



CONTRIBUTE*

SUSTAINABILITY REPORT 2019

oberalp
GROUP

**Look around. Our planet is precious, we need to take care of it.*

Sustainability is
about how every
one of us chooses
to do things.
Every day.

#CONTRIBUTE



Heiner Oberrauch, President

»What really counts at the end of our lives, are the relationships with people and how much good we could do.

People are at the centre of what we do. But caring for people means we need to take responsibility for the environment we all live in – more urgently than ever before. I believe our immediate duty today is to ensure a fair and equal industry, while sustaining a world worth living in for generations to come.«

Christoph Engl, CEO

»The Oberalp Group is committed to behaving and acting mindfully to the best of its ability. We do what we do, because we know why we do it - and we have clear ideas about how it should be done. We talk about it transparently and honestly. We say what has been achieved and what still has to be achieved.«



Ruth Oberrauch, Head of Sustainability & Board Member

»I am very thankful to see that our family values are part of the company and are experienced and supported by our employees every day. Sustainability is not just about following a plan and achieving defined goals, but it's mainly about the daily decisions we take as individuals and as a team.«

WHAT WE'VE BEEN UP TO IN 2019



We welcomed U.S. *climbing shoe brand Evolv* into the Oberalp house of brands.



We conducted *more than 4,000 tests* on our products to make sure they comply with the Oberalp Chemical Policy.



We are reducing the use of PFCs in our products. Pomoca reached *100% PFC-free* skin production.



We were *awarded "Leader" Status* by Fair Wear Foundation for the 3rd year in a row for our exceptional work in improving working conditions in our factories.



We began to extend product lifetime by providing a *lifetime guarantee* on all Dynafit bindings from November 2019.



We grew to become a team of 700.



We took our employees on a *company trip* in Corse, France.



We joined a big industry project and started *reducing our consumption* of single-use plastics for our packaging.

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ABOUT US

OBERALP GROUP IN NUMBERS

We own 5 mountaineering brands distributed in 65 countries

We produce in 20 different countries

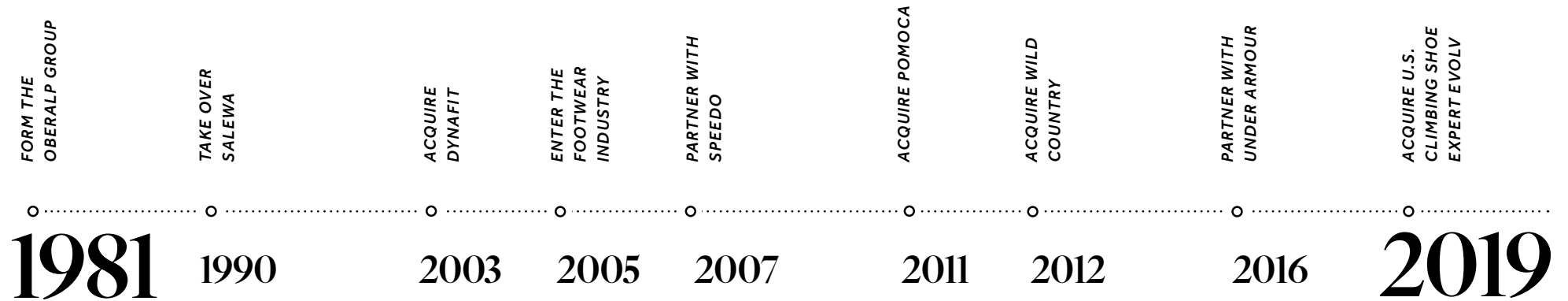
We employ 700 people

We have 251 monobrand stores worldwide

We work with 5,600 dealers to increase our reach

We partner with 7 premium sports brands

OUR LONG JOURNEY



Some of our most important milestones.

The Oberalp Group is a family-owned company.

The Oberrauch Family has been working in the textile industry for six generations. Anton Oberrauch founded the family business back in 1846 when he started to import quality textile products to the Italian market.

In 1981, the Oberalp Group was founded and started distributing clothing and other sports products in Italy.

38 years later, we have around 700 employees. And we're known for building great brands that make the highest quality technical mountaineering products. Today, we're active in the product design, development, production and distribution of our

five brands: Salewa, Dynafit, Pomoca, Wild Country and Evolv.

We also use our management and distribution experience to help our partner brands in the sports sector, including Under Armour, Speedo, Fischer and more.

But while we've grown as a company, we're still a family. And no matter how much we will continue to grow, our people will always come first.

OUR PRINCIPLES

Passion

We have unlimited enthusiasm for sports and mountains. For six generations this love for sports drives us to develop high quality and technically advanced products and brands.

People

Positive attracts positive. Our core asset is our team of talented, open, and culturally diverse people who operate effectively, driven by clear goals and shared values.

Courage

We are courageous in the ways we explore our curiosity, seek new paths, and then take responsibility for our decisions and actions.

Responsibility

We use resources carefully with an acute awareness of our impact and a deep desire to preserve the environment today and for future generations.

Ethics

We strive to create meaningful relationships with our international partners.

Sweat together

Sweating together is one of the virtues of sports and we live it also at work.

Innovation

Through the continuous innovation of processes, products and ways of thinking and the cooperation with qualified partners we achieve new standards of excellence.

Future

Think long-term but act fast and execute well. Financial success is the consequence and ensures our independence.

HOUSE OF BRANDS

WHY WE EXSIST

WE BELIEVE IN SPORTS & OUTDOOR ACTIVITIES AS A MINDFUL USE OF LEISURE TIME

EXPRESSION OF OUR MISSION

MOUNTAIN EXPERIENCE

We inspire and encourage people by and for mountains

SPORTS EXPERIENCE

We provide best-in-class sports brands for ambitious retailers

MINDSET WE ADDRESS

MOUNTAIN PERFORMANCE

MOUNTAIN HERITAGE

MOUNTAIN TECHNOLOGY

MOUNTAIN SAFETY

MOUNTAIN COURAGE

WINTER COMPETENCE SOLUTION PROVIDER



SUMMER COMPETENCE SOLUTION PROVIDER

CONSUMERS' DREAMS FULLFILLED BY OUR BRANDS



Our mountain sports brands:

We're the only house of brands in the world that specializes in a single theme - mountaineering - with our brands, Salewa, Dynafit, Pomoca, Wild County and Evlov.

We're passionate about mountain sports, which means we're the main customers for our products. This is what drives us. Many athletes also use our products, working with us to test and develop them in the mountains.

Our exclusive partner brands:

We partner with international sports brands and offer our know-how in communications, sales and brand building in Europe. We specialize in the Italian market, but have positioned ourselves across Europe by working with seven premium sports brands.

We are not a typical sales partner and distributor in this field. Instead, we're a solutions provider that proves its competence in the selection of partner brands and can offer the retail trade a single point of contact for renowned sports brands.

OUR BRANDS

Salewa —pure mountain

Salewa provides a balanced combination of functionality and aesthetics and offers the perfect solution for the progressive mountaineer. With Salewa, the customer has a modern mindset and is committed to experiencing the mountain in a natural and simple way.

The mountain enthusiast, who combines different sports and the respect for nature, finds a perfect fit with Salewa. Regardless of the level of difficulty, Salewa develops equipment that blends the highest functionality and the best aesthetics into a perfect composition to enrich an authentic, life-changing experience.

Salewa is inspired by the heritage and traditions of the Dolomites in northern Italy, on the southern side of the Alps. With over 80 years of history, Salewa (founded in Munich in 1935) has always been committed to the extraordinary mountain experience ever since it developed the first backpack for an Andean expedition in the 1950s.

Salewa offers a complete product range, from tents to ice axes, from footwear to headgear, from natural wool to smart fabrics. Salewa's headquarters is located in Bolzano, in the heart of the Dolomites.



Dynafit —speedup

Dynafit develops its products into a performance system – by mountain athletes, for mountain athletes. It's all about endurance and determination.

The highest level of performance and speed on the mountain is only achieved when products are as light, reliable, and efficient as possible. Dynafit's products are mostly made in Europe, with materials and technology that work in all seasons.

Dynafit is used by top athletes in international competitions, as well as the toughest terrains on the world's highest peaks. This helps Dynafit develop new products and systems that value performance and speed in the mountains.

The product range focuses on ski touring, but also has a high-performance summer range – from trail running shoes to technical clothing.

The brand is based in Munich and will soon open a new headquarters in Kiefersfelden, at the northern entrance to the Alps (planned for 2023).



Wild Country

— pure climbing



Wild Country is the brainchild of UK-based climber Mark Vallance. It was set up to manufacture what's become the most famous piece of rock climbing gear of all time: the Friend.

Wild Country offers customers the greatest possible freedom in their vertical activities with its technical climbing products. It uses technology to reduce the risk of climbing to the lowest possible level – exceeding safety standards and setting them even higher.

Wild Country inspired a new era for rock climbing in the 1970s with the invention of the Friend. Since then, it's kept developing new possibilities for climbing through pioneering technologies. With the Revo safety device, the brand has set a new standard in the industry. Like a seatbelt in a vehicle, the Revo automatically cushions a possible rope fall without any additional intervention by the rope partner.

Wild Country exports its products from Bolzano, Italy across the world through its own online distribution.



Pomoca

— *swiss technology*



Pomoca, founded in 1933, is a Swiss manufacturer of ski touring skins and rubber outsoles.

As the oldest skin manufacturer and leader in the field of ski touring, Pomoca initially revolutionized the market in 1975 with the application of adhesive for skins, followed by the invention of waterproof treatments EverDry in 1985. With its special rubber membrane Safer Skin, invented in 2004, Pomoca continued to set the highest standards in the functionality and performance of ski touring skins.

Pomoca strongly invests in innovative and environmentally responsible technologies, collaborating with partners such as the Polytechnic University of Lausanne (EPFL), the University of Innsbruck (AT), and more than 60 professional athletes.

Pomoca is not only skins. Pomoca is Swiss technology to empower your freedom in the mountains with precise, reliable and simple solutions.



THE NEWCOMER IN THE OBERALP HOUSE OF BRANDS

Evolv — *urban climbing*

In 2019 we welcomed a new member to the Oberalp house of brands. With this acquisition, we've expanded our presence in the field of sport climbing. Evolv is one of the top climbing shoe brands in the world with products proven by world-class athletes like Ashima Shiraishi, Daniel Woods and many others. From high-performance competition shoes to casual climbing-inspired streetwear, Evolv creates products that embody the relentless progression of the modern climbing culture. Founded seventeen years ago in Los Angeles, Evolv has built the industry's most progressive brand, shaping the future of climbing through award-winning innovative products, inclusivity, and a focus on the next generation of climbers.

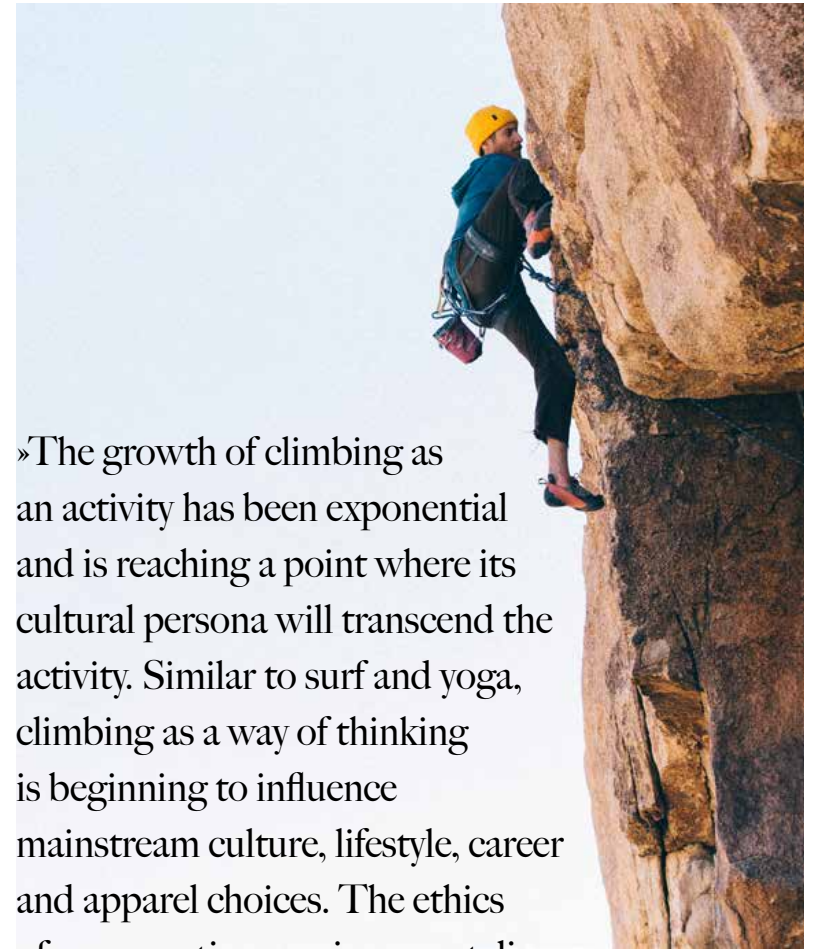
Evolv draws on the rebellious spirit of southern California to challenge the orthodoxy of the climbing establishment. Young, creative, and unencumbered by tradition, Evolv advances a vision of climbing that's distinctly urban, where gyms offer the camaraderie and challenge that once could only be found in the mountains.

Evolv is operating their own US climbing shoe resole operation which resoles thousands of pairs a month for end consumers and climbing gyms. Evolv is the only climbing shoe brand that offers this service in the USA which promotes sustainability through the encouragement of reviving used products and reducing product waste. Evolv products will be available in Europe starting from 2020, where we are also planning to extend the resoling service to.



»The growth of climbing as an activity has been exponential and is reaching a point where its cultural persona will transcend the activity. Similar to surf and yoga, climbing as a way of thinking is beginning to influence mainstream culture, lifestyle, career and apparel choices. The ethics of conservation, environmentalism and shared respect have always been at the core of climbing culture. It is our challenge and opportunity to make sure we are steadfast imbedding these concepts into a more mainstream global climbing collective.«

Bill Sinoff, Evolv General Manager



PRODUCT DIVISIONS

Our four product divisions are responsible for transforming our brand visions into product strategies. They develop and propose the seasonal product matrix by following the brands' briefing, contributing to the product line development.

Each division is responsible for the complete product development process, industrialization and control of the manufacturing process: project management, product design, product development, sourcing and purchasing, production planning and quality control of all products.

They also identify new technical solutions and push product innovation (in collaboration with the innovation team) to meet the brands' objectives, quality and compliance requirements, and financial goals.

CENTRAL FUNCTIONS

Administration & Controlling, Business Development, Sustainability, HR, IT, Legal, Logistics, Procurement, Process Management, Research & Innovation – work across all divisions and brands. They're based at our headquarters in Bolzano, Italy.



Apparel

All our brand's clothing and textile accessories.



Footwear & Technical Equipment

All our brands' footwear, backpacks, tents, sleeping bags, and all technical hardware (climbing equipment and other accessories).



Bindings

The bindings division is under the brand Dynafit, the only one of our brands developing these products.



Ski Skins

The skins division is under the brand Pomoca, as it is our only brand producing these articles.

WE PARTNER WITH BRANDS WE BELIEVE IN



Speedo was born over 90 years ago in Australia and since then is the essence of swimming. Its heritage and innovative technology make this brand leader in this industry. We started working with Speedo back in 2007 and we now distribute it in Italy, Austria, Czech Republic, Germany, Hungary, Poland and Slovakia.



Under Armour is an internationally acclaimed US innovator, marketer and distributor of branded performance athletic footwear, apparel and equipment. In 2016, we started working with Under Armour to help it expand in Italy. We have now opened 10 Under Armour shops in Italy.



Fischer is an international expert in Nordic skiing and one of the world's leading brands in Alpine skiing, known for innovation and cutting-edge technology. We've been partnering with Fischer since 2013 and are managing the brand's presence in the Italian market.



Barts is an Amsterdam-based brand, excellent manufacturer of a wide range of accessories like hats, scarves and bags, both for winter and summer seasons. We've been distributing Barts in Italy since 2011.



Spyder is an American renowned brand in the world of high-end specialized skiing apparel, representing the essence of modern skiing. We've been partnering with the brand since 2015 and are distributing its products in Italy.



For over 50 years, *Smith* has pioneered advanced products to fuel fun beyond walls, creating innovations that amplify awesome, and crafting gears in which every detail makes a difference. We've been partnering with Smith since 2017 and we are developing the brand in the Italian market.



X-Bionic and X-Socks unify Swiss engineering and Italian production, redefining the world of functional sportswear. The two brands take inspiration from nature, using technical solutions to transform sweat into energy. We started our partnership in 2019 distributing the brands both in Italy and Austria.



OUR PRESENCE WORLDWIDE



A world map where countries are colored in orange or grey. Orange indicates the presence of the company, while grey indicates no presence. Orange regions include North America, Europe, Russia, China, India, Australia, and parts of South America and Africa. Grey regions include South America, Africa, and parts of Asia and Europe. A dotted line connects a small circle in Europe to the text 'SOUTH TYROL GROUP HEADQUARTERS'.

**SOUTH TYROL
GROUP HEADQUARTERS**

12

**OFFICES ACROSS
EUROPE AND THE USA**

5600

**WORLDWIDE DEALERS IN OVER
65 COUNTRIES**

30

**MONOBRAND
OWNED STORES**

22

**MONOBRAND
FRANCHISED STORES**

199

**MONOBRAND STORES WITH
OUR LICENSEE PARTNERS**

OFFICES

– *South Tyrol in Italy is our home.*

It is where our headquarters is based and most of our employees work. It is the home of the brand Salewa and where Wild Country is based, as well as all our central functions. Part of our sales and marketing teams are also based here.

Munich/Aschheim is our second headquarters. It is the home of our brand Dynafit and the competence center for the engineering of our Dynafit bindings. It is also the head office of our biggest commercial unit, the Central Europe Region (Germany, Austria, Switzerland). Denges in Switzerland is the home of our brand Pomoca. The production of our ski touring skins is based here. The head office for Evolv in Buena Park, close to Los Angeles.

Totally we have 12 offices across Europe and the USA, so we can stay close to our consumers and partners and meet their specific needs.

Italy (2 offices), Germany, Austria, Switzerland, Spain, UK, France, USA (2 offices), Poland and Czech Republic.

STORES

Our monobrand stores are a vital part of our business. They're our main contact point with end consumers - the place where we meet our users face-to-face, understand their needs and introduce them to our identity and values. We have 251 stores worldwide (excluding stores opened with our partner brands).

