



# All sports united Sports unite all

Sustainability report 2022

XXL



# Sports unite all.

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# XXL Highlights 2022 - Sustainability



Donation by XXL Childrens Foundation and XXL to support the Ukranian people during times of war. Winter clothes, sportswear and sport equipment have been the main products:

**NOK 3 000 000**

Days of on-site training:

**2500**

Total tCO<sub>2</sub>e/ FTE:

**67.74**

Total emissions tCO<sub>2</sub>e:

**267,953**

Share of waste recycled:

**79.5%** -4.7%(2021)

Internal control audits:

**31**

Total tCO<sub>2</sub>e/ MNOK revenue:

**31.18**

Recycled materials in plastic shopping bags:

**100%**

FTE:

**2,906** -333 (2021)

Note: The sustainability report concerns information from the Austrian operation to include the full scope of GHG emissions, emission intensity and employee related information. Information is provided separately for each entity and consolidated.

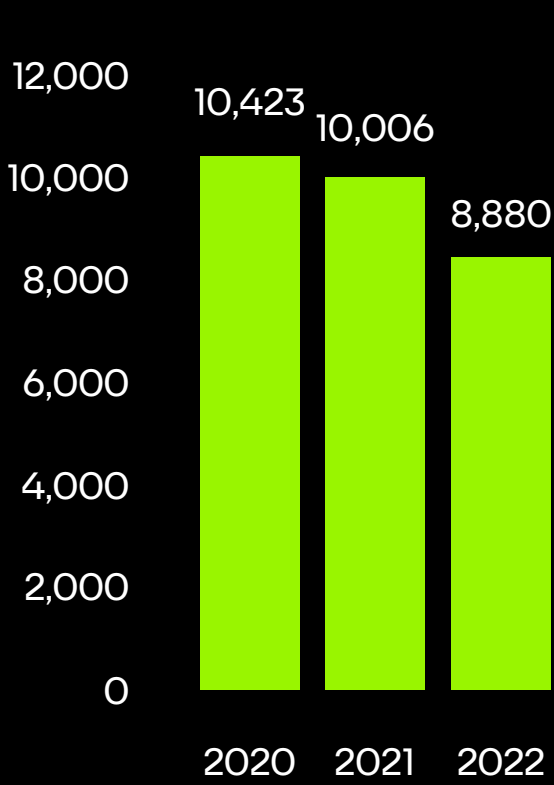


# XXL Highlights

## 2022 - Financials

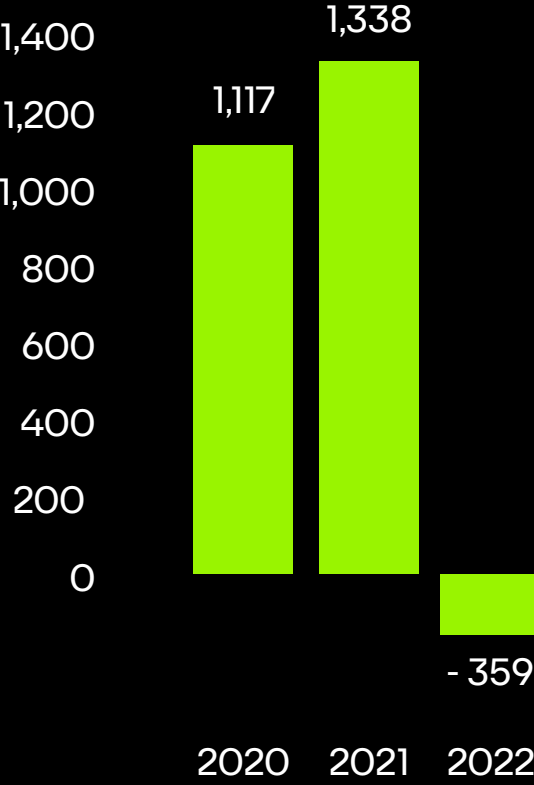
### Operating revenues

Amounts in MNOK

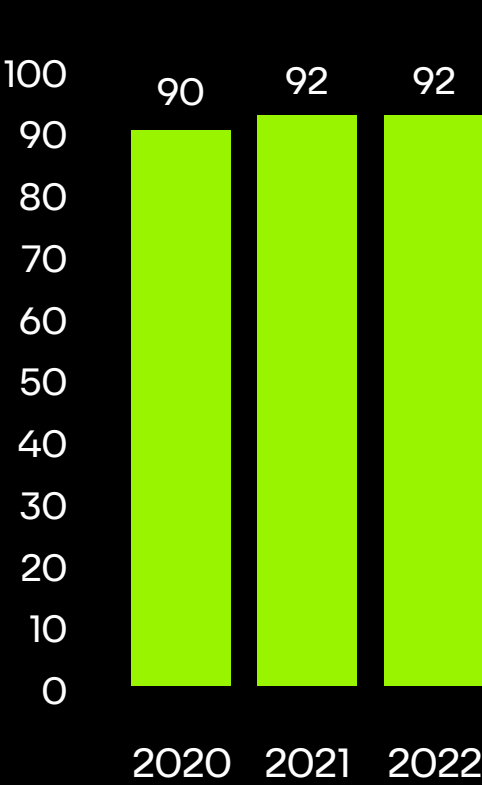


### EBITDA

Amounts in MNOK

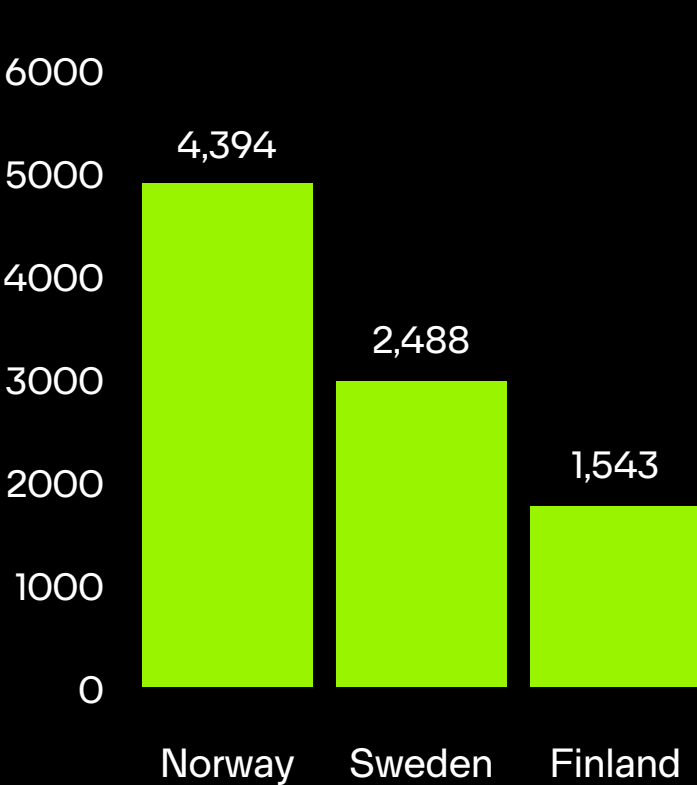


### Number of stores



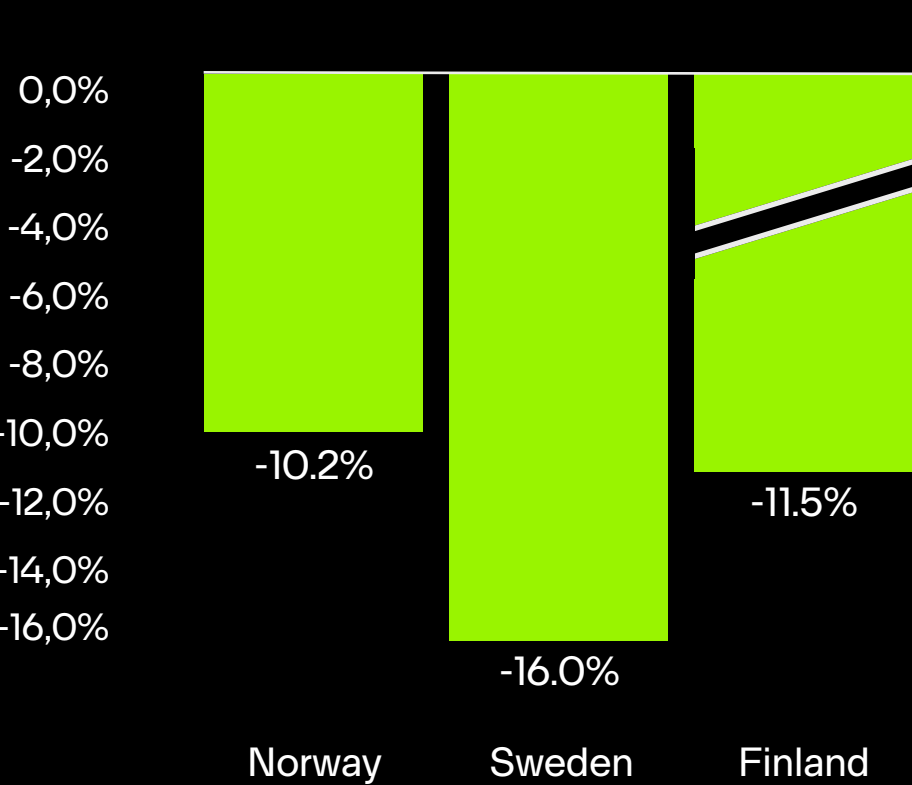
### Revenue split 2022

Amounts in MNOK



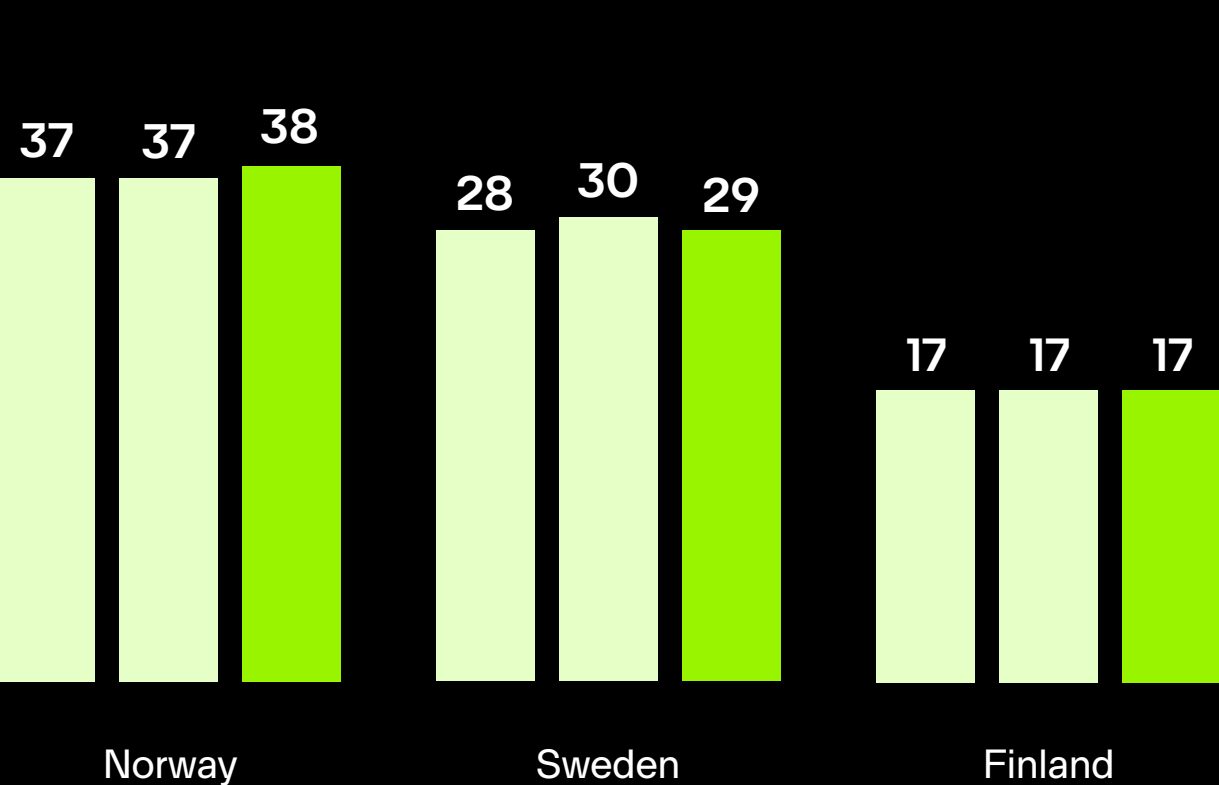
### Growth by segment 2022

Local currency



### Stores per segment

2021-2022





# XXL’s corporate responsibility

**Customers first. Passionate. Knowledgeable. Caring. These are XXL’s Core Values. They describe our common mindset, culture, approach, and behaviour. They are the basis for many aspects mentioned in this report. The Values represent a combination of areas of strength and some improvement areas.**

Customers remain at the forefront of XXL’s core values in 2022. We continue to prioritize our values of being passionate, knowledgeable, and caring in our approach to sustainability and responsible business practices. Our values represent not only our strengths but also areas for improvement, which we are committed to addressing.

We are dedicated to operating ethically and responsibly in line with international and national laws and regulations, recognizing the importance of protecting people and the environment. We understand that failing to do so will damage our reputation, result in negative publicity, and negatively affect our economic results. However, we also see this as an opportunity to create a competitive advantage and differentiate ourselves in the market.

Political tensions, conflicts and war has lead to new challenges for many retailers, including XXL. Financial instability and increased prices on consumer goods, currency devaluation and stock market fluctuations has lead to a ripple effect on the economy, with higher inflation and decreased consumer spending. The demand for consumer goods in the lower price segments has increased, at the same time the consumer demands durable and repairable quality products. At XXL we have worked close together with trusted partners to secure that our own brand such as Neomondo does not compromise ethical and environmental requirements while at the same time beeing attractive products in the lower price segments.

We still believe that recreational activities, particularly those involving sports and nature experiences, contribute to a better public health. Availability and accessibility are critical not only to sporting grounds and playing fields but also to equipment, appropriate clothing, and footwear. Everyone should have the opportunity to participate in physical and outdoor activities, regardless of age, gender, skin color, geography, or financial position. Our Purpose, “All Sports United, Sports Unite All” underscores this commitment, and we are proud to be sustainability partners with BUA (Barn Unge, Aktivitet), a Norwegian lending concept that breaks down socioeconomic barriers, promotes an inclusive society, and makes physical activities accessible and available.

Our employees are the backbone of XXL, and we value them as our most valuable asset. We depend on their passion, knowledge, and customer-orientation. This requires a great deal of accountability and excellent leadership. We are committed to providing a healthy, safe, and secure working environment, protecting labor rights, and providing relevant training and education for all employees. We promote gender equality and







equal opportunities at all levels of our organization and work hard to reduce discrimination both within our organization and society as a whole.

The XXL Code of Conduct guides our policies and principles regarding lawful and ethical business conduct. It applies to members of the XXL Board of Directors, employees, and managers, including members of the senior executive management team, who are required to comply with the Code and complete compliance training programs. Our Declaration of Compliance, an integral part of the training program, holds individuals responsible for adhering to XXL’s principles for sustainability, which are an integral part of our Core Values and the Code.

We promote a speak-up culture and encourage stakeholders to express their ideas and opinions. XXL has provided whistleblowing channels and procedures that allow internal and external stakeholders to report breaches, detected or reasonably suspected, of any applicable laws and regulations or the Code in a safe and confidential manner.

As a multinational retailer with a large range of brands in our portfolio, XXL relies on several third parties in our global business. Traceability and transparency throughout our supply chain are key factors in our success. We have a responsibility and commitment to help suppliers and manufacturers worldwide improve their working conditions and reduce their environmental impact in forms of emissions and material consumption. As a retailer dependent on a healthy nature, we have a strong moral commitment to use resources and energy in a responsible way and reduce the pollution and waste generated by our business. The XXL Supplier Code of Conduct sets requirements and high expectations for ethical and sound business practices throughout our value chain. Suppliers signing off on a Declaration of Compliance with the Supplier Code is an integral part of our assessment of suppliers and other business partners.

The Board of Directors has the overall responsibility that the sustainability policies are evaluated and revised continuously.

XXL ASA has reported in accordance with the Global Reporting Initiative (GRI) Standards for the financial year 2022. The latest section of this Report shows our GRI Index. This is the Group’s eighth annual Sustainability Report. Information and performance data in this Report have been selected based on the most material sustainability topics identified for XXL’s operations. All entities in the XXL Group, as stated in the consolidated financial statements, are covered by this report. The Sustainability Department governs the daily sustainability work:

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# CEO comment

**Profitability and sustainability go hand-in-hand in business today. For XXL this means that we need control our value chain, promote sustainable products and take good care of our people. We also want to lead the way in the sports industry developing new services and business models. We are confident that the circular economy will be an increasing part of our business in the years to come.**





**- XXL wants to be a positive force in our society, and this is a continuous work.**

“All Sports United – Sports Unite All” is our overall purpose in XXL. All Sports United means that we make sports and outdoor activities accessible to more people, all under the same “roof”. Sports Unite All means that everyone can participate in sports – on their own terms. Sports break down barriers and brings people together across the globe. This is our common spirit.

To secure safe and attractive jobs is one of the main topics on XXL's sustainability agenda. During 2022, we have taken some tough, but also responsible and necessary, choices to strengthen XXL in the shorter horizon. We also continue our long-term work to provide sustainable products and services, and to reduce our foot-print on the planet.

Sustainability is the big topic in our society, and we all have to take responsibility. As a market leader, we want to lead the way and look at this as an opportunity. This has been important for me in the CFO role, and equally important as an Interim CEO.

2022 was a challenging year for the retail industry in Europe. Sports was no exception. Weak consumer sentiment led to reduced demand for sports and outdoor equipment in all markets where XXL is present. Both suppliers and retailers had an inventory buildup during the year. These factors together led to heavy discount activities.

In these circumstances, we had to think about sustainability also in a financial perspective. We have been looking in every corner of the company to save cost.

The most difficult decision was to exit the Austrian market. Many people have done a great effort during more than five years to establish XXL and compete in the Austrian market. Unfortunately, we haven't been able to make a profitable business during these years. This is why we will exit Austria in 2023. It has been a tough decision, but also a responsible and necessary decision for XXL.





# - When refining XXL's sustainability agenda the first thing we do is to speak to customers, investors, employees and other stakeholders.

It gives us room to protect and grow our business in the Nordics. Going forward we prioritize to take good care of our people in Austria and help them on to new chapters in their careers.

During 2022, we also got financial backing from our banks and shareholders in terms of a new loan agreement and new equity.

Financial fuel is also important to support our long-term sustainability targets. We have defined the most important sustainability areas for XXL and made clear commitments. These areas are: Good working environment and attractive jobs, Sustainable products & circular business models, Sustainable production and value chain and In-House Climate and Environmental Impact.

XXL wants to be a positive force in our society, and this is continuous work. During 2022, we started to refine XXL's sustainability agenda. We will come back with more about this during 2023 and in next year's report. As a market leader, our ambition is to lead the way.

I like to highlight the overarching goal for our sustainability work: Partnerships with stakeholders to reach our goals.

We support BUA in Norway in their work to make sports and outdoor activities accessible to more people. We co-operate with our property owner Pareto to put solar panels on the roof and walls of our Central Warehouse building. Growth companies like Wanda and Barents are important to understand trends and business opportunities in the circular economy, just to name a few examples. There are also many more.

When refining XXL's sustainability agenda the first thing we do is to speak to customers, investors, employees and other stakeholders. This is also a partnership. It is important to understand what people expect from XXL and get more ideas.

One plus one is often more than two, even though it sounds a bit strange for a CFO. Good partnerships is key to reach our goals.

XXL is All Sports United – Sports Unite All



A handwritten signature in blue ink, reading 'Stein Eriksen'. The signature is stylized and fluid, with the first name 'Stein' on the top line and 'Eriksen' on the bottom line.

Stein Alexander Eriksen,  
Interim CEO XXL



# Risks and opportunities

The public perception of the XXL brand is fundamental for the Group’s consecutive growth. While public awareness media attention and regulatory control bodies such as the European Commission and national authorities leads to more transparency in the corporates activities, the XXL reputation amongst stakeholders could suffer and risk severe consequences if we fail to maintain high standards of integrity and quality.

