IMPACT REPORT 2022

VIKING



Creating a world where everyone can be an explorer



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LETTER FROM CEO

With the war in Ukraine and the ensuing consequences, 2022 was another difficult year marred by events that we haven't experienced for decades, just like its predecessors 2020 and 2021 were. The war has sent shockwaves through Europe and the consequences will very likely follow us for many years to come. But a positive consequence has been that we once again see the good in people who stand up for others who are in pain. Governments, companies (including Viking), NGOs and private individuals have all stood up for and initiated enormous aid work. We hope that the conflict can be quickly ended through diplomatic solutions.

Although 2022 was strongly marked by the war in the Ukraine, it is nevertheless important to take stock of the work being done in other areas. The ecological crisis continues, and our planet needs more help than ever before. Our focus and our ambitions at Viking are the same as it was a year ago. We will still achieve our goal of being climate positive in 2030.

At Viking we've set out to continue our journey of being a company that enables everyone to be an explorer. At the same time, we continued our journey to become a more sustainable company, always taking steps to care for people and the planet.

We have started measuring and reporting emissions

in Scope 1 and 2 and committed ourselves through SBTi to reduce our direct emissions by 42% by 2030. We will now start making our targets and commitments public and report our progress on an annual basis. In addition, in collaboration with CEMAsys, we will measure and report indirect emissions in scope 3 (where most of our emissions are generated) based on the international standard for carbon footprint accounting, the Greenhouse Gas Protocol.

The Transparency Act entered into force on 1 July 2022 and although Viking has worked with open supplier lists since 2016 and generally work based on an ambition of being open and transparent, we realize that we still have a long way to go. We carried out our first due diligence assessments in 2022 and have started the follow-up and work to adapt to the new framework. One of several measures is to re-organize our people set-up to get more focus on the work with the due diligence assessments, thus it has been moved from product to our department that works with sourcing and purchasing, so that the roles become more specialized and the efforts more focused in the future.

The past year, thanks to the efforts of committed colleagues and partners, we have not let circumstances deter us from being true to our values and pursuing our goals. We always look after each other and try to lend a helping hand where

we can. This is fundamental for our company, but it only becomes even more important in periods where uncertainty increases.

The world is more unstable and the uncertainty greater than in several generations / decades, but in the coming year our journey continues with renewed intensity. Our agenda and work are more urgent than ever – and we are excited about the future. We believe that by being open to new opportunities and embracing collaboration and partnership, Viking can be part of changes that are much bigger than ourselves. No matter what we will continue to work hard to be a trusted partner to both businesses and consumers.



René Høgsted CEO



ABOUT VIKING FOOTWEAR

Viking is one of Norway's oldest brands and has contributed to shape Norwegian industrial history. Our story started on January 17th, 1920, when founder Peter Mathias Røwde established a rubber factory in Askim. The brand was named Viking, and the factory's main production was of galoshes to prevent shoes from getting muddy and wet. Early on, Viking brought in rubber chemists that contributed to make our products superior to those of our competitors. Because of changes in fashion, the production of galoshes was reduced towards the end of the 1920's, while the production of snow socks and gymnastic shoes increased. Gradually Viking expanded to the production of rubber boots, work boots, leather shoes, hunting shoes and soccer cleats. Today Viking is a global brand represented in 17 countries.

Viking is a pioneer in the shoe industry and a trademark with long traditions. We always strive for innovation at every stage as we work to provide the best footwear technology for our customers. Regardless of whether it is shoes suited for kindergarten or hiking boots, we will fight weather and terrain by offering durable and innovative shoes in the years to come.









VIKING FOOTWEAR

IMPACT REPORT 2022

1. OVERVIEW

VIKING

NORWEGIAN FOOTWEAR SINCE 1920

For 100 years, Viking Footwear has produced waterproof footwear that tackles the wet, rough weather conditions in Norway



1920 THE EARLY YEARS

Nearly 100 years ago, on the 17th of January 1920, Peter Mathias Røwde founded a rubber factory in Askim, Norway. The very first item produced were galoshes to keep leather shoes from getting muddy and wet. The brand name was Viking and history was made.

1950'S POST WAR

In the 50s and 60s Viking experienced tremendous growth as did Norway:
Because of the abundance of cheap hydro power generated by newly built dams and an endless supply of water, industrial companies were established all over the country. Viking also grew and set up branches in many parts of Norway.



1970'S A NEW REALITY

The 70s marked a change for us. New and cheaper materials and rising labour costs forced Viking to think again. So, in 1969 a new product was launched: **Cherrox** - a very popular children's boot. New production methods and compounds represent an opportunity for us to be even more innovative!

1992 THE GAME CHANGER GORE-TEX

We were among the first to use the famous GORE-TEX membrane in our boots. The advantages were perfect for us: A waterproof, windproof and breathable membrane is a perfect fit for the type of footwear Norwegian weather.







The year 2006 was a milestone for us. It was the year we surpassed 2 million boots in annual sales in Norway and Europe. Our sales agents and branch offices cover all of Europe, and Viking is highly regarded for its high quality footwear. New models with highend technologies have been developed. Our mantra is: If it works in Norway, it will work anywhere.

2010 VIKING CELEBRATED 90 YEARS

- a considerable age for footwear company! Viking is actually one of the oldest brands in Norway and has shaped Norwegian industrial history.



We still keep evolving and developing. In the last few years we've seen more innovation than in the preceding 90 years. Things are really happening in the footwear industry and we are happy to see that we're still at the forefront. And that's where we want to stay!





AND THE JOURNEY CONTINUES





VIKING'S PURPOSE

To create a world where everyone can be an explorer.

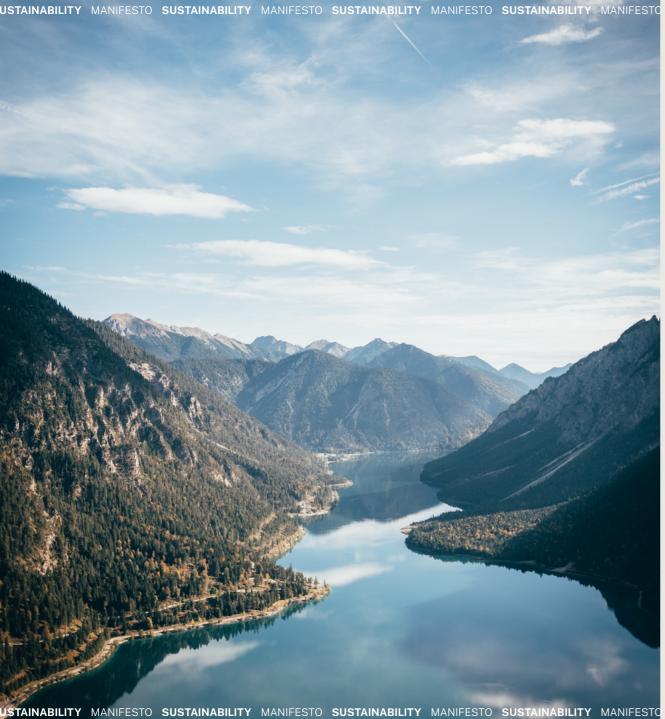
VIKING'S VALUES

- Act like you own it
- Stay curious
- Dare to be bold
- Care about our legacy

VIKING'S PROMISE

"We make exploring easier. We help all explorers stay warm, dry and comfortable in all conditions, while caring about our footprint"





We believe that even the smallest footstep counts towards a sustainable tomorrow.

Every day we strive to keep our quality high & impact low. Staying imperfectly perfect as we work towards becoming a climate positive business.

We promise to keep our minds and hearts open, as we work on creating value for all our stakeholders, including the environment.

We will navigate new pathways, stay active and courageous, as we explore new trails that will bring us closer to closing our loop.

We are committed to new and long-term partnerships, as we walk together to reach both local & global goals.

We will stay dedicated to develop a responsible supply chain that is safe & transparent for everyone.

Every step is meaningful. That's why we put one foot in front of the other. To keep us one step ahead.





We strive to keep our quality high and impact low as we move towards becoming

2030

At Viking, this means we will work to reduce greenhouse gas emissions throughout our value chain, from sourcing and manufacturing to transportation and through product use and reuse. We will focus on working together with partners to store carbon through reforestation and responsible forest management.

*Our sustainability vision is based on the Paris Agreement and the United Nations Framework Convention on Climate Change (UNFCCC). Delivering on the climate agenda also contributes to the broader Agenda 2030 for Sustainable Development. In 2022 we set new standards and new KPI's for Vikings sustainability work towards becoming a climate positive business by 2030.

IN 2022 WE WORKED WITH THE DEVELOPMENT OF SIX STRATEGIC PROJECTS TO REACH OUR GOAL:

MOVE TOWARD BEING CLIMATE POSITIVE

Move towards Partnerships
 Move towards Closing The Loop
 Move towards Planting Benefits
 Move towards Traceability
 Move towards Low Impact Materials
 Move towards Renewable Energy

"Every step is meaningful. That's why we put one foot in front of the other. To keep us one step ahead.

