



GLOBETROTTER

Statement on the German Supply Chain Due Diligence Act (2023)

This statement is issued by Globetrotter Ausrüstung GmbH (Globetrotter), pursuant to the German Supply Chain Due Diligence Act (SCDD), with support from the central Fenix Sustainability and Compliance department and constitutes the SCDDA statement for the financial year ending 31 December 2023.

Scope of Application

With the aim of better protecting human rights and the environment in the global economy, the German Federal Government passed the SCDDA in June 2021. As of 2024, all companies with more than 1000 employees are affected, implying that from then on, Globetrotter and its private label brand "Frilufts" need to comply with the law.

Our Business

Business Concept

Globetrotter Ausrüstung GmbH is a retailer and part of Fenix Outdoor Outdoor International AG. This is a group of companies that develop and market high-quality outdoor gear through a selected retail network, with a high level of service and professionalism to discerning and fastidious end users.

Parent Company and the Group

Fenix Outdoor International AG is since 2014 the parent company of the group and is listed on NasdaqOMX Stockholm, Large cap. The group is selling its products globally. The major markets are Germany, the Nordic countries and North America.

The group has three operating segments: Fenix Brands, Global Sales and Frilufts Retail.

As of 31st December 2023, we employed 2972 people.

Retail Organization

Frilufts Retail is comprised of Friluftsland in Denmark, Globetrotter Ausrüstung GmbH in Germany, Naturkompaniet in Sweden and Norway, Partioaitta in Finland and Trekitt in the UK. Frilufts Retail in total interacts with more than 500 vending partners and holds up to 30.000 different products in the combined assortment. Products are sold online and in 104 own stores.

Globetrotter

Globetrotter is the biggest retailer within Frilufts Retail. Globetrotter alone sells products from close to 500 vending partners. Products segments are apparel, footwear and hard-wear. Distribution takes place via Globetrotter's website and 22 stores across Germany.

Brands

Currently there are 4 (+1) Fenix brands namely Fjällräven, Hanwag, Royal Robbins and Tierra.

Frilufts is the private label of Globetrotter (= +1) and is sold exclusively at Globetrotter and other Frilufts Retail companies.

Fenix Groups' commitment to human rights at highest corporate level

Compliance and Sustainability are organized as central service units and the Chief Sustainability Officer (CSO) reports directly to the CEO and Chairman of the Group. The CSO function is established on group-level and coordinates the sustainability and human rights activities for the group. The CSO sets and oversees the frameworks and guidelines in these areas. Once a year, the CSO reports to the Executive Board on compliance violations and the risk management system, which serves as the basis for a management review.

The Frilufts Retail CSR Manager reports to the CSO. This position coordinates sustainability and human rights activities for Frilufts Retail and its aforementioned members including Globetrotter. The Global Sustainability Director as well reports to the CSO. This position coordinates sustainability and human rights activities for the Fenix brands as well as the Frilufts label.

The responsible procurement and sustainability processes are therefore supported and managed by the central Fenix Compliance & Sustainability Department.

The management of Globetrotter in co-operation with the central functions of Fenix are responsible for compliance with the LkSG.

The Frilufts Retail CSR Manager and the Global Sustainability Director are in charge to identify, prevent, mitigate and account for adverse human and environmental impacts.

This is to ensure that Globetrotter as well as the Frilufts label comply with the SCDDA.

Reference to international standards and acknowledgement of existing human rights policies

In February 2012, Fenix Outdoor became the first outdoor company being signatory to the UN Global Compact, a set of ten universal ethical and sustainability principles focusing on human rights and labour, the environment and anti-corruption.

The company introduced a compliance management system (CMS) in 2012, and is continuously working on improving and developing this system. The Fenix Outdoor CMS concept complies with the main prevailing standards, namely IDW PS 980 and ISO 19 600. Since its inception, it also addresses environmental and social as well as human rights risk.

In 2013, Fenix Outdoor published "The Fenix Way", an ethical guidance document re-affirming its commitment to be guided by the principles set out in various international standards and principles including:

- The United Nations Global Compact
- The United Nations Universal Declaration of Human Rights
- Declaration of the International Labour Organization on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention against Corruption
- The United Nations Convention on the Rights of the Child

Part of the Fenix Way is the Code of Conduct, which defines concrete expectation towards managers and employees of the company and partners. It exists in different versions for the respective target groups and business relationships.

- The *Supplier Code of Conduct* is applied by the Fenix Outdoor brands mainly towards their direct Tier-1-supplier (in case materials are directly nominated it is as well applied towards Tier-2). It is in line with the Fair Labor Code of Conduct and Compliance Benchmarks of the Fair Labor Association (FLA) and has been translated into more than 20 languages to cater for the production countries in which the Fenix brands operate.
- The *Frilufts Retail Brand Supplier Code of Conduct* is applied by the retail unit towards its direct business partners, e.g. a brand and/or an intermediary.
- The *Code of Conduct for Business Partners* is applied for all services and non-traded goods. A key focus are requirements towards social and workplace standards as well as occupational health and safety.
- The *Code of Conduct for Employees* includes the minimum standard for legal compliance and ethical business conduct. Here internal values are set and recommendations on the rights and obligations of employees provided. It is applicable for all areas of business as well in the interaction with customers, business partners and all societal groups relevant to Fenix and its entities.

Both, Globetrotter and the Frilufts brand apply the corresponding CoC as described. It is part of the prevention measures for direct business partners and provides contractual assurance to comply with the requirements set forth in the CoC.

In addition, the following Frilufts Retail specific guideline applies for Globetrotter:

- The *Frilufts Retail Supplier Code of Conduct Implementation Policy* clearly maps out the compliance requirements in connection with the Code of Conduct and mandatory routines.