Often, climate-related issues will touch on other issues related to sustainability. Transparency and traceability in the value chain is a requirement from consumers and other stakeholders. In a scenario compatible with the Paris Agreement, no part of the retail trade can expect to escape this. Obtaining an overview of one's own imprint and working systematically to reduce it, will be required for all serious players in the retail business.

The EU Taxonomy sets performance thresholds for economic activities, which implies the technical screening criteria has to be considered taxonomy aligned. Activities must make a substantial contribution to one of six environmental objectives, do no significant harm to any of the other five, and meet minimum safeguards (e.g., OECD Guidelines on Multinational Enterprises and the UN Guiding Principles on Business and Human Rights). EU Taxonomy is not adopted in Norwegian Law until January 1st 2023.

**Management approach:**

XXL manages potential risks of significant adverse effects by integrating the XXL’s corporate governance principles, in the daily work and by working with established procedures and processes for sustainability work. The Board of Directors supervises the daily management and the activities and risks of the company in general. XXL's risk management and internal control is a part of all daily business activities integrated in the business planning processes and corporate strategy. The executive management team governs the day-today risk management placed on the business segments. The Board of Directors ensures that the CEO uses proper and effective management and control systems, including systems for risk management. The internal control systems encompass the company's corporate values, ethical guidelines and corporate social responsibility.

The group uses several tools to support the environmental requirement framework, risk assessment, carbon accounting, supply chain management and internal control systems.

For more information about Corporate Governance, please see the section Corporate Governance in the Annual Report.

**Climate risk:**

Climate changes represents both physical hazards and socioeconomic impacts. Science finds that rising average temperatures are associated with the frequency of floods and heat waves and intensification of drought and increased sea levels. At the same time climate changes has a potential impact on people's livability and workability and represent a risk of

damage to physical assets and infrastructure, and destroy ocean- and terrestrial ecosystems.

Acute physical risks may have financial implications such as direct damage to assets in our home markets where floods and extreme weather conditions may occur. However, the likelihood of such damage could represent a high risk for the group’s ability to operate is low.

Supply chain risks and resilience in the context of the global Covid-19 pandemic has been high on the group’s agenda, and in many ways highlighted the consequences we can experience from acute weather events. A changing climate, and greater frequency and severity of hazards may increase disruptions in supply chains that interrupt production, raise costs, hurt corporate revenues, and lead to higher prices or shortages for consumers. Raw material producers of amongst other cotton are vulnerable for climate change.

Chronic physical risks such as rising sea levels, rising average temperatures, and ocean acidification. Extended periods of increased temperatures may lead to the further development of chronic climate events, such as desertification. Similarly, extended periods of increased average temperatures might affect the ecosystem, agriculture in particular. Raw material producers such as cotton farmers are vulnerable for climate change.

As climate change makes extreme weather more frequent and/or severe, it increases the annual probability of events that are more intense and supply chain disruptions can become more common. In our home market, climate change affects several prerequisites as winters are shorter and milder on average affecting market conditions for several product groups.

Over time, chronic effects of climate change and more extreme weather may affect XXL's supply chain. Supply chains and deliveries may become more uncertain. Disruptions because of climate change can also lead to a more volatile market.

**XXL's approach to Climate risks:**

XXL has put in place supply chain management tools, risk assessment, processes and governance procedures to assess climate risk in our product category and supply chain management. Strong operational control and an active dialogue with our suppliers and producers is a necessity to assess the magnitude of the impact climate change represents to our business in order to mitigate the negative impact on climate. In general, sport equipment suppliers has a high consciousness



regarding the negative effect of climate change, and works to reduce their own adverse impact.

Extended use of recycled materials will reduce risk of parts of the acute and chronic events that may lead to disruptions of supply chain. Raw material producers exposed to adverse impact from climate change, both acute and chronic, represent a risk factor as disruptions can become more common. At the same time, it is important to recognize the fact that use of natural derived materials are important to reduce the consumption of oil-based materials.

Changing and unstable climate conditions in our home markets requires higher strategic agility to adapt various conditions and changing consumer needs due to seasonal changes. The group has implemented several measures to improve the ability to adapt product portfolio and exposure in stores, e-commerce channels and marketing campaigns, is increasingly important to maintain traffic to the store and increase market shares.

**Transition risk:**

Retail is not in itself a very CO2 - intensive industry. However, significant emissions in the value chain related to production and transport of goods can be affected through regulations in many different ways. Pledges under the Paris Agreement and the action plan provided by the European Green Deal will constitute both direct and indirect consequences for all companies and their





activities. EU and domestic political and regulatory development will continue to drive major carbon pricing developments representing financial risks if we do not succeed with de-carbonization of our direct and indirect emissions. Liability risk could increase, with potential large financial consequences, if the policy framework on climate is not strong. Producer Responsibility schemes can make severe impact to our business model if we fail to adapt to a requirements of material consumption and less carbon intensive materials and production methods. Technological development and deployment can represent a risk if we do not continuously adapt to new technologies such as electrification of transport and renewable energy. Traceability in the value chain is a technological opportunity that can provide customers with valuable insight and contribute to lower emission requirements throughout the value chain. Transparency could be a competitive advantage over those customers who want to make better climate choices.

The retail industry is sensitive to changing consumer trends. The changes can come quickly when they first occur, for example because of changes in attitudes among consumers to a product or sector's climate footprint. The consumer response could be different for various product groups. For textile products, water consumption related to cotton production is an important issue. For hardware and other capital goods, short life of the products, small degree of reuse, quality and repairability can be an issue that is gaining more weight.

**XXL's approach to transition risks:**  
Our sustainability strategy is established to address the most material aspects of our organization. Transition risks related to political and regulatory development is identified to come primarily from regulations with intention of climate change mitigation. XXL has set a goal of reducing the company's greenhouse gas emissions in line with the EU's objectives. In order to do so we have initiated several carbon reducing in-house initiatives and started the process mapping the impact of our indirect emissions related to production and transportation of our products.

One example is building solar power plants on rooftops of our store facilities to increase the share of renewable energy sources. Another is to revise our policy for business flights in order to reduce both costs and greenhouse gas emissions.

A key factor in our business model is efficient logistics, where reduced packaging volume in addition to effective and cost-efficient transportation systems, requirements to forwarders,

ship-owners and producers worldwide give positive correlation between lower emissions and cost efficiency.

Reduction of disposable plastic packaging and virgin raw materials with transformation to raw materials of reused or renewable sources in addition to substitution of substances with negative effect on health and environment are driving the attention on macro-perspective factors for climate change.

If we look at the day-to-day business in our stores, waste and energy reduction promote further opportunities of reducing waste disposal, less CO2 emissions and cost efficiency. The process of energy consumption mapping has taken a great leap forward and we have changed lighting to LED technology in all stores.

**Geopolitical risks:**  
Global or regional disruptions can create uncertain operating environments that result in higher costs, increased complexity and less efficiency in supply chains. Tariffs, sanctions and other measures can disrupt access to critical inputs, suppliers and markets and increase regulatory burdens. Political or military



crises can affect key shipping channels and leave companies searching for alternate routes.

Tensions and conflicts the last year illustrates these issues at play. Russia export large amounts of metals and petroleum products used as raw materials in global supply chains, while Ukraine is a major producer of neon gas, a critical component for the semiconductor industry. Raised tensions between China, Taiwan and western countries implies monitoring of the situation. Both China and Taiwan are some of most important producers of sport equipment, components and raw materials, and risk of supply chain disruptions increases if the situation escalades.

Strategic agility is crucial. To offset further disruptions and mitigate the impact on global operations, the group must further strengthen the organization's ability to monitor measure and manage exposure to geopolitical events.

**XXL's approach to Geopolitical risks:**  
The group monitor geopolitical trends and events that have the potential to affect key supply locations, industries in the supply chain to define and monitor risk indicators and analysis of future scenarios.

By identifying, and regularly review risk exposure by mapping supply chain nodes in some areas the group has assessed possible impact different scenarios can represent in the supply chain. This often requires extensive research and diligence of vulnerability for disruptions, the likelihood and impact of an event occurring and the capacity to absorb or mitigate each risk. Some of the product groups are geographically concentrated and single-source inputs such as some bicycle components and high quality semi-conductors for electrical and electronic products are especially vulnerable to geopolitical events.

Spreading risks by establishing new supply chains in different geographical areas reduces the risk of severe impact of disruptions. However, an extensive spread of suppliers in the same product groups could result in a negative effect, if low purchasing volumes lead to increased cost prices.

The group will work with contingency planning could include securing redundant suppliers for key inputs and balancing inventory between efficient just-in-time and shock-resilient, just-in-case strategies, without compromising cost efficiency and business strategy.



# Dialogue with stakeholders

**XXL aims to restore a good financial position with a commitment to the environment and a solid social engagement, making the Group a sustainable company with focus on economic, environmental and social aspects.**

It is a long lasting, continuous, improvement process where we address our different stakeholders. This work rests on strong-shared values and a belief that every stakeholder is equally important and by welcoming the opinions of many different groups XXL could excel and enhance its own business practices throughout the value chain and across the industry.

XXL conducted a stakeholder survey targeting accurate and quantitative information on our stakeholders view of on our company behavior and performance. We conducted several in-depth interviews with selected stakeholders and a questionnaire to a representative selection amongst our most important stakeholders based on the results of the interviews.





# Employees

**Key concerns:**  
Decent working conditions for employees in XXL, training and competence development, work environment, Sustainable products and brands, Quality and durability, Sustainability and traceability in the value chain.

**Activities to address these issues:**  
HR management, HSE system, implement strategic goals for gender equality and reduced inequality, personal development and motivation training, Code of Conduct and guidelines for business ethics, value chain management, product assortment strategy, annual sustainability reporting.

# Customers

**Key concerns:**  
Product quality and longevity, decent working conditions for employees in XXL, expertise and competence, work environment, responsibility and commitment towards communicated sustainability work, quality and product safety, sustainability and traceability in the value chain.

**Activities to address these issues:**  
HR management, Customer service in stores, online and through social media, information in marketing material and product guides, product labels and descriptions in stores and online, sustainability strategy, product development, circularity, value chain management, product assortment strategy.

# Shareholders and owners

**Key concerns:**  
Economic growth, corporate governance, business model adapted changing consumer behavior, compliance.

**Activities to address these issues:**  
Cost efficiency, annual review by the Board of Directors of governance and sustainability, Sustainability strategy, circularity, attractive products and brands, risk assessment, value chain management



# Authorities

**Key concerns:**  
Product safety, work environment and labor practices, producer responsibility, compliance with laws and regulations, climate change, public health.

**Activities to address these issues:**  
Meetings with authorities and politicians, HR governance, cooperation with governmental bodies like labor, environmental and welfare authorities, labor unions, responses to public enquires, supervisory inspections, participation in seminars and lectures, governance of pricing and marketing strategies, information security policy and data protection and storage systems, initiatives to reduce emissions, make training and recreational equipment available and affordable.

# Suppliers

**Key concerns:**  
Requirements, Cooperation and partnerships to reach sustainability goals, marketing and visibility of sustainable products and brands, eco labelling, education of employees.

**Activities to address these issues:**  
XXL requirement framework, Supplier Code of Conduct, circular business models, eco-labels in marketing, product training, transparency and tracebility, material consumption and sustainable supply chain management.

# NGOs and community

**Key concerns:**  
Decent working conditions for employees in XXL, training and competence development, work environment, freedom of organization, Sustainable products and brands, Quality and durability, Sustainability and traceability in the value chain.

**Activities to address these issues:**  
HR management, HSE system, implement strategic goals for gender equality and reduced inequality, personal development and motivation training, Code of Conduct and guidelines for business ethics, value chain management, product assortment strategy, annual sustainability reporting.

# Media

**Key concerns:**  
Adverse environmental impact, work environment, economic performance, responsible marketing.

**Activities to address these issues:**  
Responsible marketing and pricing practice, HR governance, communication department, quarterly result presentation and annual report.



# Process to determine material topics

XXL has undertaken a thorough process to identify its material topics, encompassing both actual and potential impacts, positive and negative, on the economy, environment, and people, including their human rights, across its operations and business relationships. This involved conducting in-depth interviews with a range of stakeholder groups, including the board of directors, executive management team, key personnel, NGOs, and suppliers.

Additionally, a comprehensive survey was conducted amongst over 5,200 employees and consumers in the Nordic markets. The respondents were asked to choose ten most material topics included in the materiality assessment, and then prioritize the five most significant out of these. The results were weighted and combined across both inward and outward axes to provide a valuable basis for analyzing the most material topics across different stakeholder groups and markets. This analysis will inform the strategic sustainability work of the group going forward.

XXL engaged both internal and external experts and resources in the materiality assessment process and followed established practices from previous periods to ensure a rigorous and thorough approach. The prioritization of material topics was carried out in consultation with owners, analysts, board members, executive management, and key personnel, who assessed the impact of the topics on the value of XXL. Meanwhile, NGOs, suppliers, customers, and XXL employees were consulted to prioritize the outward impact on society.

Overall, XXL’s materiality assessment process is a comprehensive and rigorous approach that takes into account the views of a broad range of stakeholders to identify the most significant issues facing the group. This process will be used to guide the group’s sustainability strategy going forward, and the results will be reported transparently to stakeholders.





# Materiality matrix

## Aspects

- 1

Economic Performance and Financial Stability
- 2

Anti-competitive behavior
- 3

Sustainable Supply Chain Management
- 4

Freedom of organization
- 5

Cybersecurity and Data Privacy
- 6

Anti-Corruption and Ethical Conduct
- 7

Material Consumption
- 8

Sustainable products and brands
- 9

Material consumption in packaging
- 10

Energy Consumption and energy efficiency
- 11

Climate Change and Greenhouse Gas Emissions
- 12

Green Logistics and transportation of goods
- 13

Waste Management and Recycling
- 14

Circular Business models
- 15

Repairs and up-cycling of products
- 16

Quality and durability of products
- 17

Product Responsibility and Safety
- 18

Transparency and traceability in the value chain
- 19

Good work environment and decent working conditions
- 20

Training and personal development
- 21

Diversity and Inclusion
- 22

Non-discrimination
- 23

Responsible Marketing and Advertising
- 24

Social Impact and Contribution to public health
- 25

Community Engagement and Philanthropy
- 26

Other

The material sustainability topics defines the essential themes which is organized into our five strategic sustainability areas.

## Material sustainability topics

- 1

Economic Performance and Financial Stability
- 3

Sustainable Supply Chain Management
- 7

Material Consumption
- 8

Sustainable products and brands
- 10

Energy Consumption and energy efficiency
- 12

Green Logistics and transportation of goods
- 14

Circular Business models
- 15

Repairs and up-cycling of products
- 16

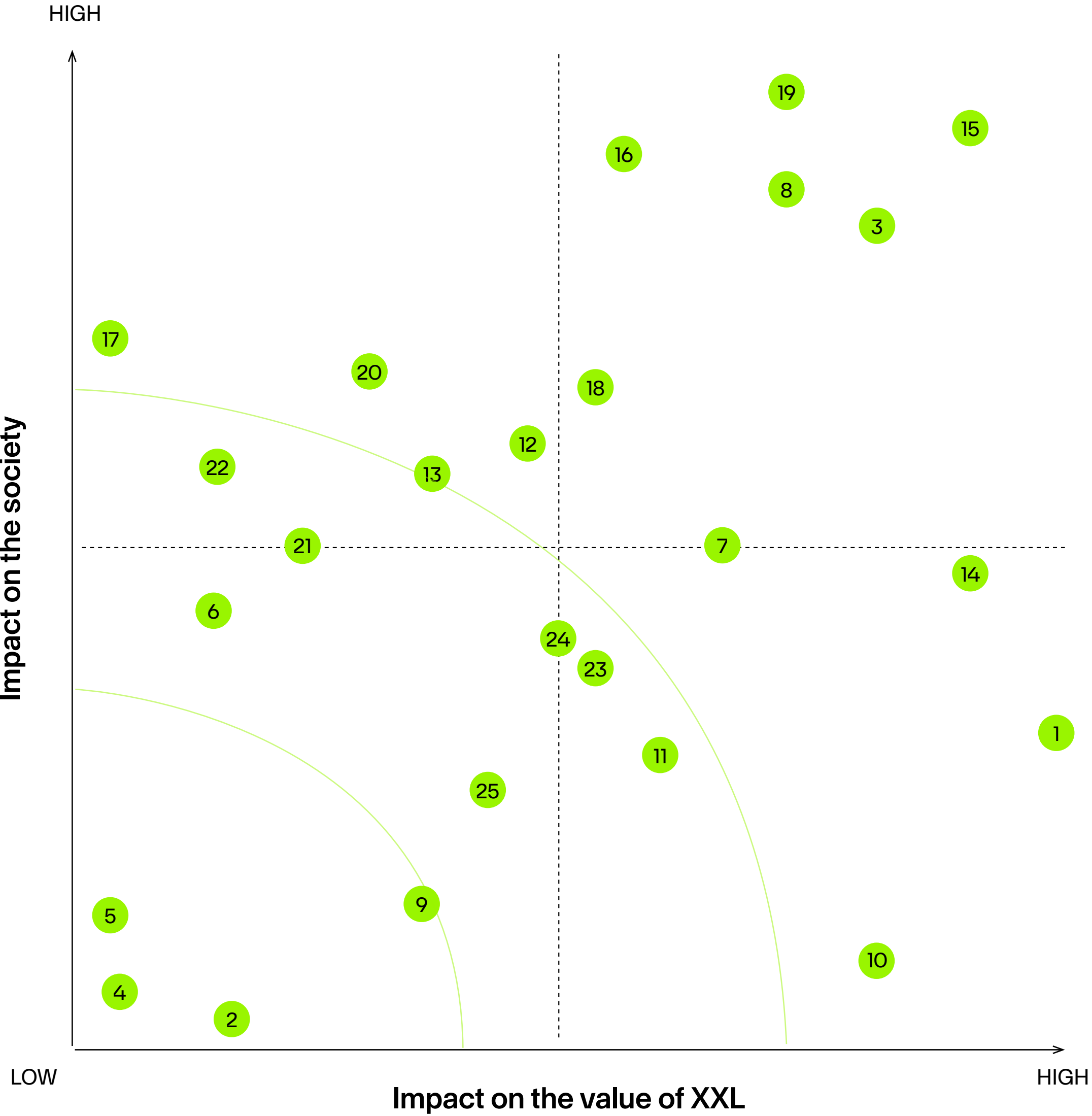
Quality and durability of products
- 17

Product Responsibility and Safety
- 18

Transparency and traceability in the value chain
- 19

Good work environment and decent working conditions
- 20

Training and personal development



This model illustrates the different aspects importance to XXL outward impact on the society, and the inward impact of the value of XXL.



# XXL Sustainability approach



XXL Sustainability strategy is connected to the groups overall strategy. Our purpose, All Sport United, Sport Unites All can be reflected in UNs Sustainability Goal nr. 3: Good health and well-being.

**All sports united**  
We live in a world where obesity and welfare diseases are increasing and where too many people live unhealthy lives. As a market leader within sports and outdoor gear, we have a great responsibility to be part of the solution. We believe in the idea of democratizing sports. Through our wide range of products and great prices we can make sports and outdoor activities accessible to the many, all in one place, all in one destination. And thereby make more people live more active lives.

**Sports unite all**  
Sports and outdoor activities unite people. Regardless of age, gender, skin color, geography or financial position, everyone can participate, on their own terms. This way, sports break down barriers and brings people together across the globe. In a common movement and a common spirit.

At XXL, we are true believers of that spirit. We want even more people to discover the joy of being active. And doing what they love. By making our wide assortment of affordable sports and outdoor gear accessible to the many.

We can make it happen.

**Sustainability aspects**  
XXLs sustainability aspects is organized into five strategic sustainability areas.

- Products and supply chain
- Circular business models
- Social responsibility
- Climate and environment
- Corporate governance

As a fundament to reach our goals, partnerships with our stakeholders are essential.



