

from another year of making outdoor gear.

HEY THERE! PM KÅNKEN

Normally the introduction to a CSR summary like this one would be done by someone far more important than me, probably someone who's job is an acronym. But I'm just a backpack. So, you may be wondering why I'm here. Well, I wondered that too at first. What do I know about corporate social responsibility and sustainability? I mean, I'm durable, and that's important to sustainability; I'm made to survive years of carrying before being passed to the next generation. But CSR? That seems a bit daunting if you ask me.

Well, as with any great adventure, you've just got to take that first step. And for Fjällräven, sustainability really is a journey rather than some lone peak to be conquered. For us, it's about continuous discovery, learning, and improvement. But it's also not something we can do alone.

For Fjällräven to be a truly sustainable brand, we have to make products that you will use for many years to come. And love enough to care for properly. Maybe it's because I'm recognised by so many that I've been asked to write this.

Maybe the hope is that I can inspire people both new to Fjällräven and those who have walked with us for the past 60 years to take an interest in sustainability. It would be pretty cool if a backpack like me could make people turn their backs on fast fashion and embrace a more considered approach to consumerism (an adult helped me write that last line).

Caring for your gear is one thing, but after a lifetime of adventures, we all show signs of wear and tear. That's when repairability becomes key to sustainability. You know, I've overheard people saying things like 'scars are cool', so I hope one day I'll get sent for repair so I can have a gnarly patch of my own. A badge of honour to remind me of great times spent outdoors.

I guess that's what this whole summary is about then; what Fjällräven is doing to make gear like me durable, functional and timeless, and how you can help take care of it to minimise the environmental impact.

You could say, we've got each other's backs.





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ABOUT US, AND THIS SUMMARY

In 1960, our founder Åke Nordin started Fjällräven in a basement in the small northern Swedish town of Örnsköldsvik. Making products that made exploring nature better for him and others, eventually we became a leading supplier of outdoor clothing and equipment in Scandinavia. We even played a key role in prompting more Swedes to get outdoors.

Since then, we've been using all our creativity and tenacity to continue the path that Åke embarked upon over 60 years ago; working hard to make gear that is reliable, durable and timeless enough to last a long time. Today, our products are sold in more than 70 countries and appreciated by outdoor enthusiasts all over the world. With the mission of inspiring the world to walk with nature, we've also managed to attract more people to the outdoors with Fjällräven Classic, Fjällräven Polar, and local Campfire Events.

Now, we are a decidedly global company, and even small decisions about one product can have a major impact on the natural world we care so much about.

In the spirit of Åke, we've embedded sustainability and CSR into all levels of our strategy and operations to ensure we act responsibly towards people, wildlife, and the environment.

Here's the thing: until recently, our policy was to not talk all that much about our sustainability and CSR efforts. 'This isn't a marketing opportunity,' we said. 'It's just something we do!' So, we left the reporting up to our parent company, Fenix Outdoor*.

Times have changed however, and transparency is the more reasonable way forward. Plus, with users like you more committed to minimising their own impact on nature, it's more important than ever to communicate what we've managed to achieve in the past year – and how far we've got to go.



Fun fact: At Fjällräven we use a Management Compass with the cardinal directions Nature, Economy, Society, and Wellbeing, so we never let go on sustainability anywhere.

*Fenix Outdoor International AG includes Fjällräven, Tierra, Hanwag, Royal Robbins, Naturkompaniet, Friluftsland, Partioaitta, Trekitt and Globetrotter. It has been doing CSR reports for all its brands since 2012. These reports are based on the internationally recognised Global <u>Reporting Initiative (GRI) standards</u> and the principles of the <u>UN Global Compact</u>. Read the latest Fenix CSR Report <u>here</u>.









Why should you trust an outdoor company you can't even pronounce?

Fiall raven? Fuell raiven? Fyell rehven? The name Fjällräven ['fjɛlː,rɛːvɛn] may be tricky to pronounce, but what you need to know is that it translates to 'Arctic Fox' in English. In Sweden, a person who skillfully traverses the great Scandinavian outdoors is known as a 'true Arctic Fox'. So inspired was Fjällräven Founder, Åke Nordin, by this inquisitive little predator, he decided to name his outdoor company after it. No matter how you say our name, or what it brings to mind, we hope it promises you outdoor gear and memories that last.



OUR SUSTAINABILITY TRAIL

Sustainability isn't a destination, it's a journey of achievements and setbacks in equal measure.

1960 Fjällräven founded



Åke Nordin starts Fjällräven in a basement in Örnsköldsvik with Backpack LÄTT. Light and strong, it makes the wilderness a little more accessible. Drawing on

all his powers of creativity and tenacity to find better solutions for other types of outdoor equipment, one innovation leads to another and another and another.

1994 Save the Arctic Fox

A project with researcher Anders Angerbjörn is initiated to save the

endangered Scandinavian Arctic fox. The Save the Arctic Fox project is still active today, 30 years later.

2009

Start saying no to PFCs

After learning about the harmful impact of PFCs, the Fiällräven board decides to phase out PFCs from every garment and product. It also looks at other additives and chemicals that affect function without really being necessary. It's decided no unnecessary chemical components are to be used moving forward.

2014 Down Promise

Having established a unique manufacturing process where Fjällräven's down is 100% traceable and ethically sourced, the Fjällräven Down Promise is launched. Only ethically produced down of the highest quality is used in Fjällräven products moving forward.

2012

Contamination setback

Greenpeace discovers PFCs on the Eco-Trail Jacket and a new problem is identified: cross-contamination. Collections were hanging in the same room as products that contained fluorochemicals. Production is reorganised so everything is completely separated, but the hard work continues

2011 PFC-free Eco-Shell

Eco-Shell, a waterproof hardshell fabric made without the use of PFCs is launched in the Eco-Trail Jacket, Climate compensated. recyclable, and mono material, the jacket is awarded an SOA sustainability Award as the most environmentally friendly new product of the year.

