

Declaration of conformity 2022

for use as non-financial declaration in accordance with
the CSR Directive Implementation Act

Fenix Outdoor International AG

Indicator set

GRI SRS

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prepared according to
CSR Directive
Implementation Act

This declaration of conformity has been reviewed
by the Sustainability Code Office and verified as
complete in accordance with the CSR Directive
Implementation Act.

Indicator set

The declaration was drawn up in accordance with the following reporting standards:

GRI SRS

Reporting obligation:



prepared according to
CSR Directive
Implementation Act

This declaration of conformity has been reviewed by the Sustainability Code Office and verified as complete in accordance with the CSR Directive Implementation Act.

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The reporting company is responsible
for the information provided.

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General

General Information

Describe your business model (including type of company, products / services)

Fenix Outdoor International AG is a group of companies that produces (brands) and markets (brands retail and retail) high quality outdoor equipment (garments, hardware, tents, sleeping bags, stoves etc.) to outdoor enthusiasts around the globe.

CRITERIA 1–10: SUSTAINABILITY POLICY

Criteria 1–4 concerning STRATEGY

1. Strategic Analysis and Action

The company declares whether or not it pursues a sustainability strategy. It explains what concrete measures it is undertaking to operate in compliance with key recognised sector-specific, national and international standards.

Fenix Outdoor has laid out its principles and sustainability strategy in the wellknown [Fenix Way](#), a guidance document, mandatorily used in decision taking in the company. Our material impacts on the environment and people according to our Fenix Management Compass® are those described in our materiality matrix. Generally, we can say that any type of human action in a developed society has negative and positive impacts on all aspects of life: we use physical resources which need to be created or grown, change or convert them and add value, combine them, transport them, pack and finally sell them. We regularly assess, evaluate and mitigate our negative impacts and foster the positive ones as described in our [CSR report](#). While the different brands have different roots, the group itself originated in Örnsköldsvik, Sweden, where Fjällräven was founded and had its former headquarters. According to our compass we address the cardinal direction Nature (environmental impacts, materials, climate change, biodiversity, water consumption, waste and effluents), Economy (growth and revenue margin, new business fields like second hand, rental, repair and care), Society (supply chain (environmental and social aspects), wages, diversity, human rights) and Wellbeing (HR management, animal welfare). We apply the GHG Protocol to address our climate impact (and vice versa).

2. Materiality

The company discloses the aspects of its business operations that have a significant impact on sustainability issues and what material impact sustainability issues have on its operations. It analyses the positive and negative effects and provides information as to how these insights are integrated into the company's processes.

The Materiality Matrix of Fenix Outdoor International AG received some adaptation in 2021 but stayed untouched in 2022. We address the areas: Social Compliance/Human Rights; Employees; Customers and Community; Relationships; Climate Change/Action; Environment; Animal welfare; Circularity/Transparency/Traceability; Products (and their materials); Basic Corporate Development (new business models).

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, the transport, sales, use and repair of our products until they truly 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, which 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. On 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 through addressing the recommendations we have received from our partners at the FLA. To meet the upcoming Corporate Sustainability Due Diligence regulation, we have made changes in how to organize duties when it comes to human rights responsibilities. We have announced that the CSO is also taking the responsibility to be the group wide Human Rights Officer. That position is complemented by the Global Sustainability Director for Fenix Outdoor brands, the human rights coordinator working in that particular team and the social compliance staff covering audits and remediation with supplier. As climate change is a global challenge, we address the importance of climate mitigation and positive climate action. In 2022 we continued to dive deeper into our Scope 3 emissions, which we are now capturing and calculating more and more. The transport-related activities are under constant scrutiny, including looking at the optimization of planning and shipping.

All suppliers working with Fenix Outdoor brands must adhere to our Restricted Substances List (RSL, which is also used as the MRSL, or Manufacturing

Restricted Substances List). We update our chemical guidelines on a yearly basis, reflecting the latest scientific research and following our own precautionary and proactive approach going beyond the current and coming legal requirements. The Fenix Outdoor Chemical guideline promotes phase-out of hazardous substances as materials and acts as a guide to less hazardous alternatives. The Fenix Outdoor guideline also includes a testing matrix supporting the supplier in regard to risks in different types of substances and materials.

For 2023 we are planning a supplier webinar linked to the launch of the updated 2023 version of the Chemicals guideline. The goal of the webinar is to share background information regarding newly added substances and support chemicals management for our suppliers. During the past year we have been sharing chemicals topics, such as substances of concern, potential new regulations and other chemical-related topics of interest, in the Fenix Outdoor sustainability newsletter for suppliers. This increases the transparency and makes sure that both our business partners and our organization can proactively work toward safer and more sustainable products. We have also consolidated and streamlined the testing process for all textile brands under the Fenix Outdoor umbrella, including microfiber shedding tests according to the standard developed by the Microfibre Consortium (TMC). The latest version of the RSL can be accessed on our website.

In 2022, Fenix Outdoor continued consolidating as well as addressing certain weaknesses in some of our business units. Digitalization continued, but bigger investments and evaluations were needed to move ahead. Currency devaluation in certain countries and inflation led us to re-evaluate speed and direction in some projects, but generally we profited from various opportunities. Unlike many other actors in the market, Fenix Outdoor brands were able to reconfirm their reputation as reliable brands that deliver goods on time. This reputation led to increased demand in several product categories. In addition, the reopening of stores and services enabled us to also restart our business in the traditional brick-and-mortar stores while the online business continued to grow throughout the year with a dip in Q4. Due to the unbroken trend for "staycation" and outdoor experience close to home, the demand for outdoor products continued to be high. Certain weather conditions in Scandinavia led to good seasonal sales starts. Climate change remained a serious issue, and the catching up on taking vacations in some regions of the world as well as still disrupted supply chains led to a regrowth of air travel and air shipments. Climate-related changes affect our operations directly, such as through the extremely mild winter weather, reducing demand for warm clothing, or in the foreseeable future through the interruption of transportation and communication infrastructure and the impact on owned or contracted production sites. Although no legal requirements for our industry are in place for now when it comes to industry-specific climate protection efforts, more regulations with respect to a company's greenhouse gas emissions and carbon pricing are underway in general. We are affected by increasing carbon pricing for fossil fuels due to our self-operated locations (mainly production and retail)

and increasing operational costs. Carbon pricing mechanisms and national emission trading systems are and will be more and more implemented in our main markets (EU and US). The concrete financial impact of climate change effects on Fenix Outdoor Group cannot be quantified at the moment. However, most of our supply chain partners are in the global south (>60%). This region is in general more vulnerable to climate change effects than the global north. Changing weather conditions and increasing frequency and severity of extreme weather events (floods, storms, water scarcity and droughts) can lead to loss of harvest, thereby threatening our raw material sourcing of, e.g., cotton or hemp, destroyed homes and unsafe circumstances for our supply chain partners. Reduced production capacity, government-imposed shutdowns for energy-saving purposes and closures due to the pandemic can also lead to disruptions in our product supply, increased costs and delayed deliveries. Independent from production capacity but depending on changes in weather patterns, our warehouses, especially in Asia, might not be accessible due to floods or heavy storms. Such factors have an impact on the whole industry, so we see not just a company-specific risk but a greater one. A study by the ILO shows that large swathes of apparel-producing areas in Asia will be underwater by 2030. This may also affect our suppliers in the Ho Chi Minh area of Vietnam. The EiQ Assessment tool from ELEVATE helps us to assess environmental risks in our production countries. Our own operations are not located in short-term critical or vulnerable areas. Costs for adaption strategies, such as more air conditioning and rainwater retention systems, as well as higher insurance costs are expected but cannot yet be quantified. Reduced performance of employees due to extreme heat periods may also be an effect of climate change. The increased consumer (in our jargon: user) awareness of the environmental impact of products will change consumer behavior. The rate of change in user behavior cannot be quantified yet, the probability is considered to be high. Fenix Outdoor's work on sustainability is anticipating this development. Since 2012, Fenix has communicated about the efforts for the transition to a sustainable company. This long-term framework is combined with the A Greener Choice attributes of items in the Friluftts Retail assortment. Therefore, changing consumer behavior is considered an opportunity. Another aspect of changing consumer behavior is a sharp increase in sales of used products between consumers and commercial actors. This can be seen in a doubling of secondhand stores in two years and increased activity of secondhand platforms on social media. Overall, it must be considered probable that products will have a longer life before being discarded. The consequence is therefore a probability that sales of new products will decrease. A counteracting factor is that sales of quality products with high reparability increases. How the two factors will go against each other is not yet possible to assess in the medium to long term. Friluftts Retail has begun to sell secondhand products. Another is that we also offer product care and repairs in our stores. A combination of the two options will be able to support each other. Secondhand products may need to be repaired before they can be sold. Secondhand can therefore be perceived as a risk, if the opportunities are ignored and no action is taken. Once this awareness is established in the

broader society, people will strive for being outdoors, spending time in nature, and thus we anticipate higher demand for outdoor and trekking clothing. Changes in climate conditions in today's more temperate regions may lead to higher demand for protective clothing (against vector-borne diseases, sunlight, rainfall, etc.). Opportunities may also rest in different outdoor behavior, requiring more and different groups to protect against "regular" weather patterns. The chance is an enhanced production of slightly different and specialized products sometimes with features we consider to be controversial (e.g. treatment with biocides). Overall, the political situation of global instability and tension, the war in Ukraine, inflation, the tensions between China and the United States as well as cyber-attacks on western companies and infrastructure, as well as the ability of some countries to dominate or interrupt economies and production, makes the outlook for 2023 gloomy, despite the fact that most economists do not foresee a global recession at this point. Also in 2023, the cost of living will go up and industrial actions, strikes and political unrest will challenge the economies in most parts of the world.

3. Objectives

The company discloses what qualitative and/or quantitative as well as temporally defined sustainability goals have been set and operationalised and how their level of achievement is monitored.