# Overall sustainability aspect


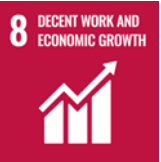







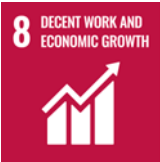



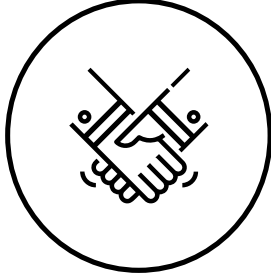

Purpose:  
All Sports United - Sports Unite All



Note: The strategic sustainability areas are described in separate sections later in this report



Our Commitments

Sustainability areas	Essential sustainability themes	Commitments	UN SDG's
<div></div> <div>Product and supply chain</div>	<ul style="list-style-type: none"><li>Sustainable and traceable production and goods in the value chain</li><li>Sustainable products and brands</li><li>Responsible purchasing practices</li><li>Material selection and reduced material consumption</li></ul>	XXL is dedicated to offering sustainable and socially responsible products that minimize adverse environmental, social, and economic effects. We prioritize the safeguarding of public health and the environment across the entire lifecycle of our products - from the extraction of raw materials to their ultimate disposal. As a responsible market participant, we strive to balance profitability with environmental and social accountability, creating long-term value for all stakeholders.	<div></div>
<div></div> <div>Circular business models</div>	<ul style="list-style-type: none"><li>Product quality and duration</li><li>Repairs and services</li><li>Reuse, resale and other sharing models</li><li>Recycling and upcycling of products and materials</li></ul>	We are is dedicated to improving the quality, durability, and reparability of our products, wherever possible. We are committed to promoting and expanding our repair services to ensure our products have a long lifespan, reducing waste and increasing sustainability. Additionally, we are actively exploring new circular business models that align with changing consumer trends and behaviors. Our aim is to reduce the impact of climate change and to identify new business opportunities through innovative and sustainable practices. As a responsible company, we strive to create long-term value for our stakeholders while reducing our environmental footprint.	<div></div>
<div></div> <div>Sosial responsibility</div>	<ul style="list-style-type: none"><li>Descent working conditions</li><li>Good work environment</li><li>Fundamental human rights</li><li>Training and personal development</li><li>Diversity and equal opportunities</li><li>Community engagement</li></ul>	XXL is dedicated to providing a safe and secure working environment, protecting labor rights and promoting equal opportunities for all our employees. We are committed to offering relevant training and education to employees at all levels of our organization. XXL is focused on fostering an organizational culture that promotes equality and prevents discrimination based on various factors, such as gender, pregnancy, maternity leave or adoption, care tasks, ethnicity, religion, beliefs, disabilities, sexual orientation, gender identity and gender expression, and their combinations. We will ensure that all genders have full and equal participation and leadership opportunities at all levels of our company. We strive to create a diverse and inclusive workplace that values and respects all employees, which is essential for sustainable growth and long-term success.	<div></div>
<div></div> <div>Climate and environment</div>	<ul style="list-style-type: none"><li>Climate change and greenhouse gas emissions</li><li>Material consumption</li><li>Waste management</li><li>Climate-friendly logistics and transportation</li><li>Energy consumption and energy efficiency</li></ul>	XXL is committed to taking decisive action to combat climate change and reduce its impact on the environment. We are focused on increasing our share of renewable energy and implementing energy efficiency measures to reduce our carbon footprint. Additionally, we aim to reduce waste generation through proactive prevention, reduction, and effective recycling and reuse strategies. We will work towards decreasing material consumption related to our operations to minimize our environmental impact. The Group recognizes that climate change poses significant risks to the company and to the society at large, and is committed to proactively managing these risks through sustainable practices. As a responsible market participant, we strive to balance profitability with environmental and social accountability, creating long-term value for our stakeholders.	<div></div>
<div></div> <div>Corporate governance</div>	<ul style="list-style-type: none"><li>Anti corruption and ethical conduct</li><li>Due diligence</li><li>Anti-competitive behavior</li><li>Compliance and governance procedures</li><li>Board oversight</li></ul>	XXL is dedicated to conducting its business with the utmost ethical standards, in compliance with the laws and regulations of the countries in which the company operates. Additionally, we aim to adhere to locally accepted standards of good corporate citizenship, promoting responsible and sustainable business practices in our companies and value chains worldwide. We are committed to upholding and respecting human and labor rights, as well as protecting the environment. The Group recognize the importance of ethical and sustainable business practices in building long-term trust and value with our stakeholders.	<div></div>



# Management of material topics

## Sustainable Supply Chain Management and Sustainable products and brands

Sustainable Supply Chain Management is a material topic for XXL ASA, and its subsidiaries is committed to managing its supply chain in a responsible and sustainable manner. We recognize that our supply chain activities have a significant impact on the environment and society, and we are committed to addressing these impacts by adopting a comprehensive approach to supply chain management.

To manage our supply chain effectively, we have implemented due diligence procedures in line with the Norwegian Transparency Act and preparing for the upcoming EU Corporate Sustainability Due Diligence Directive (CSDDD). Thorough assessment of our most significant impacts and risks described in the section risks and opportunitiesand, we have engaged with our suppliers and producers on an increasingly basis to assess their performance, identify areas for improvement, and provide support and training.

We are continously working to establish robust governance structures and processes to ensure effective management, and as a part of this process, we have assigned clear roles and responsibilities, established performance metrics and reporting mechanisms, and provided training and support to employees and suppliers. As a part of the ongoing strategic sustainability work, we plan to improve sustainable procurement practices to ensure that we are sourcing products in a more environmentally and socially responsible manner.

XXL recognizes that sound management of the supply chain is critical to our business success, and we are committed to ongoing improvements in this area. The board regularly monitor and evaluate othe Group’s performance.

By adopting a comprehensive approach to Sustainable Supply Chain Management and implementing due diligence procedures in line with regulatory requirements, XXL is reducing risks, enhancing reputation, and creating long-term value for our stakeholders.

## Material Consumption

Material Consumption is a key material topic for our company, and we are committed to managing our consumption of materials in a responsible and sustainable manner. As a distributor of consumer products, we recognize that our material consumption has a significant impact on the environment, climate and society, and we are committed to addressing these impacts by adopting a comprehensive approach to low-carbon material consumption management.

To effectively manage our material consumption, we are working on several initiatives aimed at reducing our consumption of materials, enhancing resource efficiency, reduced emissions and minimizing waste generation. An important element to achieve this goal, is partnerships with our producers and suppliers. To succed, we are reliant of decouple material consumption and waste generation from economic growth and find new ways to expand our business through circular business models circularity of resources. The ongoing work on a new sustainsbility strategy will define concrete targets to reduce material consumptions and greenhouse gas emissions including procedures for tracking our progress against these targets.

In addition to the measures mentioned above, new regulations requires enhanced eco-design practices to ensure that our products are designed to be environmentally sustainable from the outset. This involves taking into account the full lifecycle assessment of a products, from raw material extraction to disposal, and incorporating end of life considerations into the design process.

We also prioritize the selection of sustainable materials, including recycled materials, natural fibers, and renewable resources, to reduce our reliance on non-renewable resources and minimize our environmental impact. We work closely with our suppliers to ensure that they share our commitment to sustainable material sourcing, and we prioritize suppliers who meet our expectations regarding responsible material sourcing, and manage to do so in a cost efficient way.

Our approach to material consumption management is aligned with circular economy principles, including reducing waste generation, promoting the reuse and recycling of materials wherever possible, and supporting the development of circular business models.

By adopting a comprehensive approach to material consumption management and implementing sustainable procurement practices, eco-design, and sustainable material selection, we also

see a possible financial and competitive advantage due to lower impact from the extended producer responsibility schemes.

## Repairs and up-cycling of products

The Group is committed to extending the lifespan of our products through our focus on repairs and up-cycling. Our aim is to minimize waste generation and promote the circular economy. We provide repair services for our products and work to ensure their durability and reparability. We also encourage our customers to repair and maintain their products through various initiatives such as repair- and maintainance guides, or to deliever their products to our workshops and gunsmiths. Furthermore, we explore new circular business models to meet the changing consumer trends and behaviors and to reduce the impact from climate change while finding new business opportunities.

To achieve these goals, we work closely with our suppliers and partners to ensure that our products are designed with repair in mind. New regulations such as the right to repair sets tresholds for businesses to ensure products repairability. XXL have over time worked to improve the services and tachnology solutions to meet future requirements.

We regularly review and assess our processes to identify opportunities for improvement and innovation when it comes to our service offerings. We monitor and report on our progress towards our sustainability targets and engage with our stakeholders to gain their feedback and input.

Our approach to repairs and up-cycling is an integral part of our commitment to sustainability and responsible business practices. We believe that by promoting circular economy, we can increase value for our stakeholders while minimizing the impact on the environment from our oparation.

## Quality and durability of products

At XXL we understand the importance of offering high-quality and durable products that meet the needs of our customers while also minimizing our environmental impact. We are committed to improving the quality and durability of our products, and at the same time ensure affordable and accessable for all people.

To ensure the quality and durability, we have implemented stringent quality control measures at every stage of our production process of our own brands. We also work closely with our suppliers to ensure that the materials used in our products meet our high standards for quality and durability. Our products undergo rigorous testing and evaluation to ensure that they meet or exceed industry standards for safety, performance, and

durability. Furthermore, we continuously encorage our suppliers to explore new materials and technologies to develop more sustainable and durable products.

Overall, we are committed to continuously improving the quality and durability of our products and minimizing our environmental impact. By providing products that are built to last, we aim to promote a more sustainable and responsible approach to consumption.

## Transparency and traceability in the value chain

At XXL, we are committed to promoting transparency and traceability throughout our entire value chain. We recognize the importance of understanding the environmental and social impacts of our business operations, and the impact they have on our stakeholders. We strive to operate with integrity and ethics, and as such, we take our responsibility towards transparency and traceability seriously.

To ensure that we meet our commitments, we have established a range of policies and practices that guide our approach to supply chain management. These include due diligence procedures for identifying and mitigating potential risks, and working with suppliers to ensure that they adhere to our environmental and social standards.

We also recognize the importance of engaging with our stakeholders, including customers, employees, suppliers, and communities, to understand their expectations and concerns. Through regular communication, we seek to build trust and foster long-term relationships that promote sustainability and transparency.

Furthermore, we are committed to using technology and other innovative solutions to improve our transparency and traceability efforts. We are exploring new ways to track and monitor our supply chain, including the use of blockchain technology and other digital tools that enable us to trace products and materials from source to end-user.

Overall, we believe that transparency and traceability are essential components of a sustainable business, and we are committed to continually improving our practices in this area. XXL will publish a separate report on the Groups duty to act diligently by June 30th, 2023

Management og other material topics are disclosed separately in other sections of this report. Please find GRI index at the end of this report



# Environmental impact from our operations

XXL is committed to take action to combat climate change and its impacts increase the share of renewable energy and implement energy efficiency measures. We will reduce waste generation through prevention, reduction, recycling and reuse. We are committed to minimizing our environmental impact and make all reasonable efforts to reduce the use of resources such as energy, water and raw materials.

In addition to the production and up-stream transportation of goods, the most significant environmental impacts from the operations of XXL spin around our downstream transportation, waste management and use of electricity in our facilities. Our aim is always to reduce, improve and be efficient. XXL recognize the impact that our operation represent and our responsibility to take action to reduce and eliminate the negative consequences to the environment. XXL has published a carbon accounting report as an appendix to this report.



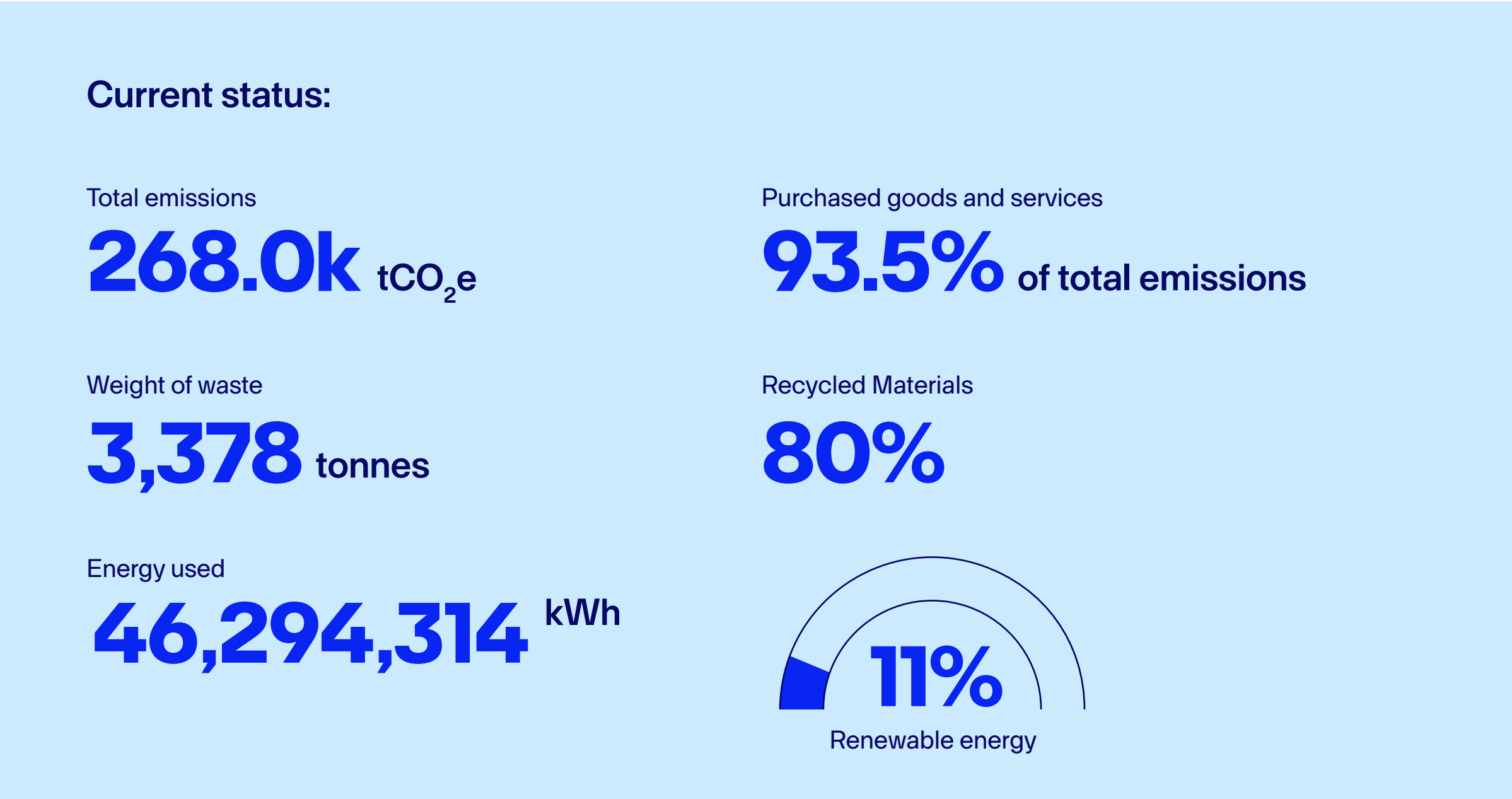
## Climate and environment

### Essential sustainability themes:

- Climate change and greenhouse gas emissions
- Material consumption
- Waste management
- Climate-friendly logistics and transportation
- Energy consumption and energy efficiency







## Goods transportation

The most significant source of emissions in our own operation is downstream transportation.

We have outsourced the transportation of goods to third parties and they have their own ambitions and policies of sustainability and targets to reduce their emissions. We monitor their work closely. Bring/ Posten Norge is the most important logistics partner to XXL. We appreciate the effort they are doing with respect to reducing the emissions of their vehicle fleet by focusing on eco-driving, biogas, biodiesel and electricity in addition to optimized routes, continuously updating the fleet and collaborations with green partnerships.

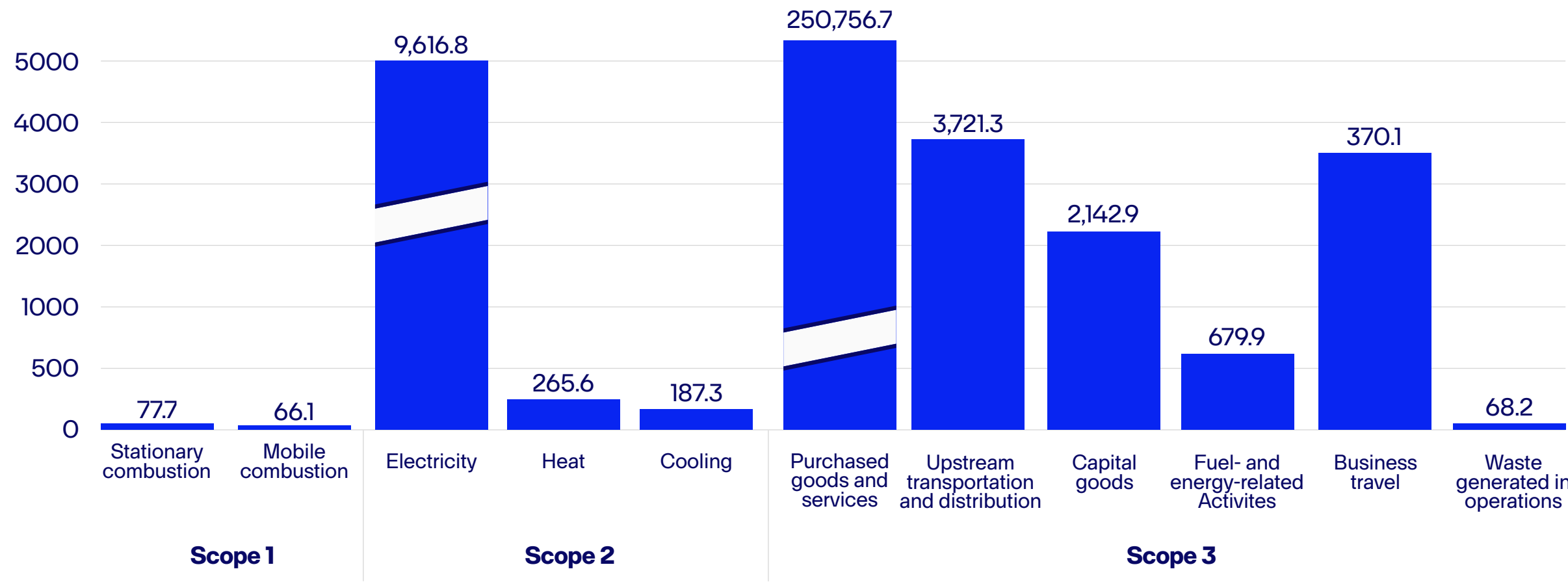
XXL sets clear environmental requirements for its transport suppliers with regard to euro class, speed limitation and training in environmentally efficient driving. The suppliers must approve the Group's environmental statement and answer an annual self-assessment of their environmental performance. The total emission from goods transportation in XXL is 3,721 ton CO<sub>2</sub> equivalent.

## Central warehouse

XXL had three central warehouses when we entered 2022, but as a consequence of the Austria exit, the Austrian Central warehouse is no longer needed in XXL's operation.

The central warehouses are located strategically with respect to delivery routes, main roads, railways and airports. The use of central warehouses reduces goods transportation by taking over transportation directly from suppliers to the stores. Consequently, fewer vehicles are on the road. Around 96 per cent of the goods were delivered through the central warehouses. An increase of 3 per cent compared to 2021. We have a centralized logistics department working on streamlining the transportation and distribution network in order to reduce the distances, optimizing loads, cargos and scheduling. The Norwegian Post has introduced climate-neutral services packs, meaning B2C e-com deliveries will be distributed by zero-emission alternatives or climate compensated by offsetting.

