

## **Fiskars Group Supply Chain Transparency Statement**

Fiskars Group does not tolerate modern slavery, forced labor, child labor or human trafficking in its organization or in its supply chain. Fiskars Group is committed to preventing modern slavery and human trafficking through assessment of risks in its supply chain, due diligence of its suppliers and awareness training, both within Fiskars Group and more broadly in its value chain.

Fiskars Group proudly upholds a longstanding commitment to ethical sourcing across its globally distributed product lines. In recent years, it has invested in mapping its supply chain to enhance transparency and continues to diligently craft and enforce ethical standards tailored to its diverse network of suppliers and distributors involved in the production, processing, and manufacturing of its product base.

### **About this statement**

This statement is prepared on behalf of Fiskars Canada Inc. and Fiskars Living Canada Inc. (the “Companies”) in compliance with Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”). The Companies are each Canadian entities and subsidiaries of Fiskars Finland Oy, Ab, with headquarters in Espoo, Finland (“Fiskars Group”). Fiskars Group prepares additional statements in accordance with the UK Modern Slavery Act; Australian Modern Slavery Act; California Transparency Act and the Norwegian Transparency Act.

This report has been prepared for the financial year ending on December 31, 2023.

### **About Fiskars Group’s Purpose and Values**

At Fiskars Group, we embrace the power of design in everything we do, from ideation to manufacturing and business development. Through the combination of craftsmanship, brand passion and digital transformation, we rethink existing solutions while always remaining loyal to our roots.

Fiskars Group has a geographical presence in Europe, Asia-Pacific and the Americas and our brands are present in more than 100 countries. We employ approximately 7,000 people in 29 countries and our global net sales in 2023 were EUR 1.1 billion.

As a global home of design-driven brands for indoor and outdoor living, we are unified and driven by our common purpose: Pioneering design to make the everyday extraordinary.

Our shared values unite our global team: Celebrating the everyday, creating change, and growing with compassion. We keep them relevant and actionable in our everyday. We are present in the little things we do, as we know they have a big impact on us and our future.

### **Our Organizational Structure and Business Activities**

Fiskars Group consists of two Business Areas and several global functions. Our Business Areas are Vita and Fiskars.

Our Vita Business Area offers premium and luxury products for the tableware, drinkware, jewelry and interior categories. Vita consists of brands such as Iittala, Georg Jensen, Royal Copenhagen, Moomin Arabia, Waterford, and Wedgwood. Our Fiskars Business Area offers gardening, watering, outdoor, cooking, and creating products, and includes brands such as Fiskars and Gerber.

Each Business Area is responsible for driving business results and integrating our sustainability commitments into their business planning. The Business Areas have a clear focus and accountability for Fiskars Group’s global offering, enabling us to leverage the full potential of our strong brands and make the everyday extraordinary for people using our products and services.

The Fiskars Group Board of Directors is responsible for ensuring that human rights are respected throughout the company. The Chief Executive Officer is responsible for ensuring the implementation of these principles. The day-to-day responsibility to identify, assess, mitigate, prevent, track, and report on human rights risks are the responsibility of our Global Functions and Business Areas.

### **Our Supply Chain**

Fiskars Group is dedicated to maintaining a supply chain that ensures the upmost adherence to international human rights and labor standards. Our position in the global market provides us with a responsibility to protect and advocate for the working conditions of the people throughout our supply chain who make our products.

Fiskars Group utilizes a combination of its own manufacturing operations in connection with those of its carefully selected suppliers. Fiskars Group has 13 of its own manufacturing units located in Europe, Asia and the US. Fiskars Group has approximately 200 finished goods suppliers and a wide network of suppliers for raw materials, components, and services. Fiskars Group sources finished goods from suppliers located in Europe, North America, and Asia, with the biggest sourcing countries being China, Thailand, and Vietnam.

The company has built a strong network of suppliers that are committed to our strict standards of sustainability and human rights, product excellence and compliance with local laws.

