions. Reducing the need for air freight remains a priority, both through closer planning and coordination internally and through continued dialogue with transportation partners.

Transportation footprint split on mode of transport



Products

The majority of our climate footprint sits upstream in our products, mainly from raw materials and manufacturing. Our approach is to build the most accurate footprint possible from product and supplier data, increase the share of primary data over time, and use those insights to prioritise actions where they have the most impact. At the same time, we are not waiting for a perfect footprint before acting. The focus is to improve data quality while reducing emissions now, based on the best available information.

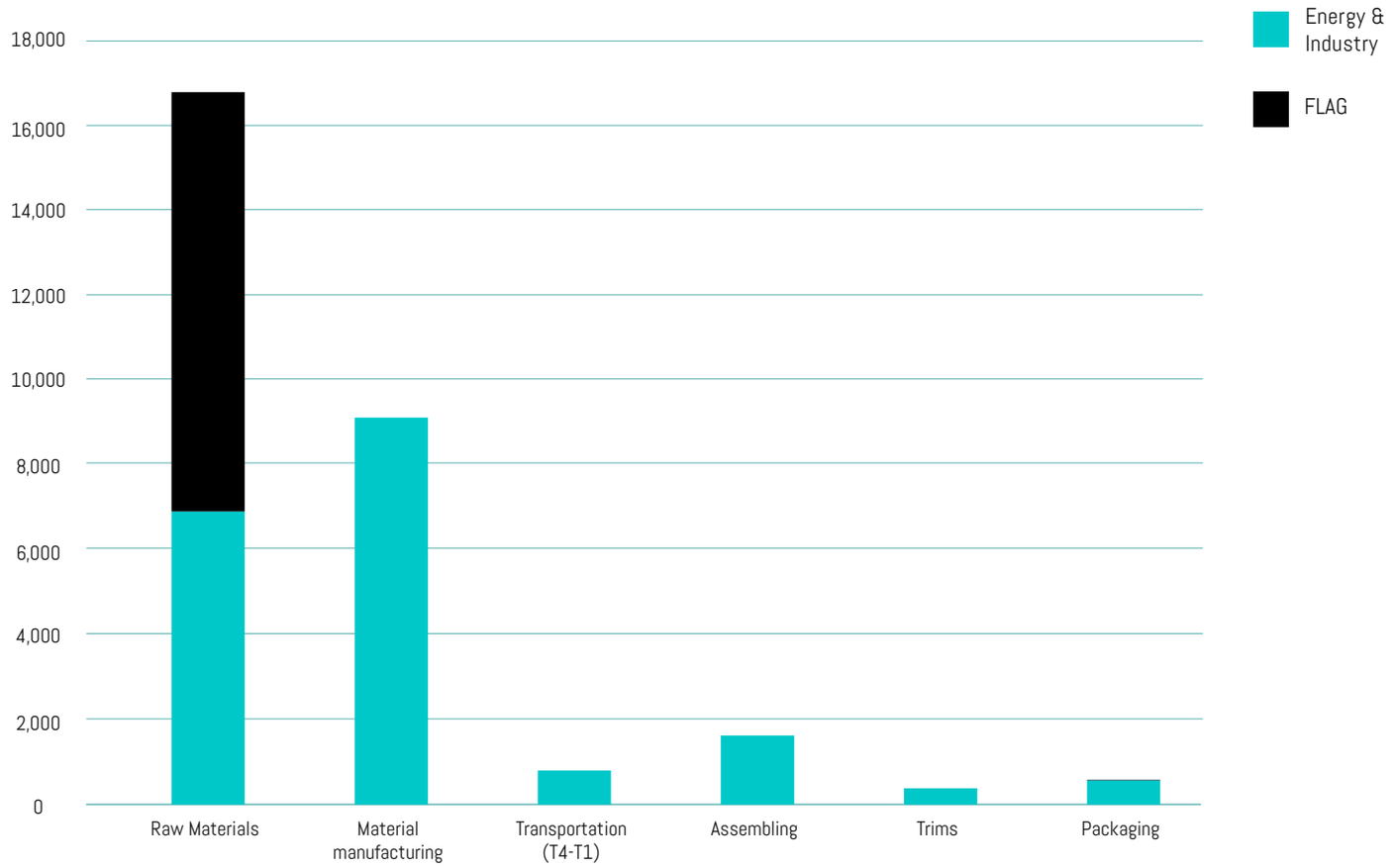
In 2025, we calculated the carbon footprint of 99% of our textile apparel products using actual material and product data. For hardgoods, we used material-specific data to cover a similar share of helmets, protective gear and eyewear.

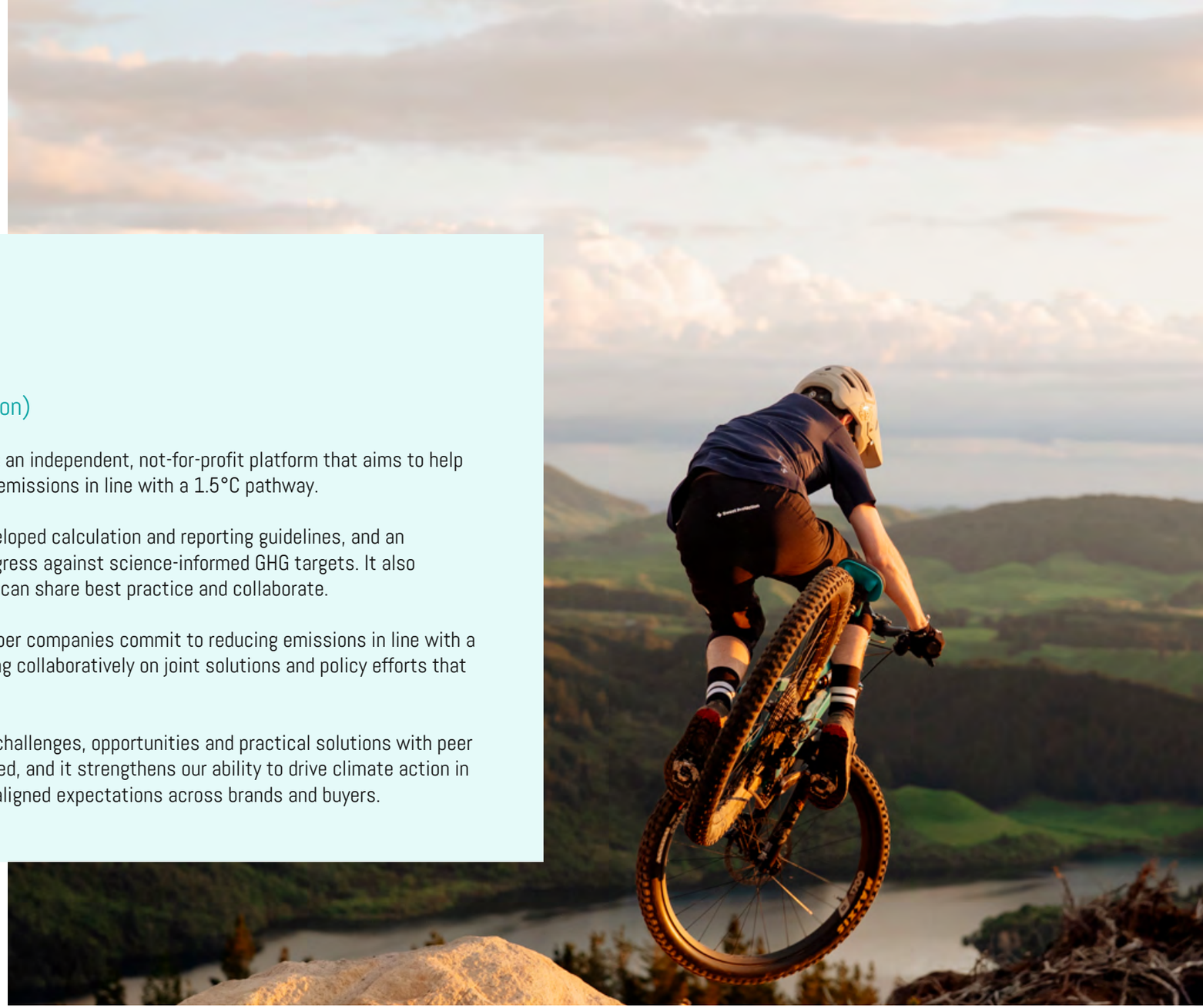
Same as last year, we accessed primary energy data from around 90% of our direct suppliers. Within this group, 76% report using renewable energy to some extent. Overall, emissions from assembling and material manufacturing remained broadly stable from 2024 to 2025. For hardgoods assembling, increased use of bio-based fuels helped reduce emissions intensity by replacing more emission-intensive fuels.

In Tier 2 material manufacturing, we collect primary data for suppliers linked to around half of our volume. Due to uncertainty in allocation across facilities and products, we currently apply this primary-data approach in our accounting to around 20% of material manufacturing, while we continue to improve data quality and allocation methods.

Our roadmap section outlines the main levers we are working on to reduce product-related emissions, including the transition to lower-impact raw materials and the shift to renewable energy in manufacturing.