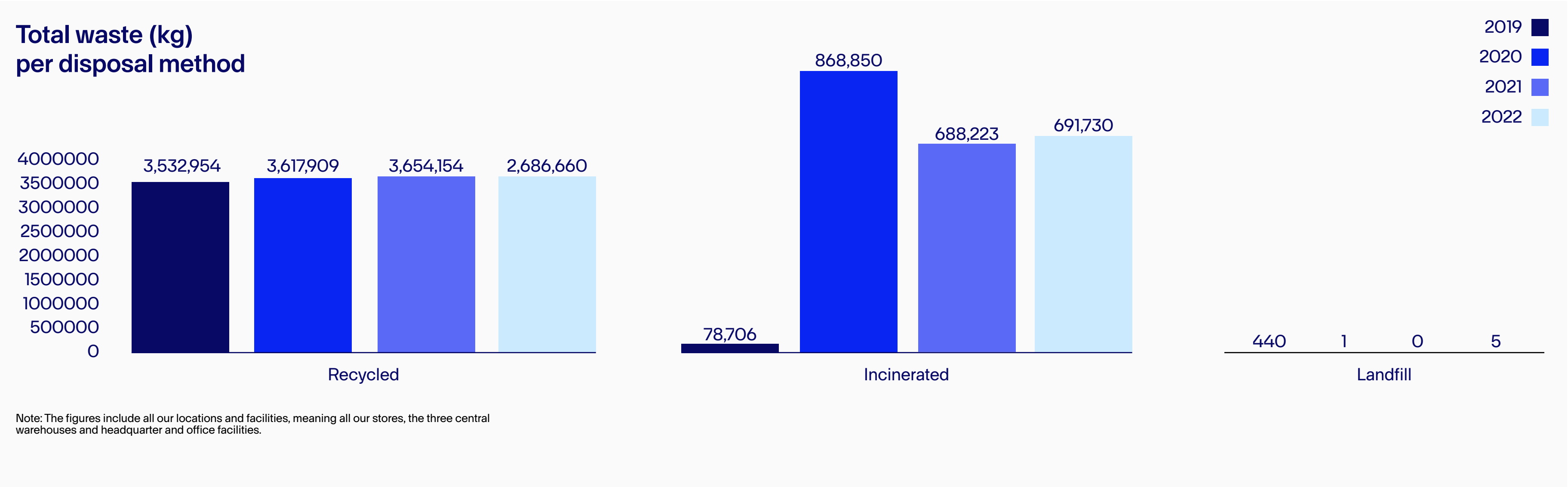
### GHG Emissions - per category (tCO<sub>2</sub>e)





All XXL warehouses are equipped with AutoStore, an automated storage and retrieval system to increase efficiency, boost productivity and improve customer satisfaction. The robots not only recharge themselves at the right time to avoid excessive charging, but regenerative energy functions also return power to their batteries each time they lower a bin or reduce speed. Substantial utilization of building footprint, wasteful air cleaning, heating and cooling can be reduced, and ceiling lights can be turned off as the robots run in the dark.

We will continue to work on more efficient logistic solutions and new technologies for transportation and we see a correlation between lower emissions and cost efficiency.



# Online sales

The Group’s e-commerce operations are defined as its sales activities through online channels, contrary to sales through retail stores that are physical stores. We favor the choice for the customers of picking up the products in one of our stores, as this is a free shipping alternative. This way, we could coordinate the freight of the online orders with goods delivered directly to the stores from the central warehouses.

# Waste management

XXL aims to minimize waste and maintain high recycling rates in our warehouses and stores. There are in general two main waste components in the XXL chain, namely packaging (cardboards and paper) and combustible waste (wood and pallets mainly). Packaging is recycled and recovered in full. The second is categorized as incinerated waste. In total 79.5 per cent of the waste in the group is categorized recycled, 15.8 per cent is categorized as incinerated waste. The share of recycled waste decreased with 4.7 per cent compared to 2021, 7.5 per cent below target of 87 per cent in 2022. In 2023 our target remains at 87 per cent categorized as recycled. Lower volumes of purchased products has resulted in a significant reduction of waste generated in our operations. with 22.2 per cent compared to 2021. There is a small share of waste generated disposed as landfill materials. 5 kilograms in total.

# Producer responsibility

XXL has membership in organizations for producer responsibilities for packaging, electrical and electronic equipment and batteries and support many local initiatives in the communities we operate in by donation of complaint and returned goods in partnership with our suppliers.

Electronic waste (EE labeled) can be returned to our stores. We have recycling routines and sell used packaging and cardboards to specialist partners. In Norway XXL has a membership in Norsirk (collecting electrical and electronic devices and batteries for recycling) and similar in other markets.



Motivation for recycling

There are two main motivation factors for our group to recycle waste. Firstly, we have a stated goal of reducing waste to lower our environmental impact. A well-functioning recycle system and reporting is important to succeed with our goal, but equally important is the preventive measures done with products and packaging. We use our market position to influence producers and importers to minimize packaging and use recycled and renewable material in products and packaging if possible. Our business model with effective logistics and transportation makes it possible to reduce large quantities of packaging materials as the products can be shipped in larger packages that require less protection packaging such as plastic packaging. The second motivation factor is reduced cost. Less waste, recyclable materials and a high recycling factor will significantly affect the cost of waste handling in a positive direction.

In addition to an extensive repair and service offering, XXL are investigating opportunities in the circular economy that could extend the services for product repairs, add new initiatives for new business models and service as a collecting point and sales channel for retuned and claimed products. Changing consumer trends, producer responsibility schemes, and expectations and requirements from the financial market to extend circular activities will provide increased profitability for circular economy in the coming years. XXL aims to be the frontrunner in circular sport retail and see an advantage in our omni-channel structure compared to web-based market participants with a high linear risk.

Waste reduction

We will continue to work on reducing the amount of waste, focusing on increasing the recovery rates even further, and creating a circular economy. An after-sales manager is in place in all countries coordinating storage routines including new initiatives to reduce waste. In 2017, XXL started to take a fee on plastic shopping bags in all countries. This has resulted in a significant drop in the volumes of shopping bags by around 30 per cent.

The project also raises funds to XXL Children’s Foundation and other social engagement activities. XXL has also converted to paper shopping bags in some markets and introduced recycled and reusable shopping nets. In 2023, the Group will continue its effort to reduce waste and increase the fractions of material

recycling compared to incineration and landfill by improving waste sorting system and waste management in all countries.

The result of this work is a total waste reduction of 963,982 kg and an decrease of recycled waste of 4.7 per cent.

Energy consumption

XXL has established a centralized electricity agreement with the third party company Fortum Energy for delivery of electricity to all our facilities in Norway and some in Sweden. They have their own stated sustainability ambitions and policies that we monitor closely. The energy production already has a high portion of renewable energy, based on hydropower plants, waste heat from the incineration of residual waste and deliberate use of other renewable energy sources.

The target is a full phase out of fossil oil and gas as a source of heating in our central warehouses. For other facilities not covered by the contract with Hafslund, the electricity is part of the rental agreement. More specifically for our central warehouse outside

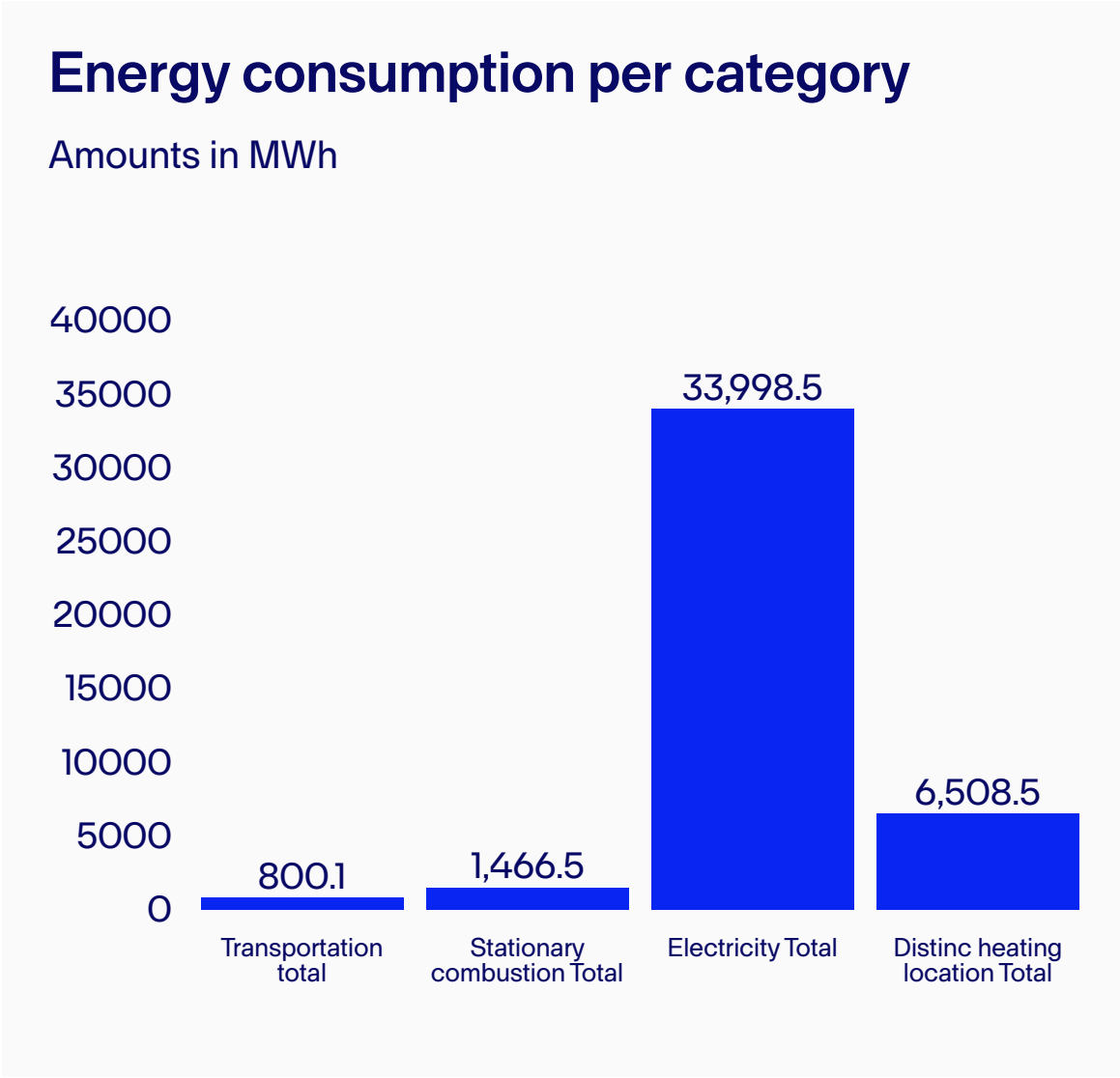
Oslo, we have a contract with Dalkia (Veolia) for heat delivery.

The total energy consumption for the year 2022 in the XXL Group splits as shown in the graph above. The figures above include all our locations and facilities, meaning all our stores, the three central warehouses and headquarter and office facilities. For those stores that are not part of the centralized electricity agreement we have made assumptions and calculations based on estimates from an average store. In a way of further reducing the electricity consumptions, we started a project in 2015 of changing the lighting in all our stores in Norway to more efficient solutions using LED-lights. We extended this process even further by entering an agreement with the Norwegian company Termoennergi Norge AS for mapping of energy conservations plans for our stores. This is deducted in close cooperation and support from the organization Enova and began in the spring 2016.

We had a three years plan to upgrade all our Norwegian stores accordingly based on initiatives such as installation of energy monitoring systems, change procedures and training of personnel, automatic control units for light control, upgrade to LED-lights, implementing operation centrals for heating, ventilation and fan coils and upgrading to heat pumps were not able to use tele heating networks. We have seen significant savings in energy consumption when improving stores over time, and are on track for our target of a 40 per cent reduction of energy consumption. New store concepts, with reduced store sizes, energy effective solutions and increase of renewable energy are effective measures for reducing the emissions related to energy consumption in our operation.



We will continue to work on reducing the amount of waste, focusing on increasing the recovery rates even further, and creating a recycling economy.





Renewable energy

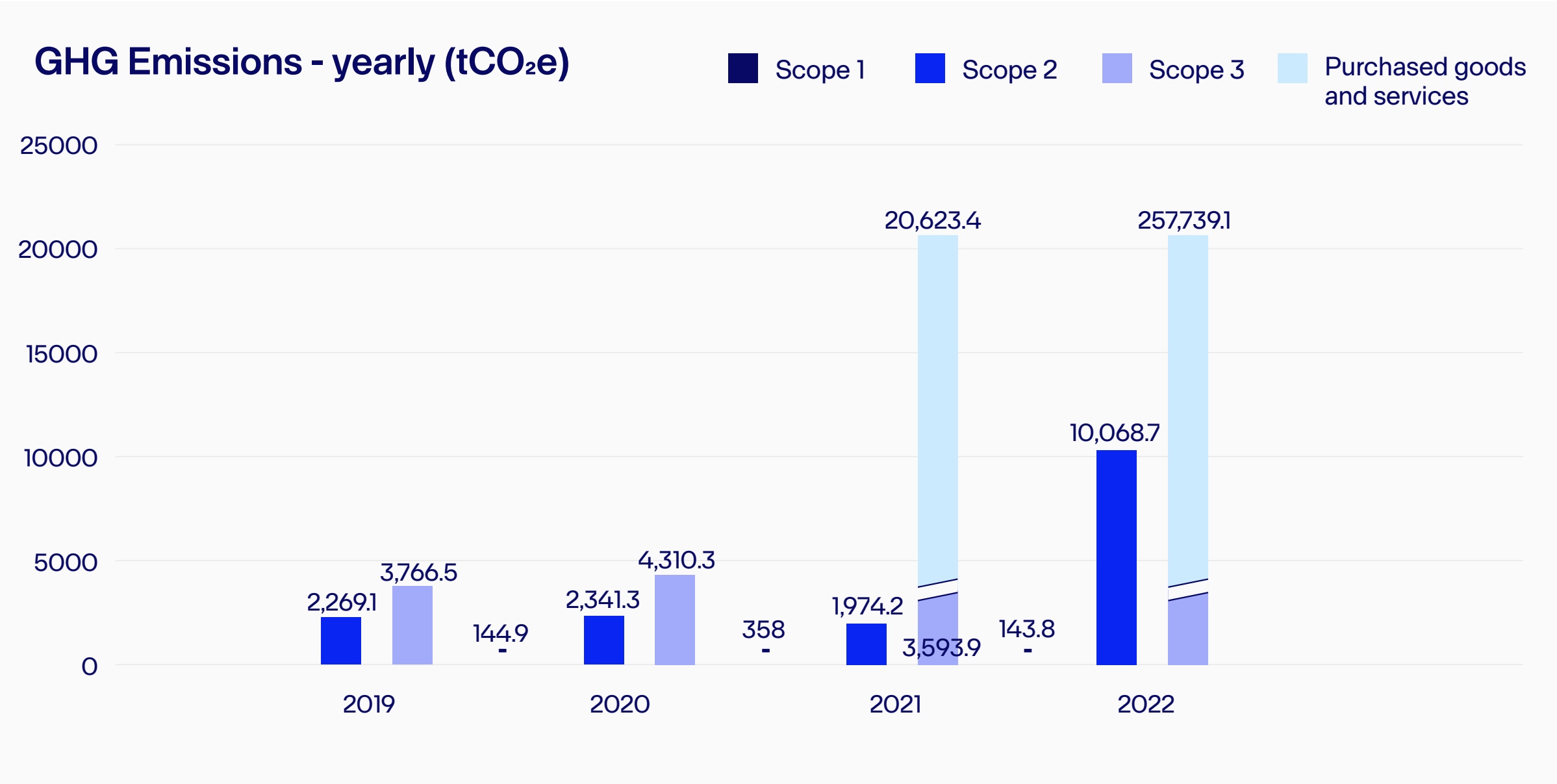
We are working with a partner to increase renewable energy production on our facilities. Solar power plants are already in place on the rooftop of store facilities in Lielahiti, Lappenranta and Espoo in Finland and in Örebro, Sweden. In 2022, the Group installed the first solar power plant on the Norwegian central warehouse. We are continuously working to extend the use of solar power plants in more stores and different markets. The solar power gives us significant cost benefits and an improved rate of renewable energy. In addition the project will yield more efficient electricity usage as the solar power panels have an insulation effect in the winter time and a reflective effect in the summer leading to less electricity usage overall. We are working with our property owners on constantly improving energy efficiency and environmental friendly solution. Increasing the number of charging stations outside our stores for guests with electric cars is an example of this.

Minimize environmental footprint

Every part of our operations impact the environment. Environmental issues integrates into day-to-day work in stores, logistics and offices. XXL plans to revise our business travel policy. Like everyone else, last year we drastically changed our working behavior. Although most XXL employees has their working days at our stores, traveling restrictions made changes to our academy training portfolio, moving most of XXL academy in to e-learning modules.

Our back-office functions and administration extensive had use of home office, digitized solutions and video conferences. In XXL recognize the benefits of physical meetings and the value of social gatherings. At the same time, the digitization of our society has taken a great leap providing opportunities for cost reduction, effectiveness and reduced environmental impact. Our traveling policy will build on the positive correlation between physical meetings and digitization and eliminate unnecessary business travels in XXL.

XXL is committed to minimizing its environmental impact and makes all reasonable efforts to reduce the use of resources such as energy, water and raw materials. Our key climate measure is to improve the energy efficiency of all parts of the organization. According to GRI we are obliged to disclose our Greenhouse gas emissions. In accordance with the GHG Protocol the emissions are disclosed under three different scopes. Mobile and stationary



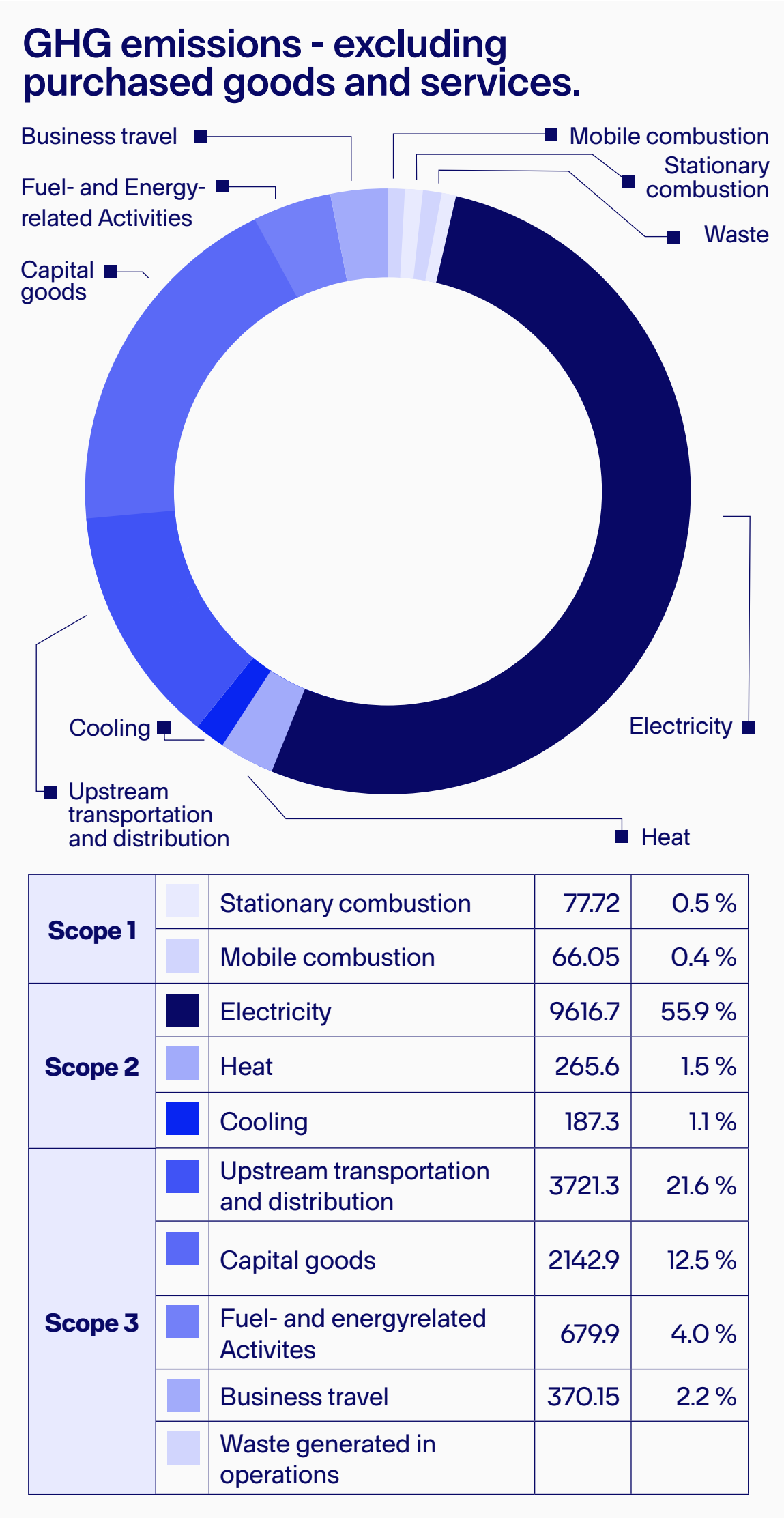
**Note:** The report shows a reduction of total comparable emissions in scope 3, excluding the emissions related to purchased goods and services.

combustioon is disclosed under Scope 1,Electricity, heating and cooling under Scope 2, and indirect emissions under Scope 3 from purchased goods and services, upstream transportation and distribution, capital goods, fuel- and energy-related activities, business travel and waste generated in our operations.