### **Risks of Forced Labour or Child Labour in Our Supply Chain**

Fiskars Group's global value chain impacts the lives of individuals at every stage of the process. Fiskars Group respects all human rights and recognizes the equality of all people and is committed to full compliance with all applicable laws and regulations of the countries in which it operates. All business is conducted in accordance with the law and with integrity.

As part of our due diligence, Fiskars Group actively engages with our suppliers and their sub-suppliers to prevent the risk of non-compliance with our human rights policies. We manage the effectiveness of our human rights due diligence by proactively following up on our group risk management assessments and all incidents of non-compliance. We are proactive in reassessing our processes and actions to ensure that our management system is current and effective.

In 2019, Fiskars Group conducted a human rights assessment to better understand the gaps, risks, opportunities, and steps required to enhance our human rights due diligence process. Through the assessment, we gained valuable information on, among other things, how to further integrate human rights into our risk management processes, covering both our own operations and our value chain.

In 2023 we participated in the Business & Human Rights Training Program, organized by the UN Global Compact. The program provided useful tools for further developing our human rights due diligence process. We identified and prioritized potential and actual human rights impacts connected to our business and developed action plans based on those findings. As a result, rather than creating a new separate process, we integrated human rights management into our existing processes, annual risk management assessment, ESG strategy management and reporting.

The overall objective of Fiskars Group's risk management is thus to identify, evaluate and manage risks that may threaten the achievement of the Group's values and business goals. The most material sustainability related risks, including environmental, social and employee matters, respect for human rights, and anti-corruption and bribery matters, are included in the established annual risk management process. This ensures that risks related to these areas are identified and assessed, and that control measures are set.

### **How We Work to Ensure Our Supply Chain is Free of Forced Labor and Child Labor**

Fiskars Group complies with all relevant labor laws and regulations in the countries where we operate. In all Fiskars Group operations fundamental labor rights must be respected, including freedom of association and collective bargaining. Fiskars Group is committed to the elimination of all forms of forced or compulsory labor, child labor, and of discrimination in respect to employment and occupation. This reflects our support for the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Fiskars Group is committed to adhering to the International Bill of Human Rights, UN Guiding Principles on Business and Human Rights, International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact principles. We support the values, freedoms, and fundamental rights promoted in these texts and are committed to continuously learning about and following the evolution of human rights, as it helps us to become a better company.

We do not allow working conditions or treatment that contravene basic human rights. We have zero-tolerance for child labor, and we safeguard vulnerable workers from abuse or exploitation, regardless of their employment contract or immigration status.

Fiskars Group ensures that its supply chain is free of forced labor and child labor by enforcing the policies, commitments and due diligence processes mentioned throughout this statement.

### **Fiskars Group Policies Regarding Human Rights**

Fiskars Group's Code of Conduct lays out the expectations and guiding principles for appropriate workplace behavior, helping all employees understand how to do business in an ethical, safe, sustainable, and transparent manner. Fiskars Group's Employment Policy states there is a zero tolerance towards child labor and that any form of forced, bonded, indentured or involuntary prison labor must not be used in any circumstances. All Fiskars Group employees must be aware of and conduct their activities in accordance with Fiskars Group's Code of Conduct, Employment Policy, and all supporting Fiskars Group policies, even when the Code requires a higher standard of behavior than is required by national laws and local regulations.

The Fiskars Group Supplier Code of Conduct outlines the standards that all of our suppliers and partners must meet in order to do business with Fiskars Group. The Supplier Code of Conduct covers important topics including minimum obligations regarding labor and human rights, overall health and safety, environmental consciousness, due diligence, business ethics and integrity, management systems, commitments, and a speak-up culture.

In addition to our Supplier Code of Conduct, our sourcing is also governed by our Sourcing and Purchasing Policy. It acts as an important guideline for all our employees in managing, spending and buying goods and services. The policy has been put in place to ensure that Fiskars Group follows a professional, controlled, and sustainable sourcing and purchasing process for services and materials provided by external suppliers. When signing the Fiskars Group Supplier Code of Conduct, the suppliers certify their commitment to upholding the requirements stated in the code.

