

2025

**UNIVERSAL
BRANDS**

ESG Management Report

Table of Content

02 Foreword

03 Company

04 Area of Focus

05 Risk assessment

06 Environment

07 Social

08 Governance

09 Certifications

10 Code of
Conduct

11 Milestones

12 Double
materiality

13 Double
materiality
continue

Foreword

The report covers the financial year from 01-01-2025 - 30-12-2025.

This report is structured around the EU's new guidelines for preparing ESG reports, the ESRS (European Sustainability Reporting Standard), which were adopted on July 31, 2023.

Scope 1 and Scope 2 emissions are estimated to have increased by 8% compared to the previous year. This estimate has been applied due to limited data availability and time constraints preventing a full calculation of actual emissions.

Data calculations and data selection were conducted in collaboration with ECOhouse ApS and were calculated using Klimakompasset and the Norwegian model NSRS.



OUR VALUES

- Creativity
- Efficiency
- Responsibility

Company

Universal Brands have designed products and brands for Norway's leading retail chains and brand houses since 2017.

As a supplier to both large and small businesses in Norway, Universal Brands aims to be a responsible and reliable partner. Universal Brands does not have its own production but acts as a purchaser on behalf of our customers. The majority of Universal Brands production is carried out according to the wishes and needs of our clients.

By delivering the right products, providing excellent service, and ensuring transparency throughout the value chain, we strive to create security and support a successful business for our customers. These are the values on which Universal Brands was founded.

To strengthen Universal Brands' commitment to a sustainable future, we have obtained certifications such as ISO 9001 and ISO 14001 since 2017. Additionally, we have become members of organizations such as Ethical Trade Norway, Fairtrade, Ecovadis, and more. You can read more about those under [Certifications](#).

Our

AREAS OF FOCUS



Human Rights

Universal Brands ensures that the companies involved in the supply chain do not promote or actively use forced labor, child labor, or discrimination.



Workers Rights

A healthy and safe work environment that complies with all applicable laws and regulations regarding health, environment, working conditions, wages, and working hours.



Environment

Applicable laws and regulations on environmental protection must be complied with as a minimum.

The supply chain should strive to reduce waste and emissions to air, soil and water and to handle chemicals in an environmentally safe manner. The supply chain should also strive to contribute to the recycling of materials and products, while handling hazardous waste in an environmentally responsible way.

Our Risk Assessment

Market Risks

Universal Brands must assess market risks related to shifts in consumer demand for sustainable products, regulatory changes, and growing competition in the eco-friendly sector. Failing to adapt could result in lost market share and reputational damage. Compliance with evolving environmental regulations is critical to avoid penalties. Supply chain disruptions and material price fluctuations also pose risks. Consumer expectations for transparency and authenticity in sustainability claims must be met to avoid loss in interest.

Supply chain Risks

With majority of the emissions arriving from production of raw materials, must Universal Brands assess risks related to supply chain.

The assembly of the product contributes significantly to emissions. The textile industry involves multiple stages, resulting in a long and complex supply chain with an extended lifecycle.

Additionally, sourcing from East Asia presents social and geographical risks, including labor conditions, fair wages, workplace standards, and the protection of minority rights. These factors can impact both operational stability and brand reputation.

Compliance management

Universal Brands operates as a custom manufacturer, producing tailored products based on customer requests, including logo branding. This requires strict adherence to both customer specifications and regulatory requirements, ensuring that suppliers comply with all relevant laws.

Additionally, the company must stay ahead of legislative changes to maintain compliance. There is also a risk associated with the materials used in production, as strict regulations define which substances are permitted or restricted in the final products.

E

Environment

The main materials are purchased from China, and it is therefore important for us to ensure good conditions with our suppliers, which is also reflected in our Code of Conduct.

Universal Brands environmental Policy:

- Ensure documentation of chemicals used in our products.
- Avoid products containing CMR substances, harmful chemicals, and environmentally hazardous materials.
- Use recycled and recyclable materials whenever possible and legally compliant with traceability and hygiene standards.
- Design products for easy disassembly, especially for electronic products or components that require separate waste management.
- Request and obtain documentation on suppliers' environmental practices, including waste handling, emissions, and material choices.
- Advise customers to avoid products with short lifespans and promote environmentally-friendly solutions.
- Stay informed on relevant environmental legislation, ensure compliance, and keep our products and business up to date.
- Commit to continuously improving our environmental performance and preventing pollution from our products and activities.

Currently, waste data is not available but will be implemented next year. However, waste data constitutes only a minimal part of our overall reporting, as deliveries are made directly to customers. The only waste generated consists of standard household waste and disposal from demo samples, keeping our waste footprint at an absolute minimum.