The CSR/Sustainability organization in 2022 comprised the CSO heading the Global Sustainability Director in the Brands Unit, the Senior Sustainability Manager in the Retail operations and the North American Regional Sustainability Manager. The CSO also performs the function of the Senior Global Sustainability Director of the Group's largest Brand, Fjällräven. As in previous years, we still consider climate change and the associated extreme and unpredictable weather as a strategic risk and a priority. In 2022 we initiated some projects in our own operation and in our supply chain to help foster a more sustainable, independent and CO₂e-reduced energy supply. The year 2022 was once again characterized by instability and disruption. The war in Ukraine, the still strict "zero covid" policy in China, increased inflation and the extraordinary budgetary spending of many governments with unknown side and long-term effects led to a general notion of insecurity, fear and enhanced polarization. As climate action moves further up on the public and political agenda, we also saw more aggressive calls for climate action in various countries. The pressure on companies to publicly make climate commitments including subscribing to science-based targets is increasing. We are skeptical if these subscriptions and declarations of intent by sometimes questionable advocates will do any good for the planet, but we are further committed to do our share to keep it inhabitable, rich in biodiversity and adventurous. We want to move on and achieve true results. Subsequently, we

continue our path on our Fenix Way. 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 our retail and logistics centers we continue to implement energy efficiency measures.

From the Fenix Way (pp. 41-43) which sets the overall sustainability agenda 2019-2025, we have broken down goals for the different brands and retailers. We account for the progress against our goals and targets yearly in our CSR Report (see Fact Sheets for summaries). Fenix Outdoor has identified 6 SDGs to actively work on (see [CSR Report 2021, page 26 ff](#))

4. Depth of the Value Chain

The company states what significance aspects of sustainability have for added value and how deep in the value chain the sustainability criteria are verified.

Since we have entered a new level of business inclusiveness, sustainability programs will focus especially on strategic suppliers, which have been defined for all textile brands. That does not mean that nonstrategic partners will not have to meet certain criteria, but we want to invest in partners where our impact is higher and where we find common opportunities to develop business in a more sustainable direction. Another focus of 2022 was preparing for the upcoming Sustainable Corporate Due Diligence regulations. We had support from a student who wrote her master's thesis about the German due diligence law ("Lieferkettensorgfaltspflichtengesetz – LkSG") and how well our current program aligns with the requirements of the law. Our current set-up is explained in the four steps below: Our program to meet the Sustainable Corporate Due Diligence Acts 1. Embed the respect for human rights and decent working conditions into policies Fenix Outdoor brands are obliged to use one aligned process when it comes to protecting human rights and responsibilities for the environment in the supply chain. First, all our suppliers must sign our Code of Conduct (CoC), which is closely aligned with the benchmark of the FLA. As mentioned above, we are an accredited affiliate of the FLA. (Earning Fair Labor Accreditation is a rigorous, multi-year process. It includes evaluations in areas ranging from the commitment of our company's leadership to fair labor standards to the implementation of systems designed to ensure that our factories provide decent and humane working conditions.) In 2022 we updated our CoC according to the envisioned due diligence acts. We associate with the FLA's Principles of Responsible Sourcing and Responsible Production, which overlap significantly with the requirements of, for example, the German Supply Chain Act. Second, Fenix Outdoor has a strict policy when it comes to production countries. Before entering a new country, we investigate different parameters around corruption, human rights (including minimum wages) and environmental risks as well as business opportunities. We also do yearly country risk analysis on countries where we have

production, checking criteria such as risk factors (based on audits and open-source data), minimum wages and other risks. This internal booklet is available to dedicated persons and is shared on a yearly basis as a part of the sustainable supply chain activities. Third, we have a social compliance and human rights policy, embedded in our responsible purchasing and production policy, which all brands are asked to follow. In 2023 we are planning to create a common supplier manual which will be presented to and signed by all Tier 1 supplier producing for Fenix Outdoor textile brands.

In light of the above we address all sustainability aspects as identified in our sustainability agenda and as reflected in our materiality matrix also with all suppliers, focussing on the strategic ones from Tier 1 through 4.

Criteria 5–10 concerning PROCESS MANAGEMENT

5. Responsibility

Accountability within the company's management with regard to sustainability is disclosed.

The overall responsibility for sustainability, human rights, ethic and compliance has been delegated by the Chairman of the Group and majority owner as well as CEO of the company, Mr. Martin Nordin, to the Chief Sustainability Officer, Mr. Aiko Bode

6. Rules and Processes

The company discloses how the sustainability strategy is implemented in the operational business by way of rules and processes.

The organizational structure Retail – Brands – Global Sales and strategic central services did not change. In 2022 it showed that what we referred to as a "special year" in the past has now become the new normal. One may wonder if there is such a thing as "business as usual" after all. The shared group functions such as Logistics, CSR, Compliance and Data Protection are organized as central services units and report directly to the CEO and Chairman of the Group. HR, Legal, IT 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 units. 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 2022 comprised the CSO heading the Global Sustainability Director in the Brands Unit, the Senior Sustainability Manager in the Retail operations and the North American Regional Sustainability Manager. The CSO also performs the function of the Senior Global Sustainability Director of the Group's largest Brand, Fjällräven.

Communication of the sustainability strategy, goals and current developments is an ongoing process at Fenix Outdoor. Twice a year, during our kick-off meetings for the season, the CSO and his team updates all participating employees on the progress made toward our sustainability goals. In 2022 this

was done in person and digitally. The hybrid version of the kick-off enables us to reach virtually the whole Fenix Outdoor organization, allowing for wider spread of the messages and enhanced information flows. On emerging issues, we deliver information on an ad-hoc basis directly to the affected departments and employees. Our other means of corporate communication are general mails, an internal Sustainability site as information resource, podcasts as well as series of internal online trainings. The CSR reporting software we introduced in 2018 has been further developed in 2022, and we are on a good track to optimize the system of data collection and analysis. The CEO and Chairman has delegated the responsibility for the sustainability work to the CSO. However, in various strategic decisions the whole senior management team is involved, with the Chairman having the last say.

7. Control

The company states how and what performance indicators related to sustainability are used in its regular internal planning and control processes. It discloses how suitable processes ensure reliability, comparability and consistency of the data used for internal management and external communication.

Fenix Outdoor International AG reports in accordance to the GRI SDS comprehensively. The indicators we focus on are those, identified in our materiality matrix and our sustainability agenda 2025 as presented in The Fenix Way. Our reporting software ID Report is used to collect and store the data year over year. Internal controls are supported by plausibility checks and software-integrated checkpoints.

Key Performance Indicators to criteria 5 to 7

Key Performance Indicator GRI SRS-102-16: Values

The reporting organization shall report the following information:

a. A description of the organization's values, principles, standards, and norms of behavior.

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. Our material impacts on the environment and people according to our Fenix Management Compass® are those described in our materiality matrix. The Fenix Way is a management tool. It serves three functions: At first, it shall inform the reader about how we perceive various aspects of our

business and explain our interaction with our social and natural environment including stakeholder groups. The Fenix Way raises awareness and shall lead to a more active addressing of environmental and social aspects by all staff members within their sphere of influence. Second, The Fenix Way, in particular the Code of Conduct, is binding for all employees of all Fenix Outdoor Group entities irrespective of the individual contractual agreement. The Fenix Outdoor Code of Conduct for Suppliers is applicable for business partners and is part of our contractual agreements. It has to be signed and a signed copy shall be kept with every contract file. The Fenix Way is the ethical guideline of our company and any misconduct will be sanctioned according to legal provisions and our corporate Compliance Guideline.

8. Incentive Systems

The company discloses how target agreements and remuneration schemes for executives and employees are also geared towards the achievement of sustainability goals and how they are aligned with long-term value creation. It discloses the extent to which the achievement of these goals forms part of the evaluation of the top managerial level (board/managing directors) conducted by the monitoring body (supervisory board/advisory board).

we do not have specific individual goals and incentive schemes related to sustainability. In general, we do question current yardsticks/KPIs and measurements and their relevance. Sustainability goals do not form part of top management evaluation but it forms part of each and every strategy process as mapped in The Fenix Way.

Key Performance Indicators to criteria 8

Key Performance Indicator GRI SRS-102-35: Remuneration policies

The reporting organization shall report the following information:

- a.** Remuneration policies for the highest governance body and senior executives for the following types of remuneration:
 - i.** Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;
 - ii.** Sign-on bonuses or recruitment incentive payments;
 - iii.** Termination payments;
 - iv.** Clawbacks;
 - v.** Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.

- b.** How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.

according to law; The Compensation Report of the Annual Report 2022 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 2022. 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 Senior Executives, variable remuneration is a maximum of 50 percent of their basic annual salary. In 2022 an individual stock option program was offered to the Executive Management to be confirmed by the AGM in April 2023. The details of the report can be found in the Annual Report's Audit Report. BOARD OF DIRECTORS COMPENSATION OVERVIEW: Fixed compensation The compensation paid in 2022 totaled TEUR 1,089, compared with TEUR 899 in the previous year. 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. Variable compensation There is no variable compensation paid to the Board of Directors, except for Martin Nordin as Executive Chairman and Susanne Nordin. In 2022, Martin Nordin received a bonus of TEUR 167. In 2021 a bonus of TEUR 232 was given. In 2021 Susanne Nordin received a gratification of TEUR 102. No variable compensation was given to Susanne Nordin. The Executive Chairman is entitled to a bonus, based on return on total assets for the Fenix Outdoor Group (Income after financial items plus interest expenses, as a percentage of average total assets). 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 further monthly salary, up to 6 monthly salaries. In 2021 the average repo rate was 0.6%. The return on total assets in 2022 was 15.2%. For 2022 Martin Nordin is entitled to a bonus of four months' salary. Total assets are defined as total assets excluding effects from IFRS 16 adjustments. SENIOR EXECUTIVES Fixed compensation At the AGM held in May 2021 the AGM approved a maximum total fixed compensation for 2022 to the Senior Executives of TEUR 2,500. A total of TEUR 2,208 was paid out in fixed compensation in 2022 (previous year TEUR 1,800). Variable compensation In 2022 a total variable compensation to the senior executives of TEUR 446 was given. The variable compensation paid for 2022 is to be confirmed by the annual general meeting in April 2023. In 2021 a variable compensation of TEUR 1,232 was given. The highest total individual compensation was given to Martin Nordin.

Key Performance Indicator GRI SRS-102-38: Annual total compensation ratio

The reporting organization shall report the following information:

a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.