2015

Wool promise

With wool more important in the material mix, Fjällräven seeks to

achieve better traceability and ethics in the wool production chain Since then, the Wool Promise ensures wool is sourced with sustainability as priority No.1.

PFCs phased out from all fabrics

Fjällräven can finally say it's phased out the intentional use of PFCs not just from its shell garments, but also from tents, backpacks and accessories. There is just one thing left: zippers.

2016 Re-Kånken



A development project to create a Kånken from as little raw material, water and energy as possible, Re-Kånken is manufactured from 11 recycled PET bottles and using the innovative SpinDye[®]-colouring technology.

2019 Arctic Fox Initiative

Fjällräven launches a fund that financially supports ideas and projects in outdoor life and wildlife conservation. Applications are made yearly to be included, and selected Fjällräven products are sold worldwide for the benefit of the chosen projects.



2023

PFC-free zippers...and a setback

YKK, the world leader in waterproof zippers, finally unveils a zipper produced without PFCs and it's applied to all relevant jackets. Then, YKK discovers PFCs in the zippers' paint. Plans are made to swap out all zippers in 2024.







WHAT SUSTAINABILITY MEANS TO US

When nature is your reason for being, you don't want to jeopardise its existence.

Sustainability is our guiding principle here at Fjällräven, but as a company we face a tricky question: How do we preserve nature while producing products that inevitably have an impact on it?

We walk a fine line between the here and now and the future. While we produce gear that makes your next outdoor adventure better, we are committed to ensuring future generations can experience the same. The UN calls this 'sustainable development'. We just think it's the right thing to do.

To make it happen, we're pursuing a completely circular system of production and consumption. In other words, we strive to minimise waste and are continuously evaluating and improving the emissions, chemicals, raw materials, and energy that go into producing and recycling our gear.

We also believe in a scientific approach to sustainability. We keep up with the latest developments and knowledge, are self-critical, and strive for new and better solutions. We are transparent and share our successes and achievements, challenges, and setbacks to demonstrate growth and learning and to help educate others.

Finally, we are passionate about longevity. Studies* have shown that a garment's carbon footprint can be halved if used twice as often as average. We don't want to make gear just for one trip. We intend to make it durable, functional, timeless, and repairable enough so it lasts for many adventures to come.

*Go to <u>Mistra Future Fashion</u> for more information.

Love your gear, live more sustainably

Family-size tent = 1,400 € & 404 kg CO2*

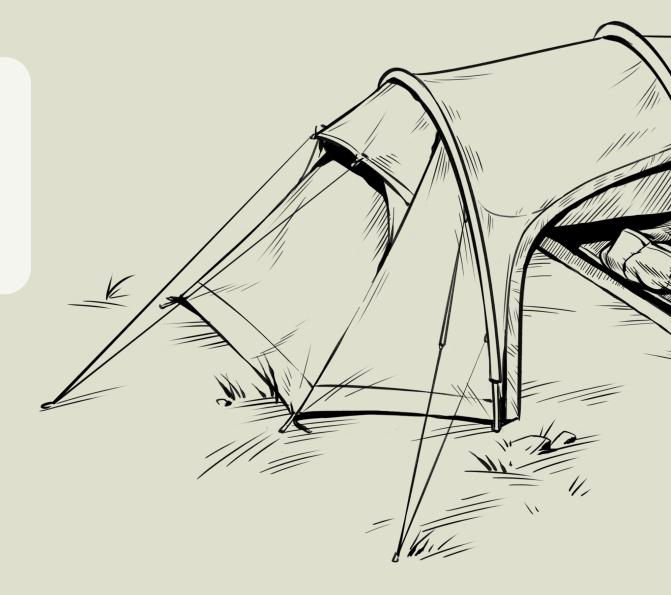
1 night = 1,400 € & 404 kg CO2

10 nights = 140 € & 40.4 kg CO2 per use

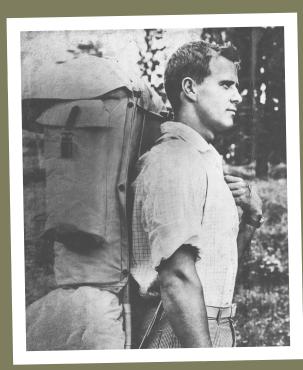
100 nights = 14 € & 4.04 kg CO2 per use

Think about it. Imagine you invest in a family-size tent that's 1,400 \in with a carbon footprint of approximately 404 kg. If you use it 10 times, each night you sleep in it costs 140 \in and has a carbon footprint of 40.4 kg. If you use it 100 times, each night you sleep in it costs 14 \in and has a carbon footprint of 4.04 kg. If you use it 1,000 times...well, you get the picture.

*Based on MyClimate calculation of Frilufts Retail product categories.



Read more on our Foxtrail blog



Sustainable development at Fjällräven

Read more



Gear for the trip? No, for life!

Read more



SAVING NO SINCEI

We say no, a lot. In fact, our reluctance to listen to business experts and marketing know-italls and disinterest in trends and shortcuts has been questioned many times. But we thought it is best to listen to nature and science instead. Thank goodness we did, because more often than not it's kept us on the right trail.





Preferred fibre use 10% up from 2022



Extended **Arctic Fox Initiative** partnership



Factories visited and audited on human rights and environmental risks vs. ca. 45% in 2022



Tonnes of soft plastics diverted from landfills in North American stores and warehouses

(and made into composite decking!)

Our key commitments

In 2023, we said no to a lot of things. Click on our commitments below to read up on each one.

No to short-term trends	05
No to harmful chemicals	06
No to animal mistreatment	07
No to climate inaction	08

- No to resource-intense materials 09
- No to social and economic injustices 10
- No to ever putting our feet up



Renewably sourced electricity vs. 86% in 2022





Perceived as 'Most Sustainable Brand' by Swedish consumers in Sustainable Brand Index 2023

(the fourth year in a row!)



We've earned first place in both the overall clothing industry category and the outdoor clothing category in the annual Circular Brands 2024 report. Tradera is Sweden's biggest circular market. To raise awareness about circularity in the fashion industry, it highlights clothing brands that are successfully driving the transition to a sustainable society by creating clothes that are appreciated enough to be used again and again.

