



SOCIAL REPORT EDELRID 2025

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„We strongly believe that far-reaching efforts to ensure fair working conditions in our supply chains are essential to promote the rights and well-being of all people associated with us and the manufacturing of our products, to ensure compliance with legal requirements and thus to fulfil our social responsibility.

We strongly welcome the support of Fair Wear in this regard. We also see the adoption of the Supply Chain Act, which for the first time obliges companies to respect the integrity and welfare of all workers involved, as an important step on official side towards increasing fairness in global value chains.“

Vitus Wuhrer, CEO EDELRID GmbH & Co. KG





LIST OF ABBREVIATIONS

Acceptable Quality Level (AQL)
Audit Alliance Hard Goods (AAHG)
Brand Performance Check (BPC)
Code of Conduct (CoC)
Code of Labour Practices (CoLP)
Collective bargaining agreement (CBA)
Corporate Social Responsibility (CSR)
Corrective Action Plan (CAP)
European Outdoor Group (EOG)
Fair Wear Foundation (FWF)
Free on Board (FOB)
Human Rights Due Diligence (HRDD)
International Labour Organization (ILO)
Minimum order quantities (MOQ)
Organization for Economic Cooperation and Development (OECD)
Personal Protection Equipment (PPE)
Pre-Production Samples (PPS)
Responsible Business Conduct (RBC)
Safety and Health Check (SHC)
Salesman Samples (SMS)

1 - SUMMARY: 2024 GOALS & ACHIEVEMENTS

EDELRID's membership at the Fair Wear Foundation (FWF) started in 2021. We took the start of the membership as a chance to define internal goals regarding our social performance, working conditions along our supply chain as well as dealing with the approach of Human Rights Due Diligence (HRDD) according to the OECD guidelines.

This is the third Social Report from EDELRID. The report covers our work with our supply chain and FWF from 1st of January 2024 to 31st of December 2024 with an outlook for the year 2025. We are happy to present our progress and our achievements in social performance and working conditions within our supply chain in the following as transparent and extensive as possible.

The so-called Brand Performance Check (BPC) is an annual review of our work with our suppliers, carried out by the FWF. In 2024, we were awarded with the Good Status, with a score of 45. It makes us incredibly proud to see that our hard work on learning and improving our companywide system with regard to HRDD has paid off so well! It feels truly rewarding to have our efforts validated by an independent organization, confirming that our actions to meet our due diligence responsibilities and promote responsible working conditions in our supply chain are on the right track – and that we have made meaningful progress in addressing our weaknesses. However, we will not rest on this positive result. We remain committed to continuous action, learning, and authenticity – striving to become a more socially responsible company and to demonstrate this progress again in our next BPC in 2025.

The main measures undertaken and general progress achieved in 2024, can be summarized as follows:

- We have finalized our **HRDD policy** in 2024, reflecting our dedication to transparency, responsibility, and continuous improvement in identifying, preventing, and mitigating human rights risks in our supply chain as well as our operationalization and processes within our company in order to fulfil our commitment. The policy has been officially published on our homepage in the beginning of 2025.
- We are proud to have established processes and structures which improved the **information flow** between the CSR and purchasing department as well as our suppliers. Altogether, EDELRID was able to visit six suppliers in 2024 which produce around 94% of the order volume altogether in 2024.
- We have incorporated questions about **gender statistics** into our supplier questionnaire to establish an objective baseline for assessing the situation regarding gender discrimination among our suppliers.
- We have further refined our risk scoping in accordance with OECD guidelines and analogously expanded our **risk scoping** to business, sourcing and product level.

- We continued our work on **Corrective Action Plans (CAPs)** from former audits together with our partners in the supply chain. The topics dealt with ranged from health and safety issues to compensation. Our primary focus in 2024 was directed towards China, where we concentrated our efforts in CAP follow-up.
- In 2024, more than a quarter of FOB was produced at our **self-owned production site** in Germany. We are very proud of this percentage as the location of our self-owned facility enables us to ensure fair working conditions for our employees.

2 - RESPONSIBLE SOURCING

EDELRID's vision is to make ideas come to life that enable free movement in a vertical world. Therefore, we aim at understanding every detail about the development, the use and the impact of our products and make it publicly available. We use and share our knowledge to make the best product, reduce its social and environmental impact and help climbers, i.e., people that move in the vertical world, to consciously assess their risks.

