

INTRODUCTION

This report/statement describes the current situation and factors related to modern slavery and human trafficking in Suunto Oy (later Suunto) operations and supply chains and lays out the action plan on it. This document is prepared in accordance with Ethical Trading Initiative Framework for Slavery & Human Trafficking statements and Section 54 (Transparency in Supply Chains) of the UK Modern Slavery Act 2015 and apart from the annual report to the UK Government, from 2024, it is also used for reporting under Canada’s Bill S-211. Suunto expresses zero tolerance towards any form of modern slavery in our operations or supply chains. Suunto is committed to acting ethically and transparently, dedicated to improvements outlined in this statement, while also supporting external initiatives that help build responsible supply chains. This report/statement describes the calendar year 2024, which is the second full year of Suunto having its own ethical policy framework (until May 2022 belonging to a multi-brand group whose code of conduct and policies were followed).

BUSINESS AND SUPPLY CHAINS

Suunto was founded in 1936 in Finland and still has its office and factory in Vantaa, Finland. Our product categories are GPS sports watches, dive computers, compasses and headphones, which we make for sports enthusiasts, people passionate for outdoors and marine environments. Suunto’s vision is to be a trusted guide in the world of outdoor sports and adventure and protecting our playground while doing so. Suunto products are made durable, repairable and long-lasting which is also the most efficient way to reduce the environmental and social impacts that products cause in their lifetime from raw material sourcing, manufacturing, use and end-of-life.

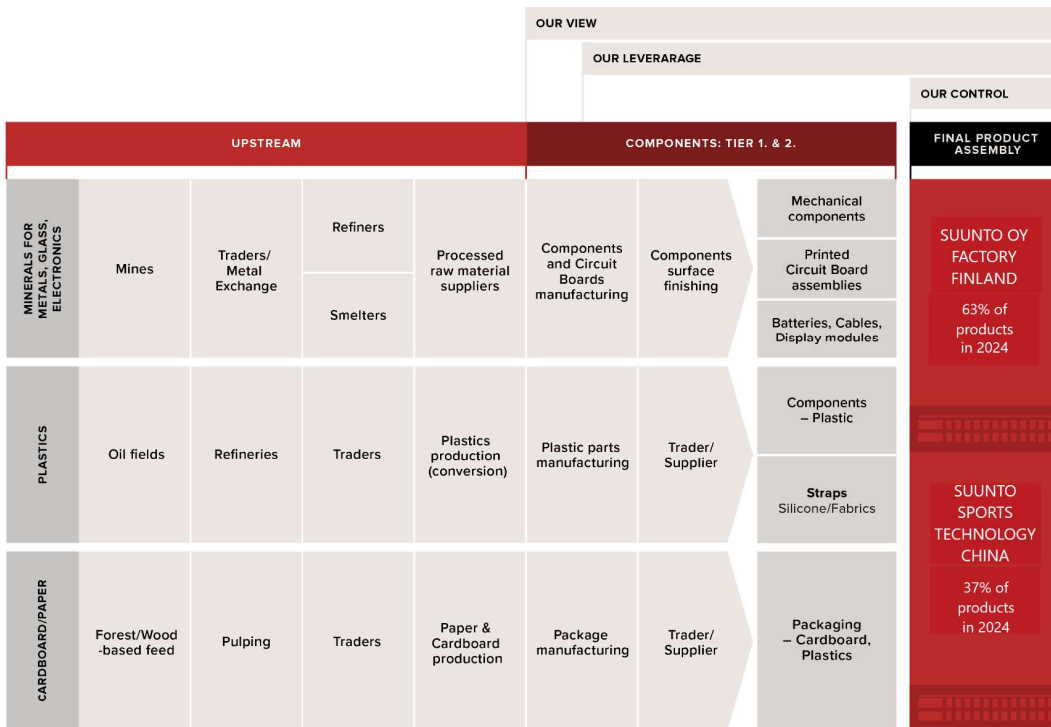
Suunto products are sold in around 100 countries. Until May 2022 Suunto was part of Amer Sports Group and followed its CSR and environmental policies and practices. From May 2022 Suunto has been owned by, and functions as an independent unit of Liesheng, China. Mid-year 2024 Suunto’s Finland-based staff experienced a considerable reduction from 300+ employees to around 200 and similarly, the production of our main product category, sport watches, was transferred from Finland to China*. In addition to staff in Finland, we employ regional sales and marketing staff on most continents. In 2024, 63% of all Suunto products were made (designed, tested and assembled) in Suunto’s factory in Finland, where the Finnish legislation is followed concerning all employees. This is the area of direct control from the point of labour rights and working conditions in Suunto supply chain.