The salary ratio between the highest-paid individual in the company and the average payment in the lowest paid staff category is 58:1 (excluding interns and apprentices); the ratio to the average salary level is 26:1; a ratio between the highest-paid individual(s)' pay rise and the average staff pay rise would be 17:6. However, such a figure is highly dependent on external factors (including exchange rates and costs of living) so the ratio is not definitive. In general, bonus payments are excluded from the assessment. The ratio between the highest-paid individual in the company and the median to the annual median compensation of all employees is 21:1.

COMPENSATION DEVELOPMENT 2017 – 2022 TEUR

Base salary, bonus and remunerations	2017	2018	2019	2020	2021	2022
President	459	479	509	377	648	764
Change	0	4%	6%	-26%	72%	18%
Other employees (based on FTE statistics)	77,689	84,407	89,346	83,003	88,630	108,553
Change	0	-1%	7%	-6%	6%	7%
FTE	2,270	2,492	2,476	2,439	2,598	2,837

9. Stakeholder Engagement

The company discloses how the socially and economically relevant stakeholders are identified and integrated into the sustainability process. It states whether and how an ongoing dialogue takes place with them and how the results are integrated into the sustainability process.

Fenix Outdoor engages in open dialogue with civil society groups and other societal actors on various subjects, particularly those relating to environmental, social, societal and human rights topics. We collaborate on projects or explore best practices and benchmarks for the outdoor industry. Every other year, we hold a stakeholder dialogue (see CSR Report 2021). as stakeholders we identified those groups we have an impact on and those who impact us. Therefore the range is from suppliers and customers to regulators and activists groups. For more information see CSR Report 2021 and 2017.

Key Performance Indicators to criteria 9

Key Performance Indicator GRI SRS-102-44: Key topics and concerns

The reporting organization shall report the following information:

- a.** Key topics and concerns that have been raised through stakeholder engagement, including:
 - i.** how the organization has responded to those key topics and concerns, including through its reporting;
 - ii.** the stakeholder groups that raised each of the key topics and concerns.

The key topics are identified in our Materiality Matrix; no concerns were raised that we had not also addressed earlier; certain animal rights groups demand parts of the company to become vegan. There is a deliberate decision by the management to keep a high level of animal welfare (beyond the EU/German levels) but to have a wide offering of goods for vegan customers as well as other groups. As in this case also climate and circularity requirements conflict

with such a demand, we have decided to stay on our pathway.

10. Innovation and Product Management

The company discloses how innovations in products and services are enhanced through suitable processes which improve sustainability with respect to the company's utilisation of resources and with regard to users. Likewise, a further statement is made with regard to if and how the current and future impact of the key products and services in the value chain and in the product life cycle are assessed.

Depending on the nature of business, the different brands work towards sustainability in various ways. Products are designed with sustainability in mind (design guideline) by engineering products that are timeless, durable and repairable. Where repairs do not present themselves as a viable option, design for recyclability (monomaterial, nature or synthetic-based fibers etc.) is followed. When choosing materials, more sustainable materials (as defined by Textile Exchange or the MSI plus own considerations) are preferred; eg, organic cotton over conventional cotton; recycled polyester over virgin polyester. In making these choices, we also need to keep the functionality of our products and their durability in mind. In other cases we want full traceability (see our Fjällräven Down Flow). By choosing ZQRx wool from New Zealand Merino we even strive to support more sustainable farming practices in NZ. In some areas we pilot textile-to-textile recycling (like with our partners Toyota and Infinited). Leftover fabrics are used for limited edition products. In PRIMUS, our stove company, the stove efficiency and effectiveness is continuously improved through design and material improvements. Quantitative measurements are difficult. We purchase about 80% of NZ Merino's ZQRX wool. We can say that in stoves we strive to optimize the use of gas. From a conventional stove in the 2020s, about 30% of the heat radiated into the environment; Primus stoves are close to 12% only.

Key Performance Indicators to criteria 10

Key Performance Indicator G4-FS11

(report also in accordance with GRI SRS): Percentage of assets subject to positive and negative environmental or social screening. (Note: the indicator should also be reported when reporting to GRI SRS)

Assets not checked as they are not deemed to be relevant (< 0.1% of market)

capitalization), no plans to do so in a foreseeable future; latest major investment is the expansion of the DC in Germany; we plan to invest in solar panels on the whole roof.

Criteria 11–20: Sustainability Aspects

Criteria 11–13 concerning ENVIRONMENTAL MATTERS

11. Usage of Natural Resources

The company discloses the extent to which natural resources are used for the company's business activities. Possible options here are materials, the input and output of water, soil, waste, energy, land and biodiversity as well as emissions for the life cycles of products and services.

Generally, we can say that any type of human action in a developed society has negative and positive impacts on all aspects of life: we use physical resources which need to be created or grown, change or convert them and add value, combine them, transport them, pack and finally sell them. We regularly assess, evaluate and mitigate our negative impacts and foster the positive ones as described in our CSR report.

12. Resource Management

The company discloses what qualitative and quantitative goals it has set itself with regard to its resource efficiency, in particular its use of renewables, the increase in raw material productivity and the reduction in the usage of ecosystem services, which measures and strategies it is pursuing to this end, how these are or will be achieved, and where it sees there to be risks.

The principles of understanding what we are doing and how we can do better forms part of the 2025 strategy for all of our brands and retail business (see Fenix Way, pages 40 and following). For the new strategy, 2019 was chosen as a baseline year as newly acquired companies have been integrated to full extent as well as the past strategy period ended (which is also true for the overall company strategic framework). During the development process of the new Fenix Way, Fenix Outdoor also updates the impact and risk analysis, which was conducted for the first time in 2012, when Fenix Outdoor started with its sustainability program.

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

- CO2 emissions reduction all along with our Fenix Climate Strategy, taking all our major departments into account. Thus, ensuring the responsibility for action is 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 series of measures and partnerships (e.g. blockchain technology, FLA)
- Strengthening the adoption of the Higg Index Facility Environmental Module (FEM) by suppliers and supporting them with training, while also rolling-out the Higg Social Labor Module (FSLM)
- Continuing to eliminate hazardous chemicals and continuing to update the group-wide Chemicals Guideline
- Reduce energy consumption by 25% by 2025 in all operated or owned Fenix Outdoor locations

As the industry is rapidly evolving and demands for sustainable materials do increase, we see a major risk in the availability of those materials on the market (e.g. cotton) for medium and small-sized enterprises. At the same time, the demand for specific materials (e.g. polyester) can't be met by more sustainable materials and thus non-renewable sources are still highly present. To become less dependent and to create positive change in the market, we invest in innovative, more sustainable materials (e.g. recovered wool).

The policy is developed, approved, and signed by the Fenix first-level management team. Progress reports are delivered quarterly in a direct reporting line to the chairman.

The central CSR team is in charge of monitoring the progress against the strategy. This is mainly done through the annual CSR reporting but also during the year in regular CSR team calls and jour fixes. With respect to the past strategy period, performance tracking is not possible due to the steady growth of the company and thus yearly data that cannot be compared to each other on a fairly basis.

Key Performance Indicators to criteria 11 to 12

Key Performance Indicator GRI SRS-301-1: Materials used

The reporting organization shall report the following information:

- a.** Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:
- i.** non-renewable materials used;
 - ii.** renewable materials used.

As in previous years, we deliberately use recycled, organic, ecological, biodegradable or recyclable materials. We have classified the textile fibers we use into our own Preferred Fiber List (PFL) consisting of four categories: excellent, good, OK if crucial and "do not use". To us a preferred fiber is classified as excellent or good. Based on the 2022 fiber consumption for the Fenix Outdoor textile brands (Fjällräven, Frilufts private label, Royal Robbins, Tierra) we are at a level of more than 60% of preferred textile fibers. The tables in our CSR Report show an overview of the raw materials and consumables (packaging, office supply, marketing materials, shopping bags) we used as far as we were able to measure them. They indicate the certified recycling content, and the column "More sustainable" indicates other environmentally preferred attributes (e.g., from PEFC/FSC certified forests). Emissions resulting from consumables and raw material consumption together account for 64,851 t of CO₂e in 2022 (2021: 50,405 t CO₂e, corr.) and have been calculated based on Higg MSI and DEFRA data sets as well as been based on own LCA data. For some materials internal average emission factors have been used.

MATERIAL USAGE (ALL PRODUCTS) 2022

Materials	Amount conventional (kg)	Amount more sustainable (kg)	Amount recycled (kg)	Total CO ₂ e (t)
PLANT-BASED FIBERS AND MATERIALS				
Coconut	67			<1
Cork	2,208			1
Cotton	31,534	596,166		5,109
Hemp	15,974			219
Nuts	1,330			2
Wood		12,346		14
Other plant-based fibers and materials		181		1
ANIMAL MATERIALS				
Alpaca	742			61
Beeswax	900			3
Down		40,214		65
Leather	249,706	68,270		9,219
Silk	530			48
Wool	13,705	132,249	24,589	5,545
MAN-MADE CELLULOSIC FIBERS				
Lyocell (e.g. Tencel)	1,701	1,858		44
Modal		16,634		142
Viscose	918			15
Other man-made cellulosic fibers	3,500			46
SYNTHETIC FIBERS				
Elastane (e.g. Lycra, Spandex)	23,838			224
Polyacrylic	1,707		7,007	130
Polyamide (Nylon, etc.)	736,313	149	295,562	14,211
Polyester	442,252	286	1,300,760	14,258
Polyethylene	2,153	554		11
Polypropylene	216,689			1,236
Polyurethane	48,997			544
Polyvinyl chloride	598			3
Thermoplastic Polyurethane	314		887	5
Other synthetic fibers	6,551			52
METALS AND INORGANIC COMPOUNDS				
Aluminum	74,671			684
Brass	148,754			141
Copper	213			1
Enaille	1,925			5
Glass	1,277			2

MATERIAL USAGE – TABLE CONT. (ALL PRODUCTS) 2022

Materials	Amount conventional (kg)	Amount more sustainable (kg)	Amount recycled (kg)	Total CO ₂ e (t)
Stainl. Steel	209,719			819
Steel	271,952			661
Titanium	1,511			49
Other Metals and inorganic compounds	15,414			106
FOAMS				
Polyurethane foam	52,670			271
Other foams				
RUBBER				
Butyl rubber	163			1
Other rubber	8,534			45
OTHER MATERIALS AND SUBSTANCES				
ePTFE	2,723			50
Glue	107,861			539
LPG Gas	314,408			1,053
Paraffine	359,537			1,151
Pentane/Heptane	19,375			82
Silica Gel	41,805			N/A
Silicone	1,683			14
Vinyon F	253,206			5,170
Other materials and substances	88,899			437

Key Performance Indicator GRI SRS-302-1: Energy consumption
The reporting organization shall report the following information:

a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.

b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.

c. In joules, watt-hours or multiples, the total:

i. electricity consumption

ii. heating consumption

iii. cooling consumption

iv. steam consumption

d. In joules, watt-hours or multiples, the total:

i. electricity sold

ii. heating sold

iii. cooling sold

iv. steam sold

e. Total energy consumption within the organization, in joules or multiples.

f. Standards, methodologies, assumptions, and/or calculation tools used.

g. Source of the conversion factors used.

