



SUSTAINABILITY REPORT

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INTRODUCTION

FIFAA is international fashion, sports retailer and distributor operating in Estonia, Latvia, Lithuania and Finland. FIFAA has been a trend setter for almost three decades – 29 years we have been offering our customers highest standards through our products and services in our business sectors. Satisfied customers are our main source of inspiration for us to develop the best products, services and contribute to development of our society.

FIFAA has grown as a business continuously close to three decades and today we cannot do business without sharing our personal goals and targets for being more demanding to ourselves and reaching new heights with being more transparent in daily activities.

This is the year we acknowledged as the official start of FIFAA Group’s sustainability journey. We have been doing many “green” actions for years to reduce our footprint on the

environment and at the same time noticed also new values emerging within the company, we have finally found a good way how to describe and share our ongoing actions with public in terms with GRI reporting and setting clear targets to support Paris agreement climate goals on voluntary basis. We always jog ahead of the market, as this is the only way to secure the future market leader position.

This report is our first internal comprehensive audit on sustainability and thus there is no previous data to compare. With the results of this sustainability actions audit we seek to start planning a roadmap with clear goals to reduce our footprint and improve our positive impact.

Our Planet Earth inspires us every day, so let us continue and grow as best wholesale and retail company in our region. With the greatest pride we are happy to release our sustainability report for financial year 2021.



LETTER FROM CEO

FIFAA group of companies are operating in several business areas – we produce apparel and business gifts; we operate world famous fashion brands both in wholesale and retail. We handle logistics, create clever marketing campaigns, and innovate in the field of e-commerce. FIFAA has always been forward thinking and trying to find new ways of growth, testing new fields of business, and pushed new brands, artists, and designers to the world.

During the history of the company of almost 30 years we have constantly been monitoring and adjusting our internal values and I'm glad that lately our team has come up with more and more ideas how to improve our sustainability. Whether it has been targets of reducing waste, recycling packaging, reducing energy consumption, or just simply switching to gifting live plants instead of flowers bouquets during celebrations in the office – it all has led us to re-evaluating our values that evolve ever more around green and sustainable thinking.

So, a natural next step for us was to start our sustainability road with clear overview of our current position and to set clear goals for the future. We feel that similarly to our high standards and forward thinking in business we must apply same principles on this road to becoming more sustainable. We feel that natural resources need to be preserved with much more care than previously during the fast industrialisation period of last century. We



Karel D. Loide CEO

together as a society need to seek new ways to improve lives and develop business while becoming sustainable.

As a first step we are conducting this comprehensive current audit of our footprint on environment and community, followed by a detailed plan how to reduce our negative impact both short and long term. This report helps us better understand efforts need to be taken to achieve ultimate goals.

We seek to inspire every FIFAA group employee and member of our community to follow similar principles of responsible usage of resources and respecting our environment. Not only while working for our company but on larger scale as-well. Building a better environment in its broadest meaning is our ultimate goal.

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**“SERVING OUR CUSTOMERS
THROUGH RESPONSIBLE
WORK ENVIRONMENT AND
WORK ETHICS”**

FIFAA IN BRIEF

FIFAA is international fashion, sports retailer, and distributor operating in Estonia, Latvia, Lithuania and Finland. FIFAA was established in 1993 as a promo wear and business gifts producer in Estonia. Company grew fast and evolved into other regions and areas of business that included distribution of sporting and lifestyle goods. It was only natural that the next step was to move into retail. One of the best known trademarks “Sportland” was born in FIFAA and was part of the group until year 2001 when restructuring separated this concept into independent company.

Today FIFAA Group is operating 40 fashion, accessories and sporting goods stores across Baltic Countries and Finland. There are more than 250 people working in the group companies and stores.

The seed of the company – promo wear and business gifts division – is still strong and important part of company operations. AS FIFAA and its subsidiary SIA ERVITEX combined are holding biggest share of the market in this business sector in Baltics.

With retail side of the business FIFAA Group is present in all biggest shopping malls in Baltic States and the number of locations is growing

- Our goal across all our divisions is to offer innovative products and services to our customers.
- We are looking to positively impact our community, develop and nurture the culture and sports.
- Through several initiatives and memberships, we are actively participating in dialogue in the society as well setting positive example to others.
- We value the environment and seek to reduce our negative impact.

fast. Company is operating Skechers and Vans monobrand stores, Ballzy Lifestyle and Ballzy Basketball multibrand stores and T-Shirt Store print on demand shops in the region. One of the most evolving sectors has lately been e-commerce where focus regarding investments and growth has been during recent years. One of our concepts – TeamSpirit is operating only in online channel.

Wholesale business remains important within company portfolio. FIFAA has exclusive right of distribution of many Global leading fashion brands such as Skechers, Vans, New Era, Dickies, Peak, Spalding, Russell, Fruit Of The Loom.

Table 1. Key figures of the group

KPI	2021	2020
Number of FTE as at 31.12.2021	195	132
Revenue (million euros)	20,4	17,4
Equity (million euros)	4,89	3,13
Total Assets (million euros)	9,34	6,16

Source: FIFAA AS annual report 2020 and 2021.

Table 2. Breakdown of figures by country 2021

	Revenue (mln €)
Estonia	12,23
Latvia	5,39
Finland	1,39
Lithuania	1,16

Source: FIFAA AS annual report 2021.

FIFAA Group daily operations and management structure are divided into three divisions according to the nature of each brand or business:

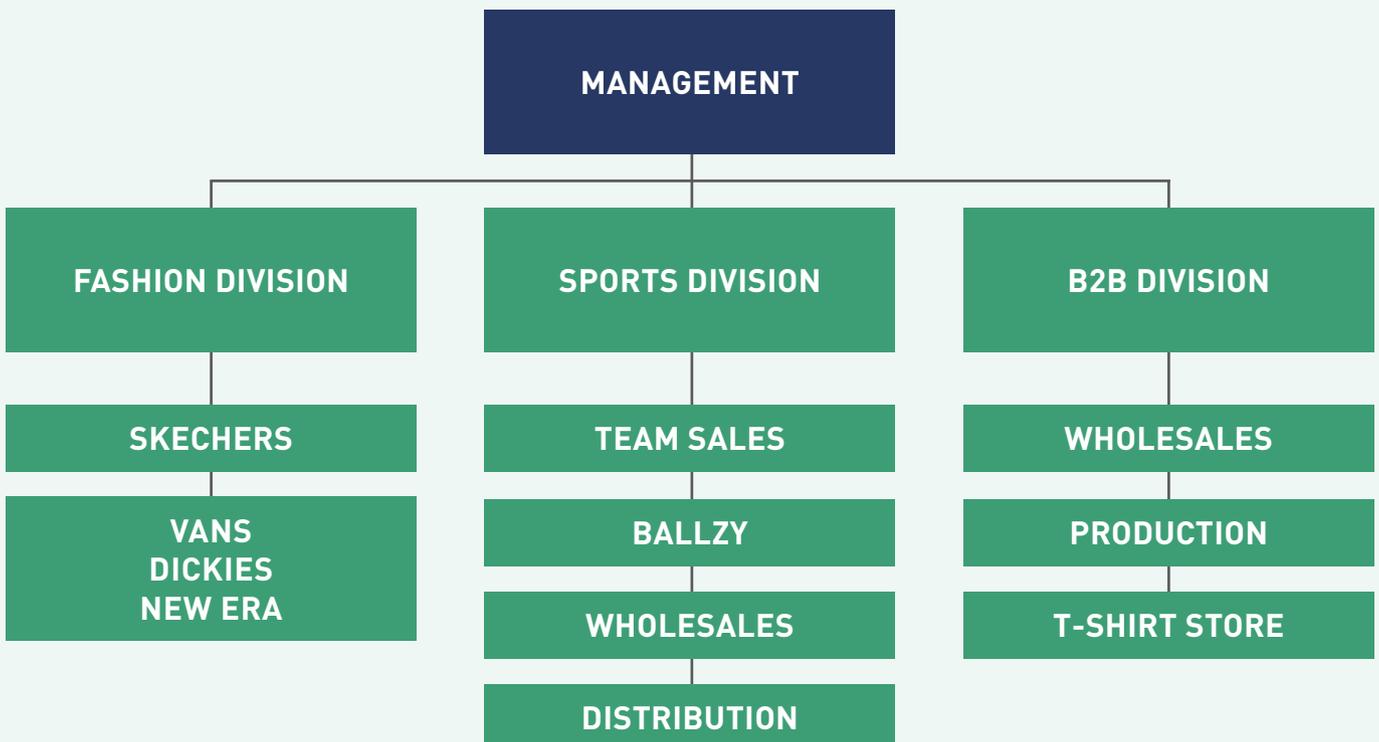
- ▶ Fashion Division operates retail franchise Skechers and distribution of Skechers in Baltic States.

- ▶ Business Gifts Division consists of T-Shirt Stores retail concept and Promotional Gifts and Textile wholesale.
- ▶ Sports Division combines retail and e-commerce business of Ballzy, sports equipment team-sales, distribution, and wholesale.

Our Head office address is Pärnu mnt 142/4, Tallinn, Estonia. Due to the legal requirements, we are operating our businesses in 10 subsidiaries under AS FIFAA Group where managing remains through divisions structure and subsidiaries providing legal grounds on each respective market.

We operate physically and online in three Baltic states and Finland as our main markets. Production and warehouse facilities of Business Gifts Division are in Tallinn and Riga.

Table 3. The Group operational division



OUR PRODUCTS

Through many of our distributed brands in Baltics we offer to at least 15 000 articles in Ballzy and Skechers and limitless possibilities in retail.

OUR SERVICES

We offer to our customers promowear and promo gifts. In our production facilities we offer screen printing, heat transfers, sublimation and embroidery services.

Also, our companies are offering full service for local companies and sports organisations to handle their webstores and merchandise under their licence. We produce items, handle shipping and payments while partner organisation handles marketing.

Our main services of Production division:

- Design of apparel and merchandise
- Screen printing
- Embroidery
- Sublimation
- Heat transfers

Main services of Sports Division:

- Design of club sports uniforms
- Production and print of uniforms
- Production of merchandise
- Sales of sports clubs merchandise

Main services in T-Shirt Stores:

- Custom design for customers
- Printing of textile in small volumes

PRINT AND PRODUCTION

In our promowear service line, we offer various possibilities for printing, like customized prints on textile and other materials. Our print services use screen printing, 3D printing, gel printing, puff printing, UV-printing, luminescent printing.

The print and production service line has small impact on our financials (less than 0,1% of total revenue). The total cost of goods for the PCG department and Sport Teamsales is about one million EUR, includes shirts, hoodies, jackets, mugs and more.

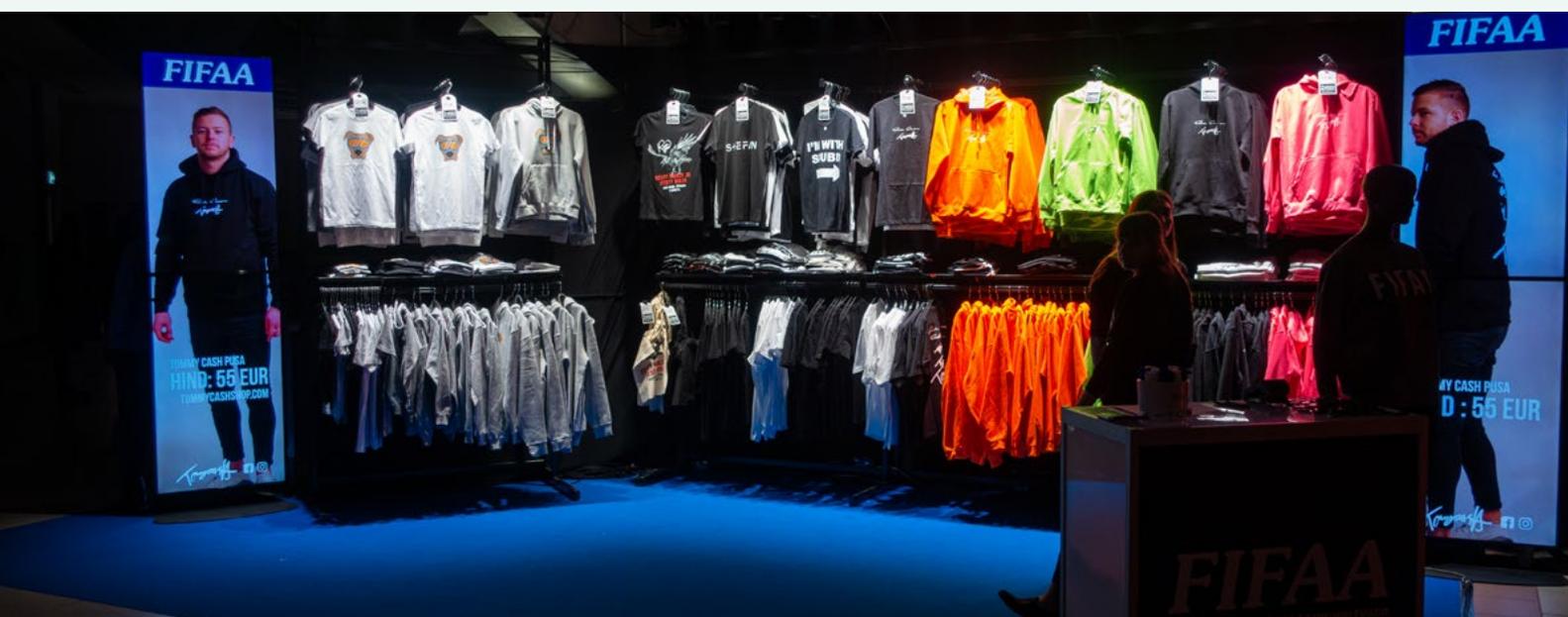


Table 4. Fifaa group and subsidiaries

FIFAA group consists of FIFAA AS and 10 subsidiaries (see table below)

