

# FENIX

OUTDOOR International AG

## The Fenix Way

A MANAGEMENT AND GUIDANCE  
TOOL ORIENTING BUSINESS  
TOWARDS SUSTAINABILITY 2019

# CONTENTS

03	Fenix Outdoor Group
05	Introduction
08	Mission and Vision
10	Our guiding principles
13	The Fenix Way Management Compass
27	Code of Conduct
39	The journey continues
41	ANNEX 1: Fenix Outdoor's Sustainability Agenda 2025
46	ANNEX 2: Code of Conduct for Fenix Outdoor's Suppliers
57	ANNEX 3: Glossary

## Acknowledgment

We thank all staff members and managers who actively contributed to the development of this document. We also thank the Sustainable Fashion Academy, Stockholm, for having facilitated the development of the initial version of the document.



# Fenix Outdoor Group

Fenix Outdoor International AG is a leading group of outdoor companies that enables people to enjoy life outdoors and supports survival in challenging and extreme environments of our planet through a comprehensive array of functional and durable premium products and services.

Our main concern and aspiration is to ensure that our products fulfill the highest quality standards and criteria regarding sustainability and functionality.

Each company within Fenix Outdoor addresses a unique market segment to ensure that our customers can obtain premium products for all aspects of outdoor life.

We strive to have a deep understanding of our customers' needs and continuously develop know-how to be innovative and improve the products we sell.

In order to lift our commitment to sustainable development onto a new level, we, the management and staff members of the Fenix Outdoor Group have adopted The Fenix Way as the core guidance document mapping out our common values, principles, goals and business practices and inspiring us to further develop our own social, environmental and economic performance. The document at hand is an update to the first version of it and shall also take stock of where we are and where we want to go in the future while at the same time keeping our ethical principles alive.

Fenix Outdoor has signed the United Nations Global Compact and fully supports its principles. We also very much support the Sustainable Development Goals (SDGs), adopted by the United Nations and the member states. We at Fenix Outdoor want to contribute to a better life and therefore will work on those goals where we seem to have the most leverage. We are striving to incorporate them in all our business undertakings and we expect our business partners to do the same should they not yet have done so.

We have decided that with this update of The Fenix Way, we will contin-

ue boldly to integrate sustainability thinking into all business streams and boldly strive for new ways of doing business that will truly help us to build a future we all want to live in and enjoy the outdoors.

Zug, October 2019

Martin Nordin  
Chairman and CEO

Alex Koska  
President

Martin Axelhed  
Exec. Vice-President

Nathan Dopp  
Vice-President

Henrik Hoffman  
Vice-President



**“Sustainability  
means to endure.”**



# Introduction

In 2012, the management and employees of Fenix Outdoor came together to adopt The Fenix Way. In 2018 it was felt that we would need to look again at the document and update certain parts and align them with the new socio-economic realities. This document explains our corporate culture, the way we perceive ourselves and how we want to manage our impacts on the natural, social and economic environment. It is an aspirational document and shall encourage to set ambitious goals for all aspects of sustainable development.

Sustainability has become a buzz word and is often referenced from the 1987 Brundtland Report which says: “Sustainable development is a development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” In other words: it is the pursuit to enable the Earth to continue supporting life. The deeply rooted love for nature, the outdoors and our planet is part of our heritage and it became part of our corporate dna over time. We continue to develop, reinvent and to aspire new goals every new day that is to dawn.

## How to use The Fenix Way

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 most recent version of the Code at the time of publication is given in Annex 2. 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.

Our products are intended to last a very long time. They are built with knowledge and experience that has been gathered over decades. Therefore, we are sure that our products are safe and their ingredients have been selected in an environmentally and socially responsible way. Amongst others, this lead to our products being successful and popular what we of course highly appreciate. Nonetheless, the flip side of the coin is that successful products with a high recognition and awareness are always popular targets of counterfeiters and our intellectual property, we have worked so hard for, is under threat due to these counterfeit activities in certain regions of the world. A counterfeit product is causing not only (financial) harm to us as a company. It poses also health risks as well as environmental risks as the material does not comply with legal requirements and often contains unwanted substances. Even though we spend huge efforts and financial resources in fighting this problem to protect customers as well as our intellectual property rights, we are unfortunately facing several difficulties of legal and political nature in our daily efforts. We will nonetheless continue our fight and will mobilize all our resources and possibilities also to raise public’s awareness for the seriousness of the problem with the aim to obtain an enhanced and harmonized international cooperation

between governments, authorities and brand owners and to thereby improve our legal tools.

Finally, and this is elementary to all our sustainability endeavors: The Fenix Way guides us through all issues we need to address – not only because we care but also because our customers and our stakeholders care. The Fenix Way is the highest managerial tool of the Group. Any guideline or policy in the Group will be based on this core document. Every manager has to ensure that the most up-to-date version is available to all employees and affected business partners.

The Fenix Way is an ethical compass. It is a statement of our core values, principles, goals and business practices and we expect all our employees and business partners to conduct themselves in accordance with its requirements. It is not intended to be comprehensive, but rather, a guideline or minimum requirement that must be followed. Where it differs from legal requirements, the higher standard shall prevail; where legal demands contradict The Fenix Way we adhere to the law but we strive to keep the meaning and principles of The Fenix Way to the utmost extent.

**THE FENIX WAY  
GUIDES US THROUGH  
ALL ISSUES WE NEED TO  
ADDRESS.**

**NOT ONLY BECAUSE WE  
CARE BUT ALSO BECAUSE  
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STAKEHOLDERS DO CARE.**

# Looking back

In 2012, we committed to actively and sustainably address the environmental, social and economic challenges of those days and take a bold step into the future, a future that should present itself as more resilient and more sustainable than those days. We wanted to contribute to a better environment and leave our base camp in a better shape than we found it. Looking back, we achieved a lot as we not only dealt with house-keeping matters but also fully integrated sustainability into product development and design. Unfortunately, we were not successful on all accounts and not all goals we had were met. But we did move into the right, the more sustainable direction. We built partnerships with stakeholders inside and outside the company and evolved into a trusted leader when it comes to social, economic and environmental responsibility.

In a separate CSR Report that adheres to the Global Reporting Initiative (GRI) Standard we report annually on our progress. While subscribing to the UN Global Compact, we committed to the ten principles and have reported about our progress annually also at the UN COP page.

We addressed environmental issues and made progress towards carbon-neutrality: in 2016 we were able to officially become carbon-neutral in our own operations and reduced our carbon footprint although we grew our

business substantially – organically as well as anorganically.

All our companies look for more environmentally sound solutions: Therefore we chose to join the Sustainable Apparel Coalition and to apply the Higg Index suite of tools. We made progress in shifting towards more environmentally sound materials in our textiles and footwear brands, improved the efficiency in our Primus stoves and also enhanced the life-cycle-assessments of Primus components. In our retail business we established “A Greener Choice” as a tool to move the industry to become more sustainable and developed a “sustainable stores” concept looking at materials choices, store layouts and energy efficiency.

Groupwide we established a Chemical Guideline and applied our Restricted Substances List, leading to the successive phase-out of various hazardous chemicals from our products and production processes.

In improving our office operations and logistics we reduced our CO<sub>2</sub> impact as well but looking at the growth and new corporate members in our Group, we always take a fresh start each time the organizational setup changes, leading to a more fuzzy picture in terms of annual snapshot reviews.

In order to ensure full compliance with minimum workplace standards as mapped-out by the ILO and other orga-

nizations, we also became a member to the Fair Labor Association. We improved our supplier code of conduct and the management of the workplace code elements through the development of a Social Compliance Guideline and several internal measures and activities. These ultimately led to the accreditation of our system by the FLA.

Over the years we received a lot of attention and also external commending, acknowledgement and awards. The most recent and notable achievement was the rating of our company by one of the leading reputable CSR and Sustainability Rating Agencies – ISS Oekom Research. They recognized our efforts and Fenix Outdoor International received the “Prime” status level, marking that we are at par with a number of blue chip companies in our industry when it comes to top sustainability management.

In interaction with various stakeholder groups, Fenix Outdoor developed a rich and holistic set of actions in order to address the environmental, economical and social challenges. In our new strategic planning, alternative business models, holistic and life-cycle-based assessments and an integrated management of our supply chain stand at the basis of our endeavor to take the next level of sustainability management. We won't be actionists but we will take action and keep course for a cause.

A wide-angle landscape photograph showing a calm body of water in the foreground, reflecting the sky and the surrounding terrain. In the middle ground, a bright blue tent is pitched on a grassy bank. A person wearing a high-visibility orange and yellow jacket stands near the tent. The background consists of rugged, rocky hills with sparse vegetation and a small patch of snow on a distant peak. The sky is overcast and grey.

**“We want to become the leading and most sustainable global outdoor group.”**

**“Leave the basecamp  
better than you found it.”**





# Mission and vision

Fenix Outdoor is a leading Group of outdoor companies that provides a comprehensive array of functional, reliable and durable high quality sustainable products for living and recreation outdoors.

We strive to become the leading and most sustainable global outdoor group. We shall be the number one choice for outdoor lifestyle consumers. Our mission is to provide premium products and services for various outdoor activities, embarking on the least negative environmental impact, high functionality, safe handling and durability. We want people to experience and enjoy nature.

We have committed to environmental protection, social fairness, cultural diversity and the protection of the rights of children and therefore signed the United Nations Global Compact,

which have become an integral part of our daily business. We take a step further in addressing the SDGs, the so-called "global goals for sustainable development" as adopted by the United Nations General Assembly in 2015. The 17 defined goals address the most pressing challenges for the survival on this planet and range from the fight against hunger and climate change to the protection of the life under water and partnering for a generally better future for all. We at Fenix Outdoor are part of the quest.

By doing so we aim to reap the fruit of our corporate responsibility, demonstrating it with our economic successes and inspire more and more people to live a life outdoors and ultimately become custodians of the environment and our common future.



## The Global Goals For Sustainable Development



# Our guiding principles

The ethics of stewardship guides all of us at the Fenix Outdoor Group in our daily work. Particularly taking responsibility for a sustainable development is a key driver for us since we are fully aware that our global resources are limited and our decisions will have an impact on our common environment for long after we have left this planet.

Our heritage and tradition is closely linked to individuals and groups who experienced unique and life changing adventures and experiences in the wilderness. Subsequently, the protection of our natural heritage ranks high on our agenda.

We want to enable all people to spend unforgettable and inspiring moments in nature. In all our businesses and activities we want to substantiate our leadership role in sustainability.

This also means being an innovator in all our business segments, constantly improving, and finding better, safer, more environmentally sound and less harmful new solutions. And sometimes this means to walk extraordinary and unusual ways to move into a more sustainable future.

Our vision is driven by our love for the outdoors. It is seamlessly integrated with our commitment to quality, durability, timelessness, functionality and entrepreneurship. Guided by this vision, we ensure that our world-inspiring products and services are also at the forefront when it comes to environmental performance and societal responsibility.

We believe that business should, in every aspect of its operations, contribute to happier, healthier people; stronger communities; healthier, more resilient natural systems; and top financial performance.