Why we have committed to being Climate Positive by 2030

Climate scientists agree that global warming is the biggest issue facing our planet, and that we must reduce our emissions drastically in the next decade. At Viking, this means that we will work to reduce our greenhouse gas emissions throughout our entire value chain, from raw materials and production to transportation, and through the use and reuse of products. Viking collaborates with the Norwegian company CEMAsys, which helps us measure our progress by calculating our greenhouse gas emissions based on the international standard GHG Protocol. We also work based on the Science Based Targets (SBTi) initiative, which sets the framework and requirements for emission cuts in line with the Paris Agreement.

"Every step is meaningful."

SO, WHAT DO WE MEAN BY BEING CLIMATE POSITIVE?

greenhouse gas reduction targets and removing Here's a chart to help define them:

There isn't a standardized or agreed upon more emissions than we produce. There are a lot definition of what this phrase means yet, so of terms out there: climate or carbon neutral, net we're defining Climate Positive as meeting our zero, climate positive, carbon negative/positive.

	Carbon Neutral (aka Climate Neutral)	Net Zero	Climate Positive (aka Carbon Negative)
Offset 100% of your carbon footprint	~	>	~
Offset only via projects that remove CO2e from atmosphere (not just reduce or avoid emissions)		>	~
Reduce CO2e emissions in line with science-based targets		>	~
Offset or inset more than your carbon footprint			~

UN'S SUSTAINABLE DEVELOPMENT GOALS

The UN's Sustainable Development Goals provide a framework for collective action, ensuring that the needs of today's generations are covered without compromising the needs of future generations. As we have developed a new sustainability strategy for the company, and a vision of becoming a climate positive business by 2030, we have been using the following Sustainable Development Goals as a guide to set our new standards and KPI's:

- **5.** Achieve gender equality and empower all women and girls.
- **5.1** End all forms of discrimination against all women and girls everywhere.
- **5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
- **6.** Ensure availability and sustainable management of water and sanitation for all.
- **6.3** By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and

- substantially increasing recycling and safe reuse globally.
- **6.3** Ensure access to affordable, reliable, sustainable and modern energy for all.
- **7.** By 2030, increase substantially the share of renewable energy in the global energy mix.
- 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on

- sustainable consumption and production, with developed countries taking the lead.
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
- **12.** Ensure sustainable consumption and production patterns.
- **12.2** By 2030, achieve the sustainable management and efficient use of natural resources.
- **12.5** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
- 13. Take urgent action to

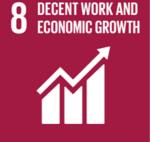
combat climate change and its impacts.

- 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
- 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

















VIKING FOOTWEAR IMPACT REPORT 2022

1. OVERVIEW



We will reduce our greenhouse

gas emissions in line with a 1.5°C

warming pathway

Our first step towards becoming a climate positive company was to commit Science Based Targets to start this transition in 2020. Our next step was when we set sciencebased targets in 2021, to reduce our own greenhouse gas emissions in line with the United Nations Framework on Climate Change and the Paris Agreement and their purpose to limit the temperature increase to 1.5 degrees. By committing to SBTi's requirements for climate targets, Viking commits to reduce 42% of our total emissions in Scope 1 and 2 by 2030, with 2020 as the base year, and to measure and reduce our emissions in Scope 3.

The next step on this journey is to map and reduce emissions in our global supply chain. To help us measure our emissions and understand how to reach our targets from baseline to climate positivity, we are continuing to work with consultants from ESG & Sustainability Consultancy CEMAsys.

Our climate positive action plan, in short, is as follows:

Measure and report in accordance with the Science Based Targets methodology.

Report progress on an annual basis (Scopes 1, 2 and 3).

Make our targets and commitments public.

Share knowledge and insights with other companies and engage in joint projects whenever possible and practical.

The Science Based Targets (SBTi) initiative is a supply chain are necessary. collaboration between CDP, the United Nations Global Compact (UN Global Compact), World Knowing our baseline Resources Institute (WRI) and the World Wide Fund There is general agreement that most of the for Nature (WWF). It is also one of the We Mean Business Coalition commitments. The initiative champions science-based target setting as a powerful way of boosting companies' competitive advantage in the transition to the low-carbon economy. Science-based targets are greenhouse gas emissions reduction targets that are in line the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels, and pursue efforts to limit warming to 1.5°C.

By signing the Target Setting Letter, Viking commits to reduce 42% of absolute scope and scope 2 GHG emissions

carbon footprint, and the hardest to measure. and indirect emission sources. since we do not own our own supply chain. Yet. despite the challenges, in 2023 we will map out the emissions in scope 3, based on generic data,

to better understand where changes in our global

industry's greenhouse gas emissions are generated in the value chain, especially within raw material production, supply chain processing and assembly, as well as in customer product care and end of life disposal. Because these impacts are outside the direct control of any single company, all actors. including brands and retailers, need to work with the level of decarbonization required to meet together to engage with suppliers, governments, financial organizations, and consumers to make a difference.

You can't solve a problem if you don't know what it is. To set a reduction target in our scope 3, we need to know our baseline. We will measure our carbon footprint, or our greenhouse gas inventory, based on generic data and the international standard for carbon footprint accounting, the Greenhouse Gas Protocol, The GHG Protocol is developed by World Resource Institute and World Business Council Scope 3 emissions are the biggest part of Viking's for Sustainable Development and covers direct



2. OUR CLIMATE JOURNEY

Our inventory is broken into 3 differen scopes:			
SCOPE 1	Emissions that directly occur from sources that are controlled or owned by our organization. Like company-owned vehicles.		
SCOPE 2	Indirect emissions from the generation of purchased electricity, including output from offices, showrooms and warehouses.		
SCOPE 3	Downstream activities like distribution, third-party sales, use-phase and end of life. Upstream supply chain activities like raw material, cutting and sewing, parts manufacturing, assembly and transportation.		

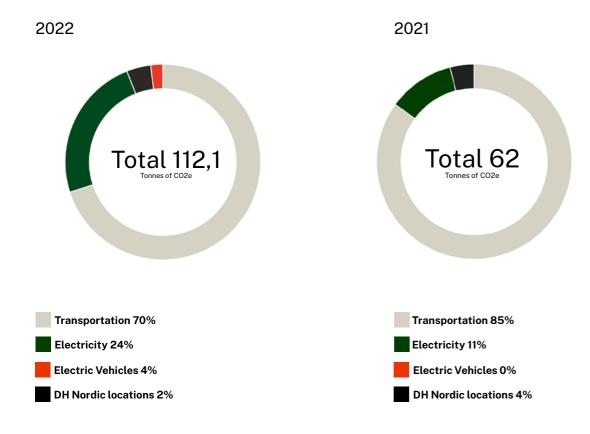


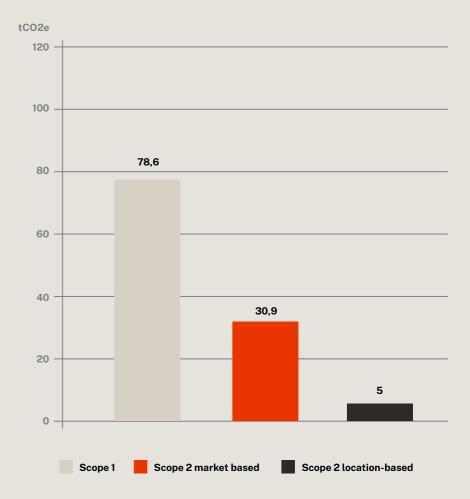
VIKING FOOTWEAR IMPACT REPORT 2022 2.0

2. OUR CLIMATE JOURNEY

OUR EMISSIONS IN SCOPE 1 AND 2

This report is a review of Viking's carbon footprint based on the total energy consumption related to corporate operations in 2022. The carbon footprint gives a general overview of the company's greenhouse gas emissions, converted into CO2.







VIKING FOOTWEAR IMPACT REPORT 2022

2. OUR CLIMATE JOURNEY

100% of our

company-owned vehicles

will be electric by 2028

The biggest contributor to our greenhouse gas emissions in scope 1 and 2 is our company-owned vehicle fleet. Today, 17,6% of our company-owned vehicles are electric, and our goal is to transition to using 100% electric vehicles by 2028. We created a new car policy to support this goal, in 2022.