Metrics	Units	2025
Scope 1	tCO2e	0,9072
Scope 2	tCO2e	0,324
Overall Scope	tCO2e	1,23
Describe the method used to retrieve the gathered data		Inquiries and own database
Describe any uncertainty in connection with the data gathered		None
Water consumption	M3	0,83
Non recycled waste	KG	N/A
Recycled waste	KG	N/A
Recycled Hazardous waste	KG	N/A

Social

Whistleblower Policy for Universal Brands

Universal Brands has a Whistleblower Policy to foster a safe and transparent work environment, encouraging employees to speak up if they witness any misconduct. All employees, including managers, as well as suppliers and customers, can report concerns and suspicions of misconduct.

The Compliance Officer, managers, designers, and buyers involved in due diligence assessments have clearly defined responsibilities in accordance with their job descriptions.

Our employees have full access to all strategic documents related to sustainability. Through weekly meetings, they are kept informed about the progress and status of our sustainability efforts.

Respect for people, communities, animals, and the environment is an integral and deeply rooted part of Universal Brands' business philosophy and strategy. We operate with a circular economy mindset, recognizing that our actions may have a direct or indirect impact on people, communities, and the environment.

Therefore, we have implemented guidelines and processes to minimize this impact and ensure that our actions comply with international standards and regulations.

CSR-Policy

Our CSR policy is rooted in our desire to make a positive impact. Responsible supplier management and collaboration with suppliers are areas where we can make the most difference in terms of responsibility. In partnership with our suppliers and based on the UN Global Compact principles, we aim to create a more responsible supply chain by proactively engaging with suppliers to adhere to internationally recognized principles regarding labor rights, human rights, environmental protection, and anti-corruption.

Key Areas:

- Human Rights, Forced Labor, Child Labor, and Discrimination
- Worker Rights, Health and Safety, Wages, Working Hours, and Freedom of Association
- Anti-corruption
- Environmental Protection



Metrics	2025
Temporary contract	0
Permanent contract	8
Male	6
Female	2
Other	0
Not reported	1 (CEO)
Total employees	8

Governance

We expect our suppliers and partners to work purposefully and systematically to comply with our supplier guidelines and principles for sustainable business practices, covering basic requirements for human rights, labour rights, anti-corruption, animal welfare and the environment.

We conduct training specifically targeted at our factories regarding the uploading and renewal of all types of certificates and reports.

In addition, we are working on conducting supplier assessments and have plans to arrange regular team meetings with our key suppliers to strengthen relationships and ensure continuous progress in our due diligence efforts. We have also decided to physically visit more factories, utilizing our contacts in China who are affiliated with the organization for this purpose. Furthermore, management will also visit our factories in person whenever the opportunity arises.

Through third-party certifications, we ensure that we operate in compliance with legal regulations regarding the use of chemicals in production, human rights, supplier assessments, sustainable alternatives, and anti-corruption and fraud measures.

We conduct internal audits and social audits to ensure that the entire value chain adheres to applicable laws and regulations.

Universal Brands has appointed a Compliance Officer responsible for monitoring and ensuring compliance with legislation and internal guidelines. The Compliance Officer works closely with management and other departments to ensure that compliance risks are assessed and managed across the organization.



Mangement	2025
Has the company had any case of convictions and fines for violation of anti-corruption and anti-bribery laws in the reporting period?	No
Suppliers that have Signed CoC	100%
Number of suppliers that are third party audited by social audit standards	100%

Certifications



Ensures a quality-focused assessment of the production of the products we deliver. Through our QEMS system, we guarantee that quality is implemented at every stage of production. Our commitment to transparency throughout all phases of the value chain is measured annually, and we are dedicated to continuous improvement.



Ensures the implementation of realistic goals for our compliance efforts. Our main focus is on the production and transportation of our deliveries, as this is where we can make the greatest impact. We have an internal ambition to lead by example and are willing to set higher standards than those required by current legislation. We set strict requirements for our suppliers and conduct spot checks and inspections of products and deliveries. For further details, please refer to our Environmental Policy below.



Through our membership, we take responsibility for the environmental impact of the packaging we bring into our country. The packaging is recycled and given new life after serving its purpose. There is also a strong focus on circular packaging and efforts to prevent waste.



Provides practical tools for working concretely on continuous improvements within our organization in areas such as workplace environment, waste management, energy consumption, procurement, and local distribution. Through certification, we have strengthened our local presence and recognize that every part of our value chain has an impact.