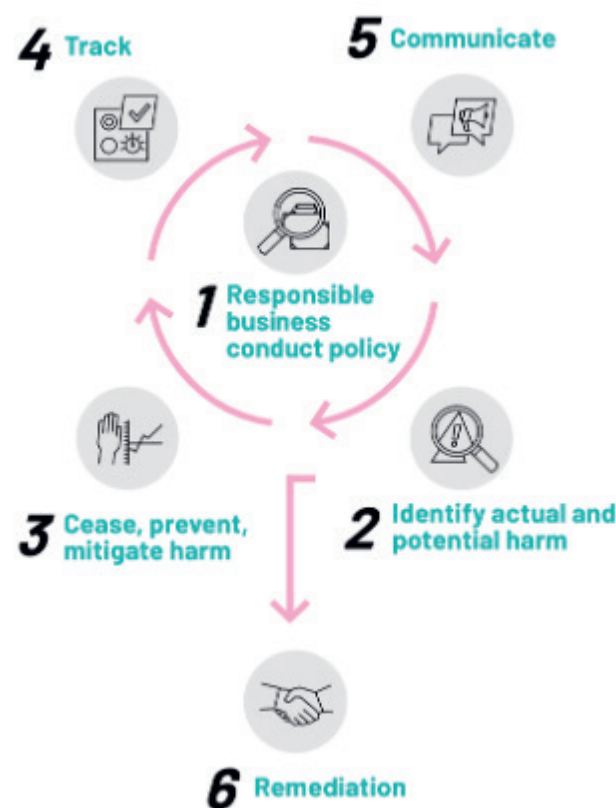
To achieve these goals, we rely on internationally accepted standards certified by independent organizations. To expand our goal to reduce our business-related societal impacts on the environment as well as on the people making our products, we committed ourselves to improve labor standards along our supply chain. Since 2021, we are not only bluesign®, EMAS-, and TÜV-certified but also a member of the FWF.

2.1 - THE 6 STEPS OF HUMAN RIGHTS DUE DILIGENCE

With our membership start at FWF in late 2021, we were introduced to the concept of Human Rights Due Diligence (HRDD). Since then, we are working on implementing and structuring our processes accordingly. Our FW membership is guiding us concerning best practices in the area of HRDD while at the same time challenging us for further improvements and providing us with tools for implementation.

HRDD is in accordance with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guideline the process of a business to first and foremost assess actual and potential human rights impacts that the business enterprise may cause or contribute to through its activities, or which may be directly linked to its operations, products or services by its business relationships, integrating and acting upon those findings, tracking responses, and communicating how the identified impacts are addressed. These impacts are not only limited to workers' rights, but also environment, bribery and corruption, disclosure, and consumer interests.

Based on the OECD Due Diligence Cycle, the FWF expects its member brands to carry out the following six steps of the risk-based supply chain improvement cycle. Our processes as well as our accomplishments in 2024 related to the single steps are described below



Source: Fair Wear Foundation

1 – POLICY COMMITMENT

Each brand must have a policy that commits to Human Rights Due Diligence (HRDD). The HRDD policy sets the brands' commitments to conducting HRDD and clarifies how due diligence is embedded into the company's management systems and corporate structure.

We are proud to announce in this context that our HRDD Policy has been finalized and adopted by top management by the end of 2024. It has been a multi-layered process including the involvement of the relevant departments (CSR, top management, product development, sourcing & buying) as well as the various tools and groundworks from FWF (e.g., FWF Self-Assessment Quality Checklist, FWF HRDD Policy). The result is a document which reflects our dedication to transparency, responsibility, and continuous improvement in identifying, preventing, and mitigating human rights risks in our supply chain as well as our operationalization and processes within

our company in order to fulfil our commitment. Moreover, the policy underscores that the primary responsibility for ensuring compliance, integrating its principles into the company's strategy, and embedding them into the long-term objectives of the organization rests with the management board. The policy has been officially published on our homepage in the beginning of 2025 and will be reviewed annually taking the dynamics of legal requirements and industry standards as well as our own continued development into account.

2 - IDENTIFY & ASSESS ADVERSE IMPACTS

The second step of a company's HRDD process is to conduct a scoping exercise, risk assessment and inform workers and suppliers on the basis of the following three sub-steps: Scope the risk of harm, conduct a factory-level risk assessment, Assess the brand's relationship to impacts.

