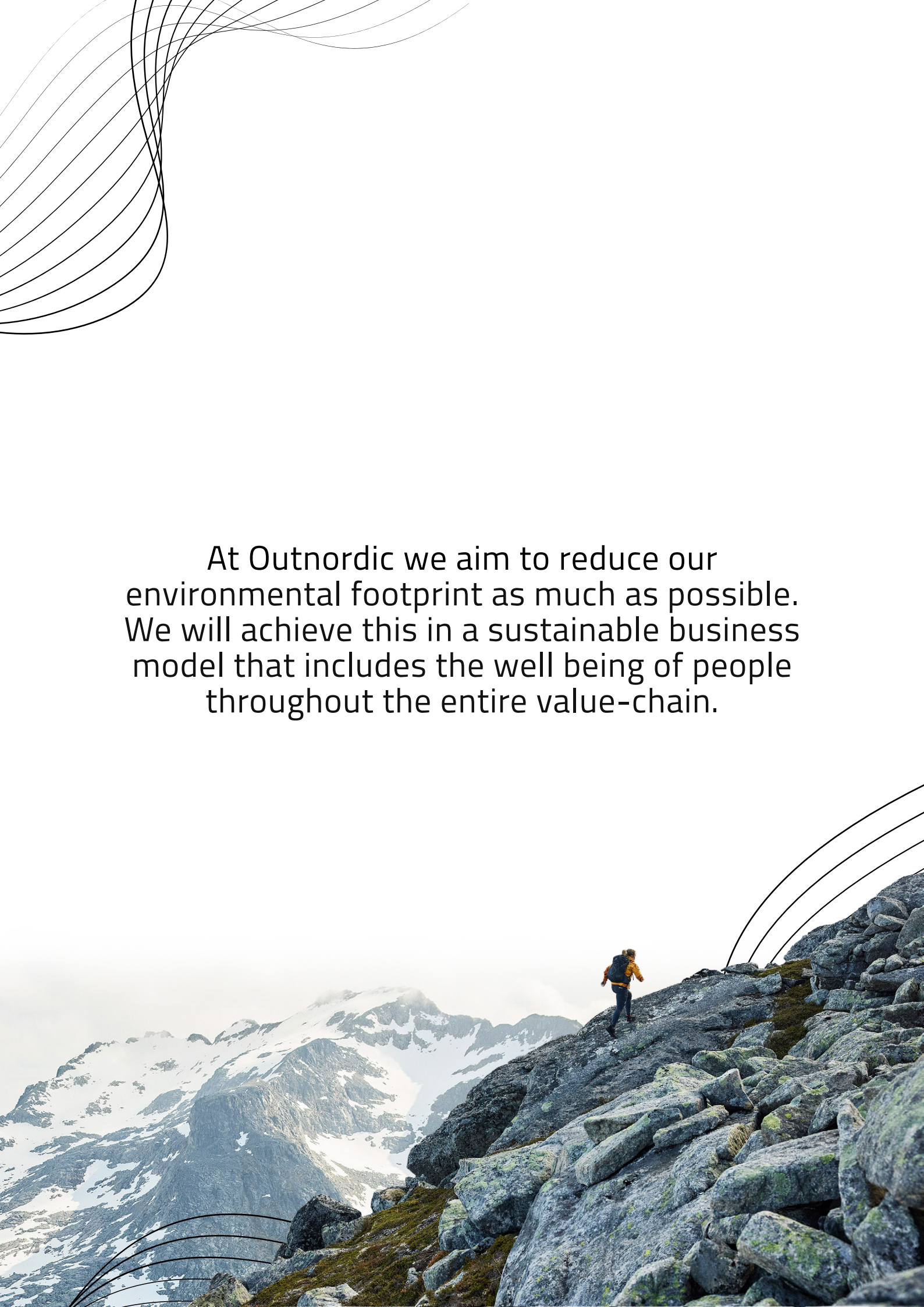


OUTNORDIC

**SUSTAINABILITY**  
THE OUTNORDIC WAY



A hiker in a yellow jacket and dark pants is seen from behind, walking along a rocky mountain ridge. The ridge is covered in large, grey, mossy rocks. In the background, there are snow-capped mountain peaks under a hazy sky. The overall scene is a high-altitude mountain landscape. There are decorative black curved lines in the top left and bottom right corners of the image.