- In addition, Globetrotter applies several company agreements (“Betriebsvereinbarungen“) which have been negotiated with the General Works Council and which form part of the overall Globetrotter Ausrüstung company regulations (“Betriebsordnung”).

Internal procedures are applied in the event that business partners do not comply with the above-mentioned company requirements. In principle, a zero-tolerance policy applies here with regard to violations of minimum legal standards and appropriate measures are taken in the event of non-compliance. The measures taken depend on the significance of the violation. Minor breaches usually lead to the opportunity of improvement within a suitable and binding period of time. If measures of improvement are not implemented within the improvement period, the business relationship will be seriously damaged and could lead to a termination of business relations. If it is not possible to remedy the situation in the foreseeable future, the business partner shall give a notification without delay and draw up a concept with a timetable for ending or minimizing the violation. Significant or deliberate breaches of the Code of Conduct will not be accepted and may lead to the immediate termination of the business relationship and financial repercussions.

All guidelines are regularly reviewed to ensure that the latest social and environmental requirements and obligations are taken into account in own and direct business operations, in the supply chain and in investment decisions.

Environmental and Human Rights Risk Management

Prior to 2018, a risk framework was already implemented to facilitate the identification, assessment and management of environmental, political, reputational, and social risks arising from any form of business relationship. This is ongoing effort and continuous process.

On Fenix Group level today, there are several instruments in place to manage risks:

- Through the internal *New Markets & Production Country Risk Evaluation* mechanism the aim is to reduce the country risk exposure through early identification, prioritization and mitigation of significant risk elements, that could have a negative impact on a given business opportunity.
The Country Risk Assessment Tool forms part of the global reputational risk framework and addresses environmental and human rights issues.
- All employees and contractors have access to a Whistle-blowing Hotline to report potentially unethical or inappropriate business practices:
www.fenixoutdoor.ethicspoint.com and www.fenixoutdoor-mobile.ethicspoint.com
This includes reports and allegations that can be made against any of our Fenix Outdoor entities, clients, suppliers and their respective employees or any other affiliated entities or individuals. An anti-retaliation policy regarding whistle-blowers is applied. The complaints handling procedures allows any internal or external parties to report any human rights and labour matters.
- At regular intervals a stakeholder roundtable with relevant stakeholder groups ranging from business partner, industry representatives, NGOs, journalists, policy makers and scientists takes place. The stakeholder dialog is a valuable tool for to identify risks at an early stage and to develop and apply risk mitigation strategies.
- In 2013, Fenix Outdoor joined the Fair Labor Association (FLA) in order to systematically address and manage labor - related principles and risks in the supply chains. In 2018 the FLA-Board gave Fenix full accreditation of its Social Compliance Management Program. The annual re-assessment (submission of answers and documentation to proof evidences review of the social compliance system) acts as a control mechanism and contributes to risk management.
- Building knowledge is a central instrument to avoid risks and to improve environmental and social conditions in own operations and supply chain. Therefore internal trainings and updates to the internal teams and supply chain partners is given on a regular basis.

In addition, the following Fenix brand specific instruments apply for the Frilufths label:

- The EiQ Assessment tool from former ELEVATE now LRQA helps to assess environmental and human rights risks in the production countries. These are measured through open data as audit data per country. The tool offers sentinel reporting on incidents, so that Frilufts label is aware of risks raised by the media.
- Fenix Outdoor own auditing team, Leadertek, performs social compliance audits in China and Vietnam on a regular basis and is complemented by a third party – LRQA – to conduct audits outside Asia. The remediation, monitoring and enforcement is executed by Fenix Outdoor own social compliance auditors and expert team.
- With the Facility Social & Labor Module (FSLM) and the Facility Environmental Module (FEM) the social and environmental performance of Tier-1 suppliers is assessed. This social standardized framework is based on the “Converged Assessment Framework” of the Social Labor Convergence Program (SLCP) which Fenix Outdoor is signatory of. With the application of this standardised assessment, there is an additional instrument for risk assessment at hand, which at the same time supports the industry’s need for harmonization. By this means the reduction of audit fatigue is reduced and to focus on effective and collaborative action is set

If violations or misconduct is detected through audit or assessment results, Frilufts label starts the conversation with the supplier, the sustainability team. Mitigation measures are proposed and a corrective action plan (CAP) will be established. The supplier then works on the CAP and reports regularly on the progress.

In addition, the following Frilufts Retail specific instruments apply for Globetrotter:

- The *Higg Brand & Retail Module (BRM)* by Cascale (formerly Sustainable Apparel Coalition) is a leading, holistic framework that creates an industry specific method for brands and retailers to evaluate and improve Environmental, Social and Governance (ESG) performance along their global value chains. The BRM is used to evaluate and improve the own performance and at the same time the BRM is requested from brands, which are part of the coalition.
- As a further investigative measure in the case of high-risk suppliers we developed our own ESG-rating in order to better assess the actual risk disposition and derive suitable and appropriate preventive measures.

Closing remarks

The human rights program is regularly reviewed by the CSO and necessary actions are taken to allow for highest effectiveness of the program. This can mean that new procedures and initiatives are introduced or that existing policies are complemented or refined. The overarching objective always is that compliance with the SCDDA (and other regulatory requirements) is safeguarded and ultimately to contribute to safer and better working conditions as well environmental protection in the supply chain.

The progress about the sustainability and compliance agenda is reported annually in the Fenix CSR Report following the Global Reporting Initiative as well as European Reporting Standards. A SCDDA report will be provided each year to relevant authorities and stakeholders.

This statement was approved by the Globetrotter Management on 9 May 2024 and communicated to all employees and works council.

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