

FENIX OUTDOOR

CSR Report 2020

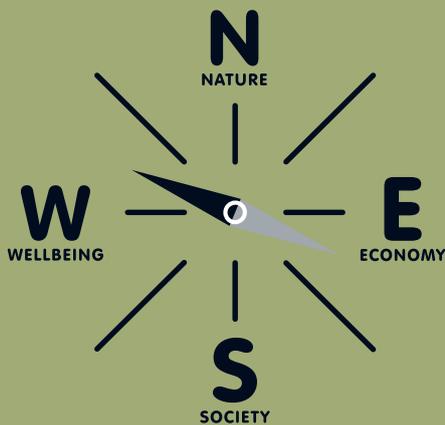


FRILUFTS RETAIL EUROPE AB



Contents

Foreword by the CEO	03
1. Overview	04
2. Nature	12
3. Economy	22
4. Society	26
5. Well-being	34
6. Reporting	39



With the help of our management compass, this report takes us on a journey through the sustainable business update of FENIX Outdoor and gives insights into our visions, aims and further steps.

N = Nature:

As an outdoor company, we believe that business activities should contribute to resilient and well-functioning natural systems.

E = Economy:

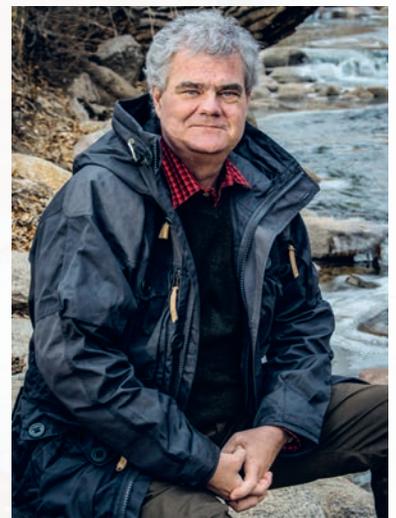
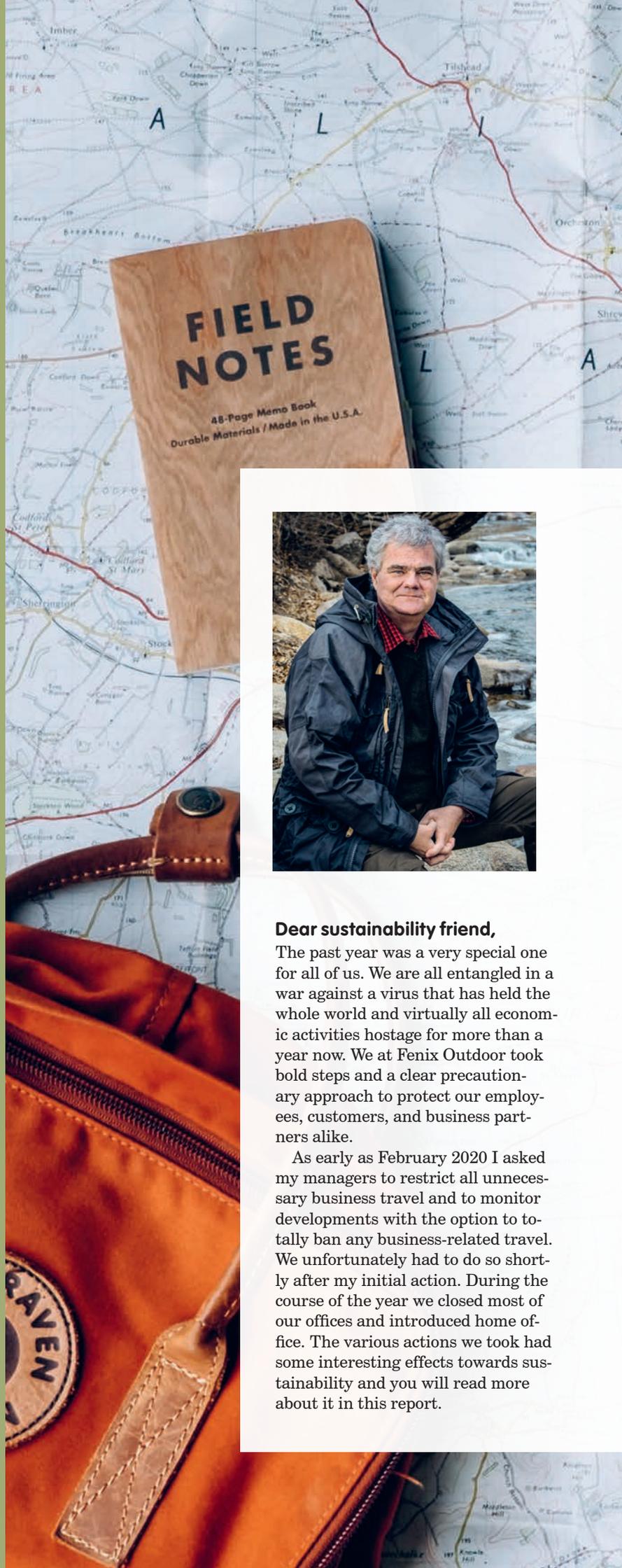
Ethical and sustainable activities can only be undertaken if a business is healthy and its finances are sound. Thus, we rely on long-term partnerships and strive to create sustainable working conditions.

S = Society:

We are a responsible actor in society, enriching and inspiring each other and those beyond our company to move towards a sustainable future.

W = Well-being:

We look for excellence in staff members; in return, they expect a fair and responsible employer.



Dear sustainability friend,

The past year was a very special one for all of us. We are all entangled in a war against a virus that has held the whole world and virtually all economic activities hostage for more than a year now. We at Fenix Outdoor took bold steps and a clear precautionary approach to protect our employees, customers, and business partners alike.

As early as February 2020 I asked my managers to restrict all unnecessary business travel and to monitor developments with the option to totally ban any business-related travel. We unfortunately had to do so shortly after my initial action. During the course of the year we closed most of our offices and introduced home office. The various actions we took had some interesting effects towards sustainability and you will read more about it in this report.



We continued our sustainability path in line with our Fenix Way and the strategic agenda 2025. Since we identified climate action as one of the core strategic pillars we want to address, we have developed a climate strategy and action for the years to come. That means we address the purchase of renewable energy not only in our own operations but also in our supply chain, and we also switch materials wherever possible to a more sustainable and hence climate friendly option. We look into efficiency in our supply chain and want to diversify but also streamline our supplier base. The central CSR Team, namely the colleagues responsible for social compliance, suppliers and climate and energy, have done a fantastic job to move our sustainability agenda forward. In our retail business, new requirements towards our supplying brands and regarding our store concepts will lead to a more sustainable setup in the near future. Our CSR Team partners with Cradle2Cradle in a pilot project that ultimately shall lead the way towards a circular store.

I am convinced that sustainability is moving even faster onto the agendas of Executive and supervisory Boards. The scientific evidence is paramount: we need to act now and try all our best to protect and restore our natural habitat as well as combat social injustice and promote a decent living for all. All of us have to do something. We simply cannot leave action to politicians who too often look into compromises and follow their own personal agenda. Sustainability is no longer a matter of nice Sunday speeches or PR. It is, I am

sure of that, the time to be bold, brave, and future-driven. Otherwise we will have very gloomy times in 20 or 30 years from now.

Therefore, we have not and will not stop our sustainability work. I will – from now on – regularly challenge my Board colleagues to have close eyes on the different development trends on the sustainability agenda. I am not asking to preach to the convinced but I want to initiate an open, controversial debate on all sustainability topics and I do not only want my CSO and the CSR Team to be able to give answers or point into the directions of our Fenix Management Compass – I want my managers to do so in front of the Board without hesitation or dithering.

We remain committed to the principles of the UN Global Compact and have begun to systematically address the Sustainable Development Goals (SDGs), a journey we will continue in 2021. To give you a practical example why I think that the SDGs are also growing in their relevance: I am confident that Covid-19 is not overcome by simply vaccinating the developed societies. Even if all people who want it in the US, Canada, Europe, and China have received a vaccination, we still are vulnerable to the Covid virus. We will still carry the burden of the pandemic with all the economic repercussions as long as there are spots on the globe without access to vaccination, a decent health infrastructure, education and all of the human rights. Climate change and political hesitation will add to the severity of this.

I agree with Bill Gates that solv-

ing climate change would be the most amazing thing humanity has ever done. And it is a real challenge, while by comparison, ending the pandemic is a straightforward effort.

We should not underestimate the scale of the challenge. A transition of societal, economic, and even environmental setups of this scale has never be done. There is no precedent for this. Fifty-one billion tons of greenhouse gases are added to the atmosphere each year. Net zero is where we need to get to. This means cutting emissions to a level where any remaining greenhouse gas releases are balanced out by absorbing an equivalent amount from the atmosphere. One way to do this is by planting trees, which soak up CO₂ through their leaves. To that end, Fenix Outdoor will continue its offsetting activities and looking into new ways of protecting forest, ecosystems, and biodiversity.

I cannot say it often enough: Since 2015 we, as a Group, are CO₂ neutral in our own operations. And in 2020 we took bold steps to go further down in our supply chain to convince, persuade and assist our key partners to become carbon neutral, too. But our responsibility goes beyond our own business and thus we need much stricter CO₂e emissions-related tariff and tax regimes!

I look forward to your continued support in our sustainability efforts and welcome any proposals and ideas you may have.

*Yours,
Martin Nordin,
Chairman and CEO*





1. OVERVIEW - Our sustainability management approach

Summary of governance and structure of CSR activities

Fenix Outdoor International AG is a group of companies that develops and markets high-quality outdoor gear through a selected retail network, with a high level of service and professionalism to highly discerning and fastidious end-users. While the different brands have different roots, the Group itself originated in Örnsköldsvik, Sweden, where Fjällräven was founded and had its former headquarters. In 2020, no major structural changes took place and the Group still consisted of six brands and four retail organizations. However, we closed our own production site in China during the course of the year. The organizational structure Retail – Brands – Global Sales and strategic central services did not change. 2020 was a very different year, and for us this meant “no business-as-usual.” We were more in a maintenance mode rather than on an expansion course. The shared Group functions like Digitalization and IT, Logistics, CSR and Compliance are organized as strategic central services units and report directly to the CEO and Chairman of the Group. HR and Finance report to the President of Fenix Outdoor.

All activities under the sustainability framework are centrally organized and implemented under a common structure by individual brands and entities.

Through the centralization in certain areas (e.g., Brands Unit or Retail Unit) certain functions were created to serve all parts of these new units. The CSR Department had prepared for this as early as 2018 and therefore continues to serve its internal stakeholders accordingly. This allows the responsible managers to identify the appropriate specific approach and goal setting. The speed of development and the focus of the entities within Fenix Outdoor Group vary but all follow the same framework.

The CSR/Sustainability organization in 2020 comprised three CSR managers in the central office, one CSR manager at Fjällräven and one CSR manager at Royal Robbins, also servicing North America. All of them report directly to the Group’s Chief Sustainability Officer (CSO).

By the end of 2020, about 95 per cent of our business partners representing suppliers had signed our Code of Conduct (CoC). There are no significant changes over 2019. As we have six brands and four retail chains, the subscription rate to our CoC has considerable bandwidth. This will improve over time, but every new acquisition may blur the picture.

We also request our Retail suppliers to sign our Retail CoC. On a net sales

basis, 75,23 % of our suppliers signed the document.

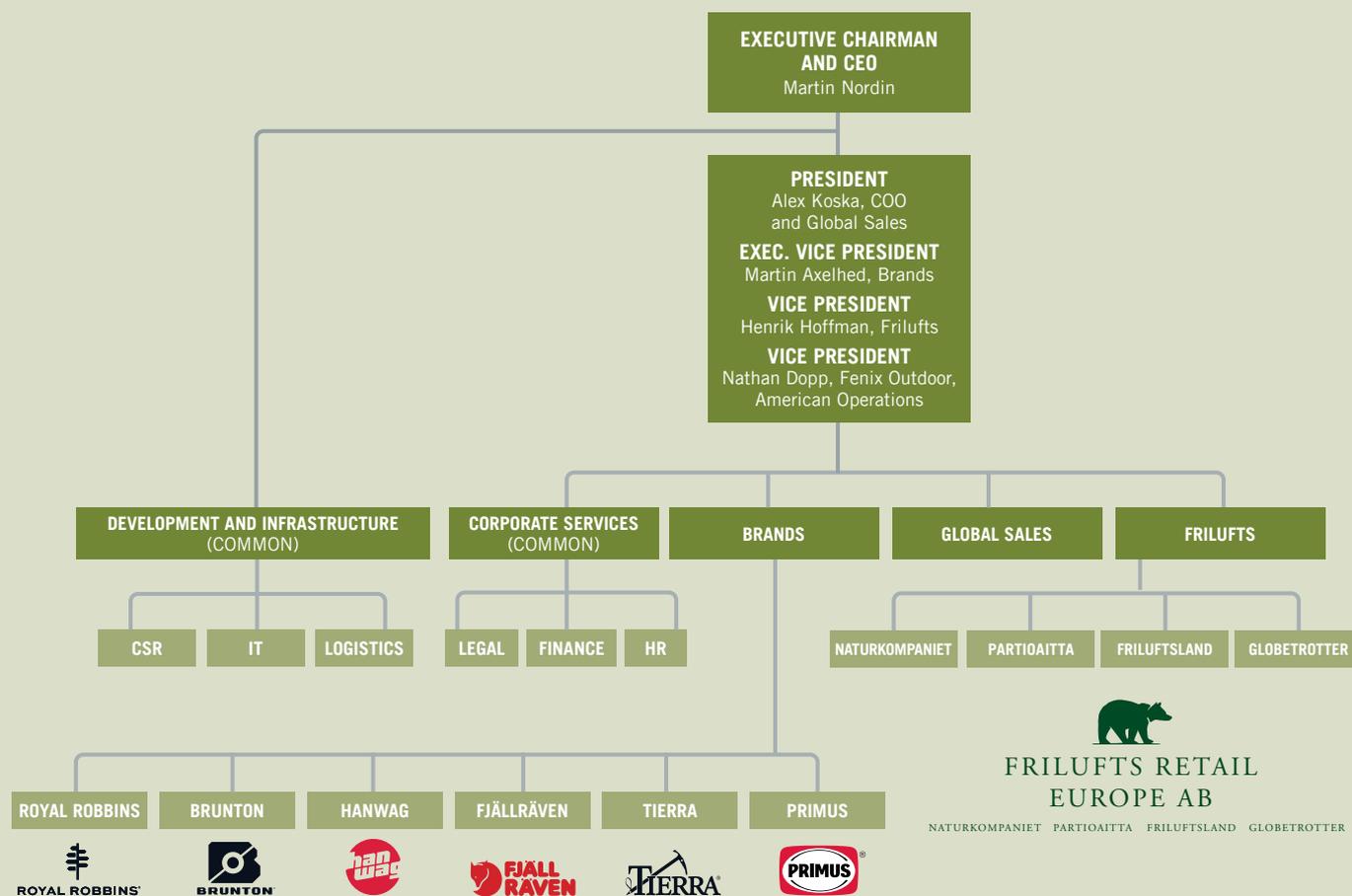
As in previous years, we still consider climate change and the associated extreme and unpredictable weather as a strategic risk and a priority. In 2020, we mainly suffered from Covid-19 side effects and only in part from weather extremes. However, climate action has moved further up on our agenda and on that of the general public, even with the pandemic, which also makes us accelerate all climate-relevant measures. We want to move on and achieve results. We cannot wait until the science is such that everyone can (or has to) agree – we need to take action now! Subsequently we continue our path on our Fenix Way and dive deeper into our supply chain to get a full picture and understanding of our climate impacts. We want and need to reduce our resource use and develop new materials and functional products for our users. In our own operations and in particular in our retail and logistics centers, we implement energy-efficiency measures. We also consider new materials and resources efficiency, such as e-commerce packaging as well as means of transportation and logistics.

Communication about the sustainability strategy, goals and current developments is an ongoing process at Fenix Outdoor. Twice a year, dur-



*"Passion and
dedication push
us further"*

ORGANIZATIONAL STRUCTURE



SUBSCRIPTION TO OUR CoC BY SUPPLIER TYPE

Business Partner Level	Bandwidth	Average	Representing production & values
Intermediary	100 %	100 %	85%
Tier 1	25-100 %	95 %	15 - 95 %
Tier 2	0-75 %	65 %	N.d.
Tier 3	0-1 %	< 0.5 %	N.d.

ing our kick-off meetings for each season, the CSO and his team update all participating employees on the progress made toward our sustainability goals. In 2020 this was done digitally, a completely new experience for the company. On emerging issues, we deliver information on an ad-hoc basis directly to the affected departments and employees.

Our other means of corporate communication include general mailings, an internal Sustainability Newsletter, the use of intranet sites and a series of internal online trainings. In 2020 we held our regular internal CSR Day in a

virtual format. To keep the attention span at a high level, we conducted it in two parts in late spring and early fall 2020. We also held regular CSR meetings and will continue to do so in 2021. We missed our goal to involve our suppliers in 2020 in personal and in-person dialogues on sustainability. However, various online events were held and we received much positive feedback, and we will continue this endeavor in 2021. Sustainability goals are more and more becoming elements in the performance reviews of the operational teams and will eventually lead to links to bonus payments in the

future. They are also becoming increasingly important for general investment decisions. The reporting software we introduced in 2018 has been further developed in 2020 and we are on a good track to optimize the system of data collection and analysis.