Year	El share Achieved Results	
2022	17,6%	17,6%
2023	35,3%	
2024	52,9%	
2025	70,6%	
2026	82,4%	
2027	94,1%	
2028	100,0%	



3. OUR VALUE CHAIN & SUPPLIERS VIKING

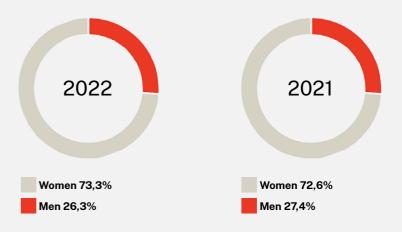
KEY FACTS & FIGURES 2022

Long-term partnerships

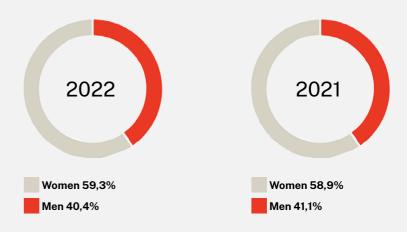
At Viking, we value the long-term relationships we have with our suppliers. We actively seek like-minded partners and believe that great things can happen when people join together to pursue a common purpose. As of 2022, 77% of our partner collaborations are over 10 years old, and 33% of our partner collaborations have been in place for a period of 30 years or longer.



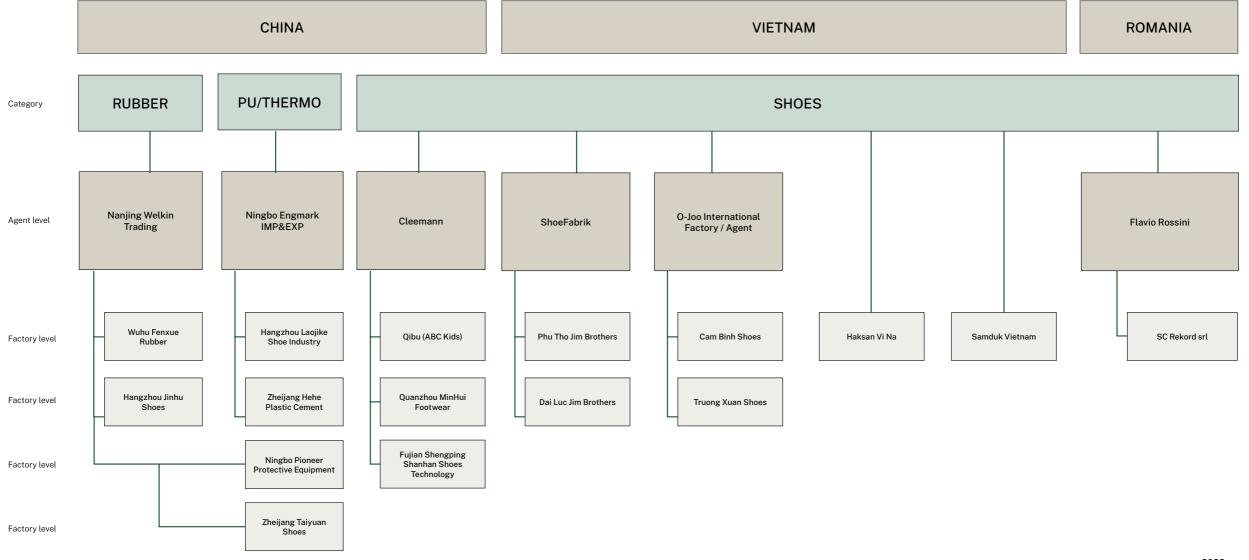
GENDER BALANCE IN THE PRODUCTION LINE



GENDER BALANCE IN THE MANAGEMENT TEAM



OUR VALUE CHAIN GRAPHIC SHOWING OUR 1-TIER VALUE CHAIN



VIKING

TRANSPARENT SUPPLY CHAIN

Viking has operated with open 1st tier supplier lists since 2016.

Viking has established long-lasting and solid relationships with our 1st tier suppliers. The collaboration is based on transparency and dialogue, through which the value chain is maintained, along with its opportunities and challenges. And as part of our commitment to developing a responsible and transparent supply chain, we started working actively with due diligence assessments in 2022.

The value chain around footwear production is extensive! As part of our risk assessments, we will start to map out where the main components in our products are manufactured, in 2024. To be able to know more about our company's risk of, and actual negative impact on people, society, and the environment, we need to gain more information about a wider part of our value chain.

The work of optimizing the value chain at the component level with environmental concerns and the reduction of carbon footprint is dynamic, and continually influenced by new legislation and new innovative solutions. That is why we aim to employ credible third-party certifications that set precise requirements for our suppliers regarding accountability and verification in the production process, meeting our sustainability criteria, covering social, environmental, or animal welfare standards.

We recognize that our goals are yet to be achived, but we constantly working to improve. VIKING

DUE DILIGENCE ASSESSMENTS

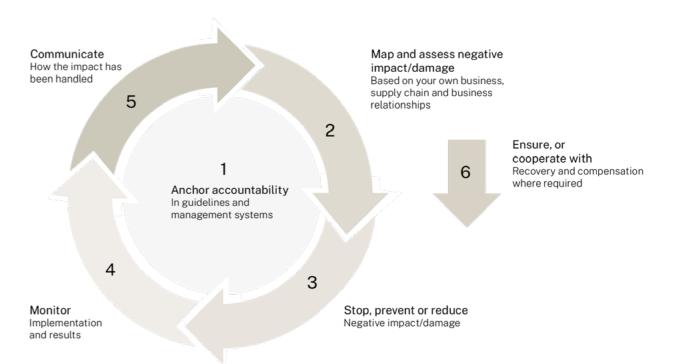
Viking has been a member of Ethical Trade Norway since 2007.

As an Ethical Trade Norway member, we receive counseling in our work to map, prevent and limit any negative consequences in Viking's value chain. The membership offers courses and resources for increased competence, as well as an overview of upcoming regulations to meet society's expectations for sustainability and responsible business.

Through our membership, we have made a commitment to work actively with responsible and sustainable business practices based on EHN's principles, which address working conditions, human rights, environmental protection, anti-corruption and animal welfare. We also commit to conduct annual due diligence assessments based on the UN's Guiding Principles for Business and Human Rights (UNGP) and the OECD's guidelines for responsible business practices and to report on our work, progress and challenges related to ethical trade.

Through the annual assessments, Viking maps the risk of negative impact on humanity, animals, society and environment in our value chain. If Viking sees that there is a risk of events happening that have a negative impact in our value chain, we have a responsibility to try to stop, reduce or prevent this. The measures we initiate must be monitored and assessed for their effect and communicated to those affected. If our activities cause or contribute to a negative impact on people, society or the environment, we will stop this activity, and we will seek to restore the damage.

We will stay dedicated to developing a supply chain that is safe and transparent for everyone



^{*}The method for due diligence assessments consists of six steps that describe how we as a company should work for more sustainable business practices.



OUR LOCAL TEAM IN ASIA

The main reason for Viking's 2020 decision to establish a team in Asia was to allow for closer participation and oversight of our products, from development, through production, and quality control. The office is located in South Vietnam (Ho Chi Minh City), where three of our current partners are located. From a social perspective, Viking will to a greater extent be able to both uncover and prevent any situations that may arise, through a closer dialog, onsite with our suppliers.

From a sustainable perspective, assisting the factory with knowledge on how to consciously utilize materials, for example how to reduce waste, and guidance in more sustainable material selection and processing, will reduce environmental impact. Additionally, having local expertise will drastically reduce the number of samples being shipped to Norway, as these would be approved locally on site or by digital communication. This will also reduce the amount of travel required.





BSCI AUDITS

Since 2003, amfori BSCI has enabled companies to trade with purpose by improving social performance in their supply chain

At Viking, we initiate annual BSCI audits at our 1st tier suppliers production sites. Through these revisions, we learn about their operations and understand what needs improvement. When the audit reports are available, Viking's routine is to review the reports, and follow up by e-mail or follow-up meetings onsite, within a reasonable period of time. This is undertaken by employees in Viking's buying and sourcing department, who review the BSCI report together with the management at the factory.

All Viking suppliers, including agents, are required to make an improvement plan for all findings after the BSCI audits. If any of the findings from the audits are D or E level, the suppliers are to take immediate action. If the Corrective Action Plan is not satisfactory, then the supplier is required by the Viking buying and sourcing department to book a follow-up BSCI audit within 3 months, to check for improvements.

Read more about amfori BSCI here.

The BSCI audit addresses the following topics in line with Viking's Code of Conduct, as well as internationally recognized conventions (UN and ILO): Responsabile Social Management Systems The Involvement and Protection of Workers The Freedom of Association and Collective Bargaining Discrimination Free Work Place Fair Remuneration **Decent Working Hours** Occupational Health and Safety Ban of the use of Child Labour Special Protection for Young Workers **Ethical Employment Standards** Ban of the use of Bonded Labour Protection of the Environment Ethical Business Behaviour

To verify the information, we review for example:				
Time sheets throughout the year to reveal the use of overtime	Paychecks across the organization to find out if the salary level is in accordance with our Code of Conduct			
Employment contracts for permanent and possibly part-time employees, gender/age diversity in management / administration / production	Receipts for health insurance			

Based on the above routine, Viking verifies status and possibly corrects its own routines if this can improve conditions at the factory.