Learn more



11

SHORT-TERM TRENDS

Our design philosophy puts functionality first, meaning a product must serve a purpose, otherwise it is not needed. We also focus on creating products that are 'rightweight'. Which, in other words, means balancing durable materials and construction with weight. Finally, to ensure our clothing and equipment does not only remain functional but also relevant year after year, we adhere to timeless design standards and use colours inspired by nature.

By maintaining relevance regardless of short-term trends, our gear has a better chance of staying in use longer. Not only does this boost its emotional connection to our users, but it also means it doesn't need to be replaced every one or two seasons, reducing waste and consumption.

66 Fashion doesn't interest me.

I've always done things because I need them myself. I'm not an exceptional type. I'm an ordinary person. And that means that when I make things for myself, they meet many other people's needs.

Åke Nordin



Fun fact: Kånken was developed in 1978 to help schoolchildren with back pain. Featuring a simple rectangular design, the backpack was made for functionality and comfort. Today's Kånken is no different, it's just worn by people of all ages.



These icons are still going strong

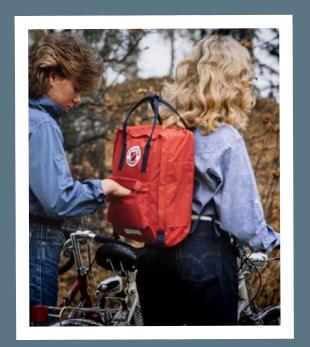
Greenland Jacket

Did you know our first jacket was developed with members of the 1968 Scandinavian Greenland expedition? We also discovered the durability of G-1000. It's still a go-to fabric today, and the Greenland Jacket remains one of our top products.

Meet a beloved Greenland Jacket

Kånken

Read up on Kånken history



Expedition Down Jacket

50 years (and counting) in 2024! After spending a miserable winter night outside in 1974, our founder Åke Nordin created the Expedition Down Jacket. Celebrating 50 years of timeless design in 2024, the jacket looks almost the same today.

Åke decides never to feel cold again



Share of total sales* that are carryover products

JARGON ALERT! Carryover products are timeless products that are part of our collection for multiple seasons (even decades). By maintaining their relevance for years they are used often and for longer.

The story collector



Field Test Coordinator and Product Specialist Harald Born is committed to collecting Fjällräven products that are 30, 40, even 60 years old. Plus, their stories. With them he can see, touch and feel where we've been - and envision what we can do going forward.

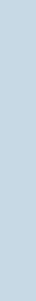
Watch video

*Wholesale and direct-to-consumer (DTC) sales.









HARMFUL CHEMICALS

We'll be straight with you: the world of PFCs are everywhere (even in your blood!) hazardous and banned chemicals is complicated and always changing, and staying up to date with the latest scientific findings means there's always something new to learn. Our Chemical Guideline helps us navigate this space, and we're constantly updating and revising it to reflect the latest scientific research^{*}, and to go beyond current and all the zippers in our 2024 products. But hey, future legal requirements. Including a that's life when you're pioneering in (Manufacturing) Restricted Substances List, or (M)RSL, we insist that all our suppliers adhere to it, and we lab-test our products for proof of compliance.

Even with all of this in place, sometimes new discoveries can throw us for a loop.

Take the tricky topic of PFCs, where science doesn't have all the answers yet. Sure, we'd love to slap a 'PFC-free' label on everything and call it a day. But it's not always that simple.

and cross-contamination is rampant, so claiming something is free from PFCs is simply not true. Plus, there are other complications. For example, in 2023 we were promised that the zippers for our shell jackets would be free of PFCs, only to discover they were hiding in the paint. Now, we're making moves to swap sustainability. That's why we see sustainability as a journey, not just a destination. We'll always be honest with you about the challenges we, and the industry, face and never use over-simplified marketing claims to communicate what we've achieved – and how much further we need to go.

SAYING NO **TO PFCs SINCE 2009**

2009

The battle against PFCs begins

Research shows that PFCs are harmful to humans, animals and nature. Fjällräven decides it wants no part of it and starts a comprehensive examination of its product assortment.

2012

Shell fabric without PFCs launched

Eco-Shell, a proprietary water repellent material made without the use of PFCs is launched in the Eco-Trail Jacket.

Cross-contamination setback

Greenpeace discovers PFCs on the Eco-Trail Jacket and a new problem is identified: crosscontamination.

2015

PFCs phased out from all Fjällräven fabrics

Fjällräven can finally say it's phased out the intentional use of PFCs from shell garments, tents, backpacks and accessories. Only zippers remain.

2022 New zippers without PFCs launched

After many challenges along the way, YKK, the world leader in waterproof zippers, manages to create a zipper without the use of PFCs that is applied to all relevant products.

2023 Setback with the new zippers

YKK discovers hidden PFCs in the paint on the zippers. It's a setback, but we're now making moves to swap all zippers in our 2024 products.

2025-2026

Upcoming ban of PFCs

Legislation in the EU and United States catches up and begins the ban of PFCs in 2025.

THE FUTURE

Science doesn't have all the answers yet

Researchers believe they have located roughly 80% of fluorochemicals' areas of application, while 20% are yet to be found.

...to be continued.

Driven by values, not legislation

Legislation in places like California and Europe is banning the use of PFCs (per- and polyfluorinated compounds, also commonly known as PFAS) starting in 2025. We've been saying no to them since 2009. Why? Easy: when something's the right thing to do, you do it.

Removing PFCs from all our products has required extracting them from every level of operations, a lengthy, complex, and painstaking task. Currently, we're a trim** away from our products being entirely free of the intentional use of PFCs.

and temporary attachments are also considered forms of trim.

Our full PFC story



NO TO ANIMAL MISTREATMENT

'We can't talk about the sustainability of our garments without knowing about the welfare of the animals, the land use practices, and economic viability of the farms we source from.'