Suunto’s current owner also has a product development unit in China*, Suunto’s sister company, employing 600 Suunto-specific full-time employees. The remaining 37% of Suunto products in 2024 were produced here. The final responsibility on sourcing decisions is also under the sister company in China, supported by Suunto Oy Sourcing and Sustainability teams on sustainability and compliance matters.

Majority of the components used in Suunto watches originate from Asia. Other product categories have components and sub-assemblies also from Europe, including Finland. We have visibility and leverage on Tier 1; we know all our component suppliers. Apart from this we do have a partial view on Tier 2 suppliers.

We acknowledge the complexity of the supply chains in the global electronics sector (component and part sub-manufacturers) and the extractives sector supplying raw materials for the components used in products (mines, smelters/refineries and wholesalers/traders), leading to low visibility. We are not importing or trading minerals used in electronics ourselves, but we are a support member of organizations/industry initiatives developing human rights due diligence and environmental responsibility in the extractives sector.

The following map describes the material flows and tiers in our value chain.



POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

The following Suunto policies and requirements are connected to modern slavery and prohibit the use of forced- or child labour, or any practices related to modern slavery and human trafficking in Suunto value chain. Suunto Ethical Policy includes the areas of, but is not limited to, Ethical Trading Initiative's Base Code and takes into account United Nations' Universal Declaration of Human Rights and International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, UN Guiding Principles and OECD guidelines. The principles defined in the Ethical Policy -if followed successfully-, would prevent situations and conditions that can facilitate or enable modern slavery.

- Code of Conduct
- Ethical Policy
- Substance Requirements (*incl. Conflict minerals)
- Supplier Requirements
- Anti-Bribery and Anti-Corruption Policy
- Whistleblowing channel

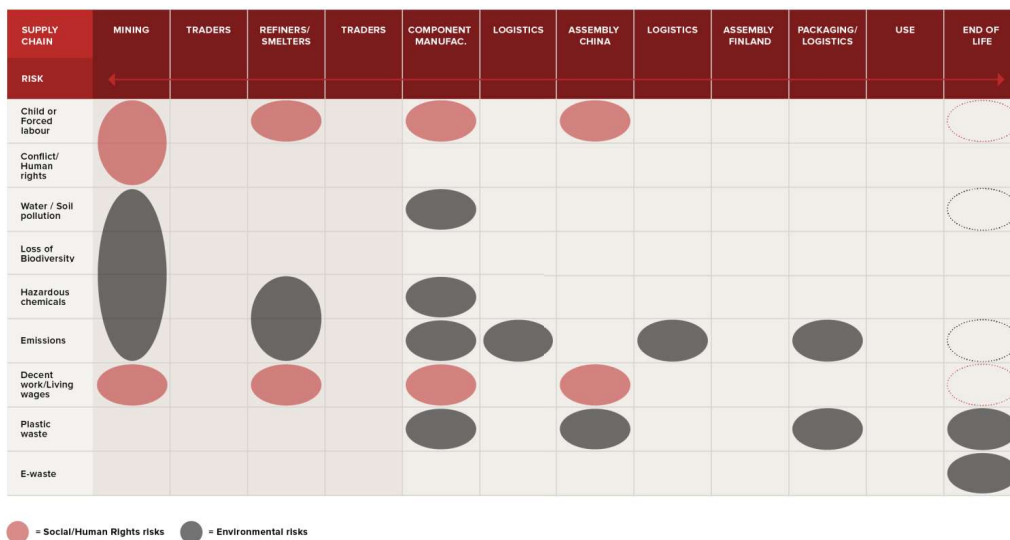
Suunto Leadership Team guides the company compliance and approves the policies, including Slavery and Human Trafficking Statement (this report). One person in the Leadership Team has a dedicated responsibility of sustainability. Managers of different teams are in charge of implementing the Code of Conduct and ethical principles and requirements as part of their work. The Ethical Policy is part of the Supplier requirements -document "package", to which suppliers adhere to by signing the Supplier Requirements Declaration and supply agreements for Suunto products. This also includes agreeing to be part of the supplier monitoring and auditing. Suunto Sourcing (teams in Finland and in sister company in China) is responsible for the selection of suppliers and the communication of the Supplier requirements to them. Suunto Sustainability and Sourcing are responsible for the implementation of the responsible sourcing system, incl. supplier audits and follow up activities. In line with Suunto's dedication towards high-quality products, we aim to build stable and lasting partnerships with suppliers. This is expected to enhance the communication related to continuous improvement and ethical standards.