In order to identify where human rights risks are most likely to be present and most significant, we conduct an annual risk scoping exercise. Throughout this exercise, we gather information and map the human rights risks covered by the FWF CoLP as well as accompanying guidelines. In 2024 this was still with a strong focus on sourcing country and sector risks, but we included specific product related risks as well as business/sourcing model risks in our risk scoping in 2025. The resulting human rights risks are prioritized according to severity and likelihood of harm. Based on the outcome of the risk scoping, production sites with a higher risk for human rights impacts are prioritized for risk assessment on factory level. This is mainly done through audits/onsite assessments as well as through input from our supplier questionnaire and further communication/knowledge sharing with our supplier.

3 - CEASE, PREVENT, MITIGATE HARM

Based on the outcomes of the risk scoping and risk assessments, brands should prioritise follow-up actions based on the severity and likelihood of potential or actual harm in its operations as well as in its supply chain.

In order to prevent or mitigate possible future harms, we define relevant actions together with the production locations involved and document them as well as follow up on these measures in form of an action plan. Targeted measures are defined based on the analysis of possible underlying root causes as well as the automatically proposed actions documented within the FWF Member Hub. Furthermore, we draw up an action plan for us as EDELRID at a higher level in which our responsibilities and concrete actions for preventing and mitigating potential harms as well as remediating

actual harms are documented and followed up upon. This can include reflections and consequently adaptations of our sourcing strategy as well as our purchasing practices, but also putting a focus on embedding communication about HRDD and human rights in our relationship with existing, potential and new suppliers. This Action Plan is based as well on a major part on the results of the BPC and the corresponding Brand Action Plan for our FWF membership. As well, in order to ensure that identified risks are consistently considered within our operational processes and their prevention/mitigation is firmly anchored in our day-to-day business practices, these are systematically integrated into internal policies. In 2024 we contractually excluded the use of unauthorized subcontractors via the EDELRID Subcontracting Policy to guarantee that our requirements are met as far down the supply chain as possible. Further risks identified, e.g., the restriction of freedom of association or constraints on social dialogue, issues in the realm of overtime and wages, etc., shall be incorporated in our general sourcing policy as well as responsible exit policy which are planned for adaptation in 2025.

4 – TRACK

Each brand is expected to track its progress on HRDD and how it can invest in continuous improvement on the basis of the three elements Verification – Monitoring – Validation.

In order to make sure that we are constantly improving our HRDD work, we need to track the implementation and effectiveness of our due diligence activities. This means that we first and foremost need to verify that the preventive and mitigation actions defined in the various action plans have been implemented. Furthermore, we monitor the development of specific risks at production sites to have a basis for identifying possibly necessary adjustments of approaching risks. We see the FWF Member Hub as our central platform for tracking and documenting these activities, ensuring transparency and accountability. As the FWF Member Hub is still a relatively new tool, we are in the process of familiarizing ourselves with its full potential. Our goal is to make the most of its capabilities and ensure that all relevant information is comprehensively reflected within the platform by the end of 2025. Finally, Step 4 entails validating that the measures set in actions plans are effective in preventing and mitigating the targeted human rights risks in form of e.g., internal data review or external reassessments at production sites, e.g., FWF validation assessments.

5 – COMMUNICATE

Brands should communicate what they are doing, the harms and risks they assess, how they have addressed potential and actual harms, and what dilemmas they encountered along the way.

The core purpose of this report – we want to be transparent about our HRDD work and provide insights via our annual Social Report as well as the annual BPC Report by FWF which we publish on our homepage. Hereby, currently and in future, we adhere to the requirements set in the FWF HRDD Policy.

6 – REMEDIATION

Brands are expected to provide for or cooperate in the remediation of adverse impacts where they have caused or contributed to that adverse impact.

In instances where we find out that harm is already taking place at a production site, we stop any action that is causing or contributing to the respective harm instantly and provide for remediation. This means that we seek, when possible, to restore the affected person(s) to the situation they would be in had the harm not occurred in compliance with national laws and international guidelines. From case to case this entails support from external sources as well. After remediation we follow up with preventive and mitigating actions to prevent the harm from recurring. Central to this step of the HRRD process is the availability and effectiveness of grievance mechanisms, so that occurring harms can be notified in a well-directed and effective manner.

2.2 – IDENTIFYING HUMAN RIGHTS RISKS

As described already above, we identify actual and potential harms through risk assessments for tier one production partners on an annual basis, in line with OECD guidelines. From the beginning of our HRDD journey on, we considered sector, country and factory risks, but in follow-up of the BPC of 2024 we were successful in integrating business model, sourcing model and product risks now as well.