Scope 3 - Purchased Goods & Services





STICA (Scandinavian Textile Initiative for Climate Action)

The Scandinavian Textile Initiative for Climate Action (STICA) is an independent, not-for-profit platform that aims to help the Nordic apparel and textile industry reduce greenhouse gas emissions in line with a 1.5°C pathway.

STICA supports member companies through independently developed calculation and reporting guidelines, and an accountability mechanism that tracks and publicly reports progress against science-informed GHG targets. It also provides a neutral, non-competitive platform where companies can share best practice and collaborate.

Through its Company Climate Action Program & Network, member companies commit to reducing emissions in line with a 1.5°C pathway, publicly reporting progress annually, and working collaboratively on joint solutions and policy efforts that can accelerate GHG reductions in the industry.

For Active Brands, STICA provides a structured forum to share challenges, opportunities and practical solutions with peer companies. It helps us learn from approaches others have tested, and it strengthens our ability to drive climate action in the supply chain, especially where we share suppliers or need aligned expectations across brands and buyers.

Water

Water is an essential resource in the textile value chain. Poor management can create risks related to water quality, availability and ecosystem health. As these challenges are highly location-specific, understanding the local watershed context is key to responsible risk management and long-term supply chain resilience.

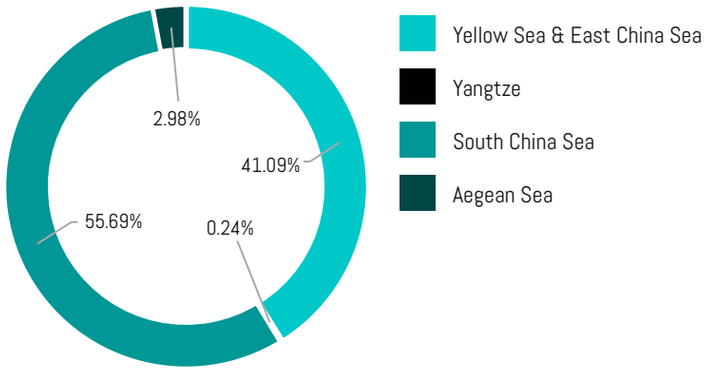


Managing water use and risk

Active Brands' portfolio includes relatively low volumes of water-intensive raw materials such as cotton. Our primary water exposure therefore lies in fabric processing, dyeing and washing. We work closely with nominated suppliers and prioritize partners within the bluesign System, which requires systematic monitoring and control of environmental parameters, including water use and effluent quality.

In 2025, we strengthened our approach through participation in a water program under the Scandinavian Textile Initiative for Climate Action (STICA), delivered in collaboration with WWF. Following this, we re-newed our water risk mapping using WWF's Water Risk Filter as well as collected structured water data directly from wet processing suppliers via a questionnaire. Our analysis covered nine wet processing facilities across China and Turkey, representing seven suppliers, and around 30% of our material textile volume. Two of the questionnaires were partially incomplete and one additional supplier is currently under follow-up to provide their data.

Total Water Withdrawal per Basin (%)





Findings of our 2025 analysis

Adjusted to Active Brands' share of production, total annual water withdrawal across the assessed facilities amounted to 10,335.7 m³. Water intensity values varied significantly between facilities, ranging from 2.0 to 98.3 litres per kg, reflecting differences in processes, local conditions and data quality. Further analysis is required to better understand these variations and validate performance levels.

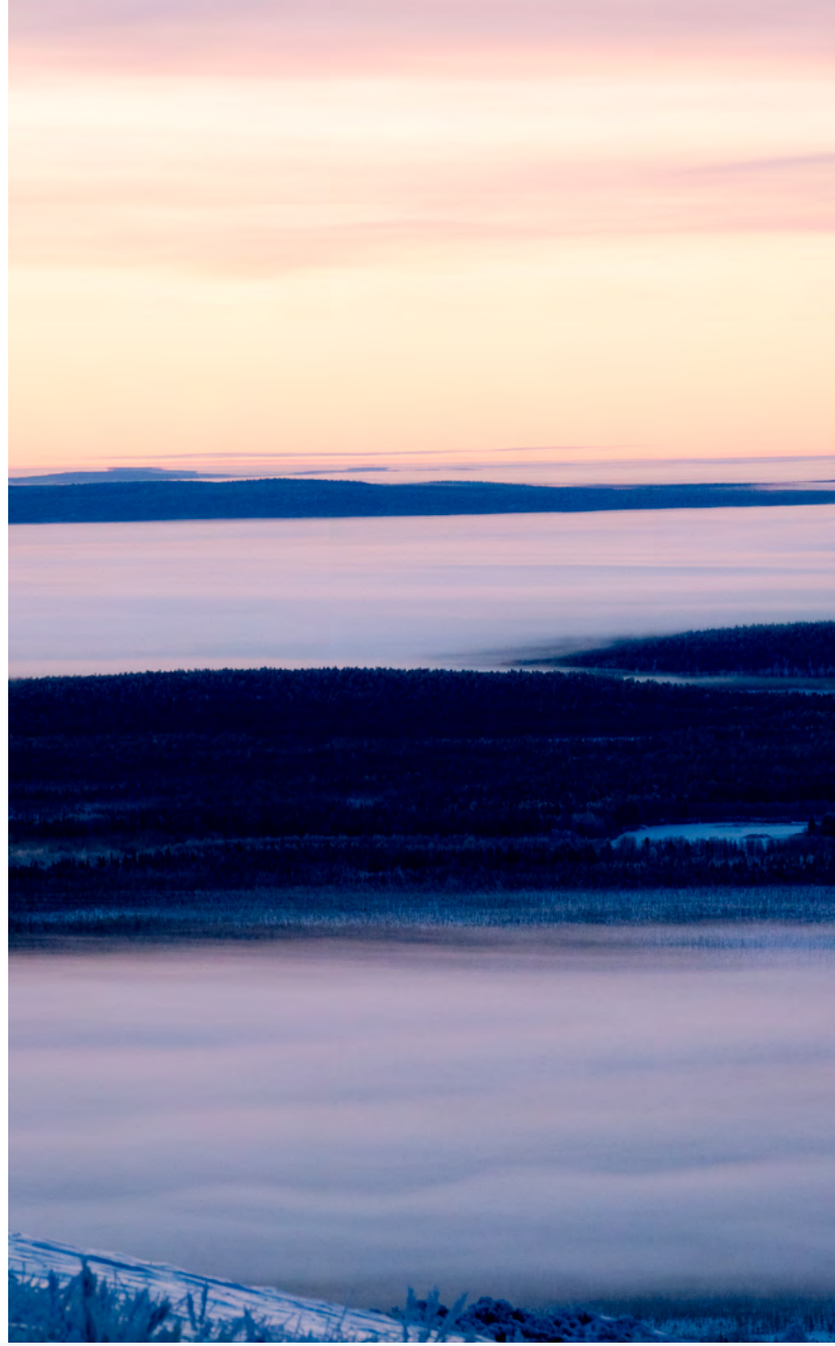
Risks differed significantly across basins and must be viewed considering our operational exposure. Most water withdrawal is concentrated in the South China Sea and Yellow Sea & East China Sea basins, where water quality and ecosystem-related risks are elevated (see Appendix 4). Although most supplier discharge goes to municipal systems or Common Effluent Treatment Plants (CETPs), limited direct discharge to surface water remains relevant in some locations.

In the Aegean Sea basin (Turkey), physical and socioeconomic risks are comparatively high, but our withdrawal volumes are lower. The Yangtze basin shows high flooding and water quality risks; however, our operational footprint there is minimal, reducing its current priority.

These insights enable us to prioritize engagement and action where both basin risk and our operational exposure are highest. Overall, water quality management emerges as the most material cross-cutting water risk theme in our supply chain. Risk levels related to socioeconomic factors are elevated as well. In practice, this means focusing our supplier dialogue and follow-up efforts on facilities located in higher-risk basins, with particular attention to wastewater treatment performance and discharge pathways. The results also provide a clearer basis for setting basin-informed priorities as we further develop our water strategy and targets.

Outlook

Our first detailed data collection improved transparency but also highlighted challenges related to data quality and metering practices. The 2025 work forms the foundation for a more detailed water strategy to be developed in 2026. Going forward, we will refine our prioritization and collect water data annually from wet processing suppliers to strengthen data quality and support a structured, context-based approach to water management.



Chemical management

Chemicals are essential inputs in the textile value chain, but poor management can harm workers, local communities and ecosystems. Active Brands applies a structured approach to managing hazardous substances across the supply chain, with requirements anchored in international regulations and industry standards.

The cornerstone of this work is Active Brands' Restricted Substances List (RSL). It sets substance limits aligned with regulations such as REACH, the Stockholm Convention on POPs and California's Safer Clothes and Textiles Act. Compliance is mandatory for Tier 1 and Tier 2 suppliers and is embedded in minimum requirements for new suppliers.