> Johanna Mollberg, Sustainability Manager



100% traceable down since 2014

For a decade, our Down Promise has ensured our down is of the highest quality and is sourced without live plucking. In short, we know exactly where all of it comes from. With repeated controls of all suppliers and subcontractors, our down production chain is strict and one of the outdoor industry's most transparent.

Get the low-down on our down

OUR WOOL PROMISE

In 2015 we started looking into how we could achieve better traceability and ethics in our wool production chain. Since then, our Wool Promise ensures we source it with sustainability as priority number one.

Our progress in traceability can be accredited largely to our partnership with the New Zealand Merino Company. With their ZQ Wool, we receive a certificate with the names of the farms where our wool comes from, including a tracking number for the farm. The company's ZQRX Wool goes a step further by requiring wool growers have regenerative farming systems in place. The regenerative model handles nature with care, instead of using resources as if they are limitless. It enriches and helps the environment instead of depriving it, increasing biodiversity, enhancing ecosystems, and improving soil health and the water cycle.

Ultra-functional and long lasting, wool has a bright future ahead. As Sustainability Manager Johanna Mollberg says, 'We are strong believers in the material. When sourced properly, from farms that respect the animals in a way that can be regenerative to the environment, there is a positive impact that is super exciting to investigate even more.'

More about wool

SNEAK PEEK 2024

We're partnering with a local farm to enhance its biodiversity and reintroduce endemic species to the land. Stay tuned for details about this pilot project throughout the next year.



100% **Mulesing-free wool**

Mulesing is a painful process for sheep that involves removing strips of skin and does not adhere to our ethical standards. Learn more with the Fjällräven Animal Wellfare Policy.



*Derived from ZQ-certified and Swedish farmers





CLIMATE INACTION

We've been climate neutral in our company-controlled facilities and operations since 2015 and our climate strategy aligns with the 1.5°C target from the Paris Agreement and the Science Based Targets initiative.

Climate change, however, does not stop at our doorstep so to speak. It's important we all work together to live up to the Paris Agreement. Here's what Aiko Bode, our Chief Sustainability Officer (CSR & Compliance) has to say:

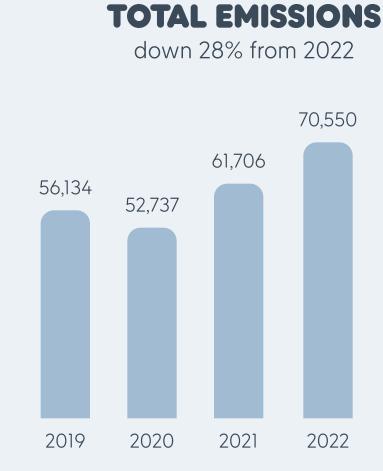
Climate change touches everything we do (and not do), so we are actively promoting the engagement of our partners in the value chain to cooperate. They should be introducing and expanding their use of renewable energy and phasing out coal from any type of their operations.

You, being a part of the community, are also crucial to keep everyone in line. As governments get their ducks in a row to establish and enforce climate change policy, we need you to hold them accountable.'

HOW'D WE DO IN 2023?*

Renewable energy was a big win. We achieved 100% in our company-controlled facilities. Compared to the base year of 2019, we saw an overall decrease in absolute emissions** of 10% and a 2.5% decrease in our carbon intensity per product produced.

Where possible, we purchase renewable electricity via green tariffs. In locations where it isn't possible, we purchase energy attribute certificates. If neither are available, we fully offset our emissions through Gold Standard projects. Learn all about them in the Fenix Outdoor CSR report.



Average decrease in material carbon intensity compared to 2019 Renewable electricity in owned and operated locations

NO DATA, NO COMPLIANCE, **NO BUSINESS**

Policies are good, but we need to know our sources - and you deserve to know them too! We voluntarily disclose details about our direct suppliers on the OpenSupplyHub2023 platform. We also contributed to the Fashion Transparency Index and increased our score by 10% compared to last year.

We also sharpened our transparency and traceability programmes in 2023. For example, we decided to adjust the scope of our manufacturing tracing from the product level to the fibre level. The provider that runs this programme is in close relationship with the Textile Exchange and we'll start small with a pilot project and a few fibres in 2024 and scale up.

2025 TARGETS

25% reduction of transportation emissions

30% reduction of event emissions

30% of core suppliers receive renewable energy

80% of suppliers get efficiency training, as well as doing Higg FEM evaluation

100% renewable energy in companycontrolled facilities and operations

Jargon alert! Higg FEM stands for 'Higg Facility Environmental Module' and standardises how facilities can measure and evaluate their yearly environmental performance.



2025 EMISSIONS TARGETS

50% reduction per product produced***

Every intended or unintended

action has an impact

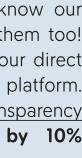
reduction in

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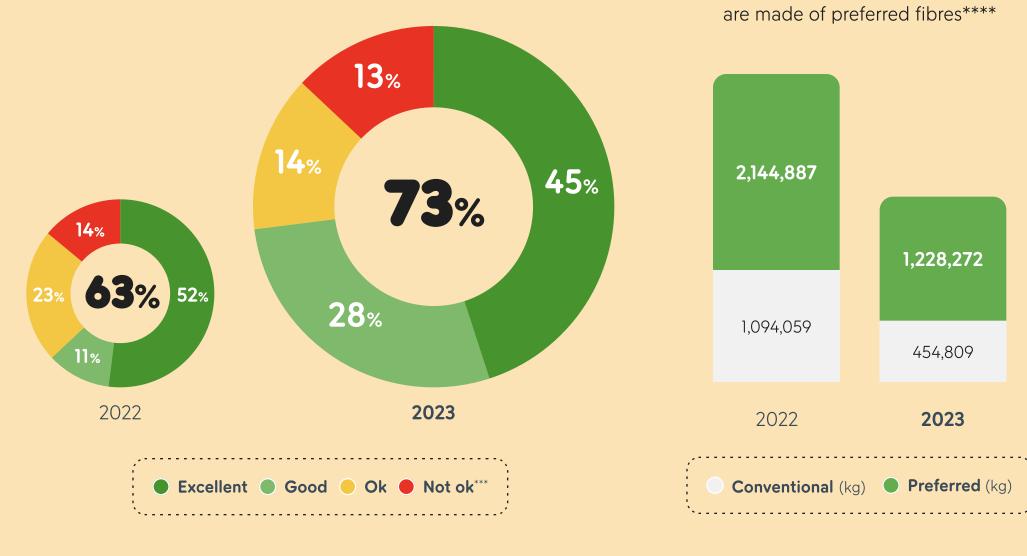
HOW WE'RE PERFORMING AGAINST OUR TARGETS



Aside from our suppliers reporting more reliable data, in 2023 we purchased less recycled material overall, but didn't drop the purchase of virgin materials at the same rate. Unsatisfied with the status of recycled polyester, rest assured we're working on improvements.