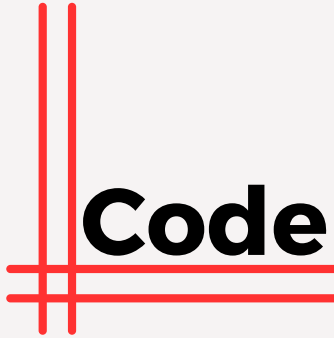
® Universal Brands AS holds a Fairtrade License and supports the Fairtrade initiative. This means that we recognize it as an important guiding standard. The Fairtrade label ensures that products are produced under fair conditions and with responsible solutions that consider both people and the environment. Through our license, we can offer Fairtrade-certified products to our customers via our extensive network of Fairtrade producers.



Being a member of Etisk handel norge further challenges us to delve deeper into our value chains regarding risk assessments and due diligence evaluations of our supplier network to drive further improvements. Here, we commit to continuous improvements through thorough reporting, with the primary goal of enhancing conditions across the value chain for all involved.



The world's largest and most trusted provider of sustainability assessments, with a global network of more than 100,000 rated companies. Our initial registration took place in the spring of 2023. We are very proud that, as a first-time registered candidate, we were immediately awarded Silver status.



Code of Conduct

Principles of Sustainable Business Practices (Code of Conduct)

These principles of sustainable business practices are based on UN and ILO conventions and set out minimum and not maximum standards. The legislation of the place of production shall be respected. Where national laws and regulations cover the same subject matter as these guidelines, the highest standard shall apply.

- **Forced labour/slave labour (ILO Conventions Nos. 29 and 105)**
- **Trade unionism and collective bargaining (ILO Conventions Nos. 87, 98, 135 and 154)**
- **Child labour (UN Convention on the Rights of the Child, ILO Conventions Nos. 138, 182 and 79, ILO Recommendation No. 146)**
- **Discrimination (ILO Conventions 100 and 111 and the UN Convention on the Elimination of Discrimination Against Women)**
- **Brutal treatment (Universal Declaration of Human Rights/UDHR)**
- **Health, safety and environment (ILO Convention No. 155 and ILO Recommendation No. 164)**
- **Wages (ILO Convention No. 131)**
- **Working hours (ILO Conventions Nos. 1 and 14)**
- **Fair and Regular Employment Practices**
- **Protection of Marginalized Populations and Natural Resources**
- **Environmental Impact and Sustainability**
- **Anti-Corruption and Bribery**
- **Animal welfare**

Want to read more on our Code of Conduct, click [Here](#)

Our Milestones



Dedicated ESG Responsibility

The company has a dedicated ESG (Environmental, Social, and Governance) officer, ensuring compliance with sustainability goals and ethical business practices. This role focuses on reducing environmental impact, improving social responsibility, and aligning with regulatory frameworks.



Supplier Visits

As part of its commitment to responsible sourcing, the company has established a structured supplier audit program. This initiative ensures that all suppliers adhere to industry best practices, regulatory requirements, and the company's ESG standards.