We strive to achieve all four of these “returns on investment” – simultaneously. As an outdoor company we take particular interest in and responsibility for:

- the respect for and protection of nature.
- the societies in which we operate and for which we produce, practicing good corporate citizenship and upholding the highest standards of ethical integrity.
- the human well-being, in particular for the wellbeing of our employees all over the world who deserve a safe and healthy working environment, and our customers and other stakeholders who should not suffer any harm from our products.
- the economic development of our company as well as the societies we are operating in.

To be able to set goals and orientation we have adopted The Fenix Way Management Compass® as the key tool on our path to sustainability.

**WE WANT TO ENABLE ALL PEOPLE TO SPEND UNFORGETTABLE AND INSPIRING MOMENTS IN NATURE.**





# YOSEMITE

# NATIONAL

# PARK

See Yosemite Valley Map on reverse side



# The Fenix Way

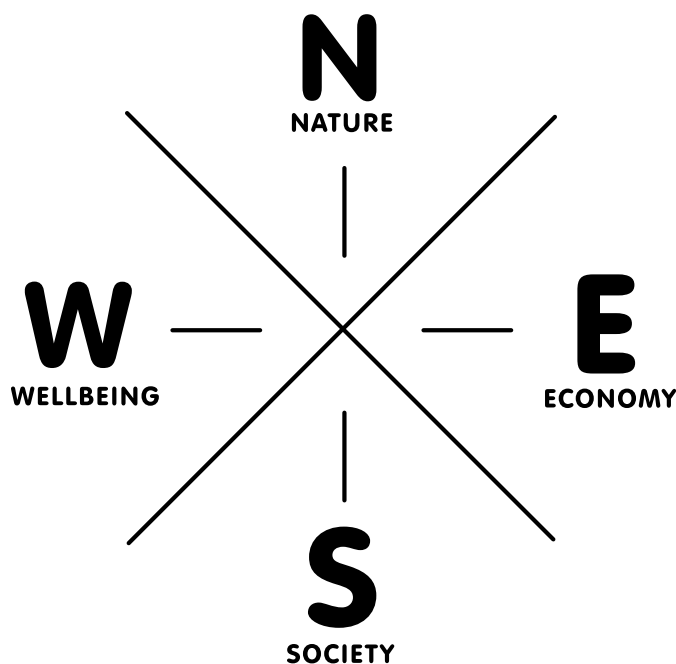
## Management compass®

### N = Nature

As a family of outdoor brands and retailers, our core business is equipping people to spend time in nature. We therefore work actively to preserve and protect our planet's natural heritage and biological diversity and in the longer term contribute to the restoration of degraded natural systems.

### W = Wellbeing

Our employees all over the world deserve a safe and healthy working environment, and our customers must have safe and satisfying products. We aim to respect each individual's human rights, and we do treat people fairly. We encourage a balanced life, and we offer possibilities for personal development.



### E = Economic performance and core business processes

By developing, producing and selling high-quality, durable products, and by continuously innovating, we will provide our customers with high value products and services, develop long-term business relationships and ensure strong financial returns for our shareholders, for many decades to come.

### S = Societal responsibility

We uphold the highest standards of ethical integrity and practice good corporate citizenship in the countries and communities where we are present. Our aim is to be a net contributor to a well functioning society everywhere we do business.

# The Fenix Way

## Management areas in detail

### Nature

Our core business is equipping people with goods that allow them to spend more time in nature. We also want to become a net contributor to a quality environment. This leads to a thoughtful choice in materials and a consulting service to our customers regarding adequate and not overengineered equipment choices.

The basis for our care for the environment is to apply a precautionary approach, and to think in terms of closed-loop systems and looking at the full life-cycle of a product or service. This means, for example, that if there are two chemicals that can serve the same purpose, we choose the chemical that is believed to be less harmful to the environment, according to the best available scientific information.

If there are doubts about whether a chemical is harmful to the environment, we err on the side of caution and try to find a replacement that is more certain not to be harmful. Clear guidance is

given in our Chemical Guideline which is updated twice a year.

We are constantly in search of innovative solutions that reduce our impact on the environment, increase our resource efficiency, and move us closer to a zero-impact, closed-loop production process.

In our sales and marketing activities as a standard operational procedure we use environmentally-friendly materials such as recycled paper or certified and sustainable sourcing for fairs and presentations.

### Animal welfare

We do not accept the maltreatment of animals of which parts or byproducts are used for our products. In businesses where animals are used they must be fed and treated with dignity and respect and no animal must deliberately be harmed nor exposed to unnecessary pain in their lifespan.

Taking the lives of animals must at all

### WHAT CAN YOU DO?

COMPARE PRODUCTS YOU PURCHASE AND CHOOSE THE LESS HARMFUL ONE. IN OFFICE SUPPLY, BUY PAPER FROM A SUSTAINABLE SOURCE (E.G. FSC) OR USE RECYCLED MATERIALS AND USE REFILLABLE MARKERS.

### WHAT CAN YOU DO?

CONTROL THE SOURCES OF LEATHER, DOWN AND WOOL. IN CERTAIN MARKETS LOOK FOR PROJECT INVOLVEMENTS AND SEEK APPROVAL BY THE CSO.

## WHAT CAN YOU DO?

REGULARLY CHECK OUR PREFERRED AND RESTRICTED SUBSTANCES LISTS (PSL/(M)RSL). ALWAYS CONSULT THE CHEMICAL GUIDELINE. SEARCH FOR ALTERNATIVES TO HAZARDOUS OR BANNED MATERIALS. PHASE-OUT TOXIC CHEMICALS; CONTROL THE SUPPLIER OF THE SUPPLIER AND ASK FOR PROOFS (E.G. TEST REPORTS, SDS, CAS-NO.)

times be conducted using the quickest and the least painful and non-traumatic method available. Where we deem it necessary we will actively improve the care for animals during raising and capture, transport and slaughtering. Products from animals, not intended for human consumption, are generally not used.

In our retail operations we will require compliance from all brands selling goods to us to ensure these minimum requirements.

### Materials

By “materials” we mean the input materials for our products. We consider all input materials – natural raw materials as well as chemicals that are currently needed to achieve the quality and functionality of our products.

Our vision is to achieve closed loops where the waste of one process will be the starting point for another (cradle-to-cradle).

To achieve this, we need to avoid chemicals, that are per se harmful to the environment and consider a life-cycle view, in particular when looking at chemical precursors and breakdown components. We look for durable materials in order to extend our products’ longevity. We will increase the use of organic/ ecologically and socially preferable/ non-toxic and biodegradable materials. We will also explore new material choices and innovative material compositions which help to reduce the negative social and environmental impacts.

We consequently source the safer alternative substances to those on the restricted substances list. The chemicals we use are clearly labelled in order to protect people’s health and the environment. We are actively engaging in the phase-out of hazardous chemicals and support the aim for a healthier and better environment.

### Water

We monitor our water usage and strive to reduce the total volumes of usage in products and services. Where possible, we use recycled water to minimize our total impact on water sources and source materials that according to benchmark studies use less water than their alternatives of the same specifications. Water discharges shall be safe and always go into treatment plants for cleaning.

## WHAT CAN YOU DO?

ENCOURAGE CONSCIOUS CONSUMPTION, EDUCATE SUPPLIERS ABOUT ENVIRONMENTAL RISKS AND CHECK FOR IMMEDIATE ACTION POINTS LIKE LEAKS.

### Emissions and effluents

We aim to drastically reduce our CO<sub>2</sub> emissions. As a next step we are aiming for a CO<sub>2</sub> neutral production and even climate positive contributions: We will also reduce other emissions to air in order to continuously reduce our negative environmental impacts.

We prefer tele-conferencing over business travel and have implemented a CO<sub>2</sub>-emissions-based car policy. However, we also want to holistically look at alternative energy uses and mobility concepts and will partner with scientists and experts around the globe.

We monitor and manage effluents to water in order to avoid accidents and eliminate hazardous discharges.

## Waste

Our products are of high quality, durable, and timeless in styling, to ensure they are used as long as possible. Our services are holistic and premium, enabling customers to make the best possible sustainable choice.

We encourage the repair and reuse of our products. We will use more recyclable materials in order to induce recycling throughout industrial and consumer systems and to promote closed-loop thinking.

We monitor and minimize hazardous waste and dispose it off in a safe way. In the production process, we seek to minimize waste and eliminate spills.

## Energy

We use renewable energy wherever it is possible and look into CO<sub>2</sub>-offset options. We continuously focus on increasing renewable energy, reducing our energy consumption and increasing our energy efficiency even while we are aware that there is no perfect solution available yet.

## Bio-diversity

Functioning ecosystems and a wide variety of species are important aspects for us to enjoy and explore nature. Hence the loss of biodiversity is of high concern. We want to contribute to the protection of biodiversity and to avoid activities, having severe negative impacts on the diversity of species. We aim at supporting industry efforts to improve the conservation of our natural environment. Fenix Outdoor is committed to the protection of nature and we therefore do not source any natural material from illegal sources. We also will not use endangered species or parts of them in our products or services.

We will actively contribute to nature conservation projects by awareness raising, volunteering and providing resources to selected projects. We support the goals of the UN Convention on Biodiversity and seek ways to take it into consideration during our day-to-day operations.

On a case-by-case basis we support conservation projects which we feel to be in-line with our ethical principles and our sales and business strategies.

## WHAT CAN YOU DO?

AVOIDANCE AND REDUCTION IS ALWAYS BETTER THAN REUSE AND RECYCLING; SMALL AND SMART IS BEAUTIFUL

## WHAT CAN YOU DO?

PURCHASE GREEN ENERGY WHEREVER POSSIBLE OR USE SELF-GENERATED GREEN ENERGY IF THIS IS AN OPTION.

## WHAT CAN YOU DO?

INFORM THE CSO WHEN PLANNING A NEW SITE OPENING; GO THROUGH OUR SIMPLE CHECK-LIST: WHERE AND HOW DO WE NEGATIVELY IMPACT ON AN ECOSYSTEM? WHAT CAN WE DO FOR MITIGATION AND ENHANCEMENT? HOW TO LEAVE OUR BASE CAMP IN A BETTER SHAPE?









## WHAT CAN YOU DO?

CONSIDER THE EXTERNALITIES WE DO NOT DIRECTLY PAY FOR; REDUCE OUR IMPACT ON AIR, SOIL, WATER ETC. TO AVOID COSTS IN THE FUTURE; ENVIRONMENTAL AND SOCIAL IMPACTS SHALL BE TRANSLATED INTO ECONOMIC TERMS BY CONTROLLING THEM. ACHIEVE RECOGNITION BY THE SRI COMMUNITY.

## WHAT CAN YOU DO?

COMPARE PRODUCTS, FOLLOW THE FENIX OUTDOOR CODE OF CONDUCT, DISCUSS AND TRAIN SUPPLIERS AND MAKE THE CODE AN ELEMENT OF THE BUSINESS RELATION.

# The Fenix Way

## Management areas in detail

### Economic performance and core business processes

Traditional measurements of economic performance are part of sustainability. However, they need to be adapted and we strive to reflect the new notion of environmental, social and societal cost and profits successively in our economic reporting.

We are convinced that our long lasting market presence is the result of long-term thinking, innovation and excellence. Therefore we may not always follow short-term interests.

We will prioritize the development and sustainability of long-term business relationships with all our suppliers and business partners. We continuously look for opportunities to innovate and to invest wisely in sustainability performance advances, and we insist that our suppliers do the same.