Each Fenix Outdoor brand has developed its own individual sustainability agenda with distinct sustainability goals and implementation plans. The new sustainability plans for 2025 approved by the Board are well under way. On that basis, responsibilities have been assigned and implementation deadlines have been set. We have developed and internally published our Climate Strategy to coordinate the efforts effectively. Brands will be increasingly pushed toward publicly committing to project plans after approval from the central sustainability office. The respective updates will frequently be presented to the Group's CSO.

Sustainability program and partnership

Over the past few years, we have built partnerships and reinforced existing

relationships, and we did not change our network in 2020. Fenix Outdoor has been a reliable and constant signatory to and supporter of the UN Global Compact since 2012 and continues on a participant level for its further engagement. We are also committed to the Swedish Textile Initiative for Climate Action (STICA) and are cooperating in the North American market with the US-based Outdoor Industry Association in Climate Action Corps.

We continued our involvement in the Sustainable Apparel Coalition (SAC), increased the rollout of the Higg Index suite and actively reworked the Brands and Retail Module (BRM).

As a member of the Fair Labor Association (FLA) we continuously develop our social compliance governance. We are committed to fair labor conditions and support the concept of a living wage. In 2020, we planned to have trainings and surveys among workers and supply chain managers. However, except for trainings on our transparency tool and an assessment, the pandemic hindered the implementation of our plans. We are now looking forward to more interaction in 2021/2022.

We continued to further deepen our partnership with a Swedish-based company that uses an innovative blockchain technology to improve transparency and traceability throughout the supply chain. This developing partnership allowed us to customize the system to our needs and we have begun to incorporate classical transparency questions for all tiers but also a CO₂ footprint. We also incorporated our “A Greener Choice” methodology and our Fenix supplier scorecard, allowing automated tracing and tracking of business partner performance in the future. Since 2015, Fenix Outdoor has also been a member of the Textile Exchange. Through this network, several Fenix Outdoor brands work together with peers and scientists to support activities and research in the area of recycling, the use of organic material, improved supply chain management and better choice of materials. In the annual benchmarking program, Fenix Outdoor brands regularly score high and often outperform numerous other reputable brands. We are proud that our moves toward a more sustainable business are not only internally noted, but also find international and global recognition.

As in previous years, various entities of Fenix Outdoor are members of the European Outdoor Group (EOG) trade association. Uniquely, the EOG sets sustainability at the core of its activities. To support their sustainability efforts for the outdoor industry, a representative of the Fenix CSR department is part of the EOG sustainability steering workgroup.

Fjällräven is a member of the European Outdoor Conservation Association (EOCA). EOCA sponsors environmental and nature conservation projects around the globe through membership fees and the provision of specific membership support for selected projects. Fjällräven also supports the Swedish Textile Industry’s Initiative for Climate Action, organized through our long-term partner the Sustainable Fashion Academy.

As a decentralized company, various parts of our organization have their own specific association memberships, including the Scandinavian Outdoor Group, the US-based Outdoor Industry Association and the Swedish Standards Institute (SIS).

We are also a member of Svensk Handel, various Swedish Chambers of Commerce and the British Standards Institution. One of our entities is a member of the Swedish Tourist Association (STF).

We still support the SWEREA Chemical Group (now a member of RISE) as well as several local initiatives and various local environmental network activities.

Fenix Outdoor engages in open dialogue with civil society groups on various subjects, particularly those involved in environmental and human rights issues. We collaborate in projects or explore best practices and benchmarks for the outdoor industry.

In general, we do not aim for formalized certifications of any type of management systems. However, in most operations ISO 9000 and ISO 14000 principles are applied, and suppliers of certain materials often carry significant and reputable signs of conformity to industry standards, such as GOTS, bluesign or others, which we appreciate.

Core management issues for our various entities

As in all previous years, our companies see sustainable growth as a centerpiece of their economic strategy

and strive to achieve this every year. However, sustainable growth does not mean “growth at all costs.” It is seen much more as growth in line with the cardinal directions of the Fenix Way Management Compass®. Of course, we also need to maintain our profit margin. Because of this approach, we hinder ourselves from focusing on growth or turnover only. In 2020 Covid-19 challenged our economic goals, but early and consequent cost reduction and “safety first” measures helped us to sustain our business and be profitable. We also took several steps to protect all our employees and their health, and by doing so we accelerated the digitalization of our business.

With respect to the cardinal direction Nature, our focus shifts from reducing negative impacts toward positive contributions and in-depth analyses and understanding. Whether it is the product (such as gas-burning stoves) or the way our operation works (lighting in our stores, transportation of goods) or the input materials that we source (organic or conventional cotton versus other natural fibers, recycled or virgin fossil-based materials, man-made bio-fibers), we want to go our way, looking for the least harmful material and finding the one that offers win-win-win options. This quest is of course not easy, and not all of our entities are at the same level. Nevertheless, through the application and implementation of the Fenix Way, we all move into the same direction – at individual speeds but aiming for the same goals.

We are also addressing new challenges, such as micro-plastic, hazard-free DWRs or single-use plastics in packaging and shipment, and we work with partners and associations, such as the micro-fibers consortium, in order to get where we want to go: environment and nature positive. The 2025 strategic plan guides and pushes us in this direction. The 2020 unrest and highly irritating events that took place in the USA, Belarus, Russia and other countries led us to revisit our internal policies and processes that aim at integration, nondiscrimination and diversity in all aspects but also to take an even stricter approach toward risk management when it comes to market access. This may mean that we avoid production in countries where we see

REVISED FENIX OUTDOOR MATERIALITY MATRIX

	Important	High importance	Very high importance
Very high concern	<ul style="list-style-type: none"> Contribution to sustainable economy Human rights & social concerns (no under-age workers) Information on sustainable product features 	<ul style="list-style-type: none"> Environmental protection during production Customers: health & safety in the workplace Good health and fair labour 	<ul style="list-style-type: none"> Avoiding harmful chemicals in production/product Having an ethical sourcing strategy excluding worker exploitation Avoiding CO₂ emissions
High concern	<ul style="list-style-type: none"> Use of independent certificates Promote health in the workplace Reduce water use and pollution 	<ul style="list-style-type: none"> Sustainable product assortment Provide information on eco-friendly product maintenance and product features Consumer safety Fair animal treatment 	<ul style="list-style-type: none"> Long-lasting/durable products Better customer service/claims management Actively promote fair labor conditions Reduce energy consumption Climate change
Concern	<ul style="list-style-type: none"> Have an anti-corruption policy Policy against anti-competitive behavior 	<ul style="list-style-type: none"> Promote recycling and reuse Commitment to external initiatives Diversity and non-discrimination 	<ul style="list-style-type: none"> Waste recovery Climate impact Workers/management relations Sustainable partners & suppliers Promote well-being of employees

the political situation as a reputational risk or not on par with our ethical and social goals, or where we do not consider the business environment to be in-line with our ethical principles due to corruption or cronyism, or where we do not think that our products are sold to the right constituency.

Stakeholder involvement

In 2019, we announced that we would hold a Stakeholder Roundtable as an in-person event. When we made this statement, we were unaware of what would happen due to the pandemic spread and outbreak in our core markets and how long we would be affected. Now it seems we will be affected for even a longer period of time, so we have decided to hold a virtual event in 2021.

The Materiality Matrix of Fenix Outdoor International AG received some adaptation in 2020, due to Covid-19 but also to the climate crisis. This was done not in an active process but rather is the result of random but representative voices from our different stakeholder constituencies.

Recognitions

Also in 2020, our sustainability efforts received international attention and recognition. Fjällräven and Naturkompaniet were voted the most sustainable brands in Sweden. Partioaitta was voted industry leader and ranked among the top 10 sustainable brands in Finland.

Focus areas

The Fenix Way Management Compass[®] has continuously guided all Fenix sustainability activities. It remains our universal management tool, mandatory for the whole Group and for all employees.

We continue to work on reducing negative environmental and social impacts and focus on our positive contributions at each stage of our products' life cycles. We address all four cardinal directions of our compass, where N stands for Nature, E for Economy, S for Society and W for Well-being. Having a 360° perspective ensures we can deal with potential risks and their repercussions. Various significant impacts and negative

side effects occur in different stages of our services and products' lives. From raw material sourcing, via spinning, dyeing or other processing steps, through the transport, sale and use of our products till they reach the end of their life, all four cardinal directions of our compass are affected. We want to contribute to healthier, more resilient natural systems, top financial performance and more knowledgeable, happier and environmentally conscious people, so we have a wide array of projects that are managed and organized by each entity individually. However, all activities address the compass directions and focus on moving us steadily along the path to sustainability. At the Group level, our brands and retail companies developed a common and streamlined program of focus areas. We have addressed social compliance matters throughout the supply chain and within our own organization, in particular by carrying through on the recommendations we have received from our partners at the FLA. As climate change is a global challenge, we now have the right resources, allow-

ing us to address the importance of climate mitigation and positive climate action. In 2020 we conducted a review of our energy-efficiency activities in Sweden. We also conducted our yearly energy survey of all our retail operations in Europe and have begun to dive deeper into our Scope 3 emissions, which we are now capturing and calculating more and more. Transport-related activities are under constant scrutiny, including looking at the optimization of planning and shipping. We require our suppliers to adhere to our Restricted Substances List (RSL). We update our Chemical Guidelines twice a year, reflecting the latest scientific research and our own precautionary approach. Through this, we provide guidance and frameworks for our operational units, which can then address their material matters.

Highlights of 2020

In 2020, after successfully reducing single-use plastic bags, we phased those products out completely in Globetrotter. We notice that more and more customers are now bringing their own bags or buying a reusable shopping bag.

Retailers in Europe sent a strong signal during “Black Friday” and offered repair and care services as a “Green Friday” option. Due to the lockdown in Europe and the USA, the majority of our retail business shifted toward online sales. However, we strongly believe in the brick-and-mortar business, as we are convinced that our customers and users want a close look at the quality and functionality of our products.

We are not only committed to the 10 universal principles of the United Nations but also want to further advance in the direction of the UN Sustainable Development Goals (SDGs). Doing business right and reducing our negative impacts is not enough. We want to contribute as an active corporate citizen and do our part toward the UN 2030 agenda. We therefore started an internal workshop series to integrate and create initiatives that pay additional attention to the SDGs. The first results are described in the upcoming chapters. This is just the beginning, and we are planning to continue our efforts in 2021.

One of our strategic targets is to progress toward circular business models

and services. All four Frilufters Retailers now offer a rental service. It was possible to widen the total rental assortment, and the number of single rental items increased to 1 500. Globetrotter also offers the rental service online.

Another success story is the Care and Repair service. With the integration of the “Werkstatt” Concept in the German stores and the promotion of our care and repair services, this service further matured in 2020. The total number of products repaired exceeded 10 000.

To improve our supplier management, all brands worked much closer together. Under the roof of the central CSR Department they offered trainings and educational events that helped to build awareness and understanding for sustainability challenges. In addition, the implementation of our transparency tool makes a more thorough and watertight tracing and tracking of materials, emissions and supply chain partners as well as certificates on material level possible.

After implementing our updated climate strategy for the next five years in 2019, we developed a set of strong communication elements to make the strategy accessible and easy to internalize for all our colleagues at Fenix Outdoor and to motivate each and every employee to support our joint target to becoming 100 per cent climate neutral in our own operations and along the value chain.

As a Group and on the individual brand and retail level, we engage actively in society and have built strong partnerships with NGOs and other civil society groups. Among others, in 2020 we supported Save the Children, Doctors without Borders and the WWF.

Compliance

Adhering to laws and regulations is central to how we conduct our business. We require compliance with our CoC and we try to ensure that our employees and business partners share the same understanding of compliant behavior and business dealings. We introduced a compliance management system in 2012, and we are continuously improving and developing this system. The Fenix Outdoor CMS concept complies with the main prevailing standards, namely IDW PS 980 and ISO 19 600. As with our sus-

tainability report, the CSO submits an annual compliance report to the CEO and the Board. Following the Compliance Guidelines, the Chief Compliance Officer (CCO) submitted his annual report to the Board in March 2020.

As part of the compliance system, all managers are obliged to sign and declare on an annual basis that they are following the compliance rules and that their staff members are aware of the system.

Compliance in Fenix Outdoor is not only a result of the ethical principles mapped out in the Fenix Way and other internal documents, but it also reflects the owners’ desire to systematize the handling of ethical and legal matters. In 2020, the number of cases reported directly to the CSO dropped considerably over 2019. Topics focused on how we interact with one another, external complaints referring to risk countries, quality issues in products, and marketing information.

Opportunity and risk assessment

In 2020, Fenix Outdoor accelerated its path toward digitalization and continued consolidation as well as addressing certain weaknesses in some of our business units. We profited from various opportunities: Fjällräven benefited from its ability to deliver in time despite the Covid-19 interruptions of supply chains. Unlike many other companies, Fjällräven partnered with its suppliers and was able to avoid canceling orders. Through this we could deliver products to virtually all markets. Also, Hanwag and Primus benefited from the new trend toward being outdoors and the “staycation” trend. We grew our presence in Latin America, Africa and various new Asian markets. Royal Robbins suffered considerably from travel restrictions which led to a repositioning of the brand in the markets. In 2018 we had already started to promote “adventure next door” and thus were well prepared for the new “staycation” trend, which we believe will continue for the foreseeable future.

We have reorganized our logistics operations in Germany and are still expanding our logistical center in Ludwigslust, Germany.

The year 2020 was filled with a lot of instability trends with several uncertainties and economic slowdowns.

COMPLIANCE CASES 2020

Case Description (no. of cases)	Handling Procedure
Product Safety (0)	No case reported
Labelling (4)	See marketing communication
Trade Laws (0)	No case reported
Infringements of Trademarks (0)	Various counterfeits of our products in the market – stopped and destroyed by customs in several cases; no own infringements reported.
Data Safety (2)	GDPR-conform setup needed revision; a few complaints about false address/invoice in shipments; complaints about unwanted newsletter.
Labor Laws (0)	No case, due to lockdown
Communication/ Marketing (5)	Inaccuracy of indication of weight – change in labelling; inaccuracy of "made in" labelling (complaint by customs) - Missing product information (price / content) Inaccuracy in food labels Claims of "false promises" in marketing material
Harassment (0)	Due to lockdown: no case; claim of discrimination in the US – investigation is ongoing
Corruption (0)	No case reported
Other (2)	Two product recalls due to quality reasons and new legal provisions; re-called products 497; taken from market 40.

The US election revealed that one of the oldest and most stable democracies came under severe pressure from several internal and external forces. It remains to be seen if a depolarization within the US across political parties, social and ethnic groups is still possible. If not, the US will be weakened, seriously affecting its allies and partners. The trade war between China and the US continued in 2020 and is foreseeable for the coming years. This will impact free trade and possible shifts of production sites and operations. Although political tensions among Europe, the US and Russia are on the rise, the effect on Fenix Outdoor will be marginal. Toward the end of the year the UK Brexit deal finally came about. However, the trade regime between the EU and the UK is all but clear and smooth. We foresee delivery problems and negative side effects on our business. The value and scope still remain unclear.

Climate change remained a serious issue despite the positive impact that travel restrictions may have had. Climate-related changes affect our operations directly, for example, through the extremely mild but wet winter weather, reducing demand for warm

clothing, or in a foreseeable future through the interruption of transportation and communication infrastructure and the impact on owned or contracted production sites. On the other hand, the loss of ice in the North led to the opening of new trade routes (the Northeast Passage) and consequently a shortening in lead and delivery times.

We still note with great concern the overall long-term effects of changes in climate patterns, and we expect that functional demands and quality properties of certain product categories will require long-term adaptation. The rising severity of trade conflicts and uncertainties around the further development of the Covid-19 pandemic will continue to negatively impact the global 2021 economic outlook. Vaccination efforts in Europe, Israel and the US may soften the negative picture, but overall we have to be clear: as long as there is uncontrolled spread of the disease anywhere on the planet, the virus has the chance for mutation which could sooner or later lead to a variation that undermines all vaccination efforts. So the outlook for 2021 may look a bit better than 2020, but overall it remains gloomy and uncertain. ●







2. NATURE: – Our refuge in unprecedented times

We want to leave nature enjoyable for the future

During the pandemic, nature's importance for human health and sanity became obvious. People flock outside whenever they can, enjoying nature in all its different forms, whether in their neighborhood park, their surrounding region or unexplored areas of their country. Despite all the downsides of the Covid-19 pandemic, it also gave us the chance to explore nature in an even more sustainable and responsible way by using low-emission transportation modes, supporting local and regional leisure programs, exploring national nature reserves or taking lonely hikes. Nature is good for us, especially during times of uncertainty and unprecedented circumstances. It helps us to calm down and feel less stressed, it boosts the immune system and improves concentration, and it is a proven fact that there is a positive correlation between more time in nature and improved self-esteem and reduced feelings of anxiety and depression.

But with ever-increasing concern we see that our natural environment is changing due to external factors, such as climate change and intensive land use. With increasing temperatures through global warming, the world's ecosystems and biodiversity are under threat. Polar ice is melting, glaciers recede and oceans acidify, turning colorful coral reefs into bleached deserts. In some regions, extreme weather events will destroy habitats and food resources. The changing patterns will lead to a decrease in biodiversity, as species will not be able to adapt fast enough to the new requirements. But in contrast, nature is also our biggest ally when

it comes to climate change mitigation. About 60 per cent of cumulative anthropogenic GHG emissions since the preindustrial era have been stored either on land (in plants and soils) or in the ocean.