At Outnordic we aim to reduce our environmental footprint as much as possible. We will achieve this in a sustainable business model that includes the well being of people throughout the entire value-chain.

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# CEO

## Main Goal

Ensure that sustainability is a natural part of the company's core. Follow up department managers on the goals and subgoals set out in this document.

## Subgoals

- Follow up on goals and subgoals throughout the year.
- Follow the progression to make sure we are relevant and can contribute to sustainability discussions within our industry.
- Develop a plan for climate compensations.
- Implement and develop sustainable business models.





# MARKETING

## Main Goal

Raise awareness around sustainability internally and externally to guide customers to a more sustainable shopping experience.

## Subgoals

- Strengthen our communication around sustainability towards the customer.
- Make a yearly communication plan that focuses on sustainability aspects.
- Work continuously on how we can prevent product returns.

## Actions

- Get a better understanding of emission levels from different marketing channels.
- Take ownership of Sustainability pages on our sites.
- Create more how-to content and guides that can be communicated together with other content such as campaigns.

- Change the way we talk about products – make sustainability aspects a priority.
- Study examples of greenwashing and environmental laws to prevent incorrect communication.
- Communicate our suppliers' sustainability work. Communicate 1% for the planet using the organizations' marketing fund.
- Measure how customers' perceive us regarding sustainability.

## Achieved

Outnorth – Have made a communication plan regarding sustainability. More guides produced.

Fjellsport – More videos to guide customers to more sustainable choices regarding quality. More focus on reparations.

# MERCH/ PUBLISHING

## Main goal

Publish and present products in a way that minimizes returns and that enable customers to make sustainable choices.

## Subgoals

- Reduce claims and returns connected to merch/publishing responsibilities.
- Highlight and present sustainability information and preferred attributes.

## Actions

- Improve areas that affect returns and claims.
- Suggest tools to measure specific return rates and implement if approved.
- Highlight products that have three or more preferred attributes.
- Identify and give TLC to products that have high return rates.

## Achieved

Product care guides and shopping guides added to the website. Improved filtering on websites to reduce returns. All size guides have been updated.





# PURCHASING

## Main goal

Make sure all suppliers work according to Outnordic's code of conduct and ESG contract. Continuously work towards sourcing products of good quality that enable a long product life cycle.

## Subgoals

- Fossil free inbound deliveries by 2026.
- Increase the share of products with one or more Preferred Attributes and measure that there is at least one "green choice" in every product category.
- 25% of suppliers reporting CO<sub>2</sub>e emissions by 2025.
- 50% of suppliers reporting CO<sub>2</sub>e emissions by 2026.
- 75% of suppliers reporting CO<sub>2</sub>e emissions by 2027.
- 100% of suppliers reporting CO<sub>2</sub>e emissions by 2028.

## Actions

- Phase-out single use products where there are reusable options.
- Stop buying products with PFAS and reduce the amount of products with lead in hunting and fishing products.
- Participate and contribute actively to sustainability discussions within our industry.
- No new suppliers can be approved without signing the ESG contract.
- Implement a system that supports evaluation of suppliers on ESG matters and the collection of sustainability data, such as CO<sub>2</sub>e emissions.

## Achieved

Sustainability is discussed in purchasing meetings. Increased the number of suppliers that report CO<sub>2</sub>e emissions.



# IT

## Main goal

Reduce CO2e emissions from cloud services, software, and hardware / revenue.

## Subgoals

- Measuring CO2e emissions from IT software such as Microsoft, Google, SAP, Qlik, Office, ecommerce platforms, (web servers) etc.
- Reduce and measure all CO2e emissions from IT equipment.
- Inform and guide all staff in how to cleanse data. Check timing so that we have activities regarding sustainability all year around.
- Make it possible to create a more sustainable shopping experience (for example delivery alternative emissions, donations, sustainability filter information, rental etc.). We need to identify who oversees business development.
- Reduce emissions from IT products per unit revenue.