#### Supplier

Our suppliers are part of our business partner network. We will thoroughly evaluate and assess them. The basis for a business relation is a partnership, based on the adherence to our Code of Conduct (the "Code") which shall always become part of the relationship in its most up-to-date version (see version number and date on the documents to reconfirm).

They must therefore comply with the Code in every way. This will be the

foundation of a serious and long-term relationship at arm's-length based on mutual respect. We may choose not to do business with any potential supplier who does not adhere to the Code.

Non-compliance to the Code during a business relationship requires corrective actions and improvements. We will support suppliers in case they need our help and training when it comes to the implementation of the Code. However, repeated non-compliance can lead to litigations and the extraordinary ending of contracts.

#### Innovation

Innovation is our core asset and essential to develop our business and sustainability orientation.

We believe in continuously seeking new solutions to improve our performance throughout our value chain, and we encourage our business partners to show the same level of commitment.

#### Marketing and communication

We use our marketing and communications to inform customers, stakeholders and the general public about our sustainability efforts and to encourage engagement in caring for nature, people and community. We do not do any misleading statements. Rather, we communicate our performance in a clear and understandable manner: production process.

In our sales and marketing activities as a standard operational procedure we use environmentally-friendly materials such as recycled paper or certified and sustainable sourcing for fairs and presentations.

# The Fenix Way

## Management areas in detail

### Societal responsibility

#### Community involvement

Wherever we operate we avoid the abuses of human, labor, and community rights including landownership, land-use, and access to clean water etc. Fenix Outdoor will also involve local partners and affected groups and has set-up a grievance mechanism for complaint and dialogue purposes. In addition to this, we seek to induce people to experience nature in real life, and to get involved in environmental and community improvement efforts. We are convinced they will then participate in conserving nature.

Nature is where we want to spend our time and a healthy environment is essential for the Fenix Outdoor companies, offering outdoor equipment.

We offer opportunities for outdoor experiences in various ways by arranging adventures and encouraging families to experience nature. The integration into market strategies is encouraged.

#### Human rights

Human rights impact assessments are part of our expansion strategy. Only after approval by the CEO and CSO new markets can be entered and necessary precautionary measures will have to be taken. We embark on the un initiatives

as well as the expertise of research institutions such as the Danish Institute for Human Rights. We are also adhering to the European Human Rights activities.

When we conduct audits on our suppliers, human rights issues will be included. We will train our employees in policies and procedures relevant to human rights risks and challenges.

#### Stakeholder engagement

We value our stakeholders' views, which are the basis for our long-term development as a company and therefore regularly consult with various groups.

We believe dialogue with our stakeholders will strengthen their interest in our work and increase our chances of reaching our goals. In order to build trust, our relations to our stakeholders should be characterized by integrity, openness, respect, and good ethics.

#### Product responsibility

We produce and sell high quality products that have been developed with safety, durability and functionality in mind and that are well-labelled to ensure safe usage, storage and end of life treatment.

Our ambition is to foresee and prevent all possible accidents that may be caused by our products. We have well-communicated routines for registering complaints about the quality and functionality of our products.

#### Overall social impact

In all countries we are present, our businesses make positive contributions to societal development by providing benefits such as employment or revenues to the communities and their people.

Furthermore we contribute to the development of employees' skills, innovation of the industry and a healthier life style.

#### Business ethics

We do not accept any form of corruption, extortion, embezzlement or bribes. We train our employees by implementing and promoting our Code of Conduct to ensure compliance with our values which often go beyond legal compliance. We believe in and act according to fair competition values and rules.

### WHAT CAN YOU DO?

COMPARE PRODUCTS,  
FOLLOW THE FENIX OUTDOOR  
CODE OF CONDUCT, DISCUSS  
AND TRAIN SUPPLIERS AND  
MAKE THE CODE AN ELEMENT  
OF THE BUSINESS  
RELATION.







# The Fenix Way

## Management areas in detail

### Well-being of people

Our employees all over the world deserve a safe and healthy working environment.

We respect each individual's integrity, and we treat people fairly. We encourage a balanced life, and we offer possibilities for personal development. We believe in a multinational set-up and hence encourage our colleagues around the globe to connect and to take the opportunity to work in a different cultural setting or apply to internal job postings overseas.

#### Workplace health and safety

We require that the employees' safety should be of priority at all times. We do not accept hazardous equipment, insufferable surroundings or unsafe premises. The workplace shall be safe and hygienic, and we take effective steps to prevent potential accidents and to minimize health risks as much as possible (e.g., by providing PPE and carrying out regular risk assessments).

Safety awareness is a necessary priority and shall be understood and implemented daily by everyone working in any of our own factories, warehouses or stores. Physical abuse, threats of physical abuse, physical punishment, sexual and other harassment, and intimidation by employers or employees is strictly prohibited. This also holds true for situ-

ations outside our own workspaces.

Workers' housing facilities or dormitories, to the extent they are provided by the employer, have to be clean, safe and healthy places to live in.

#### Worker self development training

It is essential to our sustainability as a company that we develop and retain the highest quality workforce, at every level. Therefore, we provide training in order to develop the employees' personal skills, furthermore, we instruct our employees in sustainability matters.

We conduct performance reviews and career development meetings regularly with our employees.

### WHAT CAN YOU DO?

APPLY THE CODE OF CONDUCT AND REPORT ANY INCIDENCE TO THE CSO OR CCO.

#### Freedom of association and the right to collective bargaining

We respect the employees' right to freedom of association and collective bargaining. We ensure that employees participating in unions are not subject to discrimination or punitive disciplinary actions.

## WHAT CAN YOU DO?

WE PRACTICE A “ZERO TOLERANCE” POLICY ON THESE ISSUES. PLEASE REPORT ANY INCIDENT IMMEDIATELY TO THE CSO.

## WHAT CAN YOU DO?

HANDOUT OUR CODE OF CONDUCT AND ASK YOUR PARTNER HOW HE IMPLEMENTS IT. GET ACTIVE AND SHOW INITIATIVE. CREATE AN ENABLING ENVIRONMENT.

### **Discrimination**

We do not accept discrimination with regards to ethnic backgrounds or skin color, religion, age, sexual orientation, gender, national origin, disabilities, or other classes protected by law. We are a globally active company with international employees from different cultural backgrounds and we treat each other with respect.

However, since we are rooted in Europe and the USA and have Swedish, American and German origins, the upholding of an open and free society is important to us.

Subsequently we will not associate with people or groups whose aims are intolerance and discriminatory.

### **Child labor**

We do not accept child labor as a means to employ cheap labor and extort vulnerable groups of the society. We follow the UN Convention on The Rights of the Child when defining children, that is, every human who has not concluded the 18th birthday.

### **Forced labor**

We do not tolerate compulsory or forced labor. Employees have the permission to leave the factory under reasonable circumstances, such as personal or family emergencies.

### **Working hours**

We do not exceed legal limits with regard to working hours. We are committed to the core conventions of the International Labor Organisation (ILO) and require from our suppliers to at least observe the enshrined limitations regarding working hours and rest days.

Overtime is occurring in special situations and is always done voluntarily. We expect all Fenix Outdoor managers and suppliers to keep working records according to legal requirements and adhere to the provisions of our Supplier Code of Conduct.

### **Compensation/wages**

All our employees shall have an appropriate income and they shall be able to meet the basic needs for themselves and their families. Wages paid for a normal work week shall be competitive and meet legal and industrial standards at least.

We keep payroll records in accordance with legal requirements in a format that is understandable to an outside evaluator.

We do not carry out any deductions as a disciplinary measure. It is a tax measure and is only to be made when provided for by the national law.

Wages are paid regularly, on time and in a way that is convenient for the employees and in line with local laws and customs.

### **Sick leave and annual leave**

Employees are entitled to leave without any negative repercussions if they are sick or have stipulated annual leave as regulated in the appropriate documents governing employee relations.

### **Customer health and safety**

We endeavor to produce safe products, avoid misleading statements and create safe retail environments. We want to ensure that our customers are not harmed because of a failure in our products or a breach of safety rules.









# Fenix Outdoor Group

## Code of Conduct

Our Code of Conduct is compiling our ethical and societal fundamentals. These are to be observed at all times when conducting our business - within and outside the company. The Code sets overall standards for each topic. These in turn form the basis for the development of internal rules and subsequently targets and performance indicators at the company level.

A compliance guideline is available to all staff members, defining and mapping the structure, procedures and role of the compliance system. Fenix Outdoor companies deal with a variety of issues and we are perceived as a responsible and aware organization considering the various views of and discussions with our stakeholders. Hence, we want to live-up to the expectations we have in us as well as to those, others may have. We also see a constant change in societal expectations and the levels of accepted corporate behavior changes over time. Against this background, we frequently revisit our Code of Conduct and strive

for the highest level of integrity and ethical business conduct.

Our public reflection as a company depends on how we conduct and behave in the business world. There is no substitute for personal integrity and sound judgment. When faced with a difficult situation, everyone should consider these questions:

- Is my action or decision legal?
- Does it comply with our values and our policies?
- Is it right and free of any personal conflicts of interest?
- Could my action or decision withstand public review?

If the answer to these questions is "yes", the action or decision based on the following principles of conduct is most likely correct.

Fenix Outdoor International AG is dedicated to societal, ecological and economical responsible business conduct and has incorporated it into its mission statement, corporate vision and group-wide strategy.

Each corporate company and every employee – from production via sales to back-office – has the duty to contribute to the improvement in these areas by setting targets and regularly monitor and report the progress.

In order to become the leading, most sustainable outdoor group, delivering excellence in high-quality, functional and innovative premium outdoor products, we are committed to observe our

### WHAT CAN YOU DO?

ASK YOURSELF A FEW  
SIMPLE QUESTIONS AND  
ANSWER THEM HONESTLY.

principles and rules in all our operations and ensure that the same level of commitment is kept around the globe.

In this Code of Conduct we have laid out our values and give specific guidance on rights and duties for staff members of Fenix Outdoor International AG and its entities. This Code shall also inspire our business partners. They should strive to adhere to high ethical standards independent from the Code they need to sign in order to engage in a deeper business relation with us.

In our conduct we respect and observe the principles of The Fenix Way and the rules and aspirations of the United Nations and other regional or multilateral agreements. Against this background we have signed the United Nations Global Compact and use the principles thereof to guide staff and business partners in their daily operations.

We expect that all business partners adhere to these principles and support us in promoting and implementing them. This goes in particular for human and labor rights, the sustainable protection of the environment and the fight against every form of forced and compulsory labor as well as child labor.

We adhere to the highest level business ethics and therefore have committed to ban corruptive practices.

### Scope

This Code of Conduct includes the minimum standards for legal compliance and ethical business conduct. It is mandatory and non-negotiable. It applies to all employees of Fenix Outdoor International AG and its subsidiaries, affiliates and joint-ventures where we hold a share of at least 50 percent.

Wherever our principles exceed legal requirements, we adhere to our principles. The term staff member or employee includes male and female staff

members, no matter if they have signed a permanent or fix-term contract and no matter if they are employed full-time or part-time. It also includes workers and managers alike.

In M&A activities, the President and the CEO always make the Code of Conduct and all rules following from it an integration prerequisite.