30 monobrand owned stores:

17 Italy, 7 Germany,
3 Austria, 2 Spain,
1 Switzerland

22 monobrand franchised stores:

11 Italy, 5 Poland, 3 Austria,
1 Germany, 1 Spain,
1 Switzerland

199 monobrand stores with our Licensee partners:

197 South Korea, 2 China



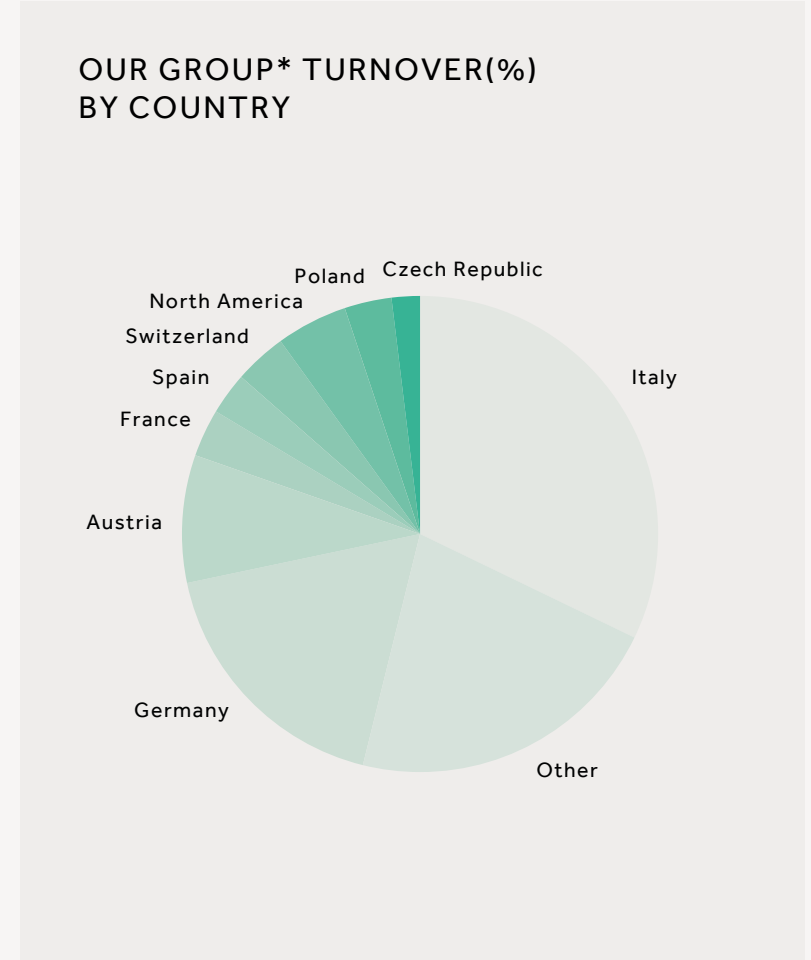
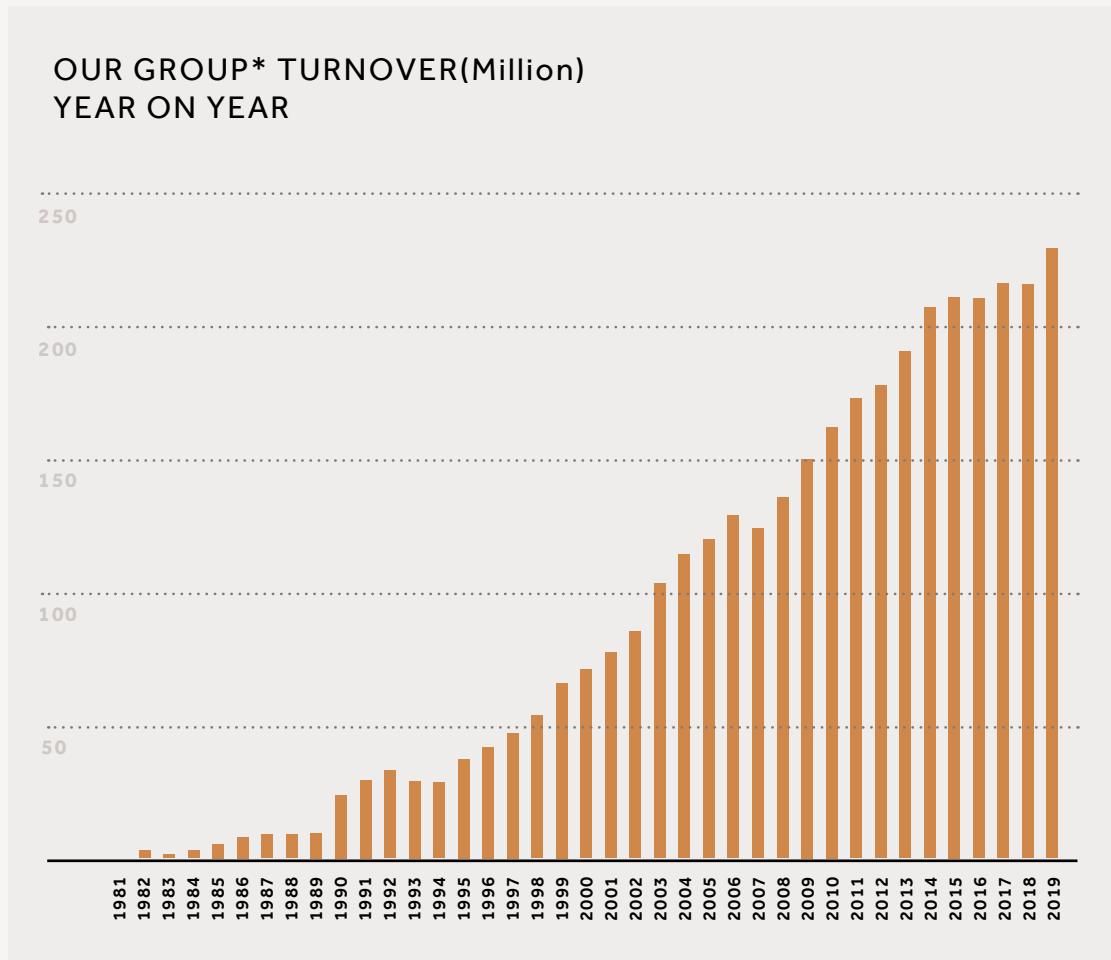
DEALERS

Our dealers are retailers that sell our own brands' products internationally. Through these strong partnerships, we strengthen our brands' awareness around the world. We have over 5,600 dealers in over 65 countries worldwide.

Our distributors help us reach all the markets where we don't have a direct presence. These operations are managed by our export team, located at our Bolzano headquarters.

WE'RE GROWING EVERY YEAR

Our turnover's growing every year – and as it grows, our responsibility grows, too. We believe economic, social and environmental sustainability go hand in hand. Excessively rapid growth and tactical action for short-term flare-ups are not the right components for our company's success. In 2019, our turnover was €235 million.



* this data includes the turnover of our 5 brands, our distribution brands and licensee business.

HOW WE DO THINGS

A photograph of a modern, bright office interior. The space is characterized by large, white, geometric-patterned walls and a high ceiling. In the foreground, a woman with blonde hair is sitting at a small round table, looking out a large window. The room is filled with various potted plants, including ferns and leafy green plants. In the background, other people are visible, some standing and talking, and others sitting at tables. The overall atmosphere is clean, bright, and professional.

OUR SUSTAINABILITY STRATEGY

As a family business, we choose how we do things.

We're not only interested in quarterly results.

We think long term. We think about the world we're leaving behind for our grandchildren, and their grandchildren.

Sustainability is a choice we invest in, because we believe in it. It's a crucial part of our company values and daily business.

EMPOWER PEOPLE



1. We're committed to our team

We support our employees' wellbeing and professional growth to ensure a strong, motivated workforce.



2. We promote fair factories

We ensure safe and fair working conditions by empowering workers and creating solid relationships with our partners.



3. We share our passion & give back

We share our passion for alpine sports and lifestyle, giving back to the communities where we work and live.

SUSTAINABILITY STRATEGY

Back in 2010, we made our commitment to sustainability official by creating a Sustainability Working Group. Then, in 2012, we installed a Sustainability Department, today led by the Sustainability Manager Alexandra Letts. We've created a sustainability roadmap to keep us on track. Our team works to integrate sustainability into every department and brand of the Oberalp Group and reports directly to our ownership and our CEO.

Our sustainability strategy is divided into five focus areas, which fall under two main categories: Empowering People & Engineering Gear.

ENGINEER GEAR



4. We make leading products

We provide sustainable and innovative products, and guarantee the highest quality, safety and durability.



5. We produce mindfully

We're working towards circularity, efficiency and traceability - with minimal impact on people and the planet.

A MISSION EVERYONE BELIEVES IN

We're constantly improving the way we do sustainability and we think the best way to do that is to be transparent: to talk about what we're doing and share the results. That's what this document is for.

We make products for mountain lovers, by mountain lovers. But our mission doesn't just belong to us. It belongs to our consumers, athletes, owners and employees, too. We want to celebrate how far we've come and the progress we've made. But we also want you to tell us how we can improve.



OUR STAKEHOLDERS

Consumers

(In 2019 we sent a survey to Salewa consumers to understand which aspects of sustainability they think are most important for the brand.)

We are also constantly exchanging ideas and results with:

Our athletes

The owners (*Oberrauch family*)

Our employees

NGOs

(Sustainable Apparel Coalition, Clean Clothes Campaign, FWF, Greenpeace, etc.)

Industry associations

(Outdoor Industry Association, European Outdoor Group, etc.)

Local communities

Other brands

Media

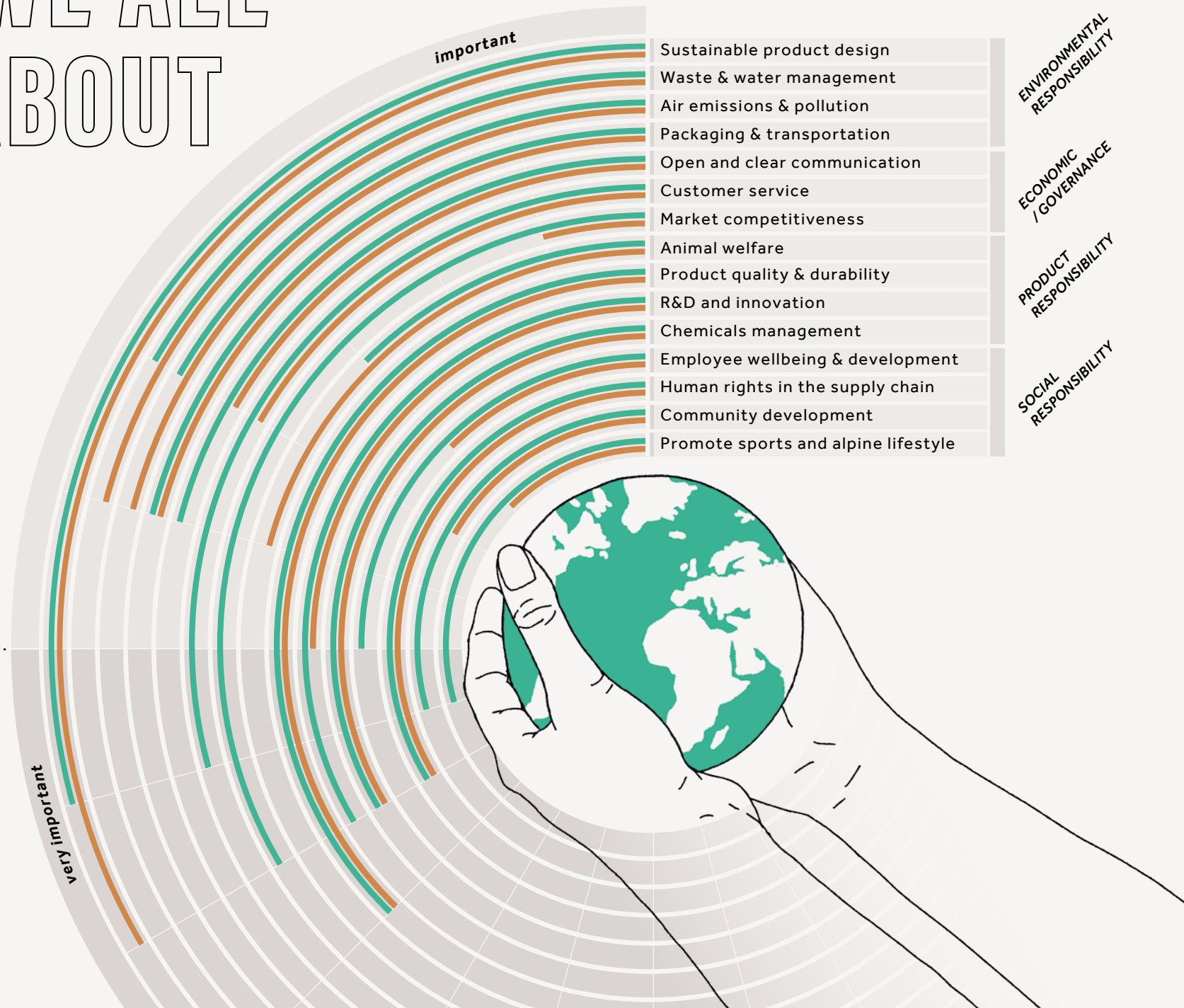
Authorities

Sustainability professionals
& experts

WHAT WE ALL CARE ABOUT

Our materiality matrix is an overview where *we rank different sustainability topics* according to how important they are to us as a company, and to our stakeholders.

All topics are important to us, but the ones who fall above **this** threshold are the most relevant to our sustainability work.



■ IMPORTANCE FOR OBERALP

■ IMPORTANCE FOR STAKEHOLDERS



SUSTAINABLE DEVELOPMENT GOALS

In 2019 we conducted an in-depth analysis of the SDGs to understand Oberalp's alignment with the roadmap and priorities set out by the UN and where we can contribute as a company. The 17 goals have been adopted by UN Member States as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

We identified 10 out of the 17 goals where we have an impact as a company. The table below gives an overview of the relevant SDGs and Oberalp's impact. The SDGs are mentioned at the beginning of each chapter.



Access to education for all and increase the number of youth and adults with relevant skills for employment.



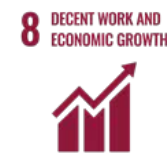
End all forms of *discrimination and violence* against women and ensure their full integration.



Ensure our products and production processes do *not use harmful chemicals* and materials.



Increase the share of renewable energy in the global energy mix.



Ensure a *safe work environment* and assist in the economic development of local communities.

Protect *human working conditions* in our supply chain and promote safe and secure working environments for all workers.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Help suppliers upgrade infrastructure and increase resource-use efficiency by adopting *clean and environmentally sound technologies and industrial processes*.

Enhance scientific research and encourage innovation.

10 REDUCED INEQUALITIES



Contribute to addressing income inequality by *addressing wage and social protection issues in developing countries*.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Achieve the *sustainable management of natural resources* and the environmentally sound management of chemicals throughout the lifecycle of our products.

Ensure that consumers have *access to relevant information* and are aware of sustainable development.

Reduce waste generation through prevention, reduction, recycling and reuse.

14 LIFE BELOW WATER



Prevent and *reduce marine pollution*, in particular from plastics and microplastics.

15 LIFE ON LAND



Ensure the *conservation and sustainable use* of ecosystems, in particular mountain ecosystems.



WE'RE COMMITTED TO OUR TEAM

chap. 1



A big team's a big responsibility.

We have 700 employees working in 10 countries worldwide.

We want all our employees to help us bring about positive change. And we believe the best way to achieve that is to empower them, making them responsible for their actions.

WE BELIEVE A GOOD

work-life- balance

IS ESSENTIAL AND
WE HAVE DIFFERENT PERKS
TO SUPPORT IT

WE GREW 8% IN 2019.
NOW WE'RE A TEAM OF

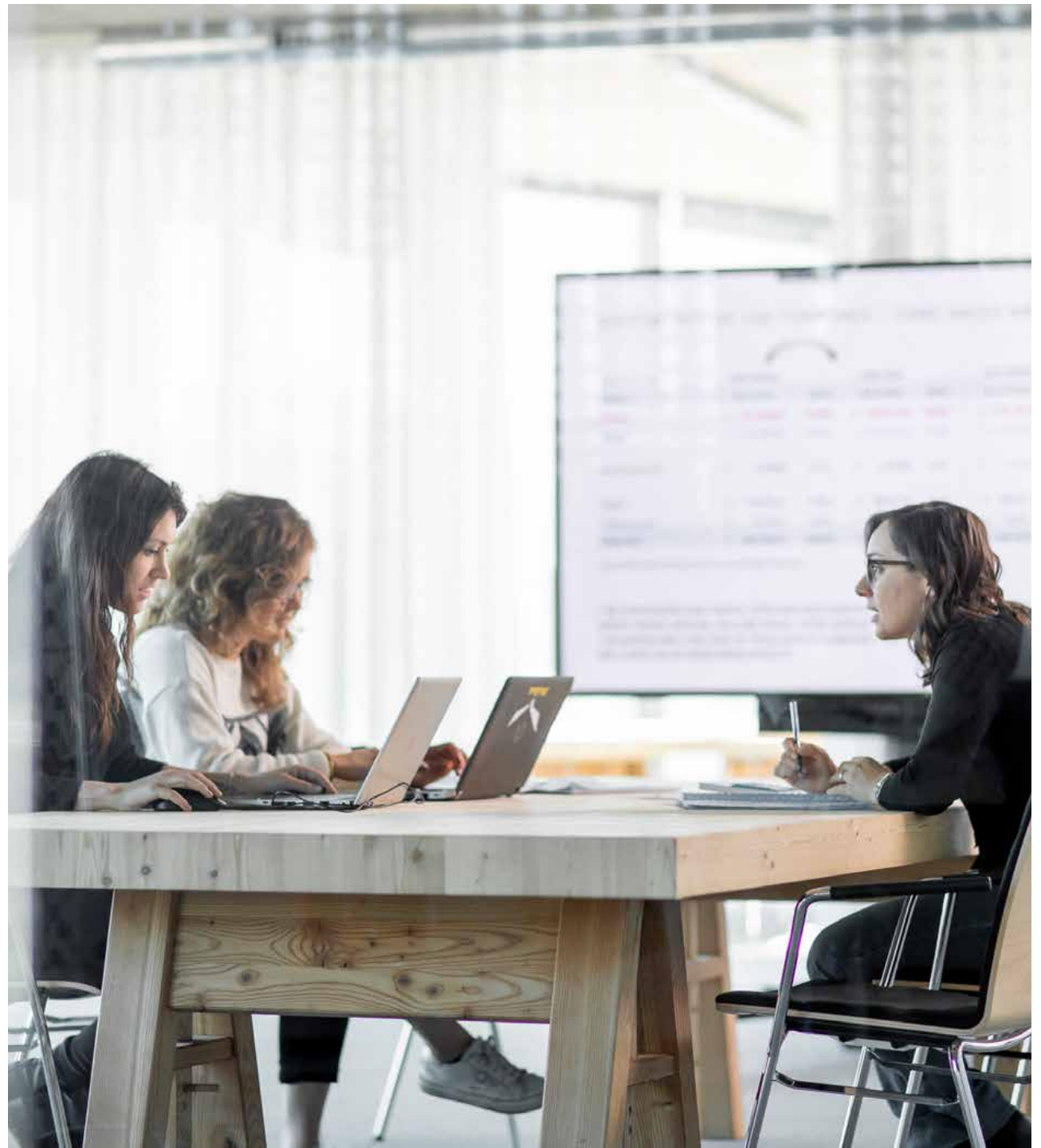
700

PEOPLE

EACH YEAR WE GIVE OUR STAFF

5 Oberalp awards

WE BELIEVE POSITIVE CHANGE GOES
HAND IN HAND WITH MOTIVATION



HOW WE SHAPE UP ACROSS THE GROUP IN 2019

A GENDER DIVERSE WORK ENVIRONMENT

	FEMALE	MALE
2016	43%	57%
2017	47%	53%
2018	47%	53%
2019	46%	54%

WE HIRED

192

NEW EMPLOYEES IN 2019
AND GREW BY 8%

Hiring rate* of 28% and turnover rate** of 22% (in 2018, the hiring rate was 30% and our employee turnover rate was 21%).