BSCI AUDITS AT OUR FIRST TIER MANUFACTURERS





We performed BSCI audits at:

- · 11 out of 12 manufacturers in 2022
- •1 out of 12 manufacturers in 2021*
- 7 out of 12 manufacturers in 2020
- 9 of 12 manufacturers in 2019

The factory without an BSCI-audit has its production located in Europe, which limits its risk of not meeting our established sustainable business practice targets. In addition, this factory has only produced around 0.50% of Viking's total order backlog.

Factory visits by Viking-employees:

• 5 out of 12 in 2022

As a new initiative in the 2022 Sustainability Report we will start to report the number of factories visited by Viking-employees. In terms of physical presence, in addition to the audits we carry out at the factories, Viking will to a greater extent be able to both uncover and prevent any situations that may arise.

Viking had two suppliers that received a concern score for Health, Environment and Safety in relation to our annual BSCI audits, which were rectified immediately. There were no cases requiring recovery in the reporting year.



THE TRANSPARENCY ACT

The Norwegian Transparency Act came into force on July 1 2022, with the purpose to promote businesses' respect for fundamental human rights and decent working conditions in connection with the production of goods and services. The law ensures transparency about supply chains and requires companies such as Viking to conduct and publicly report on our due diligence assessments.

In line with the act, Viking as a company must commit to responsible business practices and embed this responsibility into policies and management systems.

You can see our policy for responsible business practices here

You can see our ethical guidelines for suppliers here

You can find an overview of all of our 1st tier suppliers here

You can see our action plan for the risk areas we have mapped here

You can read our Ethical Trade report here

>>> Viking's policy for responsible business If you can't find what you are looking for on our in the management and signed by the general contact us at viking@vikingfootwear.com manager and chairman jointly. Our policy for responsible business practices (RBC) and our ethical guidelines for suppliers (CoC) are reviewed by the sustainability department on a yearly basis. The work on due diligence assessments is currently organized under product, but from autumn 2023 it will be organized under purchasing and sourcing.

Our country office in Vietnam is operationally responsible for the implementation of our annual BSCI audits and non-conformance management, as well as follow-up of the risk areas we have mapped in the action plan. Viking's strategies and plans for sustainable business practices are followed up through meetings throughout the vear, as well as short lines of command between those operationally responsible and the general manager.

practices for its own operations is anchored online page or in our reports, you are welcome to





STANDARDS & MEMBERSHIPS





ETHICAL TRADE NORWAY

- is a member-based resource centre and an advocate for ethical trade practices. Viking has been a member of Etisk Handel Norge (Ethical Trade Norway) since 2007. Through this membership Viking is committed to work with responsible and sustainable business practices in the UN's guiding principles on business and human rights, and the OECD's guidelines for multinational companies, such as due diligence and stakeholder dialogue. The foundational ground for this work is EHN's principles, which cover the areas of working conditions, human rights, the environment / climate, anti-corruption and animal welfare. Through this, Viking commits to annually report on the challenges we face, and the measures that are implemented to deal with these challenges.

This report is publicly available and can be found here



GREEN DOT PLC

- is a sustainability-focused membershipdriven non-profit responsible for financing the recovery and recycling of used packaging on behalf of the industrial sector. Through Green Dot, members help create a more resourceefficient and sustainable society with a focus on circular solutions.

Through Green Dot, Viking reports the import of packaging and pays packaging fees. The fees, in turn, support the collection, return, and recycling of cardboard, paper, and plastic according to the requirements set by the authorities.

Link to website



THE SCANDINAVIAN OUTDOOR GROUP (SOG)

- is a group of more than 70 outdoor brands from Scandinavia. SOG is organized as a non-profit, non-political association registered in Sweden. Viking has been a member of "The Scandinavian Outdoor Group" (SOG) since 2007. SOG has a sustainability group that meets a few times a year and has an active social network. The group shares information on the latest updates and insights within sustainability, work together on circular projects and participates in competence development seminars. SOG is an associated member of the European Outdoor Group (EOG). Link to website



THE EUROPEAN OUTDOOR GROUP (EOG)

- is a group of over 100 outdoor industry members from Europe. As a Scandinavian Outdoor Group (SOG) member we have signed up to support the European Outdoor Group (EOG) Sustainability Charter. It was unanimously agreed at the SOG's annual meeting to adopt the Sustainability Charter and make pursuing the aspirations set out in the charter part of the membership criteria for the group's members. The charter sets out an understanding of good corporate citizenship and responsibility, and articulates the stages and aspirations of a journey towards best practice. Viking signed the Sustainability charter in 2018. Link to Sustainability Charter



THE SWEDISH CHEMICALS GROUP

-is a part of Research Institutes of Sweden (RISE) and is a research group working to distribute the latest knowledge in chemical and environmental issues to their over 120 members in the textile and electronics industry. In addition to enabling the latest knowledge surrounding the use of chemicals, the membership also gives us access to external monitoring and networks, practical tools and updates on relevant legislation. The membership makes Viking better equipped to communicate relevant chemical requirements to our suppliers, and to meet questions and demands from our consumers.



CODE OF CONDUCT

Our standard

At Viking we promote decent working and environmental standards in our supply chains. We cooperate closely with our suppliers and business partners in pursuit of this aim. Accordingly, we have prepared this code of conduct to illustrate what we expect of our suppliers and business partners. The Code of Conduct covers human rights, workers' rights, animal welfare, the environment and corruption. Viking aims to continuously improve policies and practices that support suppliers in complying with this code of conduct.

Vikings Code of Conduct is based on internationally acknowledged UN and ILO conventions as well as our own guidelines defined by Viking, and sets out a minimum standard. The employment legislation applicable to the place of production must be respected. Where national laws and regulations cover a topic that is also dealt with in this code of conduct, the higher standard shall apply.

You can read our full Code of Conduct here

Exception handling

A supplier must be able to document compliance with the code of conduct at Viking's request. Such documentation may take the form of self-declaration, follow-up meetings, and/ or inspections of the working conditions at production sites. The supplier will be obliged to name and provide contact information for any sub-supplier that Viking wishes to inspect. In the event of a breach of the code of conduct, Viking 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.



HUMAN RIGHTS

Viking requires all our suppliers to sign and follow our Code of Conduct. This Code of Conduct is based on internationally acknowledged UN and ILO conventions, and sets out a minimum standard. The employment legislation applicable to the place of production must be respected. Where national laws and regulations cover a topic that is also dealt with in this code of conduct, the higher standard shall apply. You can read our full Code of Conduct here

1. Forced and Compulsory labour (ILO Conventions Nos. 29 and 105)

- 1.1 There shall be no forced, bonded or involuntary prison labour.
- **1.2** Workers shall not be required to lodge "deposits" or identity papers with their employer and shall be free to leave their employer after reasonable notice.

2. Freedom of Association and the Right to **Collective Bargaining (ILO Conventions Nos.** 87. 98. 135 and 154)

- **2.1** Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, obstruct, the formation of unions or collective bargains.
- discriminated and shall have access to carry out their representative functions in the workplace. **2.3** Where the right to freedom of association and collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of alternative forms of independent and free workers representation and negotiations.
- 3. Child Labour (UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182

and 79, and ILO Recommendation No. 146)

- **3.1** The minimum age for workers shall not be less than 15 and comply with: i. The national minimum age for employment, or; ii. The age of completion of compulsory education Whichever of these is higher. If loca minimums is set as 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.
- **3.2** There shall be no recruitment of child labour defined as any work performed by child younger than the age(s) specified above.
- **3.3** Children and young persons under the age of 18 shall not be engaged in labour that is hazardous to their health, safety or morals, including night work.
- **3.4** Policies and procedures for remediation of 2.2 Workers representatives shall not be child labour prohibited by ILO conventions no. 138 and 182, shall be established, documented, and communicated to personnel and other interest parties. Adequate support shall be provided to enable such children to attend and complete compulsory education.
 - **3.5** New recruitment of child labour in infringing of the above-mentioned conventions is unacceptable. If child labour, as described above. is already in existence, sustained efforts shall be made to redress the situation as quickly as

4. OUR STANDARDS & POLICIES

possible. However, the children concerned shall be given the possibility of earning a livelihood, as well as acquiring an education until they are no longer of compulsory school age.

4. No Discrimination (ILO Conventions Nos. 100 and 111 and the UN Convention on **Discrimination Against Women)**

- **4.1** There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- 4.2 Measures shall be established to protect workers from sexually intrusive, threatening, insulting or exploitative behavior, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

5. No Harsh or Inhumane Treatment

5.1 Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.





6. Health and Safety (ILO Convention No. 155 and ILO Recommendation No. 164)

- **6.1** The working environment shall be safe **8.1** Working hours shall comply with national laws and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment. **6.2** Workers shall receive regular and documented health and safety training, and such training shall be repeated for new or reassigned workers.
- **6.3** Access to clean toilet facilities and to potable **8.4** Workers shall always receive overtime pay water, and, if appropriate, sanitary facilities for food storage shall be provided.
- **6.4** Accommodation, where provided, shall be clean, safe and adequately ventilated, and shall have access to clean toilet facilities and potable water.