No one stands above this Code and no one has the right to break any of the rules laid out herein unless legal or other generally accepted circumstances demand it. In this case the CEO and CSO have to be informed immediately and approval sought from them.

A minimum requirement is that the supplier code in Annex 2 shall be adhered to at all times by our business partners. It is up to every business unit and company of the Group to set more ambitious rules in their own codes. Therefore it is emphasized that this Code constitutes minimum requirements.

### Reference Documents

The Fenix Code of Conduct is based on current international reference documents and standards, including The United Nations Global Compact, the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights to Work, The Rio Declaration on Environment and Development, The United Nations Convention Against Corruption, and the UN Convention on The Rights of the Child.

In developing our management categories and topical focus areas, we use the general Global Reporting Initiative Reporting Standard to annually report on the progression of our sustainability and compliance agenda.

# 1. General commitments

## Legal Compliance

Compliance with national legislation and statutory requirements in all countries where we are operating is a general business principle for us.

Should any of the requirements by Fenix Outdoor be in violation of the national law in any country or territory, the law in that country takes precedence over this Code of Conduct, unless it violates general ethical and universal principles. In the latter case, immediate reporting to the CSO is necessary to decide on how to proceed.

In cases where legal requirements are less strict than the Code, the stricter ones shall prevail.

## Nature and Environmental Commitment

Nature conservation and environmental protection is for us of highest importance. It forms the basis for all our business endeavors. We strive to support sustaining biological diversity and the protection of vulnerable species. We do not tolerate animal maltreatment and support animal welfare and the right to a life in dignity.

We acknowledge the possible negative impact of our business activities on the environment and are committed to improving our environmental track record through precautionary measures, innovation and the use of environment-friendly technologies. We regularly assess and monitor our impact on the environment. By systematically identifying and leveraging potential ecological initiatives, we strive to support constant improvement of our environmental performance and the increase of efficiency in our resources. This includes environ-

mental audits and risk management. We want to measure our processes and products against high quality standards.

National and international environmental standards shall be our guiding principles. As a corporate group, we advocate and support the dissemination of environmental standards throughout the world. We consider every employee's commitment and active involvement to be an important platform for our quest for excellence and a significant source of innovation and passion for our products.

## Economic Commitment

We are a "for-profit-organization" and hence strive to be economically successful. For internal purposes we have defined a few golden rules that are to be adhered to if we want to continue prospering. Traditional measurements of economic performance are part of sustainability and a necessary tool for shareholders as well as stakeholders to assess the wellbeing of our company.

We are convinced that economic success and environmental responsibility go hand in hand and ultimately benefit the society as well as our employees. However, we do not believe in profit-maximization at any cost as we see the danger of the loss of values and ethics. Therefore, we believe that only a deeply rooted sustainable business ethics will sustain economic success and be the driver for innovation and progress in the long-run.

We aim at actively contributing to a future that offers a sustainable development perspective for all human beings and sustains life on this planet. Societal Commitment.

We practice good corporate citizenship in the countries and communities where we are present, and we uphold the highest standards of ethical integrity. Our aim is to be a net contributor to a well functioning society everywhere we do business.

## WHAT CAN YOU DO?

PLEASE OBSERVE OUR ANIMAL WELFARE AND ENDANGERED SPECIES POLICY.

We are committed to support the communities in which we work and recognize the need to contribute to their well-being with our know-how and professional skills. Respect for and understanding of the different cultures and a sensitive manner of dealing with their key issues is of highest importance to us as it builds trust and credibility within our international environment.

We will continue to support community development as demonstrated in partnerships with non-government organizations and charities in accordance with our citizenship strategy. We recognize that we are measured by our actions outside the workplace and therefore call on our employees to respect the local culture and values and understand the issues of communities where they work.

### **Well-being of employees**

Our products are the result of passion for the outdoors, innovation, hard work and excellence in the competence field of each individual employee.

In our companies, employees are human beings and thus they are valuable individuals not just human resources. Because of this we are committed to provide safe and healthy working environments, the possibility to personal development and life-long learning. We want our employees to live a balanced life between work, family and recreation.

We think that only the best people will deliver the best products. Therefore our staff and their families rank high on our sustainability agenda.

## **2. Individual responsibility and integrity**

The skills and the commitment of our people are our greatest asset. We expect our employees to conduct their business in an entrepreneurial way and everyone has to assume their individual responsibility.

Every staff member plays an active role in our projects and decision-making processes in order to achieve our common goals with reliability and commitment.

Many of our products are providing safety and need to be reliable and dependable. We therefore expect also our staff members to adhere to high professional standards and act in accordance with our standards and legal requirements.

The integrity of our staff members determines the quality of our products.

## **3. Mutual respect and openness**

All relations between directors, managers and employees of all levels, units and regions shall be guided by mutual respect, openness, honesty and the spirit of trust and cooperation.

We give and invite feedback and we communicate actively and openly with each other. We are committed to a fair and open debate and jointly are seeking the best solution to a problem or challenge. Immediate expression of a concern is a key to a successful communication.

Team spirit is triggered by open-mindedness. We therefore support an open door policy and initiatives to share and exchange knowledge.

## **4. Diversity and discrimination**

We see employee diversity as a guiding principle in our employment policy. This means promoting the diversity and heterogeneity of the individuals in the company in order to attain the highest possible productivity, creativity and efficiency. Skills, performance and ethical conduct shall be the most important indicators for employee qualification.

We will not discriminate or tolerate discrimination with respect to race,

gender, ethnicity, religion, age, disability, sexual orientation, national origin or any other characteristic protected under law. As a multi-national company we acknowledge that our colleagues come from very different cultural and social backgrounds. Therefore, mutual respect and openness is a key to a successful and harmonious business climate.

Each employee is required to contribute to an environment of respect that precludes any kind of harassment, including workplace bullying, unwelcome sexual advances, unwanted physical contact, propositions or a working environment poisoned with harassing jokes, words and demeaning comments. This also applies to work-related events or activities outside our own premises.

## 5. Health management

Our employees deserve to work in a safe and healthy environment. We are therefore committed to the workplace health and safety regulations pursuant to applicable laws and as expressed in our health and safety policies.

We foster the physical and psychological "well being" of our employees. Our goals are both fewer illnesses and a lower accident rate. We promote health care as a key element of our sustained productivity and the quality of our services. We ban illegal drugs in the workplace. We prohibit any kind of violence and assault at the workplace, including threatening and intimidating behavior.

## 6. Company property

The use of company property, including labor, supplies, equipment, buildings or other assets for personal benefit is prohibited. Specific policies exist and have to be observed.

Each employee has a responsibility to safeguard and make proper use of Fenix

Outdoor property. Intellectual property is a valuable asset and must be protected from unauthorized use or disclosure. Such property includes trade secrets, confidential information, copyrights, trademarks, logos, but also customer lists, business opportunities and product specifications, whether owned by Fenix Outdoor-affiliated companies or business partners.

## 7. Legal proceedings

Employees must avoid activities that could involve or lead to the involvement of Fenix Outdoor or its personnel in any unlawful practice, including the employment of our personnel or use of company assets for illegal gain.

Lawsuits, legal proceedings and investigations concerning any entity of Fenix Outdoor must be handled quickly and properly in order to protect and defend the company. It is mandatory to involve the legal department.

Employees who are threatened by a lawsuit or other legal proceedings or investigation in a Fenix Outdoor-related matter are required to contact their ombudsperson, Managing Director or the Group Chief Sustainability Officer (CSO) and the Group Legal Counsel immediately.

## 8. Conflicts of Interest

We require all staff members to maintain high ethical standards in handling conflicts of interest.

Everyone shall disclose any relationship with persons or firms with whom we do business ('Business Partners') or where in view of the public a lack of transparency regarding a relationship may give rise to assumption of corruption or illegal benefits. Such relations may include personal relationships in supply- or consulting companies to any Fenix Outdoor entity or an investment in a competitor. In case of such a

### WHAT CAN YOU DO?

PLEASE OBSERVE OUR POLICIES (E.G., CAR POLICY, IT AND MOBILE PHONE POLICY).

### WHAT CAN YOU DO?

PLEASE OBSERVE THE GROUP COMPLIANCE AND ANTI-CORRUPTION GUIDELINES.

## WHAT CAN YOU DO?

REFERENCE IS MADE TO THE FENIX SPONSORING, GIFTS AND ENTERTAINMENT POLICY.

situation, this shall be disclosed to the management of Fenix Outdoor International AG. In case you are in doubt refer to the internal guidance documents of Fenix Outdoor on this matter.

## 9. Gifts and benefits

No employee shall solicit services, gifts, or benefits from customers or suppliers that influence or appear to influence the employee's conduct in representing the company.

Gifts and entertainment may be exchanged at a level that does not exceed customary local courtesies in accordance with ethical business practices and applicable laws. Generally it should be possible to reciprocate them. In case of doubt, employees should consult with their supervisor or the CSO.

Under no circumstances shall benefits be given or promised to government official or political groups and parties.

## 10. Donations and sponsoring

Donations and sponsoring form part of both, marketing strategies as well as good corporate citizenship. However, in order to avoid the abuse of sponsoring funds and donations, the adherence to this guidance is mandatory.

Every annual sponsoring, exceeding the total equivalent of 10 000 EUR is subject to approval by the CSO, no matter if given in a lump-sum or split-up into different smaller amounts.

Generally we neither sponsor nor donate to political parties or groups and politicians, nor do we engage in political lobbying. Donations always produce tax deductible receipts and do not ask for any favor by the beneficiary; sponsoring is always a mutual business relation where an organization allows for and supports marketing efforts and raises publicity. In our policy we have streamlined donations and sponsoring along our values and convictions.

## 11. Insider information

Any person with inside information is prohibited by law to buy or sell Fenix Outdoor stock by using this information.

Employees are at risk of civil and criminal penalties should they disclose nonpublic information that an investor could use to buy or sell securities.

Trading with such information is illegal whether employees trade for their own benefit or others trade for them.

## 12. Confidentiality

Every person has certain knowledge about issues, products or individuals which are not intended to be publicized. Therefore everyone who has confidential or secret knowledge is obliged to do all to the utmost extent to keep this knowledge secret or confidential. Neither do we discuss exclusive know-how and innovations with competitors and external people, nor do we disclose information to suppliers or retailers which may lead to market disadvantages.

Any knowledge about the financial situation and development of the company is always strictly confidential and exclusive domain of the CEO and his authorized people (e.g., Chief Financial Officer and Investors Relations).

Strategic decisions and orientations have a competitive element and are to be kept strictly confidential at all times.

Only the management can decide on which strategies can or even shall be made public. In case you are not sure if information can be disclosed, please consult with your supervisor or the responsible managing director.

## 13. Money Laundering

Fenix Outdoor complies strictly with laws and regulations designed to combat



money laundering activity. This includes those rules and regulations requiring reporting of currency transactions with blocked persons. Details have been laid out in specific instructions in our Anti-Money Laundering Guideline – a reference page is listed on the Intranet of the Fenix Outdoor Group.

## 14. Accounting and reporting standards

We rely on the authenticity and accuracy of information recorded in our accounting records for proper decision making.

It is of the utmost importance that records dealing with intellectual property and personnel, as well as booking and financial data are protected.