Thus, protecting nature, keeping it intact and making it accessible is one of our core values. Nature is not only what we live for – it is essential for us as individuals and as a company. And with the help of our management compass, which guides us through decision-making processes in all we do, we try to make decisions with as little environmental impact as possible. We have widened the scope by taking the United Nations' Sustainable Development Goals (SDGs) into account. During our SDG workshop, discussion of the cardinal direction Nature raised such topics as climate action and renewable energy (SDG No. 7 and No. 13) as well as protecting life below water and on land (SDG No. 14 and No. 15). Although we already cover many activities in favor of these SDGs, there is still room for improvement.

We at Fenix Outdoor consciously make our products to last. We call it longevity, durability and sustainability. If one can wear a garment for generations, then we believe that is how it is meant to be: a lifelong product, not a short-lived item that appears briefly in one's life. That is why we purchase materials from sustainable sources and look at aspects like animal welfare or environmentally friendly farming or production. But sometimes trade-offs are tough to solve: some materials might be better for the climate but are not recyclable and do harm to animals and plants when ending up in

nature. It is not only us at Fenix Outdoor who are constantly on the move – our environment also changes as we move forward, and so does the human understanding of certain activities or inventions of the past or present. Thus, science and industry are rapidly evolving, and once some new research results become public, they may call for adjustments and changes in direction on our part. We do not want to stand still and ignore facts. We strive to avoid or at least solve problems. That is why we are eager to apply solutions to better assess our products' environmental impact along the whole value chain, piloting different solutions (blockchain, Higg Product Module, footprinting, Life Cycle Assessments, etc.). The principles of understanding what we are doing and how we can do better form part of the 2025 strategy for all our brands and retail businesses alike.

Fenix Outdoor and its entities jointly base their actions on the following key aspects:

- CO₂ emissions reduction in line with our Fenix Climate Strategy, taking all our major departments into account in six focus areas and thus making the responsibility for action an integral part of our day-to-day business
- Increasing our share of sustainable materials by using the SAC's Higg Index suite of tools (Material Sustainability Index, Product Module, etc.)
- Deepening our knowledge of the supply chain through a variety of measures and partnerships (e.g., blockchain technology)

- Strengthening the adoption of the Higg Index Facility Environmental Module (FEM) by suppliers and supporting them with trainings
- Continuing to eliminate hazardous chemicals and to update the group-wide Chemicals Guideline
- Partnering with ELEVATE to extend our reach and deepen our knowledge of the full array of supply chain matters with environmental considerations
- Furthering the use of consumer-facing information and scoring systems (e.g., expanding “A Greener Choice”) in our supply chain management (track and trace) and retail business.

In 2020, we moved two Frilufts Retail Europe stores in Denmark and Germany and opened one new Royal Robbins brand store in Denver as well as a new Partioaitta store in Vaasa. They all formed part of the data gathering exercise. A few stores have been closed in the US market. In Asia we reduced the number of our operations. These circumstances as well as the effects and consequences of the Covid-19 pandemic (temporary store closures, increases in working from home) led to some data fluctuations.

Resources and emissions

In 2020 the discussion about climate change was somewhat overshadowed by the Covid-19 pandemic and the events taking place around the elections in the US. Despite all negative consequences, science has seen a remarkable decrease in emissions due to reduced economic and travel activities throughout most of the world. However, to keep this trend going, we must extend the new behavior and not fall back into old ways of behaving. We at Fenix Outdoor did not stop working on our climate strategy and targets during the past year. We published internal GHG reports on brand, retail and common services level, helping us to identify areas for improvement, create action plans and integrate climate action further in our day-to-day business. We actively take part in the working groups within the UN Fashion Industry Charter for Climate Action (FICCA), the Swedish Textile Initiative for Climate Action (STICA) and the OIA’s Climate Action Corps.

Considering our own operations and business activities in 2020, our overall carbon dioxide equivalents (CO₂e)

amounted to 15 080 t CO₂e, an increase of 2 per cent (2019: 14 740t CO₂e). However, as we are increasingly considering also certain product and supply chain emissions, the footprint we offset amounts to 17 610 t CO₂e, including 5% security surcharge.

Since the Covid-19 pandemic led to temporary closures of store and production sites as well as decreased office occupancy, our emissions in Scope 1 and 2 decreased in 2020, and the effect of saving measures is hard to determine. Despite these circumstances, we still conducted some energy-efficiency projects. We have continued to switch to LED lighting and extended the use of green energy. In Vierkirchen, Germany, the location is partly heated with biogas from a neighboring organic farm. We also used renewable energy certificate schemes to green our electricity consumption in North America and Estonia. Thus, we avoid compensation and CO₂-offsetting activities. Emission reduction efforts in 2020 include but are not limited to:

- Ongoing purchase of renewable energy where possible as well as purchase of Energy Attribute Certificates (EACs) and Guarantees of Origin, where we cannot have a direct contract with a supplier
- Ongoing digitalization of our store environments, which led to less hardware and energy demand and will continue to do so
- Implementing energy-saving measures (e.g., timers, daylight sensors, pressured air network refurbishment)
- Less fuel and raw material consumption through optimization of core processes
- Switching to more efficient hybrid or full-electric vehicles for company cars according to our car policy
- Conducting energy audits as per legal requirement in Sweden.

Retrofitting of our stores with more efficient lighting, smart facility heating and cooling concepts is standard procedure. Additionally, some of our stores undergo city driven green certifications in the US.

As we strive to optimize our products, we can report that in 2020 around 18 520 fuel-efficient Primus stoves and pots were sold, thus saving around 50 per cent of energy with each

use compared with standard stoves and 30 per cent for pots, depending on the type of burner being used. In the retail business we strive for a more environment- and climate-friendly product assortment and are working on an internal framework to measure, shape and control the composition of our assortment in addition to our A Greener Choice initiative.

We have used the most up-to-date conversion factors available. We have used an IT-based reporting tool that allows us to have more accurate data for each reporting cycle. However, there is still some ambiguity, and some developments can only be explained by possible misstatements in the past. Whenever we have new information (e.g., through ancillary cost invoices), when emission factors are updated or misstatements are obvious, we correct our figures in the upcoming report for the past years. In any event, again, we took a precautionary conservative approach and believe that, based on the data we have, we slightly overstate our emissions.

Energy use

Our overall consumption of energy decreased in 2020. Our primary energy source was gas. A total of 3 697 MWh (2019: 5 807 MWh) were used, plus another 2 478 MWh (2019: 3 543 MWh) from district heating systems. A total of 15 679 MWh of electricity was consumed (2019: 19 461 MWh). The primary energy emissions amounted to 985 t CO₂e (1 344 t CO₂e in 2019), while district-heating-related emissions decreased to 440 t CO₂e (475 t CO₂e in 2019). The reason for this decline is less heating demand due to closed stores and work-from-home practices as well as new data for 2019 from ancillary costs in Germany. The Scope 2 emissions amounted to 1 624 t CO₂e (previous year: 2 341 t CO₂e). Location-based emissions were 4 446 t CO₂e (2019: 8 021 t CO₂e). The systematic purchase of green energy and Renewable Energy Attribute Certificates in Europe, the US and Canada is having a significant impact. Our “Guiding Document for Renewable Energy Purchase” manifests our strategy and targets and is a helpful tool to streamline the purchase of renewable energy within the Group.

Shipment of goods

Various modes of transportation con-

tribute to our journey as our goods travel around the globe. Using vessels, trucks and aircraft, we calculated our shipments' emissions at 5 964 t CO₂e (2019: 3 264 t CO₂e). Due to the pandemic, operations could not go as smoothly as planned, resulting in more airfreight than last year. This is above the average of the years before. Further more, this year we splitted shipments smaller than a pallet for B2C-commerce. This data is now included in the above-stated number. All shipments to customers from Globetrotter Ausrüstung GmbH are carbon-neutral through an investment in Costa Rica in the Globetrotter Vision Forest. The total amount of CO₂e compensated for from this forestation project in 2020 was 519 t CO₂e. In some locations, we continued using the "GoGreen" shipping service by DHL.

Business travel

According to our car policy, last updated in 2019, emission levels were capped at 130 g CO₂/km for all vehicles. Further, we encourage electric or hybrid cars as company cars where possible. The average CO₂e emissions from our car fleet has dropped to below 110 g/km (NEDC). Business-travel-related CO₂e emissions accounted for 1 210 t CO₂e. (2019: 1 900 t CO₂e). The business travel data includes all forms of business travel such as flights, public transportation (including trains, buses and boats), corporate cars and personal cars for all staff members at all locations. We expected the decrease in emissions to be higher due to decreased in-person sales activities from our sales companies and fewer personal meetings. However, the limited reduction is most likely a result of double-booking of travels in one country.

Commute to work and working from home

All our staff create their own carbon footprints and contribute to our corporate journey. To better understand how our staff is commuting, finding the reasons behind their choice of transport mode, and identify fields of action, we conducted a global staff survey of all those working for the Fenix Outdoor Group to calculate the annual CO₂e emissions in 2020. Apart from this, we were aware that we shifted a good portion of our usual energy consumption from our offices to our employees'

homes, thus including questions about work-from-home periods as well. In general terms we think that an overall 422 t CO₂e is a just and realistic extrapolation for our 2020 emissions from commuting activities (n commuting = 296; 2019: 1 353 t CO₂e). Work-from-home emissions based on the results from reported activity data account for 64 t CO₂e (n = 78).

Offsetting practices

The triad of our climate strategy is to avoid, reduce and compensate. Because we are not yet able to eliminate our energy-, transport- and product-related emissions, we decided to offset our greenhouse gas emissions by investing in carbon-offset projects. We have compensated our CO₂e emissions through investments into Gold Standard Projects with various entities. The projects we have invested in can be identified below.¹⁾ The total amount we compensated for was 17 610 t CO₂e (2019: 14 120 t), consisting of transport of shipments, business travel, commutes and work-from-home emissions, energy consumption from our own and operated locations, some product-related offsets and internal as well as external events (ISPO early 2020, recorded Fjällräven Classics) and consumption materials. We extend our compensation efforts to a couple of main suppliers and water as well. In addition, marketing materials such as catalogs and flyers were offset as part of the purchase agreement, which amounted to an offset of about 178 t CO₂e (2019: 1 000 t). Leather for Hanwag was compensated too: 24 t CO₂e were compensated in African reforestation projects. We have taken the next step toward holistic carbon dioxide management in our carbon policy. In our strategic plan adopted in 2019, we will strive for full carbon neutrality by 2025 (Scope 1-3). However, to achieve that, we need our partners – peers and suppliers alike – to move together with us to the next level. We will use the Higg Index, blockchain technology and further assessment methods as Life Cycle Assessments and Product Carbon Footprints to assess, monitor and steer our efforts.

¹ <https://registry.goldstandard.org/projects/details/1166>

<https://registry.goldstandard.org/projects/details/366>

Water

Water is an essential resource for every living being. We are increasingly concerned that water pollution seems to be accepted by many industries as collateral damage to development. We at Fenix Outdoor view this quite differently, but we are also not yet at the stage we would like to be in order to make a positive water footprint contribution. However, reducing the damage is what we try to do by using techniques such as spin-dye®. In 2020 these activities were again limited. The data sets for our operations and our suppliers were still fragmented in 2020, and the picture is still a bit gloomy. As in previous years, this is mainly because some operations have a vast green space that they take care of, or some of our megastores carry pools and diving tubes for equipment testing, while others are located in inner cities or industrial areas and hence do not need water for parks or landscaped surroundings. The measured amount of water consumed was 43 640 m³ (2019: 69 984 m³). With a security surcharge of 10 per cent, this means overall consumption for 2019 of 48 287 m³ (2020: 78 958 m³).

The water we withdraw is mainly drawn from the community supply (groundwater, with some surface water in northern Finland, South Korea and Slovakia). In some locations we tap lake or river water where it is abundant and clean. The main purpose is for drinking, cooking and household use. Most of the effluents were collected in community sewers and treated at a public treatment plant. No toxic chemicals were released by our own operations into sewers or surface water bodies. The water discharge amounts were not safely determined. We estimate that about 38 340 m³ (2019: 43 640 m³) were released by our operations (toilets, washing, kitchens).

In our own operations, we do not discharge any wastewater that requires Chemical Oxygen Demand (COD) monitoring, nor do we handle or use halogenated absorbing organic compounds, requiring an AOX demand monitoring. Our wastewater is like that of normal households. Our partner tanneries, down finishers, weavers and dye house operators are in Germany, Croatia, Italy, Japan, South Korea, China and Vietnam. They operate their own treatment plants or are adjacent to industrial

MATERIAL USAGE 2020

MARKETING	Amount conventional (kg)	Amount certified sustainably sourced (kg)	Amount certified recycled (kg)	Amount compensated (kg)	Total	There of CO ₂ neutral %
Paper	76 401	927 702	723 744	220 818	1 727 846	13
Ink	27 482	186	7		27 675	0
Plastic	4 072	10	20	10	4 102	
Cardboards	125 032	36	914	1 730	125 983	1
Wood	222	10	16	10	248	
Glue	3 570	120			3 690	0
PVC	237	103	20		360	0
Posters for POS (paper)	54				54	
Window tapestries & POS	531				531	
PE Film	0				0	
Biopolymere (pls. see attachment)	0				0	
Textile	501	209	34		744	0
Metal	0				0	
Other Materials	7 625	849	54	494	8 528	6

Office Materials	Amount conventional (kg)	Amount More Sustainable (kg)	Amount recycled (kg)
Paper	6973	8 264	7 928
Cardboard	48 464	195	3 175
Toner/Ink	154	32	42
Plastic	831	40	257
Glue (glue stick, sticky tape)	281	39	5
Metals	413	20	71
Other materials	533	33	161

Packaging Materials	Amount conventional (kg)	Amount More Sustainable (kg)	Amount recycled (kg)
Paper	45 542	17 267	45 013
Cardboard	162 291	222 404	493 356
Polycarbonate	0	0	0
Polyethylene	16 134	555	1 674
Plastics (Non spec.)	88 786	961	10 631
Polypropylene (e.g. Straps, Tapes)	1 310	895	
PVC (e.g. Tapes)	1 130	44	4 463
Other	18 764	957	2
Kraft Tape			
Kraft Paper			
Tags/Stickers (Stock Paper)			
Labels	961	257	

treatment plants. Our partners follow our Chemical Guidelines and, in most cases, use an environmentally preferred version of detergents or agents needed for cleaning or production. Public authorities regularly monitor our partners' treatment plants. Our partners in Germany, Japan, Korea, China and Vietnam mostly operate under the ISO 14001 system.

Materials

At Fenix Outdoor we continue to improve the ecological profile of the materials we use. As in earlier years, we deliberately use recycled, organic, ecological, biodegradable or recyclable materials. For the whole Group, about half of our materials for textile and hardware production are more sustainably sourced. All our brands apply the Higg Index criteria wherever possible. As a member of the SAC and active user of the Higg Index, we continue to rethink our choice of materials. The Higg Index works as a self-assessment tool internally, incorporating the Materials Sustainability Index (MSI) and the Product Module (PM). In 2019 we launched our Packaging Project and our internal packaging guideline "The Packaging Memorandum," focusing on packaging material for e-commerce shipments as a first step. In 2020 we started investigating packaging-free shipments for our products as well as integrated inbound packaging requirements and guidance for brands delivered to our German warehouse. We will continue the project in 2021, for example by getting our warehouses ready for packaging-free product handling. The following table shows an overview of the raw materials and consumables used as far as we were able to measure them and the recycling content or other environmentally preferred attributes.

Take back and product repairs

As we are looking more and more at products that have reached the end of their lives as an input source for new products, we think it is noteworthy to also mention that we have collected more than 2,4 t (2019: more than 3 t) of textiles and shoes we put back into the I:Collect recycling stream. These figures include collections from all four Friluft's Retail Europe markets. To prolong the life of our products we offer repair and care services, with a noticeable increase in demand for

these kinds of services in the past year. Around 15 635 pairs of Hanwag shoes were resoled in 2020 (2019: 15 685).

A greener choice

With *A Greener Choice – Product Evaluation*, our Retail business evaluates the sustainability of products in the assortment. After starting a couple of years ago out of the ambition to provide customers with the information they need to consider sustainability in their purchasing decisions and to push sustainable product innovation forward, it is now becoming step-by-step a more mature program. In 2020 we were able to further develop the standard, and increase the share of evaluated products as well as the total amount of A Greener Choice products sold (see table on page 19).

Waste management

When reducing our impact and working to contribute positively in the future, we need to take our waste management to another level. However, that sounds easier than it is, as waste management is local and often cannot be approached with one-size-fits-all solutions. While exploring new ground and walking through nature with our products, we constantly follow a simple but effective motto: repair, reuse, recycle. Unfortunately, and apart from the product itself, we deal with waste along the production chain. Some of this we can address and influence with the way we design products, from raw material choices and fabric treatment to waste from cutting, sewing and packaging. With our 2019 strategy we set the strategic pillar for more circularity within our business operations, and in 2021 we will dive deeper into production-related textile cut-offs and waste.