Company name	Location	Stake
Parent company		
AS Fifaa Pärnu mnt 142a Tallinn Reg. nr 10222434	Estonia	-
Subsidiaries		
Marsten Marketing AS Pärnu mnt 142a Tallinn Reg. nr 10642426	Estonia	100%
PF Kaubandus OÜ Pärnu mnt 142a Tallinn Reg. nr 12939314	Estonia	100%
Streetbrand OÜ Pärnu mnt 142a Tallinn Reg. nr 12538213	Estonia	80%
NL Fashion Eesti OÜ Pärnu mnt 142a Tallinn Reg. nr 12529533	Estonia	100%
Ervitex SIA Braslas iela 29 – 2, LV-1084, Riga Reg.nr LV40002074377	Latvia	75%
Fifaa Baltic UAB Pärnu mnt 142a Tallinn Reg. nr 10642426	Lithuania	95%
NL Lietuva UAB Konstitucijos pr. 23C-501 kab, LT-08105 Vilnius Reg.nr 111756039	Lithuania	100%
Streetbrand OY Oravannahkantori 3, 02120 Espoo Reg.nr 2711561	Finland	100%
PF Kaubandus OÜ Subsidiaries		
Di POM SIA Augusta Deglava iela 50, LV-1035 RIGA Reg.nr LV40103916262	Latvia	100%
NL Fashion Eesti OÜ Subsidiaries		
NL Latvija SIA Augusta Deglava iela 50, LV-1035 Riga Reg.nr LV0103948018	Latvia	100%

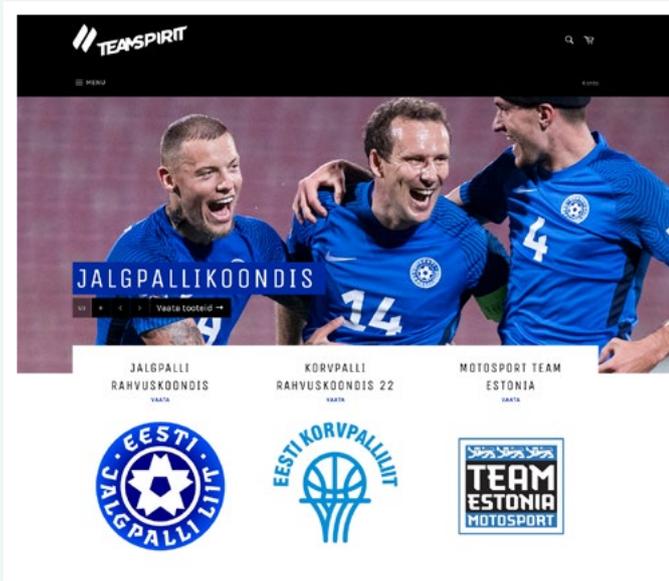
OUR RETAIL CONCEPTS:

In retail by the end of financial year 2021 the four concepts were:

1. **T-Shirt Store** – 15 stores in Baltics T-Bode, T-Idejos ja T-shirt Store; in addition 3 local e-commerce stores in Estonia, Latvia and Lithuania.
2. **Skechers** – 6 stores in Estonia, 7 stores in Latvia and 4 stores in Lithuania and pan-Baltic e-commerce store.
3. **Ballzy** – stores throughout Estonia, 2 in Latvia ja stores in Lithuania and Finland.
4. **Vans** – 1 store in Latvia.
5. **TeamSpirit** – operates only as a e-commerce store online with occasional Pop-up stores during local sporting events.

The following brands of sports goods, footwear and leisure goods are represented in the Baltics: Spalding, Skechers, PEAK, Vans, New Era, Dickies, Russell.

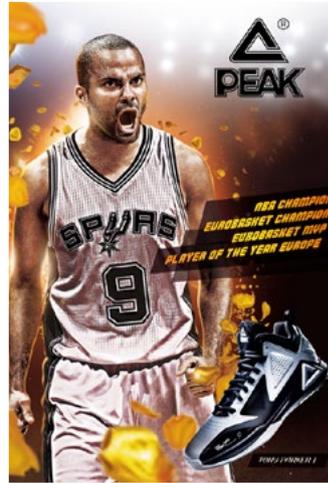
Main clientele are local retailers and various (sports)organisations.



OUR BRANDS

OUR BRANDS WITH DISTRIBUTION RIGHTS:

Skechers, Vans, New Era, Dickies, Peak, Spalding, Russell, Fruit Of The Loom.



THE GROUP HISTORY

1993 **FIFAA** Company was founded. First major projects were completed.

1995  Screen printing service was launched.

1999  Embroidery service was added.

2000  First T-Shirt Store (T-Särgipood) was opened in Kristiine Mall, Tallinn, Estonia.

2001  T-Shirt Store (T-Idejos) was opened in Akropolis Mall, Vilnius, Lithuania.

2003  First T-Shirt Store (T-Bode) was opened in Olympia Mall, Riga, Latvia.

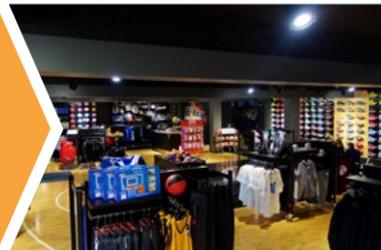
2005  Promo wear and gifts subsidiary was started in Latvia.

2007  Skechers distribution rights were acquired and first pair was sold.

2008  Skechers Retail was started with concept store in Akropolis, Kaunas, Lithuania.

2008  Skechers retail store opened in Kamppi, Helsinki, Finland.

2014  First Skechers Store in Latvia.

2015  Majority shares of basket-ball specialty webstore Goons were acquired and later re-branded as Ballzy. Also in 2015 first Ballzy store was opened in Finland.

2016  First Ballzy store was opened in Latvia.

2016  Dune London franchise retail business with two stores was acquired, followed by Parfois franchise with 5 stores few months later. British Fashion brand River Island was acquired 01.07.2016 with two stores in Estonia.

2016



100% of Marsten Marketing Shares were bought, adding Vans, New Era and Dickies to portfolio of brands.

2017



FIFAA was awarded by business newspaper "Äripäev" as Gazelle Company – an award that is given to fast growing and profitable companies.

2018



Fan merchandise webstore "Team Spirit" was launched.

2019



Opened 4 stores in Akropolis Riga shopping center (River Island, Skechers, Parfois, T-Shirt Store).

2020



Return to Lithuanian market, opened Skechers store in Klaipeda Akropolis shopping centre, followed by Vilnius store.



First Vans brand store in Baltics was opened in Alfa Mall, Riga, Latvia.



Opening Ballzy Sneaker in Ülemiste Center, Tallinn Estonia.



Ballzy Sneaker concept entering Latvia - first store in Akropole Mall, Riga, Latvia.

2021



Expanding Skechers locations - new store in Origo Center and Spice SC in Riga. Introduction of DeFacto concept - first store opened in Ülemiste SC Tallinn. At the same time due to global crisis closing of Parfois and River Island concepts.



Expansion of Skechers and Ballzy stores reaching up to 17 Skechers stores and 6 Ballzy Stores in total.

STORE LOCATIONS



In Finland there is one store:

- › Espoo Oravannahkatori 3

In Estonia we have 13 stores

located in:

- › Ülemiste Centre
- › Viru Centre
- › Kristiine Centre
- › Rocca Al Mare Centre
- › Nautica Centre
- › Pärnu mnt 142a Showroom
- › Pärnu Centre
- › Lõunakeskus

In Latvia we have 16 stores

located in:

- › Alfa Shopping Centre
- › Akropolis Riga
- › Spice Shopping Centre
- › Origo Shopping Centre
- › Riga Plaza Shopping Centre
- › Domina Shopping Centre
- › Caka 132a Store

In Lithuania there are 9 stores

located in:

- › Siauliai Akropolis Shopping Centre
- › Saules Mestas Shopping Centre
- › Klaipeda Akropolis Shopping Centre
- › Vilnius Akropolis Shopping Centre
- › Vilnius Outlet Centre

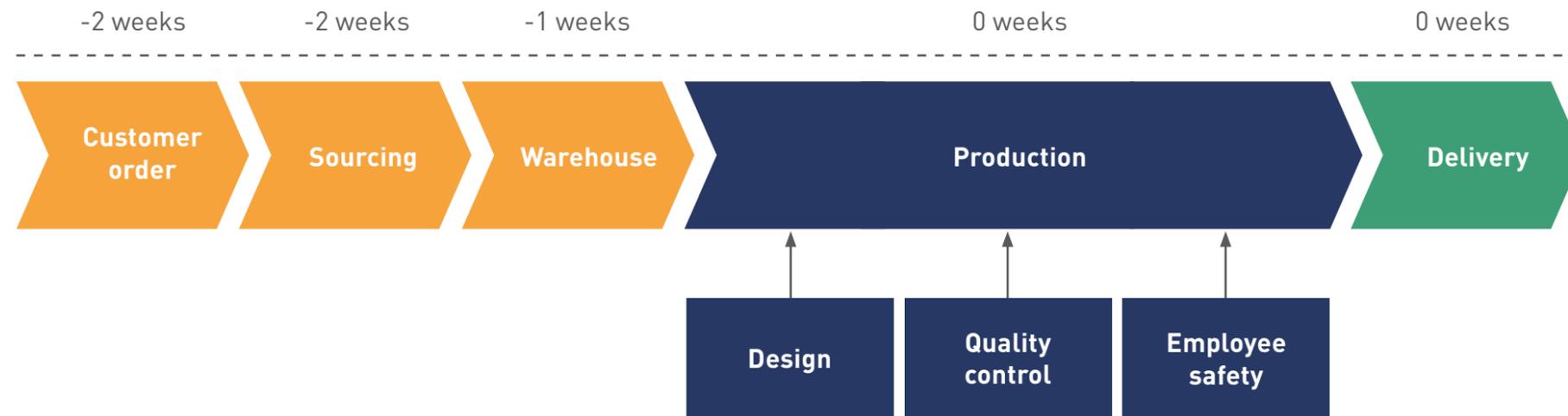
VALUE CHAIN

There are two distinctive business models and thus two value chains.

VALUE CHAIN IN B2B DIVISION

In this division we are using blank products and in some cases plain textile to print or add embroidery to produce a final, customised product for our customers. During the process our sales representatives collect orders from customers and then route these to suppliers. It usually takes 3-7 days for blank products to arrive to our warehouse where they are prepared, printed, packaged and shipped to customers. During the period of shipping, we finalize and confirm designs that will be applied upon the arrival of the products. Whole cycle takes usually 2-3 weeks from initial order to final products delivered. About 23% of orders are handled with goods that in our own warehouse.

Table 5. Value chain in B2B division



VALUE CHAIN IN FASHION AND SPORTS DIVISIONS

To supply products to customers there are pre-orders that are placed 8-10 months before the actual delivery to our warehouse. When products are ordered by the wholesale customers and our own managed store orders are added, then these move to production which is done by brand factories. Factories deliver goods to our warehouse where they are distributed to customers and own stores. This ordering cycle takes about 12 months.

Table 6. Value chain in Fashion and Sports Divisions



About 12% of product is ordered from factory warehouses in Europe directly.

CHANGES IN THE REPORTING PERIOD

During FY 2021 we merged PF Kaubandus OÜ with Marsten Marketing AS as PF Kaubandus operated Parfois stores were closed during 2020 pandemic and this business was terminated. Operation of DeFacto brand was also halted in 2021 because of the problems in supply chain and lack of sustainability purpose in fast fashion sector.

Regardless the closing of some stores, we still needed more space for warehousing. Compared to FY2020, the warehouse capacity expanded by 380m² during FY2021.

IMPACTS OF PANDEMIC

The FY2021 was heavily affected with COVID-19 still spreading. The pandemic had significant impact on the store operating times resulting

in keeping health and safety as top priority among our employees and local communities. All stores were shut during 11.03-02.05.2021. In Latvia and Lithuania stores were partially closed or shut down starting from mid December 2020 up to end of April 2021. In Latvia all stores were fully reopened on June 3rd and in Lithuania May 24th. In Latvia another lockdown lasted from October 16th till November 15th and stores were fully reopened on December 20th. During the pandemic some changes were made in publicly accessible facilities. According to local laws changes were implemented in the stores to prevent the spread of COVID-19. Requirements to prevent the spread of the virus: wearing facial masks, hand sanitation stations, safe distance measurement signs in the stores and the maximum number of people entering the store based on the space capacity allowance of the stores.





MEMBER
OF ESTONIAN
CHAMBER OF COMMERCE
AND INDUSTRY



MEMBERSHIPS AND INITIATIVES

Our company values employee wellbeing and privacy. In all our operations we follow the internal guidelines on employment discrimination, personal data and privacy guidelines.

Membership component is equally an important component of our business model as building communities is part of our brand story. To emphasize our values as a company, we have joined the Employers Unity initiative, the Estonian Diversity Charter and contribute into social and charitable organizations in Estonia.

ESTONIA

INITIATIVES

The Employers Unity Initiative - FIFAA has joined the Employers Unity initiative. The employers participating in the Unity initiative affirm that they value highly everyone's right to freely choose their field of work, profession and occupation, regardless of the extent of their work ability. The employers in the Unity initiative are committed to treating people with reduced work ability equally to all other work applicants and employees, and call on other employers to do the same.

The Estonian Diversity Charter - A Diversity Charter is an agreement as well as a community. By signing a diversity charter, an organisation commits to promoting diversity and equal opportunities for its staff.¹ On



the 13th of November 2019 FIFAA signed the Estonian Diversity Charter, which was launched in November 2012 by the Tallinn University of Technology and is now run by the Estonian Human Rights Centre.²

¹ https://ec.europa.eu/info/policies/justice-and-fundamental-rights/combating-discrimination/tackling-discrimination/diversity-and-inclusion-initiatives/diversity-charters-eu-country_en (16/05/2022).

² https://ec.europa.eu/info/policies/justice-and-fundamental-rights/combating-discrimination/tackling-discrimination/diversity-and-inclusion-initiatives/diversity-charters-eu-country/estonian-diversity-charter_en (16/05/2022).

By signing the Estonian Diversity Charter, the company confirms that they respect human diversity and value the principle of equal treatment among their employees, partners, as well as clients. The organisations that have signed the Charter also form a network to mutually share experiences and promote the equal treatment issue both in their own organisation and in society as a whole. Similar networks exist in 24 European countries.

Members of the Estonian Chamber of Commerce, whose task is to create a better business environment in Estonia and develop entrepreneurship in Estonia.