7. Wages (ILO Convention No. 131)

- 7.1 Wages and benefits paid for a standard working week shall at minimum meet national legal standards or industry benchmark standards, whichever is higher. Wages should always be enough to meet basic needs and to provide some discretionary income.
- and comprehensible contract outlining their wage conditions and method of payments before entering employment.
- 7.3 Deductions from wages as a disciplinary measure shall not be permitted.

8. Working Hours

(ILO Convention No. 1 and 14)

- and benchmark industry standards, whichever affords greater protection. Weekly working hours should not on a regular basis be more than 48 hours per week.
- **8.2** Workers shall be provided with at least one day off for every 7 day period.
- **8.3** All overtime shall be limited and voluntary. Recommended maximum overtime is 12 hours per week, i.e. that the total working week including overtime shall not exceed 60 hours. Exceptions to this are accepted when regulated by a collective bargain agreement.
- for all hours worked over and above the normal working hours (see 8.1 above), minimum in accordance with relevant legislation. November 2019 Page 4 / 5

9. Regular Employment

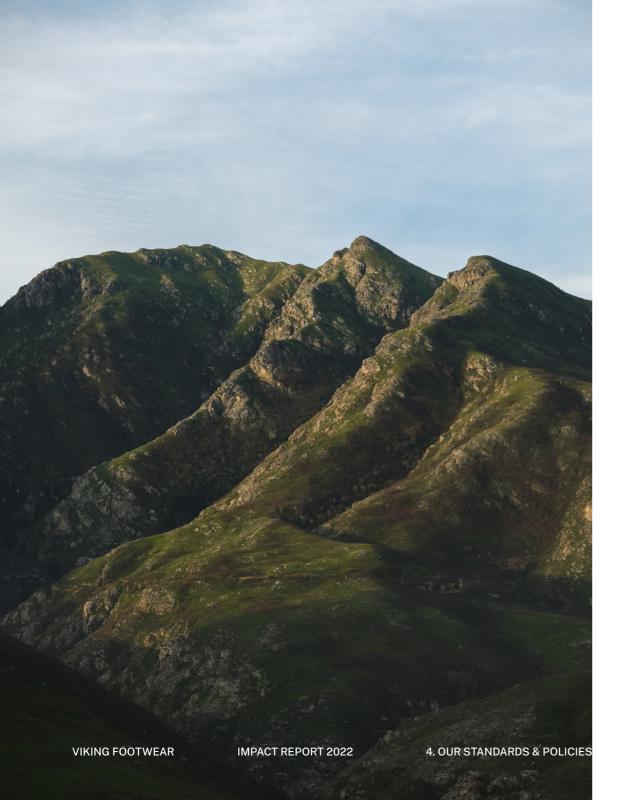
- 9.1 Obligations to employees under international conventions, national law and regulations concerning regular employment shall not be avoided through the use of short-term contraction (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.
- 9.2 All workers are entitled to a contract of **7.2** All workers shall be provided with a written employment in a language they understand.
 - 9.3 The duration and content of apprenticeship programmes shall be clearly defined.

CONDITIONS OUTSIDE THE WORKPLACE

10. Marginalized Populations

10.1. Production and extraction of raw materials for production shall not contribute to the destruction of the resources and income base for marginalized populations, such as in claiming large land areas, use of water or other natural resources on which these populations are dependent.





RESPONSIBLE BUSINESS CONDUCT (RBC)

Viking strives towards responsible business conduct that respects people, society and the environment. This policy document, including our Code of Conduct, forms the foundation of our sustainability work. Viking Outdoor Footwear AS considers responsible business conduct to be a prerequisite for sustainable development, meaning that today's generation get their needs covered without compromising the ability of future generations to meet their own needs.1 The UN Sustainable Development Goals (SDGs) is the world's joint action plan for sustainable development. Viking Outdoor Footwear AS works actively with the Sustainable Development Goals.

Through our RBC, Viking commits to work active with due diligence for responsible business conduct. Due diligence is a risk-based approach to respect and safeguard people, society and the environment in our own business and throughout the supply chain. We expect our suppliers and partners to follow the same approach.

Requirements - own business

Viking acknowledges that our business conduct can potentially have negative impact on people, society and the environment. At the same time, we see the potential to contribute to positive 2. UN OHCHR, Guiding Principles on Business development in the supply chain. With this in mind, we have compiled the following principles and criteria guiding our own business:

Due diligence

Viking shall conduct due diligence for responsible Responsible Business Conduct», 2018 business conduct. This involves; conducting risk assessments to identify potential negative impact on people, society and the environment and to stop, prevent and reduce such impact. The measures put in place are monitored

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

- 1. The Brundtland commission. «Our Common Future», 1987
- and Human Rights (UNGP)", 2011; OECD, «Due Diligence Guidance for Responsible Business Conduct», 2018.
- 3. OECD, «Due Diligence Guidance for

You can read our full Responsible Business Conduct here







KEY FACTS & FIGURES 2022

At Viking, our goal is to use 100% renewable or recyclable resources by 2030. In 2021 we set new product and material KPI's and standards as part of Viking's sustainability goal of becoming a climate-positive company by 2030. In 2022, we planned to launch "Less Impact", which highlights products that employ credible third-party verifications, to help our customers make more informed choices when shopping for new footwear. But in the process we learned that we need more time to make sure that our communication is transparent and trustworthy, and not in any way vague.

Everything we make and consume has an impact on our planet and its people.

At Viking, we care about making high-quality footwear with a small footprint. As we focus on creating more sustainably produced products, we want you to know our commitment to quality and performance remains the same. We believe that sustainability is also about how long the product lasts; quality and durability can maximize a product's lifespan and is one of the best ways to reduce its environmental impact!

OUR LESS IMPACT PRODUCTS EXPLAINED

Understanding consumer products and sustainability can sometimes be complex and confusing. Our "Less Impact" will highlight products with a lighter impact to help our customers make more informed choices when shopping for new footwear. At Viking, we employ credible third-party certifications that set precise requirements for our suppliers regarding accountability and verification in the production process. For a Viking product to qualify for "Less Impact" the product needs to meet at least one of our sustainability criteria, covering social, environmental, or animal welfare standards. These criteria are based on third-party certifications and branded materials. Our third-party certifications include Global Recycling Standard (GRS), Leather Working Group (LWG) and Forest Stewardship Council (FSC). We've also included branded materials such as Yulex® from sustainable forestry and bio-based material Elastollan® N as part of Viking's "Less Impact" products. This initiative has been moved to launch on our online page in Autumn / Winter 2023.

Our goal is to use 100% renewable or recyclable resources by 2030.

NEW STANDARDS AND KPI'S 2022-2030

Material category for footwear	From	То	2022	2030
WOOD-BASED MATERIALS	Natural rubber Neoprene	Forest Stewerdship Council® (FSC Recycled) Forest Stewerdship Council® (FSC Mix) Yulex®	0%	75%
ANIMAL-BASED MATERIALS	Leather Wool	Leather Working Group (LWG Gold, Silver or Bronze) Responsible Wool Standard (RWS) Global Recycled Standard (GRS) Recycled 100 Claim Standard (RCS 100) Recycled Blended Claim Standard	5%	90%
BIO-BASED PLASTIC MATERIALS	EVA TPU PU	Elastollan® N Bloom® *or other branded bio-based plastic materials preferably using waste materials or renewable resource that's not part of a food chain	0,5%	75%
RECYCLED MATERIALS	Virgin polyester Virgin metal Virgin plastic Rubber soles Leather Wool	Forest Stewerdship Council® (FSC Recycled) Global Recycled Standard (GRS) Recycled 100 Claim Standard (RCS 100) Recycled Blended Claim Standard (RCS Blended) Recycled Metal (Viking's in-house standard) Upcycled from Waste (Viking's in-house standard)	3,5%	90%
LOW IMPACT DYE	Traditional dying processes	DriTan™ technology bluesign® SpinDye etc.	42,5%	75%

^{*}Our goal is to use 100% renewable or recyclable resources by 2030. But in 2021, when we set the new targets, we saw that it is not realistic yet. We promise to adjust the targets, as we develop and gain more knowledge.



STANDARDS AND CERTIFICATIONS

Viking aims to develop high-quality, durable footwear with a long product life. We actively collaborate with our suppliers to create, develop and test new and more environmentally friendly materials and production processes. We employ the use of third-party certifications that set precise requirements for suppliers regarding traceability, water and chemicals use in the production process, animal welfare, and sustainable forestry.



LEATHER WORKING GROUP (LWG)

Leather Working Group is a not-for-profit membership organization created in 2015, and responsible for the world's premiere leather manufacturing certification. LWG aims to improve the environmental impact of the leather industry by assessing and certifying leather manufacturers. Additionally, they aim to engage with members of the leather supply chain and give them the knowledge to be able to make informed, sustainable choices in their businesses. Viking visited several leather manufacturers in 2019, and thereafter nominated two of these. both with «Gold Rated Standard» from LWG.