### **Fiskars Group Due Diligence to Prevent Forced Labor and Child Labor**

#### **1) Creating Awareness of Forced Labor and Child Labor**

Everyone at Fiskars Group, including leaders, employees, suppliers, partners, and community members, has a role to play in defending human rights throughout our entire value chain. The Fiskars Group Code of Conduct and related training provide a detailed description of our approach to doing business in an ethical way. The Code of Conduct training is mandatory for all employees, and it is part of our on-boarding

package. In addition to on-boarding, everyone at Fiskars Group must complete the training every two years. To make sure everyone at Fiskars Group knows how to operate in their day-to-day work and in order to enhance employee knowledge on important matters such as human rights, health and safety, data protection, and anti-bribery and corruption, we organize mandatory training sessions for all employees. Classroom training sessions are held at all Manufacturing Units and Distribution Centers in local languages at regular intervals by the local HR departments.

We require all of our business partners and customers, and their sub-contractors, to be governed by the same or similar principles stipulated in the Fiskars Group Code of Conduct. Fiskars Group's Supplier Code of Conduct communicates Fiskars Group's ethical and sustainability expectations to all of our suppliers and cooperation partners. We engage with our suppliers through site visits, questionnaires, training (regarding, for example, setting science-based targets) and our audit program.

## 2) Risk Management of Our Supply Chain

Human rights, and other ESG and sustainability related topics, are included in our established annual risk management process. This ensures that risks related to human rights are identified and assessed, and that control measures are set. During the UNGC Business & Human Rights training program we also identified and prioritized potential and actual human rights impacts connected to our supply chain and integrated the findings into our existing processes, ensuring that we continuously include the risks that are material in our supply chain.

Fiskars Group has built a strong supplier network that meets our business needs, as well as our values and social and environmental expectations. Fiskars Group continuously assesses and updates its systems to identify and address risks in the supply chain, including those related to forced labor or child labor.

Fiskars Group's Supplier Code of Conduct outlines the standards all of our suppliers and partners must meet to do business with Fiskars Group. A new version of the Fiskars Group Supplier Code of Conduct was announced at the beginning of 2023. As compared to the previous version, this new one is aligned with the latest legislation and Fiskars Group's commitments. The new Supplier Code of Conduct covers important topics such as labor and human rights, health and safety, environment, due diligence, business ethics and integrity, management systems and commitment, and a speak-up culture. In addition to our Supplier Code of Conduct, our sourcing is also guided by our Sourcing and Purchasing Policy. It acts as an important guideline for all our employees in managing spending and buying goods and services. The Policy has been put in place to ensure that Fiskars Group follows a professional, controlled, and sustainable sourcing and purchasing process for services and materials provided by external suppliers. Fiskars Group established its first supplier code of conduct assessment program in 2011, and we have continuously developed it ever since. The decision to conduct an on-site assessment is based on a risk assessment that takes into consideration country risk, the size of the business, and the industry. In the system, risk country is defined using the latest Amfori BSCI Country Risk Classification. SCOC audits are carried out by Fiskars Group SCOC auditors or appointed external auditors/agencies. The SCOC lead auditor is responsible for the annual audit plan, audit form including deciding if audits are announced, and assigning auditors.

Fiskars Group monitors suppliers' performance by conducting Supplier Code of Conduct assessments. The SCOC lead auditor designs, maintains, and updates the criteria, the assessment checklist and other documents for SCOC assessments. SCOC audit priority of running suppliers is determined by indicators including latest assessment results, country risk, spend, and industry risk. To ensure compliance and continued dialogue with our suppliers, 20% of our active finished goods suppliers were audited in 2023.

Every Fiskars Group employee follows the above-mentioned process when they work with a supplier. Communication, facilitation and training materials are provided to ensure group-level consistency across all locations.