The most significant pollution risks in the supply chain are linked to chemicals used in textile processing, especially dyeing and finishing. To mitigate this, Active Brands combines supplier requirements, material choices and product testing:

- Chemical compliance requirements are included in supplier agreements and follow-up, based on the RSL.
- Certified materials are used where available as an indicator of responsible chemical management, including bluesign Approved and OEKO-TEX® STANDARD 100 certified fabrics.
- A risk-based testing plan is applied, including a 24-month testing cycle for non-certified or higher-risk materials.

We have also taken targeted action on specific chemical groups. Antibacterial and biocidal treatments, often used for odour control, have been banned across all brands for over a decade. PFAS has also been phased out in textile products. Since initiating the phase-out in 2013, all brands use PFAS-free durable water repellents for textile products and PFAS has been phased out from durable water repellents for textiles for many years. In recent years, we have also increased focus on ensuring that membranes and other components, such as zippers, are PFAS-free.





Biodiversity and ecosystems

While Active Brands' own operations have limited direct interaction with land and ecosystems, our impacts and dependencies sit in the value chain, especially in raw material sourcing and wet processing. For a business using both natural and synthetic materials, biodiversity is not one single impact. It is shaped by material type, geography and production process.

In practice, this means risks linked to grazing and land condition for animal fibres such as wool, land use, water stress and agrochemical runoff for crop-based materials, and pollution-related pressures from fossil-based materials and manufacturing processes. Across the sector, biodiversity is increasingly understood as closely linked to climate, water and pollution, while still requiring targeted assessment and action.

In 2025, Active Brands strengthened its work in this area by joining STICA+, the Sustainable Fashion Academy's expanded industry platform. STICA+ was created to help apparel and textile companies go beyond climate and build capability on biodiversity, water and waste, and biodiversity was one of its initial focus areas for 2025. Through this collaboration, including a dedicated biodiversity workstream, we strengthened our understanding of biodiversity-related risks, emerging expectations and practical approaches for integrating nature considerations into strategy and reporting.

To move from general awareness to a more targeted assessment, we used the WWF Biodiversity Risk Filter to screen our key raw materials and wet processing facilities, covering the majority of our material manufacturers. The WWF Biodiversity Risk Filter is a relevant screening tool for textile companies because it helps map location-specific biodiversity risks and dependencies across the value chain. WWF describes the tool as a screening resource for biodiversity-related risks across operations and value chains, using a 1 to 5 scale where 1 indicates very low risk and 5 very high risk.

Across the wet processing facilities assessed, results ranged from 3.0 to 3.7, placing sites in a medium-to-high risk band and confirming biodiversity as a material issue in our supply chain.

This work also reinforced that biodiversity action cannot be separated from climate and water stewardship. Reducing greenhouse gas emissions, improving water management, limiting chemical and pollution loads, and supporting more resilient land management can all contribute to better biodiversity outcomes.

At the same time, biodiversity is inherently location dependent. Progress depends on understanding local ecosystem conditions and selecting interventions that fit each material and geography.

Our next step is to build on this screening to better prioritise where targeted action, supplier engagement and stronger material strategies can reduce pressure on ecosystems while supporting a more resilient supply chain.

APPENDIX



Appendix 1: GRI index

Active Brands AS has reported the information cited in this GRI content index for the period 1 january-31 December 2025 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	3, 5, 8	
	2-2	Entities included in the organization's sustainability reporting	3	
	2-3	Reporting period, frequency and content point	3	
	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	8, 13, 29	
	2-7	Employees	24	Partly reported 2-7b There are no significant variations in number of employees over the reporting period.
	2-8	Workers who are not employees	31	
Governance	2-9a	Governance strucutre and composition	11	
	2-12	Role of the highest governance body	11	
	2-13	Delegation of responsibility for managing impacts	11	
	2-14	Role of the highest governance body in sustainability reporting	11	
	2-16a	Communication of critical concerns	26	no critical concerns were communicted to the highest governance body during the reporting preiod.
	2-17	Collective knowledge of the highest governance body	11	

GRI content index	Disclosure No.	Description	Page	Notes
Strategy, policies and practices	2-22	Statement on sustainable development strategy	15-16	
	2-23	Policy Commitments	12	
	2-24	Embedding policy commitments	26-28	
	2-25	Process to remediate negative impacts	27	
	2-26	Mechanism for seeking advice and raising concerns	26, 32	
	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	18, 30, 37, 39, 40-42, 46, 55	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	14	
	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	
	3-2	List of material topics	15, Appendix 2	
	3-3	Management of material topics	27-60	
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.	26	
	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 content index	Disclosure No.	Description	Page	Notes
GRI 301: Materials 2016				
Materials	301-1	Materials used by weight or volume	38	
	301-2	Recycled input materials used	38	
GRI 302: Energy 2016				
Energy	301-2	Energy consumption within the organization	52	
GRI 303: Water and Effluents 2018				
Water and Effluents	303-1a	Interactions with water as a shared resource	56-58	
GRI 305: Emissions 2016				
Emissions	305-1	Direct (Scope 1) GHG emissions	48	
	305-2	Energy indirect (Scope 2) GHG emissions	48	
	305-3	Other indirect (Scope 3) GHG emissions	48	
	305-4	GHG emissions internsity		Emissions per product produced: 4.2 kgCO2e/product (Scope 3 divided by number of products included)
	305-5	Reduction of GHG emissions	51-54	
GRI 308: Supplier Environmental Assessment				
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental critera	30	
GRI 403: Occupational Health and Safety 2018				
Occupational Health and Safety	403-1	Occupational health and safety management system	26, 35	
	403-4	Worker participation, consultation and communication on occupational health and safety	26, 35	
	403-5	Worker training on occupational health and safety	33	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	35	
GRI 404: Training and Education 2016				
Training and Education	404-2	Programs for upgrading employees skills and transition assistance programs	26, 35	

GRI content index	Disclosure No.	Description	Page	Notes
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	31-35	
GRI 408: Child Labor 2016				
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labour	33	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	33	Part of zero tolerance issues
GRI 414: Supplier Social Assessment 2016				
Supplier Social Assessment	414-1	New suppliers that were screened using social critera	30	
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, Mitigation Actions and Focus Areas

This appendix provides a practical overview of selected material topics, related mitigation actions, and short-term focus areas. It builds on the double materiality assessment completed in 2024, as further refined and applied in 2025, and is aligned with Active Brands' ESG Strategy 2025–2030. The topics are grouped under the four pillars in our ESG framework, with Governance & Business Conduct presented as a separate cross-cutting section.

Area	Impact	Value chain location	Geographical location	Description	Mitigation action	Short term focus
Climate & Nature	GHG emissions	Upstream value chain; Own operations; Downstream value chain	Across global operations	More than 99% of our GHG footprint sits in the value chain. The main hotspots are raw materials, material manufacturing and transportation. In 2025, we strengthened our climate accounting by separating emissions into Energy & Industry and FLAG, reflecting that land-based materials such as wool follow different accounting rules and reduction pathways. Own operations account for less than 1% of total emissions, mainly from energy use in offices and stores, and company vehicles.	Reduce emissions through science-based targets, annual climate accounting, lower-impact material choices, cleaner energy in manufacturing, transport improvements, and supplier engagement. We use separate pathways for Energy & Industry and FLAG so that actions match the main drivers of emissions.	• Update our climate targets and roadmap in 2026 to align with FLAG requirements. Improve traceability and primary data to at least Tier 3. • Continue reducing emissions through renewable electricity uptake, targeted material shifts, transport measures, and closer work on lower-emission wool and synthetic materials.
	Energy use	Upstream value chain; Own operations	Own offices, stores and leased operations, and manufacturing locations in key sourcing regions	Energy use is a key driver of our operational emissions and a major contributor to Energy & Industry emissions in the supply chain, especially in material manufacturing. The climate impact depends on the energy mix used at our own sites and by suppliers, including the share of renewable electricity and the use of coal or other fossil fuels in production.	Reduce energy-related impacts through cleaner electricity sourcing, energy-efficiency measures, coal phase-out in relevant facilities, and clearer energy expectations for suppliers. In own operations, continue reducing operational emissions where we have direct control.	• Use the new factory-level carbon intensity KPI to guide supplier follow-up. • Increase renewable electricity uptake across Tier 1, Tier 2 and Tier 3. • Improve supplier energy data and system readiness through better upstream data collection and traceability.
	Substances of concern and substances of very high concern	Upstream value chain	Manufacturing locations, especially wet-processing facilities in key sourcing regions	Chemical use in textile processing, especially dyeing and finishing, can harm workers, local communities and ecosystems if not well controlled. This remains one of the most important pollution risks in our supply chain.	Manage chemicals through our Restricted Substances List, supplier requirements, and a risk-based testing plan. Prioritise certified materials where available, including bluesign Approved and OEKO-TEX STANDARD 100, and maintain our long-standing phase-out of PFAS and biocides.	• Expand data coverage and follow-up on chemical management in wet processing. • Maintain annual RSL review and regular testing of new and higher-risk materials. • Prepare for stricter transparency and documentation requirements on chemicals.
	Water consumption and withdrawal	Upstream value chain	Wet-processing locations and selected raw-material regions	Water is used across the value chain, but our main exposure lies in fabric processing, dyeing and washing rather than raw materials, as cotton remains a relatively small share of our portfolio. Water risks are local and vary by basin, supplier practice and data quality.	Strengthen water stewardship through basin-based risk mapping, supplier questionnaires and follow-up, and sourcing from partners with stronger environmental controls such as bluesign System Partners. Use these insights to prioritise action where both local water risk and our operational exposure are highest.	• Expand water data collection and risk mapping to more wet-processing suppliers and regions. • Improve data quality and annual follow-up on withdrawal and water intensity. • Set initial water-related KPIs and directional targets for priority basins and suppliers by 2026.
	Water discharge	Upstream value chain	Wet-processing locations in key sourcing regions	Wastewater from dyeing and finishing can affect water quality and ecosystem health if treatment and discharge controls are weak. In our 2025 analysis, water quality management emerged as the most material cross-cutting water risk theme across the facilities assessed.	Focus supplier dialogue and follow-up on wastewater treatment performance, discharge pathways and local watershed context. Prioritise suppliers with systematic controls and use basin and facility data to guide follow-up.	• Strengthen follow-up on discharge pathways and wastewater treatment performance in higher-risk basins. • Integrate water quality findings more clearly into supplier engagement. • Use the 2025 analysis as the basis for a more detailed water strategy in 2026.

