



Report 2024

*Ethical Trade Norway has assessed that the report from Eurosko Gruppen AS meets our requirements for the basic level. Read more about the basic level here [**her**](#).*



FNs BÆREKRAFTSMÅL



The business sector and public sector have a significant impact on people, society, the environment, climate, and animals. They can contribute positively to development but can also have negative impacts and cause harm. Businesses, therefore, play a key role in achieving the UN Sustainable Development Goals and the Paris Agreement's 1.5-degree target.

This report can be used as a statement in accordance with the Transparency Act but has a broader scope, including climate and environment, circular economy, and anti-corruption. Our members are required to conduct due diligence assessments and report annually on their work. Members of Ethical Trade Norway at Basic Level 1 also fulfill the due diligence requirements of the Transparency Act and partly the information disclosure obligations

The OECD's term Responsible Business Conduct is what we in Ethical Trade Norway refer to as sustainable business practices. The systematic efforts businesses make to identify, prevent, mitigate, and account for how they handle risks of negative impacts, as well as remedy harm to people, animals, society, and the environment, are called due diligence assessments.

Businesses above a certain size are required by the Transparency Act to conduct due diligence assessments on human rights. However, all businesses, regardless of size, are expected by Norwegian authorities to conduct due diligence assessments on society, the environment, and animals, and to comply with the UN Guiding Principles on Business and Human Rights (UNGP) and the OECD Guidelines for Multinational Enterprises. This applies to the private sector, public sector, and organizations alike

Ethical Trade Norway's principles (our Code of Conduct) for sustainable business practices cover decent work, human rights, environment/climate, anti-corruption, and animal welfare. This report demonstrates transparency in how the company works with due diligence assessments in line with UNGP and the OECD guidelines.

All member reports are made publicly available on Ethical Trade Norway's website



Heidi Furustøl

Daglig leder

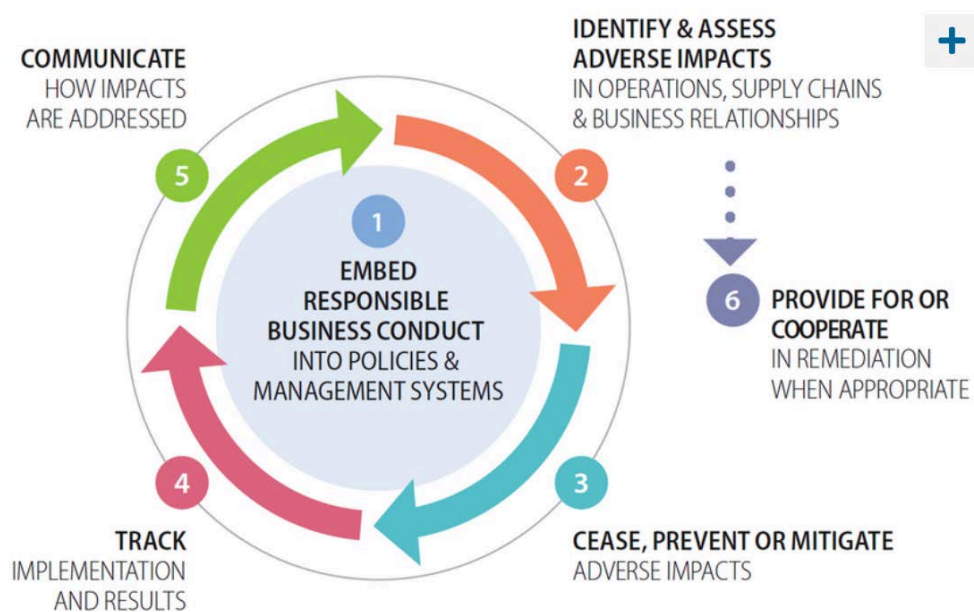
Etisk handel Norge

Due diligence assessment

This report is built around the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Model for Responsible Business Conduct.

The model consists of six steps that outline how businesses can work towards more responsible and sustainable business practices. Excelling in due diligence does not mean that a company has no negative impact on people, society, and the environment. Rather, it signifies that the company is transparent and honest about its challenges and addresses them in the best possible way in consultation with its stakeholders.

This report is structured into chapters based on this model



Letter from the CEO

Eurosko Gruppen AS operates as a wholesaler, importing shoes, while Tilbehørshuset imports other retail goods for the group's concepts: Eurosko, dna, Shoeday, and Shoegallery. J.A. Magnussen Engros AS is one of the parent companies, which, in addition to the mentioned concepts, also operates Spesialsko. Spesialsko is a supplier to orthopedic businesses in Norway.

The year 2024 has been marked by significant changes and increasing demands for responsible business conduct. On the EU front, we see a growing number of sustainability regulations, such as CSRD, which impose stricter reporting and accountability requirements. This places sustainability even more firmly at the core of our strategy and operations. Throughout 2024, we have worked to integrate our long-term sustainability strategy into our prioritized divisions, ensuring that all key factors become operational and align with future requirements.

Sustainability in the supply chain remains one of our top priorities. We have strengthened our collaboration with suppliers to ensure compliance with our standards for ethical trade, working conditions, and environmental responsibility.

Our vision for 2025 is to accelerate our efforts toward sustainable growth by enhancing processes, due diligence assessments, and risk mapping to meet the evolving expectations for responsible business practices.



Thore Olaussen
CEO

Key information about the business and supply chain

Virksomhetns navn

Eurosko Gruppen AS

Adresse HQ

Solgaard Skog 86, 1539 Moss

Most important brands, product and services

Important brands; Stockholm Design Group, Okaki, Softwalk og Ponny. Fottøy, vesker og skopleiemidler.