MOST OF OUR STAFF ARE OFFICE BASED



THE AGE OF OUR EMPLOYEES



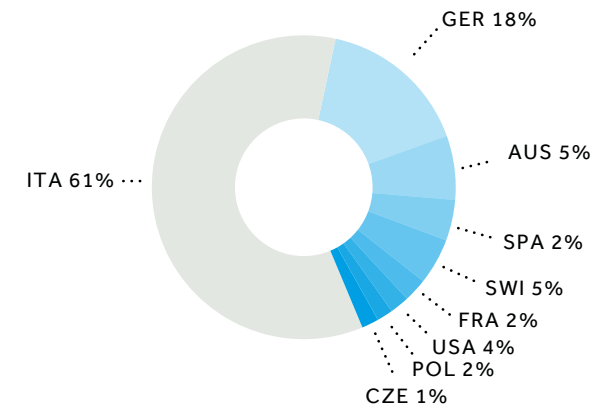
WE WARMLY WELCOMED

40

INTERNS

*the number of employees that were hired during 2019 divided by the total number of employees as on 31.12.2019

97% STAFF BASED IN EUROPE



16

HIGH SCHOOL STUDENTS
JOINED US FOR SUMMER WORK
EXPERIENCE IN 2019

**employees that left the organization during 2019 divided by the total number of employees as on 31.12.2019

POSITIVE ATTRACTS POSITIVE



WE HAVE A 360-DEGREE APPROACH TO HUMAN RESOURCES

That means we think about every aspect of our employees' development: training, workforce planning, talent acquisition, onboarding and integration, performance management and talent review.

Our company is full of active people who love the sports our brands stand for and the mountains we work and live in. We trust our employees to be our biggest ambassadors. If they help us hire someone, we reward them through our Recruiting Referral Policy.

We consider people's soft skills, as well as their technical ability, when we're hiring. We look for cultural affinity in our candidates and we are interested in knowing who they are as individuals outside of the professional sphere.

Once they join, we make sure their start is as smooth as possible with a comprehensive onboarding process, relaunched in 2019. An onboarding is the process of orienting, instructing and evaluating new employees during the first months of work. Our new "Hire Package" includes induction meetings which are planned with all relevant departments and

a shop experience allows them to learn about our products and our sales experience in first person. The new entries also have the chance to personally meet the CEO at the "Coffee with the CEO" organized every month. During the first six months of work the employee has regular feedback meetings with the manager and specific product trainings.

We help all our people grow by reviewing their performance annually. Together with their manager, employees review what they've achieved during the year and plan where they want to go next. Employees are encouraged to suggest areas of improvement and request specific trainings or courses to further develop their technical and soft skills.

KEEP CLIMBING

We think the simplest way to find out how we're doing is to ask our people – so every couple of years, we send our 'Climb Up!' survey to every employee in the company.

In our most recent survey, the results showed that our employees are generally satisfied – the overall general satisfaction rate is 81%*. It also showed that employees believe in and share our company values. In terms of sustainability, 87% of respondents think the company is very aware of its social and environmental responsibility.

*In comparison to 73%, which is the average satisfaction level established by an external benchmark, including Italian and international companies working in the fashion, retail, luxury and innovation sectors.

TRAINING

If our employees are successful, then Oberalp is successful. That's why we're investing in training and development for our people and our teams - so that we're ready for tomorrow's business challenges.

We work in an environment that's constantly changing. So, it's crucial that we're continually updating our skills, abilities and knowledge.

We believe that empowering employees and making them feel responsible for their actions is the most effective way to bring positive change.

We offer a wide range of courses in the Oberalp Training Catalogue, including software, languages, internal processes, product, soft skills, innovation and management skills.

We recently launched a tandem course for those who want to learn a language in a fun and social way. It is a form of mutual language practicing by learning partners who are speakers of different languages.

IN 2019

5,700 hours of training

8 HOURS / PERSON

In 2019, we conducted two main programs:

Retail Academy - We gave store managers and retail assistants training on sales techniques, as well as company culture and brand identity.

Sustainability trainings - We continued our series of sustainability trainings in our shops across Europe to further increase employees' awareness and knowledge when interacting with clients. Our shops are one of our main points of contact with our consumers. We want them to experience and engage with the sustainability missions of our brands. The best way to do this is with a motivated and prepared team in our shops.

INSPIRING CHANGE

We believe that positive attitudes bring change and innovation. That's why we reward employees every year – for their motivation, risk, exploration and challenge – with the Oberalp Awards.

We have 5 different award categories. Each year we award the teams that have done exceptionally well in one of these fields.

Risk *Award*

An award for the ability to take risks, by breaking barriers, opening new ways of development and generating new ideas. This award encompasses our culture of risk and entrepreneurship.

2019 Winners: Visual Merchandising and Retail Team, Evolv acquisition team.

Process Improvement *Award*

An award for managing change within and beyond Oberalp – by developing capability, efficiency and reducing costs, as well as focusing on process implementation.

2019 Winner: Restructuring of the Warranty Department & Processes

Sustainability *Award*

An award for innovative projects or activities that have a positive impact on economic, environmental and social conditions in the communities that we work in.

No winner for this category in 2019.

Excellent Execution & Service *Award*

Adding value for consumers by understanding, anticipating and fulfilling needs, exceeding expectations in execution and achieving outstanding results.

2019 Winners: Credit Management team, Apparel Planning and Purchasing team, East Europe team, Warehouse team.

Creativity & Innovation *Award*

Generate increased value and levels of performance through continual improvement and innovation.

No winner for this category in 2019.

We do not take the awards lightly and therefore no sustainability award or creativity & innovation award were given this year.

MORE THAN WORK

We are a team of passionate mountain brand builders and developers of technical and active sports brands.

What makes our team unique is the passion and motivation we all share. We have the privilege of making our passion our daily work. This is what makes us a strong, motivated, ambitious and hard-working team.

People are at the heart of everything we do.

Ellen Ringstad, Group HR Director

»I love being in a company that thinks long term and has sound values that transpire in all senses, whether it be towards the environment or towards the employees.

I enjoy working in an environment where work and passion are combined and spending my days around a bunch of healthy people.«



GETTING THE WORK-LIFE BALANCE RIGHT

We give all our employees responsibility in their role.

We have a goal-oriented management approach, meaning we trust our team as experts in their field and encourage everyone to bring new creative solutions to the table and think outside the box.

We also use a third party to evaluate how well we're doing at giving employees a good work-life balance.

In 2012, we received the Familie und Beruf (Family and Work) certification from the South Tyrol regional government.



Since then, they monitor and evaluate our efforts at our headquarters annually. In 2019, we were granted certification once again.

An important benefit for our employees in Bolzano is our internal nursery (Salewa Kitas). We look after around 15 children at the daycare center, giving the opportunity to employees to bring their children directly to work. The kitas is available for children until the age of three and has flexible opening hours during weekdays.

PARENTAL LEAVE

Our Italian employees can extend their parental leave from the national standard* up to the first birthday of their newborn (12 months). Parents continue to receive 50% of their salary* throughout their parental leave. In 2019, 25 employees took parental leave, and 18 of those took the extended parental leave.

* Italian public system foresees 9 months in total, with 30% of salary paid after first five months of leave. We cover the extra salary for our employees to receive 50% of their salary throughout their leave.

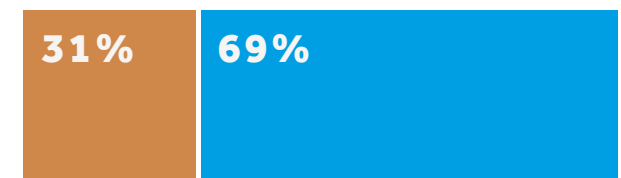
IN 2019

29 %

OF OUR EMPLOYEES HAD A

part-time contract

MALE FEMALE



OTHER EMPLOYEE BENEFITS

- *Access to two holiday homes:* one along the coast in Gargano in Southern Italy and another in the mountains of South Tyrol.
- *Regular company activities and training camps:* ski touring or sledding in the winter, trekking in the summer, alpine campus.
- *Fresh, seasonal and organic food* at a discounted price with daily lunches at our larger offices.
- In several of our offices there's *free access to company gyms and climbing halls*, with *sports classes* (e.g. pilates, yoga) also available.
- *Free equipment testing and renting.*
- Employees in Bolzano can take home *fresh produce from the Salewa Garden* or *grow their own produce in the office's backyard.*



Company trip

Every five years we go on a trip together: five years ago we were in Albania and before that in Morocco. In 2019 we went camping in northern Corsica. It is a unique opportunity to get to know each other even better.

For these team building experiences, we always look for isolated places, where we are alone and surrounded by nature. Some go climbing, some bouldering, some take the opportunity to go on a hike or just rest on the beach. Then we all get together for lunch and dinner.

New Dynafit HQ

"Every brand needs its home" - this credo led to the decision of moving the Dynafit headquarters from Aschheim (near Munich) closer to the surroundings of the German Alps. After an international architecture tender, the first milestones have been set. The Spanish architects Barozzi-Veiga will help us bring the building to life, planned to open in 2023.

The project will follow the same approach as our main headquarters in Bolzano – it will be a second home for local residents, consumers and mountaineers. It will be constructed following strict ecological and efficiency standards and will have minimal impact on the environment. A company kindergarten and sports facilities will be available for employees.

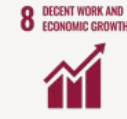


Your contribution?
Join our team!
Visit our site
www.oberalp.com
and apply for
a job or send your
spontaneous
application.



WE PROMOTE FAIR FACTORIES

chap.2



A main priority at Oberalp is to look after the health and wellbeing of everyone who makes our products – not just our own employees.

In recent years we've dedicated a lot of effort and resources to making garment production more fair and equal.

WE WERE AWARDED

»Leader« status

BY FAIR WEAR FOUNDATION

96 %

OF OUR TEXTILE PRODUCTS CAME FROM
MONITORED FACTORIES

80 %

OF OUR PRODUCTION VOLUME CAME
FROM SUPPLIERS WHO HAVE BEEN OUR
PARTNERS FOR MORE THAN 5 YEARS



WHERE WE PRODUCE

Most of our production is outsourced, meaning we do not own the factories - apart from the Pomoca site in Switzerland. This means we have to pick our production partners carefully and make sure we install fruitful and long-term partnerships.

We produce our bindings, skis, ski boots, skins and some of our technical hardware - like via ferrata sets and ropes - and some of our footwear production in Europe. Producing close to home allows us to monitor every step of production more easily, checking that it meets our safety and performance requirements.

We always look for the best production location, considering technical expertise and know-how. Many factories with cutting and sewing skills are currently located in Asia, where we produce most of our apparel, textile equipment and the rest of our footwear. We select the partners that follow strict social requirements and collaborate with them to reach even higher standards of working conditions.

Being far away from the factories makes monitoring the whole process much harder. For achieving high results, all the stages of our product chain are involved, from the designers in our headquarters to Quality Controllers and the factories themselves.





SHARING RESPONSIBILITIES

We do our planning, sourcing and purchasing in different divisions. Even though each division has its own internal structure, strategies and partners, they all integrate due diligence and social compliance in everything they do.

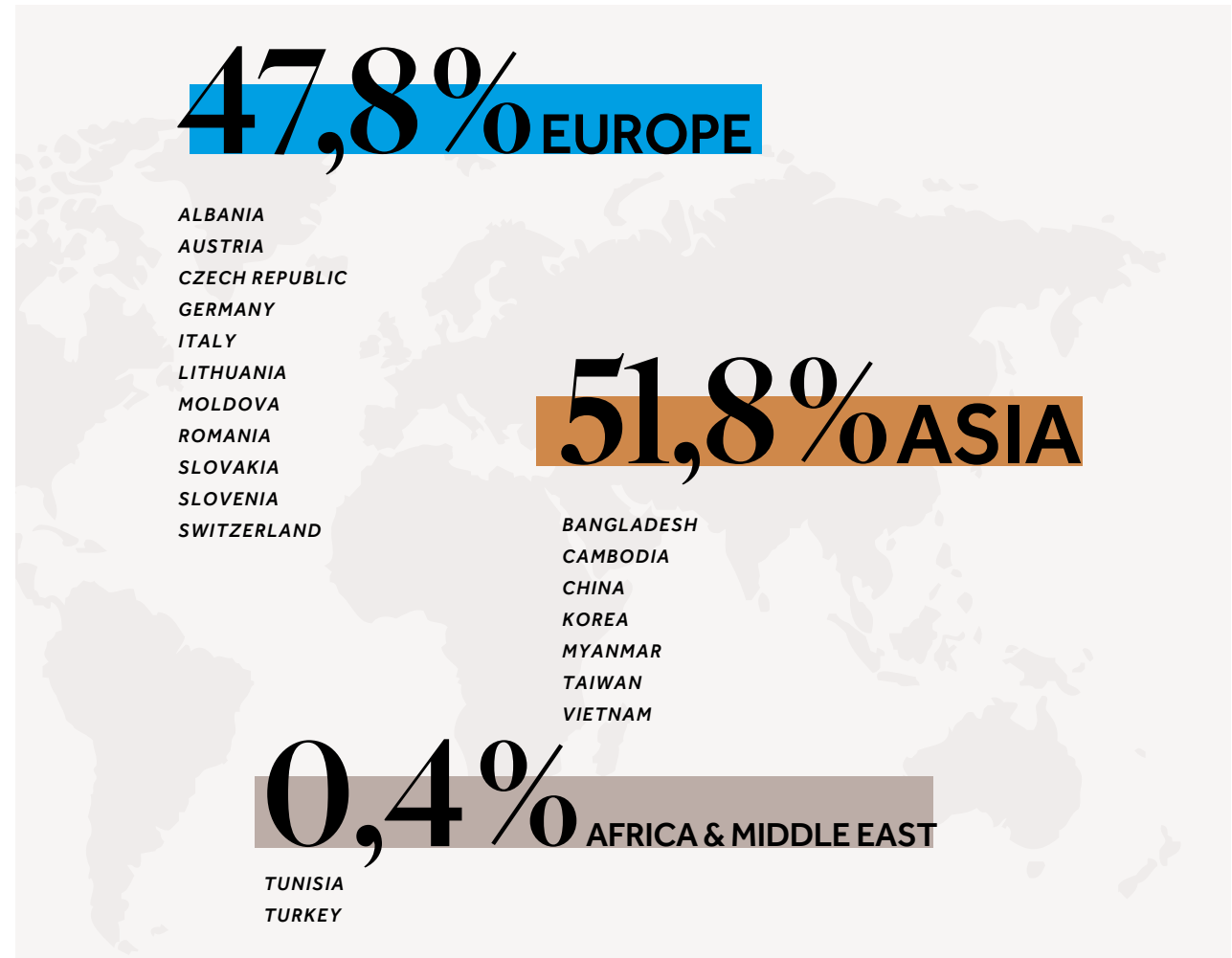
The Sustainability team regularly exchanges information with our sourcing and costing managers about local living costs, potential hazards and geographical risks, and actual working conditions. This means they can make informed decisions.

OUR PRODUCTION VOLUME

We work with the best factories, in countries that have production expertise.

In 2019, we worked with 87 factories across 20 countries. We were able to concentrate our production and reduce our factories by 15%

between 2018 and 2019. This makes it easier to improve our factory standards enabling us to focus our sustainability efforts and have a higher impact.



This data does not include Evolv. Evolv products officially join the Oberalp product range starting from summer 2020 season.

HOW WE EVALUATE WORKING CONDITIONS



Our code of conduct tells the world how we work as a company and the standards we follow. Every one of our suppliers has to sign and commit to it.

Essentially, it's about social compliance as part of sustainability. It's about behaving ethically towards all workers and the environment at every stage of the supply chain. And it's a tool for employees and suppliers to know their rights. The code of conduct is posted on visible places in every factory we produce in. A hotline is also available for workers to file a complaint whenever they feel their rights are not being respected.

OBERALP CODE OF CONDUCT

— *Key points*



We don't tolerate
child labor, ever



All employees must
*be treated with respect
and dignity*



People must be
*employed based on
their ability and never
discriminated against*



Business should be
free of corruption



The employment
relationship *must
be formally established
in a written contract*



Environmental
protection through
*the mindful use
of resources and waste
management systems*



Hours of work
should be *reasonable
and overtime must be
paid*



Working conditions
must be *decent and
safe*



Employees must
choose to work, not be
forced to work



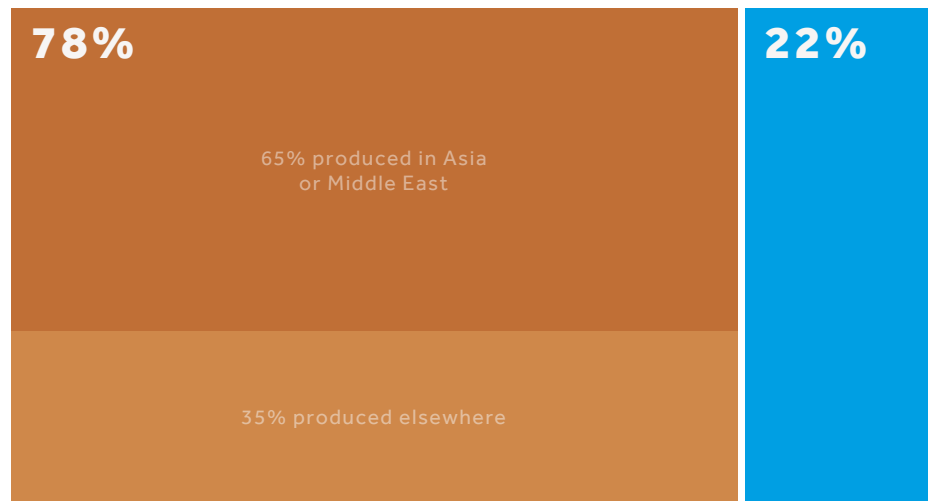
Wages must enable
decent living
standards



Workers have the
right to join unions

WHAT WE FOCUS ON

Our work on monitoring labor conditions focuses mainly on suppliers working on cutting and sewing. This is because 78% of our turnover is from textile products* (cut or sewn goods). Of these products, 65% were produced in Asia or the Middle East. These regions are those that have a higher risk of poor labor conditions and where most regard is needed - it makes sense to monitor them more closely.



TURNOVER BY PRODUCT TYPE



*Textile products include the following: *Apparel* (menswear, women's wear, accessories), *Footwear* and *Technical Equipment* (shoes and boots, tents, backpacks and bags, sleeping bags, cords, ropes, slings).

The most pressing issues of the last decade concern working hours and wages.

MAIN CHALLENGES

Excessive overtime is one of the most prominent workers' rights violations in garment factories. It may be due to poor planning from the factory or caused by the brands' bad timekeeping in defining products, inaccurate forecasts and tight requests for order deliveries.