	Direct impact drivers of biodiversity loss	Upstream value chain; Downstream value chain	Raw material regions and manufacturing locations	Our biodiversity impacts and dependencies sit mainly in the value chain. Key links include land use and grazing for wool and other animal-based fibres, cultivation of cotton and other plant-based fibres, water use and wastewater in wet processing, chemical use, and fossil-based synthetic materials, including microplastic-related risks.	Build biodiversity considerations into climate, water and material decisions. Increase use of preferred and certified materials where relevant, including standards such as RWS, and improve understanding of where our sourcing overlaps with sensitive ecosystems and higher-risk regions.	• Build the biodiversity knowledge base for key materials and sourcing regions. • Start mapping overlaps with sensitive ecosystems and high-biodiversity areas using screening tools. • Develop a clearer biodiversity approach in 2026 and link it more directly to sourcing, material and climate decisions.
Products & Circularity	Raw materials and resource use	Upstream value chain	Raw material extraction, processing and manufacturing locations	Product impacts are largely shaped by the materials we choose at design stage. In 2025, total recorded material use was 2,294 tonnes, excluding skis, poles and skins. Polyester- and polyamide-based materials accounted for about 43% of total material use, while cotton and wool made up 30%. Different materials come with different trade-offs across climate, water, chemicals, biodiversity and human rights, so there is no one-size-fits-all choice. Our Material Standard is the main reference for sourcing, design and development, and sets minimum requirements, preferred directions and evidence needs for claims and traceability.	Manage material choices through the Material Standard, sourcing policies and recognised third-party standards. Prioritise lower-impact and verified materials where feasible, improve traceability for higher-risk and certified materials, and use recognised schemes such as OEKO-TEX, bluesign, GRS and RCS to support safer chemistry, credible claims and stronger material governance.	• Develop clearer brand-level material roadmaps, scale recycled and certified materials in priority categories, and continue to improve verification of recycled-content and environmental attribute claims further along the value chain. • Continue preparing material data and traceability for future ESPR, DPP and customer requirements.
	Resource outflows across the value chain	Upstream value chain; Downstream value chain	Across global operations and key markets	Resource outflows are shaped by how products and packaging are designed, made, used and kept in play over time. One of the strongest circularity levers we have is to extend product lifetime through durability, repair, spare parts and resale. In 2025, we continued this work through product testing, repair support, spare-parts development and our Second Chance resale partnership with Tise, where 212 items were sold during the year. At the same time, product regulation is moving toward more comparable and visible product information on durability, repairability, recycled content and recyclability.	Design products for longer life through durability, function and quality testing, then support longer use through care guidance, repair options, spare parts and resale. Build stronger product data so circularity-related information can be documented credibly and used in future regulatory and commercial settings.	• Clarify EcoDesign rules across brands, map gaps for product-level requirements, and structure product data for ESPR, DPP and EPR readiness. • Continue developing repair and spare-parts solutions, and improve consistency, ownership and product-level documentation.
	Generation of waste across the value chain	Upstream value chain; Downstream value chain	Manufacturing locations and key markets	Waste is generated across the product life cycle, from material and production waste upstream to packaging waste and end-of-life downstream. Recycling infrastructure is still limited in many production countries and key markets, especially for textiles and mixed-material products. Packaging is also part of this picture. It protects products, but also creates waste, so reducing packaging impact is an important part of circularity work. In 2025, we further structured our packaging approach by prioritising mono-material packaging, phasing out laminated and coated papers, optimising dimensions and continuing the use of FSC certified paper across garment packaging and most hardgoods paper packaging.	Reduce waste through better product longevity, improved material efficiency, more circular packaging choices and practical efforts that keep products and materials in use longer. In packaging, this includes design simplification, lower-impact materials, recyclability and stronger alignment with EPR and PPWR requirements. For apparel and textile products, we are also building the basis to assess recyclability more systematically, in line with expected ESPR and DPP requirements, including how product design, material composition and construction affect end-of-life options.	• Continue packaging reviews to prepare for PPWR, expand EPR readiness and compliance coverage, and strengthen internal data and requirements for packaging design, recyclability and material choices. • Prepare for textile EPR being rolled out across Europe, including the cost, data and product implications of post-consumer textile collection and handling. • Build a more structured approach to assessing apparel and textile recyclability in line with expected ESPR methods and future DPP needs, while continuing to build the practical basis for repair, resale and other circular models.

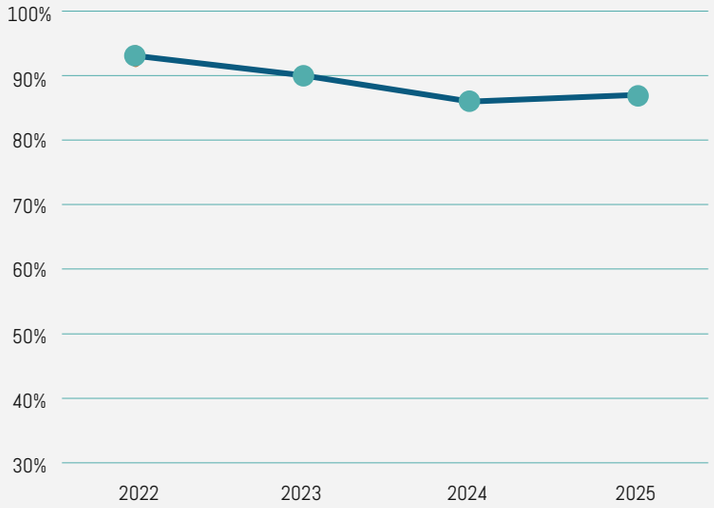
Area	Impact	Value chain location	Geographical location	Description	Mitigation action	Short term focus
People & Equity	Working conditions	Own operations	Own offices and operations across Europe, China and North America	We are responsible for providing safe, fair and healthy working conditions in our own operations. This includes employment terms, workplace health and safety, employee engagement, and opportunities for learning and development. In 2025, Active Brands had 265 employees and 232 FTEs across the group.	Manage working conditions through our Internal Code of Conduct, HR Handbook, ACT framework, bi-weekly pulse surveys, training and development activities, and employee dialogue. Support a safe work environment through our safety representative group and employee-led initiatives that strengthen culture and engagement.	• Maintain health, safety and wellbeing measures across locations. Use pulse survey insights more actively in follow-up on culture and collaboration. • Continue consistent use of the ACT framework and strengthen awareness of ethics and whistleblowing channels.
	Equal treatment and opportunities for all	Own operations	Own offices and operations across Europe, China and North America	Equal treatment is part of building an inclusive workplace where people feel valued, respected and able to develop. In 2025, women represented 70% of employees across the company, 57% of management positions in Active Brands AS, and 50% of direct CEO report roles. Equal treatment also depends on fair practices in recruitment, development, leadership and everyday behaviour.	Support equal treatment through our Internal Code of Conduct, HR Handbook, regular people dialogue, leadership follow-up and employee development processes. Build an inclusive culture through clear expectations on behaviour, non-discrimination, respectful conduct and development opportunities across teams and roles.	• Continue building a values-driven and inclusive culture, with attention to recruitment, leadership balance and consistent follow-up on inclusion in practice. • Strengthen how human rights and people topics are integrated into training and leadership development.
	Working conditions	Upstream value chain	Manufacturing locations in key sourcing regions	Most people connected to Active Brands work in supplier factories rather than in our own offices. In 2025, the workforce across our Tier 1 supplier base was around 24,000 people, and around 72% were women. The main risks relate to occupational health and safety, wages, working hours, predictability and broader decent work conditions, especially in higher-risk sourcing contexts.	Address working conditions through risk-based due diligence anchored in our Supplier Code of Conduct, Responsible Business Conduct Policy and Internal Routines for Due Diligence. Use supplier screening, third-party social audits or equivalent assurance, worker interviews, grievance mechanisms, factory dialogue and follow-up to identify and address risks over time. Strengthen supplier relationships through clearer expectations and more responsible planning and follow-up.	• Deepen follow-up on occupational health and safety, excessive overtime, wages and worker voice. Use performance on these topics more actively in supplier dialogue and evaluation. • Continue improving internal planning and predictability so purchasing practices better support stable and fair working conditions.
	Equal treatment and opportunities for all	Upstream value chain	Manufacturing locations and higher-risk sourcing contexts	Equal treatment risks in the value chain can include discrimination, harassment, unequal access to opportunity, weak representation, and gender-related gaps in wages or treatment. This matters because many workers in our supply chain are women employed in labour-intensive roles, while power imbalances can be greater in higher-risk sourcing contexts.	Promote equal treatment through supplier requirements on non-discrimination and labour rights, social audits, worker interviews, grievance mechanisms and ongoing supplier dialogue. Strengthen the gender lens in due diligence by considering how risks and remediation may affect workers differently, including in wage analysis, training access and grievance follow-up.	• Improve how equal treatment is assessed in practice through audits, worker interviews and supplier follow-up. • Continue strengthening the gender perspective in wage benchmarking, worker voice and grievance mechanism reviews.
	Other work-related rights	Upstream value chain	Manufacturing locations and higher-risk sourcing contexts	Beyond day-to-day working conditions, we also need to address broader labour and human rights risks in the value chain. These include freedom of association, collective bargaining, grievance access, living wage progression, child labour, forced labour and responsible handling of risks in high-risk regions and raw material chains.	Use our OECD-aligned due diligence model to identify, prevent, mitigate, track and communicate how impacts are addressed, and to cooperate in remediation when appropriate. This includes country and supplier risk assessment, onboarding checks, audits, worker interviews, collaboration with industry initiatives, and responsible disengagement where risks cannot be mitigated adequately.	• Strengthen worker voice, democratic worker committees, collective bargaining and grievance mechanism effectiveness. • Continue living wage benchmarking and address excessive overtime through supplier engagement. • Prepare more structured approaches for highest-risk contexts with a focus on raw materials and align priority raw material sourcing more clearly with human rights expectations.