Description of the Company's Structure

Eurosko Gruppen AS consists of subsidiaries and parent companies. Eurosko Gruppen AS operates as a wholesaler, importing shoes, while Tilbehørshuset imports other retail goods for the group's concepts: Eurosko, dna, Shoeday, and Shoegallery. JA Magnussen Engros AS is one of the parent companies, which, in addition to the aforementioned concepts, also operates Spesialsko, a supplier to orthopedic businesses in Norway.

The group has a large portfolio of proprietary brands sold across one or more of our concepts. Our key brands include Stockholm Design Group, Okaki, Softwalk, Unified, Slusher, and Ponny.

Product development and external sourcing are managed by a centralized purchasing and design team, utilizing a shared portfolio of production sites across the group. By leveraging economies of scale, Eurosko Gruppen maximizes the impact of its sustainability expertise, further reinforcing the implementation of our long-term goals.

Additionally, the group's concepts purchase and sell external brands such as New Balance, Adidas, Solidus, Birkenstock, and Ecco.

Revenue in the reporting year (NOK)

3 036 000 000

Employees

53

Is the company covered by the Transparency Act?

YES

Significant organizational changes since the previous reporting period and the timeframe of this report

The number above represents the total number of employees at Eurosko Gruppens AS's office in Moss in 2024.

Name, title for the contactperson of this report

Nina Ekstrøm - CSO

E-mail adress contactperson for this report

nina.ekstrom@eurosko.com

Information about supply chain

General description of the company's procurement model and supply chain:

The essence of the chain organization is the development and import of Inhouse Brands, with responsibility for this lying with the CPO. Additionally, the retail department facilitates the purchase and sale of external brands across all our concepts. The CSO is positioned at the core of the product department to minimize the gap between shoe production and the implementation of due diligence in CSR efforts.

The number of suppliers with whom the company has had commercial relationships during the reporting year:

68

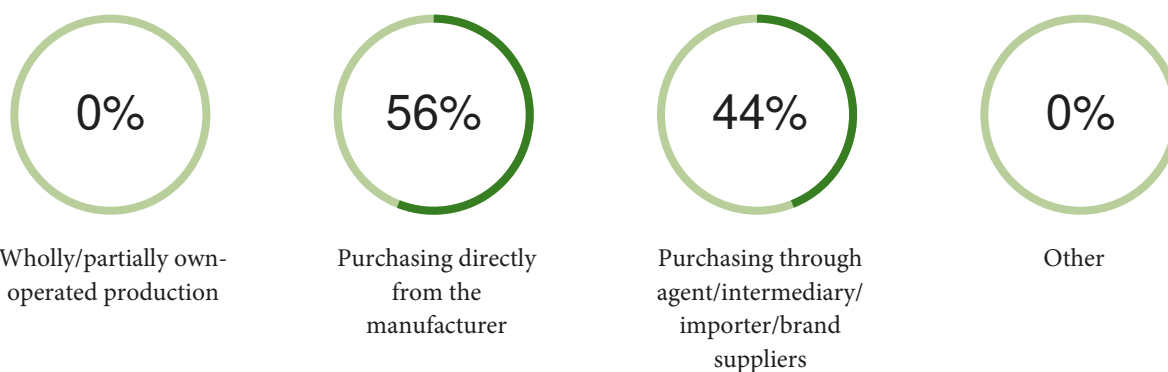
Comments to the supply chain:

The 2024 report covers Inhouse Brands and External Brands across all our concepts. We prioritize suppliers contributing more than 2% of the total production volume in pairs. We continuously work to optimize the supply chain with the goal of further consolidating production. Optimizing suppliers leads to more concentrated production and a clearer overview of the supply chain.

We conduct risk assessments for all external suppliers that contribute more than 2% of the total number of pairs produced. For 2024, this includes 10 major suppliers with whom we maintain long-term relationships. Our mapping efforts—gathering information about production countries, regions, production sites, the scope of due diligence, Code of Conduct (CoC), certifications, and memberships—will continue in 2025.

The mapping and due diligence assessments of our own suppliers are well underway. Many of our suppliers work with multiple first-tier manufacturers (see the list of first-tier manufacturers). These are mapped each season down to the model level, including tanneries.

Procurement / Supplier relations



The purchasing volume is reported here in "number of pairs" in the market. Purchases made directly from the manufacturer indicate "Inhouse Brands," while purchases through agents, intermediaries, etc., indicate "External Brands."

List of first-tier manufactures by country:

China :	97
India:	15
Italy :	5
Portugal :	7
Spain :	5

Numbers for Inhouse brands for all consepts.

Specify the number of workers at first-tier manufacturers

Workers:

15 670

Comments:

This applies to Inhouse Brands, and as of today, we have statistics for approximately 75% of the portfolio. Additional information is collected upon request.

Key input factors/raw materials for products or services and geography:

Polyuretan (PU)	China
Leather	China Spain India Italy Portugal
Textile	China

Eurosko Gruppen AS has a policy where we expect our suppliers to source our leather from LWG-audited tanneries. This requirement is stated in all documents sent to our suppliers and applies to both external and in-house brands.

LWG (Leather Working Group) works to promote sustainable practices within the leather industry through standards that tanneries are tested on and committed to following. These include aspects such as waste management, water consumption, energy efficiency, and chemical usage.
Our Code of Conduct includes clear guidelines on animal welfare.

Is the company a supplier to the public sector?

YES

Goals and Progress

Process goals and progress in 2024:

1

Continuing our work towards our long-term goal – "Leading in transparency in the footwear industry"

Carbon Accounting Scope 3: In 2024, we plan to map and analyze emissions from transportation and procurement as part of our action plan. These categories are considered the most significant in Scope 3 regarding emissions.

The goal is to establish concrete reduction targets for these categories in line with the Paris Agreement.

Reduce plastic bag usage by 10%.

Mål:

Map wage conditions in our key regions. The goal is for 70% of producers in our own collection located in risk areas to be members of Amfori.

Optimize packaging with a 5% reduction.