The figures above include all our locations and facilities, meaning all our stores, the three central warehouses and headquarter and office facilities. For those stores that are not part of the centralized electricity agreement we have made assumptions and calculations based on estimates from an average store. Transportation only includes our outsourced transportation between our central warehouses and our stores and not the transportation the suppliers commence directly to our stores.

The footprint is calculated in accordance with the GHG Protocol covering scopes 1, 2 and 3.

Note: Due to change of reporting practice for emissions and implementation of carbon footprint management tool from Normative, the historical figures is based on different methodical data. However, we see a reduction of total emissions compared to 2020 if we exclude purchased goods and services which was included in 2021. XXL Carbon accounting report is published as an appendix to this report and can be found in XXL ASA web pages - Sustainability.





# Renewable energy production

**Businesses like XXL face an energy crisis with record-high prices. At the same time, the society needs a green transition. It requires us to rethink our business models.**

This is exactly what our Central Warehouse in Norway (CWN) did when we invested in solar panels across the roof and walls of the warehouse building. The investment provides renewable energy to ourselves and the community.

The solar panels will make up 32,000 square meters and will cover the roof and parts of the walls of the warehouse building.

CWN expects to produce 2.2 million kWh of electricity per year. XXL will use only approximately 500,000 kWh, and the rest will be sold in the Norwegian market. This equals to the annual consumption of more than over 100 households in Norway.

“We have always been innovative in XXL and eager to find new ways to operate and improve our efficiency. When we have new ideas, we also ask what it means for the environment. This investment is also a result of this. We need to save money where we can and at the same time protect the environment”, says Geir Nielsen, SVP Central Warehouses in XXL.

Partnerships are key to reach our goals. This investment is a co-operation with our landlord Pareto Forvaltning. In addition to this we are also investing in LED-lightning and geothermal heating. The LED-lightning reduces our energy consumption with 30-40 percent and is highly profitable with the energy prices we have seen in 2022.





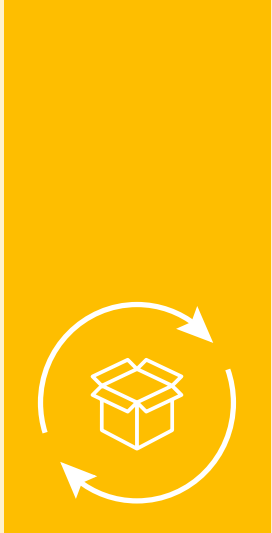
# Supplier assessment

XXL is committed to conducting our business in accordance with the highest business ethical standards, to comply with the laws of the countries in which the Company operates, and to conform to locally accepted standards of good corporate citizenship. We believe in respecting human and labour rights, protecting the environment, and in applying sound business practices in our companies worldwide.

XXL stores and online marketplaces are supplied with well-known brands and some private label products. In 2022, around 11 per cent of XXL's total operating revenue were related to merchandise sold by XXL under private labels. The Group is dependent on third party manufacturers delivering on quality standards and the Group's requirements regarding good labor and manufacturing practices, and compliance with applicable laws and regulations.



## Sustainable products and value chain management



### Essential sustainability themes:

- Sustainable and traceable production and goods in the value chain
- Responsible purchasing practices





## XXL Supplier Code of Conduct - Principles and requirements

XXL is committed to conduct our business in compliance with all applicable laws and regulations. We respect the highest standards of human and labor rights, environmental awareness, and ethical business conduct. A significant portion of the products the Group sell - sports equipment and sports attire - is manufactured in markets outside the countries where the Group operates. In order to ensure alignment with XXL's commitment to lawful and ethical business conduct throughout the Company's supply chain, XXL requires its business partners, including supplier, their subcontractors and affiliates, to adopt similar principles.

To make clear what we expect from our supply chain partners, XXL has adopted a Supplier Code of Conduct (hereinafter Supplier Code). The Supplier Code requires XXL's partners to provide safe working conditions for their workers, treat workers with dignity and respect, act lawfully, fairly and ethically, and use environmentally responsible business practices wherever they manufacture

products or perform services for XXL. Where the requirements of applicable laws and the XXL Supplier Code differ or are in conflict, the supplier shall comply with the higher standard.

The XXL Supplier Code of Conduct applies to all business partners supplying goods and services to all entities owned or controlled by XXL (the XXL Group). A breach of the Supplier Code will be considered a breach of any supply contract entered into with XXL and may lead to the termination of the business relationship with the Company.

The XXL Supplier Integrity Due Diligence Survey is an integral part of the Company's supplier selection process. The Company will systematically map suppliers' adherence to the Company requirements and expectations, review improvement initiatives and progress, and assess the level of compliance through Integrity Due Diligence Surveys and open dialogue.

**XXL does not accept discrimination, child labor, infringement of the right to organize and collectively bargain, corruption or other failures to comply with fundamental human rights.**







**XXL requires that manufacturers, importers and suppliers in the value chain works actively with their own internal environmental and social governance.**

## Environmental requirements

### Factory audits

XXL requires that manufacturers, importers and suppliers in the value chain works actively with their own internal environmental and social governance. That includes a clear strategy related to reducing their operations environmental impacts from production and other activities. All our new supplier agreements have included the XXL Supplier Code of Conduct. In addition, we commence a deep due diligence of all new suppliers with respect to environmental criteria, labor practices, human rights and their general influences to the society in large. This also applies for all other partners we cooperate with and their collaborators both upstream and downstream in the value chain and when signing significant investment agreements or contracts.

XXL has established a framework of environmental requirement (XXL ER), containing environmental requirements and other related specifications for orders placed by XXL. The framework has two parts, legislations and chemical restriction list, and is available for all suppliers online. The supplier should ensure compliance to laws, legislations and regulations, EC directives and guarantee that all products delivered to XXL comply with the requirements included in the XXL ER document. It is XXL's responsibility to inform supplier, supplier's responsibility to inform sub-supplier involved in the production chain, about requirements in the XXL ER and assure that they comply with it.

All suppliers are obligated to perform necessary tests and ensure their product meet the XXL ER. The tests should be performed at accredited laboratories at their own expense. Producers, importers and suppliers are responsible for collecting and distribute mandatory product information to downstream users. Deviations from the requirements results in products that cannot arrive at the XXL warehouse until necessary documents and test result are approved by XXL in writing. XXL also reserve the right to cancel or claim orders if products or tests do not comply with the XXL ER.

All our buyers and purchaser are instructed to make an audit when visiting production facilities of our suppliers. Key parameters to look at constitute factory licenses and relative document check, production capacity and procedure check, product testing, child labor, pollution, worker protection and security check.

In addition we cooperate with a local agent in China which also commence local audit of factories. If violations of the Supplier Code of Conduct are detected with a supplier a concrete plan will be established. The first time a supplier violates the contractual requirements depending on the level of deviation, they generally get a second chance to correct the problem. We will not continue to conduct business with factories where serious offence is repeated and we will then terminate the contract.

Serious violations of the requirements will result in immediate termination of contract or quarantine for delivering goods to XXL. 70 audits were conducted, and revealed no moderate or major violations to social or environmental requirements. Our Sourcing agent in China conducted 410 pre-shipment quality control inspections. 8 nonconformities were discovered. All nonconformities were corrected and re-inspected before shipment 4 audits still pending QC results.



**We will not continue to conduct business with factories where serious offence is repeated and we will then terminate the contract.**



**Third party audit and control**

XXL is working closely with a trusted partner, a Norwegian third party with long experience of building own brands and controlling the manufacturing chain. Our partner in all related communications and meetings with suppliers work systematically to develop an understanding of the importance of the social, environmental safety, business ethics, brand quality requirements and sustainability.

The partner is following the changes on the EU and Norwegian regulations and directives due to new substances restrictions or updated limitations. The changes related to their products are updated in their requirement book, as well communicated with manufactures and the actions are discussed.

The partner has a system for starting-up a new supplier, it is selected very carefully by communicating with supplier, physically visiting the factories by few persons from partner's company, building the trust in relationship, evaluating the work conditions, workers safety and other things related to Code of Conduct.

Before starting business, every manufacturer need to pass ethical audit which is performed by independent 3rd part audit company. The ethical audit is based on ETI base code. It evaluates various aspects like freely chosen employment, freedom of association and the right to collective bargaining, no child labor, no discrimination, no harsh or inhumane treatment, safe and hygienic working conditions, adequate wages.

The ethical audits are performed according the SA8000 standard or Sedex (SMETA). The Code of Conduct is discussed and signed by all suppliers/ manufacturers.

**Quality control**

The need for improvements are identified, corrective action plans analyzed. Better working conditions, decent wages, health and safety in factory are always discussed with the suppliers. The development and bulk samples are tested if they meet partner's quality assurance standard. The requested tests depend on the type of product. Additional check is done by making physical and chemical tests in their own internal laboratory. The risk assessment is done for every new article, the human health and environmental safety is evaluated and tested, necessary certificated arranged. The restricted substances list is followed. The products are occupied with necessary documentation (test reports, certificates where applicable, certificates of origin). Majority of materials used in products are Oeko-tex certified.

Partner is allowed to inspect during production at any time. This is either by partner's personnel or 3rd part inspection company operating on behalf of our company. Every shipment is inspected and the inspection report is evaluated. AQL 2,5/4.0 major/minor general inspection level II are base for the inspection if nothing else have been informed. The defects found during inspection are removed or replaced by new products. If the amount of founded defects exceeds the AQL major/minor limit, then the time is given to producer for making additional internal control for 100% production and to improve products or replace defectived ones. After given term the inspection is repeated. The root cause analysis done in purpose to prevent issues in future, the corrective actions planned and implemented.

In 2022 our partner arranged 116 pre-shipment inspections by using independent 3rd part inspection companies. The goal was reached and 100% of our partner's shipments were inspected.

The pre-shipment inspections act as prevention of shipping the unacceptable quality products or products with wrong barcodes or cartons marked incorrectly and other issues.

The development and bulk samples are tested if they meet partner's quality assurance standard. The requested tests depend on the type of product. Additional check is done by making physical and chemical tests in their own internal laboratory. This year some more testing equipment was bought. The human health and environmental safety is evaluated and tested when necessary. The restricted substances list is followed.



Third party audit and control

**Sustainable Supply Chain Management and Sustainable products and brands**  
Sustainable Supply Chain Management is a material topic for XXL ASA, and its subsidiaries is committed to managing its supply chain in a responsible and sustainable manner. We recognize that our supply chain activities have a significant impact on the environment and society, and we are committed to addressing these impacts by adopting a comprehensive approach to supply chain management.

To manage our supply chain effectively, we have implemented due diligence procedures in line with the Norwegian Transparency Act and preparing for the upcoming EU Corporate Sustainability Due Diligence Directive (CSDDD). Thorough assessment of our most significant impacts and risks described in the section risks and opportunities and, we have engaged with our suppliers and producers on an increasingly basis to assess their performance, identify areas for improvement, and provide support and training.

We are continuously working to establish robust governance structures and processes to ensure effective management, and as a part of this process, we have assigned clear roles and responsibilities, established performance metrics and reporting mechanisms, and provided training and support to employees and suppliers. As a part of the ongoing strategic sustainability work, we plan to improve sustainable procurement practices to ensure that we are sourcing products in a more environmentally and socially responsible manner.

XXL recognizes that sound management of the supply chain is critical to our business success, and we are committed to ongoing improvements in this area. The board regularly monitor and evaluate othe Group’s performance.

By adopting a comprehensive approach to Sustainable Supply Chain Management and implementing due diligence procedures in line with regulatory requirements, the Group is reducing risks, enhancing reputation, and creating long-term value for our stakeholders.

XXL recognizes that promoting sustainability and respecting human rights is not only a moral imperative, but also a crucial component of long-term financial success, and is committed to working towards these goals in a transparent and accountable manner.

Due diligence

**Transparency and traceability in the value chain**  
At XXL, we are committed to promoting transparency and traceability throughout our entire value chain. We recognize the importance of understanding the environmental and social impacts of our business operations, and the impact they have on our stakeholders. We strive to operate with integrity and ethics, and as such, we take our responsibility towards transparency and traceability seriously.

To ensure that we meet our commitments, we have established a range of policies and practices that guide our approach to supply chain management. These include due diligence procedures for identifying and mitigating potential risks, and working with suppliers to ensure that they adhere to our environmental and social standards.

We also recognize the importance of engaging with our stakeholders, including customers, employees, suppliers, and communities, to understand their expectations and concerns. Through regular communication, we seek to build trust and foster long-term relationships that promote sustainability and transparency.

Furthermore, we are committed to using technology and other innovative solutions to improve our transparency and traceability efforts. We are exploring new ways to track and monitor our supply chain, including the use of digital tools that enable us to trace products and materials from source to end-user.

Overall, we believe that transparency and traceability are essential components of a sustainable business, and we are committed to continually improving our practices in this area.

Management of other material topics are disclosed separately in other sections of this report. Please find GRI index at the end of this report

XXL, as a large enterprise resident in Norway and providing goods and services both domestically and internationally, is subject to the Norwegian Transparency Act effective from July 1, 2022. The Act aims to promote respect for fundamental human rights and decent working conditions in connection with the production of goods and services and to ensure that the public has access to information on how enterprises address adverse impacts on these rights and conditions. As a result, XXL has a legal obligation to conduct due diligence in accordance with the OECD Guidelines for Multinational Enterprises and report on its due diligence activities.  
In 2022, XXL initiated an industry-wide cooperation facilitated by the Norwegian Sporting Goods Association. The aim of this cooperation is to promote due diligence throughout the Norwegian sporting goods industry value chain, and to include all stakeholders in this effort. XXL and other large sport retail companies launched an Integrity Due Diligence Survey to assess the current state of compliance with the requirements of the Act and identify significant risks. This survey involved input from suppliers and laid the foundation for further dialogue and follow-up with relevant parties.  
XXL is obliged to publishing a report on its due diligence activities and the results of its work and plans to do so on the XXL ASA web pages by June 30th, 2023. The Norwegian Consumer Authority is responsible for monitoring compliance with the provisions of the Act and ensuring that XXL and other companies meets its legal obligations.



# Employees

XXL’s commitment to sustainability extends to providing a safe and secure working environment, protecting labor rights, and promoting equal opportunities for all employees. We recognize the importance of women’s full and effective participation and their equal opportunities for leadership at all levels within the organization. Our dedication to promoting equality and preventing discrimination extends to all aspects, including gender, pregnancy, maternity leave or adoption, care tasks, ethnicity, religion, beliefs, disabilities, sexual orientation, gender identity, and gender expression, and combinations thereof.

In line with our sustainability goals, we aim to provide relevant training and education to all employees across all levels of the organization to further develop an inclusive and equitable workplace. We believe that a diverse and inclusive workplace not only fosters innovation and creativity but also leads to improved business outcomes. At XXL, we are committed to continuously improving our sustainability practices and ensuring that our employees feel valued and supported in every aspect of their work.



## Social responsibility



### Essential sustainability themes:

- Decent working conditions
- Good work environment
- Fundamental human rights
- Training and personal development
- Diversity and equal opportunities
- Community engagement





# Overall employee data

Number of employees (included the Austrian organization):

5023

as of Desember 31. 2022

Share of employees below 30 years:

63%

Sick leave reate:

7.75% -0.09%

Female workers:

43%

New employees:

1039

Work related injuries:

22

Non of serious nature recorded

Days of on-site training in 2022:

2500

Annual turnover rate:

44%

Decrease in number of employees compared to 2021:

766





Work environment

At XXL, our people are at the heart of our sustainability strategy. We understand that many young employees have their first work experience with our company, which comes with a great responsibility for us as an employer. Employer surveys has revealed that our employees are generally satisfied with their working environment, which is a testament to our commitment to creating a positive workplace culture. We recognize that maintaining a good corporate governance framework, control routines, and targeted training in our company's guidelines for all employees are fundamental to preventing adverse events related to our culture and working

conditions. To this end, XXL has conducted a comprehensive internal review of our cultural and organizational governance, ensuring that our practices are aligned with our sustainability objectives. At XXL, we understand that our people are our most valuable asset, and we are committed to fostering a positive work environment that supports our employees' growth and development. By prioritizing good corporate governance, we aim to ensure that XXL remains a responsible and sustainable employer for all.

Equality statement 2022

**Introduction:**  
At XXL, we are committed to promoting inclusion, equality, and diversity at all levels of our organization. These values are at the core of our mission to democratize sports and make outdoor activities accessible to everyone, regardless of age, gender, skin color, geography, or financial position. We believe that sports and outdoor activities have the power to unite people and break down barriers, and we are dedicated to making this a reality for as many people as possible.

As a market leader in sports and outdoor gear, we recognize our responsibility to foster an active and healthy lifestyle. We are proud to offer a wide range of products at great prices, making sports and outdoor activities more accessible to the many. At XXL, we believe that sports should be for everyone, and we are committed to creating a safe and inclusive workplace where every employee can be themselves and feel valued.

We are dedicated to developing an organization that promotes equality and prevents discrimination, including but not limited to gender, pregnancy, maternity leave or adoption, care tasks, ethnicity, religion, beliefs, disabilities, sexual orientation, gender identity, and gender expression. XXL aims to achieve a gender balance and diversity at all levels in the organization, including talent assessment and leadership development. We believe that a diverse and inclusive workplace not only fosters innovation and creativity but also leads to improved business outcomes.

At XXL, we are proud to be a part of a global movement that promotes the joy of being active and doing what you love. By making our wide assortment of affordable sports and outdoor gear accessible to the many, we are working towards a more active and healthier world. We are committed to promoting inclusion, equality, and diversity in all aspects of our business and will continue to strive towards a better future for all.