The overall consumption of our energy in 2022 increased again compared to 2021, due to fewer Covid-19 related constraints on our operations. Our primary energy sources were gas and oil (in one location). A total of 4,632 MWh (2021: 5,208 MWh) were used, plus another 4,279 MWh (2021: 3,615 MWh) from district heating systems. A total of 17,402 MWh electricity was consumed (2021: 16,600 MWh). The primary energy emissions amount to 798 t CO₂e (991 tCO₂e in 2021). District-heating-related emissions increased to 611 t CO₂e (577 t CO₂e in 2021). The increase in district heating consumption and emissions is due to better data availability, especially for a couple of Naturkompaniet's locations, although fluctuations over the years remain because we are still depended on ancillary costs reporting in many locations. Hanwag extended the use of local heating from a nearby farm to its production facility and uses gas only during very cold conditions and as a redundancy. Market-based Scope 2 emissions from electricity consumption amount to 895 t CO₂e (previous year: 1,188 t CO₂e). Location-based emissions would total up to 4,191 t CO₂e (2021: 4,279 t CO₂e). Energy data is subject to change due

to constant incoming data updates during the year (all past data corrected). Energy saving measures were taken in various operations and at several locations. Ozone depleting substances (ODS) can occur in air conditioners and refrigerators. We started to switch from refrigerants with higher Greenhouse Warming Potential (GWP) to refrigerants with lower GWP (e.g. R32, Water) in some locations; as per legal demands equipment is maintained and reported refrigerants do not deplete ozone; reported refrigerant leakages are accounted for under scope 1 (14.9 t CO₂e).

Key Performance Indicator GRI SRS-302-4: Reduction of energy consumption

The reporting organization shall report the following information:

- a.** Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.
- b.** Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.
- c.** Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.
- d.** Standards, methodologies, assumptions, and/or calculation tools used.

In 2022 we continued to create internal GHG reports on the brand and logistics levels, helping us to identify areas of improvement, create action plans and integrate climate action further in our day-to-day business. We do follow-ups on a quarterly basis. Our overall carbon dioxide equivalents (t CO₂e) amounted to 94,087 t CO₂e (2021: 77,329 t, corr.). These data include Scope 1 and 2 emissions as well as a range of our indirect emissions from shipments (up- and downstream), waste generation and water consumption, business travel, commutes (including working-from-home emissions), and purchased goods and services (raw materials, energy use from Tier 1 and vertical suppliers, consumables, packaging, shopping bags, external and internal events). The commuting and working-from-home data have been obtained anonymously through a groupwide commuting survey. Our data and methodology undergo spot analysis from the Swedish Textile Initiative for Climate Action (STICA), and more methodological details are published in Chapter 6 of this report as well as on the Fenix Outdoor website as an appendix to this report. Our groupwide emission reduction efforts in 2022 include but are not limited to: • Extend use of green electricity in our eastern European, North American and Asian locations by investing in energy attribute certificates and green tariffs. The share of our renewable electricity for own and operated locations is now at 88%. The systematic purchase of green electricity is having a significant impact, and our scope 2 emissions from

electricity usage decreased by 37% compared with baseline 2019. • Perform a feasibility study for solar panels at our warehouse in Ludwigslust and plan installation in 2023. • Energy efficiency measures in our retail stores, offices and the logistics center (decrease indoor temperatures, closed shop door policy, natural ventilation), partially initiated by legal requirements for energy efficiency, were implemented during the energy crisis. Assumed savings range from 2% up to 25%. Some effects will only be measurable during 2023. • Continue our transition path to LED when lighting needs to be repaired in existing locations. • Increase of our brand targets for more sustainable material sourcing and transition to preferred lower-impact materials, which led to overall decrease of 5% in our raw-material-related emissions intensity especially in certain material categories through the purchase of i.a. organic cotton, recycled polyester and recycled polyamide as well as ZQ wool. However, the increased number of products produced led to an increase of our emissions per product made by 3% (also including transportation). • Baseline calculations for a wider range of internal and external events to identify hot spots and be able to start with reduction measures in 2023. • Decrease packaging waste for our end-customers and improve packaging efficiency: our logistics center in Ludwigslust introduced the “Warenpost” for Germany, saving filling paper and shipping less air. • Further digitalize and optimize our accounting processes. To calculate our events’ emissions, we used the MyClimate Online Event Calculator. However, many of the requested parameters (e.g., heated or cooled space, amount of mineral water, etc.) do not fully apply to an outdoor event. Having these limitations in mind, we calculated our emissions to be around 3,467 t CO₂e, of which Globetrotter Freiluft Festivals account for the biggest share. As we strive to optimize our products too, we can report that in 2022 around 25,789 fuel-efficient PRIMUS stoves and pots were sold, thus saving around 30% of fuel compared with standard stoves and pots based on lab tests and depending on type of burner being used. We have used the most up-to-date conversion factors available. We have used an IT-based reporting tool allowing us to have more accurate data each reporting cycle. Some data sets need to be evaluated manually, and data consistency and completeness cannot be fully assessed. 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), updated emission factors or obvious misstatements, we correct our figures in the upcoming report for the past years. In any event, we took a precautionary conservative approach and believe that, based on the data and emission factors we have or methodologies that are applied, we slightly overstate our emissions in some categories (e.g., raw materials, working from home, events) and understate them in others (e.g., transportation). Underlying activity data is shown in the following paragraphs.

Key Performance Indicator GRI SRS-303-3: Water withdrawal
The reporting organization shall report the following information:

- a.** Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water.

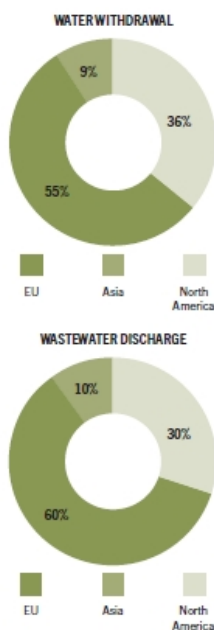
- b.** Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.

- c.** A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:
 - i.** Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids);
 - ii.** Other water ($> 1,000$ mg/L Total Dissolved Solids).

- d.** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

We are aware that the garment industry has a major impact on the planet's water basins, water quality and water stress. So far, we are not able to assess our total water footprint. However, we estimate the amount of water withdrawn was 55,584 m³ (2021: 70,898 m³), knowing our own operations only account for a very small share of our overall water footprint. The main purpose is for drinking, cooking and household use, although some operations have a vast green space that they take care of and some of our mega stores carry pools and diving tubes for equipment testing. The water we withdraw is mainly drawn from the community supply (groundwater and surface water in, e.g., northern Finland, South Korea, China and the Czech Republic). Since the data sets for our operations were still fragmented in 2022, we added a 10% security surcharge. Although we are only able to quantify our water footprint in the supply chain on an incomplete level (see p. 21), we monitor water management practices of our supply chain partners via the Higg FEM and certain risk criteria. We strive for water-reducing technologies and use

technologies such as solution dye and CO2 dyeing. Except for two Asian locations (South Korea and Hong Kong), 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 amount was not safely determined. We estimate that about 50,981 m3 (2021: 70,892 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 AOX demand monitoring. Our wastewater is normal household wastewater.



Key Performance Indicator GRI SRS-306-3: Waste generated

The reporting organization shall report the following information:

- a. Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste.
- b. Contextual information necessary to understand the data and how the data has been compiled.

Waste is increasingly seen as a resource, and we also want to contribute to a more circular economy. However, this is easier said than done as circular waste disposal solutions are not present in all our markets. In 2022 we were able to divert about 58% (2021: 74%) of our waste from disposal. The waste disposal method was not given for all generated waste; thus, the share of diverted waste is probably higher. Most of our waste is generated by inbound shipments and occurs in our warehouses and stores. In those locations, we work with local waste removal companies to recover and dispose of the waste. In smaller rented locations and shopping centers, we are usually not able to determine the amount of waste generated, but most of the data sets are based on estimates. Local standards are used for metric conversion. Although data

quality is improving, the data set does not show the full picture. On-site we reuse cardboard and shoeboxes as well as paper filling to a fair extent in our warehouses in Germany and the US, our stores in the US, Denmark, Sweden and Finland and in some of our showrooms. The main repurpose is for shipments and store fitting (e.g., backpack filling). About two-thirds of our diverted waste is paper and cardboard, of which 90% is prepared for recycling off-site. The main component of waste disposed of off-site is mixed commercial waste, which is most often incinerated (>80 %).

13. Climate-Relevant Emissions

The company discloses the GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based on it and states the goals it has set itself to reduce emissions, as well as its results thus far.