Progress for 2024

Scope 3 carbon accounting has been completed for 2024 and is publicly available on our website, euroske.com.

Plastic bag usage reduced by 20%.

Status:

Mapping wage conditions in our supplier chain is an extensive task, primarily carried out through Amfori. 85% of our prioritized suppliers, responsible for the majority of our production, are now members of Amfori. Packaging reduction achieved: 2%.

The work continues in 2024.

Process goals for next year

1

Reduce emissions by 220 tons of CO₂. An ambitious goal, where the key factors are energy consumption, material usage, and optimization of the packaging/logistics chain.

2

Reduce plastic bag usage by 10%.



1

Anchoring sustainability in the company.

Anchoring responsibility for sustainable business practices within the company involves having strategies, plans, relevant policies, and guidelines for due diligence that are adopted by management. These should cover the entire company, as well as its supply chain and business relationships.

Effective management systems for implementation are essential for success, and due diligence efforts should be an integrated part of the company's business operations. Clear expectations from top management, as well as a well-defined allocation of responsibility within the organization for implementing the various aspects of due diligence, are crucial. All involved must know what they are expected to do.

Transparency about the company's commitments, the challenges it faces, and how these are managed is essential

1.A Policy own operations

1.A.1 Link to Policy own operation:

<https://www.eurosko.com/no/barekraft/miljo/vare-policyer>

1.A.2 What does the company publicly state about its commitments to respecting people, animals, society, and the environment?

The purpose of Eurosko Gruppen AS' "Sustainable Business Strategy" is to ensure that our business operates in an economically, socially, and environmentally sustainable manner. This strategy forms the foundation for the company's ethical guidelines (CoC) and environmental commitments and is instrumental in shaping our sustainability goals, which are based on our ethical guidelines and our membership obligations in Ethical Trade Norway.

We have identified 10 of the UN Sustainable Development Goals (SDGs) where our business can make a significant contribution. These are Goals 1, 4, 6, 8, 9, 11, 12, 14, and 15. We develop our sustainability commitments and strategies to direct our projects and efforts toward these goals.

Our goal is to be the leading player/retailer in transparency within our industry.

Core Values: Engaged, Inspired, Competent and Responsible

Risk assessment of factories and tanneries is part of our daily operations, allowing us to gain the most accurate picture of production sites. This, in turn, helps us prioritize where and how to work to minimize our overall impact on people, society, and the environment.

We do our utmost not to cause or contribute to any adverse impact on people, society, and the environment through our activities and address such consequences when they arise. This also applies to products or services we receive from our business partners, even if we are not directly linked to any negative consequences.

1.A.3 How has the policy for own operations been developed and anchored

The policy has been developed in accordance with Ethical Trade Norway's Declaration of Principles. This policy document, including principles and strategies for sustainable business practices, forms the foundation of our sustainability efforts. The results of ongoing due diligence assessments will lead to policy updates whenever necessary. Regardless, the policy is reviewed annually.

The policy has been designed to:

Achieve our visions and goals

Communicate our expectations and requirements to our partners

Ensure a sustainable business model within our company

The policy is anchored throughout the organization and has been approved by the board.

1.B Organization and internal communication

1.B.1 How is the work with due diligence assessments organized within the company, anchored in internal guidelines and procedures?

Sustainability work is an integrated part of our business operations, with the primary responsibility lying within the product department, where the CSR officer is also based. The CPO holds the overall responsibility for sustainability efforts within the company. The CSR officer has day-to-day responsibility and drives the facilitation of due diligence assessments, changes, follow-ups, and system development for risk assessments.

Goals and implementation are anchored with the involved parties. The board holds the formal responsibility.

1.B.2 How is the importance of the company's due diligence assessments concretized and communicated to employees through job descriptions (or similar), tasks, and incentive schemes?

The Sustainability Department is responsible for developing systems and communicating the information/results of our work continuously throughout the year. This is done through the intranet, internet, board meetings, reports, gatherings, and courses. The intranet is intended for shareholders, store employees, and all departments at the head office. Gatherings with store employees and meetings at the head office include fixed CSR topics on the agenda. We often work across functions, as many goals in our sustainability efforts involve multiple departments. For example, improvements in our supply chain involve the product department, development office, marketing department, and HR department.

1.B.3 How is it ensured that relevant employees have sufficient competence to carry out the work with due diligence assessments?

We have/participate in information meetings, gatherings, courses, and workshops. Shared information and documents are available on the internal database/teams. In connection with all trips, the purchasing team receives updates on our work, evaluation points, and VOF (visual observation form)

1.C. Plans and resources

1.C.1 How are the company's commitments to respecting people, society, animals, and the environment anchored in strategies and action plans?

The purpose of Eurosko Gruppen AS' "Sustainable Business Strategy" is to ensure that our business operates in a way that is economically, socially, and environmentally sustainable. The strategy forms the foundation for the company's ethical guidelines (CoC) and environmental commitments, and it is crucial for our sustainability goals, which are based on our ethical guidelines and our membership obligations to Ethical Trade Norway.

Core Values:

Engaged, Inspired, Competent and Responsible

We have identified 10 of the United Nations Sustainable Development Goals (SDGs) to which our business will make significant contributions. We are developing our sustainability promises and strategies to channel our projects and efforts toward these goals.

Risk assessments of factories and tanneries are part of our daily operations, helping us gain the most accurate picture of production sites. This, in turn, allows us to prioritize where and how we work to minimize our overall impact on people, society, and the environment.

We do our utmost not to cause or contribute to adverse impacts on people, society, and the environment through our own activities and address such consequences when they arise. This also applies to products or services we receive from our business partners, even if we are not directly linked to the negative consequences.

The content of our main pillars is "people and the planet," and how we can minimize negative impacts on these. These pillars serve as guidelines for all operations within Eurosko Gruppen.

1.C.2 How are strategies and plans for sustainable business practices followed up by management and the board?