CHARITY AND CORPORATE RESPONSIBILITY

For FIFAA it is important to contribute into social and charitable organizations. Supporting the cancer treatment foundation **"The Gift of Life"** and the charity program **"Notice and Help"** are two organisations, that in the company's opinion are focused on objectives that FIFAA is also passionate about - helping those in need.

"The Gift of Life" is a private cancer support fund with the mission to help cancer patients whose treatment is not currently considered "cost-effective" by the state.

"Notice and Help" is a charity program by educational institutions in Tallinn. The program helps children of Tallinn municipal educational institutions who, for extraordinary reasons, need material assistance to participate in education normally.

A charity initiative called **"PAI"** was started to show a real, visible, and tangible expression of gratitude to the nurses and caregivers, who take care of our health and fight for our lives in a pandemic, doing their work mostly invisibly. The initiative has already gathered more than 500 000 euros. FIFAA together with Sportland ja Jalajälg also showed their big and heartfelt gratitude by contributing 20 000 euros to the initiative. The purpose of PAI is to provide all Estonian nurses and caregivers with PAI card, which they can use in tourism industry and entertainment and culture sector. With the card, the nurses and caregivers can get some rest and unwind from all the hard work they have been doing for all of us.



We bought basketball legend G.Kullamäe old game shirts on charity auction to support youth basketball in Pärnu.

LATVIA

INITIATIVES

Members of the Chamber of Commerce of Latvia, whose task is to create a better business environment by involving entrepreneurs in this work and uniting them in a joint organization.

CHARITY AND CORPORATE RESPONSIBILITY

Latvian Honorary Family Card "3+ Family Card" is a state-created support system for families with many children, which will also serve as a document certifying that the family has three or more children under the age of 24. Owners of this card will have the opportunity to receive discounts using services offered by state and private companies in Latvia.

Ballzy 3x3 Basketball U-16 Tournament. Free event for all 3x3 basketball players aged 16 or under with prizes from Ballzy Basketball store and official points in fiba ranking. Organized in Brasas multifunctional basketball court.

ziedot.lv - is a charity organization founded in 2003 with the mission to channel individual and business donations to people in need. Ziedot.lv is offering a safe, easy, and transparent way to support carefully verified and selected charity projects, to follow-up their progress and be sure your donation has reached the goal.



Latvijas Bāreņu Biedrība – offering support to children.

Participation in the Latvian National Art Museum event – “Screen print flash” - sunflowers for peace, supporting Ukrainian children.

In 2021 there were no active memberships in Lithuania.



SPONSORSHIPS

FIFAA is sponsoring and co-operating with many organisations, events, clubs, teams with the aim to grow the passion for fashion, sports, and other areas of interests. The list of sponsored or co-operated organisations:

Estonian Basketball Association, Estonian Football Federation, Kalev/Cramo, FC Flora, JK Tallinna Kalev, KK Rapla, KK Viimsi, BC Valmiera, BC Espoo Honka, NMKY Helsinki.

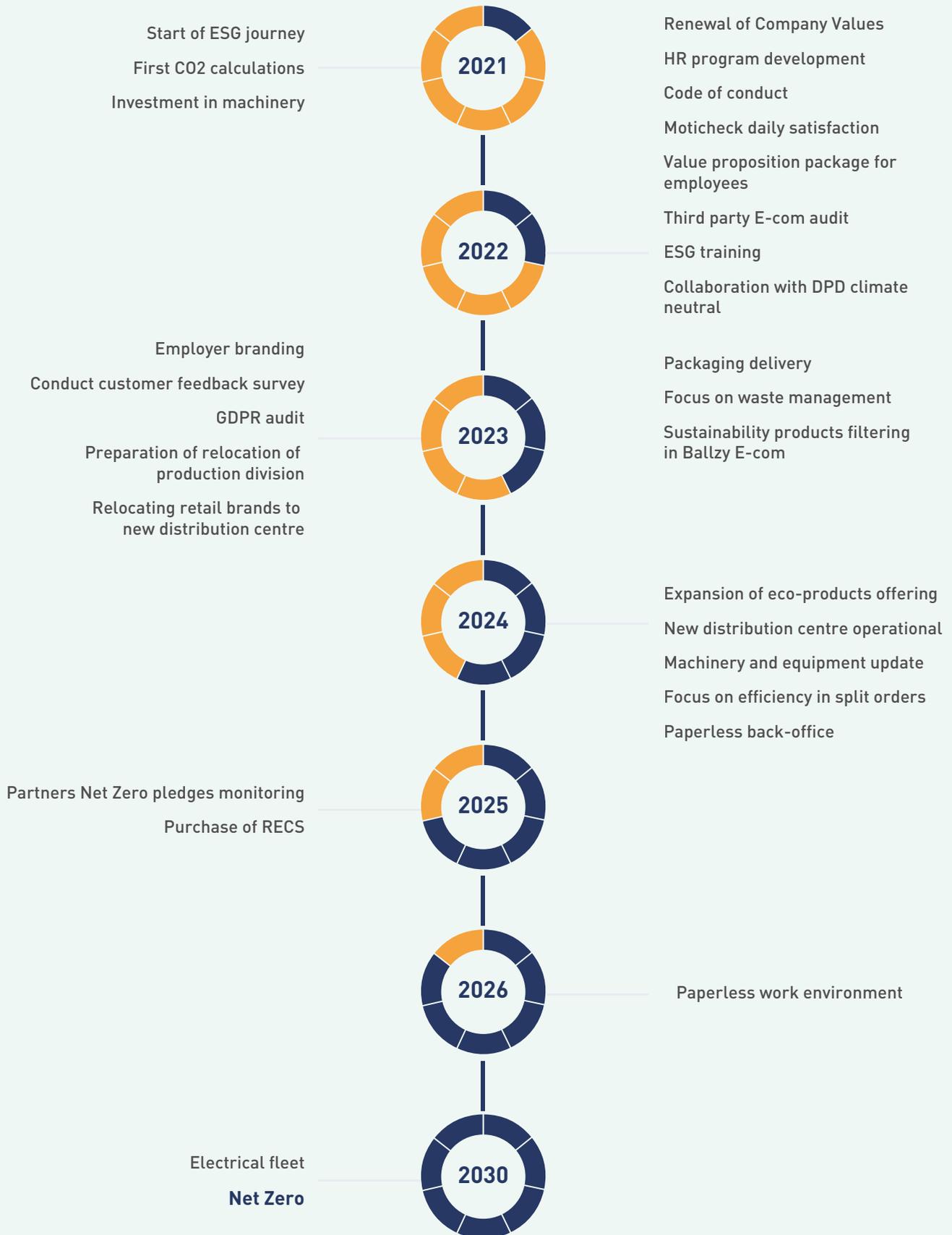
RISK MANAGEMENT

We expect an ethical business environment climate-related risks to be observed in our value and supply chain. We monitor the official reports of our supply partners and their initiatives to comply with regulations and set goals for reducing their footprint.

The direct business strategy risks for our business are imposed by national laws that regulate retail industry. Financial risks also include logistics, transportation, warehousing and

distributing items that rely on fuels and import/export requirements like tax regulations. Important part of the business are the retailers, who were heavily impacted in FY2021 during the pandemic when stores were shut down. During the lockdowns e-commerce allowed people to continue purchasing the sports goods and leisure wear, so that customers could use correct garments/shoes during much needed fresh air solo or insulated outdoors activities according to the national pandemic regulations.

SUSTAINABILITY ROADMAP



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Healthy lifestyle (S)	32



**“THE ORGANISATION
IS DRIVEN BY OUR
CORE VALUES”**

THE ORGANISATION IS DRIVEN BY OUR CORE VALUES

FIFAA group is diversified, operating on several markets and business areas. But our core values are the same in all divisions and subsidiaries. In the center there is always a person - our employees and our customers. Our employees are our family and customers are closest friends.

Our values are divided to categories:

- People
- Organization
- Environment

PEOPLE



Our people are specialists in their field who value self-development and education highly. They have good communication skills and can find a way to relate and communicate with different types of people. They are with bold ideas, look for solutions in every situation, and are not afraid to take responsibility.

Keywords to describe our people are:

#self-realization, #development, #competence, #trustworthiness, #honesty, #empathetic #bold ideas, #openness, #responsibility

ORGANIZATION



We strive to provide a stable and safe working environment that favors positivity and openness. We are diverse and people-oriented, taking equal treatment of our people, customers, and partners for granted. FIFAA is an inclusive and rapidly developing company that favors innovation.

Keywords to describe our organization are:

#stability, #security, #positivity, #openness #diversity, #equaltreatment #innovation, #development, #inclusion, #transparency

ENVIRONMENT



The environment we are operating in is essential to us. Because of this, we find ways to be more and more sustainable over time, to spread “green thinking” and a sustainable approach, both internally and externally. The environment is our responsibility. Therefore, we contribute to community development, health, and charity.

Keywords to describe the approach to the environment:

#sustainability, #promotingagreenmindset, #charity, #community, #sportsmanship/athleticism

MANAGEMENT APPROACH

FIFAA group is diverse, operating on several markets and business areas. However, our core values are the same in all divisions and subsidiaries. People, our employees and our customers, are the centre of our values. One of our goals as an organization is to provide an added value in the form of social cohesion and societal improvement.

Our workforce is one of the pillars of our company, so it is elementary for our management and board to focus on employee development and engagement, as well as promoting healthy lifestyle. We also put emphasis on topics such as diversity, inclusion, equality, and employee wellbeing in work environment. These topics directly impact the mental and physical wellbeing of both, our employees and our clients.

We aspire to inspire all our employees to have an athletic lifestyle by hosting different sports events and setting up fitness challenges across the organisation. We believe everyone should be treated equally within our organisation and in the society by keeping up with the Estonian Diversity Charter. Therefore, all our employees are welcomed and encouraged to join any event or challenge FIFAA is internally or externally hosting. Regardless of the work position at FIFAA, every employee is treated equally. For example, we provide our employees with an identical discount rate regardless of position within the organisation. We believe our work environment to be engaging and supportive for everyone by providing employee development and training programmes.



Our people are:

- ▶ Experts in their field who highly value self-development and being specialists in their own field.
- ▶ Good communicators who can relate to and make connections with different types of people.
- ▶ Problem-solvers with bold ideas, who are not afraid of responsibility.



OUR EMPLOYEES

Our total reduced to full time employee number for FY2021 was 195 (as at 31.12.2021). Most of our employees are working in stores. The main office and management board is

5% of total employees. When broken down to contract-type, then most of our employees have permanent employment contracts.

Full-time employment percentage of employee contract types is 78%.

Table 7. Group total employee number

Group Total employee number	195
Full-time	78%
0,5 FTE	14%
0,25 FTE	3%
0,75 FTE	7%

Table 8. Employee gender ratio

Group F/M ratio	
F	M
78%	22%

Table 9. Total number of employees contracts type

Country	Estonia	Latvia	Lithuania	Finland
Total employee number	116	51	24	3
Full-time contracts	59%	100%	100%	100%
0,75 FTE	12%			
0,5 FTE	24%			
0,25 FTE	4%			

Table 10. Employee gender ratio by country

Country	Estonia	Latvia	Lithuania	Finland
Female	69%	88%	90%	67%
Male	31%	12%	10%	33%

Table 11. Employee contract type by gender in Estonia

	Female	Male
Total employee number	81	35
% of Full-time contracts	48	26

During FY2021 there were three temporary employees and 3-4 employees with permanent contract in production.

In the summer same employees worked both in production and in the warehouse from time to time.

When the shops were closed due to lockdown, the nature of the work did not change, some changes though were made in personnel.

The employees data is extracted from the personnel program based on real employee data reduced to FTE by 31.12.2021

None of our employees are covered by collective bargaining agreements.

Our employee agreements are based on national legislation and when ending someone's work agreement the notification is given according to job tenure length and exceptions intact according to law, ex. Being intoxicated at work may cause immediate dismissal. So far we do not have had this kind of issues with our work force and we hope to inspire and develop our employees so that their behavior inspires other employees and members of society.

Table 12. Job tenure and employment contract notice of termination

Job tenure	In Estonia	In Latvia	In Lithuania
Trial period	At least 15 calendar days	At least 3 calendar days	At least 3 calendar days
<1 year	At least 15 calendar days	30 days or less if mutual agreement	At least 20 days for employer At least 14 days if employee
1-5 years	at least 30 calendar days	at least 30 calendar days	At least 30 calendar days
5-10 years	At least 60 calendar days		
>10 years	At least 90 calendar days		

EMPLOYEE DEVELOPMENT, ENGAGEMENT (S)

Our group's business is led by people for the people. Therefore, employees' development and engagement are part of FIFAA's core values.

To promote self-development among our employees, we offer different training programmes, such as:

- ▶ Talent mapping.
- ▶ Talent oriented development programs to grow inside organisation.
- ▶ Annual base training to all employees.
- ▶ Cross-departmental training, for example, sales and team training.
- ▶ Individual training programmes based on the feedback of the annual developmental interviews with all employees.

We conduct employee assessments and feedback programmes. Developmental interviews are conducted usually at least once per year. It is important that our colleagues feel free to speak up and share their ideas and challenges on topics that are relevant to them all the time. We want to keep our working environment transparent and respectful for each other. For example, in FY2022 we conduct a daily satisfaction study using Moticheck software among our employees.

FIFAA tries to notice talents within the organisation. Many employees have had a chance to build their career in retail by starting from an entry level position. All our employees share same value proposition package when joining the organisation regardless of the job position.

Our goal for employee development and engagement is to increase the participation and input of organisation members and fill

30% of management positions with our own employees that have started on entry level or mid level positions. To find the talents, we are developing an HR program, so we could gain better knowledge of how to motivate and develop skillsets of our own employees.

CELEBRATION OF ACCOMPLISHMENTS

We truly care for our people. In FIFAA we celebrate our employees and their accomplishments, by celebrating birthdays, anniversaries and FIFAA's own anniversaries with bonuses, flowers, gifts, and hugs. We also come together in the summertime and Christmas to celebrate our joint accomplishments.

For employees' engagement, the emphasis has so far been largely put on joint athletic activities and challenges.



EMPLOYEE DEVELOPMENT PROGRAMS

To improve and promote employee development and engagement other than developing our HR programme, we will also continue:

- ▶ Practicing employee assessment and feedback programmes, such as daily satisfaction survey and annual developmental interview.
- ▶ Conducting employee development and training programmes.
- ▶ Raising awareness around the topic of sustainability and ESG.
- ▶ Continue organising different joint events.
- ▶ Celebrating and acknowledging our employees and their accomplishments.