All business transactions must be reflected accurately in our accounts in accordance with established procedures and auditing standards. Accounting records will reflect and describe the nature of the underlying transactions.

## 15. Transparency

We are committed to openness in our dealings with our stakeholders. Transparency and honesty shall be the guiding principles in all our communication activities, internally and externally. The public will have access to information concerning our company, in line with what is required by law or recommended by internationally recognized standards of corporate governance.

## 16. Shareholders' trust

We recognize the necessity of a sound and transparent corporate management to maintain the trust of shareholders and investors. We are committed to increasing stakeholder value.

## 17. Quality focus

Our commitment to quality is core to our business. In order to achieve the highest quality standards and functionality while at the same time reducing our negative impacts on societies and the environment, we work constantly to improve our structures and processes for the benefit of our customers. This applies to our products, services and management, but also to our behavior.

## 18. Customer satisfaction

We place highest importance to the satisfaction of our customers. We include the customer focus in all our business processes, projects and dealings.

We know that we will be measured by our ethical, social and environmental performance as much as by the quality of our products and services. We therefore strive for best practice in all these areas to secure customer trust into our companies.

## 19. Business partner dialogue

We are committed to dialogue and partnership with our business partners in many communities throughout the world. We share principles of ethical behavior, social engagement and respect for the environment with our suppliers, subcontractors, agents and consultants.

We will communicate our principles to our business partners and motivate them to adhere to the same standards we do. We expect that business partners will adhere to the provisions of the Supplier Code of Conduct as part of the contractual relationship with us, thereby observing the fundamental principles of the UN Global Compact.

We offer support and training in how to implement the Code and wish to take our business partners with us on our Fenix Way.

## WHAT CAN YOU DO?

PLEASE OBSERVE OUR ANTI-CORRUPTION GUIDELINE AND ASSOCIATED DOCUMENTS.

## WHAT CAN YOU DO?

PLEASE ALWAYS USE OUR COUNTRY RISK POLICY FOR THE LATEST UPDATES ON OUR INTRANET.

## 20. Fair competition

We are committed to free enterprise and fair competition. Company business must be conducted solely on the basis of merit and open competition. We will hire suppliers, agents or their intermediaries only by fair assessment.

We are legally bound to make business decisions in the best interests of the company, independent of any understanding or agreement with a competitor. As a result, the company and its employees will avoid any conduct that violates or might appear to violate anti-trust or anti-competition laws. Specific provisions are laid-out in our anti-trust guidelines and trainings.

## 21. Bribery and corruption

We trust that the excellence of our products is the key to our business success. Therefore we will deal with all our customers, suppliers and government agencies in a straightforward manner and in compliance with international anti-bribery standards as stated in the Global Compact and local anti-corruption and bribery laws. The operational aspects can be found in our anti-corruption guideline. This includes also provisions regarding any transaction that might appear to be arranged for granting concessions or benefits.

## 22. Non-association

Our reputation is of high value. We strive to protect our companies' names in all possible ways. Therefore doing business with companies and organizations whose business model is based on

the maltreatment of staff members or animals is not acceptable.

Since we are a company that is strongly values oriented and where traditions from the founder's family are alive, we have decided to refrain from business with the following and expect our suppliers and business partners to do alike:

We refrain from doing business with business actors whose business model is based on child labor, forced and compulsory labor or slavery.

The well-being of animals is of high importance to us. We therefore do not work with partners who cannot guarantee a dignified life of animals and a humane slaughtering process. Animals that are killed without being intended for human consumption will not be acceptable in our production. Exceptions from any stricter rules are only possible if approved by the CEO and CSO.

Companies that repeatedly have come into conflict with the law for having violated human or labor rights as well as environmental laws, are not perceived as good business partners. Any such company, being part of our network will be monitored closely and if no improvement in their business dealings can be detected, we reserve the right to terminate the business relationship.

We also have created an internal process for approval of business partners or countries. An internal "no-go"-list is maintained and frequently re-assessed and updated. Only approved countries and business partners are allowed for Fenix Outdoor endeavors.

## 23. “Facilitating Payments”

Fenix Outdoor does not generally allow “Facilitating Payments”, even where they might be legally permitted. Where there is no specific legislated prohibition on such payments, but the same are a local business practice, Fenix Outdoor companies will nonetheless do the utmost to avoid making such payments, which are strongly discouraged.

Any exceptional payment is subject to approval by the CSO. A payment, which is legal and approved by the ceo and the cso of the Group must be recorded and appear accurately on the company’s books and records.

## 24. Data Protection

Neither our employees nor our business partners shall disclose information that is not known to the general public for personal gain or the benefit of anyone other than the company.

Such information includes technical data, financial data, operating data, customer information, memoranda or other information regarding the company’s business and operational activities and future plans.

Employees will adhere to relevant laws and company regulations with respect to personal data, which require employees to protect personal data of legal (where applicable) and individual natural persons, including employees, shareholders and customers. The national and regional data protection laws apply and have to be observed at all times.

## 25. Communication

Official and public communication shall only be handled by the designated Fenix Outdoor officers and agencies. Communicating on financial figures vis-à-vis institutional investors or business media is the exclusive responsibility of the top management of Fenix Outdoor International AG and hence can only be done by authorized staff members.

Any crisis communication is the domain of the CEO and the press office. Before sending out documents, press releases or marketing material, an independent and not-involved staff member will check and sign-off on the statement or document according to the four-eyes-principle.

## WHAT CAN YOU DO?

USE COMPLIANCE@FENIX-OUTDOOR.SE IN CASE YOU HAVE TO REPORT A CASE.

## 26. Conclusion

The Code of Conduct sets the principles for all policies and regulations in Fenix Outdoor. Local or business-related policies and work instructions provide more specific guidance. Please, consult the available documents on the Intranet.

Divisions, business units, regional entities and companies of Fenix Outdoor may adopt their own local codes, incorporating the substance of the Fenix Outdoor Code of Conduct but modified to reflect requirements of local laws and regulations or the social customs and characteristics of their business operations. Such local codes may include additional, specific standards but cannot go behind the Fenix Outdoor Code of Conduct.

In no event will any term contradict this Code of Conduct. All local codes shall be reviewed and approved by the Group CSO. All Codes will be subject to change and continuous improvements.

### Monitoring and Reporting

Fenix Outdoor International AG will monitor compliance with this Code through an internal management system; a central auditing scheme assesses the alignment of business partners and suppliers with the Supplier Code of Conduct.

The persons ultimately responsible for compliance with this Code are the members of the Executive Board and the CSO. Incidents of non-compliance

can be communicated anonymously or directly to the President and Vice-Presidents or the CSO. A compliance hotline is available to all staff on group and entity levels.

Additional provisions can be found in the related guidance documents of Fenix Outdoor.

### Implementation

The implementation of this Code of Conduct is the responsibility of every Fenix Outdoor employee, manager and business partner. The implementation is ensured through:

All employees sign this Code of Conduct to affirm that they have read and understood it. The Code is part of the employment package. The Supplier Code of Conduct forms part of the contracts with suppliers and has to be affirmed in writing, too.

To ensure understanding, the Code is translated into every major language where Fenix Outdoor has significant operations and does business.

Fenix Outdoor reserves the right to amend or modify The Fenix Way and the Code of Conduct at any time, and from time to time.







# Fenix Outdoor Group

## Sustainability way

### The Journey Continues

A wide array of aspirations, rules and inspiring doings have been mapped out thus far. We have reflected on our strategic implementation goals for the time period 2012 to 2020. It is now time, to take us another step further. The Fenix Way requires all staff members and business partners concerned to address all four cardinal directions of our Management Compass.

But: no one can walk into all four cardinal directions at the same time. We need to start from a point and set priorities. These are different from entity to entity, from location to location and they even may shift over time. And of course: no one is an expert in everything. But does this hinder us to walk our way? No.

We do want to walk together to the North, because Nature is what we are about. And we also are a company thus

the East, the Economy is paramount important and our *raison d'être*.

Without our economic successes we won't be sustainable. The same goes for the South because we are part of Society and we as employees and our families are definitely part of it and it is important to cherish our lives.

And, yes, also the West, the Wellbeing, is not to be neglected.

For each of the cardinal directions we have set priorities and we will have different Sherpa who will guide us. What we want to achieve is laid-out in Annex 1 of this document.

All staff members are part of a team. We all have an ethical compass within that guides us through the various conflicting considerations when performing our job and going through life. Together we will be successful and will achieve what we want to achieve: to be the most sustainable global outdoor group.

Let's grab the backpacks and continue the journey we have already begun.





# Fenix outdoor's sustainability agenda 2025

## ANNEX 1

During the implementation of The Fenix Way in all the Fenix Outdoor member companies and with suppliers and business partners several activities need to be undertaken. Some of those bear pure project implementation characteristics; others are more visionary or long-term.

The long-term sustainability goals for Fenix Outdoor are summarized in this chapter. Each member company, country manager and administration will need to support these goals with specific actions and activities.

### General

As of 2012 Fenix Outdoor has applied the Global Reporting Initiative's Guideline (GRI) and follows the report-

ing requirements of the United Nations Global Compact. Also, we communicate about our sustainability advances and milestones and will do so through appropriate channels also in future.

Since 2012, a lot has happened: the world community has committed to address the global environmental and societal challenges and developed an agenda 2030 for the world by defining 17 sustainable development goals (SDGs). In the 2016 Paris Agreement, a follow-up to the Kyoto Protocol was signed. The accord sets the framework for the fight against climate change and highlights the necessity to halt the average global temperature rise at mostly 2° C.

We at Fenix Outdoor want to take our share of responsibility in all areas where we left our unfavorable footprints. We are also innovating and explore new business models, new product

offerings and material choices, new sales and sourcing strategies and many more for one simple reason: we want to leave our base camp in a better shape than when we found it.

### Targets

The targets below are set on a fairly long-term basis, to 2025/2030. Many of these targets will need to be broken down to more short-term goals to manage the time-span until 2025. They cover all compass areas Nature, Economy, Society and Well-being. The targets have different relevance for different companies within the Fenix Outdoor Group and hence they will be addressed based on materiality and relevance for each entity. Subsequently the action plans will differ from entity to entity.