Our sustainability goals are part of the company's overall strategy. The board approves the strategy and framework. Management and the CSR officer implement targeted action plans, which are reported to the board to ensure goal achievement. Sustainability is part of the agenda at all board meetings.

1.D Partnerships and collaboration with suppliers and business partners.

1.D.1 How does the company clarify the importance of sustainable business practices in its interactions with suppliers and business partners?

We expect responsible business conduct from our suppliers with regard to people, society, and the environment.

Procedure for external and own brands:

The Code of Conduct (CoC), including the Animal Welfare Policy, is presented to all new suppliers. Responsible Business Partnership (RBP) follows every order each season to emphasize our requirements for the supply chain.

When a supplier confirms an order, they also confirm compliance with our CoC. The intention behind the CoC is to establish and develop social and environmental standards. RBP serves as a "supplier manual", and its purpose is to strengthen the dialogue and understanding of the social responsibility we aim to uphold in our supply chain.

All our efforts are based on compliance with our guidelines, which clearly define the principles we require our suppliers to follow.

Additional measures for own brands:

In recent years, our company has made significant changes to our purchasing practices to ensure that suppliers are enabled to meet our requirements.

Four times a year, in connection with trade fairs and similar events, we engage in correspondence regarding sustainability efforts, certifications, and more.

Sustainability is always on the agenda during all factory visits, and we follow up on audits conducted by our partner Amfori or other relevant organizations. Amfori is a global trade association that promotes sustainable trade, production, and responsible business practices.

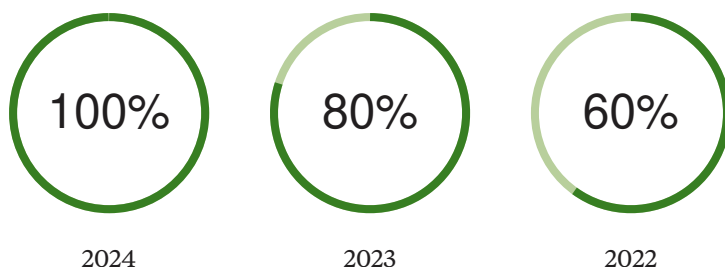
Indicator

Percentage of the company's suppliers who have agreed to the supplier code of conduct/guidelines.



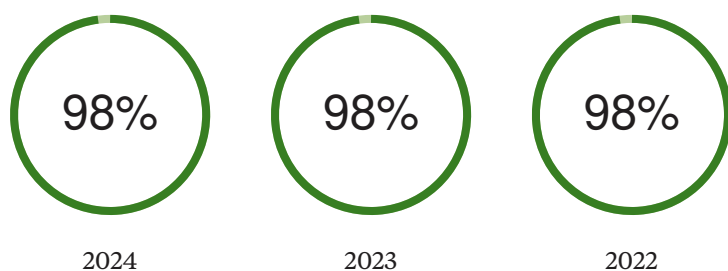
Our Code of Conduct follows all orders, and the supplier confirms the documents in their order confirmation.

Percentage of suppliers in high-risk supply chains that have undergone risk assessment/mapping.



Mapping and follow-up of our own manufacturers has been ongoing for several years, and we have mapped 100% of our own manufacturers.

Proportion of the company's suppliers with whom the company has had a business relationship for more than three years.



Proportion of supplier payments made on time during the reporting year.



1.E Insights and improvements

1.E.1 What experiences has the company gained from working with sustainable business practices during the reporting year, and what changes have resulted from this?

2024 has been a year marked by significant changes and increasing demands for responsible business conduct. On the EU front, we continue to see a growing number of sustainability regulations, such as the CSRD, which impose stricter requirements for transparency and accountability. We are also seeing increased interest from consumers and NGOs.

As a result, our sustainability work has become more systematized, and the regulatory landscape is supporting our goal of becoming a leader in transparency within our industry. We are also seeing greater willingness from our partners to share information about their own sustainability efforts.

Own brands:

Audits conducted at our production sites in high-risk areas continue to reveal non-compliances related to overtime – the most common issue found. We use multiple risk tools and sources to assess the risk levels of the countries and regions where we produce. For us, China and India remain the highest-risk areas.

In 2024, we further optimized our work on adjusting order timelines and development processes. However, we recognize that our production often represents a small percentage of the total output in Asia. Therefore, our partnership with Amfori is important – today, 70% of our producers in high-risk areas are members of Amfori. Amfori is a global business association promoting sustainable trade, responsible production, and ethical business practices, such as improving working conditions, wages, freedom of association, and reducing environmental impact.

India remains an area of particular focus, as it is a growing production region for us. All production sites in India have been visited by the CPO or the purchasing team. A VOF (Verification of Fact) has been carried out and submitted to the CSR manager.

External brands:

We had positive experiences in 2024. Due to increasing expectations for responsible business and the growing number of sustainability regulations, it has become easier to obtain information from our partners. So far, our mapping efforts include collecting information on production country, region, production site, scope of due diligence assessments, Code of Conduct, certifications, and memberships. All data is recorded in a dedicated risk assessment form within our internal database.



2

To define the focus of the report

Mapping of the company's impact on people, animals, society, and the environment.

Mapping is about identifying the company's risk of, and actual negative impact or harm on, people, animals, society, and the environment — including within the supply chain and through business relationships.

It involves first developing an overall risk picture, and then prioritizing the most significant risk areas for more in-depth mapping and management of findings.

Understanding how the company is involved in any negative impact on people, animals, society, or the environment is essential for determining the appropriate response and actions.

Stakeholder engagement — especially involving affected parties — is a key part of the mapping process, as well as in implementing measures to address the challenges effectively.