## Actions

- During 2023 create and share information on how to cleanse data, both on individual and corporate level.
- Improve size and fit information tools to reduce return rates. (Who oversees business development?)

- Introduce procedures so that we do not store the same images and videos in several places.
- We want to give our customers the opportunity to adjust their orders as long as the order has not yet been picked. This way we can in some cases avoid returns if the customer has changed his/her mind or we can avoid an extra shipment if the customer wants to add a product to the order.
- Digitalize the return process and delivery note to reduce use of paper and toners.
- Reduce emissions by reducing purchases of IT products.

## Achieved

Rcrql second hand store implemented. Rating function to reduce returns where customers can fill in info on fit and sizing. Extend the life of your product with accessories and technical solutions added to the website.





# CUSTOMER SERVICE

## Main goal

Ensure sustainable processes in customer service. Communicate and guide customers to sustainable choices.

## Subgoals

- Set up a routine for how we handle incoming questions about chemical products and chemicals in products.
- Improve ways to handle claims.
- Make sure customers get guidance on how to recycle/reuse/repair products.
- Make sustainability a part of the customer service training and increase knowledge about sustainability within the entire team.

## Actions

- Pinpoint topics where we can anticipate we are going to need to give out information to customers. Create FAQ. Inform customer service employees about The Transparency Act.
- Create a business case for how we handle claims.
- Initiate cooperation between Outnorth and Fjellsport customer service management.

## Achieved

Fjellsport - Business case for how to handle claims is initiated. Has adopted the policy not to throw anything away. Claim products are donated to By-missionen and BUA, showcased in the showroom or recycled. Products are sold on finn.no. Customers are guided to bring broken products to repair instead of sending them to the Fjellsport claims department.

Outnorth - FAQ on chemicals made in collaboration with REACH. New policy established on never to ask customers to cut products in pieces or throw them away. Instead customers are asked to bring products to the tailor or shoemaker to avoid unnecessary transportation. New employees are educated in how to find information on environmental issues and the sustainability policies at Outnorth.



# SUSTAINABILITY GROUP

## Main goal

Ensure progression and development in the field of sustainability.

## Subgoals

- Keep our ESG and sustainability standards and contracts updated.
- Continuously improve the yearly sustainability reports.
- Coordinate and publish climate reports.
- Evaluate and update "Sustainability the Outnordic Way".
- Stay updated in the field of sustainability to support the organization.
- Handle the 1% for The Planet donations and reporting.
- Inspire and support the organization to take actions.

## Actions

- Present and implement "Sustainability the Outnordic Way" during 2022.
- Follow ups twice a year on the goals in "Sustainability the Outnordic Way".

## Achieved

All subgoals are worked on continuously. A mail system is introduced to improve the communication with the organizations.



# FINANCE

## Main goal

Drive sustainability in finance related processes, challenge expenditures that have an environmental impact (not just profitability impact), where applicable ensure compliance with decided policies related to sustainability goals.

## Subgoals

- Reduce physical documents and move to digital solutions
- Challenge expenditures not only from a financial perspective but also from a sustainability perspective
- Visualize cost related to sustainability decision e.g. Climate compensation, 1% for the planet, green fuel etc
- Where possible, support digital collection of sustainability data e.g. travel reporting

## Long term

Provide the organization with cost benefit analysis and follow-up where sustainability is an important parameter: "Sustainability Controlling"

## Actions

- Suggest new reporting dimension e.g. EBIT before and after Climate compensation
- Push for an increase of EDI invoices and move away from paper invoices/documents
- Demand sustainability impact to be included in investment decisions

## Achieved

New policy on hybrid cars. When signing new contracts CSR Requirements are considered.

# LOGISTICS

## Main goal

Reduce CO2e emissions per unit revenue.