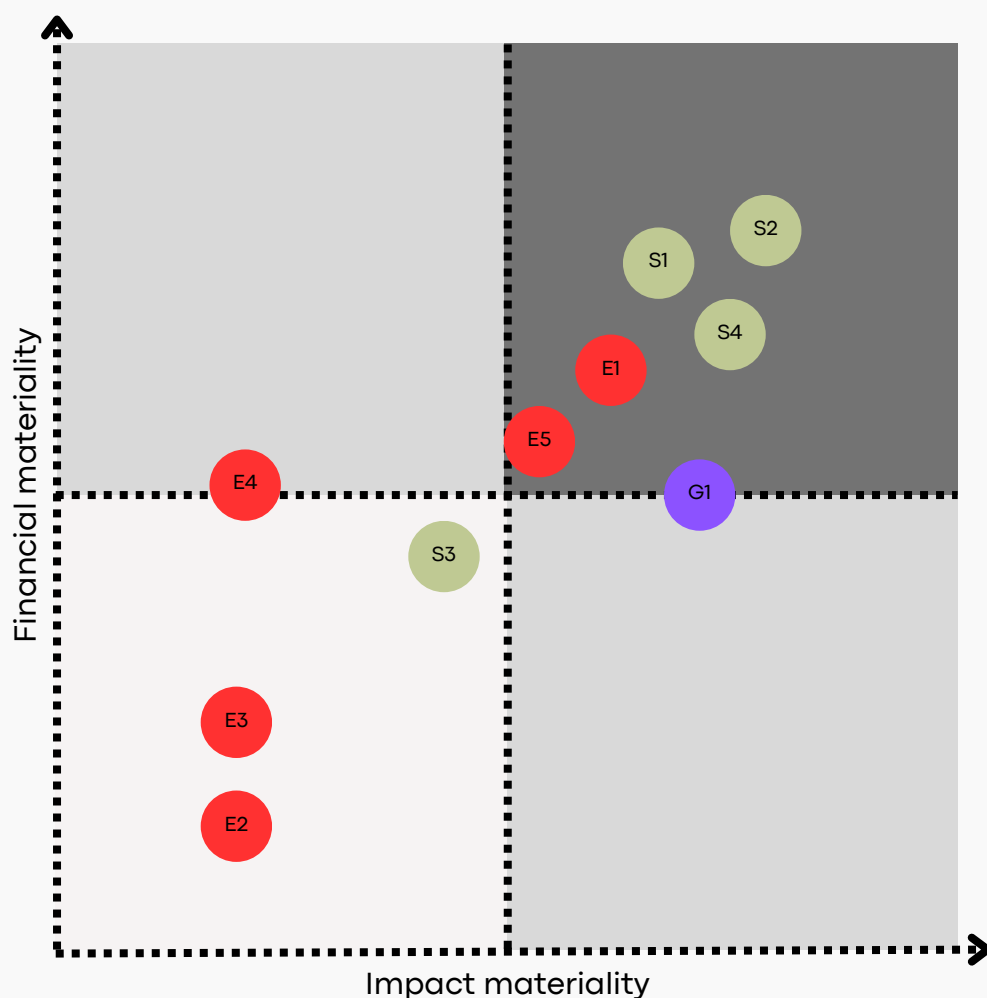


Ethical Trade Reporting

As part of its sustainability strategy, the company has implemented a structured ethical trade reporting framework. This initiative enhances visibility into supplier practices, strengthens compliance with international standards, and promotes continuous improvement in responsible trade.

Double materiality

ESRS E1: Climate Change
ESRS E2: Pollution
ESRS E3: Water and Marine Resources
ESRS E4: Biodiversity and Ecosystems
ESRS E5: Resource Use and Circular Economy
ESRS S3: Affected Local Communities
ESRS G1: Business Conduct



Double materiality

Continue

- **ESRS S1: Own Workforce**

Financial Materiality:

A motivated and healthy workforce is essential for the company's productivity, innovation, and long-term growth. Poor working conditions, lack of inclusion, or high employee turnover can lead to increased costs, lower efficiency, and reputational damage. Compliance with labor standards and investment in employee well-being reduce the risk of work-related conflicts and enhance competitiveness.

Impact Materiality:

Universal Brands has a direct responsibility to ensure good working conditions, fair wages, health, and safety for its employees. Initiatives such as fair pay, equality, skills development, and employee engagement reduce the risk of discrimination, stress, and workplace accidents. Additionally, a strong occupational health and safety policy contributes positively to society and promotes responsible business conduct.

- **ESRS S2: Workers in the Value Chain**

Financial Materiality:

Risks related to working conditions in the value chain can lead to legal sanctions, supply chain disruptions, and damage to the company's reputation. Inadequate due diligence in the supplier network can result in negative media coverage, consumer boycotts, and loss of investor confidence. Transparency and responsible working conditions among suppliers enhance the company's resilience and ensure a stable supply chain.

Impact Materiality:

The company has an indirect but significant influence on working conditions in the value chain. Poor labor conditions, including low wages, long working hours, and lack of safety measures at supplier sites, can lead to social inequality and human rights violations. Through due diligence, supplier requirements, and collaboration on sustainable initiatives, the company can mitigate negative impacts and contribute to improved working conditions globally.

- **ESRS S4: Consumers and End Users**

Financial Materiality:

Consumer and end-user relations have a direct impact on the company's financial stability, reputation, and market position. Products or services that do not meet safety standards, quality requirements, or ethical expectations can lead to legal sanctions, product liability cases, recalls, and loss of customer trust. Additionally, negative consumer experiences can spread quickly via social media and the press, damaging brand value and reducing market share. By ensuring product quality, transparency, and responsible marketing, the company can maintain competitiveness and mitigate risks associated with regulatory requirements and customer loyalty.

Impact Materiality:

Universal Brands has a significant influence on consumers and end users through product safety, accessibility, and sustainability. Products containing harmful chemicals, unsafe designs, or misleading marketing can result in health risks, economic exploitation, or environmental harm. By promoting responsible production, fair pricing, user-friendliness, and transparency in the supply chain, the company can minimize negative impacts and contribute to more sustainable and ethical consumption.