2.A Mapping and prioritization

Prioritized Negative Impact/Harm on People, Animals, Society, and the Environment

Prioritizing one or more risk areas based on severity does not mean that some risks are more important than others, or that the company will not take action on other risks. It simply means that those with the most significant negative impact are addressed first. Mapping and prioritization is a continuous process

2.A.1 Prioritized Risks of Potential and/or Actual Harm to People, Animals, Society, and the Environment

Prioritized risk	Related topics	Geografi
Use of overtime work; limited opportunities for free trade union organization.	Freedom of association and collectiv bargaining Wage Working hours	China India
Production og Tanning	Environment, helath, safty Environment Emmissions Water	China India
Transport	Environment	Global

Justification for why these challenges are prioritized as most significant for people, animals, society, and the environment

2.A.2 Beskriv: a) The company's procedures for mapping and identifying risk, and how that risk was identified and prioritized. b) Any parts of the company not covered in the mapping (product groups, own brands, departments, or similar), and the reasons why. c) How information was collected, which sources were used, and which stakeholders were involved d) Whether any areas have been identified where there is insufficient information to assess risk, and how you plan to obtain more information in these cases

a) We have mapped the major risks within the main areas of our own production, categorizing them by country and further down to the raw material level. The work of maintaining and updating this mapping is intensified four times a year, aligned with each main trade fair.

b) We prioritize producers who account for 2% or more of our total production. This is where we have the greatest ability to influence and drive positive change.

c) The information used for this work is a combination of our own long-standing experience with the same factories, screening of potential new suppliers, direct dialogue with suppliers, audit reports, and visual observation checklists.

c) The observation checklist covers areas such as: working conditions, fire safety, emergency preparedness, and environment/chemical management.

Academic articles, sources available through risk assessment tools from Ethical Trade Norway, and professional seminars on chemical management and the phasing out of hazardous substances further support this work.

Our membership in Amfori contributes to improved follow-up, and in 2024 we began using their Risk Compass as part of our prioritization process.

Our reporting on external brands follows the same system — focusing on countries, input factors, and further down the value chain. We use the same relevant sources, as well as direct dialogue with brand owners and producers.

The process of gathering accurate information from our external partners has proven to be extensive, and we have not yet completed this work. This part of the process will continue in 2025.

d) So far, we have not identified any areas where there is a lack of information needed to assess risk.

Other negative impact/harm

2.A.3 Describe other risks of negative impact/harm to people, animals, society, and the environment that were identified but not prioritized, and how these have been managed:

The main priorities are described above. We have identified a lack of robust management systems among some producers, particularly in China, which directly affects other aspects such as production planning, working hours, and wages. Several BSCI reports have pointed to non-compliances related to "working hours" in 2024 as well.

In addition to ongoing dialogue with factories and suppliers, we have further adjusted our internal systems related to order placement, etc. This has led to more even production flows and reduced pressure on the factories. Of course, we are dependent on other customers doing the same, so that a larger portion of the production can be positively influenced.

New forums have now been established within Amfori, where we and other producers participate. The goal is to balance the pressure on factories and promote best practices in order management throughout the production process



3

Management of prioritized impact

Cease, prevent or mitigate negative impact

Ceasing, preventing, or mitigating negative impact is about managing the findings from the risk mapping in an appropriate and effective way. The company's most significant negative impacts on people, animals, society, and the environment are prioritized first.

This does not mean that other risks are insignificant or not addressed. The company's level of involvement is central to determining the right course of action.

Actual negative impacts or harm caused or contributed to by the company must be ceased, prevented, and mitigated.

Companies that are directly linked to negative impact must use their leverage to influence business partners (e.g., suppliers) to cease, prevent, and mitigate these impacts.

This involves developing and implementing plans and procedures to manage risk and may require changes to internal policies and management systems.

Successful corporate management of negative impacts on people, animals, society, and the environment is a critical contribution to the achievement of the UN Sustainable Development Goals.

3.A Ceaseing, preventing or mitigating

3.A.1: Describe the goals and current status of the measures the company has implemented to reduce prioritized risks.

	<p>Use of overtime work; limited opportunities for freedom of association.</p>
Overall Goal :	<p>In line with our core values and guiding principles, we aim to be a fair partner and are committed to ensuring safe and decent working conditions at our selected partners.</p> <p>Specifically, this means that we monitor overtime practices and the right to freedom of association through audits or on-site visits conducted by us.</p> <p>In cases of non-compliance, we work with the factories to facilitate improvements in accordance with our internal procedures.</p>
Status :	<p>Own Brands:</p> <p>Overtime Work:</p> <p>Over the past two years, we have continuously made several changes to our purchasing practices to ensure that we do not contribute to unnecessary overtime work. For example, we have introduced multiple "drops" within collections, improved product descriptions and technical specifications, and extended delivery timelines.</p> <p>Freedom of Association:</p> <p>Audits in high-risk countries always place a strong emphasis on this issue. The goal is to ensure that a written factory policy is established regarding freedom of association and collective bargaining.</p> <p>We maintain long-standing relationships and close dialogue with our partners, but we must acknowledge that we are a small player in terms of production volume. Achieving our goals depends on collaboration with our "co-producers."</p> <p>Through our membership in Amfori, these co-producers will become more visible. Of course, we are reliant on other customers also following up in the same way to influence a larger share of the production. New forums have now been established within Amfori, where we and other producers participate. The aim is to balance pressure on factories and promote best practices in order planning and production follow-up.</p> <p>External Brands:</p> <p>Here, the focus is directed toward the agent and the parent company of the brands, as we do not have direct communication with the first-tier producers. All of our guidelines and Code of Conduct are confirmed by the companies two to four times per year in connection with order confirmations.</p>

Goal in reporting year :

Contribute to reducing excessive or unwanted overtime for workers.

Describe implemented or planned measures:

Own Brands:

We engage in dialogue with suppliers regarding delivery timelines to ensure sufficient lead times that support normal working hours. In addition, we are adjusting our own purchasing practices to ease production pressure during peak periods.