All our employees receive the same benefits and value package, regardless of their position. The quality of benefits for full-time employees is a key factor in retaining employees.

REGULAR EMPLOYEE PERFORMANCE REVIEW

All our employees' performances are regularly evaluated. We have 1/1 development conversations regardless of working position. The 1/1 meetings give direct feedback on employee expectation and career development possibilities either through training, switching job positions within organisation or other possibilities to improve work ethics and performance.



DIVERSITY, INCLUSION, EQUALITY, EMPLOYEE WELLBEING IN WORK ENVIRONMENT (S)

We at FIFAA understand the direct responsibility we hold for our own employees' wellbeing in their work environment. Therefore, our management approach aims to adhere to the following values:

- Provide a safe and stable work environment that favours positivity and openness.
- Have a diverse and people-centred management, practicing equal treatment as a norm.
- Be an inclusive and developing company, conducive to innovation.

We understand that we impact the employees of our contractual partners indirectly, so we aspire to be role models for our business partners, who themselves are directly responsible for the wellbeing of their staff.

FIFAA has taken several actions towards a more diverse, inclusive, and equal work environment. One of the most important actions so far, regarding the matter in hand, has been signing the Estonian Diversity Charter. By signing the Charter, the company confirms that it respects human diversity and values the principle of equal treatment among their employees and partners, as well as clients. The organisations that have signed the Charter also form a network, share experiences and, through that, promote equal treatment, both, in their own organisation and in the society.

Our goal and the key performance indicator for diversity, inclusion and equality in work environment is to keep improving the results of employee satisfaction survey results.



To improve and promote diversity and inclusion in work environment, we are:

- Keeping up with Estonian Diversity Charter.
- Sharing knowledge and experience to promote equal treatment and respect diversity.
- Hiring employees with reduced working capacity.
- Conducting employee satisfaction surveys, where employees can give feedback on the diversity issue. The management will make improvements based on the feedback.
- Organising team building events and a summertime get-together.
- Creating company's Code of Conduct.
- Celebrating birthdays and anniversaries.

OCCUPATIONAL HEALTH AND SAFETY (S)

Each store has been appointed with occupational health commissioner who is responsible for employee welfare, work environment and health safety (EHS) and this person is also supervisor on EHS trainings required and appointed for the personnel. Our administrative manager is responsible person for updating the internal EHS related policies, risk mapping at workplaces and code of conduct.

To have a responsible workplace an annual inspection on EHS requirements is conducted. To keep all employees updated on EHS topics, there are internal guidelines. We have done workplace hazard mapping and provided code of conduct for these work positions that are more open to the risk of hazardous work situations to reduce the risk of any work-related injuries.

There is a common occupational safety system for the entire group, which is introduced to all employees on starting their occupational position.

Mapping of the working environment is mandatory for everyone by law and accessible to employees. Health check-up is once a year.

We are very keen on building healthy mindset in our company. Monitoring our employee's health is essential even for the store assistants. We offer possibility to an once a year check-up from occupational health physician to all of our employees. We prefer to prevent and rather emphasis on possible health risks and raising awareness how to avoid possible injuries than let the possible risks influence our employee's health and to spoil one's health.

All EHS measures are in accordance with national Occupational Health and Safety Acts in all our operational sites. And where possible we also consider personnel personal preferences to make work environment even more safe, comfortable, and secure. Some examples how EHS is implemented in our operational sites. Regionally there are some differences in national health and safety requirements.



In order to keep injuries occurrence rate at 0, we keep our employees informed about possible risks and changes in work related hazards.



LATVIA

Once a year, the occupational and work environment risk assessment is conducted according to national Cabinet Regulation no. 660 "Procedures for conducting internal monitoring of the working environment" set in 02.10.2007.

According to regulation no.660 the work environment risk factors assessed are:

1. Physical work environment risk factors.
2. Mechanical and traumatic work environment risk factors.
3. Chemical risk factors of the working environment.
4. Biological risk factors of the working environment.
5. Psychosocial risk factors of the work environment.
6. Ergonomic work environment risk factors.

ERVITEX

At Ervitex the EHS related topics are regularly updated by our contractor ArodDrošība Ltd. This company has competent authority in field of labor protection and fire safety, which help us to organize our work health and safety environment in a way that prevents possible hazards to the working environment and offers solutions to minimise the impact of unavoidable risks to the working environment. They are operating in accordance with the requirements of ISO 9001:2015.

It is important for us to be innovative and competent to aim for development, to be the best partner for customers and employees, to operate sustainably to ensure the wellbeing of our employees, the safety and preservation of the environment at work.

SIA NL Latvija and Estonia has no registered work-related injuries in 2021.



HEALTHY LIFESTYLE (S)

In FIFAA we acknowledge the importance of physical and mental health of our employees. Healthy lifestyle does not only positively impact our employees, but it also indirectly impacts the people the employees are in close contact with, like their family members, friends and/or the person(s) they are living together with. That is why we are taking actions daily to promote healthy lifestyle among our employees:

- ▶ We inspire people to be active through our products, marketing, and events in workplaces.
- ▶ We bring awareness to healthy eating habits by offering fresh fruits in the office.
- ▶ We are holding different sports challenges for all employees throughout organisation, such as a walking challenge.
- ▶ We promote active lifestyle among our employees by offering discounts of sports memberships, such as a gym membership with MyFitness.
- ▶ Conducting safety trainings to keep the number of occupational accidents at 0.
- ▶ Enabling our employees to take part of different sports events, either as a participator or as a spectator.

Our aim is for the employees of FIFAA to be even healthier, contributing to an overall healthier community.

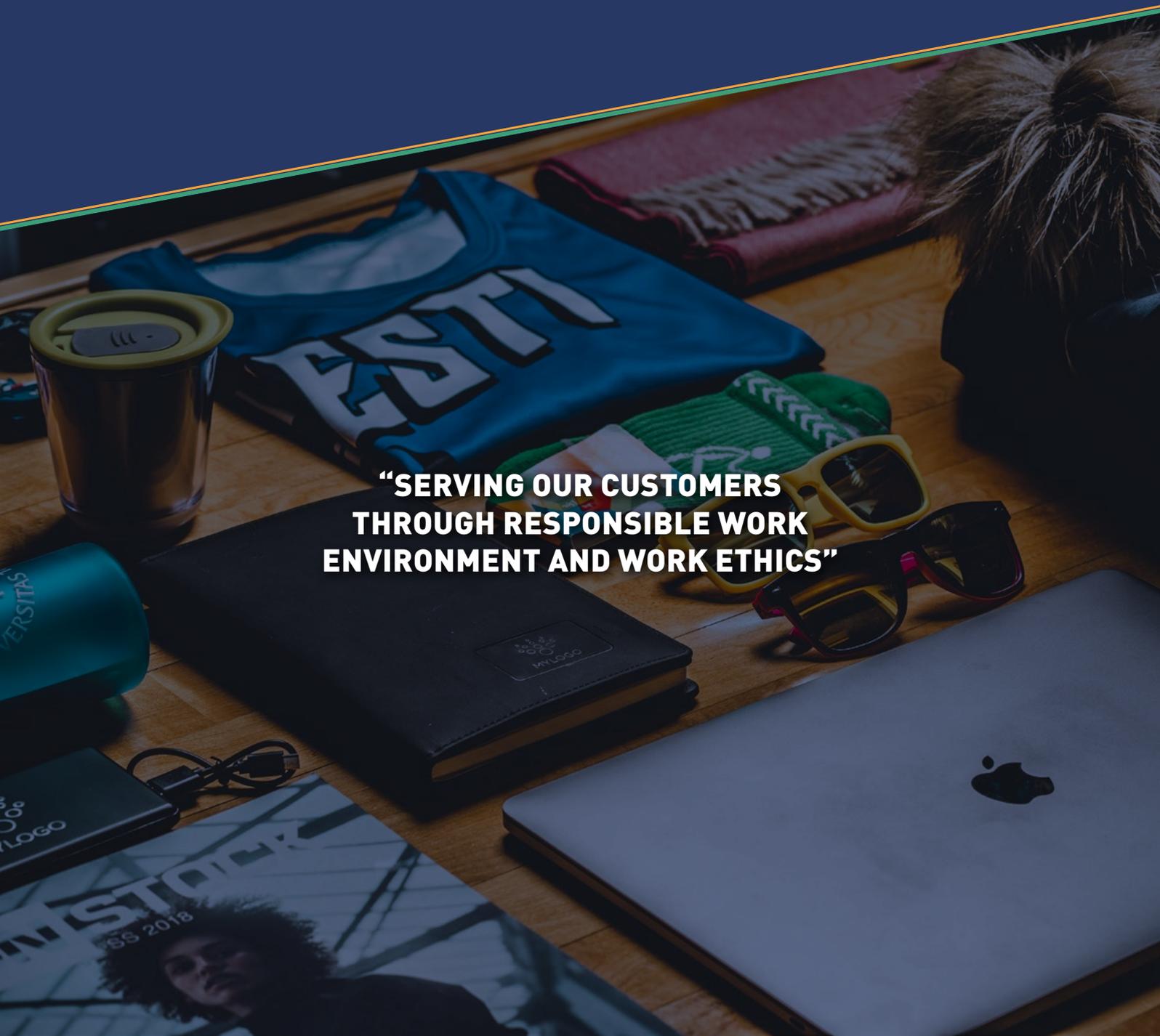


To improve and promote healthy lifestyle at work environment, we:

- ▶ We aim to keep the number of occupational accidents at 0.
- ▶ Continue to promote active lifestyle among the employees by offering sports memberships and free sports events.
- ▶ Continue raising awareness about healthy diet and eating habits.

3. ORGANISATION

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A photograph of a wooden desk with various items: a silver laptop, a pair of sunglasses, a black notebook, a green cup, a blue t-shirt with 'ESTD' printed on it, a green water bottle, and a magazine titled 'WINTER' with 'ISS 2018' and a person's face on the cover. The text is overlaid on the center of the image.

**“SERVING OUR CUSTOMERS
THROUGH RESPONSIBLE WORK
ENVIRONMENT AND WORK ETHICS”**

MANAGEMENT APPROACH

There are many factors that constitute an organisation, its work culture and environment. The results of the materiality assessment conducted showcased that responsible work environment and an organisation with good work ethics is important not only for our company but also for our stakeholders. We aim

to be transparent throughout our operations, considering everyone's needs and if possible, make improvements based on the inputs of various stakeholders. We are currently working on making our work ethics and values seen from the outside to continue offering the best products and services.

BUSINESS ETHICS FINANCIAL RESPONSIBILITY (G)

As a company with over 250 employees, FIFAA takes it as an obligation to meet the highest standards of business ethics and financial responsibility. Business ethics constitutes of ethical behaviours expected from employees³, so every employee of FIFAA is responsible of meeting those standards.

Being transparent and in compliance with laws and regulations is essential to our organisation. We see compliance not only as a business risk but also risk to our reputation. This is a direct impact on our organisation and to meet the highest standards, we are currently taking the following actions:

- ▶ Annual financial reporting
- ▶ Compliance with laws
- ▶ Having international audit partners
- ▶ Publishing monthly shareholder reports

FIFAA is focused in updating and complying with all documentation needed to maintain transparent and ethical business practices like guidance, standards, codes of practice,

legislation in consumer protection and data management, product safety and quality standards, health and safety and competition law and many other legal frameworks applicable for daily operations.

To make the corporate behaviour more ethical and transparent we are currently putting together the code of conduct for FIFAA Group.

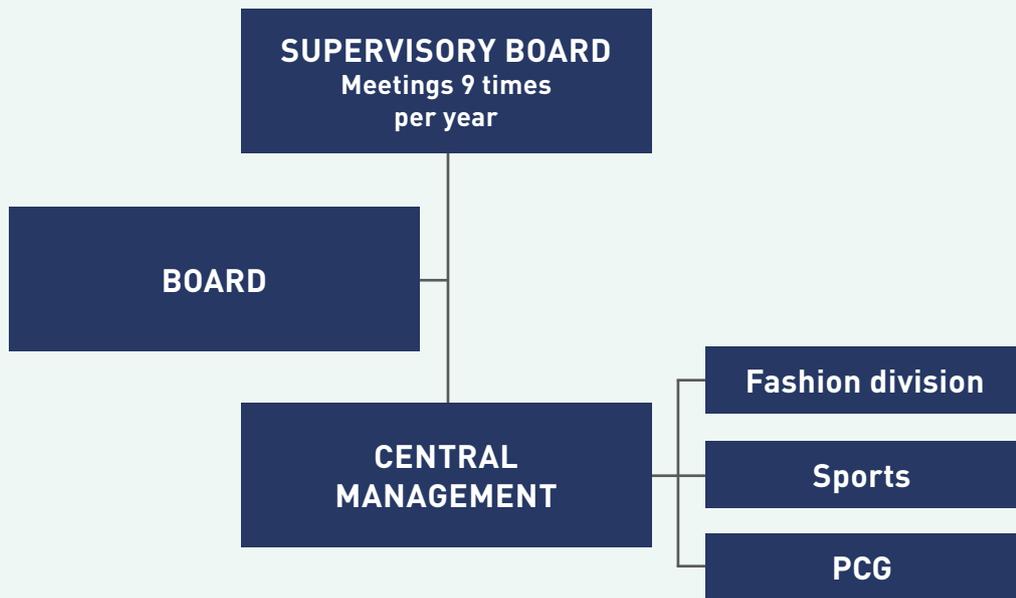
Most relevant sustainability topics will also be available on our website after we have studied and mapped sustainable actions for ourselves and set clear goals which we hope to have overview by the end of FY2022.

On a wider scale, we are creating jobs and increasing tax revenue, which in turn raises the standard of living within the community. It is essential to us to be compliant with all state taxes required in all countries we operate in.

We pay all taxes, and tax activities are controlled by independent audit partners KPMG and the national tax administration.

³ Tayşir, E. and Pazarçık, Y., 2013. Business Ethics, Social Responsibility and Corporate Governance: Does the Strategic Management Field Really Care about these Concepts?. *Procedia - Social and Behavioral Sciences*, 99, pp.294-303.