PREFERRED FIBRE STATUS 2023**

73% in 2023 (a 10% increase from 2022)



*Derived from ZQ-certified and Swedish farmers. **Based on the Textile Exchange Preferred Fibre and Material Matrix. ***Includes materials we have not yet been able to categorise. ****Preferred fibres' being recycled, organic, ZQ, Fjällräven down promise, hemp, certified Lyocell.

RESOURCE-INTEN MATERIALS

We evaluate the materials we use based on their efficiency, functionality, chemical composition, and the quantity required. We're also committed to improving the materials we already use.

HEMP

Strong and durable, hemp fibres stretch less than other natural textile fibres, meaning hemp garments won't lose their shape with use. Hemp has a low impact on the environment because it doesn't require irrigation, pesticides, or synthetic fertilisers. It also replenishes the soil in which it grows.

TEXTILE FIBRE USE

Less textiles used, but more than ever

G-1000 is now up to our sustainable standards...almost

We used to have a version of G-1000 called "G-1000 Eco" made of recycled polyester and organic cotton. Now, virtually all our G-1000 materials are made of recycled polyester and organic cotton, so we can drop the "Eco"! Since G-1000 accounts for approximately 40% of our material mix (excluding Kånken!), this update is significant.

Less than one percent of G-1000 didn't make the cut though. To deliver acceptable levels of durable mechanical stretch functionality. our G-1000 stretch fabrics are made with 13% to 15% virgin polyester...but that's only until a better alternative comes along, we promise.

Learn more



NO TO SOCIAL AND ECONOMIC INJUSTICES

We're committed to sourcing and purchasing responsibly, respecting human rights and the environment we operate in, promoting the dignity of everyone who contributes to our business, and most importantly, limiting any negative impact our business may generate.

Full transparency on fair labour

Fair labour conditions should be the standard, not the exception, and we already transparently communicate our strengths and weaknesses in human and labour rights of the supply chain. We are an accredited member of the Fair Labor Association (FLA) under our parent company, Fenix Outdoor, and FLA-accredited companies like ours are evaluated every year. In 2023, our training for suppliers and production staff, monitoring, and functioning grievances mechanisms were verified. The results are published at <u>www.fairlabor.org</u>.

We've also decided to take part in the <u>WE Program</u> in 2023. It is a global dialoguebased programme that empowers our business partners in the value chain to identify systematic root causes of poor working conditions and improve them.



Kånken Art collaboration

In 2023, we worked with Coast Salish artist Charlene Johnny to create a Kånken Art for launch in Spring & Summer 2024 that explores and expresses her ancestral-inspired artwork. As Charlene says, 'Kånken means to carry. We carry teachings, we carry knowledge, we carry language. I think it is important for indigenous people to carry forward what our ancestors have gifted us.'

In 2024, \$70,000 CAD is being donated to the organisation of Charlene's choice. The Stqeeye' Learning Society is an Indigenous-led nonprofit that works on the restoration and preservation of lands and waters within Xwaaqw'um (Burgoyne Bay Provincial Park).

Highlights from the year



Age of youngest worker (no child labour identified)



Supplier* Code of Conduct compliance 566% Factories visited and audited** (vs. approximately 45% in 2022)

Nature is naturally diverse



REGNBÅGSFONDEN

Using proceeds from the sale of Kånken Rainbow, the Arctic Fox Initiative continued with its support of the Regnbåsfonden (Rainbow Fund). The partnership in 2023 also grew to include a workshop series led by activist Helena Westin. In the workshops, Fjällräven teams are educated about diversity, inclusion, and prejudice.

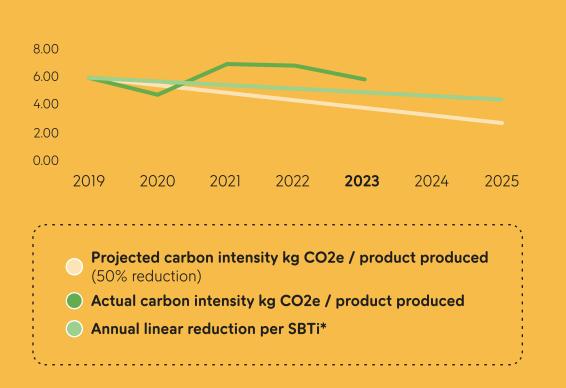
*Direct and nominated indirect suppliers.**On human rights and environmental risks.

NO TO EVER PUTTING OUR FEET

When it comes to sustainability and CSR, we're on a special kind of journey. There is no finish line. Instead, there are many checkpoints. Often their location changes and new ones are always being added. So, while we've spent the last bunch of pages sharing what we have accomplished in the past year, it is equally as important to tell you about the things we aren't satisfied with yet. Here are the goals we fell short of, the bottlenecks we encountered, and things we believe the industry as a whole could improve.