## NATURE

Nature Well-being Society Economy

Compass Area	Issue	Description of 2025 Target	KPI	KPI Target
All environment media (soils, waters, air, biosphere) deserve a high level of care and protection.	Biodiversity	To support conservation projects and develop a biodiversity impact assessment process	Real impact projects: no KPI set at this stage	no target
	Animal Treatment	Ensure that animals used for products (leather, wool, down etc.) are not maltreated and ensure this through a control and management mechanism; traceability for leather, wool, down	1. Policies and processes in place 2. No. of cases of animal maltreatment reported through auditing or whistleblowing: zero	No cases reported
	Material	Develop and implement a recycling strategy; pilot projects for "cradle-to-cradle"; search for alternative or recycled materials	No. of projects running	Ratio Base Year/Target Year
	Material	Improve the eco-profile of materials used: 90 % shall be labeled as "eco-friendly"(e.g. organic, ecological, biodegradable, non-toxic)	Current amount of materials falling into this category in % of total materials used	Ratio Base Year/ Target year
	Material	Reduce the amount of toxic substances during the production processes to the utmost possible extend	No. of risk chemicals currently used on the list	No. of risk chemicals used 2025
	Products	Develop an own eco-label to certify for products, sold in the Fenix retail stores	% of labeled products vs. total products sold	% of labeled products sold
	Water	Significantly reduce the use of water including for chemical production of garment and finishing of fibers	Total water used	Reduction of total water used (normalized) compared to base year
	Emissions	Monitor and measure air emissions according to generally accepted standards Initiate measures and projects to reduce air emissions where possible and advisable	Amount of CO2 emissions per capita, per product and per turnover	Must be in line with the 1,5° climate change target; Assumption: Reduction of 40% against new base line year 2017, reduction of 50% CO <sub>2e</sub> per product sold
	Waste	Monitor, analyze and reduce the discharge of wastes with particular attention to hazardous waste; packaging reduction project	Volumes per waste category; develop waste reduction program	Reduction of 90 % of single-use materials versus baseline year 2020 All remaining waste categories: min. 90% in recycling systems (where possible) packaging reduction by 50%
	Energy efficiency	Optimize operations, facilities, offices and stores in line with energy consumption reduction targets	Overall energy consumption (in kWh) Use of energy/ capita and per turnover	Efficiency (improvement) 25% versus baseline year 2017

## ECONOMY

Nature Well-being Society Economy

Compass Area	Issue	Description of 2025 Target	KPI	KPI Target
	Suppliers	Having established a partnership between suppliers and Fenix Outdoor companies that are based on business ethics, mutual respect and common sustainability goals, by which the network sticks positively out from other business relations	No. of signed CoCs	No. of signed CoCs in % of total suppliers split according to Tier 1, Tier 2 and others Targets 100% Tier 1 (incl. Retail) 100% Tier 2 80% Tier 3 and beyond
	Suppliers	Internal Audit results shall continuously improve in a grade measurable way.	Audit grade in reaudit	All Tier 1 at least B all other tiers audited before 2025: B
	Suppliers	Follow-ups on Corrective Action Plans (CAPs): measurable improvements; evtl. seconded by trainings etc.	no. of open issues/ no. of closed issues after re-audit	> 95% per re-audit
	Business Partner	Order and payment systems in place. Better and more efficient processes	Timely order/payment; no. of complaints	Continuous monitoring of complaints/order ratio; reduction to < 0,5 %
	Innovations	Being a leading innovative outdoor group in the market	Award winning products publicly recognized	No. of award winning products per year new business models (rent etc.)

## SOCIETY

Nature Well-being Society Economy

Compass Area	Issue	Description of 2025 Target	KPI	KPI Target
Taking on societal responsibility not only includes being a good corporate citizen but also to assist in improving and developing communities as well as adhering to a high level of business ethics.	Stakeholder engagements	Hold stakeholder dialogues on a regular basis	No. of stakeholders attending meetings and participating in surveys	At least a meeting every other year; at least one survey every third year
	Human Rights	To conduct regular human rights related activities (assessments, monitoring of situations etc.)	No. of activities	on-going human rights assessments and trainings; zero incidents in each year
	Product responsibility	Monitor incidents related to use or safe handling of Fenix Outdoor products	Reported incidents	Reported incidents as ratio no. of cases/ new products per relevant category, target: zero incidents
	Business Ethics	Train all staff and suppliers on the Code of Conduct	No. of staff trained (%) No. of suppliers trained (%)	> % of staff / supplier trained target: 100% trained staff; 80% trained suppliers (Tier 1&2)
	Business Ethics	Zero incidents of corruptive behavior, bribes and embezzlements	No. of reported incidents	Zero reported incidents
	Transparency	Transparency of products and materials	Product/material value per brand sales	Full transparency for own products and materials representing 80 % of brand value

## WELLBEING

Nature Well-being Society Economy

Compass Area	Issue	Description of 2025 Target	KPI	KPI Target
With respect to our staff members our aim is to ensure that they enjoy a high level of safety and health at the workplace and that they are inspired and passionate.	Child Labor Forced and compulsory labor	Zero incidents in our production lines and processes	No. of incidents	Zero incidents
	Health and Safety	Regular monitoring	No. of audits; no. of incidents	incidents / audit: < 1,5
	Health and Safety	Safe workplace	No. of incidents	No. of incidents / employee
	Health and Safety / Supply Chain	Monitoring and audit results from supply chain visits	No. of "major non-compliance finding"/no. of audits	below 0,5
	Training and staff satisfaction	Conduct staff surveys, provide education/training opportunities		Surveys and results reflected in corporate policies and strategies; target: great place to work awards as of 2025
	E-Learning	Global E-learnings on sustainability	Ratio: participants to Group FTE	Target ratio 1:1 per e-learning unit



# Fenix Outdoor Supplier Code of Conduct

## ANNEX 2

For Fenix Outdoor International AG, taking responsibility forms part of our corporate culture and philosophy. We believe that we need to build robust and lasting business and stakeholder partnerships. It is paramount important to us to be fully understood and that our suppliers and valued business partners share our vision for a prospering global society. Hence, we have set up this Code of Conduct.

The Fenix Outdoor Code of Conduct is a mandatory and non-negotiable requirement that all of our suppliers, including their subcontractors and business partners, must follow. We encourage our partners to adopt a similar Code for themselves and set-up clear and goal-oriented structures and

accountability systems in order to be able to monitor the implementation. Throughout the Code of Conduct, the term “supplier” and “factory” is used, standing as universal terms for our suppliers, subcontractors and business partners and their premises.

The Code forms the basis for our business relationships and is therefore an integral component of our agreement with suppliers. Fenix Outdoor expects suppliers to make improvements when the Code of Conduct standards are not met and to develop sustainable mechanisms to ensure ongoing compliance. We offer support and training in how to implement the Code. Fenix Outdoor reserves the right to amend or modify the Fenix Outdoor Code of Conduct at any time.

The Fenix Outdoor Code of Conduct is based on the FLA Workplace Code

of Conduct and current international reference documents and standards, including:

- The United Nations Global Compact,
- The Universal Declaration of Human Rights,
- The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights to work,
- The Rio Declaration on Environment and Development,
- The United Nations Convention Against Corruption,
- The UN Convention on The Right of the Child,
- The European Convention for the Protection of Animals kept for Farming Purposes, and
- The European Convention for the Protection of Animals during International Transport and the Council Regulation on the protection of animals during transport.

## 1. Legal requirements

We expect that our suppliers, in all their activities, comply with the relevant and applicable national laws in the country in which they are operating. Should any of the following requirements by Fenix Outdoor be in violation of the national law in any country or territory, the law in that country take precedence over the Fenix Outdoor Code of Conduct. In such cases immediate reporting to Fenix Outdoor is mandatory in order to decide on how to proceed.

It is important to understand that the requirements of Fenix Outdoor are not limited to the requirements set forth by national law. When legal requirements are less strict than the Code, it is always the Fenix Outdoor Code of Conduct that applies to our suppliers. Suppliers shall apply the highest standards at all times.

### 1.1 Corruption, extortion, embezzlement and bribery

We trust that excellence of our products is the key to our business success. Therefore, we will deal with all our customers, suppliers and government agencies in a straightforward manner and in compliance with international anti-bribery standards and local anti-corruption and bribery laws. This includes any transaction that might appear to be arranged for granting concessions or benefits.

Corruption or bribery, extortion, and embezzlement, including any payment or other form of benefit conferred on any government official for the purpose of influencing decision making in violation of law, are strictly prohibited. These actions may lead to the immediate termination of the business relationship with Fenix Outdoor and/or damage claims and legal actions.

## 2. Child labour

### 2.1 Definition

We define, in this context, the word "child" as a person younger than 15 years of age as covered by article 2.3 in the ILO convention No.138.

### 2.2 Policy

Fenix Outdoor does not accept child labor. All measures to prevent child labor shall be implemented taking into account the best interests of the child. We believe that children have the right to develop and evolve, having a better and more sustainable lifestyle than us. Their exploitation for short-term gains or benefits is unacceptable.

We base our policy regarding child labor on the ILO convention No.138 recognizing the right of the child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or

physical, mental, spiritual, moral or social development. If the minimum employment age, in the country in which a supplier maintains its business is higher than 15 years, then the supplier must adhere to the national law and regulations.

We acknowledge that according to the UN Convention on the Rights of the Child, article 1., a person is a child until the age of 18. We therefore recommend our suppliers to make sure, that workers in the age group 15-18 years ("young workers") are treated accordingly. Limits for working hours and overtime for this age group should be set with special consideration to the workers age.

### 2.3 Enforcement

If a supplier does not accept our policy on child labor, we will not engage in a relationship or discontinue our cooperation with this supplier.

## 3. Workers rights

Every worker shall be treated with respect and dignity. Fenix Outdoor expects the suppliers to respect the personal dignity, privacy and rights of each individual and to prohibit any kind of violence and assault at the workplace, including threatening and intimidating behavior and performance of the worker. The workers shall be free to lodge complaints with their superiors. They have the right to directly approach us, should they feel more comfortable in doing so. The management of each factory is obliged to inform their workers about this code and to display our contact details including the Email-Hotline [compliance@fenixoutdoor.se](mailto:compliance@fenixoutdoor.se).

Under no circumstances does Fenix Outdoor accept that our suppliers use humiliation or corporal punishment or other forms of mental or physical disciplinary actions. No worker shall be subject to physical, sexual, psychological or verbal harassment or abuse.

All workers should be entitled to his or her basic rights.

### **3.1. Forced labor**

3.1.1 We do not tolerate forced, compulsory or any other type of labor that is deemed to be illegal in the production of goods for Fenix Outdoor.

3.1.2 Fenix Outdoor does not accept that bonded workers or prisoners are used in the production of Fenix Outdoor goods.

3.1.3 There shall be no restrictions on the worker's right to leave the workplace.

3.1.4 Workers shall not be required to lodge "deposits" or their identity papers with their employer.

3.1.5 Any commissions and other fees to recruitment agencies in connection with employment of foreign, migrant or temporary workers should be covered by the employer. Never should these workers be required to remain employed for an extended period of time against their own will.

### **3.2. Non-Discrimination**

No worker should be discriminated on the basis of race, national origin, ethnicity, political opinion, social group, religion, age, sexual orientation, gender, marital status, health, disability or other classes protected by law or universal principles of the United Nations.

3.2.1 All workers possessing the same experience and qualifications should receive equal conditions during employment, including hiring, compensation, advancement, discipline, termination or retirement. We expect our suppliers to promote equal opportunities for and treatment of its workers irrespective of the above mentioned reasons.

3.2.2 Dismissal of pregnant workers, or workers during parental leave, or following their return to work, is not acceptable. Workers taking parental leave (male or female) shall be entitled to return to their employment on the same terms and conditions that applied to them prior to taking leave

and they shall not be subject to any discrimination, loss of seniority or deduction of wages.

### **3.3 Freedom of association and the right to collective bargaining**

Fenix Outdoor respects the workers' right to freedom of association and collective bargaining. All workers should be free to join associations of their own choosing, and they should have the right to bargain collectively.

We do not accept any disciplinary or discriminatory actions from the factory against workers who organize or join an association. We expect our suppliers to recognize and respect, as far as covered by the national laws or international standards, the workers' right to freedom of association and to neither favor nor discriminate against members of employee organizations or trade unions. We encourage the interaction with workers representatives, civil society groups as well as trade unions.