In 2022 we continued to create internal GHG reports on the brand and logistics levels, helping us to identify areas of improvement, create action plans and integrate climate action further in our day-to-day business. We do follow-ups on a quarterly basis. Our overall carbon dioxide equivalents (t CO₂e) amounted to 94,087 t CO₂e (2021: 77,329 t, corr.). These data include Scope 1 and 2 emissions as well as a range of our indirect emissions from shipments (up- and downstream), waste generation and water consumption, business travel, commutes (including working-from-home emissions), and purchased goods and services (raw materials, energy use from Tier 1 and vertical suppliers, consumables, packaging, shopping bags, external and internal events). The commuting and working-from-home data have been obtained anonymously through a groupwide commuting survey. Our data and methodology undergo spot analysis from the Swedish Textile Initiative for Climate Action (STICA), and more methodological details are published in Chapter 6 of this report as well as on the Fenix Outdoor website as an appendix to our CSR report. Various modes of transportation contribute to our journey as our goods travel around the globe. Using vessels, trucks, and aircraft, we calculated our shipments' emissions at 7,153 t CO₂e (considering RFI 2.7: 13,687 t CO₂e; 2021: 8,598 t CO₂e without RFI). The decrease in emissions is due to better data transparency and availability (almost 100% of contract partners provided data) but a still high share of air freight to meet market demand. Together with our new Global Sourcing Manager in logistics we will work on this during 2023. In 2021 we pilot-tested an internal carbon fee on additional air freight of 100 euros/t CO₂e. It showed that the internal carbon fee did not have the steering effect we wished for, so we will not continue with it. The surcharge taken from this pilot will be reinvested in carbon reduction projects mainly in our supply chain in 2023 and the years ahead, since in 2022 our supply chain

programs did not lead to concrete investment options apart from program costs. Of all eCom shipments, 13% were returned (15% in 2021) for reasons of fit, double-order and the like (this refers to all brands and products sold in our online stores, based on shipments as reported by data provider). The goods were checked and restocked; the rest of the products (damaged or unusable), together with respective returns from the B2B business, were destroyed and properly disposed of.

2021, 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 approx. 110 g/km (WLTP). Business-travel-related CO₂e emissions accounted for 3,255 t CO₂e. (2021: 1,260 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. Emissions from flights consider RFI 2.7. The increase mainly comes from increased travel activities in the second half of 2022 and is slightly below pre-Covid (2019: 3,898 tCO₂e, incl. RFI 2.7). All our staff leave their own carbon footprints and contribute to our corporate impact. To better understand how our staff is commuting, what reasons are behind the choice of transport mode, we conducted our yearly global staff survey of all those working for the Fenix Outdoor Group to calculate the annual CO₂e emissions. Although our employees went back to the office part-time, again we shifted a good portion of our usual energy consumption from our offices to our employees' homes, thus including questions about working-from-home periods as well. In general terms we think that an overall 1,211 t CO₂e is a conservative extrapolation for our 2022 emissions from commuting activities (n commuting = 285; 2021: 541 t CO₂e) for all employees. Since working-from-home days differ between countries and departments nowadays, so do commuting days, and the picture gets a bit blurry. Working-from-home emissions, based on the results from reported activity data, account for 318 t CO₂e (n = 195; 2021: 139 t CO₂e, n=178).

Key Performance Indicators to criteria 13

Key Performance Indicator GRI SRS-305-1: Direct (Scope 1) GHG emissions

The reporting organization shall report the following information:

- a.** Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.
- c.** Biogenic CO₂ emissions in metric tons of CO₂ equivalent.
- d.** Base year for the calculation, if applicable, including:
 - i.** the rationale for choosing it;
 - ii.** emissions in the base year;
 - iii.** the context for any significant changes in emissions that triggered recalculations of base year emissions.
- e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
- f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
- g.** Standards, methodologies, assumptions, and/or calculation tools used.

Scope 1: 916 t CO₂e incl. heating, refrigerants and owned transportation (no breakdown of gases)

Base year 2019

Reporting according to GHG Protocol (see also CDP)

Key Performance Indicator GRI SRS-305-2: Energy indirect
(Scope 2) GHG emissions

The reporting organization shall report the following information:

- a.** Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.
- b.** If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.
- c.** If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.
- d.** Base year for the calculation, if applicable, including:
 - i.** the rationale for choosing it;
 - ii.** emissions in the base year;
 - iii.** the context for any significant changes in emissions that triggered recalculations of base year emissions.
- e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
- f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
- g.** Standards, methodologies, assumptions, and/or calculation tools used.

Scope 2: 1506 t CO₂e market-based; 4192 t CO₂e location-based
Electricity: 895 t CO₂e, heating: 611 t CO₂e
Base year: 2019

Emissions reduction Scope 1 & 2 versus base year: 32 %, target 40% by 2025

Key Performance Indicator GRI SRS-305-3: Other indirect (Scope 3) GHG emissions

The reporting organization shall report the following information:

a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.

b. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.

c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent.

d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.

e. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

g. Standards, methodologies, assumptions, and/or calculation tools used.

Scope 3: 88911 t CO₂e (purchased goods and services); Tier 1: 10801 t CO₂e, Tier 2-4: 62481 t CO₂e, packaging: 1291 t CO₂e, upstream transport: 11509 t CO₂e, downstream transport: 2178 t CO₂e, fuel and energy related activities: 651 t CO₂e.

Optional Scope 3 reporting according to STICA: 4843 t CO₂e: indirect materials (office supply etc.): 4546 t CO₂e; own waste: 58 t CO₂e; business travel: 3256 t CO₂e, employee commuting: 1529 tCO₂e

Key Performance Indicator GRI SRS-305-5: Reduction of GHG emissions

The reporting organization shall report the following information:

- a.** GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.
- c.** Base year or baseline, including the rationale for choosing it.
- d.** Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).
- e.** Standards, methodologies, assumptions, and/or calculation tools used.

CO₂ emission reduction in tCO₂e

Scope 1: 436,8

Scope 2: 683

Scope 3: + 15738 (due to increased Scope 3 capture and growth)

Reduction (vs Base year 2019)

Scope 1: 32 %

Scope 2: 31 %

Scope 3: +20 %

Scope 3 includes 3.1, 3.3 - 3.7, 3.9, 3.14 (included in Scope 1 and 2)

DEFRA data sets, GHG Protocol and extrapolation for the whole company applied

EU taxonomy

1.) Key performance indicators (KPIs)

Report the environment-related key performance indicators (KPIs) that your undertaking is required to publish pursuant to Art. 8 of the EU Taxonomy Regulation in conjunction with the delegated acts.

[In the case of non-financial undertakings with a reporting obligation, the current position under Art. 8 of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Art. 10 (1) of the Delegated Regulation (C (2021) 4987) and Annex I is that disclosures about the proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with environmentally sustainable economic activities are required. Conversely, Art. 8 of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Art. 10 (2) of the Delegated Regulation (C (2021) 4987) and its applicable appendices currently requires financial undertakings with a reporting obligation to make asset-orientated disclosures. Here a distinction needs to be made between the respective type of the financial undertaking. The scope of the mandatory disclosures for all undertakings with a reporting obligation will increase in the coming reporting years pursuant to Art. 8 of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with the Delegated Regulation (C (2021) 4987). For that reason, further statements concerning the key performance indicators (KPIs) may also be presented under aspect 3.)]

All business units invest in sustainability; e.g., through R&D and purchase of new, more sustainable materials, appliances or alike. A financial valuation of that is not possible as it is integrated into the operational budget. However, an overall investment of 1.2 million EUR into sustainability activities takes place through project, personnel and innovation costs.

2.) Concept / process description

Describe your undertaking's concept for the EU taxonomy and processes for establishing the undertaking-specific KPIs.

[At this point, undertakings subject to a reporting obligation are required in particular to make the respective qualitative disclosures pursuant to Art. 8 of the EU Taxonomy Regulation in conjunction with the Delegated Regulation (C (2021) 4987) and its annexes (e.g. description of the determination of revenue, capital and operating expenditure for non-financial undertakings pursuant to Art. 8 of the EU Taxonomy Regulation in conjunction with the Delegated Regulation (C (2021) 4987), Annex I, section 1.2, no. 1.2.1 part a)). Here, too, the option under aspect 3.) may be additionally used to upload any further statements required.]

Please refer to the above.

3.) Annexes

No attachments submitted.

Criteria 14–20 concerning SOCIETY

Criteria 14–16 concerning EMPLOYEE-RELATED MATTERS

14. Employment Rights

The company reports on how it complies with nationally and internationally recognised standards relating to employee rights as well as on how it fosters staff involvement in the company and in sustainability management, what goals it has set itself in this regard, what results it has achieved thus far and where it sees risks.

In 2022, Fenix Outdoor employed 2,837 FTEs in our various entities. However, as 2021 figures needed to be restated, the increase is 9 percent (based on restated 2,598 FTEs). Most of our employees are permanently employed, but we employ seasonal workers in retail and warehouse operations during peak seasons. We also hired 43 female and 63 male apprentices in 2022. By doing so we provide the opportunity for young people to learn a profession. Since most apprentices were hired in Germany, one has to acknowledge the German dual educational system. Apprentices will get a school education tailored toward their profession and on-the-job-training with us. This way, young people and beginners in a job receive a thorough two to three years of education and are afterward well equipped for the global job markets. As stated in previous reports, the use of non-regular staff is not a Groupwide policy, but it 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 are following a scheme that is built on national agreements. In Germany, most staff are represented by workers' councils and by those collective agreements. In other locations local and national schemes exist, which in parallel follow the respective trade-union-negotiated agreements for the industry. As we are operating mainly in Sweden and Germany, we follow local laws and fall under reasonably fixed regimes (Kollektifavtal) and therefore do not see the need to set strategic goals. We have, however, installed trainings and build a culture of inclusion which makes employees feel welcome and be part of the family. Regular staff surveys are held at various locations and improvement plans are made. In Sweden, staff surveys are conducted at least twice a year to check goals achievement versus the ambitions collectively set. 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 about 44 percent (2021: 44.4 percent), while the proportion of women in top management positions remains 30 percent (2021: 30 percent). Our board is 17 percent female. Through the CSR Reporting processes we monitor progress and the HR Department informs the Executive Team on needed steps. As the initiative and the measurable results come with a time-delay, progress cannot be measured at this point in time. The staff turnover rate in 2022 over all operations including the retail business is difficult to assess for the year. However, based on the data received, the turnover rate was about 21.4 percent (2021: 44 percent). The ratio between females and males leaving Fenix Outdoor dropped to 1.3:1 F/M (2021: ratio F/M 1.4:1), meaning that roughly 56 percent of staff members leaving were females (58 percent in 2021). 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 216 employees took parental leave (2021: 126). Of those, 130 were female and 86 were male. After 12 months, 123 returned (2021: 77), of whom 74 were female and 49 were male. The remainder may have stayed away beyond a 12-month period, but this interpretation is not very reliable as there were parents who became parents another time and hence left again within the year 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 or left Fenix Outdoor. Benefits to employees are given based on local agreements, legal demands and trade union agreements. In some cases, short-term employees are excluded (e.g., from corporate pension schemes or brand purchases). At Fenix Outdoor, it is important for us that employees not only 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. In 2022 we provided each employee with an average of 18.8 hours in personal and technical training (2021: 30+ hours per staff member), including training on CSR and compliance (n= 2,837). However, the figure is less accurate as we changed from online to hybrid training models and not all data was collected or available. The trainings were given to female and male employees in equal amounts. This 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. In 2022 Fenix Outdoor paused its Trainee Program for young professionals called Global Graduates. The original program started in 2011 with three management trainees. The program approach has changed to a focus on the development of internal leadership candidates. This will be kicked off in 2023. Next to that, we support our employees who want to develop their education, such as achieving MBAs. In 2022 Fjällräven took an important stand for LGBTQ rights by uplifting our partnership with Regnbågsfonden (regnbagsfonden.org) and supporting their vision for a world where everyone has democratic rights and freedoms, regardless their sexual orientation or gender identity. Fjällräven had supported

Regnbågsfonden earlier through the Arctic Fox Initiative, but the relationship is now intensified with a high-level and long-term commitment.