Therefore, the first step in addressing this issue once we find it through an audit, is analyzing the root causes and understanding if we are an active part of the problem. Only through close collaboration between us and the factories, will we be able to tackle overtime effectively.

Workers in the garment industry often earn poverty-level wages and fair compensation is one of the challenges we are facing. All our suppliers pay the legal minimum wage to workers. But our aim is to ensure the payment of a living wage.

A living wage is the compensation for a worker to meet his basic needs and provide some discretionary income. It should be earned during regular working hours and must not include overtime pay or incentive bonuses. In 2019, we worked on setting reliable benchmarks and calculating the difference between the living wage and the actual payments. One of our top priorities in the upcoming years is to fill the gap.

»In the last 2 years, we have been able to consolidate the number of factories by more than 25%.

We will continue to adopt this sourcing strategy for the years to come. Fewer suppliers means better and stronger communication, which allows us to go deeper in the follow-up of issues with factories.

In this way, our work is more focused, we have closer cooperation with our partners, and overall we have more possibilities of improving working conditions.«



Francesco Sineri, Apparel Quality Assurance & Production Manager

INTERNAL SUPPLIER EVALUATION SYSTEM

In 2019 we implemented an internal tool, developed last year, to evaluate our suppliers according to their compliance with our Code of Conduct.

With this method to standardize audit findings, we are able to systematically measure the weight and the urgency of the issues and integrate auditing systems and results from various initiatives, using all available data and avoiding audit fatigue at suppliers.

This tool helps us monitor and rate the evolution and improvements of factories. We can understand the most recurring findings and establish country or working standard based patterns.

Thanks to this analysis, we provide better support in tackling the problems as well as being able to implement the most effective preventive actions. Feeding data into the system every year enables us to comprehend whether we have an active role in improving working conditions.

MAKING BETTER TEXTILE FACTORIES WITH FAIR WEAR FOUNDATION



HOW FAIR WEAR FOUNDATION WORKS

Fair Wear Foundation (FWF) is an independent, non-profit organization that aims to improve labor conditions in the textile industry.

It performs and shares research on workplace-related issues, provides a platform for open exchange of information with other brands and stakeholders, and has available local teams in production countries who carry out worker trainings, seminars, and audits. After each factory audit, a corrective action plan (CAP) is made and shared with management, and a timeline for improvements is set. Another important part of FWF's work is to help us handle worker complaints.

Partnering with FWF is a big commitment. Every year, it reviews our work to see whether we're implementing our code of conduct in an effective way. It assesses our internal organization and processes, our approach and handling of the year's main events, worker complaints and audits, and gives us a rating in a report which is published on their website.

Back in 2013, we chose to partner with the most rigorous labor conditions expert in textiles that we know of: Fair Wear Foundation. We work with Fair Wear for our brands Salewa, Dynafit and Wild Country. This helps us ensure that we're always putting the wellbeing of people first. Fair Wear Foundation represents the ideas and principles of all parts of the industry – business, workers and civil society. This means it can take a holistic and systematic approach to improving working conditions. They don't just audit our factories – they also verify that we walk our talk through the yearly Brand Performance Check. The results are then published both on their website and our own website.

In 2019, Fair Wear Foundation gave us FWF "Leader" status for the third year in a row. It's only given to brands who are "doing exceptionally well and operating at an advanced level" and "showing best-practices on complex issues". This tells us we're going in the right direction. FWF's requirements get higher every year, and we're continually being challenged to try harder. It's tough, but that's also what we like about Fair Wear. Because in the end we all want to see a more fair and equal textile industry.

For more info visit
www.fairwear.org

Read the results in our latest
[Brand Performance Check](#)

HOW WE MONITOR WORKING CONDITIONS

requirements – and our eyes on the ground, monitoring the working conditions in person.

Factory training

Information is power. We set up training sessions in many of our factories that focus on labor rights, social dialogue between management and workers, or special issues like anti-harassment or age verification depending on the needs in a certain country or factory.

Follow up

We continue checking with each factory until an action plan is completed and problems have been solved.

Transparency

Every year, we publish a detailed report on what we've done to improve working conditions. [Here's our latest Social Report.](#)

New audit

At the end of each three-year period, we conduct a new audit on our factories. This builds on our previous findings and confirms progress.

Collaboration

We cooperate with other brands sourcing in the same factories who share the same values in the protection of workers' rights, by sharing the workload and concentrating better on the solution of problems. We thus reduce audit fatigue (an excess of audits) and increase the possibilities of effecting change.

Corrective action plan

We turn the results from the audit into an action plan: a to-do list of specific findings of things that need to be improved, with concrete targets and a clear timeline. Problems like a missing emergency exit sign over the entrance have to be corrected immediately, but solving issues of worker overtime related to production planning can be a longer-term goal. Together with our suppliers, we work out a plan on how to solve these problems and how we can support them.

Complaints mechanism

The Worker Information Sheet, listing workers' international rights, is posted in all our factories, has an anonymous hotline number or an email address. Workers can use these to report problems. It's managed by FWF and they forward the complaints to us so that we can solve them directly with the factory. The content and resolution of complaints are published on FWF's website.

Regular factory visits

Our quality controllers regularly visit production sites. They're experts on our social compliance

First screening

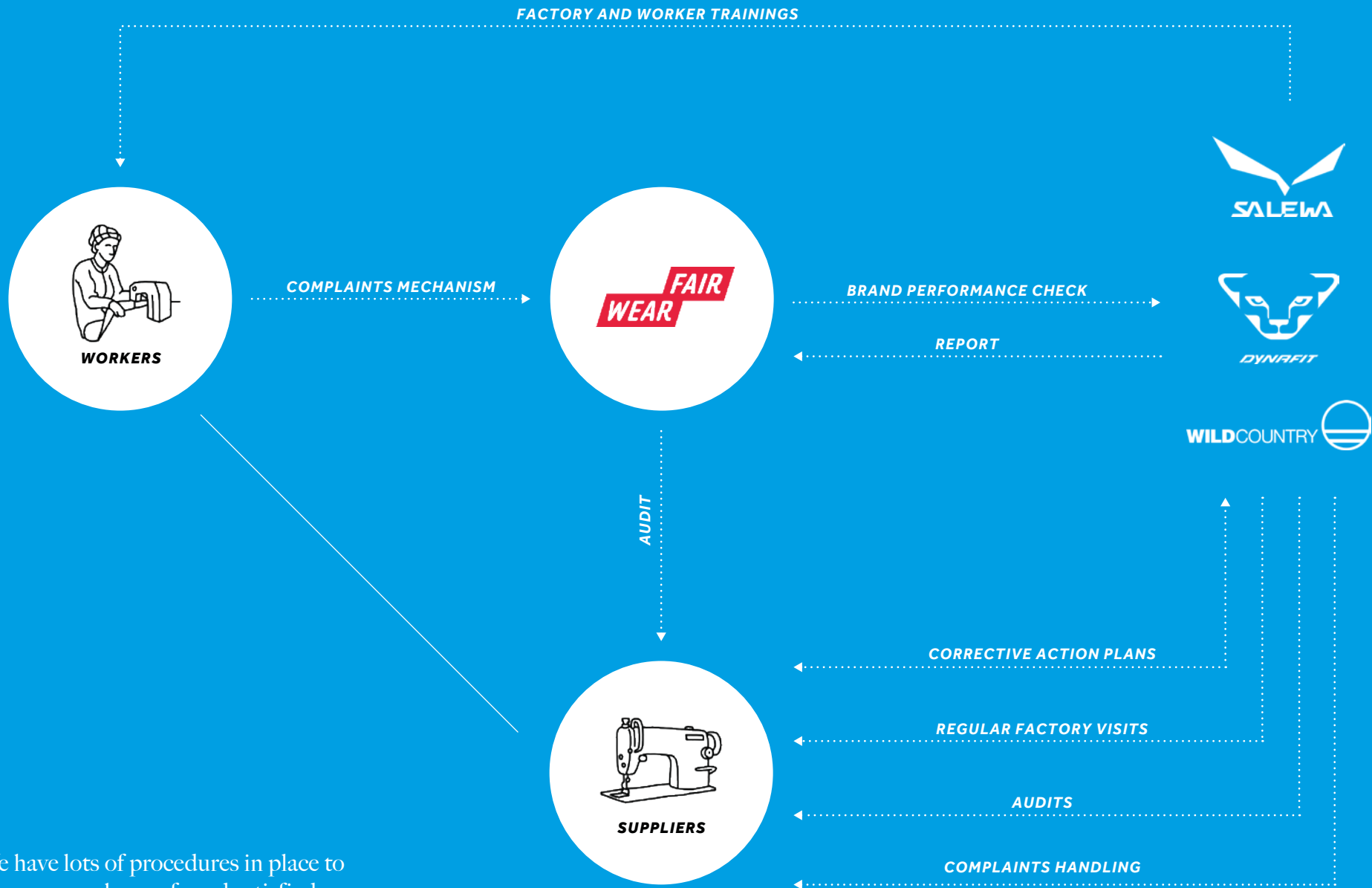
All potential suppliers need to go through a human rights screening process, fulfill our basic criteria and commit to our Code of Conduct.

Audits

All suppliers have to agree to audits from third parties at least every three years. These are conducted in the local language by teams of experts to carry out a comprehensive and in-depth evaluation: worker interviews, health and safety check and thorough document inspection (payrolls, safety certifications, time records). Afterwards, findings are shared with the factory and a report on the findings is shared with us.

Worker interviews

We want to make sure that workers have a chance to tell us how they are doing. So as a part of audits, a team of independent local experts interview workers about factory conditions. This is done away from the premises to avoid biased feedback or retaliation against the interviewees. Workers know that their commitments are anonymous so that they can speak freely.



We have lots of procedures in place to keep our workers safe and satisfied.

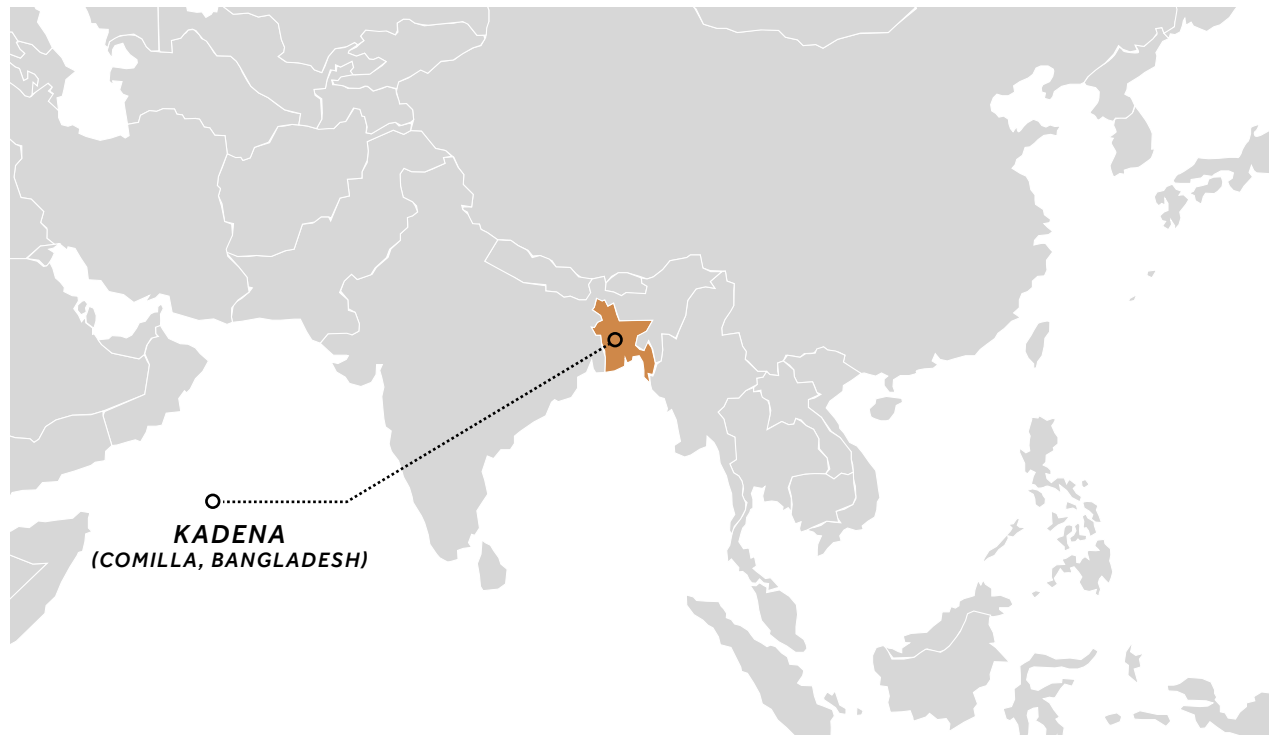
This diagram explains how we work with *Fair Wear Foundation* to do it.

HOW WE MAKE OUR SUPPLY CHAIN TRANSPARENT

Being transparent is more than just telling where in the world we produce our items.

It's about creating an honest relationship with the customer and prioritizing disclosure to identify, prevent and resolve human rights issues in the supply chain.

In 2019, Salewa launched a platform where everyone can discover where specific categories of products are made. We give information about number of workers, environmental certifications and social compliance of the factories that produce our items and the material suppliers.



For more information on our social compliance work please read our latest [Social Report](#).

Your contribution?

Be curious. Inform yourself and read up on the topic.

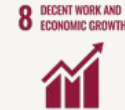
Buy consciously. Buy products from brands who care about the people who make their products and are committed to ensuring everyone works in a safe and fair environment

For Salewa products, check their transparency page and learn more about the brand's suppliers.

www.salewa.com/transparency

WE SHARE OUR PASSION & GIVE BACK

chap.3



We want to give back to the communities, nature and wildlife where we work and live and we want to share our passion with people that love the mountains like we do. People, responsibility, passion and sweating together are some of our core values. Sharing and experiencing them with our community is what really makes a difference.

*WE SHARE OUR PASSION FOR ALPINE
SPORTS WITH MOUNTAINEERS
BY ORGANIZING*

Competitions & sports events

100 %
of Dynafit
bindings

*ARE ASSEMBLED BY DIFFERENTLY
ABLED WORKERS SO THAT EVERYONE
CAN CONTRIBUTE*

*IN OUR VEGETABLE GARDEN IN
BOLZANO, WE HELP INTEGRATE YOUNG
REFUGEES BY TEACHING THEM THE*

Basics of farming



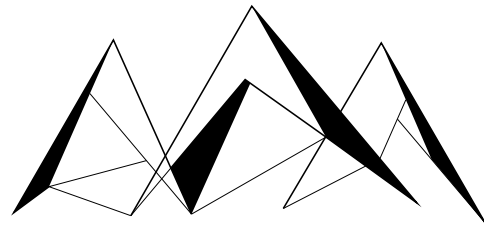
MOUNTAIN EXPERIENCES

Sharing our passion for alpine sports with professional athletes, adventurers or people who simply enjoy moving in the mountains isn't just a good way to conduct first-hand product testing. It also allows us to experience the products we make and the lifestyle we promote alongside our most important stakeholders: the people that use them.

We host a number of competitions where consumers can win experiences that take them to the heart of the mountains.



SALEWA 3000

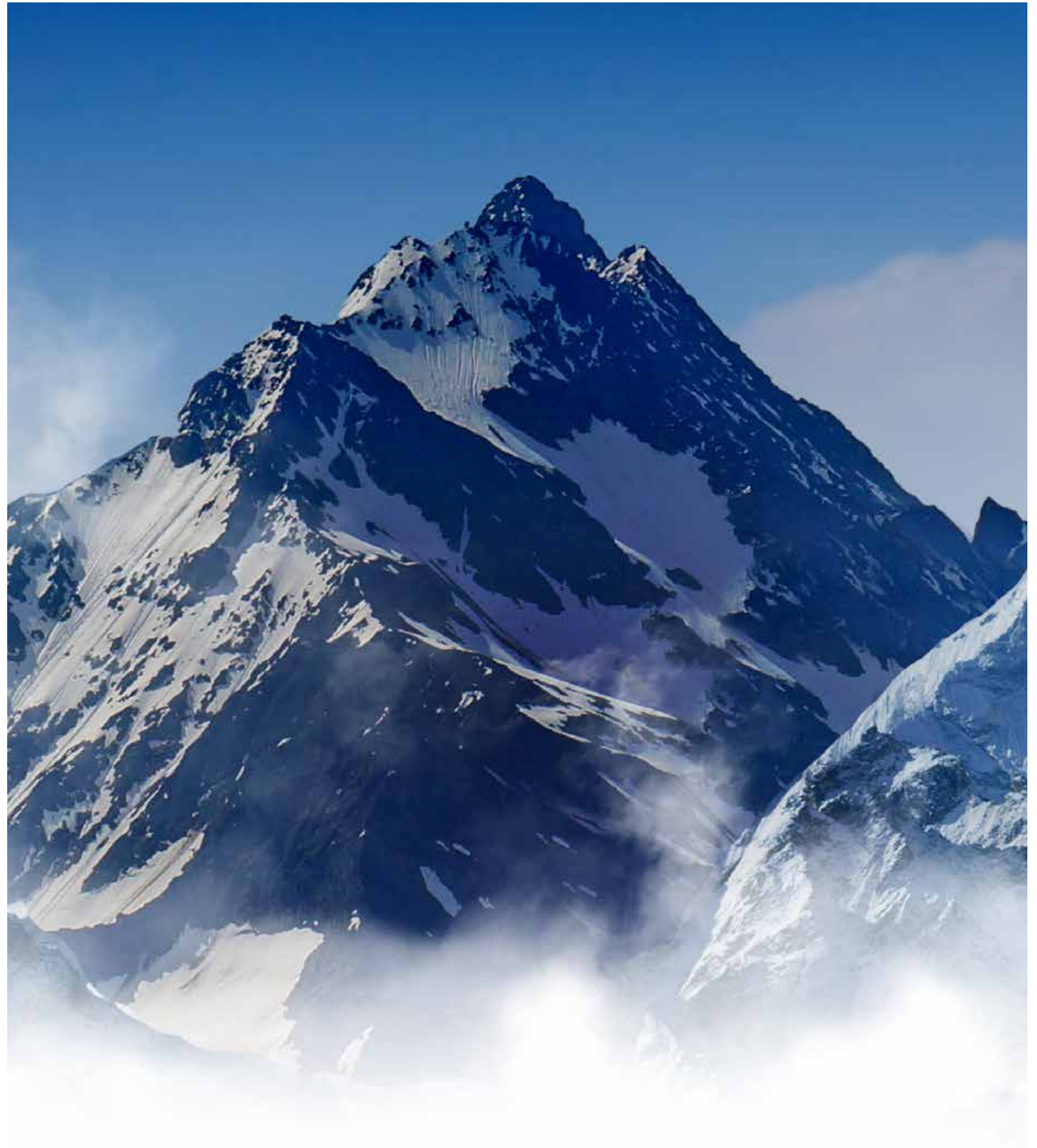


#SALEWA3000

SALEWA's 3000 campaign was launched in 2019 and is a challenge that incentivizes consumers to climb the 3000meter peaks in Austria. There are 784 of these peaks and the challenge is to be able to collectively climb each one of them.