Product CO2e intensity not in line with our reduction target

Slight growth of CO2 footprint in our raw material purchase



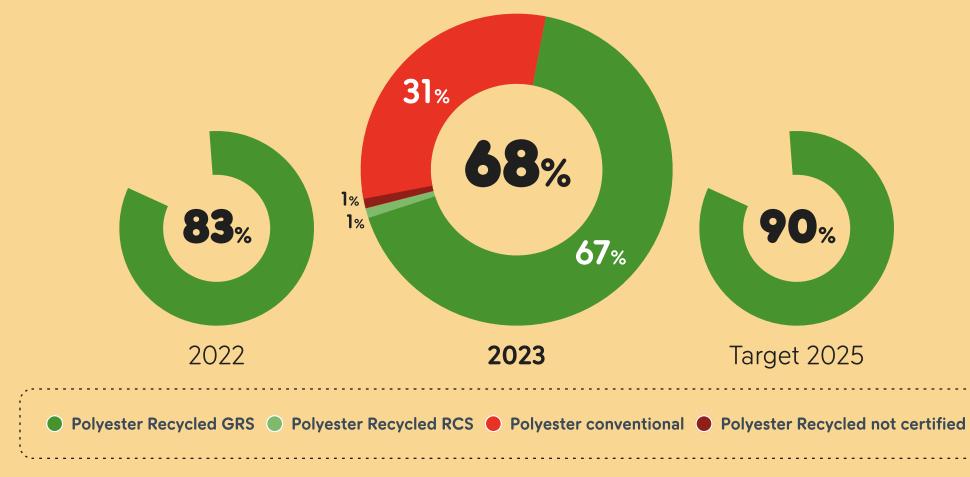


To do: Continue decreasing our raw-material consumption and continue to transition to lower impact materials.

*SBTi, or the Science Based Targets initiative, is "...a corporate climate action organisation that enables companies and financial institutions worldwide to play their part in combating the climate crisis." Learn more

WHERE WE NEED TO DO BETTER

Boosting use of recycled polyester



What happened? In addition to our suppliers reporting more reliable data, we purchased less recycled materials overall but didn't drop the purchase of virgin materials at the same rate. We still use some virgin materials because the recycled equivalents do not perform as well or are unaffordable. Rest assured we're continuing our more-sustainable-materials journey. Promise!

Factories paid, on average, a living wage in Vietnam



/15 2022

Fair Compensation

We strive to achieve fair labour conditions in all our factories and a living wage for all workers. In 2022 we assessed 15 of our main suppliers in Vietnam and looked at their wage levels in comparison to the Global Living Wage Coalition (GLWC) benchmark. Seven out of 15 factories paid above a living wage while four were very close and another four were at industry average. We thought, 'Great!' but then the GLWC changed the benchmark, made it more granular, and reflected the overall economic developments in Vietnam. The new 2023 benchmark showed that only two facilities met and exceeded living wage, while the rest dropped to slightly better than industry average or 'only' industry average.

Are we sobered by the news? Naturally. Frustrated? Not especially, because we'll continue moving forward on our trail towards more fair and inclusive working conditions. We're now working even more intensively with our suppliers to find the obstacles, limits, and risks they see on our way to fair compensation for all.

Understanding Wages: Minimum Wage vs. Living Wage

While minimum wage is the lowest legal amount a worker can be paid, a living wage is a higher standard ensuring workers can meet essential living expenses.

In the garment and fashion industry, minimum wage is common. Though all assessed Fjällräven suppliers paid a minimum wage to their employees in 2023, we strive to pay a living wage, demonstrating a deeper commitment to worker well-being and exceeding industry standards Recent benchmark changes mean we need to align more closely with our suppliers, but we remain dedicated to fair compensation.





YOU'RE RESPONSIBLE TOO

We are in this together. It's our responsibility to continue working hard to make outdoor gear more durable and long lasting, while always striving for a lower environmental impact. But we also think that using it year after year, caring for it, and not replacing it with new stuff, is yours. Only together can we make a substantial difference. Our CEO, Martin Axelhed agrees.



Watch the video

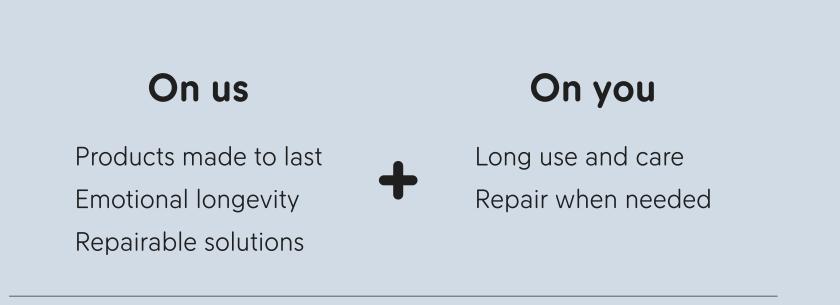
Sustainability is a collaboration between Fjällräven and you



We hear a lot of stories about people who have been using their Fjällräven gear for a long time. Look no further than Bitte <u>Päiviö Nygård</u>, an Expedition Down Jacket user and record keeper for the reindeer separation season of her family's business. When you keep using something over a long period of time, avoiding buying new replacements, you lower your own environmental impact. Fewer products need to be produced, consuming less energy, and generating less waste.

It's a really good idea to care for your gear, repair it, and not replace it every one to two seasons. Then you can pass it on to the next generation or resell it on the second-hand market.

What do you say? We hope this makes as much sense to you as it does to us...and Martin...and the environment.



= Sustainability through long-term use



CARE AND REPAIR

Love your gear longer

We create our gear with the intent that it lasts for a long time. The more you use it, the higher chance you develop a special relationship with it. Seriously. The emotional longevity of a product can remind you of special moments in nature for decades. We think that warrants a special level of care and repair. So do you, because in 2023 you brought in more of your beloved Fjällräven items for repair than ever. In 2021, we repaired 5,000 items globally. In 2023, it was closer to 18,000. If you ask us, we'd like to give even more products another life and make them ready for another adventure, which is why we're constantly developing solutions that make our products easier and better to repair. Not just for our professional repair team, but also for you at home.

Care for your gear at home

Regularly 're-proof' your shell garments to maintain their weatherproof functionality. Wax G-1000. Spray PFC-free DWR onto clean Eco Shell, then dry the garment to optimise its uptake.

Gear not in use? Store it correctly: clean and in a dry, well-ventilated area away from direct sunlight and heat.