### 3) Reporting Misconduct

Fiskars Group's Code of Conduct Violation Response Policy defines how an investigation of a suspected code violation is conducted. The Policy complies with the EU Whistleblowing Directive (EU) 2019/1937 and applies to all Fiskars Group employees and all Fiskars Group companies worldwide.

The Fiskars Group Code of Conduct requires all employees or other persons working under Fiskars Group's direction to report any suspected violations to their manager, HR or Legal & Compliance function, through the anonymous written Ethics and Compliance Helpline, or by calling Ethics and Compliance Hotline numbers. Fiskars Group has country-specific numbers for countries where there is a manufacturing unit, distribution center or significant suppliers. Anonymous third-party channels are also open to suppliers and partners.

All suspected violations and occurrences of misconduct are promptly, thoroughly and confidentially investigated by the Legal and Compliance function. Depending on the case, relevant functions such as HR are engaged in resolving the issues. All reported cases are reported quarterly to the Board's Audit Committee, and to local law enforcement if necessary.

### 4) Evaluation of Effectiveness of Due Diligence

The effectiveness of our due diligence and risk management system to prevent forced labor and child labor in our supply chain and operations is evaluated annually. Identification and remediation of forced labor and child labor, as well as loss of income of vulnerable families, are a part of our risk management and evaluation process. To date, none have been identified.

It is an integral part of Fiskars Group management system to ensure that our recruitment and employment practices are in compliance with both national laws and regulations as well as fully compliant with the standards set forth in our policies and Code of Conduct

The Board of Directors is responsible for the appropriate management and organization of operations. The Board of Directors has approved the internal control, risk management, and internal auditing principles to be followed within the Group.

In practice, it is the responsibility of the President and CEO, together with the Fiskars Group Leadership Team and other management, to put in place and oversee accounting and control mechanisms and other similar processes. The Risk Management function supports the identification, evaluation, and management of risks that may threaten the achievement of Fiskars Group's business goals. The Legal and Compliance function monitors compliance with the Code. Internal Audit helps Fiskars Group accomplish its business objectives by bringing a disciplined, systematic approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The direction of the work of the Internal Audit function is stated in the annual audit plan. To reflect the overall business objectives and risks, the audit plan is aligned with the Group strategy and strategic focus areas.

### 5) Collaborative Engagement and Recognitions

Fiskars Group's sustainability commitments are based on content from the United Nations Sustainable Development Goals (SDGs), our materiality assessment, as well as analyses regarding the SDGs. Through our assessments, we have identified three SDGs that are relevant to each aspect of our value chain. One of these three is the SDG 10 - Reduced Inequalities. At the end of 2023, Fiskars Group had over 7,000

employees with an even more significant number of people working in our value chain. Therefore, diversity and equal treatment of all people in order to reduce inequalities is one of our main priorities.

Fiskars Group joined The UN Global Compact - the world's largest corporate sustainability initiative - in 2016. Fiskars Group supports the Compact's pursuit of international corporate sustainability by adhering to its 10 guiding principles, as well as by reporting actions related to these initiatives.

Fiskars Group has also achieved the Platinum level sustainability rating from EcoVadis. EcoVadis Medals recognize eligible companies that have completed the EcoVadis assessment process and demonstrated a relatively strong management system that addresses sustainability criteria, as outlined in the EcoVadis methodology. This assessment takes into account a company's initiatives to protect positive social and environmental impacts, including positive actions affecting human rights. In 2023, Fiskars Group improved its rating, notably in the "Labor & Human Rights" and "Sustainable Procurement" categories.

Fiskars Group also engages with various organizations around the world that support sustainable business practices. A list of these organizations can be found in our annual report.

### **Approval of Statement**

"In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above."

Full name: Päivi Timonen


Title: Director, Fiskars Canada Inc.; Director, Fiskars Living Canada Inc.; Chief Legal Officer, Fiskars Group

Date: May 30, 2024

Signature:

I have the authority to bind Fiskars Canada Inc. and Fiskars Living Canada Inc.

By:

  
[Päivi Timonen \(May 30, 2024 22:32 GMT+3\)](#)