Gothenburg, Sweden 2022-06-13

UN Global Compact

Brandon Annual Communication on Progress

1. Confirmation of UN Global Compact Support

I hereby reconfirm Brandon AB's continuous support of the UN Global Compact initiative, and the ten principles within the areas of human rights, labour, environment and anti-corruption.

We are committed to making the principles part of the company's strategy and in our day-to-day operations.

This annual Communication on Progress will outline our key activities related to this subject.

Yours Sincerely

Amanda Wyatt

Chief Executive Officer

2. Key Activities

Brandon is actively working in a structured way within all the four defined areas of human rights, labour, environment and anti-corruption to ensure we constantly improve and ensure compliance.

Some of the key initiatives and facts:

- Member of UN Global Compact
- Member of BSCI/Amfori
- Member of RISE, who supports with information, legislation, training, product testing.
- Developed a supplier guideline "Brandon Handbook" Containing Environmental and CSR requirements.
- ISO 14001/9001 Certified
- Personnel Policy incorporating relevant areas from Global Compact
- Environmental Policy
- Code of Ethics
- Strive to always offer clients a more sustainable product alternative

2.1 Human Rights, Labor and Anti Corruption

Internally:

Brandon has implemented a clear policy and works structured in line with that policy, to ensure that all employees are treated equally and fair independently of gender, ethnic origin, religion or any other aspect. Any harassments are obliged to be reported, anonymously if desired, to the Management Team.

The company has a code of ethics, communicated internally as well as externally.

KPI Target: 0 case related to human rights, labour and anti-corruption

KPI Outcome: 100% fulfilment - 0 case reported

Externally:

In order to support initiatives for improved human rights, labour rights and conditions, Brandon only works with suppliers who fulfil our requirements.

We are a member of BSCI/Amfori, which supports us in our supplier selection through guidelines, requirements, audits and potential corrective actions. The membership includes objectives and requirements on number of audited and approved suppliers.

All suppliers need to sign our Code of Conduct (CoC), covering both Human Rights and Labour conditions. The CoC is based on the BSCI/Amfori one, see attached document.

<u>KPI Target</u>: 95% of key suppliers who Brandon purchases from to a value of SEK 500.000 or more, must sign our CoC by end of 2021.

<u>KPI Outcome</u>: At end of 2021, the target is fulfilled to approximately 85%. This is an improvement from the year before which was 80%.

2.2 Environment

Brandon is committed to reduce the environmental impacts caused by its operations as a global supplier and a producer of Branded Merchandise and Retail Support items.

We recognize our responsibility to the staff, the local community and to the wider community including customers and suppliers, to operate in a society, environmentally conscious and responsible manner by:

In general:

- following the requirements set by the ISO 14001:2015 standard
- continuously improving the environmental management system and prevent pollution
- following adequate local and international laws and regulations
- constantly finding new ways to improve our environmental performance
- working towards our goals of reducing consumption of water, paper, packaging, energy and waste for offices, stores and warehouses
- reducing company travel where possible and promoting video conferences
- working to promote sea freight instead of air freight to reduce air pollution
- be transparent and open about environmental issues
- encourage, train and motivate employees to contribute in environmental efforts

Regarding suppliers and products:

- prioritize collaboration with suppliers who have accepted the "Brandon Code of Conduct", or who applies another Code of Conduct on a similar level
- encouraging a high degree of environmental awareness among our suppliers
- promote the use of reusable and recycling material wherever possible
- follow the rules set out by the European Union Chemical Directive (REACH) regarding all products
- consider environmental aspects when developing products, suggesting environmentally friendly products and raw materials to customers
- striving not to use plastics, liquids or additives that are regarded internationally as toxic and which might harm nature, people or products

<u>KPI Target</u>: Decrease CO2 emissions from transports in 2021 compared to 2020 average of 1,645 kg / kSEK turnover.

KPI Outcome: Target met; CO2 emissions from transports in 2021 was 0,949 kg/kSEK turnover.

<u>KPI Target</u>: Decrease electricity use in own premises in 2021 compared to 2020 average of 0,968 kwh / kSEK turnover.

<u>KPI Outcome</u>: Target met. Electricity in own premises 2021 was 0,808 kwh / kSEK turnover.

3. Future

Brandon will continue to work structured and with clear objectives to continuously support the UN Global Compact initiative. In addition, we strive to reduce our environmental impact by a holistic approach and conscious decisions regarding production, material selections, freight options and other areas where we can make a difference.

<u>Attachments:</u> Code of Conduct Code of Ethics ISO 9001 and 14001 Certificates