Wash your gear only when needed, and always pay attention to the instructions on the label. Spot clean as necessary inbetween washing.

Get more tips

North America: **Inspiring the way**

Year over year increase in successful repairs





15,461 Items taken in for repairs

Stores with in-store* tailors (32 tailors across 24 stores)



*In North America, we operate mostly out of our own brand stores. In Europe and elsewhere however, we sell most of our gear through other retailers. Though we have a substantial tailoring network in Europe, plus our repair team in Örnsköldsvik, in North America we have 32 tailors working out of 24 of our 42 stores.

ANEW OF LIFE

Meet the talented team getting your gear back out on the trail

Up in the town of Örnsköldsvik where the Fjällräven story began lies a little workshop receiving well-worn and wellloved gear from far and wide. Inside this hive of loose threads and spare buttons, you'll find a dedicated team who walk the walk when it comes to prolonging the life of outdoor gear. We paid them a visit to learn about life from behind the sewing machine.



We think it's important to extend the gear's life because that reduces environmental impact over time. Using your gear longer not only helps to lower the environmental footprint per use, it also saves you from having to replace a much-loved item with something new. Thankfully, we've seen a positive trend with repairs and recycling becoming more common which is a big win for nature.



Yes, washing them unnecessarily. When you do, it's really important to follow the washing guidelines. It's easy to forget, but taking care of garments the 'right way' helps them perform better and last longer.

WHY DO YOU THINK REPAIRING **GEAR IS SO IMPORTANT?**

ARE THERE ANY COMMON MISTAKES PEOPLE MAKE WITH THEIR PRODUCTS THAT LEAD TO WEAR AND TEAR?

HOW CAN PEOPLE PROLONG GEAR IN THE FACE OF WEAR AND TEAR?

You can extend your gear's life and usefulness by using the right detergents, following the care instructions, and re-impregnating membrane layers when required. It's also a good idea to keep zips free from dirt and grit. If you look after your gear, it will look after you.

WHAT IS THE MOST CHALLENGING **THING TO REPAIR?**

The large backpacks are always tricky as we often have to remove various parts and unpick seams to reach the areas that need repair. With tents, down-filled products, or membrane-layered garments, we have to be especially delicate with our needles and other sharp tools.

WHAT'S THE MOST COMMON GEAR **THAT NEEDS MENDING THIS YEAR?**

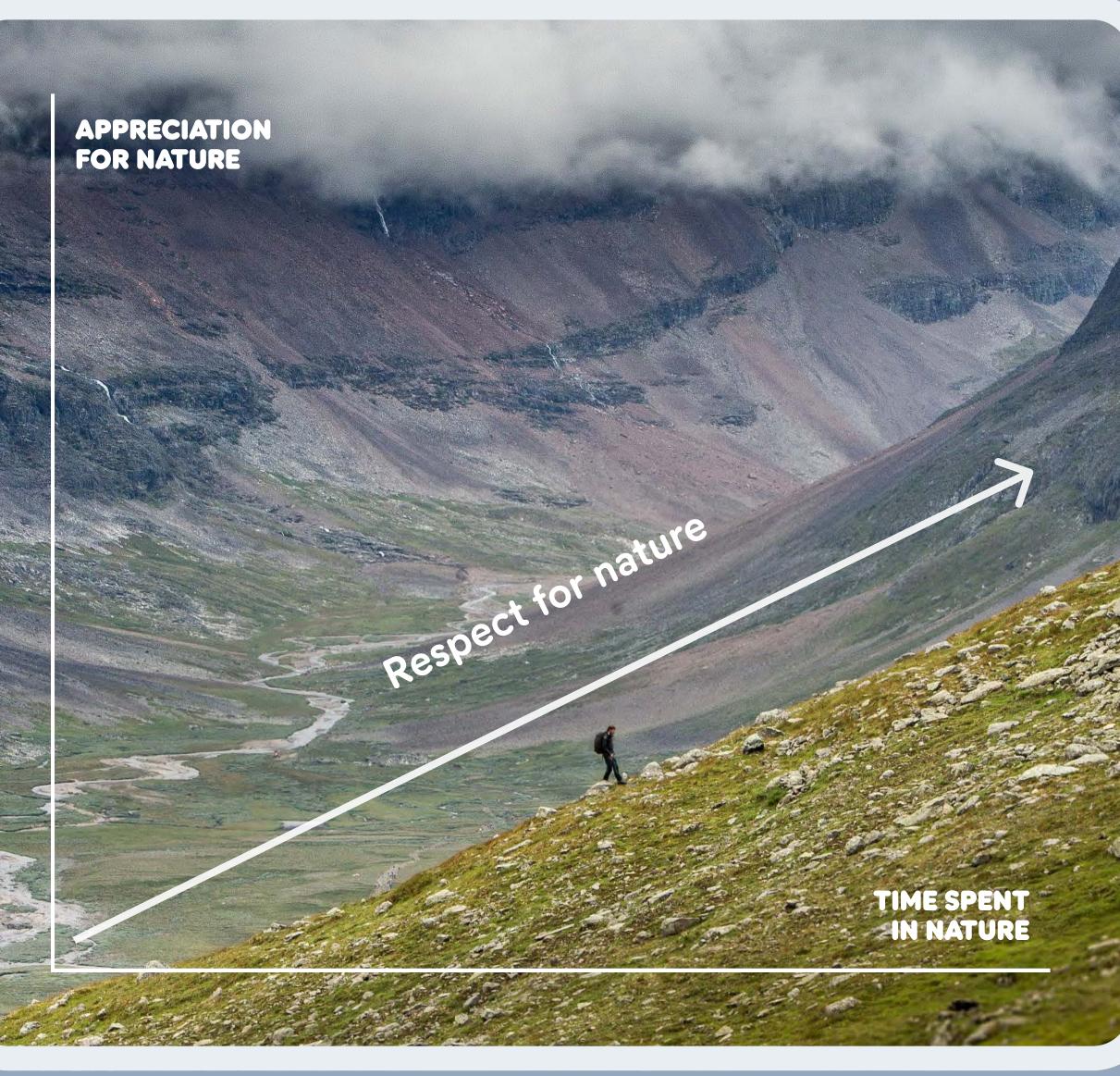
Since they're used so much, it's often the zips that go first but, by replacing them, the gear is usually as good as new. We also see wear-and-tear damage such as rips in fabrics from people pushing their gear to the limit. We love that!