Active Life & Wellbeing	Social inclusion of consumers and/or end-users	Downstream value chain	All markets	This topic covers how our brands can help lower barriers to participation and create a stronger sense of belonging through products, communities and communication. In the 2025 report and ESG Strategy, this pillar is linked to inclusion and access, authentic brand-led initiatives, and activities that support active and healthy lives in sport, at work and in nature.	Promote inclusive and responsible brand communication, and support initiatives that make outdoor activity and sport feel more accessible to more people. Prioritise activities that are relevant to each brand, grounded in real communities, and designed to create lasting value rather than one-off campaigns.	• Build a lighter shared structure for inclusive brand expression and follow-up, while allowing each brand to work in ways that fit its identity and market. • Continue supporting brand-led initiatives that widen participation, strengthen belonging and reflect diverse user groups.
Governance & Business Conduct	Corporate culture	Own operations	Own offices and operations across Europe, China and North America	A strong culture helps turn policies, values and targets into day-to-day decisions. At Active Brands, ESG is embedded as a shared responsibility across functions and brands, supported by clear ownership, leadership follow-up and board-approved steering documents.	Maintain clear governance through board-approved policies, defined roles and responsibilities, internal communication and training, and regular follow-up in leadership forums. Support a culture where ethical expectations are understood and ESG is part of how decisions are made in practice.	• Keep ESG embedded in leadership and function follow-up. • Strengthen internal awareness of ethics expectations and policy responsibilities and continue improving consistent implementation of key routines across locations.
	Protection of whistle-blowers	Own operations	Own offices and operations across Europe, China and North America	Secure reporting channels are important for identifying misconduct, handling concerns early and protecting people who speak up. Active Brands has a Whistleblowing Policy and internal reporting channels intended to allow concerns to be raised with protection against retaliation.	Maintain secure whistleblowing channels, communicate how they should be used, and ensure concerns are handled responsibly and confidentially. Link whistleblowing to the broader Internal Code of Conduct and ethics framework so it works as part of daily governance, not as a stand-alone tool.	• Maintain consistent application of whistleblowing procedures across locations and ensure employees are aware of and have access to secure reporting channels. • Continue strengthening awareness through onboarding, internal communication and ethics follow-up.
	Corruption and bribery	Own operations; Upstream value chain	Own offices and manufacturing locations in key sourcing regions	Corruption and bribery risks can arise in internal decisions and in relationships with suppliers and other business partners. Active Brands addresses these risks through board-approved policies and procedures, including its Corruption and Sanction Policy, anti-bribery procedures and supplier requirements.	Prevent corruption and bribery through clear internal rules, training, supplier screening and risk-based controls in onboarding and ongoing business relationships. Set clear expectations internally and externally, and use governance tools that support accountability and escalation where needed.	• Continue training on anti-corruption, sanctions and responsible business conduct. • Maintain practical controls and documentation in supplier onboarding and follow-up, and keep these topics integrated into broader due diligence and governance routines.

Appendix 3: People in our Supply Chain

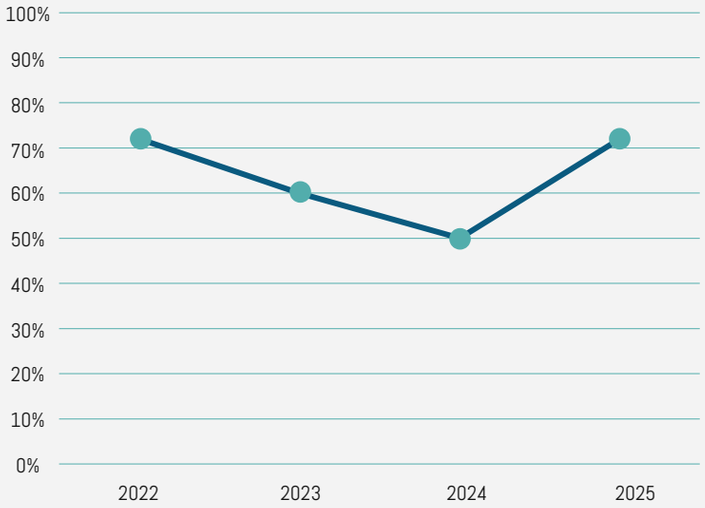
KPI scorecard. People in our supply chain (Tier 1), 2022–2025. The charts summarise how key labour indicators have developed over the last four years across our Tier 1 supplier base, based on spend-weighted data. They complement the "People in our supply chain" chapter and show both progress and remaining gaps.

Share of Tier 1 spend with suppliers partnered ≥5 years



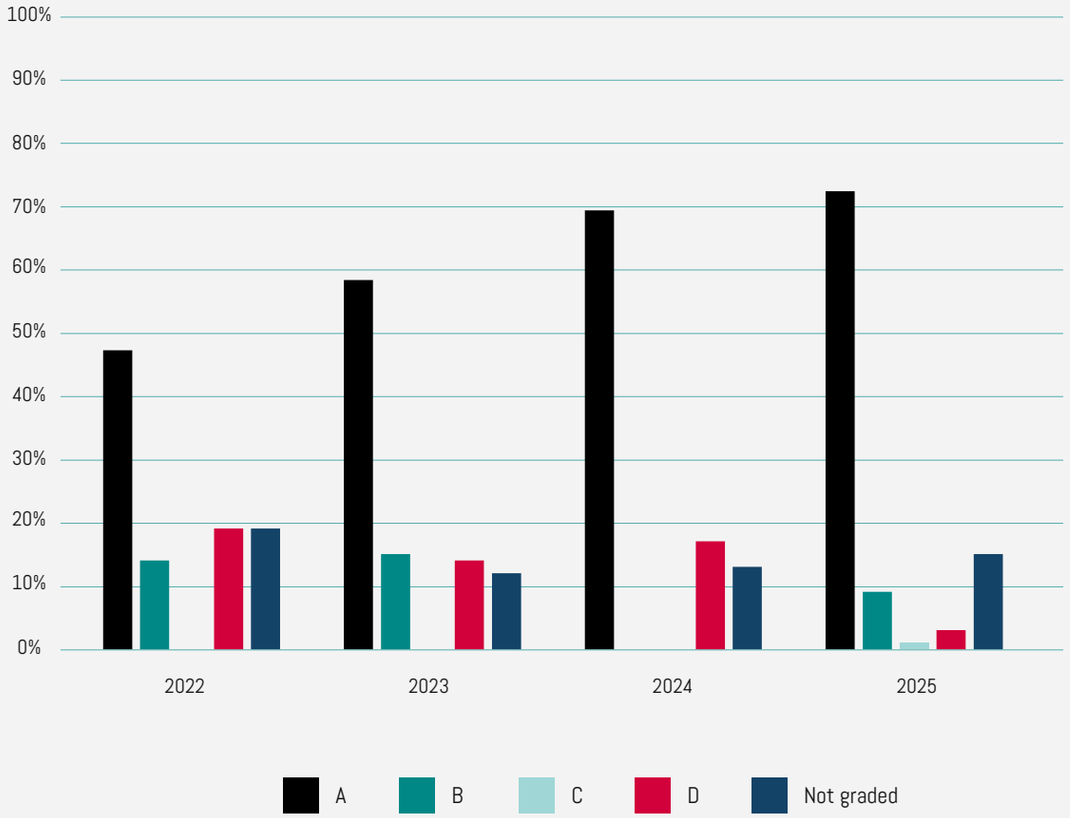
% Tier 1 spend with business relationship ≥5 years