Country risk and specific factory level profiling is further detailed per country in chapter 3; the most relevant risks identified during risk scoping on product, business and sourcing level in 2024/2025 are:

- **Product level:** Chemical compliance and corresponding health and safety working conditions
- **Business level:** Potentially wider range of risks of harm due to variance in materials and production processes
- **Sourcing level:** Low leverage at suppliers due to order quantity (apparel), Payment arrangements can influence (timely) wage payments at supplier side

Risks are reviewed and prioritized by likelihood and severity. Resources involved in the scoping of the risks included FWF's country studies, FWF's risk policies, country and sector specific reports from organizations like WHO, Unicef, ILO, the online available Risk Check provided by MVO but as well our internal available experiences and knowledge in the different relevant departments.

2.3 – SOURCING STRATEGY

EDELRID produces personal protection (PPE) and outdoor equipment. The nature of our products involves the development and production of a broad range of products, from hardware over safety ropes to apparel. Red Chili is a brand of EDELRID focusing especially on the development of climbing shoes but as well providing apparel for climbers.

The products that fall within the FWF scope are harnesses, slings, via ferrata sets, rope terminations, lanyards, backpacks, chalkbags, crashpads, climbing shoes, (safety) gloves, headware, and other apparel (trousers, shirts, sweaters, jackets, etc.). Our ropes, helmets and hardware products (e.g., carabiners) are not part of the FWF scope. Some of these products we are producing at our manufacturing site in Isny, Germany ourselves and for the remaining product categories we are, of course, aiming at fulfilling our HRDD duty as well (see Chapter 7 – Stakeholder Engagement).

EDELRID is proud to announce that a great share of products, e.g., ropes and slings, are produced at our production site located in Isny, Germany. For some items, e.g., complex harnesses or climbing shoes, this is hardly achievable due to cost factors and related competitiveness on the market. This way or another, EDELRID's aim is to monitor and improve the working conditions along the whole supply chain, especially countries deemed at being at high risk to meet internationally accepted labor standards.

One of our core principles relies in the maintenance of long-term business relationships with our suppliers. Our partnerships exemplify a respectful interaction – an indispensable pillar to achieve a high degree of receptiveness, quality, and reliability. We are proud to announce that 87% of our order volume (of products within the FWF scope, see below for details) is placed at suppliers with which we have a business relationship for at least five years. To keep this up, we carefully select suppliers to create the basis for long-lasting business relationships.

When selecting suppliers, we look at factors like quality, price, and communication but also social and ecological criteria. We do have guiding criteria which we consider during the evaluation of new suppliers, e.g., ISO standards, AQL controls, etc. In most cases this decision is supported by a visit at the potential supplier. Suppliers are, among others, only contracted if they agree to sign our CoC as well as the Confirmation of Compliance for Basic Health and Safety Requirements.

Once, a supplier has been contracted, EDELRID visits production locations on occasional basis and conducts walk through inspections and discussions with the management on various topics, including labor, safe and health standards as well as progress on CAP, if applicable.

We source our products from 15 suppliers (11 direct business relationships and four sub-suppliers) in five countries, namely China, Germany, Pakistan, Portugal and Vietnam. As mentioned above, we rely on long-lasting business relationships. The longest business relationship was established in 2004.

Supplier	Country	FOB 2024	Audited	Main Products
1 - Direct	China	0.18%	✓ 2022	Headwear
2 - Direct	China	1.62%	✓ 2022	Apparel
3 - Direct	China	1.65%	✓ 2022	Apparel
4 - Direct	China	11.51%	✓ 2023	Climbing Shoes
4.1 - Sub	China	NA	-	-
4.2 - Sub	China	NA	-	-
5 - Direct	China	10.25%	✓ 2024	Climbing Shoes
6 - Direct	China	0.08%	-	Apparel
7 - Direct	Germany	32.96%	-	Via Ferrata Sets
8 - Direct	Pakistan	0.8%	✓ 2024	(Leather) Gloves
8.1 - Sub	Pakistan	NA	-	-
10 - Direct	Portugal	2.79%	-	Apparel
11 - Direct	Viet Nam	35.88%	✓ 2022	Climbing Harnesses
11.1 - Sub	Viet Nam	NA	-	-
12 - Direct	Viet Nam	2.27%	✓ 2022	Apparel

✓ : by EDELRID; ✓ : audit report provided by supplier; (Numbering not according to current number of suppliers)

2.4 – PRODUCTION CYCLE

The categories of EDELRID and RED CHILI products within the FWF scope is quite broad and divergent: Clothing, accessories (gloves, beanies, caps) as well as climbing shoes on the one hand are more like the typically known commodity type whereas harnesses, crashpads and bags on the other hand are produced on our extended workbench together with our sister company in Vietnam. Regardless of product category, we design and develop, in contrast to fashion and typical apparel companies, only one collection per year. Nonetheless, the production cycle varies according to the type of product due to the reasons stated above.