The challenge is open to Salewa athletes, influencers and consumers. When you reach the peak, you can post your picture up at the summit with #salewa3000 and # name of the peak.

For every 3000meter peak climbed, Salewa donates 5€ for the renovation of an old bivac on the Grossglockner, the highest mountain of Austria.



MOUNTOPIA

Dynafit's Mountopia is a twice a year competition that asks hundreds of mountain athletes to push their physical limits to fulfill an unforgettable, once in a lifetime mountain dream. In collaboration with GORE® and PrimaLoft®, Dynafit offers winners a chance to win a fully-financed, multi-day guided mountain excursion – chosen by the winner.

A total of 270 athletes from 25 countries applied to participate in the trail adventure – the Mountopia GGUT competition.

An expert committee made up of athletes and mountain sports experts chose a total of 20 finalists – 10 men and 10 women – from all competitors. The 20 finalists fought with all they had for their big dream. Over 21 days of battle phase, they put in a total of 364,120 vertical meters and 7,731 km.



The four winners – Kendra Joseph, Linda Hildenes, Giorgio Bezzi, and Pedro Alonso Tejero – strongly impressed the judges with their commitment and enthusiasm and won the chance to live their dream and participate in the Grossglockner Ultra Trail, 110 km and 6,500 meters in gain - one of the most demanding but also most attractive Alpine ultra runs.

WE CARE FOR OUR COMMUNITY

We believe that companies have a responsibility to do more. Through our community projects, we help integrate young refugees, get disabled people into work, give young Nepalese women access to education, and protect endangered wildlife.



SALEWA GARDEN FOR REFUGEE INTEGRATION

First opened in March 2017, Salewa Garden is a 3,000m² plot of land next to our headquarters in Bolzano, Italy, where we produce 40 different kinds of vegetables, fruit, leaves, berries and herbs.

The best thing? It's maintained by 15 young refugees from various refugee centres. We give them the opportunity to do meaningful work, learn how to cultivate organic fruit and vegetables from a professional horticulturist, and get in touch with the locals. Oberalp employees can also take the produce home on a weekly basis in exchange for a donation to the project. In 2019, we also sourced organic fertilizer for our garden from our recycled down supplier. They use the lower quality down that can no longer be recycled to make 100% natural and organic fertilizer. A way for us to close the loop!

CHRISTMAS GIVING

Each year, during our Christmas dinners, we organize a lottery to collect donations for charity organizations and projects around the world. In Italy, the total amount collected from our employees is then increased tenfold by the company.

In 2019, together we collectively donated €41,500, split between four projects:

- Supplying reusable menstrual pads for women in Kenya
- Supporting the municipality of Feltre, which was damaged during the storms hitting northern Italy in 2018
- Supporting victims of the 2019 earthquake in Albania
- Supporting a South Tyrolean family in need.

SALEWA'S GREEN FRIDAY

On Black Friday in 2019, Salewa launched the second edition of the "Green is the new Black" campaign. This year, 3% of the total revenue collected through online and offline purchases from selected Salewa Stores (excluding returns) were donated to EOCA's plastic clean-up project "Plastic Free: Mountain to Sea". We donated a total of €11.500 to the project with the specific goal to plan mountain cleanups and initiatives in the Dolomites.



MOUNTAIN LOVE

Celebrating our love for the mountains. On Valentine's Day in 2019, Salewa donated 10% of all revenue generated from our online store to the non-profit organization Protect Our Winters (POW), which focuses on fighting against climate change impacts in the winter sports community.

EVOLV ADAPTIVE CLIMBING

Evolv is the only climbing company in the world that makes climbing shoes and feet for adaptive climbers. We work with several Adaptive Groups in the USA to help climbers with physical disabilities and we provided our adaptive foot and climbing shoe for sponsorship of an Italian athlete. Evolv also supports a number of different projects for under privileged groups or women empowerment in the USA by giving them the opportunity to approach the world of climbing.

SUPPORTING THE HOMELESS

Solidarity and community projects in our territory are extremely important to us, and if we can combine them with challenging and creative projects for university students, even better! This project is the result of the cooperation between Salewa and the Faculty of Design and Arts of the Free University of Bolzano. Salewa donated leftovers and old stock from our warehouse to the design students who put their creativity to play and designed products to help homeless people in Bolzano survive the cold winter. The three best projects were selected by a committee and will now be produced by a social organization nearby. The finished products will be distributed to the homeless in the coming months.

EVERYONE CONTRIBUTES

Pomoca

At Pomoca we've been working with manufacturing partners who support people with disabilities since 2013, and our work's grown exponentially in the last few years. People with mental disabilities contribute to the production on our ski skins, doing tasks like stitching, packing and labelling.

In 2016, we started a collaboration with social organization, Polyval. Polyval started by doing some basic tasks, like assembling plastic parts and preparing our product bags. We have started to give more complicated tasks to their workers – engaging them in our business, making them feel valuable and keeping them motivated.



Dynafit

Dynafit works with organizations that enable disabled people to enter the world of work by providing facilities that cater to their specific needs – so they get the independence,

involvement and recognition that we believe they deserve. We are working together with Caritas, Herzogsägemühle Werkstatt Peiting and Barmherzige Brüder Algasing on a unique project in Germany, where a team of disabled workers assemble our ski bindings.

Between the three groups, we have around 175 disabled workers working on our products – and, in 2019 we produced around 108,000 pairs of bindings and 40,000 spare parts with the help of these workers.

We're proud to say that 100% of our bindings are assembled by disabled workers at these organizations.

PROTECTING WILDLIFE

DYNAFIT: SNOW LEOPARD TRUST

The snow leopard is Dynafit's brand symbol and embodies its values and characteristics – a perfect combination of speed, endurance and dynamism. Sadly, it's been in danger of extinction since 1972, with an estimated 4,000-6,500 cats remaining worldwide. Dynafit is helping to prevent the extinction of this species. Since 2007, we've supported the non-profit organization Snow Leopard Trust, which works to protect this endangered cat through community-based conservation projects.

We organize the Snow Leopard Day each year, a public ski touring event held in several locations worldwide. Participants accumulate vertical

meters – and for each vertical meter achieved, Dynafit donates one cent to the Snow Leopard Trust organization.

This support enables the trust to aid 200 herders and their families with a financial contribution, helping to preserve the animals and deter locals from hunting leopards. Village inhabitants were also offered handicraft courses and other education to enable them to earn their livelihood without hunting the animals.



In 2019, we reached an all-time record and the vertical meters collected increased by more than half a million compared to 2018.

1,604,138

VERTICAL METERS GAINED

16,042 €

DONATED

1,141

SKIERS

POMOCA: SEAL PROJECT WITH EOCA

Until the 1930s, climbing skins were manufactured from real seal skin.

As a tribute to this animal and a symbol for ski mountaineers, Pomoca launched a new project in 2016 to protect the Saimaa ringed seal in Finland. It's been estimated that there are only around 370-380 Saimaa seals remaining, all of which live in Finland's Lake Saimaa. We support a project managed by the Finnish Association of Nature Conservation, coordinated with the EOCA (European Outdoor Conservation Association).

Kaarina Tiainen, together with the Finnish Association of Nature Conservation, is fighting for the protection of the Saimaa ringed seal – the most threatened seal species in the world. She mainly works to raise awareness around the issue especially with the inhabitants of Lake Saimaa, where the species lives. This involves organizing events to promote alternative fishing methods and appearing at festivals and in campaigns. After several years of hard work, the Saimaa seal population is finally starting to rise again!



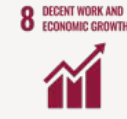
Your contribution?

Join our events and
contribute to the cause!
Check out our brand
websites to stay up to date
on the latest events.

*Support our projects and
get involved.*



chap.4



We produce technical mountain sports apparel and equipment for people that are passionate about the mountains.

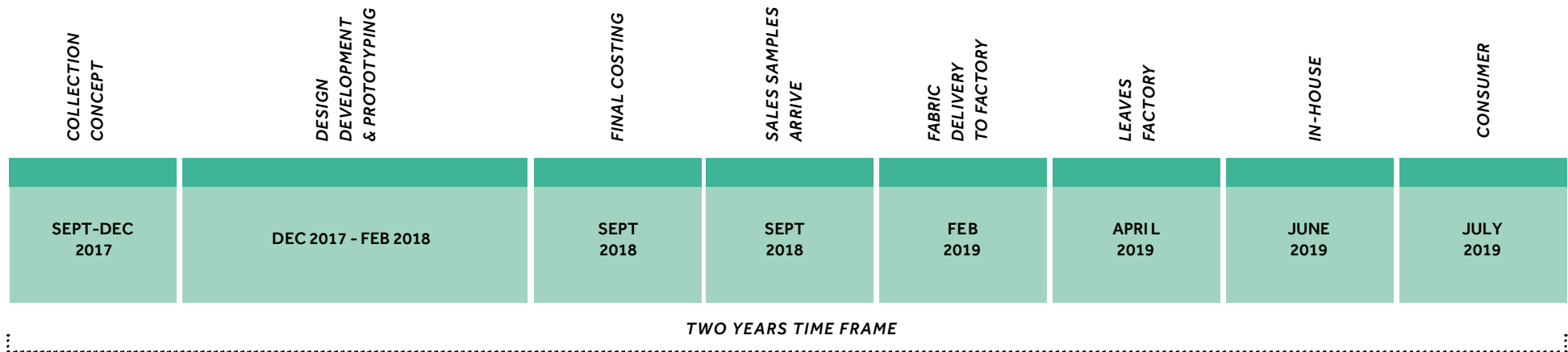
And our task is to make them responsibly.

Our highest priority is durability - we want our community to consider our products as lasting companions. We're experts in creating products that embody the latest technology and material innovation. When making our products, we always try to leave as little trace as possible in the nature we love and enjoy - it's our greatest responsibility as product makers.

FROM CONCEPT TO CONSUMER

The collection you'll find in our stores right now was actually developed two years ago. Because while you're out there enjoying our latest products, we're already working hard to develop innovations for your future adventures.

This also means that changes we make to be more sustainable are not immediately visible on the market and that the information on the current collection does not reflect current ambitions and achievements.



POMOCA HAS ACHIEVED

100%

PFC-FREE PRODUCTION FOR ITS SKI SKINS

WE SELECT THE MOST TECHNICAL, SAFE AND RESPONSIBLE

Materials

FOR OUR PRODUCTS

WE CONDUCTED MORE THAN

4,000

CHEMICAL TESTS ON OUR PRODUCTS IN 2019

LASTING QUALITY IS OUR PRIORITY

Society's biggest sustainability challenge right now is overconsumption.

Our grandparents only had a few jackets over their entire lifespan – and we should learn from them. Instead of buying a new jacket every season, we should only buy products we love, maintain them for as long as possible and take pride in their history.

This is why our products are designed to provide security in extreme conditions and comfort that lasts. We keep this in mind from the first steps of product development.

QUALITY TEAM

Our quality team has two quality managers and 14 quality controllers. They visit production sites regularly to inspect each production lot and work with suppliers to ensure our high level of quality.

QUALITY MANUAL

We've created a quality manual that we share with our suppliers. It sets out the stringent requirements that we're aiming for, so that we're delivering best-practice in our sector.

QUALITY GATE

We have a quality gate for every stage of our product development. Products have to fulfill certain requirements before they move onto the next stage of development, industrialization or production.



RIGOROUS TESTING

Aside from the quality control during the development and production phases, we use two main forms of testing on our products – mechanical and chemical tests in labs and field tests by employees and athletes. Both give us crucial feedback on our products' performance before they go to market.

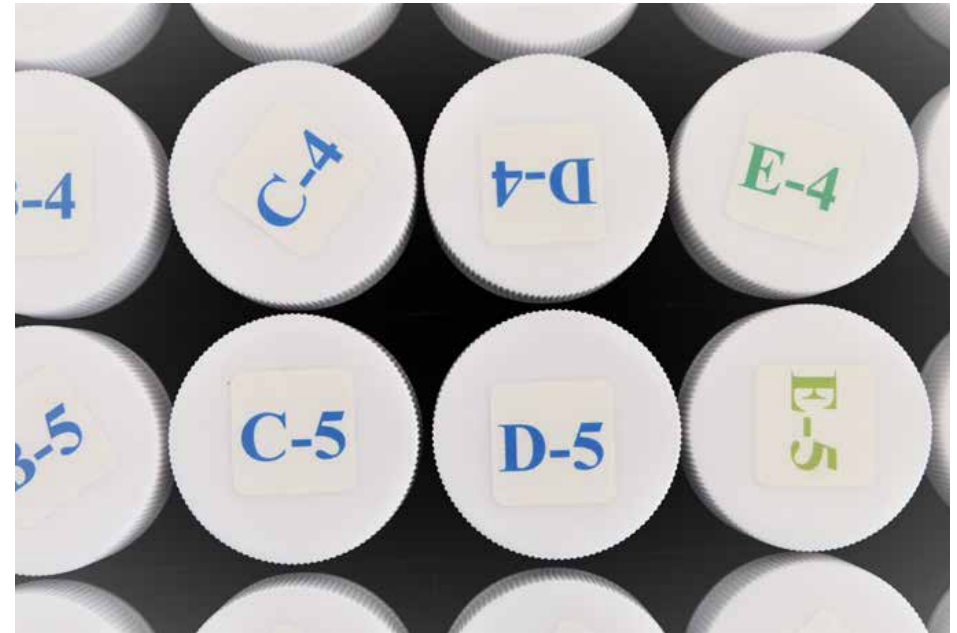
LISTEN AND IMPROVE

Our after-sales service sends consumer feedback to our technical team so that we can keep getting better.

CHEMICAL SAFETY

One of our top priorities is making sure our materials and products are safe for both humans and the environment.

Along with our in-house chemical management expertise, we work with industry best-practice partners to ensure the highest chemical standards. Our goal is to control the entire lifecycle of our products – from raw material, through the production process, to the finished product.



OUR CHEMICAL POLICY

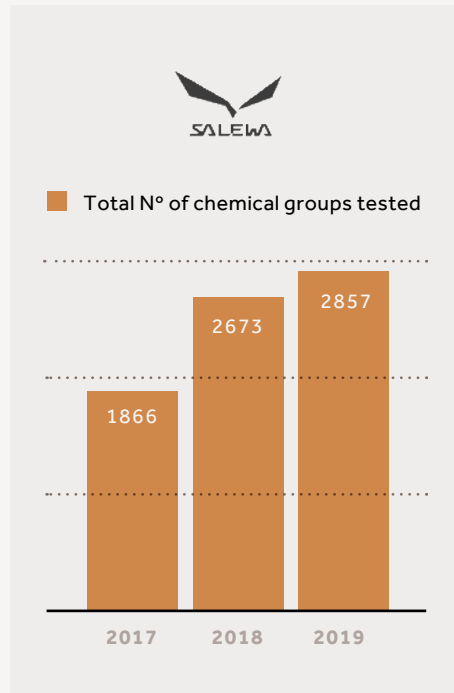
The Oberalp Chemical Policy is an internal document that introduces a formal process to ban, or limit, the presence and use of hazardous substances in our products and production processes. This guarantees safety and compliance. The policy includes our Restricted Substances List (RSL), a list of chemicals that are excluded or limited from all our products. Our ambition is a best-practice standard, and we update it every year to include the latest research and regulatory updates.

All Salewa, Dynafit, Wild Country, Pomoca and Evolv branded products conform to the policy. It's a central part of the Conditions of Purchase with our suppliers, and it's mandatory at every stage of the production and distribution process.

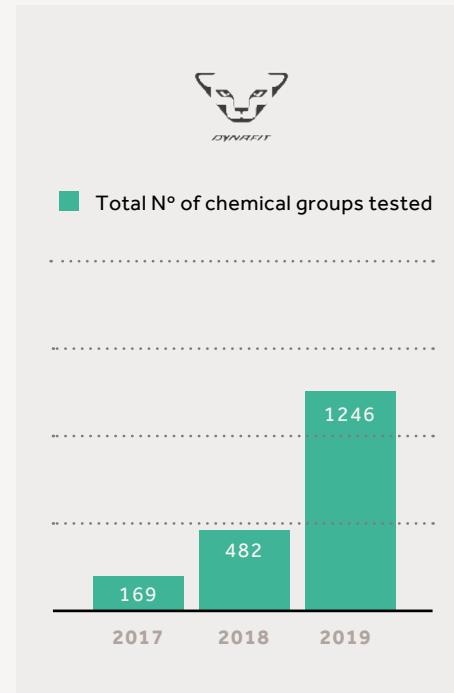
HIGHER CHEMICAL STANDARDS

We ensure our products are safe by working with expert partners who test according to the Oberalp Chemical Policy. In 2019 we conducted *more than 4,000 chemical tests on our products*. For our most complex products, the testing procedure can be composed of over *40 different steps*.

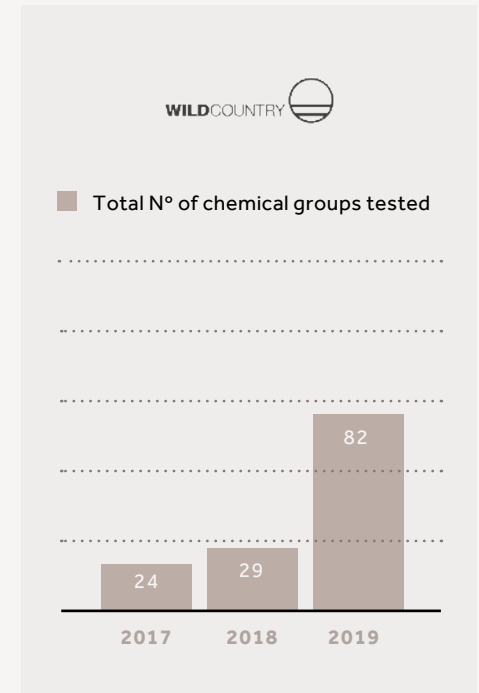
Oberalp works with UL, a global safety science company, to verify its products and materials are in compliance with the Oberalp Chemical Policy. Oberalp and UL collaborated to create a system of strong testing procedures and technical processes that UL utilizes worldwide, so we can be consistent and faster, and wherever our suppliers are located, we can support them. Oberalp's commitment to chemical safety is not limited to applicable regulations; the Group's Chemical Policy goes beyond legal limits and imposes more restrictive limits, applying a precautionary approach. The cooperation with an important and thorough partner as UL has been essential within Oberalp's sustainability strategy. Through a strong testing protocol, Oberalp ensures that consumers receive high-quality products that are safe for people and for the environment.