However, many of our operations have to handle incoming waste from product shipments. In 2020 we have been able to dispose of over 65 per cent of our incoming waste for recycling. We have a couple of locations that have been able to start working with disposal and pickup companies in 2020, increasing our ability to recycle waste from own operations to an even higher percentage. In Denmark and Finland, we reuse shoe and cardboard boxes for our e-commerce business as well as other packaging material for void filling and store display (e.g., as filling for



MATERIAL USE (ALL PRODUCTS) 2020

Materials	Amount conventional (kg)	Amount more sustainable (kg)	Amount recycled (kg)
PLANT-BASED FIBERS AND MATERIALS			
Cork	2 011		
Cotton	114 845	222 865	
Hemp	12 413		
Linen	884		
Nuts	236		
Wood	3 873	3 773	
Other plant-based fibers and materials	136		
ANIMAL MATERIALS			
Alpaca	290		
Beeswax	1 190		
Down	14 100	15 658	
Leather	92 206		
Silk	264		
Wool	40 635	57 980	20 441
MAN-MADE CELLULOSIC FIBERS			
Lyocell (e.g. Tencel)	2 038	3 123	
Modal		16 578	
Rayon	2 400		
Viscose	432		
Other man-made cellulosic fibers	1 939		
SYNTHETIC FIBERS			
Biobased synthetics (e.g. from crop, sugar)	1 935		
Elastane (e.g. Lycra, Spandex)	16 157		
Polyacrylic	3 689		3 661
Polyamide (Nylon, etc.)	287 527	52	84 629
Polyester	445 781		405 329
Polyethylene	3 654	6	
Polypropylene	128 451		
Polyurethane	13 715		
Polyvinyl chloride	368		
Thermoplastic Polyurethane	10		
Other synthetic fibers	6 059	192	
METALS AND INORGANIC COMPOUNDS			
Aluminum	43 545		7 119
Brass	28 920		
Copper	197		
Copper, Beryl.	46		
Glass	579		

MATERIAL USE – TABLE CONT. (ALL PRODUCTS) 2020

Materials	Amount conventional (kg)	Amount more sustainable (kg)	Amount recycled (kg)
Sintered Iron	19		
Stainless Steel	146 454	24 719	
Steel	150 867	44 776	
Titanium	169		
Other Metals and inorganic compounds	73 516		
FOAMS			
Polyethylene foam	19 722		
RUBBER			
Butyl rubber	73		
Chloroprene rubber (Neopren)	185		
Elastomeric polyurethane rubber	7		
Other rubber	100,924		
OTHER MATERIALS AND SUBSTANCES			
Batteries	12		
ePTFE	1 502		
Glue	39 990		
LPG Gas	224 946		
Mineral Spirirts (Various)	1 244		
Paints	84		
Paraffin	186 566		
Pentane/Heptane	13 592		
Silica Gel	35 483		
Silicone	1 316		
Solvents (Non-spec)	92		
Vinyon F	380 116		
Other materials and substances	4 630		
Acrylic	502		
Sorona		90	
Coconut Shell (post industrial waste from coconut food products, used for buttons)	64		
Polyacetal	0,03		
Polycarbonate	0,06		



backpacks). Our warehouses support the retail business in reusing as much packaging material as possible. We are aware that we need to strengthen our efforts, especially when it comes to reuse of packaging material. The warehouses play an important role in collecting and segregating our different waste streams and thus reclaimed and

recycled packaging waste, as required by law. In addition, apart from being warehouses for our normal B2B and B2C business, they also serve as hubs for the return of broken or unwanted products and to store products that have been called back from the markets. In 2020, around 12 per cent (10 per cent in 2019) of all e-commerce

shipments were returned for reasons of fit, double order and the like (this refers to all brands and products sold in our online stores based on shipments). The goods were checked and restocked; the rest of the products, together with respective returns from the B2B business, were destroyed and properly disposed.

As stated in our 2019 CSR Report, waste at the various locations we are operating in is hard to measure, as no unified system for waste management and assessment exists, and local standards are used for metric conversions. With the help of our digital reporting tool, data quality is improving, but most of the data sets are still based on estimates.

Animal welfare

As in previous years, we strive to improve animal welfare in our supply chains for down, wool and leather. In 2019 we updated our Down Promise Standard, and in 2020 we made our animal welfare policy publicly available on our website, <https://www.fenixoutdoor.se/wp-content/uploads/2020/01/2018-05-23-Company-Animal-Welfare-Policy.pdf>.

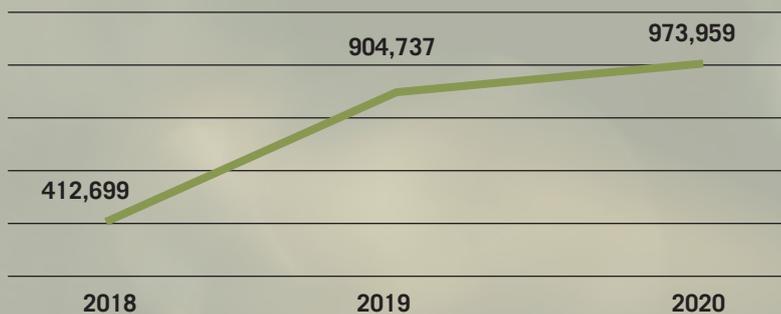
We continued our efforts in wool sourcing in Sweden, in using recycled wool, and continued our partnership in the leather supply chain in Germany and the Alps region. In part, we must rely on our partners to join our quest. Our strict standards lead to a very selective network of partners and to trusting partnerships.

Supply chain

During the past two years we increased our knowledge about environmental performance in our supply chain. Since our suppliers have been part of the GRI data collecting process and internal auditing since the very beginning, the adoption of the Higg Facility Environmental Module (FEM) enables us additionally to benchmark our supply chain performance with the industry. During 2020, we had an increase of 48 per cent of shared modules compared with 2019, and 36 per cent of them have been verified. With the help of our internal auditors from Leadertek we analyzed all shared modules. In total, our suppliers are in line with or slightly above the industry performance. The biggest improvement potentials have been coming mainly in the air emissions and chem-



**FRILUFTS RETAIL – TOTAL NUMBER OF A GREENER CHOICE PRODUCTS SOLD
(PER PIECE BASIS)**



Waste types	Total waste generated in kg	% of total waste	Disposal method
Paper and Cardboard	669 303	73	Reuse / Recycling / Incineration (with & without energy recovery) / Landfill
Plastic	41 273	4	Reuse / Recycling / Incineration (with energy recovery) / Landfill
Chemicals (hazardous)	431	0	Recycling
Chemicals (non-hazardous)	150	0	Recycling / landfilling
Metal	11 400	1	Reuse / Recycling / Landfill
Wood	49 205	5	Reuse / Recycling / Incineration (with & without energy recovery) / Landfill
Biodegradable waste	5 425	1	Reuse / Recycling / Composting / Incineration (with energy recovery) / Landfill
Residual waste	37 214	4	Composting / Incineration (with & without energy recovery) / Landfill
Mixed commercial waste	80 710	9	Reuse / Recycling / Composting / Incineration (with & without energy recovery) / Landfill
Glass	764	0	Reuse / Recycling / Landfill
Other	25 169	3	Reuse / Recycling / Composting / Incineration (with & without energy recovery) / Landfill
Other Hazardous (Batteries, ...)	862	0	Reuse / Recycling
Total	921 906	100,00	

ical sections. For 2021 we aim to get a better understanding of how to bring our findings to action and how the Higg FEM results can help us to make fact-based and more environmentally friendly decisions from the start of a production process. Next to that we have integrated certain environmental criteria into the screening process (“facility profile”) of new suppliers on the Tier 1 or Tier 2 level. This will help us right from the beginning to partner with suppliers, which are engaged with sustainability.

Conclusion

Over the past year we have made great progress in some areas, especially when it comes to understanding our data and the thorough analysis that enable us to make fact-based decisions. However, we do not yet have a full enough picture to claim we know it all. In 2021 we will be focusing on the environmental impact of our products, investigating the complex interaction of manufacturing processes and materials, functionalities and user applications as well as implementing better ways of target tracking and conclusion drawing. To achieve our targets for the coming years as published in the new Fenix Way, we need to improve

our data quality in specific areas (still mainly water and waste) that will allow us to report on them in full confidence. Since it is our intention to not leave a legacy or traces of irresponsibility behind and we have set more challenging targets for the 2025 strategy, we must move forward in a more considerate and conscious manner. We want to leave the base camp in a better shape than the moment we reached and found it. ●



An example of environmental activities in our supply chain:

One of our long-term partners (Zenpix Vietnam) producing for us in Vietnam has set up a solar system to supply full electricity for all its

operations. Currently, the facility uses 12 000 kWh of electricity per month. According to the Solar System Contractor, the system will produce 100 per cent of the electricity needed on just four full sunny hours a day. It is planned that the same system will also be rolled out to another new factory which is now being built.

Vietnam is one of the countries greatly affected by climate change. Examples like these show that change is already being driven by local businesses even without support from customers. ●

FACTSHEET
ENVIRONMENT 2020

ENERGY CONSUMPTION

INDICATOR	2020	CO ₂ e (t)	2019 (corrected)
Primary Energy (kWh)	3 697 212	985	5 807 013
Primary Energy (MJ)	13 309 981		20 905 247
Electricity (kWh)	15 696 505	1 412	19 460 572
Electricity (MJ)	56 507 418		70 058 059
District Heating (kWh)	2 477 784	440	2 545 238
District Heating (MJ)	8 920 022		9 162 857

CO₂e FROM BUSINESS TRAVEL BY MODE OF TRANSPORT (t)

MODE	2020	2019
 Car	556	552
 Bus	N/A	1
 Train	0,6	0
 Boat	0,1	0
 Air	434	1 345

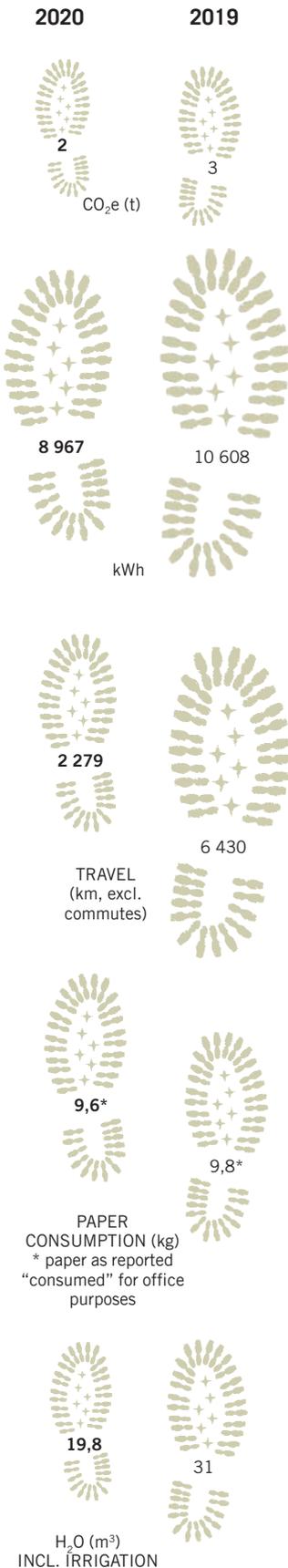
CO₂e FROM SHIPMENTS BY MODE OF TRANSPORT (t)

MODE	2020	2019
 Trucks	2 028	722
 Sea	470	308
 Air	2 530	2 234
 Other (train)	211	0,5

OTHER EMISSIONS (INCLUDED IN CO₂e CALCULATIONS) IN KG

EMISSION	2020	2019
NOx	14 286	13 906
SOx	12	n/a
CO	4 077	2 276
HFC	n/a	n/a
PM	253	218

OUR FOOTPRINTS PER CAPITA





3. ECONOMY – Staying healthy in challenging times

Our Group consists of three segments: Brands, Global Sales and Retail (Friluftts). Fenix Outdoor’s brand segment consists of six outdoor brands. The business concept of Fenix Outdoor is to develop and market high-quality, lightweight outdoor products through a selected retail network with a high level of service and professionalism, to end-consumers with high expectations. The CEO and executive chairman is Martin Nordin, eldest son of the founder Åke Nordin. Our goal for the Group is to achieve a minimum growth rate of

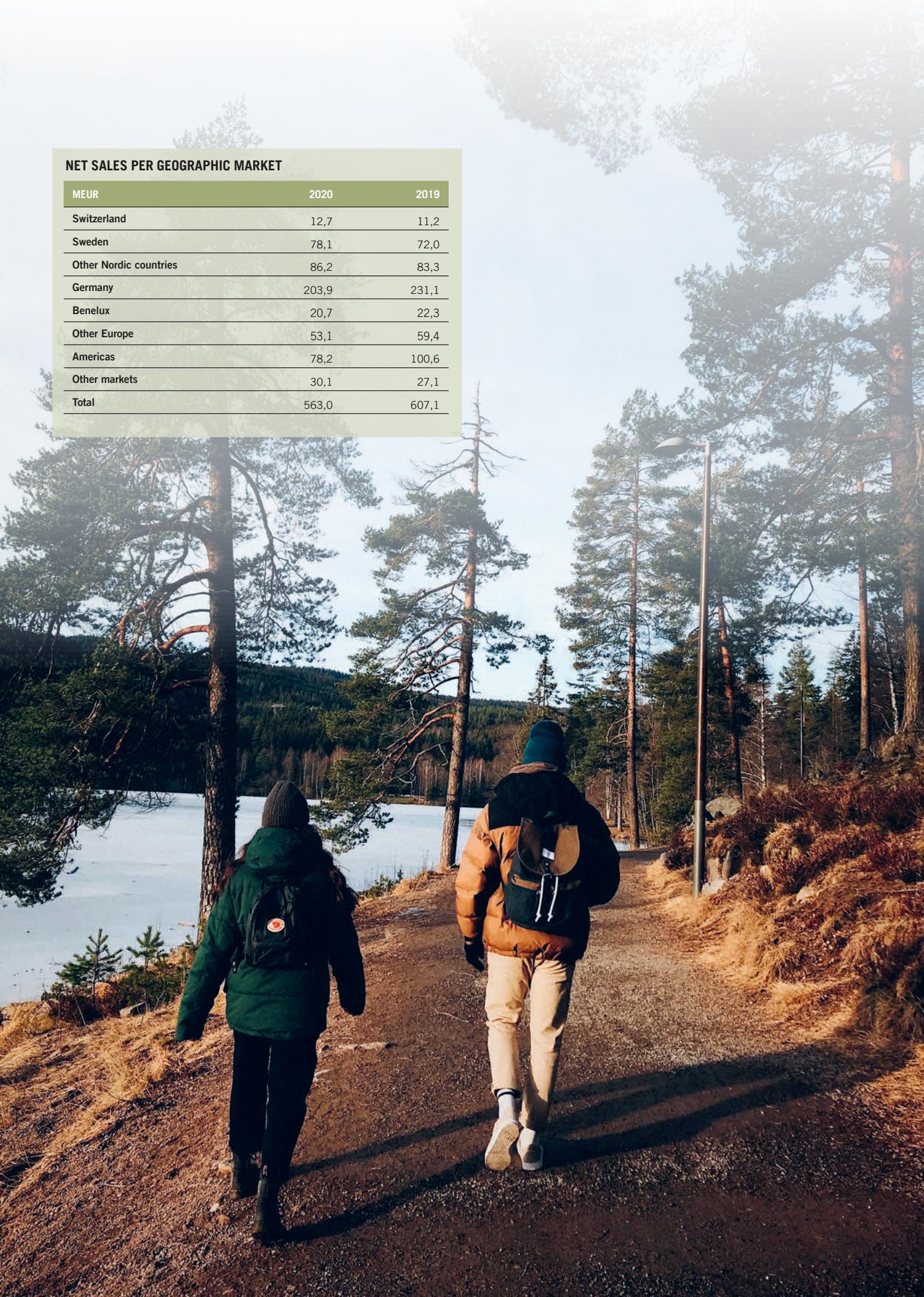
10 per cent per annum, keeping a consistent profit before tax of at least 10 per cent. To do so, Fenix Outdoor has adopted a two-fold approach: organic growth based on a strong retail network and brands known for high-quality products, as well as expansion through the acquisition of additional outdoor brands. Fenix Outdoor is a Swiss corporation, officially named Fenix Outdoor International AG and listed on the Stockholm Exchange OMX Nasdaq Large Cap. Four of the six Board members are independent of the com-

pany and its management group. Fenix Outdoor International AG is based in Zug, Switzerland, with its major operations located in Sweden, Germany, the USA, Norway, Finland, Denmark, Austria, Switzerland, the United Kingdom, the Netherlands and China. Our major markets correspond to the locations of the operations, showing the deep-rooted tradition of the brands and retailers. In 2020, subsidies in the amount of EUR 5 617 479 were received and taxes in the amount of EUR 20 569 533 were paid. ●

 <p>BRUNTON Brunton is a US brand known for innovations in compasses and portable power.</p>	 <p>Fjällräven is a leading European brand in outdoor clothing and equipment.</p>	<p>NATUR KOMPANIET</p>   <p>GLOBETROTTER</p>  <p>PARTIOAITTA</p>  <p>FRILUFTSLAND</p>	 <p>ROYAL ROBBINS Royal Robbins is a US brand known for its everyday and active outdoor apparel.</p>
 <p>Tierra is renowned for its high-tech clothing for demanding outdoor activities.</p>	 <p>SINCE 1921 Hanwag is a traditional European brand for technically advanced trekking, outdoor and alpine shoes.</p>		<p>Friluftts Our Friluftts Europe Retail AB segment consists of four retail chains: Naturkompaniet AB, which consists of 35 outdoor stores in attractive locations in Sweden; Partioaitta Oy, with 20 stores located in Finland; Globetrotter Ausrüstung GmbH in Germany with 16 high street stores and one outlet store; and Frilufttsland in Denmark, with 10 locations.</p>