We set up a detailed product development process that reflects the cycle for clothing (incl. beanies/caps) as well as for climbing shoes, which are quite similar in conceptualization. All in all, the cycle takes about two years before a new collection is put on the market: Within the design phase the specification sheets are already sent to and discussed with the manufacturer before the order of salesman samples

(SMS) is placed in autumn/winter. The samples are provided by the factories in time for quality control as well as the sales meeting in May. Regarding clothing, we place our quantity forecasts already in March/April, thus allowing the suppliers to order the bulk fabric in time. By doing so, pre-production samples (PPS) can be produced already in bulk fabrics serving the bulk production quality. We place the orders with our factories to a lead time of around six to seven months.

The processes behind our product categories harnesses, crashpads and bags are quite more complex and require close coordination regarding order and production management with our sister company in Vietnam. Generally, due to the well in advance planning of up to ten months, we can provide in these product categories a great degree of planning reliability for our sister company and (material) suppliers in general. For example, the development cycle of a sport harness typically takes around two years from the concept to the first bulk production. Depending on the project's complexity, the development of the initial harness concept can even start up to one year before. Once we define the requirements and specifications for the new harness, we begin prototyping to test its construction, find suitable materials, and finalize the design. The load-bearing construction undergoes lab testing to ensure it meets certification standards. After several rounds of sampling, we will have a final sample of the harness developed in-house that we can hand over to our sister company in Vietnam to ensure that the workmanship is feasible for production. Certification is typically achieved by the end of the first year, allowing the product to be released for the next season. In the second year, production of salesman samples (SMS) begins in early winter to ensure availability for the sales meeting in May. For sport harnesses, bulk orders are placed in April/May, with the initial bulk production scheduled for autumn. Through sea shipment, the goods for the new season arrive at our warehouse at the beginning of the third year.

2.5 – SUPPLIER RELATIONS

In general, as mentioned before, we strive for long-term relationships with our suppliers. Especially regarding our suppliers of PPE (e.g., harnesses), so products to which people entrust their lives, trust and liability between the supplier and ourselves is essential. This as well as a deep understanding of our quality standards can only be built up over a certain period. Nonetheless, there are occasions when it becomes necessary to start a business relationship with a new supplier, mostly due to a combination of different factors, e.g., quality or technical requirements, change in the product range, etc., or even to end a cooperation with a supplier. In most of the times the latter is driven by the decision of the supplier and connected with not being able to meet the individual minimum order quantities (MOQ).

The Buying Department as well as Product Development work closely together for sourcing decisions. Quality and design requirements as well as contract and pricing options are synchronized in the process of selecting a new supplier. General sustainability issues are addressed as well and relevant information are obtained to ensure that the supplier pursues a corresponding approach. During on-site visits and a visible inspection of the factory, these aspects are considered as well and discussed with the management. Regarding general sustainability and working conditions aspects it is standard process for us to inform new suppliers, e.g., regarding the Fair Wear membership by sending an information package with all requirements before finalizing the first purchase order. As well, we are asking, e.g., for certificates, existing audit reports as well as our own supplier questionnaire, which we further revised in 2024, with several questions concerning the FWF CoLP. In 2024 we did not start working with a new supplier.

Due to low forecast numbers, low sales quantity as well as ambitions to consolidate suppliers in our clothing supply chain we disengaged from one of our suppliers in Portugal in 2024. The decision was thoroughly discussed with the agency we have always been working with in Portugal as well as supported and monitored accordingly.

Backed from our learnings from the BPC 2024, we set ourselves the goal for 2025 to integrate e.g., preferences for sourcing countries based on our risk scoping, our onboarding process for new suppliers as well as our process for terminating supplier relationships, etc., in a company-wide sourcing strategy approved by top management.

2.6 – INTEGRATION OF MONITORING ACTIVITIES AND SOURCING DECISIONS

Having long-term relationships with suppliers is key for our PPE products as well as for making progress on the implementation of HRDD. Audits as well as constant dialogue with our suppliers are essential to our monitoring activities and help us to detect shortcomings in our supply chain.

Depending on purchasing volume, our Development Team, the Buying Department and the Strategic Buyer visit the most relevant suppliers once a year to discuss quality issues, communication, shipments but also Health and Safety topics along with critical non-compliances along with the relevant CAP reports from audits.