Regarding the risks from our products or services on employee rights we are aware that in our supply chain (see below) purchasing practices, regional lack of the rule of law and disruptive effects (like a pandemic, shortages in materials supply etc.) may negatively impact on the labor conditions including wages and working hours. Through measures taken (see below including our due diligence process) we are confident that risks are minimized and through our continuous improvement program we are constantly working on it. Regarding the risks to our own employees in our own operations, location-specific assessments reveal different type of risks: health and safety (frequent work place assessments are done to mitigate this), over time (mainly logistics due to shipment and orders), occasional weekend work (due to fairs, open Sundays or alike - compensation is paid or given in days off) and self exploitation (due to not adhering to working hours standards - counselling through internal and external HR professionals). The process follows OSHAS (USA) or similar (EU).

15. Equal Opportunities

The company discloses in what way it has implemented national and international processes and what goals it has for the promotion of equal opportunities and diversity, occupational health and safety, participation rights, the integration of migrants and people with disabilities, fair pay as well as a work-life balance and how it will achieve these.

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, U.S. 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 logistics operations. Safety awareness is always a priority for us, and safe working procedures should be understood and implemented daily by everyone working in the factory. We ensure there are safety and handling instructions for operational equipment. As legally required, we do have formal or not-formalized internal health and safety committees, in which employee representatives are elected representatives. In many locations where there are no formalized processes and structures, external advice is sought, and many different schemes exist around the globe. We offer health promotions in various ways, including backbone strength training, gyms and medical precautions such as vaccinations or eye examinations. Health and safety trainings are given according to law and differ at various locations.

These may include occupational health and safety instruction for relevant employees, partial e-learnings on those topics for certain target groups, externally provided first aid courses and classes that qualify for the role as fire protection assistant, to name a few. A figure for days lost due to absenteeism could not be established for the group; a total of 185 days lost were reported. There were 44 work-related injuries (including bicycle accidents on the way to or from the workplace) recorded (2021: 49). Most injuries involved stumbling in the office or cutting injuries when opening boxes and letters with knives or scissors. No fatalities or work-related diseases were reported. Reported cases of work-related illness were not quantified, but factors mentioned included back pains in sitting jobs, impaired vision due to long work in front of a computer screen, and arm and back issues due to heavy lifting of goods.

Workplace, work-life balance, and employee support: Every year Fenix Outdoor offers its employees the chance to experience the outdoors and learn something about nature survival skills and the handling and functioning of our equipment by giving our staff the chance to have a great time outdoors together. All new hires are mandated to participate in at least one outdoor event within the first 24 months of their recruitment. The Fjällräven Classic (offered in Sweden, the USA, Denmark, the UK and Germany) encompassed events that our employees, customers, business partners and followers of our brands participated in.

Equal Opportunity

As stated above, we are an equal opportunity employer. From our staff split we can see that we are almost there and that in Sweden we are monitored by trade unions on this subject. The payment is the same but may vary due to part-time work (technical pay gap) in the same job category. However whether a male or female is working part time or takes paternal leave is not monitored systematically. In the Nordics we see a close to equal choice in lifestyle. Our governance structure however follows only legal requirements and no additional ambitions are set yet.

16. Qualifications

The company discloses what goals it has set and what measures it has taken to promote the employability of all employees, i.e. the ability of all employees to participate in the working and professional world, and in view of adapting to demographic change, and where risks are seen.

At Fenix Outdoor, it is important for us that employees not only 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. In 2022 we provided each

employee with an average of 18.8 hours in personal and technical training (2021: 30+ hours per staff member), including training on CSR and compliance (n= 2,837). The goal is to enable employees to respond to customer demands and to keep a high level of knowledge for personal and corporate expertise; personal development and training shall on the one hand enrich and balance the intellectual challenges of our employees, on the other hand help to strengthen the bond between employees and the company. A reduced turnover rate and an enhanced customer satisfaction are visible results of these efforts.

The given figure above, however, is less accurate as we changed from online to hybrid training models and not all data was collected or available. The trainings were given to female and male employees in equal amounts. This 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. In 2022 Fenix Outdoor paused its Trainee Program for young professionals called Global Graduates. The original program started in 2011 with three management trainees. The program approach has changed to a focus on the development of internal leadership candidates. This will be kicked off in 2023. Next to that, we support our employees who want to develop their education, such as achieving MBAs. Our goals with the educational programs are fully met.

The risk of qualifying people is that we can lose them easily to competitors who do not offer similar qualifications and educational programs. However, even if employees leave, often times they come back exactly for that reason. So the risks we see are small and neglectable.

Key Performance Indicators to criteria 14 to 16

Key Performance Indicator GRI SRS-403-9: Work-related injuries
The reporting organization shall report the following information:

a. For all employees:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

You will find the remaining numbers c-g of the indicator SRS 403-9 in the GRI standard and may additionally report them here.

Key Performance Indicator GRI SRS-403-10: Work-related ill health

The reporting organization shall report the following information:

a. For all employees:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

You will find the remaining numbers c-e of the indicator SRS 403-10 in the GRI standard and may additionally report them here.

no fatalities, no reportable injuries

A figure for days lost due to absenteeism could not be established for the group; a total of 185 days lost were reported. There were 44 work-related injuries (including bicycle accidents on the way to or from the workplace) recorded (2021: 49). Most injuries involved stumbling in the office or cutting injuries when opening boxes and letters with knives or scissors. No fatalities or work-related diseases were reported. Reported cases of work-related illness were not quantified, but factors mentioned included back pains in sitting jobs, impaired vision due to long work in front of a computer screen, and arm and back issues due to heavy lifting of goods.

Key Performance Indicator GRI SRS-403-4: Worker participation on occupational health and safety

The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:

- a.** A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.
- b.** Where formal joint management–worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.

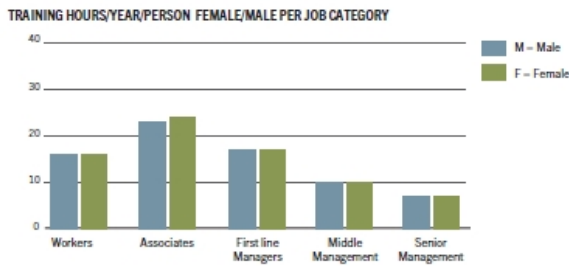
these figures cannot be established globally; local differences and operational differences lead to a heterogeneous picture. Formal health & safety committees are not mandatory but to some extent established under German and Swedish law; OSHAS applies to some US operations

Key Performance Indicator GRI SRS-404-1: Average hours of training

The reporting organization shall report the following information:

- a.** Average hours of training that the organization's employees have undertaken during the reporting period, by:
 - i.** gender;
 - ii.** employee category.

an average of 18.8 hours in personal and technical training (2021: 30+ hours per staff member), including training on CSR and compliance (n= 2,837) was given.



Key Performance Indicator GRI SRS-405-1: Diversity

The reporting organization shall report the following information:

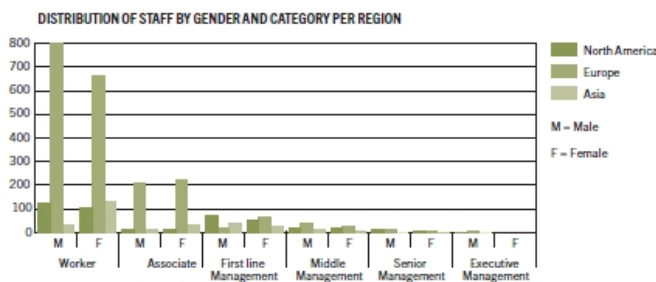
a. Percentage of individuals within the organization’s governance bodies in each of the following diversity categories:

- i.** Gender;
- ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

b. Percentage of employees per employee category in each of the following diversity categories:

- i.** Gender;
- ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

see text above.



Key Performance Indicator GRI SRS-406-1: Incidents of discrimination

The reporting organization shall report the following information:

- a.** Total number of incidents of discrimination during the reporting period.
- b.** Status of the incidents and actions taken with reference to the following:
 - i.** Incident reviewed by the organization;
 - ii.** Remediation plans being implemented;
 - iii.** Remediation plans that have been implemented, with results reviewed through routine internal management review processes;
 - iv.** Incident no longer subject to action.

non

Criterion 17 concerning RESPECT FOR HUMAN RIGHTS

17. Human Rights

The company discloses what measures it takes, strategies it pursues and targets it sets for itself and for the supply chain for ensuring that human rights are respected globally and that forced and child labour as well as all forms of exploitation are prevented. Information should also be provided on the results of the measures and on any relevant risks.

Our social compliance program is based on our The Fenix Way and for over 10 years forms part of our corporate compliance program. Subsequently, the Human Rights policy, embedded in our UN Global Compact commitment and The Fenix Way is ultimately part of our corporate governance.

In 2022 we were able to start traveling again. Not to all parts of the world, but to several countries we had not been able to visit since the outbreak of Covid-19. Relationships were renewed and opportunities were discovered, but we also had to end partnerships where expectations were no longer met. We realized once more how important it is to see each other face to face occasionally. Internal processes were further restructured, and sustainability became an integral part of the sourcing and production teams of Fenix

Outdoor textile brands. New working routines were established such as the handling of compliance documents like The Fenix Outdoor Code of Conduct or the RSL (also covering manufacturing processes) for suppliers, which are now the responsibility of the sourcing and material team instead of individual brands. Furthermore, sustainability criteria such as social compliance audit results, meeting the Global Living Wage benchmark, environmental projects and such have received 50 percent weightage of the updated evaluation of each Tier 1 supplier. This is a great milestone to achieve more sustainability awareness at both ends – brands and supplier. We monitor all aspects of our CoC through personal visits and audits by our own social compliance auditing team (Leadertek) and the external auditing firm ELEVATE. Follow-ups are done based on a Corrective Action Plan and based on our Social Compliance Guideline.