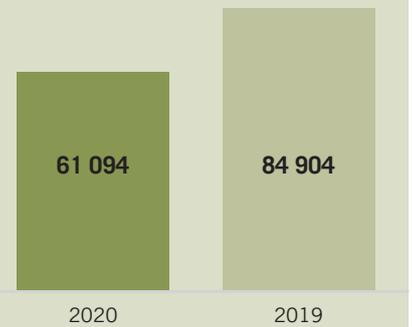
NET SALES PER GEOGRAPHIC MARKET

MEUR	2020	2019
Switzerland	12,7	11,2
Sweden	78,1	72,0
Other Nordic countries	86,2	83,3
Germany	203,9	231,1
Benelux	20,7	22,3
Other Europe	53,1	59,4
Americas	78,2	100,6
Other markets	30,1	27,1
Total	563,0	607,1

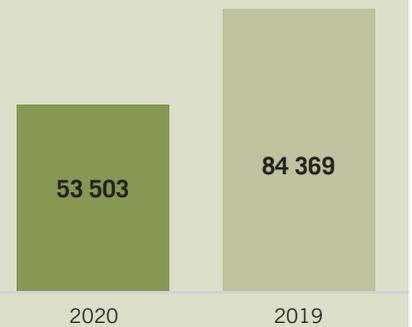




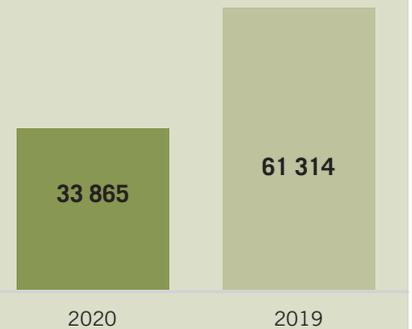
GROUP OPERATING PROFIT (TEUR)



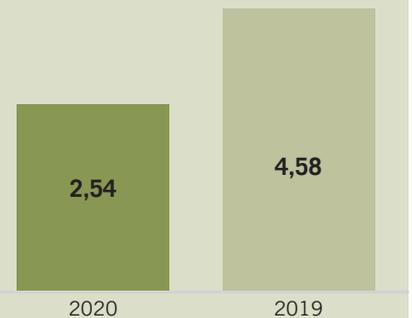
THE INCOME AFTER FINANCIAL ITEMS (TEUR)



GROUP NET PROFIT (TEUR)



EARNINGS PER SHARE (EUR)



CONSOLIDATION (IN TEUR)

Account	2020	2019
Total Net sales	562 973	607 138
Total other operating income	8 539	9 309
Suppliers and Services	353 112	373 523
Result of associated companies	211	1 434
Interest income	155	269
Interest costs	-416	-1 045
Total tax	-19 638	-23 055
Net P&L for the year	33 865	61 314
Salaries	83 380	89 854
Pension plan	5 008	3 994
Other social costs	5 639	16 913
Donations	746,7	777

FACT SHEET
ECONOMY 2020

MEUR	2020	2019	2018	2017	2016
INCOME STATEMENT					
Net sales	563,0	607,1	572,4	539,9	486,2
Depreciation/amortization	-48,9	-43,1	-14,2	-12,7	-13,1
EBITDA	110,0	128,0	102,6	97,6	73,6
Operating profit	61,1	84,9	88,4	84,9	60,5
Net financial income	-7,6	-0,6	0,1	-2,7	-1,9
Profit/loss after financial items	53,5	84,4	88,5	82,2	58,6
Tax	-19,6	-23,1	-21,1	-21,5	-10,4
Net profit for the year	33,9	61,3	67,4	60,7	48,2
BALANCE SHEET					
Fixed assets*)	255,0	250,4	119,2	100,6	79,4
Inventories	153,8	159,7	133,3	132,7	121,1
Accounts receivable - trade	38,2	45,1	42,9	39,8	39,9
Other current assets	13,7	10,3	5,4	4,9	4,8
Cash and cash equivalents, current investments	191,1	88,9	101,9	93,7	76,8
Total assets	651,7	554,4	402,7	371,7	322,0
*) From 2019 Fixed assets includes Right-of-use assets from adopting IFRS 16					
Equity attributable to the Parent Company's shareholders	353,7	319,1	285,6	230,8	186,7
Minority shareholdings	0,1	0,1	0,1	0,0	2,6
Provisions etc	16,1	15,9	13,0	13,8	9,5
Non-current liabilities, interest-bearing*)	138,8	100,4	12,0	1,9	0,0
Other non-current liabilities	0,7	1,4	1,0	1,0	
Current liabilities					
Interest-bearing*)	56,5	47,8	12,9	50,7	52,2
Non-interest-bearing	85,8	69,7	78,1	73,5	71,0
Total equity and liabilities	651,7	554,4	402,7	371,7	322,0
*) From 2019 Interest-bearing includes Lease liabilities from adopting IFRS 16					
CASH FLOW					
Cash flow from operating activities	110,0	61,4	79,1	68,6	51,6
Cash flow from Investments activities	-21,6	-23,1	-31,6	-36,6	-11,8
Cash flow after investments	88,4	38,3	47,5	32,0	39,8
KEY RATIOS					
Change in sales, %	-7,3	6,1	6,0	11,0	7,8
Profit margin, % (From 2019 including IFRS 16 effects)	9,5	13,9	15,5	15,2	12,0
Return on total assets, % (From 2019 including IFRS 16 effects)	9,3	18,3	23,3	24,6	19,9
Return on equity, %	10,1	20,3	26,1	29,1	28,8
Equity/assets ratio, %	54,3	57,6	70,9	62,1	58,0
AVERAGE NUMBER OF FTE EMPLOYEES	2 439	2 476	2 492	2 270	2 128
DATA PER SHARE					
Number of shares, thousands, as of December 31	35 060	35 060	35 060	35 060	35 060
Gross cash flow per B-share, EUR	7,57	7,76	6,06	5,45	4,55
Earnings per B-share, EUR	2,54	4,55	5,01	4,51	3,58
Equity per B-share, EUR	32,33	23,71	21,43	17,15	13,87
Market value as of December 31, EUR	102	112	84	99	71
P/E ratio	33	25	17	22	20
Dividend per B-share ¹⁾	1,49	-	1,17	1,02	0,84

DEFINITIONS: EBITDA: operating profit, excluding depreciation and write-downs of tangible and intangible assets. PROFIT MARGIN: Profit/loss after financial items as a percentage of net sales. RETURN ON TOTAL ASSETS: Profit/loss after financial items plus interest expenses as a percent of average total assets. RETURN ON EQUITY: Net income as a percent of average equity. EQUITY/ASSETS RATIO: Equity as a percent of total assets. GROSS CASH FLOW PER SHARE: Profit after tax plus depreciation/amortization divided by average number of shares. EARNINGS PER SHARE: Net profit divided by average number of shares. EQUITY PER SHARE: Equity divided by average number of shares. P/E ratio: Market value at year-end divided by profit per average number of shares.

¹⁾ To be approved by the AGM





4. SOCIETY – Staying connected and close

Focus on staying in touch in a pandemic time

The year of 2020 has been quite different from previous years. As described earlier, the pandemic hit us in various ways and at different stages of our business, and our supply chain was also affected. But like other companies, Fenix Outdoor found ways to shift personal contact into a more digital direction and therefore could sustain a good connection with all people the company interacts with, be it business partners as suppliers, retailers and service providers or our customers and civil society groups.

The well-known Fenix Way Management Compass® is our tool to guide us in addressing all tasks with a balanced and well-considered view. To keep employees and business partners abreast of the latest trends and developments, and to provide deeper insights and understanding of our strategic approach, internal digital workshops have been set up to support employees making the right decision. We have widened the scope by taking the United Nations' Sustainable Development Goals (SDG) into account. In

the cardinal direction Society of our Fenix Way Management Compass®, topics arise such as decent work (SDG No. 8), which should lead to fair compensation, diversity at the job environment (SDG No. 5, gender equality, and No. 10, reduced inequalities) and quality education (SDG No. 4). Sustainability remained a fundamental aspect of our company culture even though our employees could not get together in person for almost one year. The outcomes of the SDG workshops and further ones will be integrated into the CSR strategy in 2021.

To remain a responsible actor within our supply chain and to apply a precautionary approach, we decided that no component of our products shall come from Xinjiang, China. For our own Fenix brands, all our suppliers had to sign an attachment to our Code of Conduct along these lines. In that initiative we followed the recommendation of the Fair Labor Association (FLA), of which we are an accredited member. We have always followed a no-tolerance policy when it comes to forced labor

and massive discrimination against minorities. The same applies for Fenix retail: A ban was put on all products and services from Xinjiang and we informed all brand suppliers to make sure that no product from that region enters the Friluftss Retail assortment.

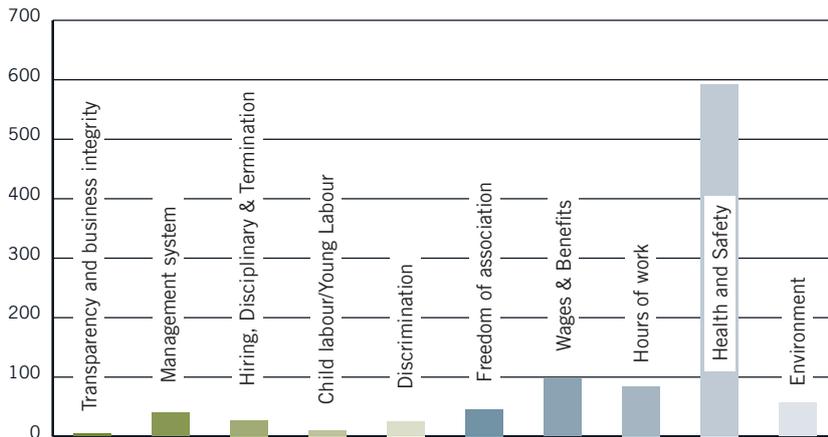
Regarding the relationship with our suppliers in production, we have a set up a clear due diligence process which follows the United Nations Guiding Principles on Business and Human Rights as well as the OECD Due Diligence Guidance for Responsible Business Conduct. Following these documents, the UN Global Compact and our own set of rules, we identify, try to prevent and mitigate actual and potential adverse impacts in our supply chain. Next to our audit system, which is described further below, Fenix Outdoor orients its production by its own country risk evaluation. This contains different factors around corruption, human rights and environment risks as business opportunities. We believe that we can only control so much, but we need to have confidence in the sys-

COUNTRIES VISITED BY SOCIAL AUDITORS IN 2020

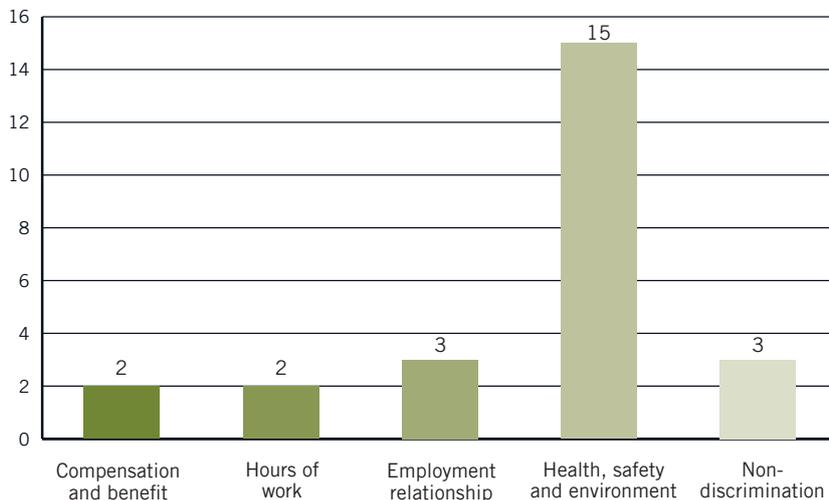


Audit scope in 2020

SOCIAL COMPLIANCE AUDIT FINDINGS PER TOPIC IN 2020



FLA AUDIT FINDINGS FROM ONE FACTORY IN 2020 IN VIETNAM (in this methodology Environment forms part of the Health and Safety part)



tem of the country where we are doing business.

For our retail operations we developed an approach for the brands in the assortment to identify risks and to evaluate the level of sustainability integration. Taking all relevant international standards and conventions like the before-mentioned OECD Guidance into consideration, this due diligence comprises three areas: commitment and governance, social responsibility and environmental management. In 2020 we tested it with four brands and plan to roll this out further in 2021.

By doing so, we trust that we are in a good state when further human rights due diligence legislations are being ratified by the EU, Germany, or other countries.

When it comes to our own social compliance set-up, our auditing team, Leadertek, performs audits in China and Vietnam on a regular basis and is complemented by a third party – the ELEVATE Group – to conduct audits outside Asia. Even though travel was more difficult in 2020, we visited our supply chain partners according to the Fenix Outdoor/FLA standards. Out of 188 registered active Tier 1 suppliers (status January 2021) in our database, we have re-audited or newly audited 74 for environmental and social aspects in the previous year. With that we covered 39% of our supply chain (2019: 40%). The screening comprises health and safety and human rights aspects. We expect our suppliers to achieve a certain level in our methodology and we help them to reach this level. If we face any violations, we will not stop to find acceptable solutions with our supplier, and in the worst case we will have to end our relationship. For that we have built a fair process to end a relationship at least nine months before next shipment (exceptions could lead to shorter termination).

The FLA conducted one surveillance audit on a randomly selected factory in Vietnam. The result of all audits are published on the FLA website (https://fla.fairfactories.org/fla_files/pdf_files/AN0000000605_2020.pdf). Our internal auditor team is constantly in touch with the audited suppliers to be on track with the improvement plans. The FLA is firm of all Tier 1 suppliers and asks all members to update their data every year.

When analyzing our audit results,

we see that we have once more a high level of findings in Health and Safety, Wages and Benefits, and Hours of Work. Here we will need to set our focus in 2021 and ensure that suppliers are aware of the reasons behind those findings to protect their workers from any kind of risk.

Next to our normal audit procedure, our audit team has investigated the Covid-19 steps taken by the factory to protect their employees. The assessments provided by our partner ELEMENTE showed very satisfying results.

As we are a member of the Sustainable Apparel Coalition (SAC), we need to fulfill certain requirements. Five out of six brands, the private label Friluftst and our retail company Friluftst Retail AB have completed the updated version of the Higg Brand and Retail Module (BRM). The results can be requested by brands, other retailers and suppliers on the Higg Index platform. There were no critical issues but there were areas where we can improve in the next round. This assessment will be conducted on a yearly basis.

Looking at the SAC's BRM from the Friluftst Retail perspective, we integrated it in our supplier agreement. We recommend that brands use the Higg BRM or an equivalent tool and make the results available to us. Should this not be done, we request that the respective brand supplier answer a set of sustainability-related questions. Through the Higg platform we asked outdoor brands that are members of the SAC to share their modules with us. As this is a first-time opportunity, we will strive to see more adoption and sharing in 2021.

When it comes to the modules concentrating on suppliers, we have gained a higher rate of Higg Facility Environmental Modules (FEM). Since 2017, 87 Higg FEMs have been shared with us. Of those, 55 modules covered data from 2019.

Next to the environmental focus, there was an update to the Higg Facility Social Labor Module (FSLM): a score was integrated. Since 2019, 10 of our factories have shared their modules with our brands. To support this approach and avoid audit fatigue, Fenix Outdoor has decided to join the Social and Labor Convergence Program (SLCP), which forms the basis of the Higg FSLM and which we hope will put an end to competition when it

comes to the areas of labor and human rights. For more information of the SLCP, visit www.slconvergence.org.

The year 2021 will be the first year in which we will ask our suppliers if they have filled out a Higg FSLM 2020/2021. If so, and the module is being shared with the brand, we will either set up our own verification through our audit team from Leadertek or request verification by a third-party auditing firm. If there is no Higg FSLM available, we will continue with our regular audit approach. We will actively share the Higg trainings with our suppliers to explain the reasons behind the modules and hope to increase the number of participants in the coming years.

Another focus topic in 2020 was the assessment of wages of workers in the factories we work with. The FLA requires their members to collect those data from at least 5 per cent of its supply chain to meet their 2020 Fair Compensation Strategy requirement. Fenix has achieved 13 per cent from major suppliers in China, Vietnam and Lithuania. Only one factory meets the Asia Floor Wage Benchmark, though all factories pay significantly above the national Minimum Wage. Almost all factories pay above the Poverty Line Benchmark. With these data, we can work on a strategy when it comes to the living wage debate. In general, Fenix Outdoor's suppliers outperform the industry averages.

To equip our employees with more knowledge to work on issues such as wages, we rolled out a CSR Webinar series in 2020 especially to colleagues in production, purchasing and R&D departments. In 2020 we covered the following topics:

- Social compliance – our set-up
 - Responsible purchasing and production practices
 - Sustainable materials.
- More will follow in 2021.