State of gender equality 2021

Gender balance in XXL:

Gender balance Number of employees					Temporary employment Percent of all Employees		Parental leave Avarage number of weeks		Actual part-time Percent of each gender		Involuntary part-time Note: Based on survey of a total of 538 part time workers in Norway. Percent per gender		
Country	Female	Male	Female share	Male share	Female	Male	Female	Male	Famle	Male	Female	Male	Other gender Identity
Norway	995	1477	40%	6000%	4%	4%	25.33	13.93	43%	57%	54%	53%	100%
Sweden	632	881	42%	58%	6%	6%			48%	52%			
Finland	407	400	50%	50%	3%	3%			53%	47%			
Austria	106	122	46%	54%	13%	13%			54%	46%			
Switzerland	1	2	33%	67%	0%	0%			0%	0%			
Total	2141	2881	43%	57%	6%	6%			49%	51%			

Note: The table Includes the mapping of involuntary part-time and parental leave conducted in Norway



State of gender equality 2022

Board of Directors Age and gender distribution:

	Female	Male
30-50 years	1	3
Above 50 years	2	1

Age distribution:

	Below 30 years	30 - 50 years	Above 50 years
Executive management	0%	67%	33%
Group	63%	33%	4%

FTE:

Country	FTE Hours	FTE
Norway	2383482.32	1559.4
Sweden	1846104.71	145917
Finland	917131.1	665.1
Austria	382735.2	272.0
Group	5529453.33	3955.7

Turnover:

Country	Turnover	Turnover Female	Turnover Male
Norway	34	37.4	31.7
Sweden	54.9	58.7	52.3
Finland	50.7	50.8	50.7
Austria	58.3	61.6	55.4
Group	44	47.3	41.6



# Management Approach - How XXL works to promote gender equality and prevent discrimination

## Principles, procedures, and standards for equality and against discrimination

At XXL, we are committed to promoting diversity and preventing discrimination in all areas of our organization, including recruitment, pay, working conditions, promotion, development opportunities, and facilitation. Our goal is to ensure that all employees have the opportunity to balance work and family life, irrespective of their gender, ethnicity, religion, disability, sexual orientation, or gender identity. We are also dedicated to creating a workplace where everyone is free from harassment, sexual harassment, or gender-based violence. As a responsible employer, we have established comprehensive documents outlining our principles, standards, and procedures for managing our business, including updated ethical guidelines related to discrimination and harassment. We have also reviewed our internal and external whistleblowing systems in accordance with national regulations, with the participation of AMU. To ensure that all employees are aware of our ethical guidelines, we provide specific e-learning programs, including training in our whistleblowing routines and the principles for protecting whistleblowers, which are integrated into our onboarding process. Equality and non-discrimination are also incorporated into our personnel policy. Our system and standards aim to recognize and promote employees who exhibit a can-do attitude and commitment, regardless of their background, gender, or sexual orientation. At XXL, inclusion means that every employee feels like a valued member of our team. Our reward system is based on achieving team goals rather than individual accomplishments. XXL's personnel, management, and HSE handbook outlines our key principles, procedures, and standards for our employees' employment relationship. Our HSE handbook is a reference work and a living system for reporting and documenting various incidents and deviations. We have also established a digital

non-conformance system where employees must register and document non-conformances that are followed up by the responsible persons. Our systematic approach to working with HSE has led to improved routines, reduced absenteeism, and a greater degree of employee participation. As we move forward, we remain committed to facilitating HSE work to protect our employees' health and working environment.

## XXL's work to ensure equality and non-discrimination

XXL is committed to promoting equality and preventing discrimination through its ongoing efforts to strengthen inclusion and diversity in the organization. We believe in providing equal opportunities to all employees, regardless of their gender, ethnicity, religion, disability, sexual orientation, or gender identity. This work includes structured recruitment processes, equal pay for equal work, training and education, risk management, and dialogue between employee representatives and management. To increase the proportion of women in management positions, all leaders in XXL will focus on diversity in recruitment processes going forward. We are committed to implementing best practices that will accelerate the achievement of gender balance in managing positions and contribute to a more diverse organization. XXL also invests in bringing in employees through various social initiatives, and inclusion has been a prioritized topic since 2015. We have collaborated with NAV and Voksenopplæringen to provide work training and competence development for young employees and highly qualified refugees, providing close follow-ups in areas such as finances, physical health, and mental health. Despite the challenges posed by the pandemic, XXL has maintained and developed existing projects that aim to create a sense of belonging and mastery for all employees. We continuously investigate new opportunities and arenas for our inclusion work, and have participated in innovation design processes with focus on inclusion. The combination of building social and professional competence has proven to be a key element in the inclusion of individuals in our organization. We believe that XXL's ongoing efforts to promote equality and prevent discrimination will help us create a diverse and inclusive workplace where everyone can thrive.

**How XXL identifies risk and what special risks for discrimination and barriers to equality exist**  
XXL has a framework in place to identify various risk areas within the organization, including HSE and compliance work, which help to prevent and address any violations, leading to a better

work environment and reduced adverse events. However, there are special risks associated with having many young employees in part-time or temporary positions, which may increase the likelihood of abuse or harassment. To mitigate this risk, XXL has established ethical guidelines, a whistleblowing system, and channels to report any instances of abuse or harassment.

Moreover, XXL has conducted a survey to assess the risk of involuntary part-time work, and the results have been presented to the AMU in different units of the organization, where risk assessment and action plans have been developed. The survey revealed that there is no risk related to part-time work at the group head office, where the share of actual part-time employees is approximately 1%. However, in Norwegian stores, where the sample size of the survey was 27.6% of those who received it, the gender balance of the respondents was not representative of the actual employee population, and the age distribution showed a higher proportion of male department leaders and store managers, which may affect the results. The group aims to change the methodology for collecting data, to ensure a representative collection of respondents. Furthermore, XXL has identified gender balance as another risk area in the company, particularly in the proportion of female managers at the top three levels, which may limit the development opportunities for competent employees. The company has been working to address this issue through HSE and involvement of employee representatives. In 2021, XXL conducted a mapping of pay gap in different levels of the Norwegian organization, which showed that men, on average, have a higher salary than women due to the higher number of men in top management positions.

XXL uses whistleblowing channels and employee surveys to identify other risks related to discrimination and barriers to equality, such as gender, pregnancy, parental leave, adoption and care tasks, ethnicity, religion, outlook on life, disability, sexual orientation, gender identity, and gender expression. The whistleblowing routines and channels are functioning well and accessible to all employees, and anonymous employee surveys are conducted regularly to gather feedback and assess the effectiveness of XXL's policies and practices.



**We want all employees to have the  
opportunity to combine work and family  
life, regardless of factors such as gender,  
ethnicity, religion, disability, sexual  
orientation, and gender identity.**



Causes of risks and barriers, including measures

XXL has many young part-time employees. This is due to the nature of the business, which is characterized by seasonal fluctuations, and the need for flexible solutions that make it possible for workers to combine work, studies, and leisure time. The results of the involuntary part-time survey reveal that there are several reasons why employees work part-time. For example, being a student and appreciating the flexibility provided by a part-time job is one reason. However, many employees express a desire for higher fixed employment rates or full-time employment. The reasons for this vary, but some employees report that their employer has not offered them a higher position, while others state that their specific request for a higher position has been rejected. Only a few employees report heavy work, health challenges, family life, or other duties as reasons for working part-time.

To reduce and prevent involuntary part-time, XXL plans to implement various measures, such as improved work planning, updated employee interview formulary, training and leadership programs for both employees and managers, and systematic work with results of employee surveys. In addition, XXL will look into the permanently calculated labor demand in each department store and assess the possibilities for an increased number of full-time employees. Clarification of expectations when recruiting, and when there is an increased need for part-time use is another important measure.

The use of temporary employment and part-time employees has been discussed in the local AMU’s every year, and XXL has implemented measures to reduce the number of extra help/on-call substitutes. The Norwegian work environment act, which states that full-time is the norm in Norwegian working life and part-time employees are given a strengthened preferential right to a full-time position, will be adhered to by XXL. The company has prepared to adhere to the norm over time, by looking into the current balance between the part-time and full-time employees in cooperation with employee representatives.

In terms of pay and benefits, XXL has conducted a mapping of salaries and benefits for FY2021 that reveals a pay gap, but only because of internal recruitment compared to recruitment from outside the organization. As a measure to close the pay gap, XXL will conduct a more systematical review of all positions, including a benchmark against other comparable retailers, and update categorization of the organization’s levels in regards to pay transparency mapping in 2023.

Finally, XXL acknowledges that the selection process for candidates to leadership programs and training camps cause a risk of unconscious discrimination. Therefore, the company has implemented measures to ensure fair and equal opportunities for all employees.

How XXL identifies risk and what special risks for discrimination and barriers to equality exist

Note: For more info about the results from the involuntary part-time survey and the mapping of gender pay-gap (both conducted every second year), please find detailed description in the XXL Sustainability Report 2021 on the XXL ASA web page. XXL will disclose updated details on involuntary part-time work, and mapping of gender pay gap in the 2023 sustainability report.

It is necessary and desirable to have an extra close collaboration and open dialogue with the employees and their representatives.





The result of the work

XXL has established a dedicated Ethics & Compliance organization. The board of XXL ASA has engaged an external Ethics & Compliance advisor who is also the recipient of reports of concern reported through XXL's external whistleblowing channel.

Rightsizing and reorganization processes in 2022 made it necessary and desirable to have an extra close collaboration and open dialogue with the employees and their representatives. This work and the good collaboration in the new organizational structure where we have also strengthened our competence and capacity with the local HR-resources has continued. Information provided in the HSE handbook, including clarification of the organization of diversity and gender equality work, has been a priority task for the leaders in the new organizational structure and the HR department, in collaboration with the employee representatives, the safety representatives and other employee representatives in AMU.

Employer surveys, and our whistleblowing channels are important tools to identify certain risks of discrimination and barriers to equality in XXL, especially related to sexual orientation, gender identity and complex discrimination.

XXL is taking various measures to reduce and prevent discrimination and barriers to equality. These measures include improving work planning, updating employee interview formulary, conducting systematic work with results of employee surveys, and assessing the possibilities for an increased number of full-time employees. Additionally, XXL plans to close the pay gap by conducting a more systematical review of all positions and updating categorization of the organization's levels in regards to pay transparency mapping. Finally, XXL plans to ensure fair and equal opportunities for all employees in leadership programs and training camps.

EVP HR & Communications are responsible for all measures related to risks identified for discrimination and barriers to equality.

Absence from illness

The Group’s absence from illness rate was 7.84 per cent in 2022, an increase of 0.64 per cent compared to 2021. Since the absence rate also in 2022 was affected by the Covid-19 situation, the group did not achieve the target of a sickness absence below 7 per cent. Going forward the structured work with sickrelated absence is important. The group has implemented several measures to decrease the absence rate. Updated guidance and instructions in personnel-, management- and HSE handbook, special attention, workshops for leaders and dialogue between employee representatives and management. Regular mapping of sick leave in each store, personal individual follow-up, facilitation and focus on psychosocial work environment are proven and effective measure to reduce the sick leave in our organization and will be continued in 2023.

We have set a target of below 8 per cent absence from illness in Norway (8.91 per cent in 2022) and a total below 7 per cent for the group in total in 2023 (see table below)

Sick Leave			
Country	FTE Hours	Sick Leave Hours	Sick Leave
Norway	2383482.32	212311.55	8.91%
Sweden	1846104,71	134932	7.31%
Finland	917131.1	65355.8	7.13%
Austria	382735.2	20947.68	5.47%
Total	5529453.33	433547.03	7.84%



# Benefit plan obligations and retirement plan

Norwegian employees has a 2 per cent of salary retirement plan (OTP). In Sweden employees has a 4.5 per cent by (FORA) up to SEK 511,500, and 30 per cent above. In Finland there is a 1.5 per cent retirement plan with a transition period from 2017 to 2025 for employees in the age group 53 years to 62 years, where there are 1.7 per cent.

## XXL code of conduct

To reaffirm XXL’s commitment to conduct our business in compliance with applicable laws and the highest ethical standards, the Company has adopted a Code of Conduct (hereinafter the Code). The Code is based on our four Core Values customers first, knowledgeable, passionate, caring. The Code provides the framework for what XXL considers to be responsible business conduct and defines the requirements that apply to all individuals working for XXL or having any kind of professional relationship with XXL.

The Code applies to board members, the XXL Group CEO and members of the XXL Senior Management Team, XXL managers and employees including trainees and temporary staff, in-house working consultants, in-house working staff from temporary agencies and similar assignments, in all entities wholly owned or controlled by XXL (hereinafter XXL Group).

The Code also applies to XXL business partners supplying goods and/or services, acting on behalf of or having other kind of collaborations with the Company such as, e.g., suppliers, sub-suppliers, vendors, consultants, landlords, agents, service providers and organizations, or others acting on behalf of XXL (hereinafter Business Partner). XXL Business Partners are encouraged and expected to adhere to principles that are consistent with applicable laws and the Code.

The Code should be considered as a guiding instrument. It does not provide an exhaustive overview of what is responsible conduct. The ultimate responsibility to act in accordance with

law and ethical norms always remains with the individual. Any changes to or waivers of the Code may only be made by the XXL ASA Board of Directors. Employees or managers failing to comply with the Code may face disciplinary action, and in the most severe cases, termination of employment in accordance with local applicable legislation.

To facilitate the understanding and application of the Code, an XXL Code of Conduct In Brief-version has been provided for internal use in all relevant XXL languages. Furthermore, we have provided an XXL Anti-Corruption Guide, also available in all relevant XXL languages, as a practical tool aiming to raise everyone’s awareness of some key corruption risks and dilemmas they may face, and what to do.

XXL Compliance Governance and Procedures document explains the different roles and responsibilities that apply to specific internal stakeholders regarding the implementation and application of the Code: the XXL ASA Board of directors, the XXL Group CEO, the Senior Management Team, XXL managers, XXL HR staff, the XXL Ethics & Compliance Officer (ECO), and the local legal XXL entities’ Ethics & Compliance Associates (ECA). The Compliance Governance and Procedures document also covers our procedures for handling of reported concerns, and monitoring compliance.

The Code and all supporting documents are available on our intranet, XXL Workplace, and are published in full version available for external stakeholders at [www.xxlasa.com/corporate/xxlcode-of-conduct/](http://www.xxlasa.com/corporate/xxlcode-of-conduct/)

Note: Latest version of XXL Code of Conduct was published April 30, 2022.

## XXL code of conduct E-learning program

All XXL employees, managers and board members are required to familiarize themselves with the contents of the Code and comply with the provisions and intentions. To help you understand the policies and principle stated in the Code and the Anti-Corruption Guide, and how to identify and deal with any ethical challenges that you or your colleagues may face, XXL has developed a Company-tailored, e-learning based training program. All XXL board members, managers, employees and contracted staff are required to complete the training program as part of their orientation program and will be required to repeat the training as decided by the ECO.

## Declaration of compliance

All XXL employees, managers and board members are required to familiarize themselves with the contents of the Code and comply with the provisions and intentions. To help you understand the policies and principle stated in the Code and the Anti-Corruption Guide, and how to identify and deal with any ethical challenges

## Reporting of censurable conditions

XXL is committed to the highest possible standards of transparency, honesty and accountability in everything we do. We are focusing on building a speak-up culture of trust where employees feel safe and comfortable to ask questions, raise concerns and report breaches, detected or reasonably suspected, of any applicable laws, the Code, or any Company rules or guidelines (whistleblowing). XXL’s rules for reporting of censurable conditions are outlined in the Code.





Whistleblowing

Any observation of conduct which is illegal or represents a breach of the principles or intentions of the Code or its supporting guidelines, or anything that appears to contravene the Code or Company rules and guidelines, or infringement of ethical norms that are broadly accepted in the society, must be reported immediately, verbally or in writing (recommended). XXL Whistleblowing Channel is available to all XXL employees, business partners and anyone who want to report breaches, detected or reasonably suspected, of any applicable laws and regulations as well as the Code. Our Whistleblowing Channel is provided by an external service provider. The channel is encrypted, and reporters can choose to report anonymously.

Examples of notifiable incidents or conditions:

- Violation of applicable laws and regulations
- Breaches, detected or reasonably suspected, of XXL Code of Conduct
- Breaches of health, safety, and environmental regulations
- Human and labor rights violations
- Discrimination or harassment
- Threats to life or health
- Corruption, including bribes and facilitation payments
- Fraud, theft or embezzlement
- Tax violations
- Misuse of inside information

No retaliation of whistleblowers

XXL does not accept any retaliation or sanction against anyone who in good faith has reported a detected or reasonably suspected violation of applicable law or the policies and principles in the Code, even if the concern turns out not to be real. Any employee or manager who knowingly makes a false report for the purpose of harming another individual will be subject to disciplinary action.

Handling of reported concerns

XXL’s procedures for handling of reported concerns are outlined in the XXL Compliance Governance and Procedures document. The procedures have been discussed with the employees’ representatives.

All reported concerns are handled by XXL Group Ethics & Compliance Officer. The reports are treated with the strictest confidentiality. All personal data about the person reporting a concern and the accused/alleged party/parties are treated strictly confidential and in compliance with the General Data Protection Regulation (GDPR).

In 2022, a total of 28 concerns were reported. Increase by 10 concerns compared to 2021. Investigation of six of the notifications disclosed no evidence of censurable conditions.



**XXL does not accept any retaliation against anyone for having reported detected or reasonably suspected violations in good faith even if the concern turns out not to be real.**



# Training and education of employees

As part of the Groups commitment to promoting sustainability, XXL recognizes the importance of investing in the training and education of our employees. In 2022, despite market challenges and tight budgets, we remained committed to enhancing our employees’ skills and knowledge through various training initiatives.

The Group have three main areas of employee training and development: online training, onsite training, and on-the-job training. Our online training platform, the Academy, offers over 1,000 micro-courses covering product training, sales and service, routines, and compliance. The Group have invested in upgrading our Academy platform for better user experience.

The onsite training includes face-to-face training and webinars, and there has been established a training center at Finnskogen, Norway, in 2007, which offers almost 90 beds and excellent training facilities. The Groups Talent Program has been a great success, with more than 250 leaders completing the program since 2010, and there has also been launched a new program for managers reporting to someone in the XXL Senior Management Team, and over 60 leaders from the Nordic countries completed the program in 2022.

XXL has always offered preseason product and sales training within each category at Camp XXL, where employees can meet the most important suppliers, test the products, and learn about season strategies. In 2022, the Group offered 2,500 Academy onsite training days, including webinars. Despite the market setbacks, the Group continued to prioritize employee training initiatives.

There has also been implemented an e-learning program to facilitate the effective implementation and compliant application of the standards and guidelines set in XXL Code of Conduct and Anti-Corruption Guide. This program includes realistic situations reflecting relevant legal or ethical topics, challenges, and dilemmas that any XXL board member, employee, or business partner may face. Upon completion of the program, the respondent signs a Declaration of Compliance form to certify that they have read, understood, and will comply with the XXL Code of Conduct.

At XXL, we are committed to developing our employees, fostering a strong corporate culture, and promoting sustainable business practices.



# Products

Our company is dedicated to improving the quality, durability, and reparability of our products, wherever possible. We are committed to promoting and expanding our repair services to ensure our products have a long lifespan, reducing waste and increasing sustainability. Additionally, we are actively exploring new circular business models that align with changing consumer trends and behaviors. Our aim is to reduce the impact of climate change and to identify new business opportunities through innovative and sustainable practices. As a responsible company, we strive to create long-term value for our stakeholders while reducing our environmental footprint.



## Products and circular business models

### Essential sustainability themes:

- Sustainable products and brands
- Material selection and reduced material consumption
- Product quality and duration
- Repairs and services
- Reuse, resale and other sharing models
- Recycling and upcycling of products and materials





# Products



## Product safety in XXL

As a sport retailer, XXL operates in an industry that is subject to consumer protection laws and regulations that affect XXL’s organization and day-to-day operations. Laws and regulations applicable to XXL include, amongst other, consumer rights, marketing, transparency, product safety, chemical and labeling regulation, E-commerce and electronic communication.

XXL is subject to the Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety, the Norwegian Consumer Product Safety Act of 11 June 1976 no. 79 and similar legislation in the other countries where the Group operates. The act empowers the governmental control bodies to protect consumers from hazardous sporting goods and other articles that are found to be hazardous, in particular with respect to children’s products. Governmental control bodies has the authority to exclude from the market certain consumer products that are found to be hazardous. The act and related legislation also apply to product labeling, licensing requirements, flammability testing, and recall of merchandise and product safety particularly.

## Sub groups

We have identified some separate subgroups for the product safety aspect for which health and safety play an important part. The first is the sale of firearms. Direct sale of firearms, guns and weapons stands for below 1 per cent of the total revenue contribution in the Group. The second subgroup is related to

chemicals in products in general and is related to all product categories. This also concern treated articles related to biocidal product regulation. The third subgroup is related to food, nutrition and health care products and amounts to around 2 per cent of total revenue of the Group. The fourth subgroup is related to animal welfare. The fifth subgroup is personal protective equipment concerning various products related to personal protection such as life jackets, hearing protection, avalanche equipment, helmets and reflective items.

## 1. Firearms

Specifically for XXL, there are laws, regulations and restrictions concerning sale of weapons, firearms and ammunition, including the requirement to have applicable licenses and specific requirements regarding the import, sale, storage and handling of such products.