FOREST STEWARDSHIP COUNCIL (FSC)

All the materials used in products bearing this label are sourced from forests that have been audited by an independent third party to confirm they are managed according to FSC's rigorous social and environmental standards. Of all the FSC labels. FSC 100% contributes most directly to FSC's objective—forests for all, forever—and is therefore the highest mark of distinction for certified products.

Forest Stewardship Council® (FSC RECYCLED): Products that bear this label have been verified as being made from 100% recycled content (either post-consumer or pre-consumer reclaimed materials). The use of FSC Recycled products can help to alleviate the pressure of demand on sources of virgin material, thereby helping to protect the world's forests.



OEKO-TEX®

Oeko-Tex® is the most globally recognized brand for labelling product safety and sustainable production in the textile industry. With a range of independent certifications and product labels Oeko-tex enables Viking to make responsible decisions in favour of products that are less harmful to health, more environmentally friendly and manufactured in a fair way. Viking uses Oeko-Tex® approved textiles and nominates suppliers that facilitate Oeko-Tex certified production.











GLOBAL RECYCLED STANDARD (GRS)

GRS is an international product standard developed to meet requirements within the textile industry, among other industries. GRS verifies the amount of recycled parts or ingredients in a given product or component. GRS sets requirements for third-party certification of recycled content in input materials, traceability, social and environmental principles as well as chemical restrictions. In a market where the focus on sustainability and recycled materials adds value, and where the demand (for the time being) exceeds supply, we unfortunately experience that several manufacturers promise recycled qualities, despite new production. To ensure traceability and content in the recycled components Viking uses, we navigate by GRS certified qualities.

BLUESIGN®

bluesign® is the most effective way to reduce chemical management risk in textile production. bluesign® certifies manufacturing facilities, ensuring their working methods don't affect end products in negative ways and that they comply with the latest chemical substance regulations. The bluesign® system is the best available solution for sustainable textile production. It eliminates harmful substances right from the start of the manufacturing process and sets and controls standards for environmentally friendly and safe production. This not only ensures that the final textile product meets very stringent consumer safety requirements worldwide, but also assures the consumer that they are acquiring a more sustainable product. Viking uses bluesign® approved textiles and nominates suppliers that are bluesign® system partners.

BASF ELASTOPAN® N

BASF Elastopan® N is an alternative to conventional oil-based materials. BASF Elastopan® N is a biobased polyurethanes solution from renewable resources which contains a significant percentage of bio-content without impairing the performance. An ideal material for insole, midsole and outsole which features unique cushioning and excellent hydrolysis resistance with good mechanical properties.





THE MOVE FROM PETROLEUM-BASED TO BIO-BASED PLASTIC MATERIALS

Ecorox 1.0 is the first in a line-up of next-generation sustainability-focused footwear. The Ecorox design was influenced by our bestselling kids boots, and inspired by our sustainability mission. Developed from a bio-based polyurethane solution, this boot contains a significant percentage of bio-content from renewable resources, which keep us in line with our mission, without impairing product performance.

The goal is to increase the percentage of renewable resources that the material is made of, without impairing the performance. The bio-based plastic material from BASF, named Elastopan® N, is composed of more than 30% renewable resources. In the long run, we also want to replace the insulated lining we use with a lining made from a recycled material. As of today, we do not have these solutions available, but we are constantly working with our suppliers to achieve this.

By giving the boot the name Ecorox 1.0 we want to be transparent about or challenges and communicate the journey we are on to our customers.

What's next?

At Viking, our goal is to use 100% renewable or recyclable resources by 2030. We aim to reduce our use of petroleum-based plastic materials by 75% by switching to bio-based plastic materials that don't conflict with food production. We're currently only able to use 30% renewable resources but we will be working closely with BASF and others to turn our vision into reality.



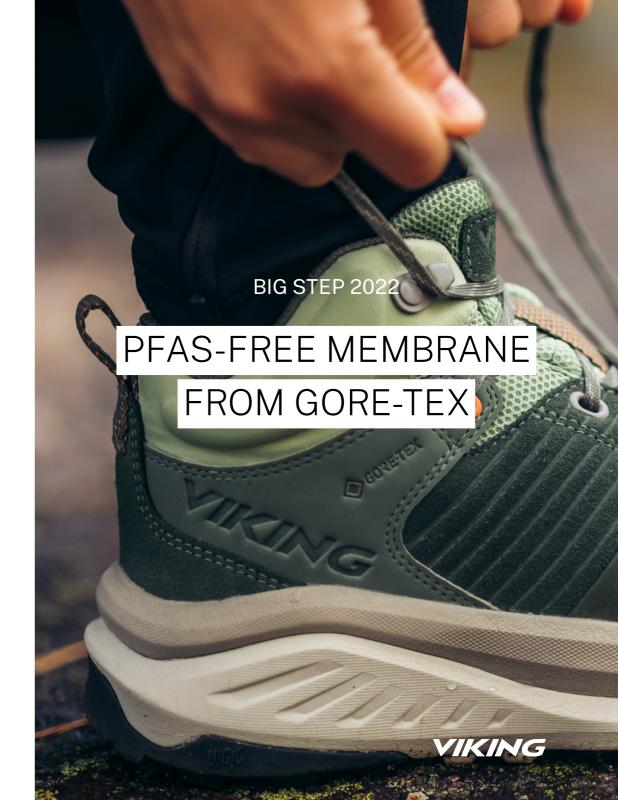


GORE-TEX® PFAS-FREE MEMBRAN EPE

Since 1992, Viking and GORE-TEX have collaborated to facilitate an active outdoor lifestyle by offering reliable and durable waterproof shoes. GORE-TEX has introduced a brand new innovative ePE membrane in its products. This membrane is an important milestone on GORE-TEX's responsible performance journey, and on Viking's goal to eliminate the use of PFAS substances in our products during 2024. The new GORE-TEX ePE membrane is light, thin, yet strong, and it is PFAS-free.

See our general advice for maintaining shoes with GORE-TEX $^{\odot}$ membranes for high performance and longevity <u>here.</u>







PACKAGING

Using information from the Rainforest Fund, and dialogue and collaboration with FSC, we have been educated about potential challenges related to both the environment, wildlife and working conditions in the value chain surrounding our cardboard packaging. For Viking, it is important to ensure that the raw materials we use are not extracted from vulnerable forest areas, and to ensure that the workers within the value chain are considered, and that the production process leave the least possible environmental footprint.

We therefore work according to the following principles regarding cardboard packaging:

- Cardboard / paper packaging comes only from FSC certified sources.
- Minimum 70% recycled material.
- Optimization of material consumption to reduce waste in production (e.g. constructions)
- Choose constructions that make glue in the assembly unnecessary (e.g. assembly of boxes without glue)
- Manufacturers who can offer sustainable solutions for ink and lamination are to be given priority

Shoe boxes

All our shoe boxes consist solely of recycled and FSC certified raw materials. By changing the construction of the boxes, Viking reduced both production waste and energy consumption. In addition, ink from soybeans (post-consumer) is utilized, and only water-based glue is used for lamination. The shoe box also has a foldable construction which means that we no longer use glue when assembling the box.

Stickers

Even the smallest components bear influence. Viking has therefore also changed the quality of our shoe stickers to consist of recycled and FSC certified paper. During 2020, sustainable alternatives were implemented for all our packaging components (hangtags, tissue paper, polybags etc).





PRODUCTION

As part of our journey towards becoming a climate positive business we need to increase energy efficiency and promote renewable energy across our supply chain.

We also need to ascertain if there are international investment programs available for renewable energy at factories in the countries where we produce. All this work will begin after we have developed an understanding of our emissions in scope 3 to know how and where changes are to be made.

Some of the greatest environmental impact is achieved when focusing down the value chain, where sub-components and raw materials for the shoes are produced. Therefore, it is crucial for Viking that all subcontractors meet the requirements in the following appendix before starting a collaboration:

- Operates according to Viking's Code of Conduct
- Operates according to Viking's Responsible Business Conduct
- Adheres to the Chemical restricted substance list (REACH)
- Follows the footwear testing specification
- All certificates must be obtained and verified by Viking Outdoor Footwear AS

NOMINATED SUBCONTRACTORS AND SUPPLIERS

Viking has worked categorically with the value chain within a number of defined components. We have evaluated existing factories, and also sought out new suppliers where this has been expedient. This, together with participation in various seminars, trade fairs and general discussions in the industry, has equipped Viking to prioritize better for future production. In 2020, Viking has prioritized suppliers who not only focus on sustainable products, but also those who take action to make the production processes more sustainable.

Water

We have nominated subcontractors and suppliers who have established wastewater recycling and water saving programs.

Energy

We have nominated subcontractors and suppliers who use both renewable and recycle their own energy, and suppliers who invest in production equipment that reduces energy consumption.