Since we have entered a new level of business inclusiveness, sustainability programs will focus especially on strategic suppliers, which have been defined for all textile brands. That does not mean that nonstrategic partners will not have to meet certain criteria, but we want to invest in partners where our impact is higher and where we find common opportunities to develop business in a more sustainable direction. Another focus of 2022 was preparing for the upcoming Sustainable Corporate Due Diligence regulations. We had support from a student who wrote her master's thesis about the German due diligence law ("Lieferkettensorgfaltspflichtengesetz – LkSG") and how well our current program aligns with the requirements of the law. Our current set-up is explained in the four steps below: Our program to meet the Sustainable Corporate Due Diligence Acts 1. Embed the respect for human rights and decent working conditions into policies Fenix Outdoor brands are obliged to use one aligned process when it comes to protecting human rights and responsibilities for the environment in the supply chain. First, all our suppliers must sign our Code of Conduct (CoC), which is closely aligned with the benchmark of the FLA. As mentioned above, we are an accredited affiliate of the FLA. (Earning Fair Labor Accreditation is a rigorous, multi-year process. It includes evaluations in areas ranging from the commitment of our company's leadership to fair labor standards to the implementation of systems designed to ensure that our factories provide decent and humane working conditions.) In 2022 we updated our CoC according to the envisioned due diligence acts. We associate with the FLA's Principles of Responsible Sourcing and Responsible Production, which overlap significantly with the requirements of, for example, the German Supply Chain Act. Second, Fenix Outdoor has a strict policy when it comes to production countries. Before entering a new country, we investigate different parameters around corruption, human rights (including minimum wages) and environmental risks as well as business opportunities. We also do yearly country risk analysis on countries where we have production, checking criteria such as risk factors (based on audits and open-source data), minimum wages and other risks. This internal booklet is available to dedicated persons and is shared on a yearly basis as a part of the sustainable supply chain activities. Third, we have a social compliance and

human rights policy, embedded in our responsible purchasing and production policy, which all brands are asked to follow. In 2023 we are planning to create a common supplier manual which will be presented to and signed by all Tier 1 supplier producing for Fenix Outdoor textile brands. 2. Risk management: Identify, prioritize and take measures to address adverse impacts Early identification and management of risks is our main goal, and we do have a couple of tools to cease, prevent or mitigate possible risks. One is the execution of classical supply chain audits. Herewith we audit our direct supply chain partners according to the Fenix Outdoor/FLA workplace standards on a regular basis. In 2022 the audit questionnaire underwent a major change due to updates within the CoC and FLA benchmark. This instrument is used by our team of three social auditors which is complemented outside of China and Vietnam by our third-party service partner, ELEVATE. Last year, we were able to visit 76 production sites (2021: 55) and covered around 40% of our Tier 1 supplier base. Fewer travel restrictions have helped us to return to a normal audit routine like before the Covid-19 pandemic. All social compliance audits are being followed up and remediated by our own staff. Therefore, we can track improvements on former results. Next to our audit procedure, we support the approach of the Social Labor Convergence Project (SLCP) to share social audits by using a common framework for the industry. Since we are a member of the SAC, we promote the use of the Higg Facility Social Labor Module (FSLM). Verified SLCPs (vSLCP) complement our own audit process and are accepted if a defined minimum result is achieved. In this case we can waive an audit in the following year. In 2022, we have been able to integrate vSCLP reports into our own grading terminology (A, B, C, D) with the support of ELEVATE. By January 2023 we had transferred 19 vSLCP reports with data from 2022. With this approach we will be able to collect more information from our upstream suppliers, which are currently not covered by our social compliance program and make the result comparable. In 2022, 29 SLCP reports were shared with us from Tier 1 and Tier 2 suppliers of which 22 assessments underwent verification. We will keep on promoting this approach to reduce audit fatigue and work in collaboration with other brands.

Key Performance Indicators to criteria 17

Key Performance Indicator GRI SRS-412-3: Investment agreements subject to human rights screenings

The reporting organization shall report the following information:

- a.** Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.
- b.** The definition used for ‘significant investment agreements’.

no such agreements

Key Performance Indicator GRI SRS-412-1: Operations subject to human rights reviews

The reporting organization shall report the following information:

a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.

100% - all new suppliers and revisited suppliers are assessed; owned operations based in EU are also constantly monitored.

Key Performance Indicator GRI SRS-414-1: New suppliers subject to social screening

The reporting organization shall report the following information:

a. Percentage of new suppliers that were screened using social criteria.

100%

Key Performance Indicator GRI SRS-414-2: Social impacts in the supply chain

The reporting organization shall report the following information:

a. Number of suppliers assessed for social impacts.

b. Number of suppliers identified as having significant actual and potential negative social impacts.

c. Significant actual and potential negative social impacts identified in the supply chain.

d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.

e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.

Last year, we were able to visit 76 production sites (2021: 55) and covered around 40% of our Tier 1 supplier base. Fewer travel restrictions have helped us to return to a normal audit routine like before the Covid-19 pandemic.

COMMON FINDINGS

Finding Name	Pillar	Prevalence in % Rank	Industry average in %
Overtime Week	Labour	56.38	43.64
Other (Monitoring & Documentation)	Management systems	48.94	10.37
Electrical	Health and Safety	46.81	16.5
Benefits	Labor	42.55	46.22
Fire Extinguishers	Health and Safety	41.49	16.87
Worker/Management code awareness	Business Ethics	34.04	5.33
MSDS	Health and Safety	32.98	11.89
Exits	Health and Safety	31.91	25.27
Machine safety	Health and Safety	31.91	31.95
Aides	Health and Safety	30.85	13.12

Criterion 18 concerning SOCIAL MATTERS

18. Corporate Citizenship

The company discloses how it contributes to corporate citizenship in the regions in which it conducts its core business activities.

Corporate Citizenship is a standard operational program. No policy on this exists and we do not strive to develop one in the foreseeable future. Goals setting in this area deems us to be a cynical act of neo-colonial thinking we do not follow. Therefore our projects and programs are identified together with our stakeholders or as a corporate way of expressing what we see as a need in a given situation and location and necessary and relevant for our constituencies.

Primus: Primus has partnered with and is sponsoring the Kathmandu-based company Avni Ventures in its work with the Nepalese Army on the Mountain Clean Up Campaigns recovering post-consumer waste from high-elevation mountain terrain. The partnership between Primus and Avni Ventures is focused on the collection of Primus Gas canisters from the mountains of Nepal at elevations of 8,000 meters and above. Through the partnership, Primus supports Avni Ventures in the proper handling, sorting, reuse and upcycling or recycling of the recovered gas canisters. Timely and proper management of the gas cans is very important as they can pose a safety threat in handling and storage phases as some cans recovered still contained gas. In the 2021 and 2022 collection project, 3,112 cans of Primus Gas cans were recovered and sorted into four different categories for proper handling. They comprised 2,291 empty or damaged cans, 574 partially full cans, 189 completely full and usable cans and 58 cans that were suitable for gift or souvenir purposes. In total 2,865 cans were recycled, 189 were able to be reused, and 58 were made into souvenirs.

Fenix North America (all brands): Marshall Fire Recovery Support On

December 30, 2021, the communities of Louisville and Superior, Colorado, experienced one of the most destructive wildfires in the state's history. The Marshall fire burned 6,026 acres of land, destroyed 1,084 buildings, mostly residential, and resulted in two casualties. In response to this devastating event, the brands in the Fenix North America office opened the Arctic Fox Den for a weekend in January 2022, where fire victims were able to pick up various items including coats, clothing, backpacks, water bottles, shoes and accessories, such as socks and hats, to help replace what they lost in the fire. The brands donated a mix of samples and new products totaling nearly 142,000 euros. The three-day event was staffed by volunteers from the company and supported about 248 families impacted by the fire. Charity partnerships

Society is not only a topic for the supply chain. It also deals with the question of how we engage with our social environment and with stakeholders of various other kinds. Therefore, all entities engage in local sponsoring and charity partnerships. We have donated roughly 96,000 euros from the brands to various causes, and these are mostly described in various communications channels. Sponsorships amounted to about 339,000 Euros.

FRILUFTS RETAIL CHARITY ACTIVITIES: With the aim of better protecting human rights and the environment in the global economy, the German Federal Government passed the Supply Chain Due Diligence Act (SCDDA) in June 2021. As of 2024, all companies with more than 1000 employees are affected, implying that from then on, Globetrotter needs to comply with the law as well. Even though this is a German requirement affecting only Globetrotter at this stage, in anticipation of the corresponding European Corporate Sustainability Due Diligence Directive (CSDDD), we decided to address the SCDDA by the whole Friluft Retail Europe AB. Social justice, environmental protection and ethics have been the foundation of the Fenix Outdoor constitution and Groupwide management systems for many years. However, to address the SCDDA specifically by our Retail operations, systems need to be developed and/or refined and implemented and we did so in 2022: We have updated the Friluft Retail Code of Conduct for Brand Suppliers (current 2022 version 4.0) to cater for all additional risks and due diligence obligations stemming from the SCDDA. In September 2022 we started to send out this new version of the Code of Conduct to all active vending partners of Friluft Retail. By the end of 2022 we have confirmation from 76.6% (based on total Friluft Retail sales volume) to comply with the CoC requirements.