## Regulations

The laws and regulations regarding firearms are highly uniform in Norway, Sweden and Finland. In Norway, the sale of weapons, as well as parts and ammunition for weapons, is governed by the Norwegian Firearms Act of 9 September 1961 no. 1. Among other requirements, XXL is required to have individual licenses to sell firearms for all stores in which firearms and ammunitions are sold. The individual licenses are approved by the local police department. The Group’s applications for licenses in Norway are made by XXL Sport & Villmark AS with the board member Øivind Tidemandsen being registered as the individual responsible

**We do not have any handheld weapons, guns or revolvers, military weapons or equipment for practical shooting in our assortment, neither any bump-stocks or slide arms.**



person. A six-month grace period, in which weapons may be sold, may be granted by the authorities in the event that the responsible person resigns.

Each store in Sweden and Finland is also required to obtain licenses in order to sell firearms and ammunition. Such licenses must be held by XXL Sport & Vildmark AB in Sweden, XXL Sports & Outdoor OY in Finland and XXL Sports & Outdoor in Austria. In both Sweden, Finland and Austria, it is necessary to appoint persons in charge of the firearms trade for each store who is approved by the police authority. Moreover, in Sweden, an aptitude assessment of the persons with controlling influence over the legal entity, XXL Sport & Vildmark AB, must be conducted.

Security

In addition to the license requirements, the relevant legislation in the three countries provides for regulations relating to the stores, including specific requirements for the persons responsible for the firearms sale in-store, storage of weapons and ammunition, use of alarm system and other requirements to prevent theft, fires and explosions.

Import

As XXL imports firearms and ammunitions, the Norwegian Firearms Act requires an approval for each planned shipment of imported firearms to Norway. In Sweden and Finland, a general permission to import firearms and ammunition may be given to XXL. This general permission applies to the kind of firearms and ammunition, which XXL is allowed to sell according to its license, with an exception in Sweden for automatic firearms which must be approved separately.

Our profile is directed towards outdoor life, wilderness and hunting. We do not have any handheld weapons, guns or revolvers, military weapons or equipment for practical shooting in our assortment, neither any bump-stocks or slide arms. We are monitoring the sale and storage of weapons, ammunitions and fireworks closely. Each quarter we are reporting the inventory of weapons to the police authority with a list of sold weapons as well. We have implemented the same reports in Sweden and Finland, although it is not necessary to report to the authorities.

To be able to purchase a licensed weapon or weapon parts from us each guest must have an approval from the police authority. We are also doing our own considerations and assessments

of suitability in each case. We will continue building our close relationship with the authorities and follow legislations and changes closely. We acknowledge our position as a distributor of weapons, taking our responsibility very seriously and working on continuous improvements in our routines.

2. Chemicals

XXL works actively to limit the use of chemicals in our products that could be harmful to humans and the environment. If it is suspected that a product sold by XXL has serious violations of laws, regulations or requirements concerning health, safety, environmental or labeling aspects, XXL has implemented a corrective action guide for product recalls and other corrective actions. A recall is always followed up with the supplier through a documented feedback on the measures the supplier has taken to prevent any reoccurrence. Authorities in all the Nordic markets are conducting product testing on a rolling basis.

Framework for product safety regulations and restricted substance

XXL has developed a chemical list that provides the list of substances that are restricted, banned or allowed below a certain limit (XXL ER Chemical list). XXL ER Chemical list in general follows the REACH regulation (Annex XIV, XVII and the so-called candidate list (SVHC)) and national regulations such as the Norwegian Product Regulation. XXL ER Chemical list is updated regularly and serves as an important tool for all our suppliers.

In XXL ER Legislation we include all relevant and updated regulatory requirements, backgrounds and legislations such as REACH regulations, GHS (Global Harmonized System of Classification and Labelling of Chemicals) and national regulations such as the Norwegian Product Control Act. In addition the XXL Labeling Requirements (XXL LR) has been implemented with an overview of EU and local requirements for labeling. The general labeling requirements are valid for all products, but some categories have additional mandatory information to be presented on the label or the product. Further, Declaration of Conformity (DoC) is required for some categories and DoC should be provided to XXL. In general the XXL LR serves as a guide for suppliers on correct labeling of products to be sold in markets where XXL operates.

XXL works actively to limit the use of chemicals in our products that could be harmful to humans and the environment.





3. Healthcare products, nutrition and food contact materials

XXL require that suppliers of hygiene products are certified by BRC Global Standard Consumer Products (BRC CP) or an equivalent standard. We also require relevant documentation from suppliers concerning doping and legal ingredients as well as documentation from local FDA (eg. Norwegian Food Safety Authority). We follow the instructions from local FDA in the case of a recall of products. XXL has a routine for taking products out of stock when passed its expiration date and recalls all products with damaged packaging.

Labeling of healthcare, nutrition and FCM

Ingredients, nutritional information and other properties are detailed in product specifications. XXL require that product labeling is communicated in local language and is according to local standards and regulations. In addition, we have extensive product information online.

Protection of human health

XXL has established the XXL Inhouse Documentation System and Good Manufacturing Practice for food contact materials (XXL GMP FCM). The XXL GMP FCM is developed to ensure the best possible protection of human health by management of substances and their migration into food products and to maintain a high standard of customer satisfaction. XXL has commenced several internal audits on products concerning biocides, treated articles, phthalates and other restricted chemicals. Only minor deviations were revealed and we implemented the necessary corrections and required future actions.

4. Animal welfare

XXL has developed and implemented the XXL Animal Welfare policy (XXL AW) to ensure, control and trace that animal-derived materials in products are subject to sustainable production and slaughtered in a humane way. We aims that XXL customers can get the look of fur, leather, suede, wool or down and feather without any harm to animals and maintain a high standard of customer satisfaction.

Five freedoms

In short, XXL only accept products that are a by- product of the meat industry or humane hunting procedures and comes from farms or productions with good animal husbandry (that ensure the so- called “five freedoms” directive 98/58/EC).

We are against any form of live boiling, skinning, plucking or mulesing and the use of endangered animals (as defined by CITES or IUCN). All our down and feathers must be sterilized as per the EU standard EN 12935 and we may require documents for audit purposes.

SUPPLIERS XXL AW applies for all orders placed by XXL and suppliers should ensure compliance to laws, regulations and legislations, EC directives and guarantees that all products delivered to XXL comply with the requirements. XXL could cancel or claim orders, or take other actions, if deviations from this policy are found.

Several suppliers has made XXL aware of their support and partnership with the industry company “Allied Feather & Down” for sourcing of feather and down. They are a founding member of the International Alliance for the Pro Down Initiative and a member of the International Down and Feather Bureau (IDFB). XXL performed several internal audits on products with raw material of animal origin and no deviation to requirements where found.

Among our animal derived products, we distribute a lot of reindeer shin produced as a by-product of meat production. By distributing products from the reindeer production, we contribute to this tradition of indigenous peoples in the Nordic countries.

5. Personal protective equipment (PPE)

XXL has inspected personal protective equipment to ensure that products comply with the Personal Protective Equipment Directive 89/686/EEC. XXL quality control team require EC Declaration of Conformity and EC Type Examination Certificates for all PPE before delivery. Noncompliance with regulations will result in goods not accepted for delivery. Personal Protective Equipment commonly referred to as “PPE” is equipment worn to minimize exposure to hazards that cause injuries and exposure of hazardous substances. These injuries and exposures may result from contact with chemical, radiological, physical, electrical, mechanical, or other hazards such as risk related to action sport, visibility in the dark or usage of weapons. Personal protective equipment may include items such

as helmets, eyewear and gloves, earplugs or hearing protection, life jackets, reflective items, or avalanche equipment.

Internal control system (XXL ICS)

XXL require EC Declaration of conformity to control CE marking for all PPE products and EC Type Examination certificates to control required certification, tests and quality assurance for class 2 & 3 PPE products. XXL has an extended focus on PPE products in Internal Control Audits according to the Internal Control System (XXL ICS) and in buying routines.

Internal audits

As we have inspected numerous items over the years, we now have better data used for risk assessment of products and suppliers. The inspection criteria has been updated to conduct

inspections of whole product groups instead of a selection of products from several product groups. In addition we have commenced inspections of items where we have been notified of future changes in regulations or by inspecting random samples, on behalf of concerns brought to our attention by consumers, media, authorities or others. This way our inspections are done more efficiently and purposefully.

Test results are shared with the supplier in question and corrective actions are secured when elements of non-compliance are discovered. We also use third party acknowledged laboratories for such product testing. In general most of the non-compliance deviations spin around minor elements such as language on labelling, importer information and contact details. In other cases, more serious violations of the product regulations. Any noncompliance of regulations result in necessary corrective actions In 2022 XXL conducted 31 internal audits, 6 products failed and need improvement for future deliveries.

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**We will have a systematic approach, testing on a running basis, from different brands and segments and with the use of external, independent recourses.**

## Recalls and comprehensive cases 2022

### Optimus Gemini coocing stove:

Recall from producer due do safety issues

### Sauer 100 / Mauser M18 i kaliber 6,5x55 SE:

Recall from producer due to material weakness in barrel in caliber 6.5X55. Porducer replace weapons to different calibers.

### Proteinfabrikken:

BIG 100 SALTY CARAMEL CHOCOLATE

Recall from producer due to labeling deviation regarding allergens.

## Compliance with regulations

Extended internal audits, risk assessment in buying process and an increased awareness by suppliers and producers have resulted in more products in compliance with regulations when arriving XXL.

We receive a variety of inquiries from our stakeholders through different channels of our operation. The inquiries span from direct product information regarding chemical content to statements on our sustainability and ethical requirements.

We will continue strengthening the internal audit system going forward by implementing new checklists and automatic risk assessments tools. We have a systematic approach, testing on a running basis, from different brands and segments and with the use of external, independent recourses.

## Sustainable products and brands

Sustainability brands are products and services that are branded to signify a special added value in terms of environmental and social benefits to the customer and thus enable the differentiation from competitors. In partnership with our suppliers and producers, XXL aims to provide more sustainable products and brands. XXL

will focus on highlighting eco-labeling, standards and certification from acknowledged providers as we believe our product marketing are a powerful tool to help consumers take a more sustainable choice.

Trough extended value chain management and high environmental and ethical requirement we will provide products in compliance with regulations, and focus on products and brands with a strong sustainable profile and quality, meeting the expectations from the consumer markets.

## Material selection in products

The materials used in products and packaging are generates both waste and emissions that represent an environmental issue in all parts of the world. The use of materials such as recycled materials, materials from renewable sources and material compositions that in turn are recyclable is an important measure to achieve minimal impact to the environment. Products made of oil-based synthetic polymers represent a big share of sport textiles today. XXL has started the work to increase the use of natural fibers in our textile products and at the same time reduce the share of oil based synthetic polymers. The fact that synthetic polymers in textiles is a source of micro plastic pollution to water and air increases the importance of a transition to natural materials.



# Management of material topics:

## Sustainable Supply Chain Management and Sustainable products and brands

Sustainable Supply Chain Management is a material topic for XXL, and the company is committed to managing its supply chain in a responsible and sustainable manner. We recognize that our supply chain activities have a significant impact on the environment and society, and we are committed to addressing these impacts by adopting a comprehensive approach to supply chain management.

To manage our supply chain effectively, we have implemented due diligence procedures in line with the Norwegian Transparency Act and preparing for the expected EU Corporate Sustainability Due Diligence Directive (CSDDD) prposal. Thorough assessment of our most significant impacts and risks described in the section risks and opportunitiesand, we have engaged with our suppliers and producers on an increasingly basis to assess their performance, identify areas for improvement, and provide support and training.

We are continously working to establish robust governance structures and processes to ensure effective management, and as a part of this process, we have assigned clear roles and responsibilities, established performance metrics and reporting mechanisms, and provided training and support to employees and suppliers. As a part of the ongoing strategic sustainability work, we plan to improve sustainable procurement practices to ensure that we are sourcing products in a more environmentally and socially responsible manner.

XXL recognizes that sound management of the supply chain is critical to our business success, and we are committed to ongoing improvements in this area. The board regularly monitor and evaluate othe Group´s performance.

By adopting a comprehensive approach to Sustainable Supply Chain Management and implementing due diligence procedures in line with regulatory requirements, XXL is reducing risks, enhancing reputation, and creating long-term value for our stakeholders.

### Material Consumption

Material Consumption is a key material topic for our company,

and we are committed to managing our consumption of materials in a responsible and sustainable manner. As a distributor of consumer products, we recognize that our material consumption has a significant impact on the environment, climate and society, and we are committed to addressing these impacts by adopting a comprehensive approach to low-carbon material consumption management.

To effectively manage our material consumption, we are working on several initiatives aimed at reducing our consumption of materials, enhancing resource efficiency, reduced emissions and minimizing waste generation. An important element to achieve this goal, is partnerships with our producers and suppliers. To succed, we are reliant of decouple material consumption and waste generation from economic growth and find new ways to expand our business through circular business models circularity of resources. The ongoing work on a new sustainsbility strategy will define concrete targets to reduce material consumptions and greenhouse gas emissions including procedures for tracking our progress against these targets.

In addition to the measures mentioned above, new regulations requires enhanced eco-design practices to ensure that our products are designed to be environmentally sustainable from the outset. This involves taking into account the full lifecycle assessment of a products, from raw material extraction to disposal, and incorporating end of life considerations into the design process.

We also prioritize the selection of sustainable materials, including recycled materials, natural fibers, and renewable resources, to reduce our reliance on non-renewable resources and minimize our environmental impact. We work closely with our suppliers to ensure that they share our commitment to sustainable material sourcing, and we prioritize suppliers who meet our expectations regarding responsible material sourcing, and manage to do so in a cost efficient way.

Our approach to material consumption management is aligned with circular economy principles, including reducing waste generation, promoting the reuse and recycling of materials wherever possible, and supporting the development of circular business models.

By adopting a comprehensive approach to material consumption management and implementing sustainable procurement practices, eco-design, and sustainable material selection, we also see a possible financial and competitive advantage due to lower impact from the extended producer responsibility schemes.

### Repairs and up-cycling of products

The Group is committed to extending the lifespan of our products through our focus on repairs and up-cycling. Our aim is to minimize waste generation and promote the circular economy. We provide repair services for our products and work to ensure their durability and reparability. We also encourage our customers to repair and maintain their products through various initiatives such as repair- and maintainance guides, or to deliever their products to our workshops and gunsmiths. Furthermore, we explore new circular business models to meet the changing consumer trends and behaviors and to reduce the impact from climate change while finding new business opportunities.

To achieve these goals, we work closely with our suppliers and partners to ensure that our products are designed with repair in mind. New regulations such as the right to repair sets tresholds for businesses to ensure products repairability. XXL have over time worked to improve the services and tachnology solutions to meet future requirements.

We regularly review and assess our processes to identify opportunities for improvement and innovation when it comes to our service offerings. We monitor and report on our progress towards our sustainability targets and engage with our stakeholders to gain their feedback and input.

Our approach to repairs and up-cycling is an integral part of our commitment to sustainability and responsible business practices. We believe that by promoting circular economy, we can increase value for our stakeholders while minimizing the impact on the environment from our oparation.

### Quality and durability of products

At XXL we understand the importance of offering high-quality and durable products that meet the needs of our customers while also minimizing our environmental impact. We are committed to improving the quality and durability of our products, and at the same time ensure affordable and accessable for all people.

To ensure the quality and durability, we have implemented stringent quality control measures at every stage of our production process of our own brands. We also work closely with our suppliers to ensure that the materials used in our products meet our high standards for quality and durability. Our products undergo rigorous testing and evaluation to ensure that they meet or exceed industry standards for safety, performance, and durability.Furthermore, we continuously encorage our suppliers to explore new materials and technologies to develop more

sustainable and durable products.

Overall, we are committed to continuously improving the quality and durability of our products and minimizing our environmental impact. By providing products that are built to last, we aim to promote a more sustainable and responsible approach to consumption.

### Transparency and traceability in the value chain

At XXL, we are committed to promoting transparency and traceability throughout our entire value chain. We recognize the importance of understanding the environmental and social impacts of our business operations, and the impact they have on our stakeholders. We strive to operate with integrity and ethics, and as such, we take our responsibility towards transparency and traceability seriously.

To ensure that we meet our commitments, we have established a range of policies and practices that guide our approach to supply chain management. These include due diligence procedures for identifying and mitigating potential risks, and working with suppliers to ensure that they adhere to our environmental and social standards.

We also recognize the importance of engaging with our stakeholders, including customers, employees, suppliers, and communities, to understand their expectations and concerns. Through regular communication, we seek to build trust and foster long-term relationships that promote sustainability and transparency.

Furthermore, we are committed to using technology and other innovative solutions to improve our transparency and traceability efforts. We are exploring new ways to track and monitor our supply chain, including the use of digital tools that enable us to trace products and materials from source to end-user.

Overall, we believe that transparency and traceability are essential components of a sustainable business, and we are committed to continually improving our practices in this area. XXL will publish a separate report on the Groups duty to act diligently by June 30th, 2023.

Management og other material topics are disclosed separately in other sections of this report. Please find GRI index at the end of this report



# Emissions from purchased goods and services

XXL is fully committed to reducing its carbon footprint and taking a proactive approach to sustainability. As a company that operates in the sports retail industry, we recognize that our activities related to production and transportation are major sources of emissions, and that indirect emissions from our supply chain have a significant impact on people and the environment.

To assess our impact and risk factors, XXL has started to analyze the emissions related to our activities, both direct and indirect, using Normative carbon accounting engine. This will help us identify areas where we can make the most significant impact in reducing our carbon footprint.

It is worth noting that purchased goods and services represent a total emission of 250,756.66 tonnes CO<sub>2</sub> equivalents, which accounts for 93.6 per cent of our total emissions. Textiles and wearing apparels are the highest emitting product group, with a calculated emission of 75,641.59 tonnes CO<sub>2</sub> equivalents. Bicycles and plastic and rubber products also represent significant sources of emissions.

To address these challenges, XXL has identified the top ten highest emitting suppliers, which represent 33 per cent of the purchased goods and services category's total emissions. We plan to work actively with these suppliers to reduce the impact of our operations, both from what is under our direct control, such as our own brands and direct emissions from our operations, but also from our indirect sources of emissions from external suppliers and other business partners.

The Groups is committed to reducing carbon footprint and taking a proactive approach to sustainability. We recognize that reducing our impact requires a concerted effort, and we are committed to working with our suppliers and partners to achieve our goals. By taking a collaborative approach to sustainability, we believe that we can make a significant impact on reducing our carbon footprint and protecting the environment for future generations.

**Indirect Emissions:**  
As a sports retail company, XXL is heavily reliant on the purchase of goods and services from various suppliers. These purchases contribute significantly to the company's carbon footprint, as they result in indirect emissions that are outside the company's direct control. Indirect emissions are typically associated with the production, transportation, and disposal of goods and services, and they are a key source of greenhouse gas emissions worldwide.

**Climate and Transition Risks related to production and transportation of goods:**  
Climate risks are associated with physical and financial risks that arise from the impact of climate change on the natural environment, society, and the economy. Transition risks, on the other hand, refer to the financial risks that arise from the transition to a low-carbon economy. These risks may include policy and regulatory changes, shifts in consumer preferences, and changes in technology and market conditions.

XXL's operations are subject to a range of climate and transition risks. For example, extreme weather events could disrupt the company's supply chain and operations, resulting in increased costs of products and reduced revenue as a consequence of changing market conditions because of seasonal variation in the Nordic countries. Changes in consumer preferences towards sustainable and environmentally-friendly products could also impact XXL's sales and profitability, and shifts in government policies and regulations could result in increased costs associated with carbon pricing and emissions reporting.

**Management of Climate and Transition Risks:**  
XXL recognizes the importance of managing climate and transition risks, and has implemented a number of strategies to mitigate these risks. The company has established a comprehensive sustainability policy, which includes targets for reducing greenhouse gas emissions and improving energy efficiency. The company is also investing in renewable energy, and has implemented a number of measures to reduce the carbon footprint of its operations, such as reducing energy consumption in stores and warehouses, and optimizing transport routes.