Supplier leverage indicator

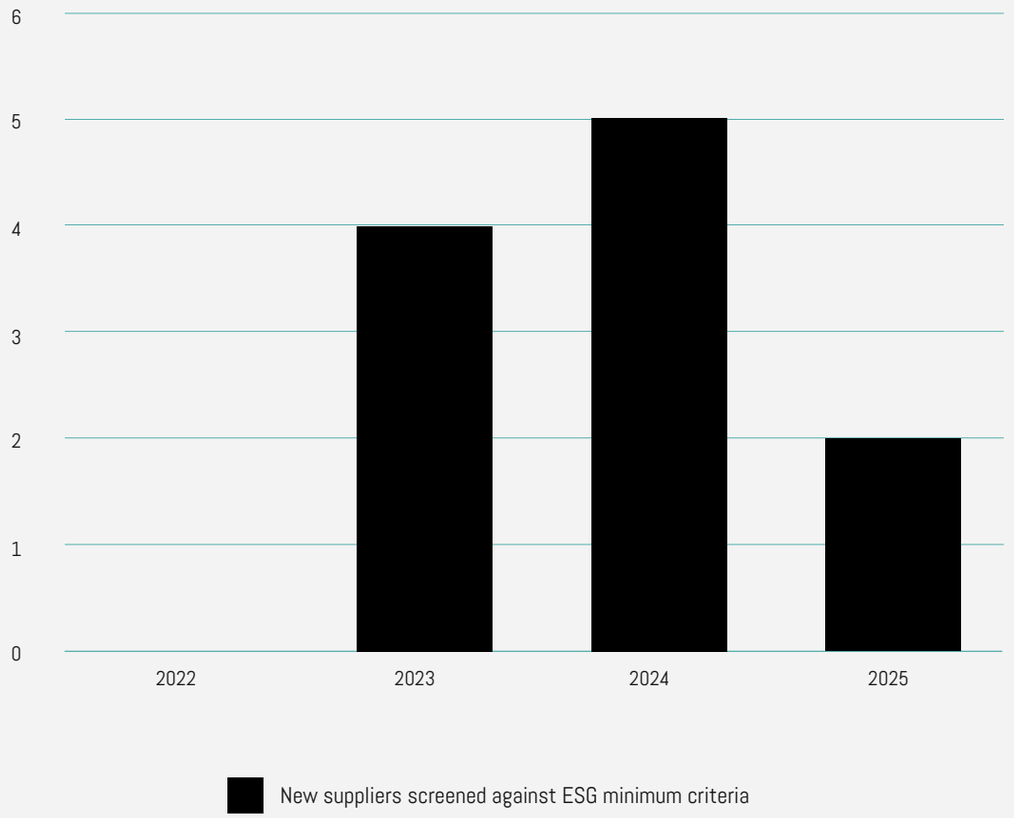


% T1 >10% of production capacity

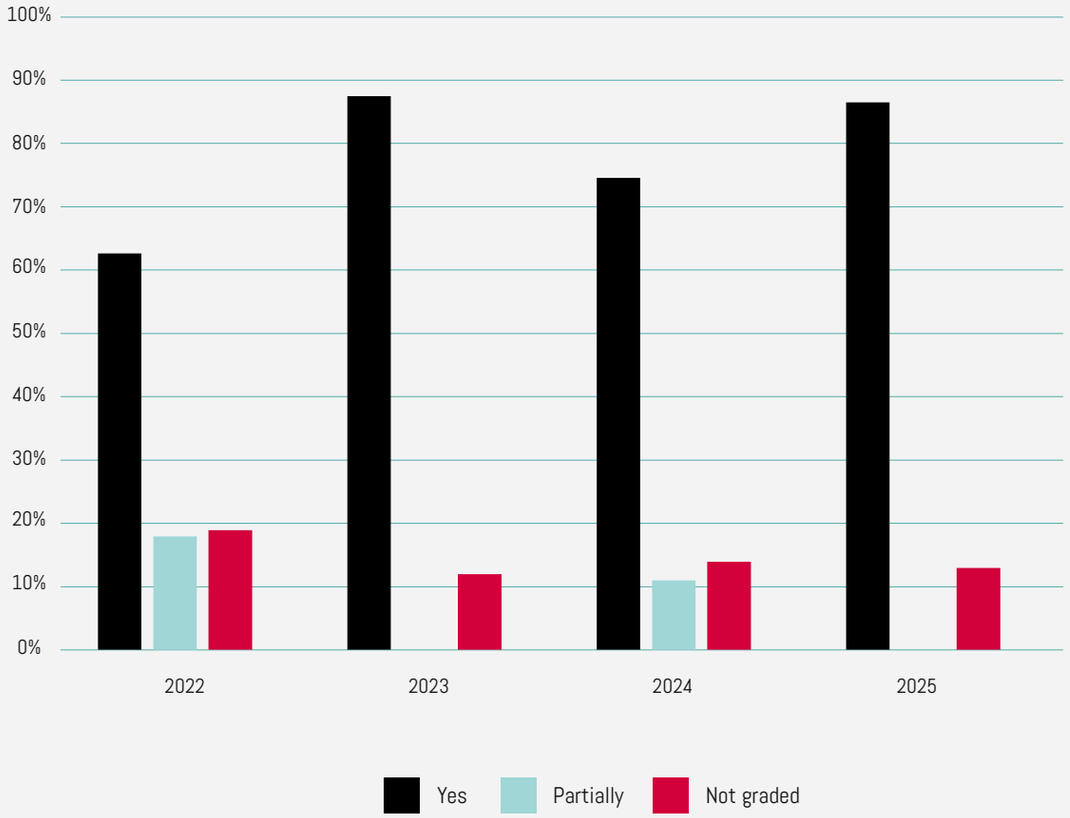
Occupational Health and Safety



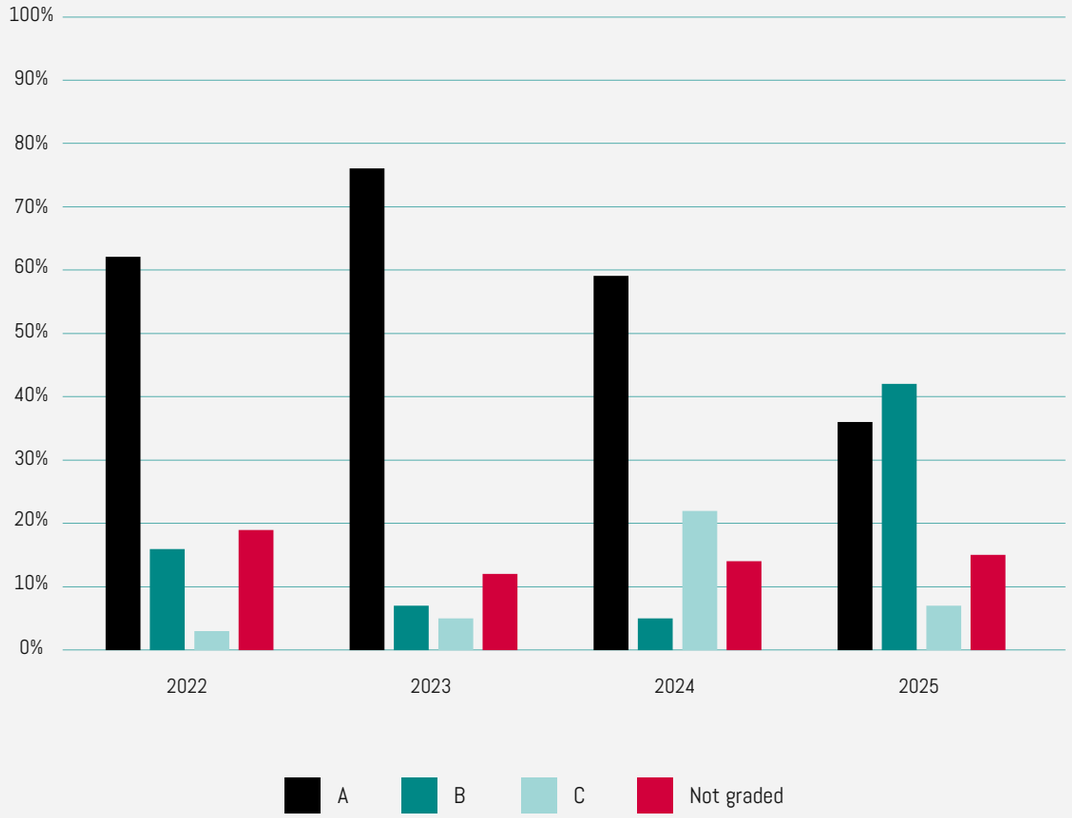
New suppliers screened against ESG minimum criteria