We continuously strive to connect these information and sourcing decisions. The CSR department and the relevant teams and employees are in the process of exchanging this information more and more on a regular basis. As well, aspects concerning working conditions and general sustainability performance with regard to individual suppliers are gradually getting integrated into our internal supplier evaluation and the criteria for selecting new suppliers.

3 - MONITORING AND REMEDIATION

48% of our order volume has been produced in factories audited on our behalf within the last three years, plus 33% of the order volume being produced at our production site in Germany, where we have direct control. The resulting CAPs are supervised by our CSR team which take care of the implementation of measures mainly via e-mail contact, photographic documentation and, if possible, visits on-site. Generally, to achieve a greater impact, the stewardship of audits may sometimes be shared by multiple brands producing at the same factory. Such joint efforts increase the power of auditing companies, thus the probability to execute remedial measures in a quick and resilient manner and simultaneously pares down human and economic capacities which can be used for additional audits.

In the financial year 2024, we did not conduct any audit.

3.1 – SUPPLIERS IN PORTUGAL

We worked with one factory in Portugal during 2024, 2,79% of our production by FOB. In terms of products, we are exclusively speaking of apparel in this case. We are working together with this supplier since six years via an agency. This is due to historically evolved reasons. The communication and ordering process runs through the agency, but payments are made directly to the supplier. Due to low forecast numbers, low sales quantity as well as ambitions to consolidate suppliers in our apparel supply chain we disengaged from one of our suppliers in Portugal in 2024. The decision was thoroughly discussed with the agency as well as supported and monitored accordingly. No audits have been conducted in Portugal during 2024.

Portugal is classified as a “low-risk country” by the FWF. Nonetheless, still mainly due to the consequences of the financial crisis in 2008, our country level risk analysis identified payment of a living wage and excessive overtime the most challenging issue for Portuguese garment factories.

No complaints have been filed in 2024 in Portugal.



3.2 – SUPPLIERS IN PAKISTAN

We worked with one factory in Pakistan during 2024, 0,80% of our production by FOB. In terms of products, we are exclusively speaking of safety gloves (leather) in this case. We have been cultivating a partnership with this supplier for over two decades. We did not conduct any audits during 2024 in Pakistan but were still engaged in the CAP follow-up of a previous audit during 2022. All CAP findings were closed in 2024 and another social audit with an external service provider has been planned for the end of 2025.

Our country level risk analysis identified lack of safe and healthy working conditions, of freedom of association, of (gender) equality as well as overtime as the most critical aspects. Most of the corrective actions detected during the audit in 2022 were related to “Safe and healthy working conditions”, especially fire protection, which were mainly closed or conditionally closed already in 2023. In 2024 we managed to receive convincing verification documents for findings in the field of social payments (Employee Old Age Benefits, EOBI) as well as minor safe and healthy working aspects so that we were able to close the CAP follow-up process.

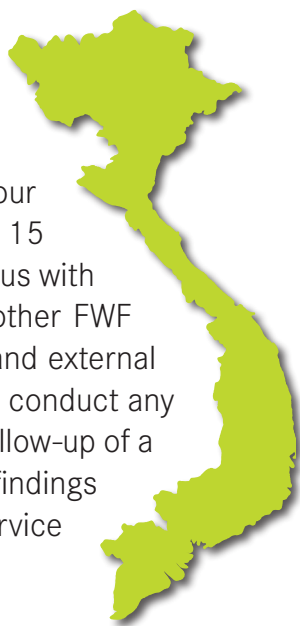
No complaints have been filed in 2024 in Pakistan.





3.3. – SUPPLIERS IN VIETNAM

We worked with two suppliers in Vietnam during 2024, 38% of our production by FOB. In terms of products, we are speaking of apparel, climbing harness, crash pad and general bag/transportation production here. With the one supplier who is producing one of our core products, climbing harnesses, we work together already for 15 years. The other supplier we only onboarded in 2023 and supplies us with apparel. For this supplier we organized in collaboration with another FWF brand a FWF onboarding training focusing on the CoLP, internal and external grievance mechanism and social dialogue. Beside that, we did not conduct any audits during 2024 in Vietnam but were still engaged in the CAP follow-up of a previous audit at our longstanding supplier during 2022. All CAP findings were closed in 2024 and another social audit with an external service provider has been planned for 2025.



Our country level risk analysis identified lack of freedom of association, of safe and healthy working conditions and overtime as the most critical aspects. The audit findings mirrored this evaluation. In 2024 the factory participated in a training on safe and healthy working conditions by Better Work and the learnings from there have been passed on in an internal training as well. Furthermore, the factory has been quite cooperative in compiling information and documents for verification of findings in the field of insurance and working time. On this basis, the CAP follow-up process has been finalized in 2024.