Suunto has a publicly accessible whistleblowing channel and a process to handle any possible grievances through it. The channel is anonymous and accessible to everyone through Suunto's website www.suunto.com. Suunto holds the right to terminate a business relationship with a supplier if there is a violation of social or environmental requirements or laws. The central policies have been translated into Chinese – the language of the main sourcing location/origin of the components used in products.

IDENTIFICATION OF RISKS AND STEPS TAKEN TO PREVENT AND MANAGE THE RISKS

The basis for the responsible sourcing is the identification of the ¹⁾Industry-/sector -related risks and hotspots and ²⁾Risks related to the main geographical area of sourcing. We have done both of these analyses based on data and statistics of numerous international research institutes, civil society and human rights organizations, and update them annually. The human rights work is led by the Senior sustainability manager and the Leadership team is updated in the periodical management reviews. In 2023 we started preparing for the EU Corporate Sustainability Reporting Directive, where supply chain due diligence has a considerable role. In 2023 we conducted a gap analysis with an external sustainability consultancy, which was followed by a double materiality assessment in 2024, including identification of impacts and risks throughout the company's value chain.

This table describes the industry hotspots ie. the most common risks in electronics value chain.



Moving up in the value chain from Suunto's own factory, the components sourced originate from South-East Asia, mainly China -classified as a risk-country on human rights and decent work. Based on the most recent reports and data from reputed international organizations like ILO, World Bank, Amnesty International, Transparency International, Freedom House, Global Slavery Index, the main risks related to our key sourcing context include:

- Forced labour (including forced migrant labour); Child labour
- Excessive and/or involuntary overtime
- Lack of freedom of association

The following are also risks in our sourcing context based on wide sample of statistics, but have to be studied more closely, in the exact production location, at a particular point of time:

- Low wages vrs. Living wage (concrete paid wages w/a overtime vrs. the Global Living Wage Coalition’s benchmarks)
- Working conditions and safety
- Discrimination/inequality by gender and other factors
- Corruption and limiting the freedom of expression are risks that are linked to the realization or prevention of other risks.

Suunto is a member of FIBS (Finland Business and Society, a corporate responsibility network of Nordic countries, a partner of WBCSD) -including its Human Rights Working Group and RMI (Responsible Minerals Initiative). In 2023 Suunto Finland became a member of Sedex, followed by Suunto’s sister company in China in 2024, both units completing the Sedex Self-Assessment. Going forward, we will use Sedex’s risk-assessment and supplier monitoring tools and auditing methodology to improve supply chain transparency. Within these organisations there is continuous peer learning and training provided on human rights, management of supply chain risks and upcoming legislation.

DUE DILIGENCE PROCESSES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING IN BUSINESS AND SUPPLY CHAINS

Suunto is committed to zero tolerance of slavery and human trafficking in its operations and supply chains. After the change of the company ownership in 2022 and full revision of the company policies on corporate responsibility, we have created a supplier requirements process and update the requirements annually, also in 2024. From 2023 we have asked suppliers to sign a Supplier Requirements Declaration (SRD), this process prepared in cooperation by Suunto Legal, Sustainability, Sourcing and Leadership teams. The supplier requirements consist of policies on environmental, ethical and quality -related requirements, including decent work and condemnation of forced labour.