We are working to optimize the approval process, as delays during the confirmation phase naturally affect production timelines and may result in shortened lead times. To address this, we split the collections into smaller segments to achieve a more balanced production flow throughout the year.

We also take major holidays, such as Chinese New Year, into account when placing orders and setting delivery deadlines.

We support the right to freedom of association through our Code of Conduct and the Eurosko Group Policy. Our membership in Amfori contributes to this effort, while also providing greater transparency for all of us producing at the same factories.

External Brands:

Here, the focus is directed toward the agent and the brand's parent company. We do not have direct communication with the first-tier producers. All our guidelines and Code of Conduct are confirmed by the companies 2–4 times a year.

Describe actual or expected results of the measures, as well as goals and activities for the upcoming reporting year:

Third-party audits follow up on the establishment of management systems, as well as the use of overtime and wage levels. We expect that the focus we place on working conditions, combined with consistent follow-up, will contribute to improvements. Our experience from BSCI audits of factories in 2024 shows that the relationship between “living wage” and actual worker payments is reasonable.

Dedicated forums have now been established within Amfori, where we and other producers participate. The goal is to balance pressure on factories and promote best practices for order management throughout the production process. We continue to follow up at the factory level, where any breaches are identified and addressed accordingly.

Goals for 2025 – Own Brands:

Continue contributing to the reduction of “mandatory overtime” for workers, and keep working conditions high on the agenda. This will be done through Amfori and their database.

Goals for 2025 – External Brands:

The focus here is directed toward the agent and the brand's parent company. We do not have direct communication with first-tier producers. All our guidelines and Code of Conduct are confirmed by the companies 2–4 times per year. The work will continue in 2025.

As we do not have direct influence over production, progress will largely depend on awareness-raising and attitudinal change.

	Production and tanning
Overall Goal :	In line with our values and guiding principles, we aim to prevent potential exposure to hazardous chemicals in the tanning process and to reduce production-related emissions in our value chain.
Status :	<p>Own Brands: The production of our own brands represents our largest emissions factor in 2024, as shown in our climate accounts. We require our suppliers to provide us with tannery lists. The mapping and follow-up of these are ongoing processes, reviewed four times a year. We require our producers to use LWG-certified tanneries, and we follow up on compliance with our Restricted Substances List (RSL) and water usage.</p> <p>We work continuously to ensure that harmful substances are not present in our production or products. We require full compliance with our RSL. This is an ongoing effort, and our RSL is regularly updated and applies to all orders.</p> <p>External Brands: We do not have direct communication with first-tier producers. All our guidelines and Code of Conduct are confirmed by the companies 2–4 times per year. We expect our partners to use LWG-certified tanneries, as outlined in the RBP for external brands.</p>
Goal in reporting year :	<p>Continue mapping our production with the goal of reducing the carbon footprint in our own manufacturing.</p> <p>Ensure that our suppliers use LWG-certified tanneries, as described and expected in our policies</p>

Own Suppliers:

We are focusing on increasing the use of sustainable and recycled materials in our production.

All our leather suppliers are required to provide tannery lists upon order confirmation. These are logged along with their respective certifications, rated as "gold," "silver," or "bronze."

Supplier and tannery lists are published and made available on our website.

External Suppliers:

We do not have direct communication with first-tier producers. All our guidelines and Code of Conduct are confirmed by the companies 2–4 times per year.

We expect our partners to use LWG-certified tanneries, as described in the RBP for external brands, which also includes compliance with our Restricted Substances List (RSL).

Describe actual or expected results of the measures, as well as goals and activities for the upcoming reporting year:

We aim to continue mapping our production with the goal of reducing the carbon footprint in our own manufacturing. However, this is a complex and time-consuming task in our industry, which relies on general emission factors from DEFRA.

When requesting tannery information at the model level, we achieve a solid basis for mapping efforts. We also follow up at the producer level, identifying any breaches and taking appropriate action.

Goals for 2025 – Own Suppliers:

Continued quality assurance to ensure the use of LWG-certified tanneries.

Goals for 2025 – External Suppliers:

Continue efforts to influence and set clear expectations as a retailer.

	Transport
Overall goal :	In line with our values and core pillars, our logistics chain shall be as emission-friendly as possible.
Status :	Through the 2024 climate accounts, we have mapped emissions from our logistics chain.
Goal in reporting year :	Optimize transport routes and methods to minimize CO2 emissions.

Describe implemented or planned measures:

Collaborate with logistics companies that have strong sustainability profiles and share the company's environmental goals.

A local logistics partner has been selected that uses electric trucks.

Describe actual or expected results of the measures, as well as goals and activities for the upcoming reporting year:

Due to significant global unrest, most ships transporting goods from Asia are now required to spend over two additional weeks at sea. This has resulted in an estimated 30% increase in CO₂ emissions.

Despite this, we hope to reduce emissions to some extent in 2025. Stricter regulations on fuel blends are expected to contribute to this reduction.

The optimization of container fill rates and overall logistics efficiency remains an ongoing effort.

2025 Goal:

Reduce emissions within the logistics chain.

3.B Other measures to address the risk of negative impact/harm

3.B.1 Reducing impact on nature and the environment

Our main priorities reflect the most significant known risks related to environmental and climate impact in our footwear production.

Own Brands

Tanning Process – Production

The tanning process involves the use of chemicals and requires a substantial amount of water. We require all tanneries to be members of the Leather Working Group (LWG).

LWG has developed standards that include strict requirements for reducing water consumption, among other things.

All our leather suppliers must submit tannery lists upon order confirmation. These are logged along with their certifications, rated as "gold," "silver," or "bronze." These certifications help ensure the level of quality we require from our partners.

In the event of negative findings on the tannery list, a follow-up plan is developed by the product controller, product director, and CSO.