### **3.4 Labor contract**

All workers shall be entitled to a written employment contract that contains an accurate, complete and understandable summary of the terms and conditions of employment, including wages, benefits and working conditions. This also counts for foreign, migrant, temporary or home workers, who in any case are not to be treated less favorably. Fenix Outdoor expects our suppliers to ensure that all employees are aware of their legal rights and obligations.

### **3.5 Working hours**

3.5.1 We expect our suppliers to comply with the maximum number of regular working hours laid down in the applicable laws of the country in which a supplier maintains its business premises. This limit shall not exceed 48 hours a week as stated in the ILO convention No.1. In exceptional circumstances as covered by article 2 to 5 in the ILO convention No.1. the limit of 48 hours a week can be extended.

3.5.2 Workers are entitled to at least one day (24 consecutive hours) of rest in

every seven-day period.

3.5.3 Overtime work must always be voluntary and compensated in accordance with applicable law and at premium rates (at least 1,25 times the regular rate). Overtime shall not be requested on a regular basis. The hours shall not exceed the numbers allowed by the law of the country. The sum of regular and overtime working hours shall never exceed 60 hours a week.

Exceptional circumstances need to be flagged to the respective Fenix Outdoor entity well in advance.

3.5.3 The workers should be granted their stipulated annual leave and sick leave without any form of repercussions.

3.5.4 Workers should be given their stipulated maternity and/or parental leave in case of pregnancy (see 3.2.2).

In developing countries, we recommend that our suppliers provide the workers with at least one free meal a day.

### **3.6 Compensation/wages**

Every worker in a regular work week has the right to an income that meets his or hers basic needs and provides some discretionary income. The legal minimum wages should be a minimum requirement, but not a recommended level. We expect our suppliers to provide fair remuneration and to guarantee the applicable national statutory minimum wage, the prevailing industry wage or the wage negotiated in collective agreements, whichever is higher, and provide any fringe benefits required by law or contract. Where compensation does not meet worker's basic needs and provide some discretionary income, each employer shall take appropriate actions that seek to progressively realize a level of compensation that does.

Wages must be paid regularly, on time and be fair in respect of the worker's experience, qualification and work performance. Fenix Outdoor does not accept deductions as a disciplinary measure.

## 4. Safety & health at workplace

All workers shall be provided a safe and healthy workplace setting to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of suppliers' facilities. Fenix Outdoor expects its supplier to take responsibility for the health and safety of their workers and to control hazards and take the best reasonably possible precautionary measures against accidents and occupational diseases.

Fenix Outdoor requires from its suppliers that the safety and health of the workers should be a priority at all times. No hazardous equipment or unsafe buildings are accepted. Suppliers shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment.

The factory shall at all times be in possession of all applicable certificates and permits related to health and safety issues.

### 4.1 Building and fire safety

4.1.1 The factory should have clearly marked exits, and preferably emergency exits on all floors. All exit doors should open outwards. Exits should not be blocked by any items such as cartons, fabric rolls or debris, and should be well lit. If emergency exits are locked, the keys should be placed behind breakable glass next to the doors, and thus be available to staff at all times.

4.1.2 All workers should be aware of the safety arrangements in the factory, such as emergency exits, fire extinguisher, first aid equipment, etc.

4.1.3 An evacuation plan should be displayed in the factory and the fire alarm should be tested regularly. Evacuation drills should be performed at least once a year.

4.1.4 All buildings shall be safe, maintained and checked regularly.

### 4.2 First aid

4.2.1 First aid equipment must be available in each factory and at least one person in each department should have training in basic first aid.

4.2.2 The employer should pay any costs (not covered by the social security) which a worker may incur for medical care, following an injury during work in the factory.

4.2.3 It is recommended that a doctor or nurse is available at short notice, in case of an accident in the factory.

### 4.3 Factory conditions

4.3.1 A safe and healthy working environment shall be provided to prevent accidents and injury to health arising out of, linked with or occurring in the course of work or as a result of the operation of the supplier's facility.

4.3.2 It is important for the workers' well-being that the factory environment is clean and free from pollution.

4.3.3 The temperature in the factory should be tolerable as a working environment, and the ventilation should be adequate. Heaters or fans should be provided when needed.

4.3.4 The lighting at each workstation should be sufficient for the work that is being performed, at all times of day.

4.3.5 Sanitary facilities should be clean, in an operational condition and the workers shall have access without restrictions. Necessary sanitary equipment shall be provided on the expenses of the employer (toilet paper, soap, disinfectant and alike). The number of facilities should be adequate for the number of workers in the factory. Sanitary facilities shall preferably be separated for men and women.

### 4.4 Pregnant workers and new mothers

Fenix Outdoor's suppliers shall abide protective provisions benefiting pregnant workers and new mothers, including temporary reassignments away from work stations and work environments that may pose a risk to the health of pregnant woman and their unborn

children. If such protective provisions are not existent by national law, suppliers shall take reasonable measures to ensure the safety and health of pregnant woman and their unborn children.

4.4.1 We recommend our suppliers to make temporary adjustments of working hours during and after pregnancy.

4.4.2 Factories shall provide new mothers with breast-feeding breaks and facilities.

4.4.3 We recommend that factories with female workers arrange day care for children below school age.

## 5. Housing conditions

If a factory provides housing facilities for its staff, the requirements regarding safety and health conditions, under point 4 "Safety & Health at Workplace", should also be applicable to the workers' housing area.

5.1 All workers must be provided with his or her own bed, and the living space per worker must meet the minimum legal requirements. It is expected that minimum standards regarding privacy and personal sphere are kept and that an employer considers the housing in a way as if he himself ought to live in the space provided.

5.2 Separate dormitories as well as toilets and showers shall be provided for men and women.

5.3 There should be no restrictions on the workers' rights to leave the dormitory.

5.4 In particular, Fenix Outdoor wants to stress the importance of fire alarms, fire extinguishers, unobstructed emergency exits, evacuation drills (at least once a year or according to law) and safe buildings in dormitory areas (see point 4 "Safety & Health at Workplace").

## 6. Environment

Fenix Outdoor's companies depend on people enjoying a clean, diverse and healthy nature. We therefore take particular interest in the reduction of environmental damages and the protection and enhancement of natural habitats and biodiversity. Therefore, our suppliers must comply with all applicable environmental laws and regulations in the country of operation and show efforts going beyond legal compliance. We expect our suppliers to make every effort to reduce the environmental impact of their business by adopting the best practice principles and continuously seeking improved methods to minimize any adverse environmental impact of their operations, including emissions, resource use and waste. We strongly recommend to join us in implementing the Higg Index ([higg.org](http://higg.org)) of the Sustainable Apparel Coalition (SAC). We expect all suppliers to give a comprehensive account of their environmental activities by the end of each year.

6.1 According to Fenix Outdoor's chemical guideline and restricted substances list, we do not allow the use of certain hazardous chemicals in the production of our articles or any precursors. All of our suppliers must sign the Fenix Outdoor Chemical Guideline, confirming that no prohibited chemical substances will be used in the production and ensure that their suppliers and partners adhere to it as well. Legal provisions like REACH or the California Proposition 65 have to be strictly observed.

6.2 When the suppliers have a choice between two chemicals that serve the same purpose, they should choose the chemical that is the least harmful to the environment.

6.3 Hazardous waste shall be monitored and minimized. Disposal has to be undertaken in a safe way.

6.4 We recommend that our suppliers

minimize production waste and spill.

6.5 Water usage shall be monitored and we recommend to reduce the total volume of usage by looking at recycling of water or innovative alternative processes.

6.6 Effluent treatment plants (ETPs) shall be properly operated, used and maintained as well as be appropriate for the types of effluents generated from the operations.

6.7 Energy usage shall be monitored and we recommend using renewable energy whenever possible.

## 7. Wool, feathers and down, leather and other products from animals <sup>1</sup>

Animals shall never be subjected to harsh or cruel treatment. Taking the lives of animals must at all times be conducted using the quickest, least painful and non-traumatic method available. Products from animals that are not intended for human consumption are generally not used.

7.1 Fenix Outdoor does not accept:

- real fur in clothing, accessories or in any other Fenix Outdoor products.
- plucking or harvesting of feathers or down from live birds or feathers or down from force-fed birds.
- the practice of sheep mulesing
- the maltreatment of sheep during sheering or raising as a result of taskwork or alike
- products from animals which have been slaughtered without stunning
- products from animals which are not primarily intended for human consumption.

7.2 Animals shall be treated in accordance with the European Convention for the protection of animals kept for farming purposes. This

means, for example, that the animals shall receive:

- proper and sufficient food and water,
- adequate shelter and a comfortable resting area,
- opportunity to perform normal patterns of behavior,
- minimization of pain and distress during handling,
- minimization of mental suffering during handling,
- protection from disease by prevention or rapid diagnosis and treatment.

7.3 Animals that are transported shall be treated in accordance with the latest version of the European Convention for the protection of animals during international transport and the Council regulation on the protection of animals during transport. This means, for example that:

- transportation must be carefully planned in order to minimize transportation times,
- only healthy animals may be transported, no sick or pregnant animals,
- during transportation, water, feed and rest shall be offered to animals at suitable intervals in appropriate quality and quantity with regard to their species and size
- transportation of live animals should be replaced by the transportation of germ cells or carcasses wherever possible.

## 8. Data protection

Fenix Outdoor suppliers shall not disclose information that is not known to the general public for personal gain or the benefit of anyone other than the company. Such information includes technical data, financial data, operating data, customer information, memoranda or other information regarding the company's business and operational activities and future plans. Exceptions are subject to written approvals such as



in industry-wide efforts and experience sharing across companies and facilities.

## 9. Monitoring and Enforcement

### 9.1 The principle of trust and co-operation

Fenix Outdoor expects all its suppliers to respect this Code of Conduct and actively do their utmost to achieve our standards. We trust our own staff to take a high level of responsibility for their work, and we expect our suppliers to do the same as we consider them forming part of “us”. We believe in partnership and we are willing to work with our suppliers to achieve workable solutions in each individual case.

We are willing to take in consideration cultural differences and other factors that may vary from country to country, but we will not compromise on our basic requirements regarding our ethical standards, including safety and human rights.

### 9.2 Monitoring

Fenix Outdoor reserves the right to monitor compliance with regard to the principles and requirements set forth in this Code of Conduct. All suppliers are obliged to keep Fenix Outdoor informed at all times where each order is being produced. Fenix Outdoor has the right to make periodic and unannounced visits to all factories producing our goods, at any time. However, these inspections shall take place in accordance with the applicable laws and without compromising the business activities of the supplier.

Fenix Outdoor is a member to the Fair Labor Association (FLA). The FLA, at its own discretion, decides on random audits regarding compliance with this Code and the Fair Labor Association’s Workplace Code ([www.fairlabor.org](http://www.fairlabor.org)). All partners in our supply chain are obliged to grant FLA appointees access to their premises.

We also reserve the right to allow

an independent third party of our choice to conduct audits for ensuring compliance with our Code of Conduct. During audits Fenix Outdoor requires access to all documents and areas and to all employees for confidential interviews. Fenix Outdoor ensures that personal data is handled in accordance with applicable legal guidelines on the protection of personal information and anti-trust regulations.