In 2023 we identified strategic suppliers representing 85% of our annual direct purchases, this group being the first in scope for the supplier requirements process. In 2024 it was decided to include all suppliers in the requirements process. For possible closer monitoring (and/or site audits), a smaller, more targeted group will be selected, based on the significance of the supplier and the risk status of the production location. When selecting new suppliers and negotiating supply agreements, Suunto Sourcing team assesses suppliers by various compliance and quality aspects, including adherence to our policies and requirements. Records are kept on the Supplier Requirements Declarations signed by the suppliers.

From 2023 Suunto Finland has been a member in the supply chain sustainability organization Sedex who provides tools and methodologies for supply chain transparency and monitoring. In 2024 our sister company in China also became a member and both companies have completed their self-assessment questionnaire (SAQ) with Sedex. For future site audits in our own production facility, or those of our main suppliers, Sedex’s SMETA audits will be used.

We keep ourselves informed on the development of regulation against imports whose value chains may include forced labour and reflect the changes in our requirements and procurement processes. The recently approved forced labor regulations and/or the enforced implementation of the existing legislation, for example the EU Forced Labor Regulation and US Uyghur Forced Labor Prevention Act, support companies in developing their due diligence practices.

EFFECTIVENESS IN ENSURING THAT SLAVERY AND HUMAN TRAFFICKING IS NOT TAKING PLACE IN BUSINESS OR SUPPLY CHAINS

As described in the Risks-section, the main sourcing countries and the complexity of supply chains of the electronics sector do pose also Suunto supply chain to slavery and human trafficking risks, although we as a business also do have some positives (long trade relations with some of the suppliers, our product offering focusing on high quality and durability).

This is Suunto’s fourth Slavery and Human Trafficking statement (the first published in 2022 being the “baseline”). *The action plan* on mitigating modern slavery and human rights risks in our supply chain below is still mainly outputs-oriented, as in the first years we have set up the framework (policies, processes and implementation plan and selection of a partner organization/auditing methodology), that we have now began to implement. Update on the progress will be done annually through this report/statement and our annual Sustainability report published at suunto.com/sustainability.

| RISK | ONGOING EFFORT | ACTIONS, Baseline mid-2022 | ACTIONS, Status end-2024 |
|--|---|---|--|
| Possibility of forced labour; forced migrant labour; involuntary overtime; child labour in manufacturing risk countries. | <ul style="list-style-type: none"> ▪ Building responsible sourcing framework ie. tools, schedule and implementation plan for assessment, monitoring, improvement, grievance and remedy process ▪ Communicate and cooperate with suppliers and receive their consent to participate in responsible sourcing activities as described in the Supplier requirements documents (incl. Ethical Policy) ▪ Continuous follow-up on country & industry risks, research and development of legislation on decent work topics | Goal: Documents stating the supplier requirements ready, Whistleblowing channel open. | |
| | | <ul style="list-style-type: none"> ▪ Ethical Policy ▪ Slavery and Human Trafficking Statement ▪ Supplier Requirements ▪ Whistleblowing channel All policies renewed in 2022, Whistleblowing channel open. | The Supplier Requirements document, Substance Requirements and Supplier Requirements Declaration revised and translated in Chinese. Supplier Requirements process/documents shared with the sister company managing suppliers in China. |
| | | Setting up the procedure on possible cases detected via Whistleblowing channel. | Completed. No supplier-related cases reported in 2024. |
| | | Translating Ethical Policy, Slavery and Human Trafficking statement and Whistleblowing channel in main supplier languages. | Documents completed. New translations in Chinese for revised docs done in 2024 as planned. |
| | | Goal: Documents communicated in needed supplier languages and signed by suppliers. | |
| | | - | Supplier Requirements Declaration + policies sent to suppliers and received consent by signature; contracts archived/progress documented.* Decided to expand the scope of suppliers in 2024; execution delayed due to internal changes, to be completed in 2025 with the full scope. *few suppliers (mainly large companies) expressed reluctance to sign external supplier policies as they follow their own set of code of conducts and sustainability policies. |