CORPORATE MANAGEMENT STRUCTURE (G)



SUPERVISORY BOARD

Supervisory board meets at least every second month but not less than 9 times a year. It consists of 3 members. During meetings there are up to 5 invited guests – usually division managers. Supervisory board sets strategic goals, including ESG topics, and follows up fulfilment of these as well evaluation of financial results. Risto Vahimets (chairman), Anti Kalle, Are Altraja belong to the supervisory board.

Board consists of one member – company CEO, Karel Loide.

Because of the diversified fields of operations company management is divided to central

management and into Fashion, Sports and PCG (Promotional Company Gifts) according to the field of activity. Every division has a manager who is responsible for respective division. Every subsidiary company in the group has also respective management.

Central management consists of CEO, CFO, HR Manager, Accountants, Administrative manager, Warehouse Manager.

Group CFO, HR Manager, Fashion Division Manager, Sport Division Manager, Streetbrand OÜ Manager, Marsten Marketing CEO, Latvia and Lithuania regional manager, Ervitex CEO belong to the management group that makes operational decisions and is responsible to carry out the strategy.

RESPONSIBLE WORKPLACE (G)

As an organisation we find that it is crucial to define responsibility in a workplace. When employees and management know and practice their responsibilities, the workforce is more efficient and the working environment less stressful for everyone. Having a responsible and organised work environment is a priority for our management and board members because it helps the company to save money by being more efficient, to attract new talented employees and to maintain our current employees.

We have taken several actions towards a more responsible workplace, starting from taking responsibility regarding employees' health and work safety. For example, we have conducted safety trainings and provided our employees with proper work equipment and clothing. We use employees' feedback on workplace responsibility via a welfare survey to monitor the effectiveness of the management approach towards responsible workplace. The survey results help us determine how to implement responsibility at work better. We use the following measurements to evaluate our progress:

- ▶ Provide educational programs and trainings
- ▶ Transparency and reporting both internally and externally
- ▶ Approved and audited reporting.

ENCOURAGING YOUTH TO ENTREPRENEURSHIP

The youth is the most impressionable of all the age groups. Therefore, as an employer, we see

real value in offering minors appropriate jobs as we have noticed that it is through practical work that the youth learn the best. Doing so we take extra caution monitoring the working hours and local regulations set for minors. We take responsibility and look out for risks in breaching the child labour regulations. We are highly selective of who we do business with, and we trust that our business partners also follow strict precautionary measures to eliminate any risks of breaching labour rights with all their employees, including minors.

PROMOTION OF RESPONSIBLE WORKPLACE



To improve and promote responsible workplace, we:

- ▶ Raise awareness around the topic while setting up educational programmes.
- ▶ Conduct employees' welfare survey.
- ▶ Determine how to feasibly measure responsibility at workplace via employees' welfare survey.
- ▶ Plan to involve employees during the planning stage of office rooms' renovation.
- ▶ We have wheelchair access to most of our facilities and wheelchair accessibility is part of renovation plans (even when local laws have not set this requirement).
- ▶ Educate employees about ESG topics.
- ▶ Will invest into external communication about our material topics.

RESPONSIBLE MARKETING, COMMUNICATIONS (G)

External communication with our customers and business partners is of utmost importance for our management and board members. We are aware that the messages in our campaigns and services influence many stakeholders directly and indirectly. Therefore, as our work culture revolves around people – our employees, partners and customers – the communication and collaboration are always thought through.

Based on conducted materiality assessment our stakeholders evaluated this topic highly important. Responsible workplace and customer satisfaction are also top priorities in our business. Responsibility and marketing are closely linked because through responsible workplace – an environment based on trust and personal responsibility – we can also communicate our marketing responsibly and improve customer satisfaction. These topics directly affect our employees and clients.

At FIFAA, when it comes to our products, we focus on quality not quantity and promote the right usage of them. With our products we sell active lifestyle, making marketing our main work equipment. That is why we believe it is crucial to put great focus on responsible marketing and communications. We are avoiding using unethical practices in marketing, e.g., use of violence or other triggering topics.

Our goal in responsible marketing and communications is to maintain long term and highly functioning relationships with sponsored organisations that share similar values to our company's. We aim to achieve that through designing a marketing strategy for long term communication.



Communication and marketing are budgeted in daily business activities, and we do not see separate monetary value in being clear with our messages. Marketing is our direct way of communication and collaboration with customers, partners, and society. Many of our publications are directly targeting the youth, so they could have variety of products to choose from and gain a better knowledge on how to correctly use our products to have a healthy lifestyle over decades to come.



To improve and promote responsible marketing and communication, we:

- ▶ Aim to develop employer branding by FY2023.
- ▶ Aim to better our marketing for clearer messages.
- ▶ Are selective with our choice of partners and collaborations.
- ▶ Distribute brands and responsibility for their promotion (distribute their initiatives locally).
- ▶ Aim to be more transparent with our marketing and communication practices.
- ▶ Through our marketing and communication promote sports in the society, especially among the youth.
- ▶ Are addressing socially critical topics, offering solutions and preventative measures.
- ▶ Putting emphasis on community involvement through investing in local communities and their healthy habits.

CUSTOMER SATISFACTION (S)

Customer satisfaction is one of the key performance indicators for any business. At FIFAA we have both, online and in-store customer base. Typically, sports customers show high emotional involvement or a sense of community, in addition to putting emphasis on multisensory brand experience at the point of sale.⁴ Therefore, customers' in-store and online store experiences strongly influence the overall customers' satisfaction with the sports retailer. We rely on feedback from different stakeholders to give us an idea of how we are currently rated by our customers and where there is room for improvement.

We monitor the client's well-being. Mystery shopping and service level monitoring by the brand's retail manager. Mystery purchases are made by an external partner, and we get numerical figures or estimates. The retail

manager controls more closely and also monitor other criteria (for example, sales of certain categories, compliance with set goals, etc.)

On the web, we measure the speed of responding to customers and the speed of solving problems. We receive feedback from customers through electronic evaluations (for example, ratings on Google).

FEEDBACK GIVES DIRECTION FOR IMPROVEMENTS

Shopping centers

We have deep respect towards our customers and wish to provide them with the highest level of retail experience through the best customer service and high quality products.

⁴ Happ, E., Scholl-Grissmann, U., Peters, M. and Schnitzer, M., 2020. Insights into customer experience in sports retail stores. International Journal of Sports Marketing and Sponsorship, 22(2), pp.312-329.

To provide our customers with high-level shopping experience, we invest in informational campaigns through marketing and continuously ask the shopping centres we operate in for feedback.

In order to figure out the customer satisfaction rate in our stores, the shopping centres have mystery shoppers, who evaluate the quality of customer service in stores. Our stores have received high ranking so far.

Direct customer feedback

We ask our customers to give direct feedback on received customer service. Based on the feedback, we put together different customer service programmes and make improvements based on the outcomes of the feedback. After that, action plan and changes are implemented with updated suggestions, guidelines and training offered to our employees.

In addition to providing our clients with excellent customer service, we also put emphasis on keeping the stores in great conditions – we make sure the stores are in accessible locations and that the product assortment is of the utmost quality and comfort. With the highest quality of products, we assure that the clients will be able to enjoy their purchased goods for extended time.

For example, at Ülemiste shopping mall in Tallinn Estonia the blind buyers have rated our Skechers store top 3 out of 210 stores. ↓



To reach the bigger goal of increasing current customer satisfaction rate, Fifaa Group will:

- ▶ Increase sustainable product assortment in-stores and online.
- ▶ Improve shopping conditions by remodelling and modernizing the stores, taking into consideration wheelchair accessibility and GHG aspects.
- ▶ Improve user experience at online shops by creating smoother checkout processes.
- ▶ Conduct customer feedback surveys in FY2023.
- ▶ Conduct customer service standards' trainings for employees.



DATA PROTECTION AND PRIVACY (G)

According to the UN, the right to privacy is a fundamental human right.⁵ With rapid digitalisation happening all around the globe, the topic of data protection and privacy is an increasing matter to put attention to. We understand how important it is for our clients and our stakeholders to have their personal data protected and responsibly used in our work.

That is why we put emphasis on data protection compliance, such as General Data Protection Regulation (GDPR). We will update a trans-Baltic audit in FY2023 during which we will map out our current situation in terms of data protection and privacy, followed by setting up an action plan to improve our current measures. We are also planning to offer data protection trainings for our employees to assure the whole company is aware about the appropriate regulations and legislations, which accompany responsible personal data usage and protection.

With the increased use and reliance on technology and data inputs, there are also bigger risks for data privacy to be compromised. Any cyber-attack or breach of data may result in the short-term loss of revenue and diverted resources, while there is also the risk of a longer-term negative impact on customer confidence and the Group's reputation. The Group manages these risks by combining the best available premise solutions with active cloud provisioning to form a robust architecture. The principal IT services are hosted in enterprise grade data centres with high availability and reliability at the core of their design. In addition, there are robust backup and disaster recovery capabilities in place which are tested periodically throughout the year.

Today IT-system service is purchased from external party. Our goal for FY2025 is for the whole Group to be using the same IT system for operational procedures and Microsoft Dynamics as a joint software.

⁵ <https://www.un.org/en/about-us/universal-declaration-of-human-rights> (25.05.2022).

4. COMMUNITY

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“WE PROMOTE ACTIVE LIFESTYLE AND INVEST IN THE WELL-BEING OF OUR COMMUNITY.”

COMMUNITY IMPACT (S)

FIFAA aims to be an active contributor to supporting and developing sports culture within the society. Through our vast products' assortment, we provide a platform and safe space for everyone to face the world with their authentic self. For example, we enable our customers to order clothes with political point of views printed on them.

Community investment is a financial risk and opportunity at the same time for our organisation. We already plan in our budget activities that support the growth and flourishing of local communities. We prioritize understanding the locals, their needs, expectations, and view on life as we see ourselves as a companion in their daily life. As active lifestyle has been said to positively impact humans, we have focused our community impact to promote sports mindset.

SPONSORING NEXT GENERATIONS

The youth is the future. That is why we have put strong emphasis through our actions on promoting active and healthy lifestyle among the youth.

According to UNESCO, sports is particularly key to the development of the youth – it contributes to the development of soft skills and impart values such as teamwork, solidarity, and respect, all of which are crucial to building peaceful and cohesive societies.⁶

To support the development of the youth, we are sponsoring young talented athletes with



gear and equipment. We organise up to 5 age specific sports events a year within the local communities. This helps to draw attention of young people to be more physically active, compassionate, and supportive towards fellow athletes while also deepening their understanding of the healthy mindset and body. This will, hopefully, create a healthier future led by more health-conscious future generations.

Healthy lifestyle does not only encompass clothing items but also the public playgrounds, community projects and the overall mindset. That is why one of our aims is to make sports affordable and accessible for everybody. We do that by supporting the construction of public playgrounds and other sports facilities, projects and events and giving 2% of our Sports Division revenue to support community projects.

Fifaa supports events and children's camps in the Kõrvemaa sports center.

⁶ <https://en.unesco.org/themes/sport-and-anti-doping/youth-sport> (24.05.2022)



CONTRIBUTION TO THE PRESERVATION OF THE LOCAL LANGUAGE

Our products enable local communities to truly express themselves on an individual level. That is why we see that as an opportunity, responsibility, and privilege to promote folklore by incorporating the local language and heritage into our products and communication.

Although English is currently the most spoken language with around 1,1 billion⁷ speakers worldwide, we have decided to stay true to the

local peculiarities and the native languages in the countries we operate in. In Estonia, Latvia, Lithuania, and Finland we prefer and encourage the use of the textile prints in local languages to keep the local citizens cherishing its culture and keep the value of its native language/tongue high. For example, we are collaborating with an Estonian 'kalamburist' and mother tongue populariser Keiti Vilms on producing T-shirts with humorous Estonian slogans.

Did you know Estonian is spoken roughly only by 1,1 million people?⁸

⁷ [Ranked: The 100 Most Spoken Languages Worldwide \[visualcapitalist.com\]](#) 13.07.2022

⁸ [Estonian language | Visit Estonia](#)

GHG EMISSIONS (E)

We acknowledge that our environmental impact comes directly from production of the retail goods and small fracture of it through our printing and promowear production service lines. Our group is directly responsible in our own group operating emissions that are situated in the last part of value chain. As this is our first year of carbon footprint accounting journey, there are many obstacles and possibilities how to manage data gathering and making our data collection more convenient. We are exploring opportunities and taking actions towards our environmental footprint reductions.

Today we are mapping, setting boundaries and calculating our environmental footprint and calculating CO₂ emissions.

Data on environment and GHG accounting has its boundaries. At some point very limited data is available, but we keep asking questions from our value chain to get the best quality information for our environmental footprint. This is our first year, we still have a lot of work ahead of us.

We started with greenhouse gas emissions mapping, boundary setting and calculation of our GHG emissions coming from our footprint in Scopes 1 and 2 according to GHG Protocol. Scope 3 is more complicated, and we only investigated some of the Scope 3 categories like Category 4 Upstream transportation, Category 6 Business travel, Category 7 Employee commute and Category 9 downstream transportation according to GHG protocol. The emission factors used for calculating global warming potential in CO₂e are in appendix.



Our biggest and direct impact on environment comes through wholesale, the energy amount spent in value chain on production of the goods, their journey from the manufacturer, including transportation, logistics and storage before the end-customer usage. We estimate that this part is responsible around 90% of our footprint.

Our production in printing constitutes only small amount of the energy we use throughout our value chain. Most of our energy usage comes from production of the brand products we retail and transportation and logistics of the goods. The energy used in printing is marginal compared to the amount possibly used in production of a garment.