Besides visiting our supplier by auditors, we have rolled out an assessment and invited our partners to share insights with us on a voluntary basis. The assessment in 2020 was conducted by 60 suppliers (Tier 1, Tier 2 and Tier 3). When it comes to social topics, this is what we found out:

- 51 said they established activities to assure human health at the workplace

- 37 suppliers have set up internal trainings about our grievance mechanism for their staff (→ here is still a lack that needs to be solved in the future)
- 33 suppliers trained their security staff about human rights topics
- 21 factories said they attended capacity trainings on such topics as Occupational Safety and Health, Train the Trainer, Introduction for New Workers, Collective Bargaining Agreements, First Aid, Fire Protection, Prevention of Infection at the Workplace, Climate Positive Workshops, RSL and Chemical Control, Rights and Responsibilities of Trade Union and Management in Industrial Relations, and the Higg Index
- 46 suppliers offer their employees bonuses that are not legally required: clothing, financial bonuses, accident, health or unemployment insurance, transportation to the factory, children's education, employee celebrations or free meals.
- 28 suppliers use the Higg tools such as FEM or FSLM.

The Covid-19 pandemic had such an enormous influence on everything that we added the question of how it affected our partners, and 46 suppliers replied. The main effect was order cancellations, which led to:

- Smaller production lines
 - Worker illnesses
 - Worker retrenchment
 - Temporary capacity reductions in summer months by closing factories or reducing working hours
 - No further development process on styles
 - Increasing lead times
 - Payment pending
 - Shipment pending
 - Delays down the chain, such as material delivery
 - Overall less turnover
 - New products: face mask production
- All these developments are still ongoing for some factories.

We would like more information on how our brands reacted on the pandemic, so we have created a special section: *How did Fenix brands handle the Covid-19 crisis?*

Our colleague *Klas Bäckman*, Product and Sourcing Manager at Primus, can luckily say that the Corona-

Interview with Donna Bruns, Global Product Director at Fjällräven International AB



When Fjällräven became aware of the Covid-19 outbreak in Asia, what did that mean to you and the business?

As in all types of crisis, the first focus of the team was to assess the situation in the markets and along the supply chain. We were concerned mostly about keeping everyone safe.

Were there any delays communicated from suppliers or other issues they were facing?

Not too many delays in general, since most of our suppliers seemed to be well informed by their government on how to take action to keep the spread to a minimum. Of course, there were many challenges, but we set priorities with our partners on the products we should focus on first.

Many of our suppliers reported high concern for canceled orders coming in from other partners.

We had to close some of our retail locations due to national lockdown restrictions. Did you think of canceling orders?

Yes, but we saw the risk that if we all canceled orders due to lockdowns then we would run the risk that our suppliers and their sub-suppliers would be forced to lay off workers or worse, not be around when this was over.

If you did not cancel orders, how did you manage the situation?

We talked to some key production partners to get their advice and collaborate on the best way to handle this so that they could stay healthy

and quickly ramp up again once this was over. We concluded the best thing to do is to keep all orders. Due to our strong financial situation we got the OK to risk the very high stock levels that this would cause. Our suppliers also helped us avoid cash flow issues on our side due to our retail partners canceling their orders and allowed us to pay 50 per cent at shipment of goods so they could pay their people and 50 per cent 90 to 120 days later.

What have you learned, on a business but also a personal level, from this pandemic? Would you do anything different?

I think this has been a humbling experience for us all. We formed a trust with our partner/suppliers that was far deeper than we had prior to this. I feel we have always had a quite close dialogue and relationship with them, but here we all had to take care of each other, and we understood that we were all connected. No one was left out or above the effects of this pandemic.

Would I do something different?

I guess based on what I know now that I didn't then, I would plan from the start for it not to end but instead to plan for a second and third wave. But as before, we are talking to our partners and making adjustments every day to make sure we keep a healthy balance in our supply chain.



virus did not have a significant negative impact on business functionality. Primus has some production sites in China, but as the national lockdown in China came during the Chinese New Year holidays, after which there is always a slow start, the changes were not that big compared with other years. Sales in the upcoming season were even higher than in other years, which led to a higher demand for Chinese production sites. This was a win-win situation. There was work for Chinese factories, which were suffering from reduced demand due to the global crisis, and Primus could meet its demand. But why was demand higher? Probably because many people started spending more time outdoors when indoor activities with other people were discouraged. The Primus team learned quickly to cope with digital tools and had a good team spirit and luckily no short-term contracts. Still, communication and social ties within the company suffered, as almost everybody was working from home. There were fewer if any business trips and flights for Primus employees, which on the one hand contributed to reduced emissions, but on the other hand complicated the transparency and control over the supply chain and the production sites.



For Stefan Jerg, Head of Production and Purchase and Deputy Managing Director and the whole team of our shoe brand Hanwag, the quarantine started at the end of February when some employees visited a fair in Milan.

From the beginning of March, the official lockdown started with emergency plans including instructions on who could be where and when. Production sites in Croatia and Hungary were temporarily closed or saw reduced activity. As financial state aid was more complicated in Hungary, Hanwag started to produce masks at the production sites there. This allowed employees to stay busy and also contributed to fighting the spread of the Coronavirus. The masks were then distributed to Fenix employees, the volunteer fire department and others.

The Covid-19 pandemic challenged Hanwag and brought some difficulties, but it also allowed the company to rethink existing structures and invest in a better digital infrastructure.

The Corona virus appeared at the end of 2019 on the Asian continent and spread within a few months all over the globe. It affected life negatively on many levels: health care systems are overloaded or at the limit of their capacity, personal lives are restrained due to working from home, social distancing and recommendations to stay home, and economies are struggling on the national and global levels. Nevertheless, one cannot neglect that the virus also brought some positive effects. In many situations it strengthened solidarity among people, allowed a load pause for the environment and natural habitats due to less traffic, and it made people rethink existing systems and structures.

Even though case numbers are still not going dramatically down, life has regained a certain amount of “normality.”

Our journey to more internal transparency continues

From a start in 2019, we have continued our journey on internal transparency by tracing our products down the supply chain. Knowing and sharing our Tier 1 supplier list on our Fenix Outdoor website, we are digging deeper and working on our Tier 2 level and beyond. The goal is to increase current knowledge over all tiers, to know everything from raw materials to the finished product. To do so, Fenix Outdoor has partnered with a blockchain technology system to trace the products along the supply chain. Currently we are focusing on our textile brands.

Since we could not do trainings in person, we started inviting our suppli-

ers to online trainings, and 48 suppliers attended them. In 2020 we started tracing 190 styles and by doing so identified 66 new suppliers on the Tier 3 and Tier 4 levels. We see that involving our partner into our vision is the key to success.

We have just started with this journey, so we hope to gain much more knowledge of our supply chain over the years to come.



Engaging by donations

As in past years, our retailers and brands supported a variety of non-profit organizations with donations of money or products.

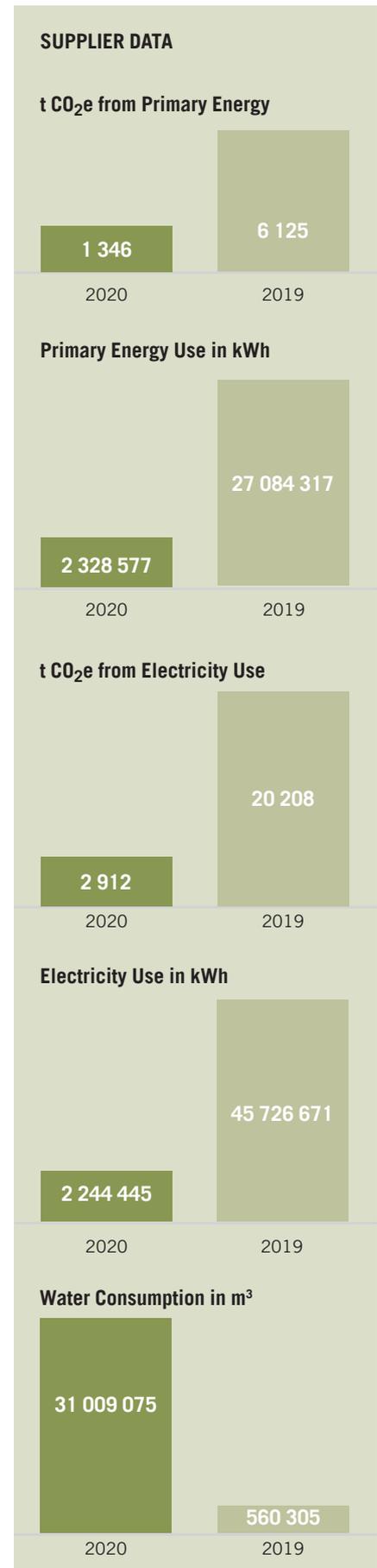
To mention a few: The German Ramblers Association (Verband Deutscher Gebirgs- und Wandervereine e.V.) received donations from Fjällräven's “Arctic Fox Initiative” (<https://press.fjallraven.com/en/press-release/arctic-fox-initiative-2020.html>) and through “Green Week” (instead of Black Friday) at the German retailer Globetrotter. Naturkompaniet's and Partioaitta's large and growing customer club again contributed to local nature conservation. One per cent of members' total purchases is donated to various Swedish and Finnish nature and environmental conservation projects in the form of the Nature Bonus:

<https://www.naturkompaniet.se/naturbonusen/tidigare-vinnare/>

<https://www.partioaitta.fi/365klubi/ymparistobonus/2020/>

The WWF Finland has also received support in preserving the Arctic fox in its natural environment. In the US our firms supported nonprofit organizations such as Gyrl Wonder and the Explorers Club to address the important discussion around the Black Lives Matter movement.

We are also active in the countries where we have active business and support local initiatives. In total we have donated EUR 746 700. ●



Since 2020, all consumption figures in relation to production volume

Our most sustainable products in 2020

Every year our brands try to renew existing products with more sustainable fibers or engineer new products with sustainable features. Here are the highlights from the past year:

FJÄLLRÄVEN

Kånken Re-Wool

It is a special edition Kånken, made from a combination of G-1000 HeavyDutyEco S and a wool mix fabric that consists of 80 per cent pre-consumer recycled wool from Prato, Italy, and 20 per cent recycled nylon for enhanced strength. The weave type is called Melton and is known for its durability and weather-resistant qualities. The wool is mainly pre-consumer leftovers that's color sorted, shredded and re-spun, so it saves water and energy as there is no need to re-dye it. To sum up: The Kånken Re-Wool uses up a "waste material" with great features for high quality and durability.



FRILUFTS

FRILUFTS Fetlar Down Coat

The filling is made from RDS-certified duck down. It uses the PFC-free WR impregnation. The outer fabric is made of recycled polyester and the inner fabric out of recycled nylon. Our retailer certified it as A Greener Choice!



PRIMUS

Essential trail stove

The essential stove was born from the idea of making an accessible stove for everyone. Primus removed unnecessary functions and parts while still making a robust and high-performing product, with the same burner technology used in our top-end stoves and long-lasting materials, assembled under strict quality control in its own factory in Tartu, Estonia. Moreover, the essential trail stove can be easily separated into parts when it comes to recycling. All this at a price point where you normally only find no-name brands.



TIERRA

Tierra Templet Mid-Layer Series

For FW20 Tierra continued the development of biobased products adding a series of mid-layer in merino wool – TENCEL™ Lyocell mix. This series is produced through a Swedish supplier who is knitting the fabric in Sweden, outside Borås, and the garments are sewn and assembled in Latvia.

The wool is RWS certified and the TENCEL™ Lyocell is from certified FSC resources – for the moment the most trustworthy certification existing in regard to forestry with a well-established supply chain.

Wool is a highly functional, regulating fiber that can keep its warming ability during wet conditions. The Lyocell helps the moisture transportation and also makes the fabric softer. Wool also keeps odor away with its natural antibacterial function and does not need to be washed as often as synthetic fibers. Often it's enough to ventilate the garment outside especially if the air is a bit damp since then the wool fiber can self-clean.



ROYAL ROBBINS

Expedition Shirt

In 2020, Royal Robbins worked to update its best-selling adventure shirt, the Expedition, from virgin polyester to 100 per cent recycled polyester for a spring 2021 relaunch. This was a massive effort by our team, converting 10 shirts across men's and women's styles to recycled fabric while maintaining the function, feel and look that our users have come to expect in an Expedition shirt. By switching to recycled polyester for the Expedition Ripstop, we were able to reduce energy use in material production by 51 per cent and CO₂ emissions by 59 per cent. Each shirt upcycles about eight 600-milliliter bottles, keeping waste out of landfills or oceans and eliminating the need to extract fossil fuels for virgin material.

The brand built upon the success of the program by adding five Expedition Pro styles, also made with 100 per cent recycled fabric. The Expedition Pro fabric uses about four bottles per yard and has a special yarn texture that allows for stretch in the warp and weft without adding elastane. This makes recycling the garment at the end of its life easier.

HANWAG

Tatra II GTX

In 2020 Hanwag analyzed all upper materials to gain deeper knowledge of used PFCs. After doing so, Hanwag changed its main upper material to make it PFC-free.

The collection has been restructured to:

1. PFC-free
 2. PFC-free with the exception of the GTX lining
 3. PFC-free in certain components of the upper material.
- For the collections SS21 and



FW21/22 Hanwag only developed new styles for categories 1 and 2.

The material of the inside soles has been changed from PES Fleece to 60 per cent recycled fleece.

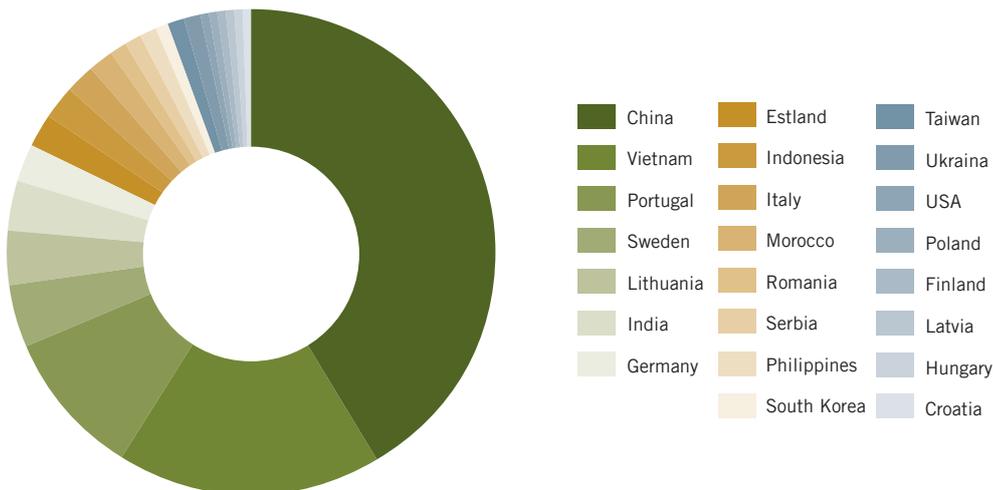
Hanwag's sustainability goals are to produce more and more products without any PFCs (category 1), to use a higher amount of recycled material, to shorten transportation lines and to have fair labor practices by producing only in certain countries in Europe.

FACT SHEET SOCIETY 2020

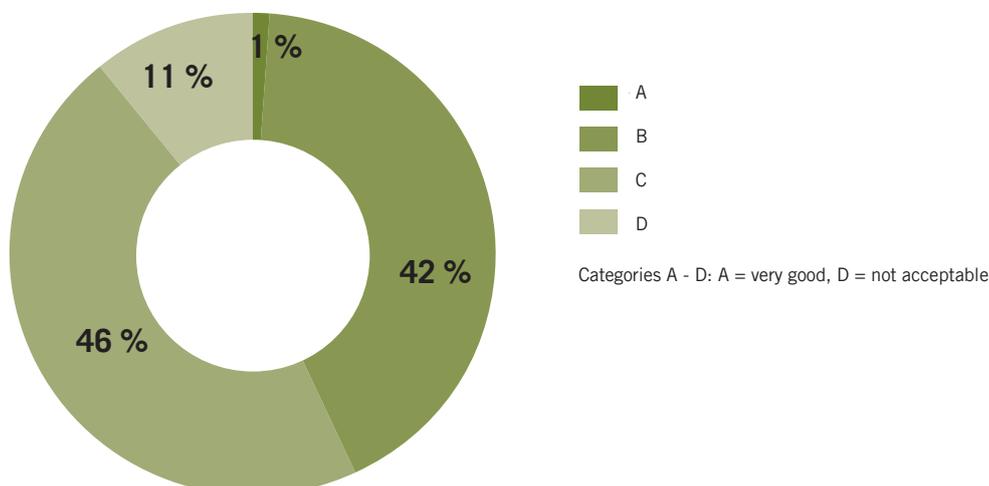
Indicator	2020	2019
Stakeholder Engagement	Individual interaction, issue based	Individual interaction, issue based
Human Rights (HR) assessments	39% (new)	94 %
Product Labels/ Violation of Safety Regulations	0	0
Training re: Cases of Corruption	Not specified in 2020	Not specified in 2019
Cases of Corruption	0	0

Society Contribution	2020 (€ or hours)	2019 (€ or hours)
Charity and Community (incl. Foundations)	746 700	777 888
In-kind Contributions (gifts etc.)	48 000	24 000
Training for Suppliers	15 hrs	36 hrs
CSR investment	1 146 000	991 243
Other	Global virtual nature experience events	> 3 000 people brought into nature events

OVERVIEW OF SUPPLIERS BY SOURCING COUNTRY



OWN AND EXTERNAL AUDIT RESULTS IN GRADES 2020





5. WELL-BEING: Distancing in a Pandemic – growing closer together

As a team, we stay together.