Two complaints have been filed during 2024 in Vietnam. The complaints both originate from the same supplier, the one we were already working closely together with concerning CAP follow-up, and centered more or less both on the same issue in the field of lack of freely chosen employment, of living wage payments and of legally binding employment relationships. During the complaint handling process, in

which we cooperated with another FWF member brand sourcing at this supplier, we had a strong mediating role, inquiring the different points of view and insisting on finding a solution that reflects both positions, of the complainant as well as of the company. Despite the investigation of the FWF complaints handler, the situations were not clear. Nonetheless, we were able to close the complaints in 2024: The one complaint was remediated and resolved, and the other complaint focusing on ambiguous resignation procedures and therewith associated outstanding wage payments was, unfortunately, closed because the complainant was in the end unavailable for follow-up. As the concerns of the complaints are historically considered not new for this supplier, root causes though are still not quite clear, we intend to set a strong focus on the topics connected to these complaints during the next social audit in 2025 plus insisting on drafting related policies and process descriptions in order to sharpen comprehension of these issues at the supplier side.

3.4 – SUPPLIERS IN CHINA

We worked with six factories in China during 2024, 25% of our production by FOB. In terms of products, we are speaking of apparel and climbing shoe production here. The length of business relationships vary between one year and seven years. We did not conduct any audits during 2024 in China but were still deeply engaged in the CAP follow-up of a previous audit at one of our Chinese suppliers during 2023.



Our country level risk analysis identified lack of freedom of association, of safe and healthy working conditions, of freely chosen employment as well as overtime as the most critical aspects.

This has been partly reflected in the audit findings conducted together with Global Services (GS) at a supplier which ranks third in terms of overall order volume with around 12%. No child labor, forced labor, discrimination, or incidence of gender-based violence was identified during the audit. Findings centered around freedom of association, compensation, overtime, social security benefits as well as health and safety issues, although no urgent and life-threatening issues were observed. Major progress has been achieved during 2024 in CAP follow-up concerning most of the health and safety as well as compensation issues. The supplier set up relevant policies and procedures, invested in further personal protective equipment and trainings as well as committed to a roadmap regarding remediation measures and goals focused on compensation aspects and adhered to this as well. Still, we continue to verify the payment of at least minimum wages to workers as well as compliance with statutory working time requirements by receiving

wage records and data. The process of CAP follow-up was supervised and supported by our Chinese colleague on site who discussed the findings and measures defined with the factory management in local language and played the corresponding feedback back to the CSR department. Based on the CAP, a GS Onboarding Training has been planned for the respective production location for 2025 to introduce the CoLP, internal and external grievance mechanisms as well as workplace dialogue in more detail to factory management as well as workers. As well, a GS validation assessment is planned for the end of 2025.

No complaint has been filed in the respective period out of any of the Chinese factories.

3.5 – SUPPLIERS IN GERMANY

EDELRID produces about 33% of its current FOB in the monitoring scope of FWF (with a focus on via ferrata sets) at its own production site in Germany, ensuring full control over the manufacturing processes and working conditions. Fair working conditions at our production site in Isny im Allgäu are a core priority. Labor laws provide just the baseline for our commitment to creating fair and employee-friendly working conditions. Our occupational health and safety procedures are audited annually by EMAS (ISO 14001) and every three years by bluesign. Gender equality is a core value for EDELRID, and although we have not yet achieved this goal, we are committed to progress. Employees are annually updated on our progress toward gender equality, including data on the gender pay gap. Recognizing that awareness is key, we organize events such as lectures, workshops, or exhibitions every International Women's Day. Additionally, we monitor the employee turnover rate and reasons for job terminations to better understand and address workers' needs.



4 – COMPLAINTS PROCEDURE

You can only improve things if you know what you are doing wrong. We therefore attach great importance to being informed about problems and grievances and to act upon those accordingly. This applies to structures, processes and problems of employees in our own subsidiaries as well as within our supply chain.

In production countries where the FWF's Complaints Helpline is available we promote this hotline accordingly and commit to abide by the FWF's complaint procedure when dealing with grievances raised through this channel. However, the FWF Helpline should always be used as a last resort. Thus, we will work to gain a better

understanding on effective grievance mechanisms on production site level and strive to improve factory-level grievance mechanisms and social dialogue together with our suppliers in the upcoming years.