% non-compliance with the Oberalp Chemical Policy			
2017	2018	2019	
2.9%	2.2%	2.7%	



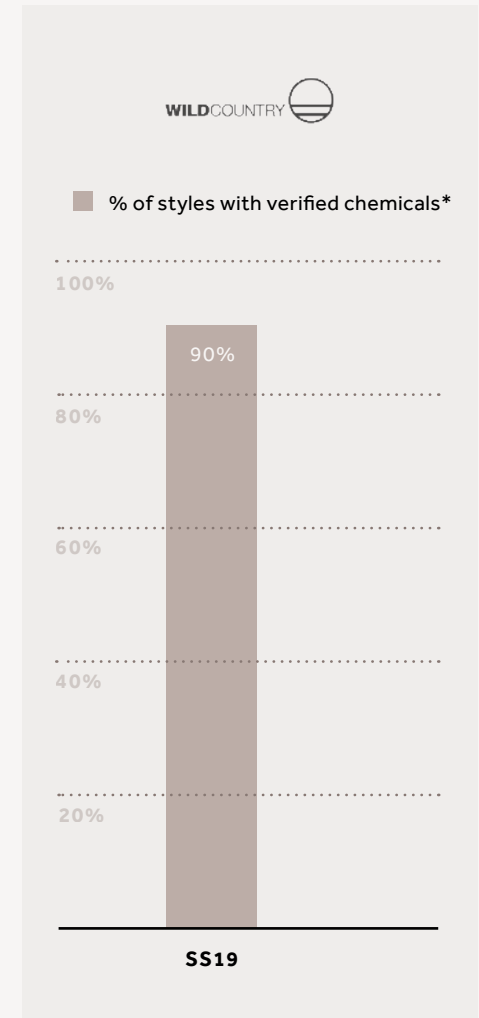
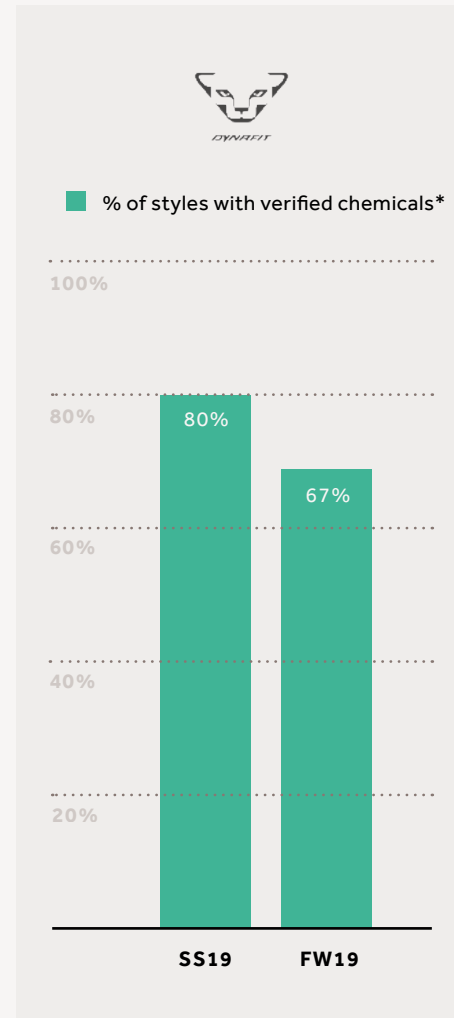
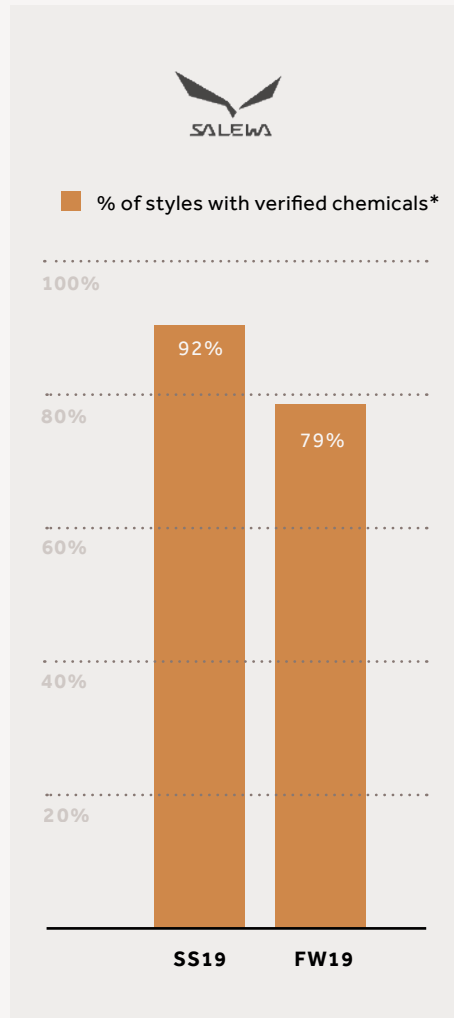
% non-compliance with the Oberalp Chemical Policy			
2017	2018	2019	
1.2%	2.7%	3.5%	



% non-compliance with the Oberalp Chemical Policy			
2017	2018	2019	
0%	3.4%	0%	

SAFE MATERIALS

In our 2019 collections, more than 80% of our apparel styles and all our footwear were verified according to our higher chemical standards. This means, products or the main fabrics were either tested by our partner lab according to our Oberalp Chemical Policy and/or certified by a third-party certification such as bluesign®. Here is the brand overview.



* Verified chemicals means the style has either been certified according to our Chemical Policy or the main fabric has been tested by a 3rd party certification body.
Wild Country only has one collection per year (summer).

PERFLUORINATED CHEMICALS (PFCs)

Perfluorinated Chemicals (PFCs) are a family of chemical compounds used to make everyday products resistant to water, grease and stains. We use them in some of our technical products to ensure water repellence and permeability.



USING PFCs FOR PERFORMANCE

PFCs guarantee best-in-class performance for technical products that need to be water-repellent and still allow humidity to exit. These qualities are crucial for mountain activities – where often the weather is unstable or extreme, and it can make the difference between life and death. Despite years of industry research, there's still no technology that replicates the performance of PFCs.

PFCs AND THE ENVIRONMENT

PFCs have been criticised because, in high concentrations, they've been linked to negative health effects in humans and wildlife. They're persistent, which means they don't easily degrade in nature and they can also travel easily through water and wind. PFC molecules look like a snake, with a head and a tail. Different types of PFCs have different kinds of heads and tail lengths – the longer the tail, the stronger their ability to repel water, but also the more persistent they are in nature. That's why in 2014, as soon as we got to know of their negative effect, we decided to exclude all long-chain PFCs and look for a way to replace them altogether.

Our approach

We are constantly looking for alternatives to reduce our impact on the environment, while still protecting our users. In our apparel and textile equipment collections we have been able to make very important progress and expect to reduce the use of PFCs to a great extent within 2021 and 2022 respectively. In our Footwear segment progress has been slower, due to four factors: first, the complexity of the construction of shoes; second, the properties of the materials used; third, the lack of experience and collaboration from footwear producers to change their processes and try the new technologies and fourth, the lack of real alternatives which guarantee the levels of performance required. We expect to see the first results of our efforts in 2022 and significant progress within 2024. We will continue to report on the results and challenges we encounter along this road.

The process we have put in place consists of 5 "Rs":

1

Restrict the use of PFCs to certain short-chained ones, and eliminate long-chained ones

2

Rethink the need for water repellency treatments

3

Replace. Where water repellency is needed, substitute PFC-based treatments with PFC-free or best available alternatives

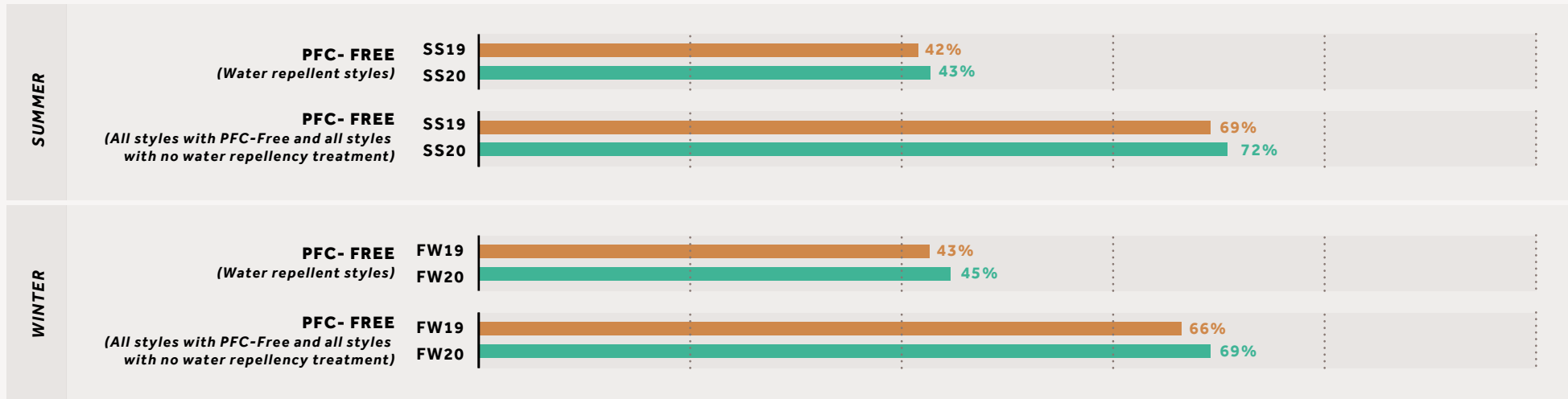
4

Research and invest in our partners to advance in the development of PFC-free water repellency treatments

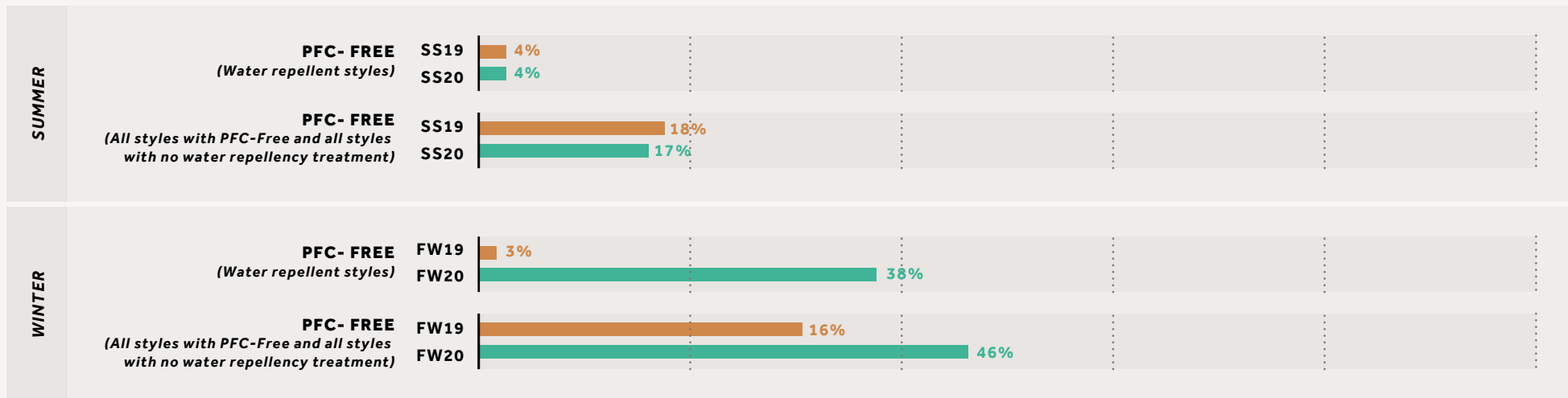
5

Reunite and participate in industry and expert stakeholder initiatives and research projects to find joint solutions

APPAREL



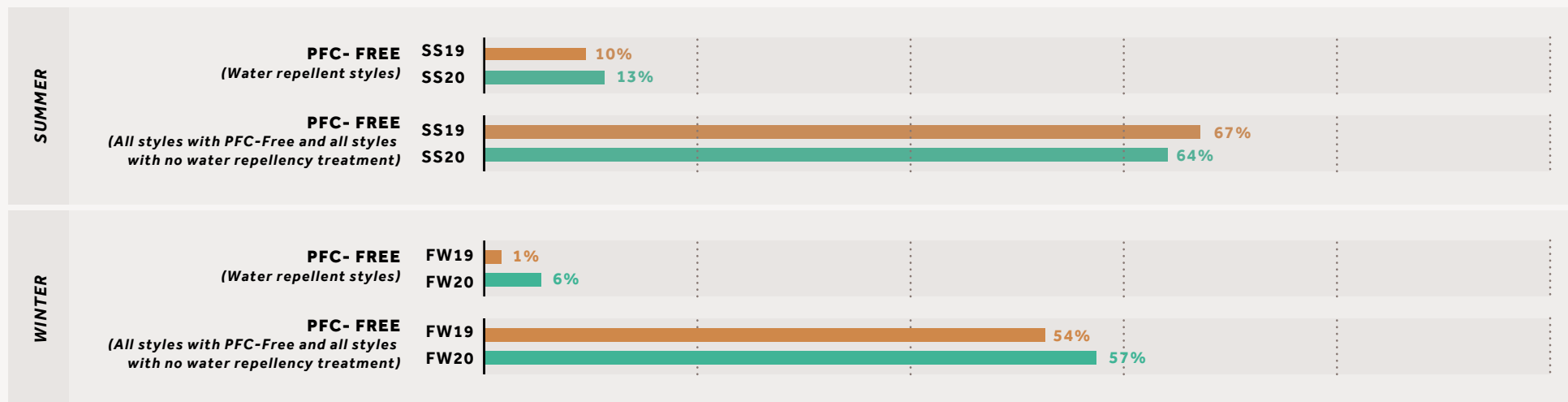
EQUIPMENT*



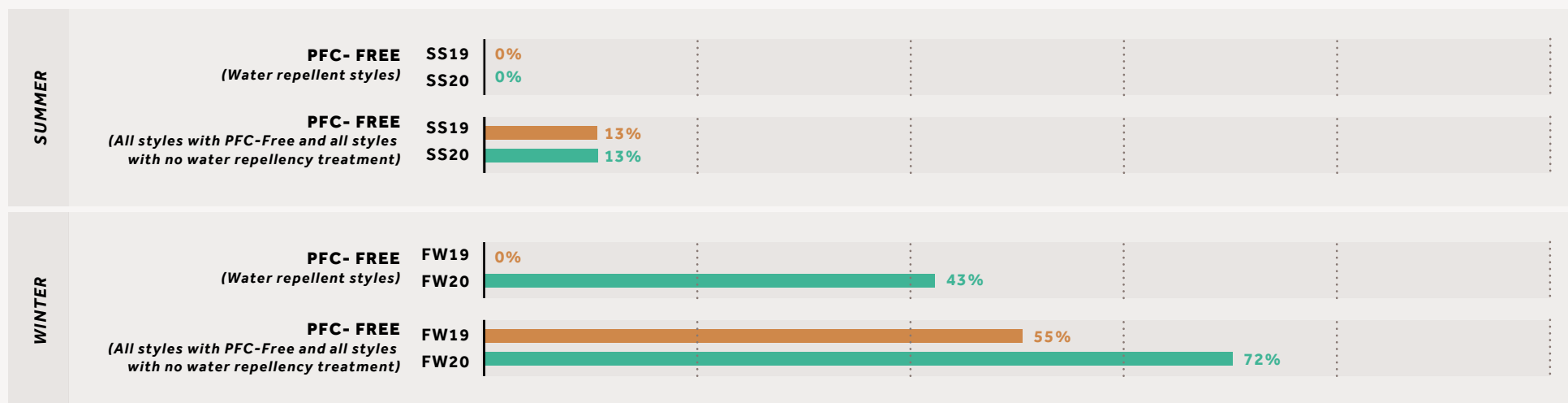
* Equipment includes: backpacks and sleeping bags



APPAREL

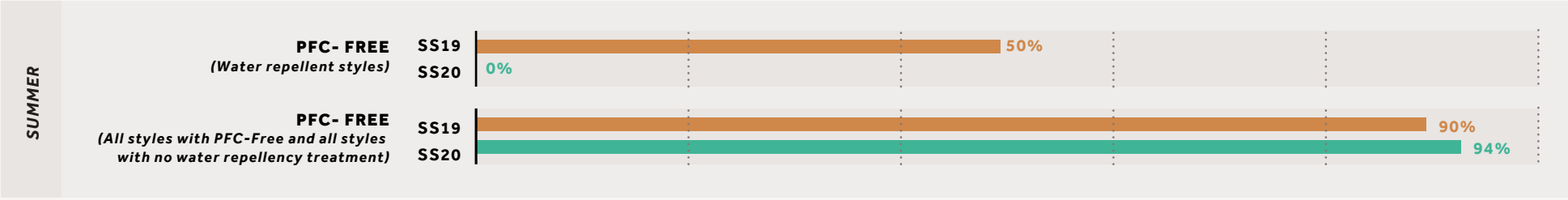


EQUIPMENT*



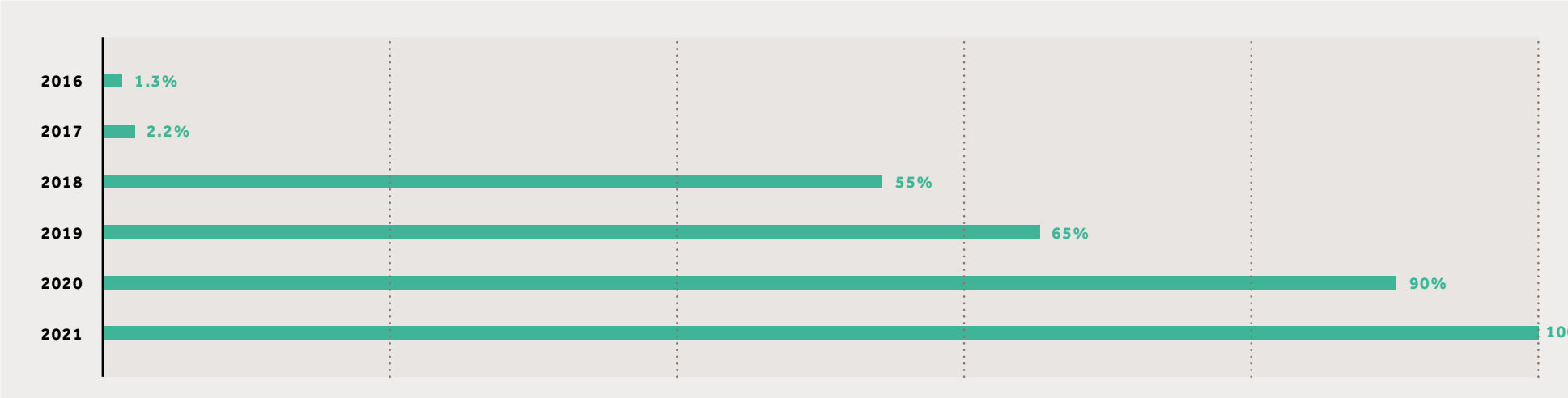
* Equipment includes: skies, backpacks and accessories, poles, skins

APPAREL



Wild Country only has one collection per year (summer). In the SS20 collection, two styles were designed using leftover fabrics that had been treated with PFCs. We have classified these as water-repellent styles with PFC treatment.

% OF PFC-FREE POMOCA SKINS IN COLLECTIONS



Pomoca became a pioneer when we introduced the world's first completely PFC-free skins (including coating) in 2016. After many stages of R&D and athlete field testing, we have finally reached 100% PFC-free skin production!