WHAT'S THE OLDEST THING **YOU'VE REPAIRED THIS YEAR?**

We repair a lot of older, some would say vintage, products. A few golden nuggets from this year include a ski suit from the '90s that needed new zips, a yellow reporter's vest from around the same time that required a whole new lining, and then a really old Kånken from the '80s where we replaced the bottom section, part of the back, zip runners and the front pocket!

The more time we spend in nature, the more we grow appreciation for it, and respect for it. That's why we create all the outdoor gear you need to get out there – and the events that make you feel at home there. Fjällräven Classic, Fjällräven Polar, and local Fjällräven Campfire Events help people discover more about nature, and enable less experienced people to enjoy the outdoors. They're also a great way to educate about trail ethics and our commitment to always leaving basecamp in better shape than we found it.

Our global events





20 years of



Multi-day trekking for everyone

'Fjällräven's mission is to bring people out in nature, while leaving basecamp in better shape than we found it.' Aiko Bode.

Chief Sustainability Officer, CSR & Compliance

In addition to creating trusted outdoor gear, we also make an effort to enable more people to spend more time in nature through our events. It is our responsibility, however, to ensure it's done mindfully. Now in its 20th year, as Fjällräven Classic continues to grow it's even more necessary to curtail its impact on local environments. We hope that what's learned on the trail – like mindful travel, picking up trash, not using disposable cups and cutlery – are lessons participants can bring home with them along with memories and new perspectives.

To better protect the seven trails, Fjällräven's Global Events and CSR & Compliance teams work closely to calculate the treks' emissions, then figure out how to optimise resource use, reward climate-friendly transportation, and reduce waste. In 2023, we did our first-ever calculation of the treks' emissions and set a zero-waste roadmap for the future. Fjällräven Classic Sweden is now a Greentime Certified Sustainable Event and we've implemented a range of initiatives to decrease the event's emissions 30% by 2025.



Fjällräven Classic treks worldwide Sweden, Denmark, Germany, USA, UK, Korea, Chile



415 Kilometres of trail in 2023

299,075

Kilometres covered by trekkers in 2023







Fjällräven Trash Bag

During Fjällräven Classic, participants collect their own trash as well as any other they find from the trail. Where do they put it? The now-iconic Fjällräven Trash Bag. It's a small product with a big job – and a growing reputation.

Learn more

Reducing Fjällräven Classic Sweden emissions

Here's what we're doing in 2024:

Continuation of the Trekker's Train, which encourages more mindful travel by train to and from the trek.

Strategic distribution of supplies to checkpoints with refill stations, reducing transport of food and fuel, and discouraging overconsumption

amongst participants.

Participant education on food waste. Carry out what you carry in!

All new Poop Patrol!

Leaving waste – any kind of waste – is forbidden along the route. A select group of experts are testing different kinds of poop bags to determine which is most convenient to use.



vn





The journey of a lifetime in Europe's last permafrost region

'I looked at the beautiful scenery in front of me: the mountains, the beautiful shades of white, and I thought, I could have missed all this. And the tears just came from nowhere – I just cried and cried on the dog sled. I felt wonderful.'

Nooshin Hamzehloo Fjällräven Polar 2023

Read Nooshin's story

We believe that with the right equipment and know-how, anyone can learn to appreciate nature – even in Arctic conditions. By giving 20 people each year the opportunity to explore this, Fjällräven Polar expands their knowledge of the natural world that we all depend on, increasing their appreciation and respect for it in turn.

While embarking on a 300km journey of a lifetime, people become more empowered and self-sufficient, which spills over into other aspects of their lives as well.

It's not always easy to prove to people that spending time in nature leads to increased respect for it. Doing the opposite however – not encouraging people to go outdoors and weakening their understanding of the natural world (even in Arctic conditions) – is simply not worth risking.





Focusing on 2025

2025 is a watershed year for Fjällräven's 'sustainability trek'. It's the last year we can measure our achievements against the goals we set in 2020. It's also when we set our 2030 goals. There are a few key topics we'll continue pursuing to do this.

Driving circularity: We're widening our range of repairable products, as well as offering spare parts and more instruction for care and repair. If users aren't comfortable repairing their gear, our network of retailers in Europe can help. Users in the US and Canada can continue to make use of our in-store repair services.

Second-hand, vintage and rental options will be further explored. My "circularity dream" is to get products back and create new ones from them. Like making a pencil case out of a jacket pocket. The Samlaren collection exemplifies how we're doing this with fabrics left from production, but giving new life and meaning to something old is even more inspiring.

Human rights: With the EU's Corporate Sustainability Due Diligence Directive (EU-CSDDD) on the horizon and Germany's Supply Chain Due Diligence Act in force, I'm proud we did our homework on these topics a while ago. At Fjällräven, we already transparently communicate our strengths and weaknesses in the human and labour rights of the supply chain. In 2025, we as a team will ensure we convey our living wage progress and how we're empowering local business partners to create positive working conditions through the We Program. Considering court rulings on workers' rights in France, our corporate action and cooperation is even more vital.

Legal compliance: 2025 will see many new and amended regulations. When it comes to most EU legislation, be it chemical restrictions, green claims or eco-design requirements, I think we're in good shape. Good isn't enough though. We strive for 'beyond compliance' and believe that the levels of durability, functionality, timelessness and repairability we work hard to implement live up to that. I'd be thrilled if our hard work here leads to a more sustainable future.

I think we can achieve all this and more. Especially if we have your help. Like our CEO Martin has said, if you can commit to caring for your gear and using it for a long time, we'll continue working hard to leave basecamp in better shape than we found it. Deal?

Sadia Hall

Saskia Bloch Global Sustainability Director Fenix Outdoor