While we always aim to improve production processes, persistent violations will ultimately result in termination of collaboration.

Our internal records show that over 90% of our leather program in 2024 comes from LWG-certified tanneries.

We consider this an ongoing effort and will continue the work in 2025.

Chemical Management

We require full compliance with our Restricted Substances List (RSL) and conduct tests on high-risk products in production.

No negative findings have been reported, confirming that our suppliers comply with the RSL.

Our RSL is updated regularly.

To ensure quality in chemical handling, we maintain a close partnership with Stefan Posner, founder of RISE.

This collaboration contributes to internal competence-building and strengthens our understanding of follow-up across multiple stages of the value chain.

Emissions from Production

Emissions are influenced by both energy use and raw materials. In 2025, we will begin exploring the potential for mapping energy intensity at our factories.

Transport – Greenhouse Gas Emissions

We are continuously working to shift our transportation to the most environmentally friendly options.

Specific targets by export country are set in our action plan.

We have increased our focus on packaging and volume, with the long-term goal of reducing total transport-related emissions as part of our overall 2025 target of 220 tonnes of CO₂.

This includes revising packing manuals across many of our partners, especially in Asia.

Changes to sorting and packaging solutions for more streamlined outer packaging involve several departments at our HQ.

This project will continue into 2025

3.B.2 Reduction of Greenhouse Gas Emissions

In 2024, we initiated the mapping of emissions from both production and transport, which have clearly emerged as our largest sources of emissions.

Our goal is to reduce emissions by more than 220 tonnes of CO₂.

3.B.3 Adjustment of Purchasing Practices

Own Brands: We have made several changes to our purchasing practices to ensure that we do not contribute to excessive pressure on factories.

For example, we have introduced multiple “drops” in our collections, improved product descriptions and technical specifications, and extended delivery timelines.

We participate in Amfori forums together with co-producers, with the goal of balancing production pressure and promoting best practices in order management throughout the production process.

External Brands: Respect the order deadlines provided.

3.B.4 Product Selection and Certifications

Own Brands:

Sympatex Technologies is used in a large portion of our models with membranes. In addition to its standard performance features (optimal breathability, 100% waterproof, and 100% windproof), the Sympatex membrane is also 100% recyclable, PTFE-free, PFC-free, Oeko-Tex® Standard 100 certified, and bluesign® approved.

Own and External Brands:

We request and support the use of more recyclable materials across the entire collection.

External Brands:

Several of our partners have developed their own "sustainable collections" with various green features — this is consistently followed up and requested in all meetings.

Own Brands:

Environmentally friendly materials in our shoeboxes are important to us. Currently, 95% of our boxes are recyclable, and 75% of that packaging comes from recycled materials.

3.B.5 Actively support freedom of association and collective bargaining, or, where not permitted by law, actively support other forms of democratically elected worker representation.

The requirement for freedom of association and collective bargaining is included in the Eurosko Group’s Code of Conduct. This point is mandatory in audits and during our visits to the factories

3.B.6 Contribution to Development, Capacity Building, and Training Internally and Among Suppliers and Workers in the Supply Chain

We work to increase the overall competence of our Chief Sustainability Officer (CSO) through courses offered by interest organizations such as Ethical Trade Norway.

Sustainability is a dedicated agenda item at all of our gatherings — from the board level and throughout the value chain — to strengthen understanding, build competence, and ensure commitment and decisions that can help optimize the value chain.

To ensure the quality of chemical management, we maintain a close collaboration with Stefan Posner, founder of RISE. This partnership also contributes to internal capacity building and gives us a better understanding of follow-up processes across different levels of the supply chain.

Follow-up with our largest external suppliers contributes to increased focus on sustainability on their part, while also allowing us to learn from global companies.

3.B.7 Combatting corruption and bribery in our own operations and in the supply chain.

The fight against corruption and bribery is included in the Eurosko Group's Code of Conduct. This requirement is mandatory in audits and during our factory visits.

A dedicated anti-corruption strategy has been developed and is publicly available on our website.

3.B.8 Other Relevant Information on How You Work to Reduce, Prevent, and Manage Negative Impact

Recycling of store fixtures and furnishings where possible

100% use of LED lighting in stores

Reduction of cardboard used in the Scandinavian market

Reduction of plastic used in the Scandinavian market

Optimization of packing manuals to reduce volume

Mapping of emissions to enable informed prioritization

A woman with curly hair, wearing a red dress, is looking at several yellow sticky notes attached to a glass wall. The background shows a modern building with large windows and structural elements.

4

Monitoring of implementation and results

Monitoring of implementation and results involves measuring the effectiveness of the systems and actions at each step of the due diligence process, and demonstrates whether the company is conducting responsible and meaningful due diligence. The company must have systems and routines in place to critically assess and evaluate its own conclusions, priorities, and measures taken as part of its due diligence process.

For example: Has the mapping and prioritization of the most significant negative impacts been carried out in a professional and credible manner that reflects actual conditions? Are the measures to cease, prevent, and/or reduce the company's negative impact or harm working as intended?

Has harm been remedied where relevant?

This applies to actions carried out directly by the company or in collaboration with others. The insights gained from the due diligence process should be used to improve both processes and results going forward.

4.A Monitoring and evaluation

4.A.1 Describe:

a) Who is responsible for monitoring the effectiveness and results of the measures implemented, and how this is carried out in practice.

b) Who is responsible for evaluating the due diligence process, and how this is carried out in practice.

Sustainability work is an integrated part of our business operations. The main responsibility lies within the Product Department, which also includes the Chief Sustainability Officer (CSO). The Chief Product Officer (CPO) holds the overall responsibility for sustainability in the company, while the CSO manages the daily work and drives the due diligence process, including planning, follow-up, and system development related to risk assessments. Own Suppliers: In practice, the final stage of follow-up is often carried out by our internal product team on site, based on information and guidelines provided by the CSO. All visits and audits are logged and documented internally and followed up accordingly.