## Subgoals

- Improve waste management and sort everything that is possible to sort.
- Lower emissions from packaging materials per unit revenue.
- Reduce use of filling material (and reduce air space) per unit revenue.
- Reduce electricity and heating use per unit revenue.
- Reduce emissions from food per unit revenue.
- Fossil free inbound transports to physical stores
- 50% fossil free outbound transports by 2025.
- 100% fossil free outbound transports in the north by 2027.
- 100% fossil free outbound transports worldwide by 2030.

## Actions

- Fjellspport - improve transportation solutions for Svalbard to be more sustainable.
- Optimize packaging & air transport through improved training both during onboarding and for existing personnel.
- Collaboration between Outnorth and Fjellspport in what packing and fill materials are used.
- Guide customers to the most sustainable shipping option

## Achieved

No goods are being destroyed or thrown. Data on shipping CO2e emissions collected.

Outnorth - Products that can't be sold in online or physical stores are sold on ReCrql. Decreased flight shipping.

Fjellspport- Has stopped flying goods (exception Svalbard). Ended with delivery note in the package, saving approx. 2000 kg in packaging annually. Removed hank and extra strip of glue on shipping bags. Switched to a thinner plastic wrap when plastering pallets, in theory a saving of 53% stretch film to the foil machine.



# OWN BRANDS

## Main goal

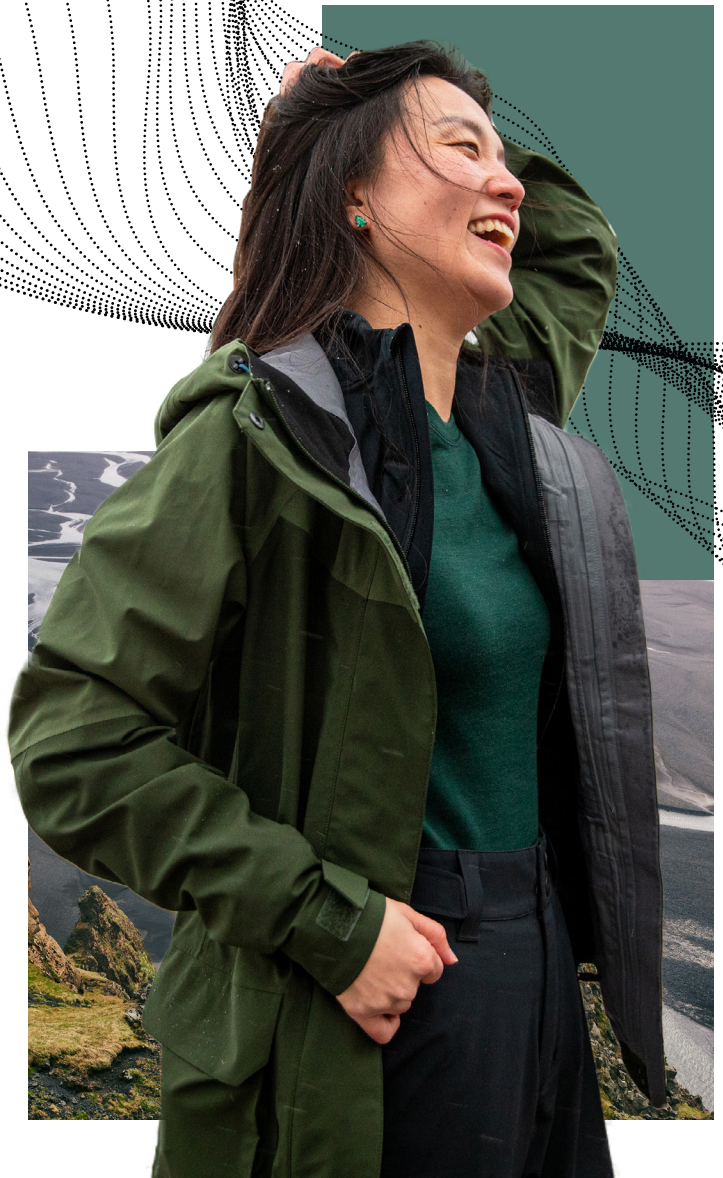
Produce long lasting quality products in a responsible manner with as a low environmental footprint as possible.