CHOOSING THE RIGHT MATERIALS

We choose materials that make your excursions the most comfortable and less impactful to the environment. We are constantly pushing to find innovative materials with high quality features. We want to find the perfect balance between natural resources and the latest technologies. We are always doing research to bring new sustainable materials to the table. We are now focusing a lot on a resource coming straight from the heart of South Tyrol - wool.



CRUELTY-FREE DOWN AND WOOL

We want to respect all living beings when making our products. Wool and down are the materials with animal origins that we use the most, and we take special care to ensure that the sheep, ducks and geese are treated humanely. All our wool suppliers guarantee to avoid mulesing, a practice that causes the animals pain.

WOOL

Wool's part of our DNA. The Oberrauch family has been closely linked to the material for more than 150 years. It also has a strong connection to the mountains and our home region, South Tyrol.

USING LOCAL WOOL FOR INSULATION

We can source wool locally, it's biodegradable, and it's packed with benefits – excellent insulation, breathability, thermal regulation and outstanding warmth.

However, it's not simple. The texture of wool from the Alps is very rough, so it's not usually used in clothing. Instead, it's used as a filling in building construction or even thrown away. Either way, sheep still have to be shorn every year to stay healthy, so the wool's always there.

We wanted to see if we could do something useful with this local resource, both to upgrade the material and to support the local sheep herders.

The goal? To refine this regional raw material that's been tried and tested over generations with a pioneering technology.

Peter Veider – former director of the Tyrolean Mountain Rescue, who we've equipped with gear for many years – came up with the idea: "We wanted to equip mountain rescue teams with a natural fibre from Tyrol. The plan was to minimize environmental impact with shorter transport routes, while simultaneously supporting alpine sheep farmers – from the mountains, for the mountains. Some of the mountain rescue team own sheep themselves."

The result of our hard work and strong partnership with the Rescue team is a new insulation technology called TirolWool® Responsive. It's a blend of Tyrolean wool and the thermorefective mineralised yarn, Responsive. Together, the minerals and the wool are excellent at keeping heat in and getting rid of dampness.

TirolWool®



From the Mountains for the Mountains -

Sourced from Tyrolean mountain sheep.



Support local farmers -

Farmers receive better money for their wool.



Traceability -

We know exactly where our wool comes from and how animals are kept.



Animal Welfare -

Farmers shear sheep twice a year in a humane manner to keep the animals healthy.



Responsible Chemical Treatment -

The wool is washed with Oxy-Wash; a patented oxygen washing technique that does not use chlorine.



TIROL WOOL

RESPONSIVE

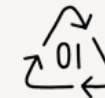
Salewa's 2019 collections, we used TirolWool® Responsive for 57% of our apparel product insulations.

Responsive



Made From Nature -

Celliant® is a blend of 13 different natural thermo-reactive minerals.



Recycled Polyester -

Celliant® is blended with recycled polyester fibres, produced from post-consumer bottles.



Recycled Heat -

Keeps you warm and dry longer, reflecting your body heat back to you.



Better Performance -

The insulation allows for faster recovery by improving local blood circulation and promoting oxygen in your bloodstream.



Long-Term Durability -

Wear it for years, put it in the washing machine, get it wet; it will continue to keep you warm.

DOWN

Since autumn 2014, we're only using *100% Responsible Down Standard (RDS)-certified down* in our apparel.



COLLECTOR CHAIN



Households or small farms raise geese and ducks for personal consumption or sale in the local market.



Collectors move from town to town and collect the down and feathers that have been set aside.



Larger collectors pool the down and feathers from the smaller collectors.



Pre-processor/Processors clean and sort based on quality and down/feather type.

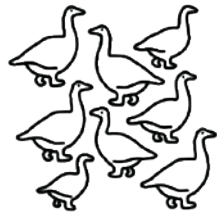


Manufacturer



Retail

INDUSTRIAL CHAIN



Industrial farms raise geese and ducks for their meat.



Farms deliver birds to the slaughterhouse on trucks.



Slaughter Houses process the birds for meat and feathers.



RDS-CERTIFIED DOWN MEANS:

No live plucking

No force-feeding of ducks and geese

No slaughtering of animals only for down and feathers

Yes to a fully audited supply chain by a professional, third-party certification body

RDS is currently the most comprehensive animal welfare standard worldwide, guaranteeing that ducks and geese are treated well throughout their lives and all steps along the collector and industrial supply chains are checked and controlled. The standard is independent and is based on regular checks and inspections that are conducted without warning.

MICROFIBERS AND MICROPLASTICS

What is the problem with microfibers?

Microfibers are textile fragments less than 10 micrometers. They can be either synthetic or natural. Microfibers are increasingly being found in nature, and are identified as a source of marine, air and ground pollution.

Why do microfibers end up in the environment?

Small parts of these fibers can be released during production processes, as well as consumer use, care, and disposal. This is called "shedding".

Are microfibers and microplastics the same thing?

No. Microfibers are tiny textile fragments. Technically, they are very fine synthetic or man-made fibers, like polyester or viscose, but sometimes researchers also refer to natural fibers, like cotton and wool in their studies.

Microplastics are minute particles of plastic origin only. These may come from nylon or polyester-based synthetic fabrics, but they may also result from the degradation of other types of plastic waste, like PET bottles, paints and tyres.

Why does everybody talk about microplastics, do only synthetic materials and fabrics shed?

No, ALL fabrics and fibers are known to shed. Researchers have found microfibers of cotton, viscose, polyester, nylon, and fibres of animal origin in nature.

The focus on microplastics may be explained with a broad concern about plastic pollution, because of the risks to human health, with particles entering our bodies through the food chain or through air pollution, and the slow degradation process of materials.

What are we doing to address this issue?

We are participating in various research projects and industry-wide initiatives, geared at establishing the causes of shedding. As a company which specializes in mountain equipment, we mainly use synthetic materials and therefore, our focus is on polyester and nylon-based fabrics. We are collaborating with research institutes and our fabric suppliers to find out the possible issues and solutions for the materials we use.

We are a founding member of The Microfibre Consortium (TMC), a research project which is looking into the causes of shedding in

the construction of materials and also aims to develop a universal testing method, for determining and quantifying fiber release.

We also contribute to Textilemission, another project which is focusing on fiber shedding during home laundry of products to generate immediate knowledge and data - and practical advice, like the tips we are giving you. We are also following other developments and research projects worldwide.

Starting 2020, we will conduct testing with a third-party laboratory, using the method developed by TMC. By finding out the causes of and possible solutions to shedding, we aim to make products which are more robust and durable, and therefore to reduce microfiber release.

However, microfiber shedding and microplastic pollution can occur also during the use phase of products, so we can't do it all alone. We also need you to take care of the products.

YOUR CONTRIBUTION?

PFCs

Question yourself. Do you really need products with PFC treatment?

Don't give up on your product. Reapply the water-repellency treatment every once in a while.

PRODUCT CARE

Use the product warranty service. Get in touch with our customer service if you have a problem with your product.

Long-live the product. Extend the life of your product. Check our brands' websites for spare parts and fix it!

MICROFIBER AND MICROPLASTIC RELEASE

When doing your laundry:

Keep the temperature down. The lower the temperature, the less your clothes get damaged and fewer fibers are released into the water. 30° is just fine!

Fill up your washing machine. More microfibers are released when the machine is at half-load.

Use a liquid detergent instead of a powder and avoid high pH detergents.

Let your clothes drip-dry. Drying machines cause large amounts of microfiber release, and are huge energy consumers! Wash your clothes and home textiles less.

Stay informed. Microfiber release is not mainly "plastic". Research on southern European seas showed that pollution from cellulose fibres (cotton and linen) made up 80 % of all deep-sea microfibers, while polyester microfibers accounted for 13% and acrylic 4.5%

Choose durable, high quality products. Low-quality fleeces shed more microfibers.

Invest in a microfiber catch product like Guppy Friend or the Cora Ball . These are NOT solutions. However, they might help you understand the microfibers you may be releasing.



Environmental challenges affect all of us – businesses, people, nature and future generations. We're serious about reducing our impact across our entire supply chain.

Circularity and upcycling – We want to close the production loop, and every year we increase our efforts to reduce waste. Our various upcycling projects turn leftovers and wasted material into fun, useful products.

Reducing our carbon footprint – We're mountaineers and mountain sport specialists, spending most of our time working and living among nature and the mountains. That makes us feel particularly responsible to protect the environment.

We are extending product lifetime

*BY PROVIDING A LIFETIME GUARANTEE ON ALL
DYNAFIT BINDINGS FROM NOVEMBER 2019.*

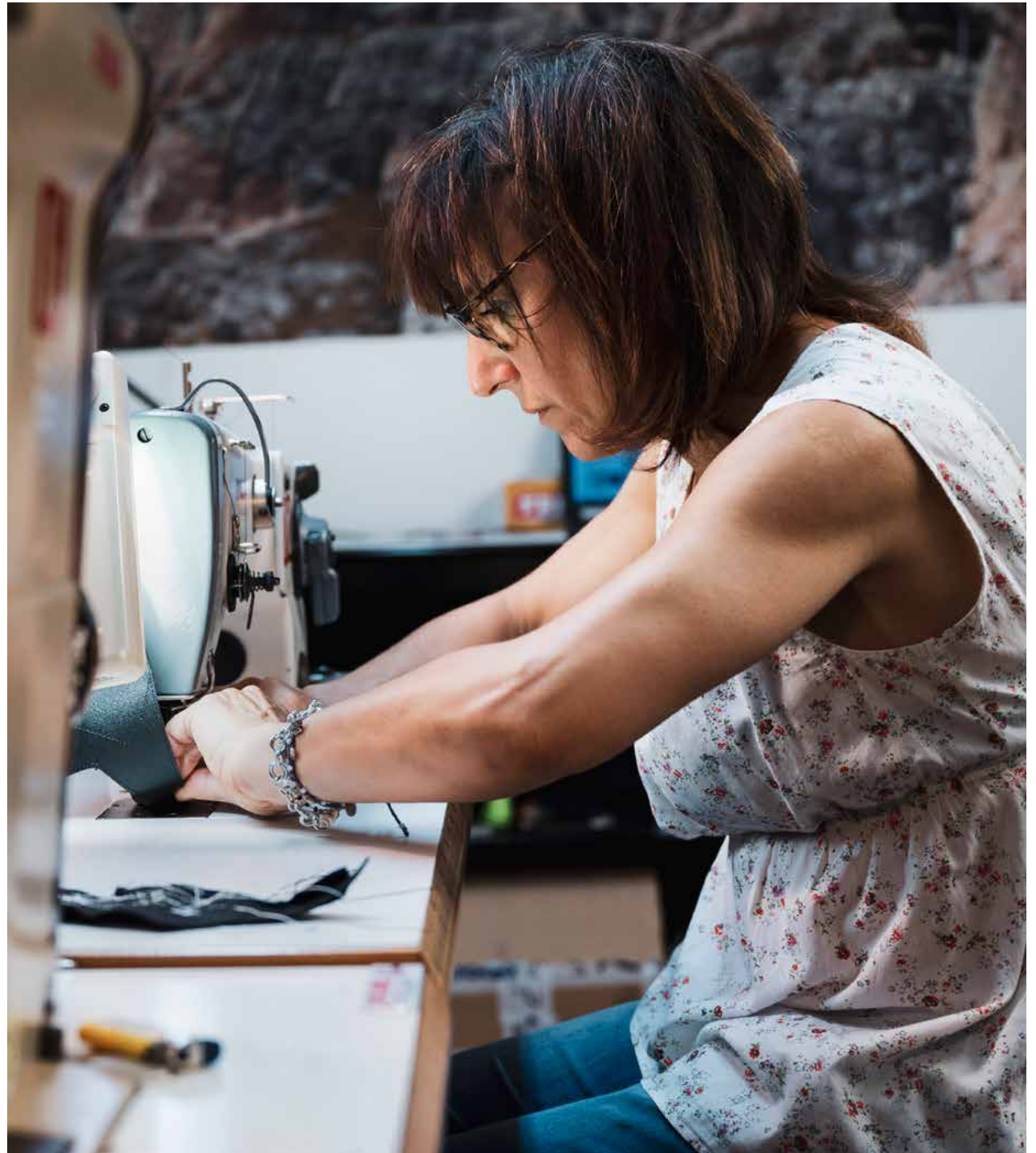
OUR ANNUAL

car-free to work

*COMPETITION REWARDS EMPLOYEES
WHO OPT OUT OF COMMUTING TO WORK BY CAR.*

We're turning waste into new products

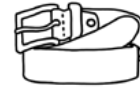
IN A NUMBER OF NEW INITIATIVES.



GIVING PRODUCTS A LONGER LIFE

Probably the most important step in reducing the environmental impact of our industry is to go from the old "take, make and dispose" thinking to a circular business model.

This means for example making production efficient, extending the life of our products and recycling materials for as long as possible. We are doing our best to go in the right direction. Here are a number of examples of things we do.



Upcycling

We're creating products from production leftovers, reusing materials that would have otherwise gone to waste.



Long-lasting design

In 2019 Salewa collections, 64% of apparel styles, 76% of backpacks and 100% of sleeping bags were carried over from previous collections. This allows us to use materials efficiently and reduce leftovers.



Packaging

We're testing different options to reduce the impact of our packaging, and we're studying a closed-loop system for this.



Recycling

We've started to use more recycled fabrics within our collections - helping us reduce our dependence on raw materials.



Care & Repair

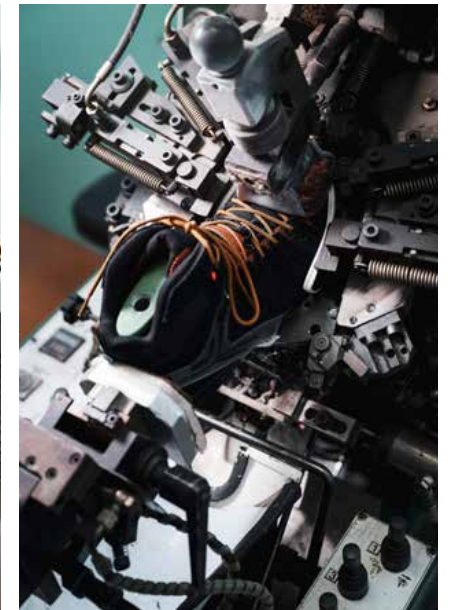
We offer repair services - like fixing, resoling and spare parts- so that products last longer.

EXTENDING PRODUCT LIFETIME

We create high quality products and offer spare parts and repairs for your damaged items, so you can use them for longer.

Dynafit lifetime guarantee

Dynafit is proud of the outstanding features and long-lasting durability of its ski touring bindings. Our products allow every mountain athlete to equip themselves from head to toe for ski touring. We are so convinced of the quality of our bindings that we are expanding their warranty. For this reason, we are now able to offer a limited 10-year lifetime guarantee to every Dynafit customer who buys Dynafit bindings after the 1st of November 2019 and registers them on our website. The lifetime doesn't mean your personal lifespan. Rather, it refers to the lifespan of your bindings and their materials, components and engineering. In the case of Dynafit bindings, that amounts to 10 years. In product development, we pay very strict attention to quality controls for materials and production. It is especially essential you get up the mountain and down again on your bindings without worries. If you should nevertheless ascertain a defect on your bindings, Dynafit will assume full responsibility for repair or replacement of the bindings.



Salewa and Dynafit replacement parts

Repairing products means giving them a second chance and extending their life until they really cannot be used anymore. Our brands offer a variety of spare parts for their products, some of which can be bought directly on the brand websites. Our dealers are equipped with these spare parts for the most common types of repairs. Service teams in each one of our offices are always available with help and advice for technical enquiries. When our dealers are not able to carry out repairs themselves, the products are sent to us for servicing.

Evolv resoling service

Evolv operates its own US climbing shoe resole operation which resoles thousands of pairs a month for end consumers and climbing gyms. It is the only climbing shoe brand that offers this service in the USA. This is our way of promoting and encouraging the revival of used products and the reduction of product waste. We are planning to extend this service to the European market in the near future.

RECYCLED WOOL, MADE IN ITALY

One of our bestselling
flagship products, Sarner,
isn't just 100% made in
Italy – its wool is also 100%
recycled.

Our partner in Prato, Italy, sorts discarded
woollen goods, mechanically processes the wool,
and transforms it into regenerated wool yarn.

The wool holds the Global Recycled Standard
and Cardato Recycled certifications, which
guarantee recycled content. These certifications
also guarantee the highest standards of respect
for the environment – specifically water, energy
consumption and CO₂ emissions – and social
impact.

Our supplier transforms the recycled wool
yarn into high quality woollen fabrics.
Together we developed these fabrics for our
Salewa Sarner jacket.



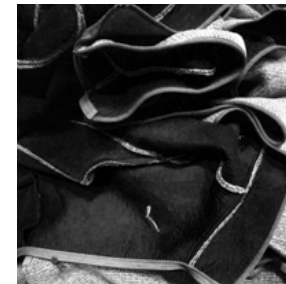
Sorting

The woolen sweaters
are sorted according to
composition and color



Carding

The fibers are cleaned
of impurities



Bonding

The wool fabric is
bonded with one in
jersey to line the
inside of the jacket



Unravelling

The sweaters are
unravelling to recreate
the wool fibres



Spinning

The fibers are spun
to obtain a new
homogeneous and
resistant yarn



Garment Production

The fabric is sewn to
create the jacket

MEASURING THE IMPACT OF OUR PRODUCTS THROUGHOUT THEIR LIFE CYCLE

We believe that understanding the real impact of our single products throughout their entire lifetime is our responsibility. We cannot only look at the production phase, we need to look at the greater picture in order to identify ways to improve. We have been starting to conduct LCAs on some of our key products. We started with the bestseller Pomoca skin, we are now conducting one on our bindings, and our goal is to expand it to our other product ranges.

What is a life cycle assessment?

If you want to reduce the negative impacts related to a product, you have to know where to start. A life cycle assessment (LCA) is a method to assess the environmental impacts of a product - looking at the entire life of the product, from extracting the raw material, to the day when it becomes waste. And all the steps in between such as manufacture, transport and use. The results of an LCA let you understand which steps in the life cycle have the biggest impact. This way you know what to focus on.

Pomoca's LCA on skins

In 2017, as part of its commitment to reduce the impact of skin production, Pomoca decided to do an LCA on its bestselling ski skin. The LCA mapped out our production chain, with all the inputs and outputs involved in creating the ski skin. This includes the types and quantities of raw materials used, transportation distances, energy consumption at the production facility, waste produced during production and amount of packaging used.

WHAT WE LEARNED FROM THE STUDY

1. Velvet production accounts for 84% of the environmental impact
2. Transportation doesn't have a big impact
3. We can reduce waste during the production process by optimizing our laser-cutting



OPTIMIZED PRODUCTION

We're now saving 5-8% more material by applying the laser cutting process for a range of skins – and we're planning to extend this to our entire product line by 2020.

UPCYCLING

From banners to bags

We change our in-store marketing banners every year – but we don't want to see this material go to waste. Since 2016, we've collaborated with social organization AKRAT to turn our marketing waste into useful products, like pillows and string backpacks.

From basic to unique

When Salewa changed its logo a few years ago, we couldn't use old material like hangers anymore. Together with students from the University of Bolzano's design faculty, we transformed leftover hangers into design pieces.