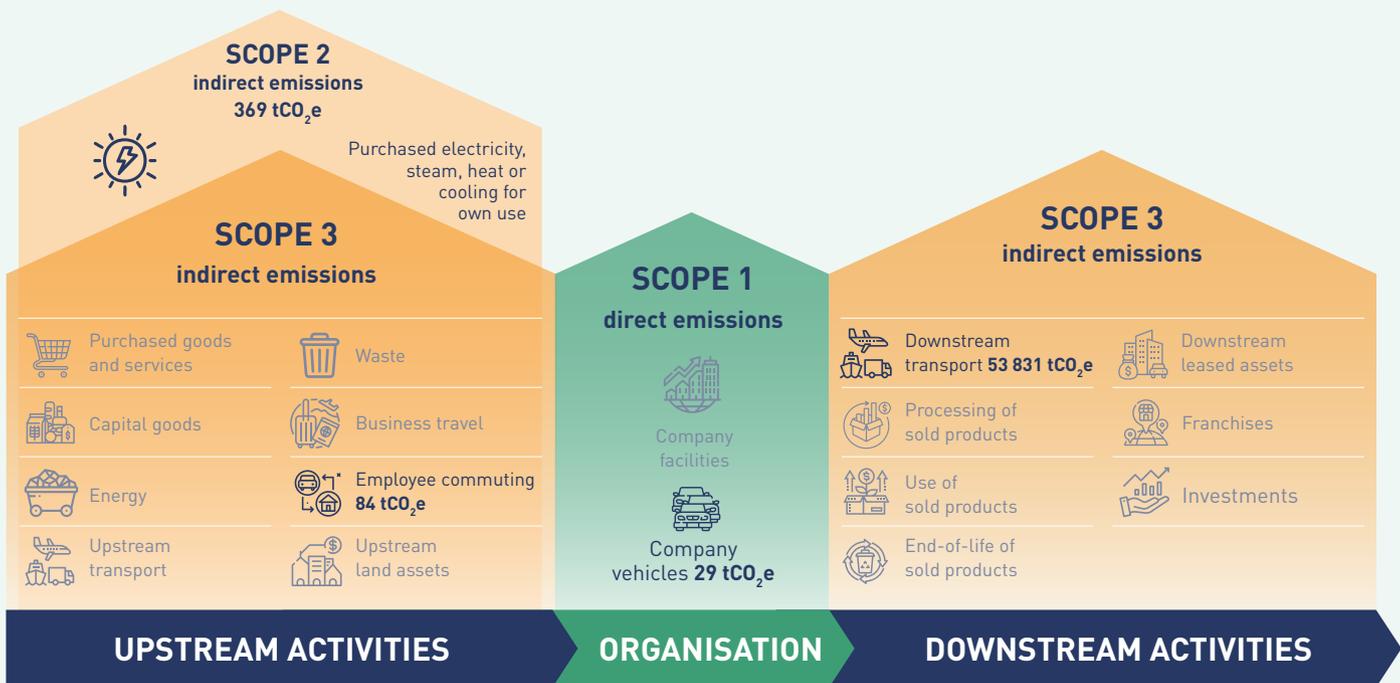
We can choose the brands we collaborate with and monitor that the products retailed are developed and derive from sustainable choices and resources , for example like [100% organic cotton](#) and there are various certificates and standards followed in manufacturing. Where we have basically no influence is when it

comes to shipment of products from Asia or America, except the last mile part where we are responsible for the selection of partners.

Transportation sector limitations and challenges are well known, and the sector is looking for new technologies to reduce consumption from fossil fuels.

Our GHG emissions were validated by third party - Nomine Consult OÜ who used GHG Protocol's [Corporate Accounting and Reporting Standard](#) and calculated the emissions based on operation control approach. The emission factor database is attached in Appendix.

Table 13. FY2021 GHG emissions by Scopes 1, 2 and most relevant Scope 3 based on actual operational data.



SCOPE 1 EMISSIONS (E)

The Scope 1 emissions as GHG Protocol states derive from company owned vehicles and combustion stations. As we do not own any combustions stations then we can count our vehicles. We own some cars as we need sometimes shift some goods between stores like transport of equipment or marketing materials.

Company owned vehicles and their emissions based on fuel type and fuel amount used in FY2021 is 28,67 tCO₂e.

The GHG emissions amount from Scope 1 is equal to around 480 tree seedlings grown for 10 years.⁹



SCOPE 2 EMISSIONS (E)

We have limitations impacting the production and manufacturing of goods but we can influence our own emissions on our operational sites.

GHG Protocol is the base for our methodology in Scope 2 calculations. It includes our energy usage: electricity, heating, cooling and refrigerants.

Some of the stores we are on rent agreements do not contain information about our energy

consumption separately, we know most of our consumed amounts, but some data is not possible to retrieve.

For calculations location-based method and national residue energy-mix factors for each country were used.

The total carbon footprint amount in Scope 2 in our operations in Estonia, Latvia and Lithuania combined is 369 tCO₂e.

⁹ [Greenhouse Gas Equivalencies Calculator | US EPA](#)

SCOPE 3 EMISSIONS (E)

Scope 3 emissions are the toughest of the data management point to understand, to measure and set boundaries. This year we tried to retrieve data from the employee commute to work, business travel and set the boundaries for logistics and transportation calculations. This year we will not report the full Scope 3 emissions. Currently we established a working group who will be responsible for Scope 3 data management and data gathering so that by 2025 we will be able to communicate more information from indirect upstream and downstream activities.

IMPACT FROM LOGISTICS AND TRANSPORTATION

Many items travel long distance from Asia or America through Europe to Estonia and to ease the impact on environment from transportation and logistics we have set clear goal by FY 2030 to have carbon neutral Cargo movement.

This year we mapped our logistics partners and their possibility to provide us data from shipments. The challenge is to process the data gathering and systemize input from the transportation. We supported development of a tool that calculated the distance from our suppliers data and calculated the transportation in kilometres based on actual travelling address data and used relevant emission factors based on transportation

vehicle type. Please see the Annex on GHG emission factors data.

Our T-shirt store enterprise is collaborating with DPD parcel shipping. DPD is a shipping company whose footprint is already today carbon neutral. Meaning we have selected a partner who enables already climate neutral packaging delivery services and we highly promote actions that are driven with smaller environmental footprint.

In order to reduce our own impact from various shipments, we target to have 12% split orders by FY2024. To achieve the selected target, our cargo shipping planning effectiveness needs to move forward and this means we need to digitalize our systems.

By 2025 We will be monitoring our partners on Net Zero pledges and targets, because reduction of the impact on environment is joint effort. We all matter and results our actions will be seen in the future.

Table 14. Scope 3 emissions

Scope 3 emissions	tCO ₂ e
Category 7 Employee commute	84
Category 9 Downstream transportation and logistics	53,831
Total tCO₂e	53,915

EMPLOYEE COMMUTE

Some of our GHG emissions derive from our own people commute to the work place. For office people we are developing bicycle parking space – to encourage colleagues to be more physically active but also to travel relatively short distances to the office by bicycle – this way we can spend more time outside and save emissions from commute to work.

And most of our stores are situated in big shopping centres where is good public transportation accessibility, allowing our employees to use public transportation availability.

Did you know public transport in Tallinn is free of charge for the citizens?

We conducted employee survey in Estonia to understand the distance of our employees need to commute and which transportation type they use.

The average distance from home to the office was 9,1 km. Preferred mean of transportation was by car - 63%. Employee commute footprint in Estonia was 84 tCO₂.

Our goal for next year is to conduct commute survey in Latvia and Lithuania also.

Fifaa AS FY2021 survey: Transport between employees' place of residence and place of work



5. RESOURCES

Climate change (E)	50
Materials sourcing, durable, sustainable product and productions quality (E)	50
Waste sorting (E)	52
Energy efficiency and energy source (E)	53



**“WE ARE ON A
CONTINUOUS JOURNEY
TOWARDS SUSTAINABLE
RESOURCE USAGE”**

CLIMATE CHANGE (E)

We are worried about our planet and climate change. Our organisation is looking for ways to reduce and contribute keeping the global warming under 1,5°C according to Paris Agreement. To understand how we impact and

influence global environmental changes, we started the sustainability journey. This is our first year to collect and analyse data from our value chain.

MATERIALS SOURCING, DURABLE, SUSTAINABLE PRODUCT AND PRODUCTION QUALITY (E)

Environment is important to us and, therefore, we find ways to continuously become more sustainable over time by spreading 'thinking green' mindset, both, inside and outside the company. We recognize that our choice of products and production materials have impact on the environment. The quality of production and the retail goods is essential – the longer one garment is worn, the smaller environmental impact it will have.

Resource generated waste in our company comes mostly from retail goods orders and transportation, logistics and distribution. Most of our products are packed by the manufacturer while most of the packaging we reuse.

Some waste is also generated from our employees' in daily operations, like IT-systems virtual space usage, office waste and food packages from take-aways.

PRODUCT ASSORTMENT

Our portfolio of products has wide range of various articles, and we keep increasing the assortment. Fifaa Group will emphasis on quality of the portfolio and add continuously eco-friendly products. To achieve this goal, we are sorting out new assortment of ecological products in FY2022 and FY2023. The target for FY2024 is to have 25% of products eco-friendly and sustainably produced.

RESOURCES MATERIAL WASTE/WASTE MANAGEMENT

We care for smaller ecological footprint and we want to be advocate how to use resources more sustainably.

- ▶ FY2021 we made investment in custom orders, for example Laulupidu, where each choir leader could choose a shirt with a design according to his wishes, to avoid surpluses.
- ▶ FY2021 we organized office waste sorting possibilities in all operating sites.
- ▶ FY2022 Work-day lunch: promoting home-cooked meals& eating out rather than ordering take-aways (to reduce daily packaging waste from Office workers).
- ▶ FY2022/2023 we put focus to quality control in production.
- ▶ FY 2024 we try to achieve paperless order management.
- ▶ FY 2026 our goal is paperless work environment.

PAPERLESS ENVIRONMENT

As an organisation we are investing in making our work environment paperless. We have set clear target to have paperless order management in FY2024 and have paperless work environment in FY2026. It is ambitious goal to be digitalized but we see it will make us more efficient through many processes.

OFFICE OPERATIONS IMPROVEMENT

Office oriented improvements are constantly renewed. For example, during pandemic many employees ordered lunch as take-away and generated more waste than they did prior the health crisis. To focus employees to decrease take-aways we have equipped kitchen with proper tableware and will be renovating kitchen areas where possible and during the renovation planning we will involve the employees in design phase, so that everyone needs or expectations could at least be considered.

In a leased spaces like we have for stores, separate kitchen or eating areas have limited improving opportunities, but hopefully someday the shopping centres will have greater possibilities for break-room and leisure room space extensions.

INNOVATION AND QUALITY

In manufacturing the promowear and printing, we purchased a new equipment to focus more on smaller order patches through "print on demand" process. Many years there were considerable leftovers in our customers warehouses and waste from the production process. Some parts of the orders remained unused and we wanted to change this wasteful thinking.



Crewneck hoody for Songfestival rehearsal conductors in 2021 for upcoming festival.

Innovation in garment printing has allowed us to make personal and unique pieces without redundant extra pieces. For example, there were 600 personalized orders for our Youth National Song Festival (Laulupidu) conductors where each customer had a chance to choose an item with a color that they liked, size that fit at the time that suited them for collecting the product. No extra pieces were produced, no waste was generated.

WASTE SORTING (E)

OFFICE WASTE

Waste sorting is also an challenge. Office waste is relatively easy to sort, but again in shopping centres it is sometimes not so easily accessible possibility for various waste sorting stations which leads to some waste assortment not going into recycling. But locally in each county we comply the national legislation and regulation in waste sorting and recycling where these opportunities exist.

PACKAGING

As we use a lot of packaging materials in our value chain, rather the packaging coming with the products to keep them safe during



transportation and distribution and storage, or the packaging from cardboard boxes, that we need to report in our packaging reporting. This indicates local taxes and of course we prefer to reuse cardboard boxes or big packaging materials as many times as possible. Unfortunately, this is not very traceable, but most of the packages that arrive to us, will be reused at least twice/three times in average.

As we are active also in online market, we need to use durable packaging for shipping the purchased goods. The environmental impact of packaging is more and more important for us. Nowadays our packaging in re-usable and in case of e-shop product returns – 6,5% of all orders – the same package for shipment could be used for returns.

Table 15. Ervitex packaging types FY2021

Packaging type	Ervitex packaging amounts in tons
Polymers	1,37
Out of which polybags	0,07
Paper, paperboard	4,84
Wood	0,29

Table 16. Fifaa AS Group packaging FY2021

Packaging type	Waste amount in tons	Amount sent to recycling in tons
Group total paper and cardboard	16,404	11,482
Transport packaging, plastic	0,012	0,007
Sales packaging, paper and cardboard	14,131	9,892
Sales packaging, plastic	2,288	1,258

SIA NL Latvija currently have 11 stores, 10 from them are located in shopping centers, where we receive an invoice for services costs including waste removal, but we do not have a detailed transcript available to us.

In the Ballzy store we pay for waste per m³. In FY2021 the Ballzy store produced 17.16m³ of waste.

In all our operating sites, the waste collection is regulated by national regulations and organized by third party. Often the transparency of what happens to waste produced and collected, is unknown – weather the waste is sent for recycling, landfill or incineration.

ENERGY EFFICIENCY AND ENERGY SOURCE (E)

- ▶ FY2022 aim is mapping energy sources in all operating sites, ongoing process is fixing changes in energy sources on demand in all operating sites.
- ▶ FY2022 Replacement and investment in stores and LED-solutions.
- ▶ FY2024 goal is Investment for new equipment and machinery.
- ▶ FY2025 we try to achieve Electricity from renewables and covered by RECS in all operating sites.

ENERGY CONSUMPTION OF THE COMPANY

Our company is conscious about energy consumption in our daily operations. As FIFAA is operating in retail and wholesale, our energy consumption comes from renting floor space for warehouses, shops and offices where central heating is used in most of the buildings. In our value chain a lot of energy and resource is used in manufacturing the sports

and retailing goods we mediate. This year we mapped and tried to identify all energy sources used in our own on-site operating sites, but the data received was not comprehensive and we need to keep request additional information. The data of used energy amount was retrieved from our bills and information provided through our lending agreements. We understand that biggest impact from energy usage derives from our upstream value chain where all goods are manufactured. But we have gained knowledge from our partners that they are also looking more into their own environmental impact reductions. Many service providers also publish their own sustainability reports to provide transparency in their operations, as well as us, who we publish our first sustainability report.

It is our priority to use innovative solutions in places we can reduce energy consumption volumes.

But as a renter there are limited possibilities in a big building to lead changes in energy consumption department.