## Subgoals

- Conscious choices of materials, chemicals etc.
- Product related preferred attributes on more and more products such as spin dye, oeko-tex and bluesign either on own products or resellers' certifications. Communicate recycled materials on products.
- Improve vendor results in Amfori BSCI, and work with the results to improve conditions.
- Nominate and standardize trims and materials to a greater extent.
- Optimize product packaging for e-commerce. Phase out gel bags? No paper inlay in garments?
- Improve texts and information about how to treat, repair, reuse and recycle products.
- Start measuring and reducing CO2 emissions per unit revenue.
- Focus on developing durable and long-lasting products.
- Continue to improve chemical management.

## Actions

- Keep updated on sustainability certifications, production methods and practices.
- Phase out unnecessary hangtags and packaging material.
- Continue to develop and improve the range of spare parts and repair kits.
- Include sustainability perspectives in marketing communication. Communicate 1% for the Planet, biofuel, sea transportation and flight free.



## Achieved

In ongoing development. Increased the number of producers connected to BSCI to 78/79 (last year 56/62). We do not start cooperation with vendors that are not connected with BSCI. Photos with clothes on model to reduce returns and more measurements on garments. As an action to phase out unnecessary hangtags and packing material barcodes are put on care labels or neck labels inside the garments. Increased working with nominations and standardizations with sub-contractors that have many certifications in order to develop high quality products. When working with products that are carryovers, always try to improve materials. Have started working with guides on product care for extended product life and spare parts.



# PHYSICAL STORES

## Main goal

Guide customers to more sustainable choices and a more sustainable shopping experience. Reduce environmental footprint from own operations.

## Subgoals

- Improve waste management and recycling processes.
- Reduce electricity and heating use per unit revenue.
- No goods should be destroyed or thrown away.
- Continuously stay updated and implement more sustainable ways to conduct business, e.g., electronic receipts.
- Improve the ways to handle claims.
- Improve customer guidance on how to treat/recycle/reuse/repair products.
- Make sustainability a part of training and increase knowledge about sustainability within the entire team.

## Actions

- Set up a routine for how we handle incoming questions about chemical products and chemicals in products.
- Phase-out single use products where there are reusable options.
- Identify areas that affect returns and claims and give feedback to Merchandise.
- Make a handbook/guideline about sustainability available in the stores.
- Start charging for plastic bags

## Achieved

Improved the handling of claims that are now sent to our second hand (via Wargön Innovation to Röda Korset Kupan second hand stores) or recycling projects. Packaging are being recycled. New staff are educated in the sustainability values of Outnorth. Electronic receipts have increased.

# HR

## Main Goal

Ensure our employees' wellbeing, that they feel included, can develop their potential, and feel safe in the workplace.

## Subgoals

- Make "Sustainability the Outnordic Way" part of the onboarding process.
- Make E-learning on sustainability mandatory for all employees
- Develop our Travel policy.
- Create a more inclusive workplace regarding diversity.
- Compile how we measure sick leave, staff turnover, equality, and workplace incidents in Outnordic.

## Actions

- Specify in our travel policy that traveling by plane for business trips is not allowed if the journey could be made by other means of transport in 5 hours or less. Always encourage train as the preferred mode of transport.
- Specify in our travel policy what hotels, transportation services etc. that is Outnordic recommendation for business trips. These are chosen from a sustainability point of view.
- Specify in our travel policy what the company offers to employees during business trips. E.g., food, drink, transportation.
- Measure and present equality for leading positions.
- Communicate diversity in the recruitment process.
- Demand more inclusive options from evaluation systems.
- Implement a shared traveling policy for Outnorth and Fjellsport
- Work on personal development for employees with more dialogues, feedback and follow ups.
- Encourage sustainable commuting ways through economical contribution

## Achieved

Egmont whistleblower function with protected anonymity implemented. New traveling policy. E-learning system implemented.