**Emissions Related to Textile Products:**  
The textile industry is a significant source of greenhouse gas emissions, and textile products have a significant impact on the environment. As a sports retail company, XXL is particularly reliant on the sale of textile products, such as sportswear, footwear, and accessories. These products are typically made from a range of materials, including synthetic fibers, which have a significant

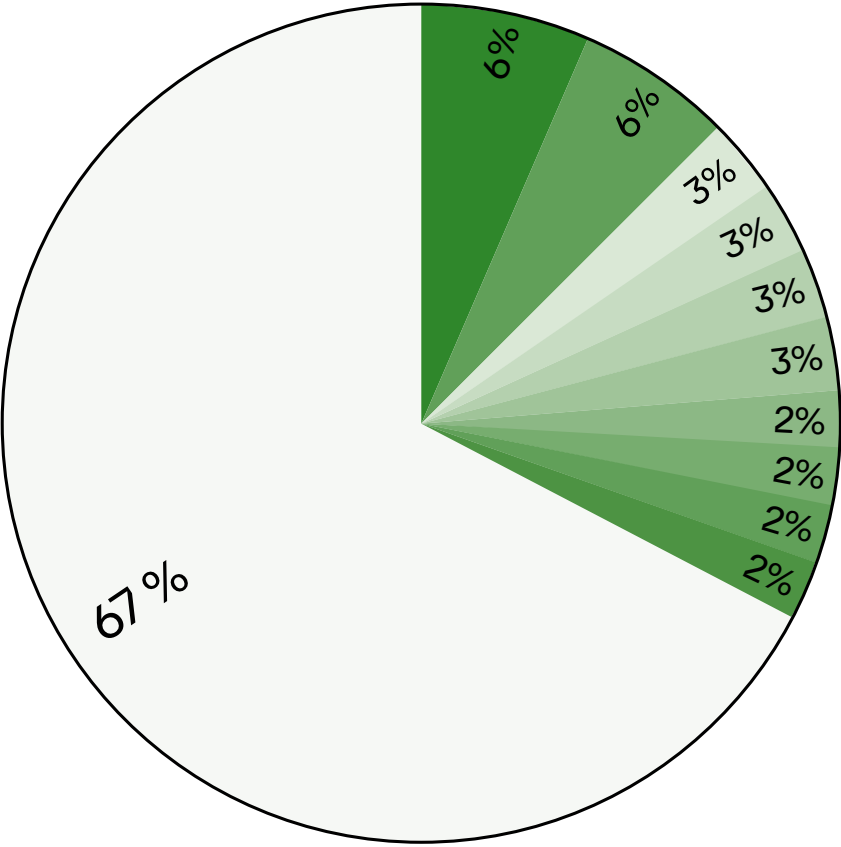
impact on the environment due to their production and disposal.

XXL is taking steps to reduce the environmental impact of its textile products. The company has implemented a range of measures to reduce the carbon footprint of its textile products, including sourcing sustainable materials, implementing eco-design principles, and reducing waste in the production process. The company is also committed to improving the environmental performance of its supply chain, and has implemented a range of measures to ensure that its suppliers meet strict environmental and social standards.

Purchased goods and services Emissions tCO<sub>2</sub>e:

Category	tCO <sub>2</sub> e
Textiles And Waring Apparels	75,641.59
Bicycles	74,455.93
Plastics and Rubbers	60,095.94
Electrical products and components	10,186.13
Metals	19,268.66
Food and beverages	6,279.47
Other categories	4,570.46

Impact per top 10 (of 501) suppliers in scope 3 (% of total tCO<sub>2</sub>e)tCO<sub>2</sub>e





Circularity

XXL makes a great effort to eliminate waste and ensure continuous use of resources. From the beginning in 2001, XXL has focused on providing services like fully equipped workshops for skis & bikes, skate grinding and other repair services. Over the years we have added more specific services like gunsmiths, home delivery services, impregnation of shoes and textiles, tailor services, racket stringers and a whole variety of different product related services and repairs.

Tendencies in the market shows a greater demand for new circular business models and sharing economy. XXL are investigating the opportunities for connecting new business models like rental services and subscription models not only as a supplement to our ordinary products, but as a way to reach out to new consumer groups especially the younger generations now trending to use sharing services instead of buying new products.

In 2021 XXL entered into a collaboration with Barents Outdoor on repair and certification of used tents and other sports equipment. This collaboration has also created the foundation to launch a pilot where used products are sold in one of our warehouses. Nature is a premise for our business, in all seasons and markets we are represented. Repairs increase the life of the products and reduce the need to produce new, says Are Knutsen, SVP Sustainability & Services in XXL.

“All Sports United. Sports Unite All” is XXLs vision and we want to help more people to be active and share the joy of sports. To achieve this we have entered a three-year strategic cooperation agreement with BUA. BUA is a non-profit foundation with more than 200 equipment centrals across Norway where everyone can rent sports equipment without charge. The goal is to contribute to inclusion, better public health and reduced consumption. BUA and XXL share the vision to make sports and outdoor equipment accessible to more people. As a sustainability partner, we contribute with knowledge, network and resources to develop BUA further and make it easier, especially for children and their families, to be active and test out different sports and activities.

We are working closely with new companies delivering new services to customers, and in Norway we are one of the key vendors for Joule – a new company offering subscription services for bikes. We are the key workshop partner for Wanda, offering

pick-up, storage and delivery of bikes that have been serviced in Norway and Sweden.

There are multiple possibilities for XXL to excel within new and sustainable business models, and we use the current market trends, partnerships and internal pilots to learn and to best possible define where XXL need to invest further – with a strong basis in our current operations.

This journey has just started for the sports industry, and XXL has the intention to take a strong position in the landscape of circular sharing concepts. We believe that circular activities will be a significant part of our business in the future, and we strive to facilitate this through our own way of business in collaboration with our trusted suppliers, the industry and other market players.

Quality and duration

Changing consumer trends and expectation for sustainable products highlights the need for quality products, reparability and duration. Our purchasing department are working in close relation with our producers and supplier to build an assortment of products to meet the increased demand for quality products while our marketing department provide information, which highlights the benefits of high quality and duration. XXL believes that high quality products does not necessarily means high-end prices.





# Brand with Responsible Choices

Neomondo was launched in 2016 and is developed as a Scandinavian outdoor brand. It is powered by the nature of the north and offering great value for money.

Today Neomondo offers entry level products in several of the Leisure & Youth categories. It is an important In-House Brand for XXL.

The Neomondo team has been working for years to increase product quality while at the same time reducing the negative impact on people and planet.

- Here are some of the standards we have implemented:
- Wool. 100% Responsible Wool Standard. It requires that all sites are certified, from the wool farmers to the seller of the final products. The standard addresses the welfare of the sheep, the land they graze on and the co-workers.
  - Impregnation. 100% PFC-free impregnation. PFC stands for Per Fluor Carbon. Some types of PFC's are very good at repelling water, dirt and oil, but these carbons can also be harmful to the environment.
  - Cotton. 100% organic cotton. Chemicals used in the production of cotton pollute the air and decrease biodiversity. Organic cotton is grown without any synthetic agricultural chemicals.
  - Polyester and polyamide. Mostly recycled materials working towards 100%. The recycled materials are produced with less water and emissions.
  - Down. From 2022 all down is certified with Responsible Down Standard.

“We care about the environment but also about social responsibility for workers in the value chain. When it comes to our own brands like Neomondo, this is entirely our own responsibility”, says Helena Henriksen, Category Buyer for Leisure & Youth in the Marketing & Category department.

Although Neomondo focuses on Great Prices, the team will not let it go on the expense of people, environment and animal welfare. Take wool as an example. Wool that is certified with the Responsible Wool Standard is usually more expensive than if you buy it without certificates.

When it comes to Marketing and Communication, Neomondo seeks to be open and transparent. It shares key information about the products on its website and in social media. Information about key attributes like PFC-free, traceable and recycled is communicated where it applies. We are also open about the areas where we still have room for improvement. Packaging is one of these areas. Packaging still needs to be reduced.

Parts of the production have been moved to European manufacturers. Wool underwear and some models of socks are now manufactured in Turkey.





# Comunity Engagement

## 1. Local communities

XXL is a large employer of young people. In Norway, we have cooperated with the Norwegian Labour and Welfare Administration (NAV), and in Sweden with the local employment offices (Arbetsformedlingen) where we have stores, on recruitment of new, enthusiastic employees. We have introduced a successful project where we offer internship for those who are on rehabilitation, public insurance schemes or other unemployment arrangements. The internship contract is temporary but with a clear ambition of a permanent employment contract.

In 2015, we introduced this system to all our stores in Norway. The project was placed on hold due to severe negative media attention and investigations by governmental control bodies. We are glad to announce that this cooperation now are back on track and all deviations with all deviations from the Norwegian Labour Inspection Authority has been closed.

The warehouses in Oslo have an ongoing agreement with one of Norways largest vocational high schools to ensure future recrutiment of young trainee's such as practice participants (praksisbrev ordning). This has drawn a lot of attention from the Education Agency and media alike for it's way of teaching the students towards their certificate of apprenticeship. During Covid the program run through it's corse without delay or any setbacks, even though most warehouses closed down for periods. We have also introduced a fast track project for introduction to the Norwegian labor market called "Hurtigsporet". Due to Covid-19 situation and the consequences of lockdowns and layoffs, this project has not recruited new participants in 2022. We plan relaunch this initiative as soon as possible.

The initiatives with academic day's for all local representatives working with mental health as the topic in collaboration with NAV continued. All stores have their own employee in charge of recruiting from NAV, provide training, competence and motivation to the participants. XXL is very pleased and proud of all the new employees recruited through this system. This year we have extended the project "XXL School" to three different XXL stores and three NAV offices. The project has drawn attention and great interest from the Directorate of Labor and Welfare.

In 2021 XXL and BUA entered into a strategic cooperation agreement for the next three years BUA is a non-profit foundation that works to make sports and outdoor equipment easier and more accessible to more people. The goal is to contribute to inclusion, better public health and reduced consumption in local communities in Norway. As a sustainability partner, XXL assists in the work of further developing the equipment scheme, and contribute in a more socioeconomic perspective by making it easier for children and young people to be inspired and try different activities without increasing consumption.

## 2. XXL Children's Foundation and Support To Ukraine

XXL Children's Foundation was established in 2013 with funds from XXL. The Foundation's main focus areas are children's safety, education and participation in sports activities. Historically, the Foundation has supported projects in countries like Brazil, Uganda, Nepal and Greece (Syrian refugees). The ambition is to support a new project every year. Currently the foundation has a capital base of NOK 15 million which has been provided from XXL's businesses and employees. In 2022 XXL and XXL Children's Foundation have been working together to support the Ukranian people during the war. Together we have shipped goods worth more than NOK 3 million. The goods were shipped from the Central Warehouse in Norway (CWN) with help from logistics partners and aid organizations. "The main purpose is to show support to the Ukrainian people and help them through a cold and rough winter. Most of the donations have been granted to people that are currently on the run from the warzones, says Fredrik Steenbuch, Chairman of XXL Children's Foundation and former CEO of XXL. Winter clothes, sportswear and sports equipment have been the main products. The donations have helped kids and families where it matters the most, inside Ukraine's borders. For the Children's Foundation this has been the most important project in 2022.







3. Healthy lifestyle

We believe that increased focus on health and wellness is a key trend. Western countries have over a period experienced parts of the population becoming more sedentary, problems related to overweight, and obesity have become more prevalent. As a part of XXLs Purpose “All Sports United, Sport Unite All” we have defined our underlying social contribution make sport accessible, available and affordable for all. Increased public health is important for the community in general to prevent health costs due to lifestyle diseases and contributes to an improved immune system in the population.

Governments, public health authorities and traditional media have increased focus on personal activity and health benefits, promoting sports and physical activity and many consumers become more aware of the need for participating in such activities. Athletics are part of everyday life and we have observed as a clear trend among our guests to identify themselves with an active

lifestyle. We strongly promote this, in nature of being a candy shop of sporting goods, with our products, concepts, services and attractive prices.

Events

The Nordic region has in recent years experienced a sharp popularity increase of larger sports competitions within endurance based outdoor activities. We host different events and discounted sales in relations to such competitions resulting in a broader share of the population becoming interested in sports.

Team sales

In 2017, XXL introduced sales to individual teams with a game changing business model. It is a pure online-based model where the family and team management could order and organize everything on their own website connected with XXL. By trading with XXL all the teams will get kickbacks from XXL to support their local team business and daily operations. A total of 122 teams and sports clubs are currently in XXL team sales portfolio.

Sustainable brand index 2023

The official ranking results of Sustainable Brand Index™ 2021 in Norway show that XXL Norway is an industry winner within Clothes & Fashion - Stores. Being an industry winner in Sustainable Brand Index, means that the brand XXL is perceived as the most sustainable B2C brand within your industry according to Norwegian consumers.

Sustainable Brand Index™ measures the perception of stakeholders on the sustainability work of the biggest B2C brands across industries and countries. Being an industry winner means that our brand are perceived as the most sustainable brand within the Clothes & Fashion - Stores industry according to Norwegian consumers.

XXL appreciate the results of the ranking and see it as a proof of increased reputation and public perception of our brand.



SUSTAINABLE  
BRAND INDEX

INDUSTRY WINNER 2023

Norwegian consumers perceive us to be the most sustainable brand in our industry







**XXL appreciate the results of the Sustainable Brand Index and see it as a proof of increased reputation and public perception of our brand.**

**International economic environmental and social charters or initiatives the group endorses include:**

- UN Convention on Human Rights.
- ILO Declaration on Fundamental Principles and Rights at Work.
- Business Social Compliance Initiative (BCSI).
- Norwegian Penal Code.
- UK Bribery Act.
- U.S. Foreign Corrupt Practices Act.

**Membership of industry associations includes**

- Sportsbransjen AS – participation in the interest organization for the sporting goods industry in Norway, promoting sports, outdoors and healthy lifestyle in Norway and dialogue in such matters towards the society and authorities in general. Owner through Sportskjedene AS, ownership structure of the major sport chains in Norway for the shareholding in Sportsbransjen AS.
- NHO – The Confederation of Norwegian Enterprise (in Norwegian Næringslivets Hovedorganisasjon; NHO) is Norway’s major organization for employers and the leading business lobby. Over 30 000 companies are currently members of the organization. They range from small family-owned businesses to multinational companies in most sectors.

The Confederation of Norwegian Enterprise – NHO - is the leading voice of business and industry in Norway. Having expert knowledge and an extensive business network, the NHO plays an important and constructive role in the Norwegian society.

The main objective is to create and sustain conditions that secure the competitiveness and profitability of business and industry, and thereby maintain the basis for a good standard of living, sound economic growth and sustainable development.



# GRI content index

**Statement of use:**  
XXL ASA has reported the information cited in this GRI content index for the period Financial Year 2022 with reference to the GRI Standards.

**GRI used:**  
GRI 1: Foundation 2021

GRI standard/ other source	Disclosure	Location	Page nr.
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	Annual Report - Notes to the financial statements	47
	2-2 Entities included in the organization’s sustainability reporting	Annual Report - Notes to the financial statements	47
	2-3 Reporting period, frequency and contact point	Sustainability Report - XXL Corporate repossibility - Annual reporting	6
	2-6 Activities, value chain and other business relationships	Annual report - About us	10 - 13
	2-7 Employees	Sustainability Report - Employees	31 - 39
	2-9 Governance structure and composition	Annual report - Corporate governance at XXL ASA	31 - 36
	2-10 Nomination and selection of the highest governance body	Annual report - Corporate governance at XXL ASA	33
	2-11 Chair of the highest governance body	Annual report - Corporate governance at XXL ASA	33
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Report - XXL Corporate reponsibility	6



GRI standard/ other source	Disclosure	Location	Page nr.
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	Sustainability Report - XXL Corporate reponsibility	6
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report - XXL Corporate reponsibility	6
	2-15 Conflicts of interest	Annual report - Corporate governance at XXL ASA	34
	2-16 Communication of critical concerns	Sustainability Report - Employees	39
	2-17 Collective knowledge of the highest governance body	Annual report - Corporate governance at XXL ASA	34
	2-18 Evaluation of the performance of the highest governance body	Annual report - Corporate governance at XXL ASA	34
	2-19 Remuneration policies	Annual report - Corporate governance at XXL ASA	35
	2-20 Process to determine remuneration	Annual report - Corporate governance at XXL ASA	35
	2-22 Statement on sustainable development strategy	Sustainability Report - CEO comment	7 - 9
	2-23 Policy commitments	Sustainability Report - XXL Corporate responsibility, Supplier Assessment, Employees, <a href="https://www.xxlasa.com/corporate/xxl-code-of-conduct/">https://www.xxlasa.com/corporate/xxl-code-of-conduct/</a>	6, 27, 38
	2-24 Embedding policy commitments	Sustainability Report - XXL Corporate responsibility, Supplier Assessment, Employees	6, 27, 38
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Report - Employees	38 - 39
	2-28 Membership associations	Sustainability Report - Community engagement	52



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	2-29 Approach to stakeholder engagement	Sustainability Report - Stakeholder dialogue	12 - 14
Material Topics			
“GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report - Defining materiality	14
	3-2 List of material topics	Sustianability Report - Materiality Matrix	15
	3-3 Management of material topics	Sustainability Report - Management aproach	16 - 19
Economic Performance			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report - Financial statement	41 - 43
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability Report - Risks & Opportunities	10 - 11
	201-3 Defined benefit plan obligations and other retirement plans	Sustainability Report - Employees	38
Market Presence			
GRI 202: Market Presence 2016	205-2 Communication and training about anti-corruption policies and procedures	Sustainability Report - XXL Code of Conduct, <a href="https://www.xxlasa.com/corporate/xxl-code-of-conduct/">https://www.xxlasa.com/corporate/xxl-code-of-conduct/</a>	38



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Tax			
GRI 207: Tax 2019	207-1 Approach to tax	Annual Report - Notes to the financial statements	55
Energy			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Sustainability Report - Environmental Impact of our operations	23 - 24
	302-4 Reduction of energy consumption	Sustainability Report - Environmental Impact of our operations	23 - 24
Emissions		Note: XXL Climate accounting report is published as an annex to this report	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Report - Environmental Impact of our operations	23 - 24
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report - Environmental Impact of our operations	21
	305-3 Other indirect (Scope 3) GHG emissions	Sustainability Report - Environmental Impact of our operations	21
	305-4 GHG emissions intensity	Sustainability Report - Highlights 2022 - Sustainability	3



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GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	Sustainability Report - Environmental Impact of our operations	24
Waste			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Sustainability Report - Environmental Impact of our operations	22 - 23
	306-2 Management of significant waste-related impacts	Sustainability Report - Environmental Impact of our operations	22 - 23
	306-3 Waste generated	Sustainability Report - Environmental Impact of our operations	22 - 23
	306-4 Waste diverted from disposal	Sustainability Report - Environmental Impact of our operations	22 - 23
	306-5 Waste directed to disposal	Sustainability Report - Environmental Impact of our operations	22 - 23
Employment			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report - Employees	32 - 34
	401-3 Parental leave	Sustainability Report - Employees	33
Occupational Health and Safety			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report - Employees	35



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	403-2 Hazard identification, risk assessment, and incident investigation	Sustainability Report - Employees	35 - 36
	403-3 Occupational health services	Sustainability Report - Employees	35
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sustainability Report - Employees	36
	403-5 Worker training on occupational health and safety	Sustainability Report - Employees	35
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report - Employees	35
	403-8 Workers covered by an occupational health and safety management system	Sustainability Report - Employees	35
	403-9 Work-related injuries	Sustainability Report - Employees	35
	403-10 Work-related ill health	Sustainability Report - Employees	35
Training and Education			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report - Training and development of employees	40
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability Report - Training and development of employees	40
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Report - Training and development of employees	40



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Diversity and Equal Opportunity			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Report - Employees	31 - 33
Non-discrimination			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sustainability Report - Employees	39
Local Communities			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Sustainability Report - Community engagement	50 - 52
Customer Health and Safety			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Sustainability Report - Products	42 - 46
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Report - Products	44 - 45



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Marketing and Labeling			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Sustainability Report - Products	43 - 44
	417-2 Incidents of non-compliance concerning product and service information and labeling	Sustainability Report - Products	44 - 45





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