In 2020, Fenix Outdoor employed 2 439 FTEs in our various entities. This is a decrease of about 1,5 per cent over 2019 (2 476 FTEs^{rep}). Most of our employees are permanently employed (about 72 per cent), though we employ seasonal workers in retail and warehouse operations during peak seasons and in our manufacturing operation in the USA during student holidays (about 28 per cent). As stated in previous reports, the use of non-regular staff is not a Group-wide policy, but is a flexible response to seasonal demands and local specifics. Collective bargaining agreements throughout the Fenix Group do not exist. In Sweden, Norway, Austria and Finland, we follow a scheme that is built on national agreements. In Germany, most

staff are represented by workers' councils and collective agreements. In other locations local and national schemes exist, which in parallel follow the respective trade union-negotiated agreements for the industry. This being said, we can claim that around 82 per cent of our employees are covered by collective agreements.

Our policy is to promote equal opportunities for men and women, and our Board expressly demands equal opportunity recruitment into managerial positions. The proportion of female middle managers that Fenix Outdoor currently employs is 41,6 per cent (2019: 39,5 per cent), while the proportion of women in top management positions is 24 per cent (2019: 20 per cent). Our Board is 17 per cent female.

The staff turnover rate in 2020 over all operations including the retail business is difficult to assess for the year 2020. Due to shop closures, short-time work or furloughs during the long lockdown periods and due to the prolonged Chinese New Year and the closing of our production in China, several employees resigned or went on furlough looking for different streams of revenue. Based on the data received, the turnover rate was about 38 per cent (2019: 31 per cent). However, the spread when looking at segments and entities is enormous. While the retail businesses in Europe saw a reasonably stable turnover rate of 30,5 per cent, turnover rates in Asia and the US varied between 60 and 72 per cent. In many other entities the turnover

rate was 0 to 8 per cent. The ratio between females and males leaving Fenix Outdoor rose to 1,7:1 F/M (2019: ratio 1,1:1 M/F), meaning that roughly 63 per cent of staff members leaving were females. All eligible staff members are entitled to parental leave (i.e., parents with children under a certain age level); the definition differs from country to country, so an overall percentage value cannot be established. For our biggest operations we have established that out of 65 eligible and affected employees (2019: 93), 32 returned after 12 months (2019: 46), while 38 stayed beyond a 12-month period, but this data is not very reliable as there were parents who became parents again and left again or stayed away longer than 12 months. Therefore, we are unable to assess how many of those who did not return after 12 months prolonged their leave (e.g., to have a second child).

At Fenix Outdoor, it is important for us not only that employees keep abreast of the latest developments and knowledge, but also that they have an opportunity to develop themselves. Fenix Outdoor significantly increased the online training opportunities for our colleagues. However, due to the lockdown and its side effects, the average number of training hours changed dramatically. In 2020 we provided each employee with an average of 10,7 hours in personal and technical training (2019: 30 hours per staff member), including training on CSR and compliance (n = 2 507). The trainings were given to female and male employees in equal amounts. The training enables us to remain flexible, well educated and skilled. We also intend for the training to inspire people and build up their qualifications for their current or new tasks. Fenix Outdoor continued its Trainee Program for young professionals, now called Global Graduates. We hired four new global graduates in 2020. The original program started in 2011 with three management trainees. Next to that, we support our employees who want to develop their education, such as achieving MBAs.

Working hours and wages

We do not exceed locally agreed limits on working hours. Fenix does not require employees to exceed the legal limits on hours of work, and we think that at a minimum we should adhere to the International Labor Organiza-

tion conventions regarding rights at work, and apply them to both internal and external service providers. Our wage levels are competitive, and we offer several benefits to our staff. These differ from entity to entity and depend on legal or negotiated frameworks. The figures given on the accompanying fact sheet need to be interpreted with some caution. First, wage entry levels vary around the globe. In a country like Switzerland, the minimum wage level equals the entry level. However, this cannot be compared to the wage levels in Asia, where in general we pay approximately twice the minimum wage as an entry-level wage. Therefore, it requires thorough analysis to properly compare the data which we intended to start doing in 2020 by using FLA's living wage tool. However, we did not go forward with this idea for internal operations in 2020 due to the pandemic side effects. We will hold on to the idea during 2021 but are not very confident of implementing it before 2022/23.

A good work-life balance is important to Fenix Outdoor, and on a case-by-case basis we encourage our employees to participate in outdoor activities. In most locations (business operations permitting) we offer flexible working hours, and in special cases – as we were more or less forced to do in 2020 on a global scale due to Covid-19 – we let people work from home or from a remote location. This forms part of our precautionary approach. Fenix Outdoor strives to take a non-discriminatory approach by paying equal wages to men and women, and by exceeding the minimum wage levels where possible. We hire local managers for the operations.

Health and safety in the workplace

Our employees' safety is paramount for Fenix Outdoor. We do not accept hazardous equipment, unbearable surroundings or unsafe premises. Most of our staff members operate under German, Swedish, Dutch, US and Finnish legislation, and the companies in our Group comply with national laws. The workplace should be safe and hygienic, and we take effective steps to prevent potential accidents and to minimize health risks as much as possible, particularly in our factories and logistical operations. Safety awareness is always a priority for us, and safe working procedures should be under-

stood and implemented daily by everyone working in the factory. We ensure there are safety and handling instructions for operational equipment. Based on the reports received (retail and production) a total of 12 days (compared with 19 days in 2019) were lost due to absenteeism. There was one work-related injury recorded (2019: 58). No fatalities or work-related diseases were reported. However, cases of work-related illness rose to 35 (mainly back pain and impaired vision due to long work in front of a computer screen).

Workplace, work-life balance and employee support

Every year Fenix Outdoor offers its employees a chance to experience the outdoors and learn something about nature survival skills and the handling and functioning of our equipment while having a great time outdoors together. In some instances, participation in these events is part of the development curriculum or even mandatory. Nevertheless, most of our staff members are already active outdoor enthusiasts. To allow them to participate in outdoor activities and achieve a good work-life balance, individual arrangements are made between supervisors and their staff members. The Fjällräven Classic (offered in Sweden, the USA, Denmark, Germany and Hong Kong) and Fjällräven Polar, as well as the Hanwag Alpine Experience, are the events that our employees, customers and business partners most commonly participate in. However, all those events had to be virtual in 2020. We therefore encouraged our colleagues to share their outdoor activities and experiences through our Teams-HR website. Many colleagues also shared their Covid-19 "out in nature" pictures with the CSR Team after a call for participation in our newsletter and during some webinars that our CSR Team held for all employees. When discussing the SDGs in our internal webinar series, we also addressed several goals that have a strong but not exclusive relationship to the cardinal direction "Well-being" of our compass. In particular SDGs No. 3 (good health and well-being), No. 4 (quality education), No. 6 (clean water and sanitation), No. 8 (decent work and economic growth) and No. 10 (reducing inequalities) were mentioned by our colleagues and have been or will be turned into programs and activities over the coming years. ●

Summary from the Group Compensation Report

The Compensation Report of the Annual Report 2020 contains details of the total compensation paid to members of the Board of Directors and the Senior Executives. In accordance with the Ordinance against Excessive Compensation in Stock Exchange Listed Companies, which came into force on January 1, 2014, the Annual General Meeting of Shareholders votes to approve the compensation of the members of the Board of Directors and the Senior Executives. The following is an excerpt from the Annual Report 2020.

Principles

The Board of Directors of Fenix Outdoor International AG determine guidelines for remuneration to senior executives at market terms, enabling the company to recruit, develop and retain senior executives. The remuneration consists of a fixed salary, pension and other benefits. Total remuneration is to be at market rate and reflects the areas of responsibility of the Senior Executive and the complexity of their role. In addition to the fixed salary component, Senior Executives are also eligible to receive variable compensation, which is related to the achievement of sales and profitability targets. For Sen-

ior Executives, variable remuneration is a maximum of 50 per cent of their basic annual salary. Compensation is not to be paid in the form of stock options or other share-related incentive programs. The details of the report can be found in the Annual Report's Audit Report.

Board of Directors

Compensation overview: Board of Directors. At the AGM held in May 2019 the AGM approved a maximum total compensation for 2020 to the Board of Directors of TEUR 1 400. The compensation paid in 2020 was totally TEUR 921, last year TEUR 1 123. There is no variable compensation paid to the Board of Directors, except for Martin Nordin as Chairman. In 2020, Martin Nordin received no bonus. Two directors of the board, Rolf Schmid and Ulf Gustafsson, invoiced consultant fees for support given to the Fenix Outdoor Group. Mr. Schmid, through a company controlled by himself, RS Mandate AG, and Mr. Gustafsson, through a company controlled by himself, Consilo AB.

Martin Nordin holds 18 300 000 A-shares and 242 568 B-shares, Susanne Nordin 20 000 B-shares and Sebastian von Wallwitz 100 B-shares. No other Director of the Board holds any

shares in Fenix Outdoor International AG as per December 31, 2020.

Senior Executives

At the AGM held in May 2019 the AGM approved a maximum total fixed compensation for 2020 to the Senior Executives of TEUR 2 500. A total of TEUR 1 780 was paid out in fixed compensation in 2020. No variable compensation to the Senior Executives was distributed in 2020.

In the reporting year, no collateral or guarantees were granted to Senior Executives or the Directors of the Board. The highest individual compensation was given to Martin Nordin. No compensation was paid to former Board of Directors or Senior Executives.

No variable compensation relating to 2020 accrued

No variable compensation for the Board of Directors is proposed. The Executive Chairman is normally entitled to a bonus, based on return on total assets for the Fenix Outdoor Group.

The base is the average repo rate, set by the European Central Bank, for the relevant calendar year plus 10 %. The base + 1 % gives an extra monthly salary; the base + 2 % gives a fur-

ther monthly salary, up to 6 monthly salaries. In 2020 the average repo rate was -0,5 %. The return on total assets in year 2020 was 11,3%. For 2020 Martin Nordin thereof is entitled a bonus of 1 month salary. The Board has suggested no distribution of variable compensation for the Board of Directors or Senior Executives in 2020.

The President, Alexander Koska, is entitled to a bonus based on return on total assets for the Fenix Outdoor Group. In 2020 the average repo rate was -0,5 %. The return on total assets in year 2020 was 11,3%. For 2020 Alexander Koska is thereof not entitled to any bonus.

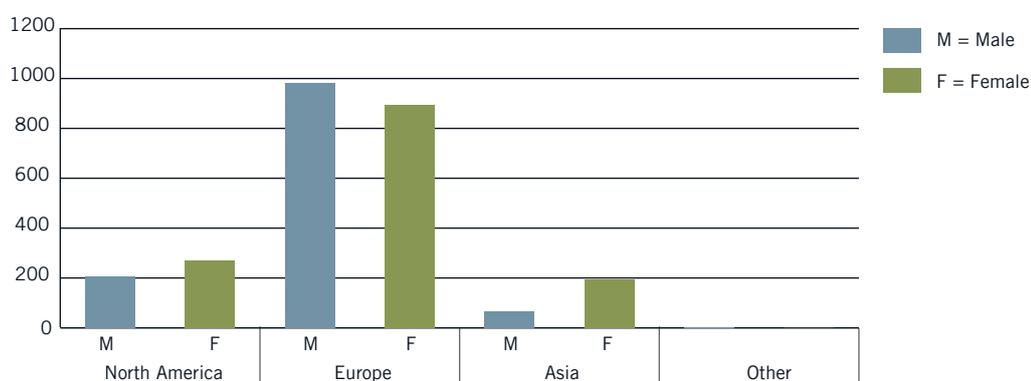
The salary ratio between the highest-paid individual in the company and the average payment in the lowest-paid staff category is 47:1 (excluding interns and apprentices); the ratio to the average salary level dropped to 11,8:1. The ratio of pay raises is difficult to establish. The total compensation of the President dropped 26 per cent, while the average drop for all employees was 5 per cent (see table below). In general, bonus payments are excluded from the assessment. The ratio between the highest-paid individual in the company and the annual median compensation of all employees is 17:1. ●

COMPENSATION DEVELOPMENT 2016 – 2020 (Base salary, bonus and remunerations)	2016	2017	2018	2019	2020
President	453	459	479	509	377
Change		1%	4%	6%	-26%
Other employees (based on FTE statistics)	72 046	77 698	84 407	89 346	83 820
Change		1%	-1%	7%	-5%
FTE	2 128	2 270	2 492	2 476	2 439

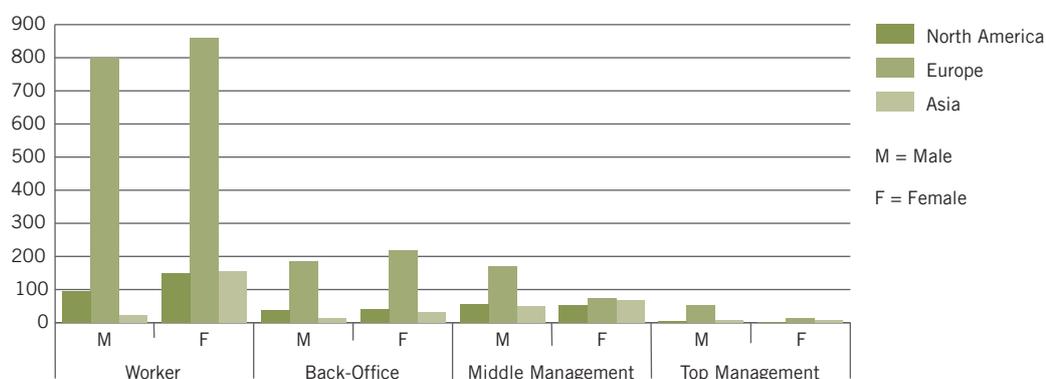
FACT SHEET
WELL-BEING 2020

Indicator	2020	2019	2021 Goal
Child Labor	0	0	
Health and Safety	1 entity	2 entities	
Health and Safety audits in suppliers	all audited suppliers	> 90 %	
Training and education	50	30	
Staff Member Survey	var (5 surveys by HR & CSR)	N/A	

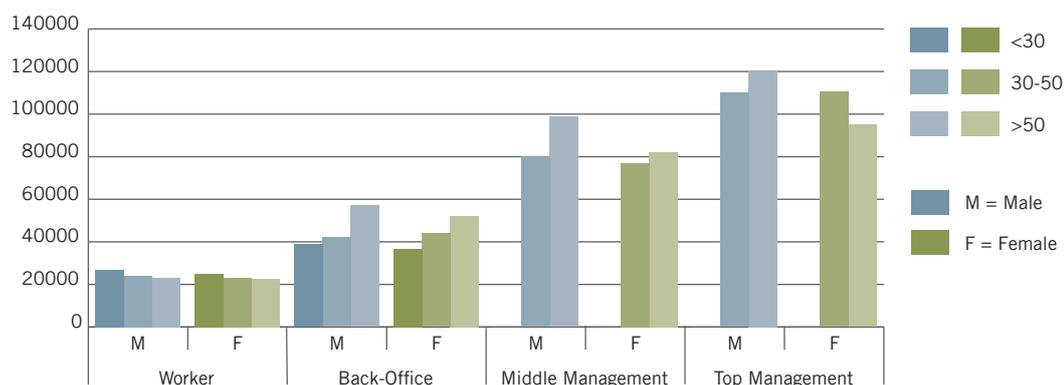
STAFF DISTRIBUTION BY GENDER



DISTRIBUTION OF STAFF BY GENDER AND CATEGORY PER REGION

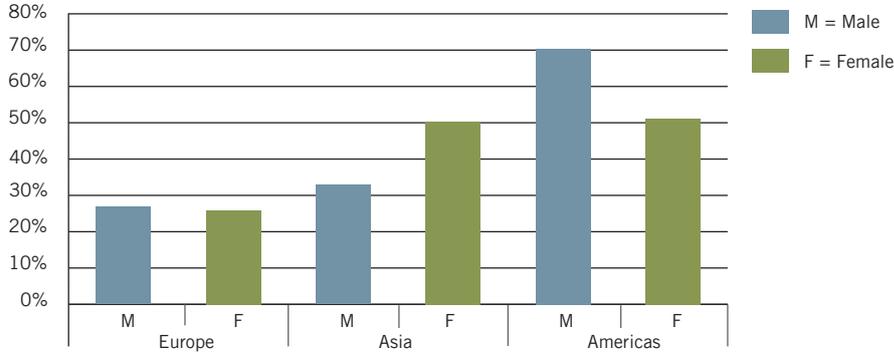


AVERAGE INCOME LEVELS PER AGE GROUP, GENDER AND STAFF CATEGORY

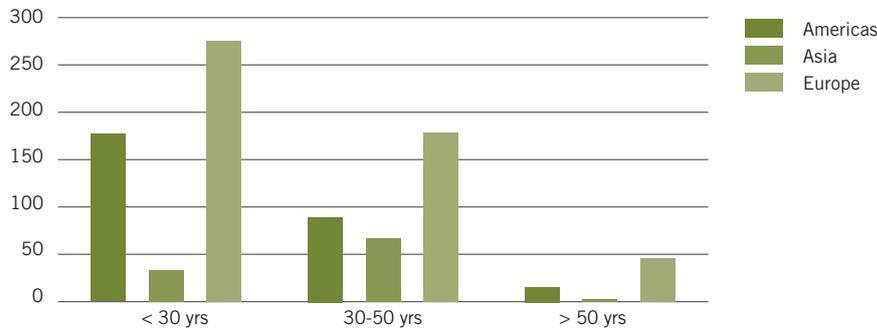


FACT SHEET WELL-BEING 2020 (CONT.)