We have informed internal stakeholders and the brands about the amendments of the CoC. In addition, we established an internal Friluft Retail Supplier Code of Conduct Implementation Policy prescribing targets, internal procedure, ownership, revision, escalation process and so on, and have informed and trained internal stakeholders who play a key role to pursue the policy. As part of our prevention measures and risk analysis we continued to develop an Environmental & Human Rights Due Diligence for all vending partners of

Frilufts Retail. In 2023 we will refine this assessment, set up tools and infrastructure and develop a pathway for implementation. Suspected violations of the CoC can be reported through existing Fenix Outdoor group's grievance mechanisms. This includes local management, local HR departments or the Compliance Hotline. All Frilufts Retail business partners and third parties already have the opportunity to report potential violations via www.fenixoutdoor.ethicspoint.com and www.fenixoutdoor-mobile.ethicspoint.com. The SCDDA also requires an official policy statement about respect for human rights and the environment and having it adopted and endorsed at the highest management level. We formulated our statement and communicated it internally before it will be presented publicly in 2024. In terms of awareness and training, internal training on the SCDDA was provided, and this will continue from 2023 forward. Ukraine During March 2022 Globetrotter decided to give all sales from secondhand to Aktion Deutschland Hilft e.V for Ukraine support. A total of 50,000 euros was donated. At Naturkompaniet a project was initiated where the public could donate clothes and equipment in all stores to support Ukraine. With help from the nonprofit organization Filippus Human Aid a total of 500 pallets were donated and transported to the border. Donations were then distributed to different human aid organizations on-site to help people in need. Nature Bonus Since the start (NAK in 2011; PAR in 2016) Naturkompaniet have donated close to 1,300,000 euros and Partioaitta more than 800,000 euros to various nature or environmental protection projects around Sweden and Finland based on the turnover done in their respective loyalty clubs. For 2022 Naturkompaniet donated 350,000 euros for organizations and projects working for biodiversity. <https://www.naturkompaniet.se/naturbonusen/tidigare-vinnare/> and Partioaitta 149,000 euros <https://www.partioaitta.fi/365-klubi/ymparistobonus/>. Globetrotter donated as each year 1.5% to Deutscher Alpenverein (DAV)

Key Performance Indicators to criteria 18

Key Performance Indicator GRI SRS-201-1: Direct economic value generated and distributed

The reporting organization shall report the following information:

a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:

- i.** Direct economic value generated: revenues;
- ii.** Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;
- iii.** Economic value retained: 'direct economic value generated' less 'economic value distributed'.

b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.

Please, refer to pages 23 -25 of the [CSR Report 2022](#).

KEY FINANCIAL INDICATORS (EUR)			
Total income			770,143,000
Net sales			759,237,000
Debt			27,000,000
Equity			
REGIONAL SPLIT OF TAXES PAID (EUR)			
EBITDA	Taxes	Europe	-19,490,274
Operating pr		North America	-976,816
Profit margi		Rest of the World	-1,379,409
Profit before		Total	-21,846,499
Net profit fo			

Criteria 19–20 concerning ANTI-CORRUPTION AND BRIBERY MATTERS

19. Political Influence

All significant input relating to legislative procedures, all entries in lobby lists, all significant payments of membership fees, all contributions to governments as well as all donations to political parties and politicians should be disclosed by country in a differentiated way.

Forbidden and not executed (see Fenix Way, p32, Code of Conduct, § 10). we are not member of any political lobby group nor do we support those.

Key Performance Indicators to criteria 19

Key Performance Indicator GRI SRS-415-1: Political contributions
The reporting organization shall report the following information:

- a.** Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.
- b.** If applicable, how the monetary value of in-kind contributions was estimated.

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20. Conduct that Complies with the Law and Policy

The company discloses which measures, standards, systems and processes are in place to prevent unlawful conduct and, in particular, corruption, how they are verified, which results have been achieved to date and where it sees there to be risks. The company depicts how corruption and other contraventions in the company are prevented and exposed and what sanctions are imposed.

Adhering to laws and regulations is central to how we conduct our business. We require compliance with our Code of Conduct (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. Our Compliance Program finds its roots in The Fenix Way and therefore is a mandatory and binding document for all employees and management. Based on an initial risk assessment covering all operations and countries we have business relations with, we have developed a risk matrix and identified mitigation measures. Among others, we do not operate in certain countries that do not score well on the corruption perception index, the social and political freedom side or in various other fields, we deem to be relevant. A progress report in the field, however, is not possible nor reliable because economic and political framework conditions are shifting and may blur the picture. For 2022, the risk situation is stable and low from a corporate perspective compared to the previous years (2019- 2021).

The CCO reports annually to the Board on the status of the compliance implementation. He also suggests adjustments, changes in the system and follows-up on cases (in conjunction with the DPO and the Legal Council and those departments needed, such as HR).

In 2022 we continued to operate the whistleblowing hotline in accordance with EU legal provisions. Through the "Ethicspoint hotline" anyone can raise concerns about and to Fenix Outdoor without disclosing their own name or contact points. However, a dialogue function allows for interaction between the investigation team and the whistleblower. The hotline can be used in different languages such as Vietnamese, English and German and was communicated to internal staff and external stakeholders. As with our sustainability 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 April 2022. Through this move, various compliance and legal matters are dealt with on the one hand, streamlining the efforts under compliance even further. 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. For 2022 a total of 22 declarations were received.

The CCO also oversees the development and implementation of measures for possible improvements.

Compliance in Fenix Outdoor is not only a result of the ethical principles mapped out in the Fenix Way and other internal documents, but also reflects the owners' will to systematize the handling of ethical and legal matters. In 2022, the number of cases directly reported to the CSO increased

COMPLIANCE CASES 2022 slightly over 2021. In particular, the whistleblowing hotline was used more frequently. The number of reports received grew from 1 in 2021 to 14 in 2022. These complaints mainly focused on HR administration matters and in most cases were not substantiated enough to qualify as cases. However, we have had one case from the whistleblowing

hotline that qualified as such and received several others through different channels. Nonetheless, so far, we did not receive any complaints or hints through this tool from our supply chain and business partners.

When it comes to data protection, we had no incident that needed the attention of the authorities; the main issue was improper cookies settings and mixing up addresses or names of customers. No data loss was reported.

For more information: see the CSR Report, page 10 for a case overview and the mitigation measures. Amongst other things, no corruptive activities by or towards our staff has been reported. Safety measures in warehouses and stores at a legally permissible level will reduce theft and ultimately serve as a loss prevention effort. This topic is handled by the Chief Safety and Security Officer.

Key Performance Indicators to criteria 20

Key Performance Indicator GRI SRS-205-1: Operations assessed for risks related to corruption

The reporting organization shall report the following information:

- a.** Total number and percentage of operations assessed for risks related to corruption.
- b.** Significant risks related to corruption identified through the risk assessment.

on-going 100% assessed, no case reported

Key Performance Indicator GRI SRS-205-3: Incidents of corruption

The reporting organization shall report the following information:

- a.** Total number and nature of confirmed incidents of corruption.
- b.** Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.
- c.** Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.
- d.** Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.

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Key Performance Indicator GRI SRS-419-1: Non-compliance with laws and regulations

The reporting organization shall report the following information:

a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:

- i.** total monetary value of significant fines;
- ii.** total number of non-monetary sanctions;
- iii.** cases brought through dispute resolution mechanisms.

b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.

c. The context against which significant fines and non-monetary sanctions were incurred.

no reportable cases, no fines.

COMPLIANCE CASES 2022

Case Description (no. of cases)	Handling Procedure
Product Safety (2)	Gas cartridge explosion: identified as improper handling by user Pre-market: tested products were not fit for market due to increased concentrations of formaldehyde (rectification where possible; proper disposal in all other cases)
Labelling (1)	Alleged infringement of Prop65 (missing warning): Item in question was produced for Rådningoverket in 2007 ("state rescue service" - a Swedish authority that existed between 1986-2008). No sales to end customers and no sales in California. Counterparty was informed
Infringements of Trademarks (0)	Various counterfeiters of our products in the market - stopped and destroyed by customs in several cases; no own infringements reported.
Data Safety (5 cat)	- wrong access to invoices (invoice download) -> access to customer data (name, address) -> access restricted - internal data access after change of role not restricted -> re-evaluation of access rights - customer data was overwritten with other data using the staff login -> changes in login protocols - 2 complaints about Fenix' handling of personal data internally -> pending - wrong shipments/labels/invoices in eCom -> all technical adaptations made; human errors still possible.
Labor Laws (4)	Var. complaints about works council and internal recruitment processes
Communications/ Marketing (0)	No case reported
Harassment (2)	Cases of sexual harassment in the Netherlands - investigation underway by external partner
Corruption (0)	No case reported
Health & Safety (1)	No case reported
Other (5)	There were five additional cases we have agreed to observe confidentiality.

Overview of the GRI indicators in the Sustainable Code declaration

In this Sustainable Code declaration, we have reported according to the "comply or explain" principle on the GRI indicators listed below. This document refers to the GRI Standards 2016, unless otherwise noted in the table.

Areas	Sustainable Code criteria	GRI SRS indicators
STRATEGY	1. Strategic Analysis and Action	
	2. Materiality	
	3. Objectives	
	4. Depth of the Value Chain	
PROCESS MANAGEMENT	5. Responsibility	GRI SRS 102-16
	6. Rules and Processes	
	7. Control	
	8. Incentive Systems	GRI SRS 102-35 GRI SRS 102-38
	9. Stakeholder Engagement	GRI SRS 102-44
	10. Innovation and Product Management	G4-FS11
ENVIRONMENT	11. Usage of Natural Resources	GRI SRS 301-1
	12. Resource-Management	GRI SRS 302-1 GRI SRS 302-4 GRI SRS 303-3 (2018) GRI SRS 306-2 (2020)*
	13. Climate-Relevant Emissions	GRI SRS 305-1 GRI SRS 305-2 GRI SRS 305-3 GRI SRS 305-5
SOCIETY	14. Employment Rights	GRI SRS 403-4 (2018)
	15. Equal-Opportunities	GRI SRS 403-9 (2018)
	16. Qualifications	GRI SRS 403-10 (2018) GRI SRS 404-1 GRI SRS 405-1 GRI SRS 406-1
	17. Human Rights	GRI SRS 412-3 GRI SRS 412-1 GRI SRS 414-1 GRI SRS 414-2
	18. Corporate-Citizenship	GRI SRS 201-1
	19. Political Influence	GRI SRS 415-1
	20. Conduct that Complies with the Law and Policy	GRI SRS 205-1 GRI SRS 205-3 GRI SRS 419-1

*GRI has adapted GRI SRS 306 (Waste). The revised version comes into force on 01.01.2022. In the course of this, the numbering for reporting on waste generated has changed from 306-2 to 306-3.