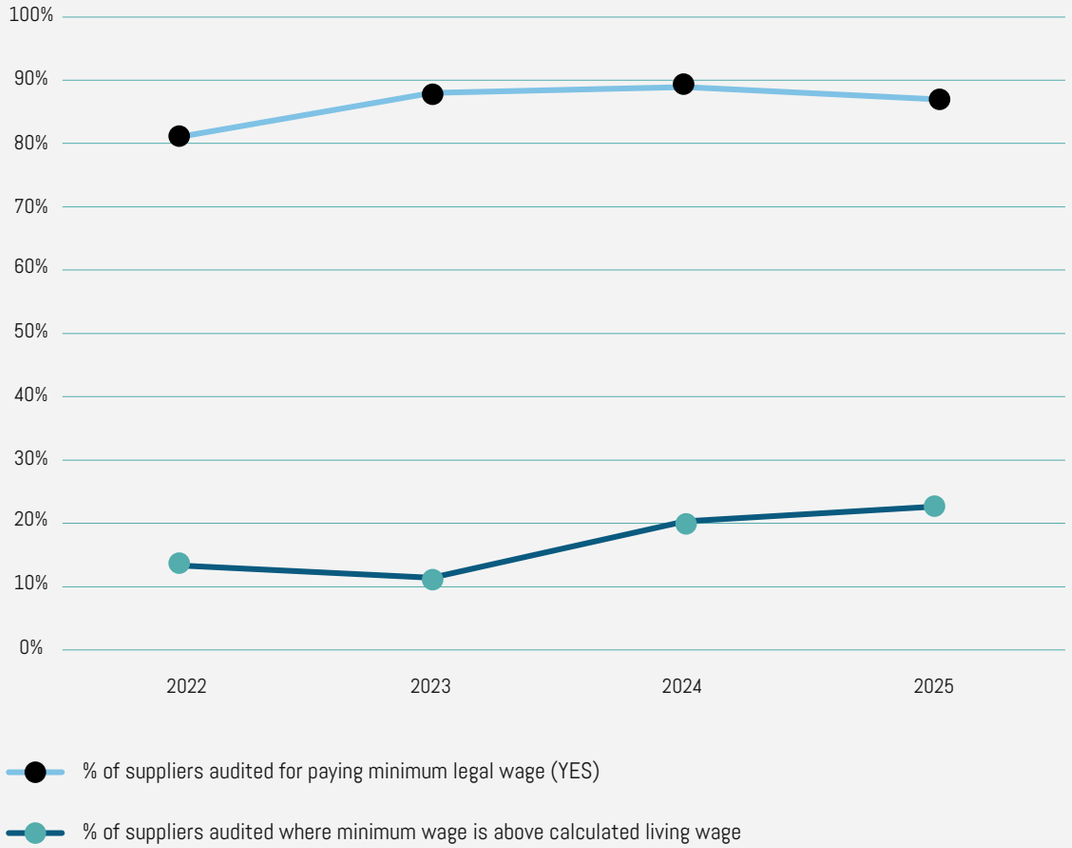
Effective grievance mechanisms in place



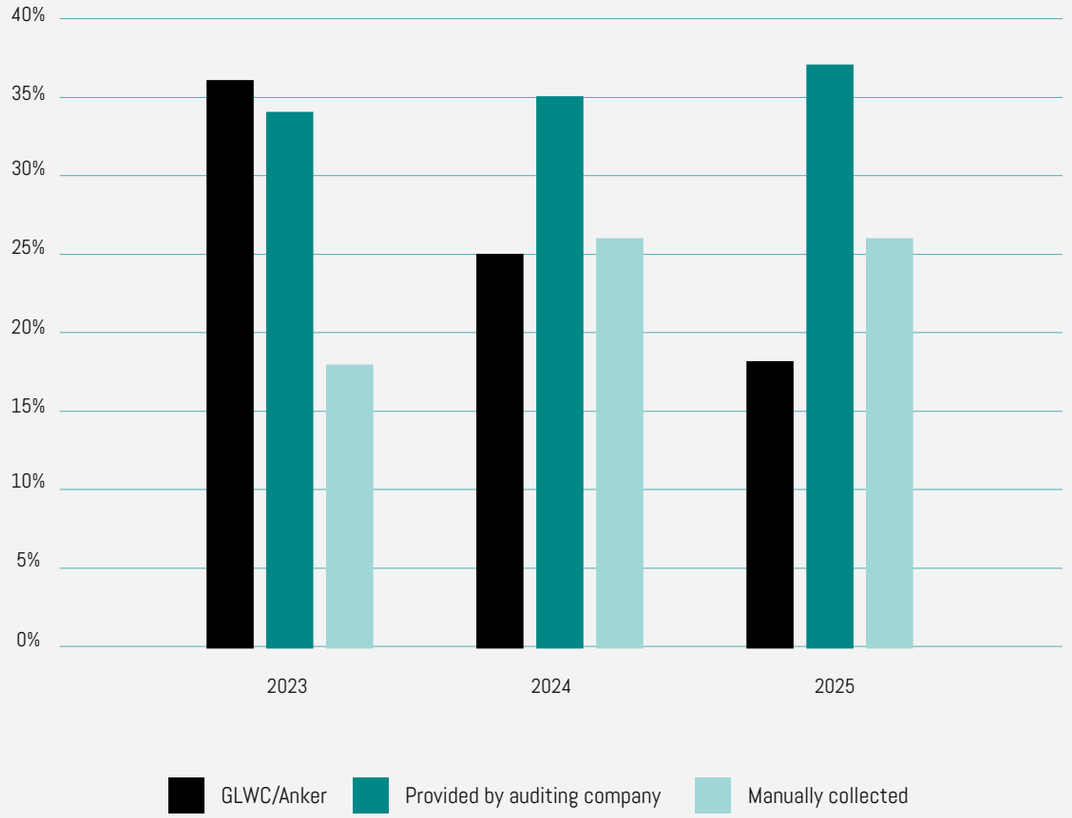
Social dialogue and worker engagement



Minimum wage and living wage benchmark

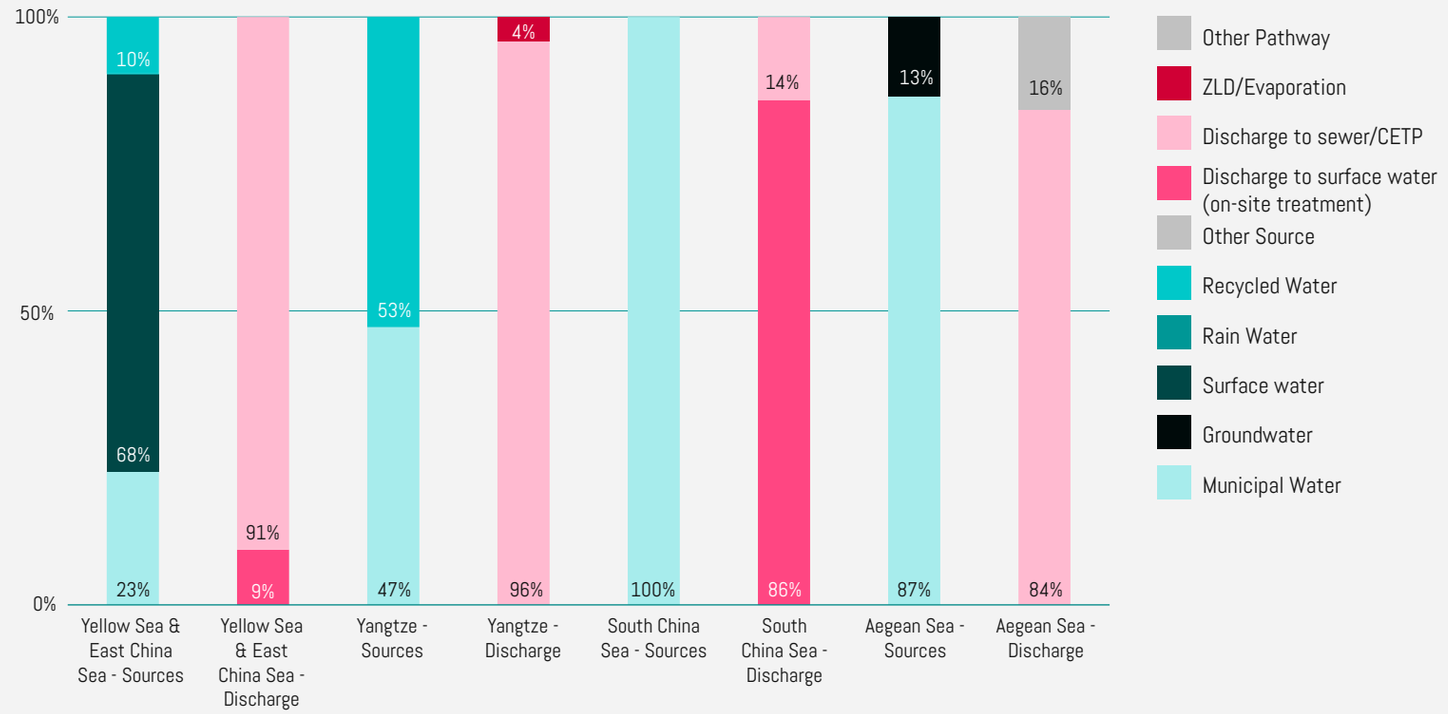


Living wage reference data source



Appendix 4: Water Data

Water Sources, Withdrawals and Discharge Pathways per Basin (%)