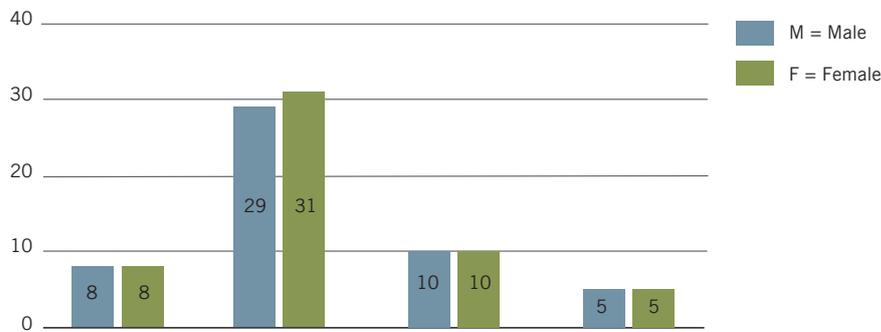
STAFF TURNOVER PER REGION AND GENDER



STAFF FLUCTUATION BY AGE GROUP



RATIO TRAININGS FEMALE/MALE PER JOB CATEGORY



**TOTAL TRAINING HOURS INVESTED:
CA. 21 637 HOURS (ALL ENTITIES, ALL EMPLOYEES)**

COMPENSATION BOARD OF DIRECTORS 2020 TEUR	Base salary	Benefits and other remuneration	Consultant fee	Pension contributions	Social costs	Variable compensation related to and accrued in 2020.	Total	Total in TCHF EUR/CHF 1,0707
Martin Nordin, Executive Chairman	467	29	-	14	58	-	568	609
Susanne Nordin	154	5	-	5	13	-	177	188
Ulf Gustafsson	-	19	48	-	-	-	67	71
Mats Olsson	-	19	-	-	-	-	19	20
Sebastian Von Wallwitz	-	19	-	-	-	-	19	20
Rolf Schmid	-	19	53	-	-	-	72	77
Total	621	110	101	19	71	-	921	985
Total fixed compensation	621	110	101	19	71	-	921	985

6. REPORTING: We continue to uphold our commitment to transparency and corporate responsibility.

Global reporting initiative

Fenix Outdoor is pleased to present its 2020 Sustainability Report. We always strive to engage our stakeholders and want to uphold our commitment to transparency and corporate responsibility. Our sustainability reporting takes place on an annual basis.

This report is based on the internationally recognized Global Reporting Initiative (GRI) standards, and the principles of the UN Global Compact. It covers the Group companies that are included in the consolidated financial statements. The GRI Standard in its most recent version is applied throughout. We report in accordance with the comprehensive reporting level, but we have not sought external verification.

The GRI Content Index lists the indicators as defined by the GRI Standard as far as it has been applied. Material topics addressed were raised in Fenix Outdoor's Materiality Matrix. The respective indices are easy to find with page references, and there are further comments for those who need any clarifications. The previous Sustainability Report was published in April 2020, and we will continue to publish on an annual basis for the foreseeable future.

Report methodology

The reporting period is the business year 2020. The report also discloses information on key events and data from the previous years for comparison. If at the time of publication the final figures of 2020 were not yet available, comparable annual figures for 2019 or a comparable time range of 12 months (e.g., October 2019 to October 2020) have been used as the basis for calculation. Certain data sets are constantly used with a year's delay (e.g., heating figures for stores in Germany). These are marked accordingly in the report wherever possible. As some data are location- and market-specific but have been summed up, the indication of data not corresponding with the actual business year is not possible. Some data only refer to a portion

of the business year since the location was not in operation for a full 12-month period or closed due to the Covid-19 pandemic. For a couple of smaller sales location as well as gas consumption for one Globetrotter store and our Hanwag production site in Vierkirchen, Germany, data are spread over the year. Water data has been refined, as some data has never been metered and hence represents a conservative consumption assumption. Where no specification for electricity consumption data was available, the country average mix was used. Since not all emission factors were available for all locations for the recent year, older data sets were also used, preferably from publicly available scientific or governmental sources. However, the most recent conversion factors are used. In contrast to the annual report, the CSR Report also includes data from all Chinese locations (JV) and integrated data (as far as available) where suppliers are working exclusively for Fenix Outdoor. Subsequently, personnel data sets are also on a different basis than in the annual report. Relevant CO₂e emissions from some exclusive suppliers have been included in the offsetting data. Some emission factors were calculated internally. Some data have been extrapolated and estimates are based on a conservative behavioral assumption (e.g., per capita data from statistical handbooks for the respective region or country). Hence, some data are likely to be overstatements. The reporting entities cover more than 99 per cent of the corporate value generation and 99 per cent of the Group's employees. However, where needed, calculation and extrapolation of data was done in order to give a fair and realistic picture and to represent the aforementioned coverage.

In most instances we used the overall FTE average given in the annual report. For some data (e.g., water consumption and emissions from travel or staff training hours) FTE data is not suitable, so we used headcounts or internal survey results. Where other bas-

es for calculations are used, this is stated separately (e.g., n = x, where x is the reference group size).

Around 75 per cent of the nonfinancial data is checked internally and all financial data is checked externally, giving a reasonable yet still not fully satisfactory level of confidence for all information provided in this report.

Transportation figures and CO₂e emission data were supplied by travel agencies, shipping companies and external service providers, as well as suppliers. They therefore constitute a reasonable overview of Scope 1, 2, and 3 emission data. In this report we have fully relied on the accuracy of these sources' data collection and checked only for the data's plausibility. In the USA, Sweden, the Netherlands and Germany we relied increasingly on our own data sets, which are available through our IT system. The calculation of emissions data was based on the Greenhouse Gas Protocol wherever possible; German and Swedish locations showed the actual energy mix on the invoices or the information was communicated directly by the supplier (reference year: 2019). The fleet information was provided by shipping companies and internal sources. In some cases, assumptions were made based on the fuel consumption of certain locations. Data on business travel and commutes were calculated on available information within the Group and provided by individual staff members and carriers.

Other bases of calculation are stated separately. Data for economic factors and personnel information cover all of the Group's consolidated companies. If not listed in full-time equivalent (FTE) numbers, details concerning employee structure are based on numbers of employees. Both refer to the cut-off of data (December 31, 2020) unless otherwise indicated. Capture efficiency is more than 90 per cent. However, data on seasonal staff and interns are only available in an overview list, so no analysis of this staff group was possible. ●

GRI STANDARD CONTENT INDEX 2020

Indicators		Reference page or comment	Status
	Organizational Profile		
GRI 102-1	Name of the organization	pages 4, 22	■
GRI 102-2	Activities, brands, products, and services	pages 22	■
GRI 102-3	Location of headquarters	pages 4, 22	■
GRI 102-4	Location of operations	pages 22, 23	■
GRI 102-5	Ownership and legal form	pages 22, 36	■
GRI 102-6	Markets served	page 23, 24	■
GRI 102-7	Scale of the reporting organization	pages 22, 39	■
GRI 102-8	Information on employees and other workers	pages 34, 35, 37, 38	■
GRI 102-9	Supply Chain description	pages 6, 27, 28	■
GRI 102-10	Significant changes to the organization and its supply chain	pages 4, 6, 22, 27, 28	■
GRI 102-11	Precautionary principle or approach	pages 7, 8, 13	■
GRI 102-12	External charters, principles or initiatives	pages 6, 7	■
GRI 102-13	Membership associations	pages 6, 7	■
	Strategy		
GRI 102-14	Statement from senior decision maker	page 3	■
GRI 102-15	Key impacts, risks, and opportunities	pages 7 - 10	■
	Ethics and Integrity		
GRI 102-16	Values, principles, standards, and, behavioral norms	pages 4, 6, 10	■
GRI 102-17	Mechanism for advice and concerns about ethics	pages 10	■
	Governance		
GRI 102-18	Governance structure	pages 4, 6, 22, 36	■
GRI 102-19	Process for delegating authority for sustainability topics from the board to senior executives and other employees	pages 4-7	■
GRI 102-20	Executive-level responsibility for economic, environmental and social topics	pages 4-7	■
GRI 102-21	Stakeholder consultation process on economic, environmental and social topics	pages 7, 8	■
GRI 102-22	Composition of the board and its committees	page 36; see also Annual Report 2020	■
GRI 102-23	The chair of the board is also an executive officer	page 36	■
GRI 102-24	Nominating and selecting the highest governance body	page 36, according to law	■
GRI 102-25	Board conflict of interest	page 36, according to law	■
GRI 102-26	Role of the board in setting purpose, values and strategy relating to sustainability impacts	pages 4, 6	■
GRI 102-27	Board knowledge of sustainability issues	pages 4, 6	■
GRI 102-28	Board performance with respect to governance of sustainability issues	n/a	■
GRI 102-29	Board role in the identification and managing economic, environmental and social impacts	pages 6-10	■
GRI 102-30	Board role in reviewing effectiveness of risk management processes for sustainability areas	pages 4, 6	■
GRI 102-31	Frequency of boards review of sustainability impacts, risks and opportunities	pages 4, 6	■
GRI 102-32	Highest committee or position that formally reviews and approves the organizations sustainability report	pages 3, 4, 6	■
GRI 102-33	Process for communicating critical concerns to the board	pages 3, 4	■
GRI 102-34	Nature and total number of critical concerns that were communicated to the board	page 4	■
GRI 102-35	Remuneration policies for the board and senior executives	pages 4, 6	■
GRI 102-36	Process for determining remuneration	page 36	■
GRI 102-37	Stakeholders involvement in remuneration	page 36	■
GRI 102-38	Ratio of the annual total compensation for the organizations highest paid individual to the median annual total compensation of all employees	page 36; limited confidence	■
GRI 102-39	Ratio of percentage increase in annual compensation for the organizations highest-paid individual to the median percentage increase in annual total compensation for all employees	page 36	■
	Stakeholder Engagement		
GRI 102-40	List of stakeholder groups	page 7	■
GRI 102-41	Collective bargaining agreements	page 34	■
GRI 102-42	Identifying and selecting stakeholders	pages 8, 9	■
GRI 102-43	Approach to stakeholder engagement	page 8	■
GRI 102-44	Key subjects and concerns raised during stakeholder engagement	pages 8, 9	■
	Reporting practice		
GRI 102-45	Entities included in the consolidated financial statements	pages 22, 24; see also Annual Report 2020	■
GRI 102-46	Defining report content and topic boundaries	page 39	■
GRI 102-47	List of material topics	pages 8, 9	■
GRI 102-48	Restatements of information	see Chapter 2, Factsheet page 21	■
GRI 102-49	Changes from previous reports	page 39	■
GRI 102-50	Reporting period	page 39	■
GRI 102-51	Date of most recent report	page 39	■
GRI 102-52	Reporting cycle	page 39	■

Indicators		Reference page or comment	Status
GRI 102-53	Contact point for questions regarding the report	page 43	
GRI 102-54	Claims of reporting in accordance with the GRI standards	no such claims	
GRI 102-55	GRI content index	pages 40 - 42	
GRI 102-56	External assurance	no such assurance	
Management Approach			
GRI 103-1	Explanation of the material topic and its boundary	pages 4 - 10	
GRI 103-2	The management approach and its components	pages 4 - 10	
GRI 103-3	Evaluation of the management approach	pages 4 - 10	
Economic Performance			
GRI 201-1	Direct economic value generated and distributed	pages 24, 25	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	pages 10, 13 - 15	
GRI 201-3	Defined benefit plan obligations and other retirement plans	pages 24, 36, about 66 %; see Annual Report 2020	
GRI 201-4	Financial assistance received from government	page 22	
Market Presence			
GRI 202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	page 35; M/F 1:1, ratio EL/Min 1:1 to 2,2:1	
GRI 202-2	Proportion of senior management hired from the local community	page 35; 95 %	
Indirect Economic Impacts			
GRI 203-1	Infrastructure investment and services supported	n/a	
GRI 203-2	Significant indirect economic impacts	page 10	
Procurement Practices			
GRI 204-1	Proportion of spending on local suppliers	100 %, not formalized	
Anti-Corruption			
GRI 205-1	Operation assessed for risks related for corruption	100 % of new operations	
GRI 205-2	Communication and training about anti-corruption policies and procedures	routine training	
GRI 205-3	Confirmed incidents of corruption and actions taken	0 (page 10)	
Anti-competitive behavior			
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	0 (page 10)	
Materials			
GRI 301-1	Material used by weight or volume	pages 15 - 17	
GRI 301-2	Recycled materials used	pages 15 - 17	
GRI 301-3	Reclaimed products and their packaging materials	pages 15 - 17	
Energy			
GRI 302-1	Energy consumption within the organization	pages 14, 21	
GRI 302-2	Energy consumption outside the organization	pages 14, 21, 29	
GRI 302-3	Energy intensity	page 21	
GRI 302-4	Reduction of energy consumption	page 14	
GRI 302-5	Reductions in energy requirements of products and services	pages 13, 14	
Water			
GRI 303-1	Water withdrawal by source	page 15	
GRI 303-2	Water sources significantly affected by withdrawal of water	page 15	
GRI 303-3	Water recycled and reused	page 15, 16	
Biodiversity			
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	n/a	
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	n/a	
GRI 304-3	Habitats protected or restored	n/a	
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	n/a	
Emissions			
GRI 305-1	Direct (Scope 1) GHG emissions	pages 14, 21	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	pages 14, 21	
GRI 305-3	Other indirect (Scope 3) GHG emissions	pages 14, 21	
GRI 305-4	GHG emissions intensity	pages 14, 21	
GRI 305-5	Reduction of GHG emissions	page 14	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	no such substances	
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	page 21	
Effluents and waste			
GRI 306-1	Water discharge by quality and destination	page 15, 16	
GRI 306-2	Waste by type and disposal methods	page 15 - 17	
GRI 306-3	Significant spills	none	
GRI 306-4	Transport of hazardous waste	none	
GRI 306-5	Water bodies affected by water discharges and/or runoff	page 15, 16	

Indicators		Reference page or comment	Status
	Environmental compliance		
GRI 307-1	Non-compliance with environmental laws	none	■
	Supplier Environmental Assessment		
GRI 308-1	New suppliers that were screened using environmental criteria	100 %	■
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	pages 10, 27 - 29	■
	Employment		
GRI 401-1	New employee hires and employee turnover	pages 34, 35, 37	■
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	pages 34 - 37, diverse systems; staff clothing in retail	■
GRI 401-3	Parental leave	page 35	■
	Labor/Management Relations		
GRI 402-1	Minimum notice periods regarding operational changes	according to law or workers agreements	■
	Occupational Health and Safety		
GRI 403-1	Workers representation in formal joint management-worker health and safety committees	according to law	■
GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	page 35	■
GRI 403-3	Workers with high incidence or high risk of diseases relating to their occupation	page 35	■
GRI 403-4	Health and safety issues covered in formal agreements with trade unions	according to laws and risk assessments	■
	Training and education		
GRI 404-1	Average hours of training per year per employee	pages 35, 38	■
GRI 404-2	Programs of upgrading employee skills and transition assistance programs	page 35	■
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	var.: between 0 and 100 % in various entities	■
	Diversity and Equal Opportunity		
GRI 405-1	Diversity of governance bodies and employees	pages 34, 35	■
GRI 405-2	Ratio of basic salary and remuneration of women to men	1:1 nominal; between 1,2 to 0,71: 1 absolute	■
	Non-discrimination		
GRI 406-1	Incidents of discrimination and corrective actions taken association and collective bargaining may be at risk	0	■
	Freedom of association and collective bargaining		
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	specific countries (repr. 70 % of suppliers)	■
	Child Labor		
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	0	■
	Forced or compulsory labor		
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	0	■
	Security Practices		
GRI 410-1	Security personnel trained in human rights policies or procedures	n/a	■
	Rights of indigenous peoples		
GRI 411-1	Incidents of violations involving rights of indigenous peoples	n/a	■
	Human Rights Assessment		
GRI 412-1	Operations that have been subject to human rights reviews or impact assessment	Asian operations	■
GRI 412-2	Employee training on human rights policies and procedures	routinely all every year	■
GRI 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	n/a	■
	Local Communities		
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	all operations at their own discretion (page 32)	■
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	n/a	■
	Supplier Social Assessment		
GRI 414-1	New suppliers that were screened using social criteria	100 %	■
GRI 414-2	Negative social impacts in the supply chain and actions taken	pages 28, 32, 33	■
	Public Policy		
GRI 415-1	Political contributions	0	■
	Customer Health and Safety		
GRI 416-1	Assessment of the health and safety impacts of product and service categories	done routinely	■
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	0	■
	Marketing and Labeling		
GRI 417-1	Requirements for products and services information and labeling	risks mainly with Primus and in retail business; regular checks	■
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	page 10	■
GRI 417-3	Incidents of non-compliance concerning marketing communications	page 10	■
	Customer privacy		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	0	■
	Socioeconomic Compliance		
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	0	■

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PHOTOS

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Page 34-35: Several private pictures from Fenix Outdoor employees

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FENIX

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