Pomoca — *new life for skin waste*

In 2016, Pomoca decided to give a second life to its skin waste material by partnering with Skinalp - a small company from Aosta Valley, Italy, that produces accessories from the waste of ski touring skins. With our production waste, SkinAlp has created belts, key chains and bags. A portion of the proceeds then go to a Nepalese non-profit that supports housing for children.

In 2018 Pomoca launched a new innovative upcycling project in partnership with up-and-coming Swiss company Baabuk. By combining leftovers of Pomoca's brightly coloured skins with Baabuk's natural felted wool we created a limited series of fun, stylish and durable slippers!

Salewa — *turning waste into resource*

Our designers studied the entire production process for a number of our products, and learned that they could use the offcuts – pieces of fabric that are left after a garment's been cut out – in other products.

In 2018, we launched our new smartphone insulator, made of leftover material from the production of other products. The insulator also has an integrated Recco® reflector to help quickly detect missing people. This year we also developed a beanie that uses leftover merino fabric from the production of our t-shirts.

Dynafit — *may nothing go to waste*

Dynafit has also been working on different projects to reduce their waste to a minimum. In 2018 several upcycling projects were launched.

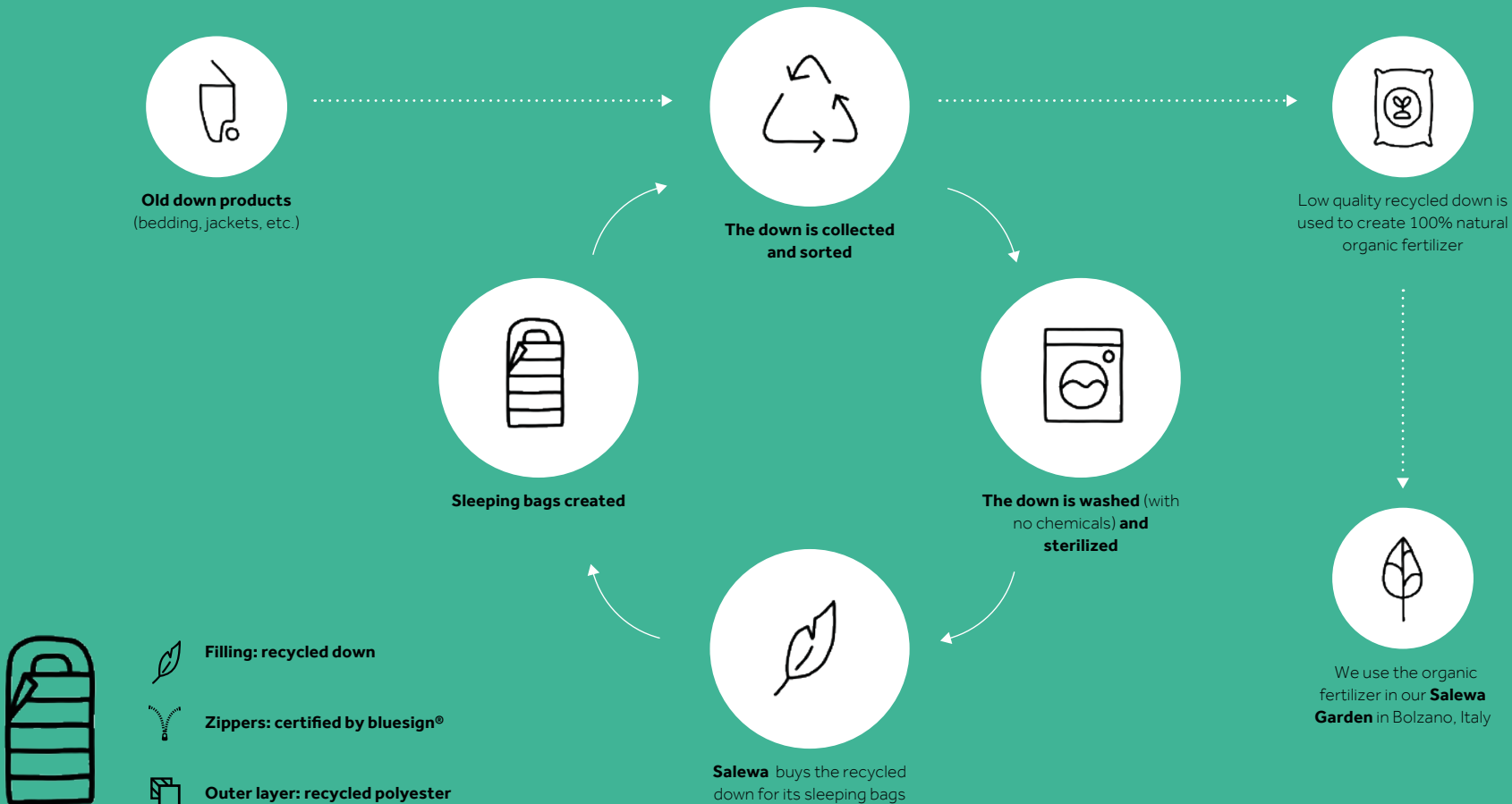
The Battery Life Saver is a phonecase designed to keep your smartphone warm during your most extreme excursions. The case has been produced using leftover fabrics from previous seasons, both for the internal and external layers. Same goes for the Removable Sweat Pad, designed and produced with residual fabrics.

Dynafit also decided to use leftover fabrics to create bags for athletes. These bags were then used for the 2018 edition of the annual ski touring race "Trofeo Mezzalama". Each athlete was given one of the bags.

SALEWA RECYCLED DOWN SLEEPING BAGS

This project is an example of how we can go from traditional take-make-dispose thinking to a circular business model. Our down sleeping bags are filled with recycled down which is collected and sorted from old down products. The down is washed and sterilized (with no chemicals) and then used to create our sleeping bag insulations. The low quality down that

cannot be recycled is used to create a natural organic fertilizer, which we use in our Salewa Garden in Bolzano, Italy. **The outer later of the sleeping bags is recycled polyester and the zippers are bluesign® certified.** With this project we are not using any virgin/new material and we aren't creating any waste or leftovers either.



PACKAGING

Our packaging is split into two main categories: plastic packaging and cardboard packaging. Our objective is to eliminate what we can and recycle what we can't. Here's what we're up to:

PLASTIC PACKAGING

Our main source of plastic consumption are the polybags we use for protecting our single products as they move from manufacturing, through our logistics terminals and retail stores, and oftentimes into our customers' homes. We are currently using these plastic bags because our products need to be protected while traveling and being stored in our warehouses. Currently, polybags are the only option that works in terms of quality and efficiency.

Single-Use Plastics Project – We are members of the Single-Use Plastics (SUP) Project led by the European Outdoor Group. We are working with

over 30 brands and retailers from the outdoor industry to significantly reduce the impacts of our single use plastic packaging. We all face the same problem – so the best way to find a solution is to do it together.

Throughout 2019, we researched the scale of the problem, the ecological impacts of plastic packaging and several material alternatives, and end of life scenarios for our polybags. We learned that plastics do some things better than alternatives, and that during their production, transport, and use phases, they have a superior ecological performance. We also learned that in their end of life, they are particularly problematic. Our current aim is to reduce the quantities of plastics which end up with consumers, ensure that our materials are retained in the resource stream, and create systems which prevent our polybags from ending up in landfills, incinerators, or the natural environment.

In 2020, the project will support three core areas of development including sharing best practices in reducing plastic, an open-loop industry recycling stream, and developing a standardized polybag designed for reuse and recyclability. These three focuses are interconnected, and we feel represent an important step in the right direction.



For more information visit

www.europeanoutdoorgroup.com/reusable

WHAT ELSE ARE WE DOING?

Grass-paper boxes for e-commerce packaging – in July 2019 we introduced a new packaging solution for a large portion of our e-commerce orders. The new ColomPac® boxes use FSC-certified cardboard from sustainably managed forests in Europe in the outer layer, and have a special inner layer made of 40% grass from regional sources. The grass has three benefits: (1) it is harvested from compensation areas to ensure that animal feed supplies are not affected; (2) water consumption is reduced by 50% compared to corrugated paper; and (3) CO₂ emissions in the production are reduced by up to 50%. The boxes are manufactured in a climate-neutral factory.

Recycled polybags – in the meantime, while we are working on the SUP Project to find a long-term solution, we have shifted to using recycled polybags for our apparel items from FW20 collections.

Dynafit boots packaging – we eliminated the packaging inside our ski boots. This way we avoid 120,000 single-use bags (1.2 tons of plastic) and cardboard tubes equivalent to 600,000 A4 pages (3.0 tons of paper/pulp).

REDUCING OUR CARBON FOOTPRINT

Back in 2015, we conducted a Corporate Carbon Footprint study on our entire company, to see where our biggest environmental impacts are. This was the outcome:

OUR ENVIRONMENTAL IMPACT



Our study showed that over 80% of our impact is actually related to our production. However, we don't own any of our production – it's all outsourced, except for our skins production in Switzerland. But this doesn't mean we will sit back and ignore the problem.

* Indirect impact refers to all our outsourced operations (production, transportation, etc). Because a company has no direct control over them, the responsibility is normally limited.

SOME OF WHAT WE'VE ACHIEVED SO FAR

Our Code of Conduct, which all suppliers sign and agree upon, sets environmental protection as one of the standards.

We're bluesign® system partners and many of our partner factories are, too.

A majority of our suppliers are committed to using the Higg Index as a way to transparently share, benchmark and track the environmental performance of our supply chain.*

We encourage employees to organise car-sharing for their business travels.

Our car-free to work competition rewards employees who opt out of commuting to and from work by car. In 2019, together we commuted car-free for a total of 69,943 km, resulting in an estimated saving of 14.27 tonnes of CO₂ emissions – a 30% increase compared to 2018.

LED lighting in shops: as of 2017, we only use LED lighting in all new or renovated shops.

In 2019, our global electricity consumption across all our offices was 3970 GJ (1,102,811.00 kWh). Electricity consumption per square meter of office space in 2019 was 31.5 kWh/sqm, 5% lower than 2018.

We installed 9 video conference devices across the 4 countries, where we normally commute a lot between offices; to reduce the amount of business travel and increase our work and meeting efficiency.

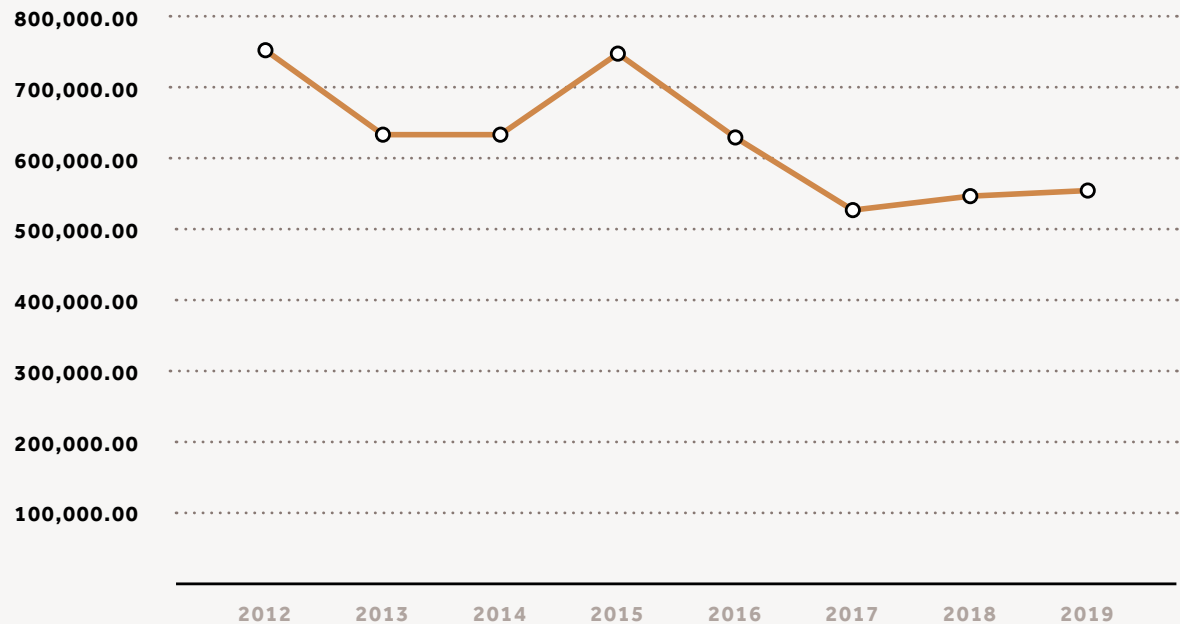
* The Higg Index is a self-assessment and benchmarking tool for apparel and footwear industries for assessing environmental and social sustainability throughout the supply chain.

OUR HEADQUARTERS AND ENERGY REDUCTION

We opened the doors to Oberalp's new global headquarters in 2011. It's the heart and soul of our company. A warm, welcoming, ecological workplace for over 200 Oberalp employees. It's also a second home to local residents, consumers, alpinists and more – the building offers a climbing gym, a centre for conferences and events, a Salewa shop, and a café.

From the start, we designed the building to be as efficient as possible.

ENERGY CONSUMPTION AT OUR HEADQUARTERS



We have a photovoltaic system that produced 705,535 kWh of energy in 2019, which we fed into the public energy grid. The amount of solar energy we produced and fed to the grid in 2019 equaled to 132% of our energy consumption, helping us compensate for our emissions.

We've also worked to minimize our energy consumption. Since 2012, despite the opening of 4 new office floors, we've decreased it by 33%.

Our heating and cooling system is based on concrete core activation. Pipes run through the concrete walls and ceilings, acting as large thermal

storage units and regulating the building temperature while saving energy.

Next to our solar panels, we have a living green roof that provides natural insulation.

We manage 75% of all warehouse operations through an automated central warehouse system, which features an energy recovery function through the braking system.

LOGISTICS CENTRE

Our central warehouse, opened in 2011 along with our offices, is built over four floors and is around 10,000 m². More than 70% of our orders are fulfilled through the automatic warehouse system, which handles around 30,000 pieces each day.

The automatic system can't handle some items due to their size (e.g. skis) so they're dealt with by a manual warehouse system.

Sustainability and energy efficiency in our logistics centre has been the focus since day one.

All cardboard boxes used both by us and our suppliers are 100% recycled carton. We compress all used cardboard boxes with our compressing machine before sending them to a recycling company.

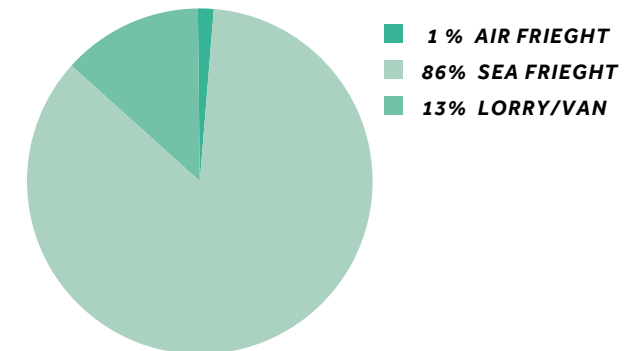
We monitor the time and energy consumption to start up our machines so that a maximum of four machines can start at the same time.

We set the remaining machines in motion with a time lag, because acceleration requires the most amount of energy.

We feed the energy generated during the braking phases back into the system via corresponding power feedback modules.

In 2019, we tracked the environmental impact of transporting our products. Overall, the majority of our products are shipped to us by sea freight. We try to avoid air freight where possible and opt for sea freight, the more sustainable option.

INBOUND TRANSPORTATION



Your contribution?

Look for *recycling possibilities* close to home.

Don't throw your *old clothes* in the bin.

Look out for *circular products* on the market (recycled, upcycled, etc.).

Take a *reusable shopping bag* with you.

Use your *bike*.

Enjoy the mountains without leaving any trace.

REPORTING

We work with a wealth of different organizations to report on our sustainability efforts.

Why are there so many?

Because we believe that being held accountable – and revealing how we're doing – is a vital part of our responsibility as a transparent organization.

MEMBERSHIPS IN EXTERNAL INITIATIVES

European Outdoor Group

Outdoor Industry Association

Fair Wear Foundation

Bluesign

Responsible Down Standard

Economia Alto Adige

EOCA (Only POMOCA)

SOS Kinderdörfer (Only in Germany, Austria, Switzerland)

Caritas Werkstätten (Only in Germany, Austria, Switzerland)

MEMBERSHIP OF ASSOCIATION

Assoimprenditori Alto Adige

ASSOSPORT

CVCI

(Chamber of Commerce of Vaud region, Only POMOCA)

International Ski Mountaineering Federation (ISMF)
(Only POMOCA)

Thinksport (Sport lobby in Switzerland, Only POMOCA)

Bundesverband der deutschen Sportartikelindustrie (BSI)

METHODOLOGY FOR CALCULATIONS

Our 2019 Sustainability Report is an important milestone in our journey towards a transparent and structured reporting process. It gives details on our sustainability performance and the industry's key indicators. And it provides information on issues that affect our stakeholders.

We prepared this document in accordance with the GRI Sustainability Reporting Standards issued in 2016 by the GRI – Global Reporting Initiative. The breadth and detail with which we cover issues in the Sustainability Report reflect the materiality analysis carried out according to the approach described in the paragraph 'How we do things'. This report has been prepared in accordance with the GRI Standards: Core option.

SCOPE OF REPORTING

The reported information and data refer to 2019 (from 1 January 2019 to 31 December 2019), unless otherwise noted. Any data referring to previous years is presented for comparative purposes only, so as to allow an assessment of the evolution of our operations over time.

The performance indicators were collected on an annual basis and the reporting frequency will be annual.

Oberalp acquired Evolv in June 2019. Evolv products officially join the Oberalp product range starting from summer 2020 season. For this reason, they are not included in any of the figures presented in this report.

CALCULATION CRITERIA

Several of our operating departments were involved in the process of data gathering and report drafting, in order to shape this report. One of our ultimate objectives through the report is to strengthen our reporting system, and enhance the accuracy and reliability of the information and data we provide.

Our headquarters are in:

Via Waltraud-Gebert-Deeg Str. 4,
39100, Bolzano, Italy.

GRI CONTENT TABLE

The following table presents the GRI Disclosures covered by this Report according to the option "In Accordance-core", as prescribed by the GRI Sustainability Reporting Standards 2016 of the Global Reporting Initiative. For each Disclosure, a brief description is provided and the page/section in the Sustainability Report where the information can be found. A specific comment is provided for Disclosures that have not been covered or have only been partially covered.

GRI Standard	Disclosure	Page ref:	Comments
<i>GRI 102: General Disclosures</i>			
GRI 102-1	Name of the organization	1	
GRI 102-2	Activities, brands, products and services	10-15	
GRI 102-3	Location of HQ	85	
GRI 102-4	Location of operations	15-16	
GRI 102-5	Ownership and legal form	7	
GRI 102-6	Markets served	15-16	
GRI 102-7	Scale of organisation	6	
GRI 102-8	Information on employees and other workers	25-26	
GRI 102-9	Supply chain	36-40	Oberalp applies the Precautionary Principle to cope with possible risks and to protect the environment.



Oberalp Group

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Get in touch if you have
any questions or feedback!
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