| | | | |
|------------------------------------|--|---|---|
| | <ul style="list-style-type: none"> Update context- and risk-assessment annually Organise training as per need | Goal: Membership in/cooperation with a responsible sourcing or ethical trade organization. | |
| | | Cooperating with/ membership in an NGO specialized in supply chain human rights issues for verification of our system. | Completed. Membership in Sedex for both Suunto Oy, Finland (and our sister company in China 2024). |
| | | Goal: Strategic suppliers are active in the Sedex system - have done first round of self-assessment & findings are assessed for future steps. | |
| | | Process and schedule for extended supplier monitoring and auditing drafted. | Sedex self-assessment questionnaire (SAQ) completed for both Suunto Finland and China. *As Suunto experienced major organizational changes mid-2024 impacting sourcing function/ roles and supplier management. delays were caused in supplier enrollment. |
| | | Goal: Auditing plan for the first batch of suppliers in place. | |
| | | Selecting auditing partner. | Completed (Sedex SMETA). |
| | | | Audits can follow after joining the Sedex platform and filling in the SAQs. SAQs completed for Suunto Finland and China, which will be first in scope for the site audits. Supplier scope to be decided next. (See above) |
| | | Goal: Relevant staff in Finland and China trained on decent work and supply chain human rights topics. | |
| | | Training of related staff. | Continuous in Finland. In 2024 sister company in China visited and training on various sustainability, compliance and sourcing due diligence topics given and actions agreed. |
| | | Goal: Responsible sourcing has indicators and records progress on them. We learn from cooperating with the suppliers and Sedex analytics and audit results and develop the work beyond audits. | |
| | <ul style="list-style-type: none"> After the system is set up & functional: draft (outcome level) KPIs Work on remedy procedures Continuous assessment of training needs and the possibility to take the system further | Post Sedex set up, self-assessments and first audits. Double-materiality assessment for EUCSR done in 2024, incl. identification of human rights risks and impacts in the value chain. Preparations for the EUCSR reporting, incl. target- and indicator setting, was started. | |
| Raw materials (extractives sector) | Beyond own control and visibility – support partners/networks specialized in the topic | Goal: Membership in/cooperation with a responsible mining initiative/organization | |
| | | Becoming a part of one of the leading industry organizations on transparency in the extractives sector. | Completed (RMI membership). |
| | | Study on recycled raw materials. | In process/ continuous. |
| | Minerals regulations compliance (added in 2024 statement/report) | Follow up on EU Battery Regulation and its Due Diligence requirement on minerals (effective from 2025). Suunto's sister company in China plans to start collecting components' conflict minerals data by RMI's CMRT from 2025 onwards. | |

TRAINING AND CAPACITY BUILDING ABOUT SLAVERY AND HUMAN TRAFFICKING

Familiarizing with the central ethical policies and code of conduct is part of the onboarding process of new employees joining Suunto. In 2024 Suunto Sustainability cooperated with various teams, especially Legal, Sourcing and Leadership team on various sustainability compliance topics, including managing human rights risks and related regulation. Similarly, awareness raising/information sharing was done on forced labour risks and due diligence needs both in Finland and China. A monthly update on sustainability compliance was sent to the company owners in China. Most of the Finland Leadership team actively participated in the EUCSR double-materiality assessment, and identification of the risks and impacts in the value chain. During the year sustainability function participated in several trainings on corporate responsibility and human rights due diligence and continued participation in the Human Rights Working Group of FIBS (Finnish Business and Society). Suunto continued the memberships in Responsible Minerals Initiative (RMI) and Sedex, both organizations also offering training to their members.

Canada, Bill S-211

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 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 **Niina Sappinen** (I have the authority to bind Suunto Oy)

Title **VP Finance, procurator**

Date

Signature

Niina Sappinen
 Niina Sappinen (Jul 4, 2025 10:02 GMT+3)