High risk - high water use | High/medium risk - lower water use | High/medium risk - minimal water use

Country	River Basin	Province	Suppliers	Basin Physical Risk					Basin Regulatory Risk				Basin Reputational Risk		
				Water Availability	Drought	Flooding	Water Quality	Ecosystem Services Status	Enabling Environment	Institutions & Governance	Management Instruments	WASH Infrastructure	Environmental Factors	Socioecono-mic Factors	Additional Reputational Factors
China	Yellow Sea & East China Sea	Jiangsu	1	1.20	2.50	4.00	3.72	3.20	1.00	2.50	1.60	1.50	2.50	4.00	3.80
		Zhejiang	2												
	South China Sea	Fujian	3	240	3.00	2.50	3.96	3.90	1.00	2.50	1.60	1.50	2.50	4.00	2.60
	Yangtze	Anhui	1	1.00	2.00	4.50	3.98	3.30	1.00	2.50	1.90	1.50	2.60	4.00	2.60
Turkey	Aegean Sea	Istanbul	2	2.80	3.50	2.50	4.20	3.30	1.00	2.00	2.00	1.00	3.00	4.30	3.80

Appendix 5: Reporting of discarded unsold consumer goods

Identifier of the legal entity	Active Brands AS (995767813)
Type of identifier	EUID
Type of disclosure	☑ Standalone Disclosure
Financial year – start date	1/1/2025
Financial year – end date	12/31/2025

Product category (CN code)	Description	Number of units discarded	Total weight of units discarded (kg)	Packaging included in weight of units discarded? (Yes/No)	Waste Treatment Operations						
					Reason for discarding	Destruction					Unknown (%)
						Preparing for reuse (%)	Recycling (%)	Other recovery, e.g. energy recovery (%)	Disposal (%)	Total destruction (%)	
42022290	Handbags, with outer surface of textile materials	1	0.27	No	Damaged goods	0	0	100	0	0	0
42029298	Other containers with outer surface of textile materials	1	1.17	No	Damaged goods	0	0	100	0	0	0
61013010	Men's or boys' knit coats, of man-made fibres	12	5.56	No	Damaged goods	0	0	100	0	0	0
61013090	Men's or boys' knit coats, of other materials	1	0.43	No	Damaged goods	0	0	100	0	0	0
61023010	Women's or girls' knit coats, of man-made fibres	12	4.76	No	Damaged goods	0	0	100	0	0	0
61023090	Women's or girls' knit coats, of other materials	6	2.72	No	Damaged goods	0	0	100	0	0	0
61034200	Men's knit trousers and shorts, of cotton	22	9.89	No	Damaged goods	0	0	100	0	0	0

61034300	Men's knit trousers and shorts, of synthetic fibres	20	5.17	No	Damaged goods	0	0	100	0	0	0
61046100	Women's knit trousers and shorts, of wool or fine animal hair	2	0.86	No	Damaged goods	0	0	100	0	0	0
61046200	Women's knit trousers and shorts, of cotton	7	3.66	No	Damaged goods	0	0	100	0	0	0
61046300	Women's knit trousers and shorts, of synthetic fibres	196	49.80	No	Damaged goods	0	0	100	0	0	0
61071200	Men's knit underpants and briefs, of man-made fibres	8	1.20	No	Damaged goods	0	0	100	0	0	0
61071900	Men's knit underpants and briefs, of other materials	22	4.52	No	Damaged goods	0	0	100	0	0	0
61082100	Women's knit nightdresses, of cotton	24	2.91	No	Damaged goods	0	0	100	0	0	0
61082200	Women's knit nightdresses, of man-made fibres	131	22.12	No	Damaged goods	0	0	100	0	0	0
61082900	Women's knit nightdresses, of other materials	24	8.13	No	Damaged goods	0	0	100	0	0	0
61091000	T-shirts, singlets and vests, of cotton, knit	13	2.55	No	Damaged goods	0	0	100	0	0	0
61099020	T-shirts of synthetic fibres, knit	4	0.66	No	Damaged goods	0	0	100	0	0	0
61099090	T-shirts and vests of other materials, knit	21	3.93	No	Damaged goods	0	0	100	0	0	0
61101130	Men's sweaters and cardigans, of wool	1	0.58	No	Damaged goods	0	0	100	0	0	0
61101190	Women's sweaters and similar, of wool	39	14.83	No	Damaged goods	0	0	100	0	0	0
61102010	Men's sweaters and cardigans, of cotton	6	3.97	No	Damaged goods	0	0	100	0	0	0
61102099	Other sweaters and cardigans, of cotton	2	0.79	No	Damaged goods	0	0	100	0	0	0
61103010	Men's sweaters and cardigans, of synthetic fibres	1	0.33	No	Damaged goods	0	0	100	0	0	0
61103091	Women's sweaters and cardigans, of synthetic fibres	1	0.86	No	Damaged goods	0	0	100	0	0	0
61103099	Other sweaters and cardigans, of synthetic fibres	52	25.96	No	Damaged goods	0	0	100	0	0	0
61121200	Men's knit swimwear	1	0.16	No	Damaged goods	0	0	100	0	0	0
61159400	Socks and stockings of cotton, knit	1	0.08	No	Damaged goods	0	0	100	0	0	0

61159500	Socks and stockings of synthetic fibres, knit	2	0.26	No	Damaged goods	0	0	100	0	0	0
61159610	Men's socks and stockings of wool	1	0.05	No	Damaged goods	0	0	100	0	0	0
61169100	Gloves and mittens of wool, knit	2	0.12	No	Damaged goods	0	0	100	0	0	0
61169300	Gloves and mittens of synthetic fibres, knit	7	0.59	No	Damaged goods	0	0	100	0	0	0
61178010	Other knit garments of cotton	1	0.04	No	Damaged goods	0	0	100	0	0	0
61178080	Other knit garments of synthetic fibres	10	1.12	No	Damaged goods	0	0	100	0	0	0
62014010	Men's overcoats and coats of wool or fine animal hair	725	373.25	No	Damaged goods	0	0	100	0	0	0
62023010	Women's overcoats of wool or fine animal hair	2	0.60	No	Damaged goods	0	0	100	0	0	0
62024010	Women's jackets and blazers of wool or fine animal hair	457	257.46	No	Damaged goods	0	0	100	0	0	0
62034319	Men's trousers and shorts of cotton, woven	40	14.22	No	Damaged goods	0	0	100	0	0	0
62034390	Men's trousers and shorts of other textile materials	35	9.99	No	Damaged goods	0	0	100	0	0	0
62045300	Women's skirts and skorts of wool or fine animal hair	1	0.21	No	Damaged goods	0	0	100	0	0	0
62046318	Women's trousers of synthetic fibres, woven	803	190.49	No	Damaged goods	0	0	100	0	0	0
62102000	Men's overgarments (anoraks, wind jackets)	4	3.92	No	Damaged goods	0	0	100	0	0	0
62103000	Women's overgarments (anoraks, wind jackets)	7	10.14	No	Damaged goods	0	0	100	0	0	0
62104000	Lined garments for men and women	2	1.66	No	Damaged goods	0	0	100	0	0	0
62105000	Other similar garments of textile materials	225	134.89	No	Damaged goods	0	0	100	0	0	0
62121090	Brassieres and corsets of other materials	3	0.55	No	Damaged goods	0	0	100	0	0	0
62160000	Clothing accessories of textile materials	14	1.76	No	Damaged goods	0	0	100	0	0	0
64031900	Footwear with rubber/plastic soles and leather uppers, other than boots	5	5.52	No	Damaged goods	0	0	100	0	0	0
64041100	Sports shoes with rubber/plastic soles and textile uppers	3	4.51	No	Damaged goods	0	0	100	0	0	0

65050030	Knit or crochet hats of wool	1	0.05	No	Damaged goods	0	0	100	0	0	0
65050090	Other knit or crochet hats, without lining	2	0.24	No	Damaged goods	0	0	100	0	0	0
65061010	Protective helmets for sports	502	489.66	No	Damaged goods	0	0	100	0	0	0
65070000	Other headgear and parts of hats	16	1.94	No	Damaged goods	0	0	100	0	0	0
90041091	Sunglasses of plastic, without corrective lenses	12	4.68	No	Damaged goods	0	0	100	0	0	0
90049090	Other glasses and frames, without corrective lenses	49	34.90	No	Damaged goods	0	0	100	0	0	0
94032080	Other metal furniture	1	12.00	No	Damaged goods	0	0	100	0	0	0
95061110	Unstrung tennis rackets	157	306.42	No	Damaged goods	0	0	100	0	0	0
95061900	Other sports rackets	4	2.05	No	Damaged goods	0	0	100	0	0	0
95069190	Parts and accessories for sports equipment	2	1.28	No	Damaged goods	0	0	100	0	0	0
Measures taken to prevent the destruction of unsold consumer products											
Measures planned to prevent the destruction of unsold consumer products											

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