Waste

We will nominate subcontractors and suppliers who better manage waste generated in production, focusing on reduction, reuse and recycling in 2021/22.



CHEMICALS

Viking cooperates with SATRA to secure optimum test and analysis competence of our products and components. As of 2022, we are also a member of The Swedish Chemicals Group, giving us access to the latest knowledge in chemical and environmental issues. These two organizations make Viking better equipped to communicate relevant chemical requirements to our suppliers, and to meet demands from governments and consumers.

As part our commitment to develop a supply chain that is safe for everyone, we will update our chemical policies and strengthen our chemical testing routines in 2023. Vikings aims to eliminate the use of PFAS substances in all our products during 2024 as part of this commitment.

CHEMICAL RESTRICTED SUBSTANCE LIST

SATRA is an independent research and testing organization established in the UK in 1919. SATRA has its own chemicals analysis laboratory for testing restricted substances in accordance with European REACH, and US chemicals regulations for which it is CPSC-accredited, and tests products and components to European and international standards within footwear. The membership with SATRA ensures Viking to keep up to date with relevant legal requirements throughout our value chain, as well as supports us in specific development and innovation projects.

All our suppliers must sign our Code of Conduct where they guarantee that their materials comply with EU's chemicals legislation, incl. REACH, the persistent organic pollutants regulation and the Biocidal product regulation, and that no chemical compounds forbidden in the country of manufacture, may be used in production. This is also part of what we control, together with SATRA, when we test random samples. SATRA provides us with certified test methods to secure that the tests are conducted according to established standards. This is to ensure quality and to extend the lifetime of our products.

See Viking's Chemical restricted substance list



PER- AND POLYFLUOROALKYLATED SUBSTANCES

PFAS substances

Viking aims to eliminate the use of PFAS substances in our products during 2024, to minimize the risk for human health and the environment. This is an important milestone in our long-term journey to continuously reduce the impact of our products.

Why are PFAS substances used?

The reason why PFAS are so widely used in the outdoor industry is that they have unique technical properties. Viking's waterproof products are made from fabrics that have a membrane laminated on the inside. The membranes are waterproof, but still breathable. In order to give the fabric additional resistance to humidity and water, the products are given a surface treatment that makes the outer fabric water-repellent, a so-called Durable Water Repellency (DWR) treatment. It is this treatment and the membrane that may contain PFAS substances.

What are PFAS substances?

PFAS (per- and polyfluoroalkylated substances) is a group of more than 10,000 man-made substances, which are also called fluorocarbons or so-called 'forever chemicals'. As they do not break down in the environment their continuous emissions will result in high concentrations in nature over time. And since some PFAS substances are bioaccumulative (stored in living organisms), exposure to PFAS chemicals via drinking water, air, or the food web can result in significant health effects for humans and other species in the environment.

Humans can also be exposed to PFAS in consumer products directly e.g. via skin contact. It is thus important to minimize the use of PFAS. Viking is working to replace the use of PFAS with more environmentally friendly, PFAS-free treatments during 2024.



TRANSPORT

There is a growing awareness in the logistics and transportation industry about the critical balance between optimizing global supply chains and the ecological impacts the industry has on our environment, as well as the urgency of reducing their customers' overall ecological footprint.

Bring and DB Schenker are the primary transport companies used by Viking. Both Bring and DB Schenker have made improvements towards sustainability in the logistics and delivery sector through the utilization of green technology, carbon emissions reduction, and last-mile consolidation.

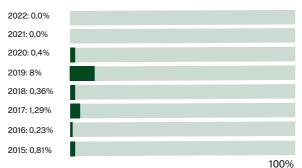
Just like Viking, Bring are working according to the Science Based Targets in line with the Paris Agreement.

Their goals for cutting carbon emissions are:

- In 2026, 80% of all vans and 10% of self-owned trucks will be fossil-free • In 2030, 100% of all vans and 80%
- of own trucks will be fossil-free

DB Schenker is committed to the Deutsche Bahn Climate Neutral Target 2040. To reach this ambitious goal, they are continuously investing in innovative transport solutions, such as new renewable energies, their E-Mobility Fleet and carbon neutral products for their customers

See share of airfreight per year below:



Shipping of direct-to-consumer products

All goods are packed and transported in recycled plastic or recycled cardboard. The returned packaging is collected and recycled to a recycling station in Sweden. The transport companies make partial use of renewable energy and measure their CO2 footprint.

Shipping of products from manufacturers

All goods are packed and transported in Forest Stewardship Certified (FSC) cardboard. We strive to minimize the use of plastic and have removed

However, total removal of plastic will result in a transport will go to renewable energy, and we significant increase in cardboard volume which do not receive a report that measures our CO2 reduces transport efficiency and hence increases emissions from the transport companies. We emissions.

Today, Viking does not have concrete measurement of the degree of filling for container transport, but a good estimate is around 95%. Outer packaging is adapted to appropriate dimensions for container transport and degree of filling is utilized to the maximum. For example, goods are not transported on pallets to avoid unnecessary filling of containers. We will take a closer look at what we can do as a company to accurately measure the degree of filling in 2023. Outer packaging is adapted to appropriate dimensions for container transport and degree of filling is utilized to the maximum. For example, goods are not transported on pallets to avoid unnecessary filling of containers.

The transport companies use partially renewable energy and measure the CO2 footprint. Today,

all unnecessary plastic from the packaging. Viking has no KPI's for how large a share of freight will take a closer look at what we can do as a company in this area in 2023.





OUALITY CONTROL

We strive to keep our quality high and impact low. Viking's quality control is first and foremost pro-active, which is reflected in our way of working. It's much more important to avoid a complaint case in advance of production, than to discover defects in the product when this is on the production line or available in the market.

This can primarily be avoided by

- 1. Avoiding particularly complicated / risky technical solutions.
- 2. Careful testing and correction of grading sample.
- 3. Precise communication to our suppliers about our requirements and standards.

Viking does not work with low-quality manufacturers, and will not risk the brand's quality and reputation by trying this. Competence and knowledge of quality are important at all levels. Viking's number one condition for a good result is choosing good partners. Our main production is executed in Asia, and it is not always practical or economical to have Viking employees following the production line. At random, goods and packing are also physically Therefore, the partners also need to appreciate Viking's values and standards. The tradition in our company is therefore long-term relationships and close contact with our main suppliers.

Everyday controls at the factories are mainly performed by the factory QC or a Viking representative. The control is based on a "confirmation sample", signed by both parties. This CFM sample is always available on the production line. The factory QC completes

a document with comments and photos, and presents this (by e-mail) to the Viking quality responsible in Norway. Corrective action may then be taken if details are not according to standard. Pre-production shoes/boots, including final production materials, are also taken from the production line and sent to Norway for Special GORE-TEX shoes procedure approval. On some occasions, a full inspection of finished goods is conducted at the factory before shipment. This procedure may be caused by mistakes discovered during the in spection, or may be a random check. Such an audit of finished goods normally results in a written report, including the number of pairs controlled and the number of pairs rejected.

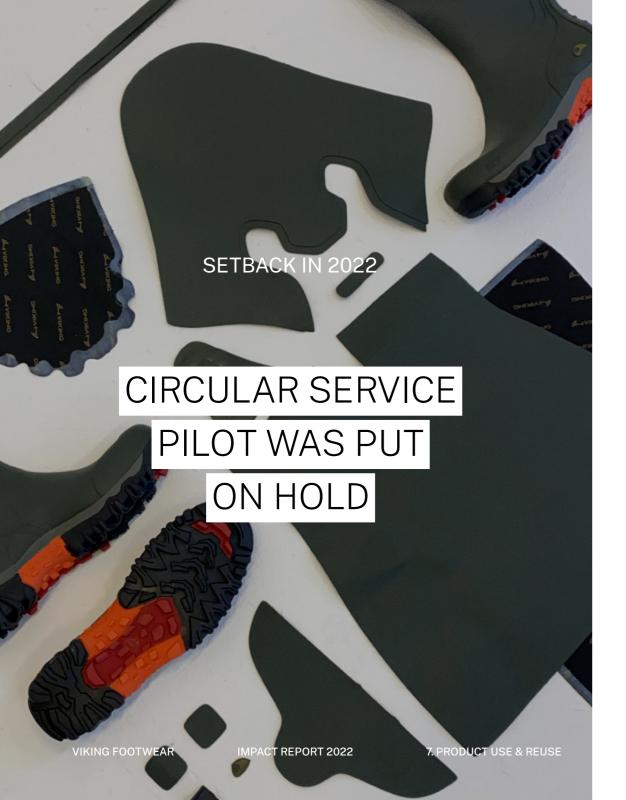
controlled upon arrival to our warehouse. They may be inspected by the warehouse staff, or by Viking representatives. The aim is to discover mistakes and problems before the goods reach the end consumer. At the end of each season, the performance of all parties is evaluated, in order to refine the process. In addition, regular follow-up (post-active) quality controls of incoming goods at Askim are conducted. This is executed by checking all incoming goods against samples.

