



Slavery and Human Trafficking Statement (2018)

This statement is made by Fenix Outdoor International AG on behalf of the group and its relevant subsidiary undertakings pursuant to Section 54 of the Modern Slavery Act 2015, and constitutes Fenix Outdoor's slavery and human trafficking statement for the financial year ending 31 December 2018.

Our Business

THE BUSINESS CONCEPT of Fenix Outdoor is to develop and market high quality and low-weight outdoor products through a selected retail network with a high level of service and professionalism to end-consumers with high expectations.

THE PARENT COMPANY of the group is since 2014 Fenix Outdoor International AG. The company 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: Brands, Global sales and Friluftsshop Retail. As of 31 December 2018, we employed approximately 2492 employees.

Policies

In February 2012, we 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 labor, the environment and anti-corruption. In 2013, we published "The Fenix Way", an ethical guidance document including a Code of Conduct for our employees as well as a Code of Conduct for our suppliers, re-affirming our commitment to be guided by the principles set out in various international standards and principles including the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights and the UN Global Compact.

With regards to employees and contractors within the UK and elsewhere, Fenix Outdoor seeks to comply with all applicable national laws, rules and regulations and, where appropriate, has implemented policies (including our Code of Conduct and additional ethical guidelines), practices and procedures to ensure compliance. We are regularly reviewing our policies to include, where appropriate, commitments addressing slavery and human trafficking considerations in our business activities, supply chains and investment decision-making. In 2013 we also joined the Fair Labor Association in order to systematically address and manage labor - related principles and risks in our supply chains. In 2018 we received full accreditation of our Social Compliance Management Program by the Board of FLA.

Our employees and contractors have access to a Whistle-blowing Hotline to report potentially unethical or inappropriate business practices. This includes reports and allegations that can be made against any of our Fenix Outdoor entities, our clients, our suppliers and their respective employees or any other entities or individuals doing business with us. We operate an anti-retaliation policy regarding whistleblowers. Our complaints handling procedures also allow any internal or external parties to report any human rights and labor matters.

Prior to 2018, we had already implemented a risk framework to facilitate the identification, assessment and management of environmental, political, reputational and social risks arising from any form of business relationships, known as the Country Risk Assessment Tool. This forms part of our global reputational risk framework and addresses human rights issues, which includes modern slavery and human trafficking.

Supply Chain and Supplier Due Diligence

Fenix Outdoor Brands interacts with about 144 direct suppliers located in more than 21 countries; our retail chains interact with more than 800 supplier brands in over 60 countries.

Our current procurement process involves new suppliers meeting a certain threshold for quality and social/environmental compliance being subject to screening for human trafficking and slavery offences, prior to their appointment. Our internal auditors (Leadertek) visit all suppliers in the Far East and a third party auditor (Elevate Ltd.) assesses suppliers in Europe and North America. Furthermore, the FLA performs random checks on our suppliers and our auditors for calibration and integrity reasons. About 50 % of all suppliers were audited in 2018; 100 % are audited in a two years cycle. We are also reviewing how our new supplier due diligence processes may be further improved, *inter alia* from a slavery and human trafficking perspective.

It is standard practice for suppliers to be required to adhere to our Fenix Outdoor Code of Conduct for Suppliers in its latest version. The Code is in line with the Fair Labor Association's Workplace Code and specifies the labor standards that our suppliers must adhere to, including in relation to slavery and human trafficking. We pursue a policy of zero tolerance with regard to slavery and human trafficking and, in case of non-compliance or a single violation revealed by our auditing processes, we reserve the right to take appropriate measures, including the immediate termination of the respective business relationship.

During 2018, we continued enhancing our supplier adoption process and improve our monitoring and follow-up procedures.

In respect of our existing suppliers, an exercise to request critically relevant suppliers to undergo additional due diligence and provide a letter of comfort on slavery and human trafficking topics is still envisaged for 2019. A global risk assessment process will also be developed so that this exercise can be extended to a wider supplier population thereafter.

Asset Management

Currently no ethical investment policies, addressing slavery and human trafficking exist.

Training and Awareness

We are committed to ensuring our employees are better able to recognize and respond to slavery and human trafficking risks through raising awareness and delivering trainings. The Chief Sustainability Officer and the Social Compliance Officer regularly updates staff at various locations on the latest updates and developments concerning our ethical guidelines; this includes also information on modern slavery and human trafficking.

In addition, we are delivering tailored training to selected business divisions that cover or operate in regions where the risk of negative human rights impacts can be high upon request. This is a continuous process.

Approval Procedure

This statement, which will be reviewed annually and updated as required, has been approved by the Executive Management Team and the Board on 29th April 2019.

Martin Nordin
Executive Chairman

Aiko Bode
CSO