Via the complaints helplines of the FWF, EDELRID is providing workers or worker representatives at our suppliers the possibility to complain about grievances. The FWF forwards the complaint to the brand or multiple brands sourcing there, and the brand(s) must notify the factory immediately and try to solve the complaint in cooperation with the factory management as soon as possible. FWF and its local teams will maintain contact with the complainant to assess whether, from the complainant's perspective, the complaint is taken care of, and it is FWFs responsibility to verify whether a complaint has been fully remediated. All complaints are published on the website of the FWF for the public to see and provide insight into the status and remediation process of every incoming complaint.

To make sure workers at our suppliers are aware of this complaint mechanism, it is mandatory for our suppliers to visibly post worker information sheets in the relevant local language in their manufacturing hall. To verify this, we demand pictures of the posted information sheets of every supplier, and we check them during on-site visits as well.

In the financial year 2024, we received two complaints from one of our suppliers in Vietnam (for further details, please refer to the section on Vietnam). The complaints have been resolved/closed in 2024.

5 – TRANSPARENCY & COMMUNICATION

5.1 – TRANSPARENCY

EDELRID's mission is to understand every detail about the development, the use and the impact of our products and make it publicly available. In order to share our knowledge regarding the social aspects connected to the manufacturing of our products and our progress on implementing the CoLP, we aim to publish the annual Social Report and the year's BPC results on our website. Furthermore, we inform our customers and the public about our FWF membership through social media posts and on our website.

5.2 – COMMUNICATION TOWARDS MANUFACTURERS AND WORKERS

Within our first year as a FWF member, we informed all existing partners about our new membership and explained the purpose of the FWF via the announcement letter, the CoLP and the FWF Questionnaire. Suppliers with whom we are entering a new business relationship receive these documents as well.

As mentioned before, we have instructed all our suppliers to post the FWF Workers Information Sheet detailing the methods for workers to contact FWF directly at all production sites including subcontractors. We request images of the sheets in place and check this as well on-site when we visit the suppliers.

In 2024, we organized together with another FWF brand a FWF Onboarding Training at a shared supplier in Vietnam which we started working with only in 2023. The content of the training was focused on the FWF CoLP, internal and external grievance mechanisms as well as workplace dialogue. We followed up on the training together with factory management on the basis of the training report and the experiences and learnings of the production site. The factory management has rated the training as highly useful.

6 – STAKEHOLDER ENGAGEMENT & COLLABORATION

As a medium-sized company, different interest groups, known as stakeholders, have different expectations and hopes of a company. Examples of relevant and influential stakeholders are customers, employees, investors, partners, suppliers as well as workers. These stakeholders have an essential influence through their respective positioning in relation to the company and vice versa. We attach great importance to barrier-free communication with our stakeholders. Therefore, we are yet to set up a process for improving meaningful engagement with our stakeholders. We are eager to give those who are affected by our action a voice to share their thoughts, hopes and concerns to gain as many points of view as possible and find the best course for our stakeholders as well as us.

An example of meaningful stakeholder engagement, as well as the integration of this engagement into our verification measures, is reflected in our CAP follow-up process. As part of this process, we actively seek, where possible, direct dialogue with workers at the affected production sites to understand whether and how progress is being perceived by those on the ground. In 2024, this approach was particularly evident during CAP follow-up at one of our suppliers in China. Our local colleague engaged directly with workers on site, discussing, among other things, changes to working hours and improvements in health and safety measures.

In addition, collaboration is key in the field of HRDD to effectively address complex supply chain risks, promote shared responsibility and drive meaningful, lasting improvements for workers on the ground. We therefore look for opportunities for collaboration wherever pos-

sible. Central to FWF's approach is collaboration especially between brands, enabling joint efforts to improve working conditions across shared supply chains. In 2024, we worked together with one other brand sourcing at one of our suppliers in Vietnam regarding CAP as well as complaint/grievance follow-up for this specific production site and organized together with another brand a training at a different shared supplier in Vietnam.

Additional to our engagement with the FWF in regard to social performance and working conditions, we are also part of a group called the Audit Alliance Hard Goods (AAHG) with the purpose of combining outdoor brand's business power and good practices to assess the risks specific to, and improve social practices within, the hard goods supply chain. It is a subgroup of the European Outdoor Group's (EOG) Hard Goods Working Group and together with seven other brands we are having a closer look at shared suppliers in the hard goods field since 2019. The starting point has been hardware factories in Taiwan; in 2022 helmet suppliers in China were taken onto the agenda as well.

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