INNOVATIVE SOLUTIONS

We monitor that all our rented spaces use latest energy saving technologies, like efficient lightning. Stores are usually located in shopping centres with limited daylight availability. Due to the fact of low direct sunlight, we depend on electricity. Important factor nowadays is using LED technology in artificial lightning spaces.

Many shopping centres where we operate have or are adding solar panels on the roofs, which helps reduce our footprint from electricity usage as we will be operating from locally produced solar power.

Today we are looking into detailed data about the energy efficiency of the buildings we are located. Some partners have already shared they long-term renovation plans, but some shopping centres are lagging behind.

The energy intensity data is calculated on total floor area and used electricity amount in kWh.

In Each country the variations in energy intensity derive from the difference of the store type. For example in the T-shirt stores have significantly higher energy consumption volume due to the print service and machinery used.

Table 17. Total energy usage

Country	Electricity MWh	Heating MWh	Cooling MWh
Estonia	572,137	0	0
Latvia	191,273	0	0
Lithuania	103,877	51,075	0,301
Finland	17,734	0	0

The identified amount of 74 MWh of renewable energy usage covered with guarantee of origin certificates (RECS) in FY2021 was used in Estonian centres Ülemise, Pärnu and in Lõunakeskus. For other centres we did not receive any feedback for our questionnaire on renewable energy usage from our landlords. And assumed residual mix as energy source is used in all our operating spaces. The total amounts of energy used is provided on our monthly bills from landlords or as agreed in rental agreements. In many cases the source of energy is unknown therefore residual mix emission factor for CO₂e calculations was used. Throughout all our carbon footprint calculations the GHG protocol guidelines were used.

One of our KPIs is to understand better how and when our partners plan to start renovating buildings, making them environmentally friendlier. Many buildings, which are in prime spots and are in highly visited areas by end-consumers, are in need for some energy efficiency improvement. This is an issue to most building owners we are operating in, as the energy demand must sustain throughout all four seasons in our climate region.

Overall taking into consideration the building energy efficiency labelling by Estonian Ministry of Economics, the energy class of commercial trading centre is class A if the energy intensity is less than 160 kWh/m²y.¹⁰

¹⁰ [Ministry of Economics "Requirements for issuing energy labels and energy labels" \(link\)](#)

ENERGY INTENSITY

**Table 18. Energy intensity in our own operations.
Based on actual energy used and floor space in m².**

Operational site	kWh/m ² ratio
Group average energy intensity in operational sites kWh/m²	114
Average energy intensity in Estonia kWh/m²	131
Skechers Ülemiste (Suur-Sõjamäe 4, Tallinn)	91
T-Shirt Store Ülemiste (Suur-Sõjamäe 4, Tallinn)	154
Skechers Kristiine (Endla 45, 10615 Tallinn)	107
T-Shirt Store Kristiine (Endla 45, Tallinn)	232
Skechers Pärnu Keskus (Aida 7, Pärnu)	208
T-Shirt Store Pärnu Keskus (Aida 7, Pärnu)	254
Skechers Rocca al Mare Keskus (Paldiski maantee 102, Tallinn)	132
Skechers Nautica keskus (Ahtri 9, Tallinn)	80
Skechers Lõunakeskus (Ringtee 75, Tartu)	75
T-Shirt Store Lõunakeskus (Ringtee 75, Tartu)	287
Office/warehouse (Pärnu mnt.142/4)	218
Warehouse (4 Floor) (Pärnu mnt.142/4)	39
Production (Pärnu mnt.142/4)	154
Other Warehouse (Pärnu mnt.142/4)	26
Ballzy Ülemiste (Suur-Sõjamäe 4, Tallinn)	119
Office (Pärnu mnt.142/4)	0
DeFacto Ülemiste (Suur-Sõjamäe 4, Tallinn)	45
Average energy intensity in Finland kWh/m²	74
Ballzy (Oravannahkatori 3, 02120 Espoo)	74

Operational site	kWh/m ² ratio
Average energy intensity in Latvia kWh/m²	82
Location (Office-Braslas iela 29-2, Rīga)	
T-Shirt Store Alfa, Brivibas iela 372, Rīga	81
T-Shirt Store Olimpia, Āzenes iela 5, Rīga	72
T-Shirt Store Origo, Satekles iela 2B, Rīga	49
T-Shirt Store Valleta, Rīgas iela 4, Valmiera	79
T-Shirt Store Galerija Centrs, Audēju iela 16, Rīga	89
T-Shirt Store Domina, Ieriķu iela 3, Rīga	187
T-Shirt Store Akropole, Maskavas iela 257, Rīga	94
Skechers Akropole (Maskavas iela 257, Rīga)	68
Ballzy Sneakers Akropole (Maskavas iela 257, Rīga)	22
Vans Alfa (Brīvības gatve 372, Rīga, LV-1006)	84
Skechers Alfa (Brīvības gatve 372, Rīga)	79
Skechers Domina (Ieriķu iela 3, Rīga)	100
Skechers Origo (Satekles iela 2B, Rīga)	73
Skechers Outlet Olimpia (Āzenes iela 5, Rīga)	48
Skechers Plaza (Mūkusalas iela 71, Rīga)	106
Skechers Spice (Lielirbes iela 29, Rīga)	94
Ballzy sports (Aleksandra Čaka iela 132A, Rīga)	65
Average energy intensity in Lithuania kWh/m²	168
Skechers AKROPOLIS Vilnius (Ozo g. 25, Vilnius)	318
Skechers AKROPOLIS Klaipeda (Taikos pr. 61, Klaipėda)	81
Skechers AKROPOLIS Šiauliai (Aido g. 8, Siauliai)	141
Skechers Vilnius Skechers Outlet (Vytauto Pociūno g., Vilnius*)	21
T-Shirt Store Akropolis Centre (Ozo g. 25, Vilnius)	220
T-Shirt Store AB Ogmios	61
T-Shirt Store PPC "Akropolis" (Kaunas, Karaliaus Mindaugo ave. 49)	231
T-Shirt Store Akropolis Klaipėda (Taikos pr. 61, Klaipėda)	202
T-Shirt Store Saulės Miestas (Tilžės g. 109, Šiauliai)	239

6. OUR APPROACH

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**"THIS IS JUST
A BEGINNING!"**

ABOUT THIS REPORT

This report is the first sustainability report of FIFAA Eesti AS for the year ending 31st of December 2021. The sustainability report has been prepared based on GRI Standards. For each reported standard, the GRI index refers to the year of the version used. Topic-specific Disclosures are reported with respect to the material topics for FIFAA AS. A comparison of the contents of the report and the GRI standards is given in the GRI index.

FIFAA AS consolidated annual financial statements includes FIFAA AS (parent company)

and its subsidiaries. This sustainability report covers all these entities.

We expect to release sustainability report every third year unless we see changes in relevant material topics and need to communicate progress and changes with our stakeholders.

If you are looking for additional information regarding the report, please contact:

Karel Loide, CEO karel.loide@fifaa.ee



MATERIAL TOPICS PRIORITIZATION

STAKEHOLDER ENGAGEMENT

FIFAA Group through its business activities interacts with numerous stakeholders. These stakeholders, through their actions, can directly or indirectly affect FIFAA Groups ability to implement its strategies and achieve its objectives, or are themselves affected by the FIFAA Group through the companies activities, products or services.

As a first step we mapped our stakeholders through-out our value chain and identified key stakeholders whom to engage to understand their reasonable expectations and interest.

Key stakeholders were chosen based on their influence on us, our responsibility to them, our proximity to them and interdependency.

The stakeholders with whom we engage routinely are:

- ▶ Shareholders
- ▶ Suppliers
- ▶ Employees
- ▶ Customers

Additional stakeholders with whom we engaged specifically to inform preparation of this report:

- ▶ Sports organizations
- ▶ Other business partners
- ▶ Local communities

Engaging stakeholders has helped us to identify strong and weak points, identify risks



that we otherwise might have overlooked and contributed to ongoing learning within our company.

The aim of engagement is to get feedback on what stakeholders consider are the key topics for FIFAA to monitor, manage and report on.

We acknowledge that there are many expectations from stakeholders and that these expectations differ from one stakeholder to the other. Stakeholders want transparency in our reporting, we need to generate trust through two-way dialogue, provide consistency over time, demonstrate ambition in implementing changes and setting goals and accountability through reporting on the results of engaging with them.

Identifying material topics:

Prior to stakeholder engagement we identified our main sustainability topics through internal workshops and benchmarking against other industry operators. This list of topics was then ranked by the stakeholders through online questionnaires or workshops.

The list of topics was as follows:

1. Material Waste/waste management.
2. Greenhouse gas emissions / Climate change.
3. Materials sourcing, durable, sustainable product and production quality.
4. Energy efficiency/Renewables and energy use
5. Employee development, engagement.
6. Diversity, inclusion, equality, employee wellbeing in work environment.
7. Healthy lifestyle.
8. Responsible Marketing communications.
9. Customer satisfaction.
10. Community impact.
11. Data protection and privacy.
12. Responsible workplace.
13. Business ethics Financial responsibility.

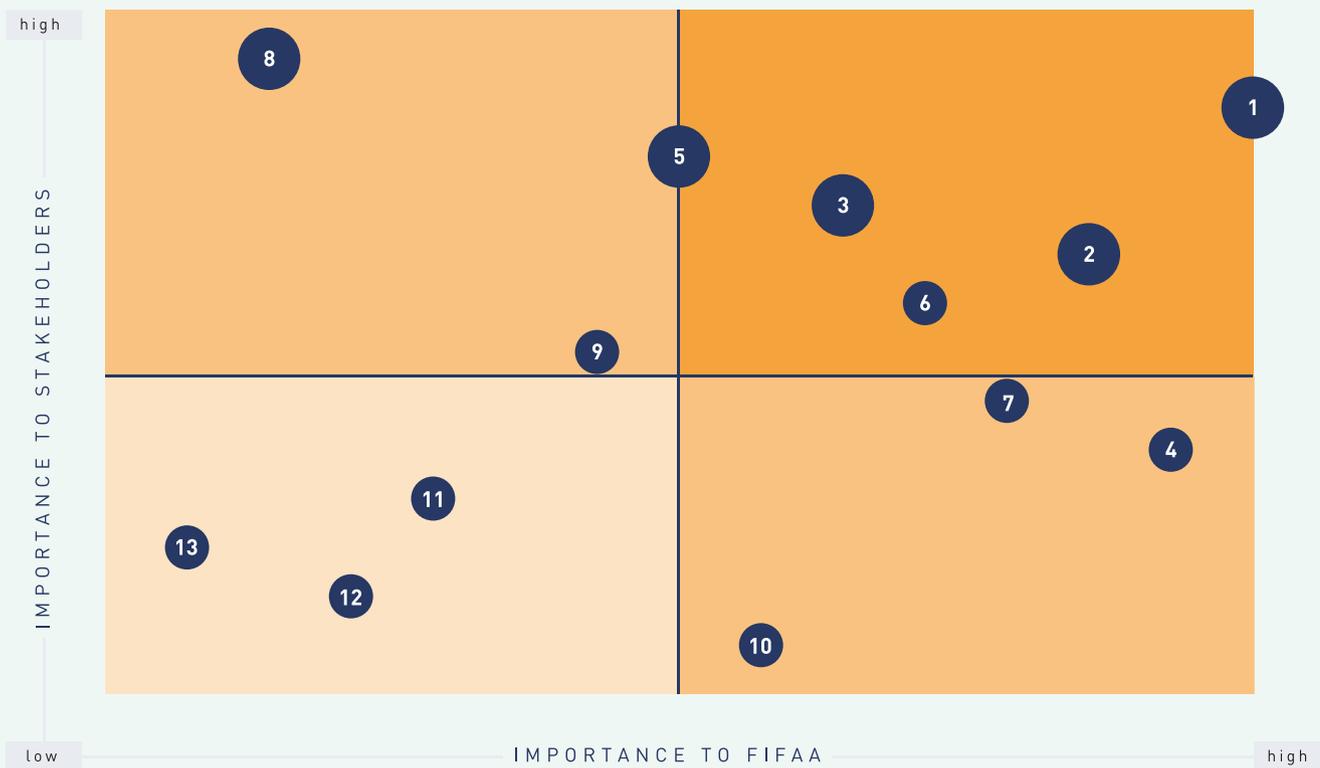
Once the sustainability issues were defined, they were ranked in order to define their materiality and include the most significant ones in this Report.

In accordance with the GRI Standards, the aspects were ranked in terms of their impact both within and outside the organization, i.e. by extending the analysis to the entire value chain.

The material aspects for the FIFAA Group were defined as the intersection of significance for the Company (X axis) and significance for its stakeholders (Y axis), as shown in the following matrix.



MATERIALITY MATRIX



People

- 1 Employee development, engagement (S)
- 5 Healthy lifestyle (S)
- 7 Diversity, inclusion, equality, employee wellbeing in work environment (S)

Organisation

- 3 Responsible workplace (G)
- 6 Customer satisfaction (S)
- 13 Responsible Marketing communications (G)

Resource

- 2 Materials sourcing, durable, sustainable product and productions quality (E)
- 4 Material Waste/waste management (E)
- 11 Energy efficiency/Renewables and energy use (E)

Community

- 8 Business ethics Financial responsibility (G)
- 9 Community impact (S)
- 10 Greenhouse gas emissions / Climate change (E)
- 12 Data protection and privacy (G)

Based on the analysis FIFAA has chosen the following topics to report on:

1. Material Waste/waste management.
2. Greenhouse gas emissions / Climate change.
3. Materials sourcing, durable, sustainable product, and productions quality.
4. Energy efficiency/Renewables and energy use.
5. Employee development, engagement.
6. Diversity, inclusion, equality, employee wellbeing in work environment.
7. Healthy lifestyle.
8. Responsible Marketing communications.
9. Customer satisfaction.
10. Community impact.
11. Data protection and privacy.
12. Responsible workplace.
13. Business ethics Financial responsibility.