Viking emphasizes high quality in the customer experience. Regularly a claims report is produced with the aim of uncovering problem areas and products. Our goal is a claims percentage of <1%. Normally the result is well below this figure.

GORE-TEX products are tested and approved in a German laboratory before production can begin. Such approval is evidence of a well performing quality product. With random intervals GORE-TEX representatives in the production area test the products. Shoes are also randomly picked out of production for closer checking. In addition, the shoe factories leak-test GORE-TEX products from all productions.

For shoes with GORE-TEX, testing of water tightness in a centrifuge of all models is also performed in Askim. At least one carton (12 pairs) is tested of each model / colour. In the event of errors or deviations, the in-depth product control immediately contacts the QC manager in the product development department.





CIRCULAR SERVICE PILOT PROJECT WAS PUT ON HOLD





We were in the planning phase of a pilot project in Norway, where we wanted to rent out a limited number of shoes to children during 2021. Here, of course, there were many aspects that needed to be addressed, and 2021 was a challenge year due to the pandemic. For Viking, rental also entails creating a business model that works both financially and environmentally. Unfortunately, we had to put the project on hold indefinitely. In 2020 Viking was granted DIP funding from Design and Architecture Norway – DOGA to develop prototypes of circular children's shoes. This means designing for easy repair, reuse and recycling. One of the innovation goals of this project is to also design a circular service that the shoes will exist within. This project gave us important insight about the new value chain we need to develop to provide our customers with an attractive renting service.

What's next?

We promise to continue exploring circular business models to prolong the lifetime of both resources and products in a system with minimal environmental impact. At the time of writing this sustainability report, we have decided on two new circular service pilots launching in 2023.





PARTNERSHIPS FOR THE GOALS

The UNs Sustainable Development Goal "Partnerships for the goals" states that a successful sustainable development agenda requires partnerships between governments, the private sector and civil society. Partnerships built upon principles and values, and upon a shared vision and shared goals placing people and the planet at the center.

IN 2022, VIKING WERE A PARTY TO FIVE PARTNERSHIPS AND NETWORKS:

- Responsible Sourcing of Natural Rubber: together with the global companies Allbirds, Clarks, El Corte Inglés, H&M Group, Hunter, IKEA, Inditex, Patagonia, The North Face, Icebug, Timberland, Vans and VF Corporation
- Viking's donating program "Let's Save Our Forests": together with Milkywire and impactor Michael Waiyaki.
- Outdoor Retailer Climate Commitment (ORCC): along with 10 percent of the outdoor retail market in Germany.
- Scandinavian Outdoor Group: together with more than 70 outdoor brands from Scandinavia.
- European Outdoor Group: together with over 100 outdoor industry members from Europe.



VIKING FOOTWEAR IMPACT REPORT 2022 8. C

8. OUR PARTNERSHIPS

COMMITTED TO RESPONSIBLE SOURCING OF NATURAL RUBBER

The importance of forests can't be overstated. Covering almost a third of Earth's landmass, forests store carbon, filter water and give millions of species the habitats they need to survive. That is why Viking has committed to source deforestation-free, environmentally friendly and socially responsible natural rubber, and to contribute to an improvement in the way the world's natural rubber plantations are managed.

In 2019, we signed the Responsible Sourcing of Natural Rubber document. The statement aims to encourage companies to source natural rubber sustainably and express their preference for sourcing FSC-certified natural rubber, when available. Alongside Viking, the other signatories were:

- Allbirds, Clarks, El Corte Inglés and H&M Group, Hunter and IKEA, Inditex, Patagonia, The North Face, Timberland, Vans and VF Corporation.

While the production of natural rubber provides an income for millions of people in developing countries, it can also have negative impacts on forests, biodiversity, communities and workers when it is not managed responsibly. In some cases, the expansion of rubber production can be a driver of deforestation and forest degradation, including areas of high conservation value. In addition, international organizations have documented cases of poor working conditions, child labour and social conflicts associated with some rubber tree plantations.

Smallholders play a significant role in natural rubber production, and it is estimated that more than 10 million farmers provide around

85 % of the total global natural rubber supply. Moreover, natural rubber supply chains are highly complex, involving several tiers from forest to factory, resulting in traceability challenges. In this context, by committing to sourcing responsibly produced natural rubber, we can address environmental, economic and social challenges and help contribute to sustainable forest management.

The Forest Stewardship Council (FSC) certification promotes sustainable forest management and is a solution that ensures socially and environmentally responsible natural rubber production, FSC certification provides businesses and consumers with the option to purchase natural rubber products made in a way that is less harmful for people and nature. Therefore, we state our preference for sourcing FSC-certified natural rubber, as we believe that global brands are an important driver to increase the area of FSC-certified and sustainably managed natural rubber production. Furthermore, we hope that our support will help FSC gain commitments from other corporate leaders. and private and public institutions, to achieve this vital sustainability goal.



VIKING FOOTWEAR IMPACT REPORT 2022

8. OUR PARTNERSHIPS



LET'S SAVE OUR FORESTS

In 2021, Viking began a journey towards becoming a climate positive company, and Let's Save Our Forests is part of that commitment.

Viking teamed up with Milkywire and impactor Michael Waiyaki to plant trees and save existing forests.

We need trees. They provide us with oxygen, store CO2, stabilize the soil and are home to important wildlife. But like many parts of the world, the forests of Kenya are threatened by overexploitation, illegal logging and resource degradation.

Michael has a vision to plant millions of trees while educating a future generation of environmentalists. Through this initiative, he hopes to combat the devastating effects of climate change due to deforestation, including land erosion, loss of biodiversity, and flooding.

In 2022, Viking donated 1% of our e-commerce gross profit to Michael's work through Milkywire. You can contribute too, together we can make a difference.

Learn more: https://www.milkywire.com/viking-save-our-forests





VIKING AS A WORKPLACE

At VIKING, we consider our employees to be our most important resource. They provide the vigor and strength needed for VIKING' future. The organization at the VIKING head office in Oslo covers all aspects of the business, including design, product development, sustainability, wholesale, retail, e-commerce, finance, marketing, supply chain management, customer service, IT and HR.

The last couple of years have been difficult for many, but we also see that through the pandemic many people have become better at spending time in nature and being together as a family. This is close to our vision of "creating a world where everyone can be an explorer" and we will continue to facilitate the use of nature and time together as a family through products and services for children, young people and adults. And we feel that we are on the right track.

In the past year, thanks to the efforts of committed colleagues and partners, we have not let circumstances deter us from being true to our values and pursuing our goals. We always look after each other and try to lend a helping hand where we can. This is fundamental for our company, but it only becomes even more important in periods where uncertainty increases.

9. OUR WORKPLACE



VIKING FOOTWEAR IMPACT REPORT 2022

In December 2022, we decided to use Eletive as our engagement tool throughout the VIKING Group. With Eletive, all employees anonymously will answer a limited number of questions each month. The questions will be based on research in collaboration with People Scientists. The questions will reference nine different categories: leadership, job satisfaction, meaningfulness, autonomy, work environment, participation, personal development, team spirit, and engagement.

Our work with diversity and inclusion is ongoing and we are always looking for ways to improve. This work is aligned with SDG 5 Gender equality, and target 5.1 End all forms of discrimination, as well as SDG 10 Reduced Inequality, and target 10.3 Ensure equal opportunities and reduce inequality. The HR department provides support and service for the entire VIKING group. The focus is on providing managers with tools and information to build confident leadership.

In collaboration with Eletive we will create a Management Board to support the work of our VIKING managers, the Management Board is a platform with guidelines and routines, such as:

- 1. Recruitment Process
- 2. Onboarding Program
- 3. Employee Appraisal Template
- 4. Employee 1-1 meeting Template
- 5. Offboarding Process
- 6. Parental Leave Process
- 7. Sick Leave Process
- 8. Risk Assessment Template

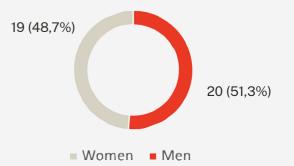
We work to ensure that the VIKING culture and work environment are the same throughout the whole organization.

And finally, our Work Environment Coordinator/Safety Supervisor conducts annual safety and fire inspections at HQ.

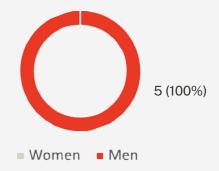




HEAD OFFICE



HEAD OFFICE MANAGEMENT TEAM





VIKING FOOTWEAR IMPACT REPORT 2022 91.0UR WORKPLACE

GET IN TOUCH

If you have any questions about our Impact Report, please don't hesitate to contact us: viking@vikingfootwear.com

Want to follow our progress, here you can find our previous reports:

Impact Report 2020

Impact Report 2021

We appreciate your interest in Viking and our steps towards becoming a more sustainable company.

Thank you.