Other areas such as participation in the Amfori programme, use of qualified tanneries, screening of potential new suppliers, and collection of certifications such as SA8000 are tracked continuously each season. All documentation is stored in Teams with access provided to relevant parties. Any breaches or lack of progress are followed up with a new round of audits and/or supplier dialogue. External Suppliers: Here, the work is carried out via brand headquarters, agents, or global groups that own multiple brands. The CSO conducts self-assessments based on publicly available information, requests certifications, and maintains ongoing dialogue with the respective brand owners — this takes place four times a year. All findings are logged with the goal of tracking progress over time. At the point of order placement, each brand must confirm acceptance of our sustainability requirements. Sustainability is also a standing item on the agenda at all collection meetings.

4.A.2 Describe how you substantiate and/or measure the effect of measures taken to reduce risk:

The CSO and the product team communicate with all our suppliers several times throughout the year.

It is reasonable to assume that our continuous dialogue alone contributes to increased awareness and focus at the production sites. We review new information and factory status on an ongoing basis.

For example, lists of production sites and tanneries at model level serve as a good indicator of whether suppliers are switching to LWG-certified tanneries. Repeated audits at the factories also help reveal whether the implemented measures are having an effect and what progress, if any, is being made.



5

Communication of how negative impact/harm has been addressed

The basis for effective external communication regarding a company's due diligence for sustainable business practices is that it is grounded in concrete activities and results. The company should publicly communicate relevant governance documents related to its due diligence processes—such as policies, guidelines, procedures, and activities aimed at identifying and managing actual and potential negative impacts on people, animals, society, and the environment.

The communication should include how risks were identified and addressed, as well as the outcomes or effects of the measures taken.

According to Section 4 of the Norwegian Transparency Act, companies covered by the law are required to publish an annual account of their due diligence assessments



5.A. Community externally

5.A.1 Describe how the company communicates with affected stakeholders regarding the management of negative impact/harm.

We have a Code of Conduct that is publicly available to all stakeholders on our website. It is also distributed to suppliers four times a year, along with our minimum requirements. We maintain open access to our tannery and supplier lists on the website, as well as information regarding risks related to our production. Our sustainability report is available at www.eurosko.com, and our climate accounts can be found here: <https://www.eurosko.com/no/barekraft/miljo/klimaregnskap>

We communicate with stakeholders through visits, phone calls, and email. Together, we discuss risk areas relevant to our operations and develop plans for potential improvements—both within our company and with our suppliers.

5.A.2 Describe how the company publicly communicates its work on identifying and managing negative impact/harm

We communicate our Code of Conduct and company policies on our website, clearly outlining our principles and requirements. Our annual report to Ethical Trade Norway is published every June. Open supplier lists and tannery lists are available on our website. Our climate accounts are also publicly accessible online

5.A.3 Describe the company's routine for handling and responding to external inquiries related to the information requirements imposed by the Transparency Act

The CSO receives and handles all inquiries related to the information requirements under the Transparency Act, including the principle of public access, right to information, and our due diligence assessments. For all of our own-brand models, we have detailed information available regarding production sites, materials, tanneries, etc., in order to address relevant questions.

We also provide concise information about our due diligence work, including key focus areas and our full sustainability report, to help respond to general questions regarding our responsible business practices. More specific questions are answered to the best of our ability. Our internal goal is to respond to such inquiries within one week.

For external brands, information about production sites, materials, and tanneries is obtained upon request, if it is not already available in our internal records



6

Remediation where required

When a company has identified that it has caused or contributed to harm to people, animals, society, or the environment, the harm must be addressed through remediation or cooperation in the remediation process.

Remediation may include financial compensation, a public apology, or other actions to rectify the harm caused.

It also involves ensuring access to grievance mechanisms for workers and/or local communities, so they have the opportunity to raise concerns and have their cases heard and addressed

6.A Remediation

6.A.1 Describe the company's policy on remediation in cases of negative impact

Our policy is publicly available on our website. Below is an excerpt:

Due Diligence Assessments

Eurosko Gruppen AS shall carry out due diligence assessments for responsible business conduct. This includes conducting our own risk assessments of potential negative impact on people, society, and the environment, and taking action to stop, prevent, or reduce such impact.

The effectiveness of these measures is monitored, evaluated, and communicated to affected stakeholders.

If our activities cause or contribute to negative impact on people, society, or the environment, we shall stop those activities and seek to remediate the harm.

If the supplier is responsible for the negative impact or harm, the supplier is also responsible for carrying out the remediation.

In our Code of Conduct, we have outlined our expectations regarding corrective action in the event of a breach:

"In the event of a breach of the Code of Conduct, Eurosko Gruppen AS and the supplier will jointly prepare a plan for remedying the breach. Remediation must take place within a reasonable period of time. The contract will only be terminated if the supplier remains unwilling to remedy the breach following repeated enquiries."

Describe any cases of remediation during the reporting period:

Violations of overtime regulations were identified among our suppliers.

In cooperation with these suppliers, we have adjusted our purchasing routines to prevent such issues from recurring in our production going forward.

Examples include introducing more frequent collection "drops," adjusting order timelines, and implementing new development timelines.

6.B Ensure access to grievance mechanisms

6.B.1 Describe what the company does to ensure that employees and other stakeholders—particularly affected workers and local communities—have access to reporting channels and grievance mechanisms.

Workers' rights and opportunities to raise concerns within the company are described in several of our internal documents and are safeguarded by our HR Director.

During factory visits, workers are encouraged to engage in open dialogue.

BSCI audits include interviews with employees and assessments of the factory's management systems related to wages and working hours.

A whistleblowing channel is available on our website:

<https://www.eurosko.com/no/barekraft/mennesker/whistleblowing>

No reports were received through the channel in 2024.

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Verifikasjon

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