### 9.3 Non-compliance

Should we find that a supplier does not comply with the Fenix Outdoor Code of Conduct, we reserve the right to terminate our business relationship with this supplier, if corrective measures are not taken within a suitable and agreed time limit.

Significant breaches of the Fenix Outdoor Code of Conduct will not be accepted and may lead to the immediate termination of the relationship with Fenix Outdoor’s respective entity.

<sup>1</sup>Article 7 may be adjusted or (partially) deleted in case adjustments or (partially) deletions are objectively justified by the company’s respective business sector

## Code of Conduct Compliance Commitment

- We hereby confirm that we have received, read and fully understood the Fenix Outdoor Code of Conduct.
- We confirm that we have full knowledge of all relevant laws in the countries where we are operating.
- We confirm that the requirements in the Fenix Outdoor Code of Conduct are not in any way contradictory to the national law.
- We commit to comply with the Fenix Outdoor Code of Conduct and to take the responsibility to inform all our employees, subcontractors and subsidiaries on the content of the Code of Conduct and to make sure that they comply accordingly.
- We accept Fenix Outdoor's right to make unannounced inspections at our factories and subcontractors at any time, and that this right can be carried out by any independent third party that has been appointed by Fenix Outdoor.
- We accept FLA to perform audits independent from Fenix Outdoor or its appointed third party.
- We guarantee that no production of goods for Fenix Outdoor will take place at any other location than those Fenix Outdoor has been informed of.
- We will, without delay, supply Fenix Outdoor with detailed information on the location of all production facilities used for production of goods for Fenix Outdoor.
- We commit to the responsibility of keeping ourselves informed on the content of the Fenix Outdoor Code of Conduct and accept that Fenix Outdoor reserves the right to amend or modify the Code at any time.
- We hereby commit to immediately report all incidences and violations /breaches of the Fenix Outdoor Code of Conduct to [compliance@fenixoutdoor.se](mailto:compliance@fenixoutdoor.se).

Any other inquiries shall also be reported to this point of contact.

Date

Company Name

Signature

Company Stamp

This commitment should be signed and returned to Fenix Outdoor latest by  
(YEAR - MONTH - DAY)

\_\_\_\_\_

Please return signed document to Fenix Outdoors office.



# Glossary

## ANNEX 3

### **Bio-diversity**

Bio-diversity is the degree of variation of life forms within a given species, ecosystem, biome, or an entire planet.

Bio-diversity is a measure of the health of ecosystems. Biodiversity is in part a function of climate. In terrestrial habitats, tropical regions are typically rich whereas Polar Regions support fewer species.

The Convention on Biological Diversity (CBD) entered into force on 29 December 1993. It has three main objectives:

- The conservation of biological diversity.
  - The sustainable use of the components of biological diversity
  - The fair and equitable sharing of the benefits arising out of the utilization of genetic resources
- <http://www.cbd.int/intro/>

### **Business partners**

Business Partners in general are all business entities we have relevant business relations with. The definition for the purpose of The Fenix Way is, that business partners are suppliers, sales agents, intermediaries, consultants or clients with whom we have contractual and/or long-term agreements and who are not part or member to the Fenix Outdoor Group. They are “external” entities or persons acting closely with us or (mostly) on our behalf.

### **CCO**

The Chief Compliance Officer (CCO) is responsible to oversee and manage the group-wide compliance system. The Fenix Outdoor Compliance System is based on The Fenix Way and in particular the Code of Conduct including

its implementation guidelines and the Compliance guideline.

Internal documents are available via the Intranet section "Compliance".

### **CFO**

The Chief Financial Officer (CFO) is the Head of Controlling and Finance within Fenix Outdoor Group.

### **COC**

Code of Conduct addresses values and principles which shall be adhered to by individuals, staff or business partners.

### **Compliance**

Compliance is the adherence to legal and internal rules and regulations. It is a risk management tool as well as a visible expression of business ethics and our values.

### **Cradle to Cradle**

A way of thinking about material use in industrial systems that involves ensuring that all the materials used can, at the end of their useful lives, either be returned to industrial use or released into nature where they will decompose naturally and not cause any environmental harm.

### **CSO**

The Chief Sustainability Officer (CSO) is the group-responsible for the Fenix Outdoor Group on -> CSR and issues related to sustainable development.

He oversees and strategically steers all activities in this regard.

### **CSR**

CSR stands for "Corporate Social Responsibility". The term is used to describe the business interaction with society beyond legal requirements. This includes for instance donations to good causes in the local community a company operates (also referred to as "philanthropy" or "corporate citizenship") but also the integration of dialogues and interactions with stakeholder groups and local engagements (active

involvement in community development activities, school projects and alike) into the normal business operations. csr is perceived to be rooted in Europe in the welfare-activities of companies and the mercantile community of the middle ages who founded homes for elderly, orphans and widows and provided basic support to the poor.

Today, the integration of societal concerns into the business operation constitutes a broader definition of csr.

### **German Sustainability Code**

The German Council for Sustainable Development passed as a resolution the German Sustainability Code in its plenary session 13 October 2011.

In a database the German Sustainability Code visualizes the efforts of companies to achieve sustainability. It thus creates a greater commitment to do so in a transparent and comparable manner.

### **Global Reporting Initiative (GRI)**

The Global Reporting Initiative (GRI) is a network-based organization (comprised of business, science, NGO's and the United Nations) that pioneered the world's most widely used sustainability reporting framework.

GRI is committed to the Framework's continuous improvement and application worldwide. GRI's core goals include the mainstreaming of disclosure on environmental, social and governance performance.

gri's mission is to create conditions for the transparent and reliable exchange of sustainability information through the development and continuous improvement of the GRI Sustainability Reporting Framework.

GRI's Reporting Framework is developed through a consensus-seeking, multi-stakeholder process. Participants are drawn from global business, civil society, labor, academic and professional institutions.

### **Grievance system**

A grievance system is a tool to address concerns and resolve possible conflicts between employers, employees and eventually the community, affected by company operations. The systems seek to find agreements regarding compensations or changes in the operation and opens a possibility for workers to present matters of concern related to the employment and workplace.

### **Labor contracts**

All employees shall have a written employment contract that contains an accurate and complete summary of terms of employment, including wages, benefits and working conditions. This also counts for foreign, migrant or home workers, who in any case are not to be treated less favorably.

If an employee is illiterate, the working conditions should be explained to the employee, prior to signing the contract.

No employees are to be asked to sign any blank papers.

### **Money öaundering**

Money laundering refers to the process of concealing the source of illegally obtained money. The methods by which money may be laundered are varied and can range in sophistication.

Many regulatory and governmental authorities quote estimates each year for the amount of money laundered, either worldwide or within their national economy. In 1996 the International Monetary Fund estimated that two to five percent of the worldwide global economy involved laundered money.

Regardless of the difficulty in measurement, the amount of money laundered each year is in the billions (us dollars) and poses a significant policy concern for governments.

As a result, governments and international bodies have undertaken efforts to deter, prevent and apprehend money

launderers. Financial institutions have likewise undertaken efforts to prevent and detect transactions involving dirty money, both as a result of government requirements and to avoid the reputational risk involved.

### **OHSAS**

ohsas 18001 is a management and certification scheme for occupational health and safety (Occupational Health and Safety Assessment Series)

### **SA 8000**

The SA8000® standard is s one of the world's first auditable social certification standards for decent workplaces, across all industrial sectors. It is based on conventions of the ilo, un and national laws.

The SA8000® standard spans industry and corporate codes to create a common language for measuring social compliance.

### **Sanctioned Parties List**

In reaction to the activities to counter terrorism, the eu, un, usa and other entities have drawn up a list of "sanctioned parties".

These are people for whom either a search warrant exists or who shall be embargoed in business dealings. Therefore it is basically mandatory to analyse business partners whether they are listed.

An easy access to the most recent sanctioned parties list can be found at [http://ec.europa.eu/external\\_relations/cfsp/sanctions/list/version4/global/e\\_ctlview.html](http://ec.europa.eu/external_relations/cfsp/sanctions/list/version4/global/e_ctlview.html)

### **SDG (Sustainable Development Goals)**

The Sustainable Development Goals (or SDG's) are a collection of 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. The SDGs are part of Resolution 70/1 of the United Nations General Assembly, the 2030 Agenda.

### **The International Labour Organization's Declaration on Fundamental Principles and Rights to Work**

ILO is the international organization responsible for drawing up and overseeing international labour standards. It is the oldest entity within the un family (founded 1919 as special agency of the League of Nations) and the only 'tripartite' United Nations agency that brings together representatives of governments, employers and workers to jointly shape policies and programmes promoting Decent Work for all. This unique arrangement gives the ilo an edge in incorporating 'real world' knowledge about employment and work.

<http://www.ilo.org/global/lang--en/index.htm>

### **The Rio Declaration on Environment and Development**

Agenda 21, the Rio Declaration on Environment and Development, and the Statement of principles for the Sustainable Management of Forests were adopted by more than 178 governments at the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro, Brazil, 3 to 14 June 1992.

Agenda 21 is a comprehensive plan of action to be taken globally, nationally and locally by organizations of the United Nations System, Governments, and Major Groups in every area in which human impacts on the environment.

<http://www.un.org/documents/ga/conf151/aconf15126-1annex1.htm>

### **The United Nations Convention Against Corruption**

In its resolution 55/61 of 4 December 2000, the General Assembly recognized that an effective international legal instrument against corruption, independent of the United Nations Convention against Transnational Organized Crime (resolution 55/25, Annex 1) was desirable and decided to establish an ad hoc

committee for the negotiation of such an instrument in Vienna at the headquarters of the United Nations Office on Drugs and Crime.

<http://www.unodc.org/unodc/en/treaties/CAC/index.html>

### **UN Convention on The Rights of the Child**

Unicef's mission is to advocate for the protection of children's rights, to help meet their basic needs and to expand their opportunities to reach their full potential. unicef is guided in doing this by the provisions and principles of the Convention on the Rights of the Child.

### **The Universal Declaration of Human Rights**

On December 10, 1948 the General Assembly of the United Nations adopted and proclaimed the Universal Declaration of Human Rights.

The General Assembly proclaims this Universal Declaration of Human Rights as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of member states themselves and among the peoples of territories under their jurisdiction.

<http://www.un.org/en/documents/udhr/index.shtml>

# The 10 Principles of the UN Global Compact



<b>Human Rights</b>	
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; make sure that they are not complicit in human rights abuses.
Principle 2	
<b>Labour</b>	
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labor; the effective abolition of child labor; and the elimination of discrimination in respect of employment and occupation.
Principle 4	
Principle 5	
Principle 6	
<b>Environment</b>	
Principle 7	Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility; encourage the development and diffusion of environmentally friendly technologies.
Principle 8	
Principle 9	
<b>Anti-Corruption</b>	
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.

[www.unglobalcompact.org](http://www.unglobalcompact.org)

## The United Nations Global Compact

The United Nations Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

The UN Global Compact Office is located directly by the office of the UN Secretary-General. Fenix Outdoor is a signatory to the UN Global Compact since February 7, 2012.



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**Page 22:** Saskia Bloch  
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