Table 19. Stakeholder ESG materiality topic prioritization

Stakeholder group	Employees	Sports organizations	Business partners	Local populations
Top material topics	<ol style="list-style-type: none"> 1. Responsible workplace 2. Employee development, engagement 3. Customer satisfaction 	<ol style="list-style-type: none"> 1. Materials sourcing, durable, sustainable product and productions quality 2. Healthy lifestyle 3. Business ethics Financial responsibility 	<ol style="list-style-type: none"> 1. Business ethics Financial responsibility 2. Employee development, engagement 3. Responsible workplace 	<ol style="list-style-type: none"> 1. Business ethics Financial responsibility 2. Energy efficiency/ Renewables and energy use 3. Healthy lifestyle 4. Material Waste/ waste management 5. Greenhouse gas emissions / Climate change

FIFAA AS involved its internal and external stakeholders and integrated their feedback in the decision-making material topic selection process.

GRI INDEX

GENERAL DISCLOSURES

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
Organizational profile	Name of the organization	102-1	FIFAA AS	
	Activities, brands, products, and services	102-2	1. About the company, FIFAA in brief, starting on page 6	
	Location of headquarters	102-3	1. About the company, FIFAA in brief, starting on page 6	
	Location of operations	102-4	1. About the company, FIFAA in brief, starting on page 6	
	Ownership and legal form	102-5	1. About the company, FIFAA in brief, starting on page 6	
	Markets served	102-6	1. About the company, FIFAA in brief, starting on page 6	
	Scale of the organization	102-7	1. About the company, FIFAA in brief, starting on page 6	
	Information on employees and other workers	102-8	2. People, Management approach, starting on page 20	
	Supply chain	102-9	1. About the company, Value chain starting on page 15	
	Significant changes to the organization and its supply chain	102-10	1. About the company, Changes in the reporting period, page 16	
	Precautionary Principle or approach	102-11	The Precautionary Principle is not applied.	
	External initiatives	102-12	1. About the company, Memberships and initiatives, page 17	
	Membership of associations	102-13	1. About the company, Memberships and initiatives, page 17	

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
Strategy	Statement from senior decision-maker	102-14	Letter from the CEO, page 4	
	Key impacts, risks, and opportunities	102-15	6. Our Approach, Material topics prioritization, page 59	
Ethics and integrity	Values, principles, standards, and norms of behavior	102-16	2. People, The organisation is driven by our core values, page 23	
Governance	Governance structure	102-18	1. About the company, FIFAA in brief, starting on page 6 3. Organisation, Corporate management structure, page 35	
	Delegating authority	102-19	1. About the company, FIFAA in brief, starting on page 6 3. Organisation, Corporate management structure, page 35	
	Executive-level responsibility for economic, environmental, and social topics	102-20	3. Organisation, Corporate management structure, page 35	
	Chair of the highest governance body	102-23	3. Organisation, Corporate management structure, page 35	
	Role of highest governance body in setting purpose, values, and strategy	102-26	3. Organisation, Corporate management structure, page 35	
	Review of economic, environmental, and social topics	102-31	3. Organisation, Corporate management structure, page 35	
Stakeholder engagement	List of stakeholder groups	102-40	6. Our approach, Material topics prioritization, starting on page 59	
	Collective bargaining agreements	102-41	None of the employees are covered by collective bargaining agreement	
	Identifying and selecting stakeholders	102-42	6. Our approach, Material topics prioritization, starting on page 59	
	Approach to stakeholder engagement	102-43	6. Our approach, Material topics prioritization, starting on page 59	
	Key topics and concerns raised	102-44	6. Our approach, Material topics prioritization, starting on page 59	

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
Reporting practice	Entities included in the consolidated financial statements	102-45	1. About the company, FIFAA in brief, page 6	
	Defining report content and topic Boundaries	102-46	6. Our Approach, Material topics prioritization, page 59	
	List of material topics	102-47	6. Our Approach, Material topics prioritization, page 59	
	Restatements of information	102-48	First report, as such no restatements	
	Changes in reporting	102-49	N/A, this is the companies first sustainability report	
	Reporting period	102-50	6. Our approach, About this report, starting on page 58	
	Date of most recent report	102-51	N/A, this is the companies first sustainability report	
	Reporting cycle	102-52	6. Our approach, About this report, starting on page 58	
	Contact point for questions regarding the report	102-53	Karel Loite	
	Claims of reporting in accordance with the GRI Standards	102-54	6. Our approach, About this report, starting on page 58	
	GRI content index	102-55	6. Our approach, GRI index, starting on page 63	
	External assurance	102-56	Not assured	

PEOPLE

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
<i>Material Aspects: Employee development, engagement</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 2. People, Management approach, starting on page 24	
	The management approach and its components	103-2	2. People, Management approach, starting on page 24	
	Evaluation of the management approach	103-3	2. People, Management approach, starting on page 24	
GRI 404: Training and education 2016	Percentage of employees receiving regular performance and career development reviews	404-3	2. People, Employee development, engagement, page 27	
<i>Material Aspects: Diversity, inclusion, equality, employee wellbeing in work environment</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 2. People, Management approach, starting on page 24	
	The management approach and its components	103-2	2. People, Management approach, starting on page 24	
	Evaluation of the management approach	103-3	2. People, Management approach, starting on page 24	
GRI 403: Occupational Health and Safety 2018	Occupational health and safety management system	403-1	2. People, Occupational health and safety, starting on page 30	
	Hazard identification, risk assessment, and incident investigation	403-2	2. People, Occupational health and safety, starting on page 30	
	Occupational health services	403-3	2. People, Occupational health and safety, starting on page 30	
	Worker training on occupational health and safety	403-5	2. People, Occupational health and safety, starting on page 30	
	Promotion of worker health	403-6	2. People, Healthy lifestyle, starting on page 30	
	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	403-7	2. People, Occupational health and safety, starting on page 30	
	Work-related ill health	403-10	2. People, Occupational health and safety, starting on page 30	

ORGANISATION

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
Material Aspects: Responsible workplace (G)				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 3. Organisation, Management approach, starting on page 34	
	The management approach and its components	103-2	3. Organisation, Responsible workplace, starting on page 34	
	Evaluation of the management approach	103-3	3. Organisation, Responsible workplace, starting on page 34	
Material Aspects: Responsible Marketing, communications(S)				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 3. Organisation, Management approach, starting on page 34	
	The management approach and its components	103-2	3. Organisation, Responsible marketing, communications, starting on page 37	
	Evaluation of the management approach	103-3	3. Organisation, Responsible marketing, communications, starting on page 37	
Material Aspects: Customer satisfaction				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 3. Organisation, Management approach, starting on page 34	
	The management approach and its components	103-2	3. Organisation, Customer satisfaction, starting on page 37	
	Evaluation of the management approach	103-3	3. Organisation, Customer satisfaction, starting on page 37	
Material Aspects: Business ethics Financial responsibility(G)				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 3. Organisation, Management approach, starting on page 34	
	The management approach and its components	103-2	3. Organisation, Business ethics Financial responsibility, starting on page 38	
	Evaluation of the management approach	103-3	3. Organisation, Business ethics Financial responsibility, starting on page 38	
Material Aspects: Data protection and privacy (G)				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 3. Organisation, Management approach, starting on page 34	
	The management approach and its components	103-2	3. Organisation, Data protection and privacy, starting on page 40	
	Evaluation of the management approach	103-3	3. Organisation, Data protection and privacy, starting on page 40	

COMMUNITY

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
<i>Material Aspects: Community impact (S)</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 4. Community, Community impact, starting on page 42	
	The management approach and its components	103-2	4. Community, Community impact, starting on page 42	
	Evaluation of the management approach	103-3	4. Community, Community impact, starting on page 42	
<i>Material Aspects: GHG Emissions</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	"6. Our approach, Material topics prioritization, starting on page 59 4. Community, GHG esmissions, starting on page 44	
	The management approach and its components	103-2	4. Community, GHG esmissions, starting on page 44	
	Evaluation of the management approach	103-3	4. Community, GHG esmissions, starting on page 44	
GRI 305: Emissions 2016	Direct (Scope 1) GHG emissions	305-1	4. Community, Scope 1 emissions, starting on page 46	
	Energy indirect (Scope 2) GHG emissions	305-2	4. Community, Scope 2 emissions, starting on page 46	
	Other indirect (Scope 3) GHG emissions	305-3	4. Community, Scope 3 emissions, starting on page 47	

RESOURCES

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
<i>Material Aspects: Climate change</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 5. Resources, Climate change, starting on page 50	
	The management approach and its components	103-2	5. Resources, Climate change, starting on page 50	
	Evaluation of the management approach	103-3	5. Resources, Climate change, starting on page 50	
<i>Material Aspects: Materials sourcing, durable, sustainable product and productions quality</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 5. Resources, Materials sourcing, durable, sustainable product and productions quality, starting on page 50	
	The management approach and its components	103-2	5. Resources, Materials sourcing, durable, sustainable product and productions quality, starting on page 50	
	Evaluation of the management approach	103-3	5. Resources, Materials sourcing, durable, sustainable product and productions quality, starting on page 50	

GRI Standard	GRI Disclosure	Number	Location and Notes	Omission
<i>Material Aspects: Waste sorting</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 5. Resources, Waste sorting, starting on page 52	
	The management approach and its components	103-2	5. Resources, Waste sorting, starting on page 52	
	Evaluation of the management approach	103-3	5. Resources, Waste sorting, starting on page 52	
GRI 306: Waste 2020	Waste generation and significant waste-related impacts	306-1	5. Resources, Waste sorting, starting on page 52	
	Management of significant waste-related impacts	306-2	5. Resources, Waste sorting, starting on page 52	
	Waste generated	306-3	5. Resources, Waste sorting, starting on page 52	
	Waste diverted from disposal	306-4	5. Resources, Waste sorting, starting on page 52	
	Waste directed to disposal	306-5	5. Resources, Waste sorting, starting on page 52	
<i>Material Aspects: Energy efficiency and energy source</i>				
GRI 103: Management Approach	Explanation of the material topic and its Boundary	103-1	6. Our approach, Material topics prioritization, starting on page 59 5. Resources, Energy efficiency and energy source, starting on page 53	
	The management approach and its components	103-2	5. Resources, Energy efficiency and energy source, starting on page 53	
	Evaluation of the management approach	103-3	5. Resources, Energy efficiency and energy source, starting on page 53	
GRI 302: Energy 2016	GRI 302: Energy 2016	306-1	5. Resources, Waste sorting, starting on page 53	
	Management of significant waste-related impacts	306-2	5. Resources, Waste sorting, starting on page 53	

APPENDIX. EMISSION FACTOR DATABASE

	Fuel type	Emission factor	Emission factor database
SCOPE 1	Gasoline emission factor IPCC kgCO ₂ /TJ	69300	2006 IPCC Guidelines for National Greenhouse Gas Inventories (2006 IPCC Guidelines), Edited by Simon Eggleston, Leandro Buendia, Kyoko Miwa, Todd Ngara, Kiyoto Tanabe
	Gasoline NCV Emission factor GJ/t	44	GREENHOUSE GAS EMISSIONS IN ESTONIA 1990-2019 NATIONAL INVENTORY REPORT, Republic of Estonia Ministry of the Environment
	Gasoline EST inventory t/l	0,000881	GREENHOUSE GAS EMISSIONS IN ESTONIA 1990-2019 NATIONAL INVENTORY REPORT, Republic of Estonia Ministry of the Environment
	Diesel emission factor IPCC kgCO ₂ /TJ	74100	2006 IPCC Guidelines for National Greenhouse Gas Inventories (2006 IPCC Guidelines)
	Diesel NCV GJ/t	42,3	2006 IPCC Guidelines for National Greenhouse Gas Inventories (2006 IPCC Guidelines), Edited by Simon Eggleston, Leandro Buendia, Kyoko Miwa, Todd Ngara, Kiyoto Tanabe
	Diesel t/l EST inventory	0,000885	GREENHOUSE GAS EMISSIONS IN ESTONIA 1990-2019 NATIONAL INVENTORY REPORT, Republic of Estonia Ministry of the Environment

	Electricity residual mix source	Emission factor	Emission factor database
SCOPE 2	Gasoline emission factor IPCC kgCO ₂ /TJ	69300	2006 IPCC Guidelines for National Greenhouse Gas Inventories (2006 IPCC Guidelines), Edited by Simon Eggleston, Leandro Buendia, Kyoko Miwa, Todd Ngara, Kiyoto Tanabe
	Gasoline NCV Emission factor GJ/t	44	GREENHOUSE GAS EMISSIONS IN ESTONIA 1990-2019 NATIONAL INVENTORY REPORT, Republic of Estonia Ministry of the Environment
	Gasoline EST inventory t/l	0,000881	GREENHOUSE GAS EMISSIONS IN ESTONIA 1990-2019 NATIONAL INVENTORY REPORT, Republic of Estonia Ministry of the Environment
	Diesel emission factor IPCC kgCO ₂ /TJ	74100	2006 IPCC Guidelines for National Greenhouse Gas Inventories (2006 IPCC Guidelines)
	Diesel NCV GJ/t	42,3	2006 IPCC Guidelines for National Greenhouse Gas Inventories (2006 IPCC Guidelines), Edited by Simon Eggleston, Leandro Buendia, Kyoko Miwa, Todd Ngara, Kiyoto Tanabe
	Diesel t/l EST inventory	0,000885	GREENHOUSE GAS EMISSIONS IN ESTONIA 1990-2019 NATIONAL INVENTORY REPORT, Republic of Estonia Ministry of the Environment

	Electricity residual mix source	Emission factor	Emission factor database	Web-address
SCOPE 2	Estonia 2020 gCO ₂ e/kWh	491,72	Elering residual mix	www.elering.ee/sites/default/files/2021-06/Eesti%202020%20segajääk%20ja%20metoodika.pdf
	Latvia 2020 gCO ₂ e/kWh	391,47	Augstsprieguma tikls residual mix	www.ast.lv/en/content/garantees-origin
	Lithuania 2020 gCO ₂ e/kWh	340,19	Litgrid residual mix	www.litgrid.eu/index.php/paslaugos/kilmes-garantiju-suteikimas/liekamasis-energijos-rusiu-derinys/31206

	Cooling energy by electricity	Emission factor	Emission factor database	Web-address
SCOPE 2	Estonia 2020 gCO ₂ e/kWh	491,72	Elering residual mix	www.elering.ee/sites/default/files/2021-06/Eesti%202020%20segajääk%20ja%20metoodika.pdf
	Latvia 2020 gCO ₂ e/kWh	391,47	Augstsprieguma tikls residual mix	www.ast.lv/en/content/garantees-origin
	Lithuania 2020 gCO ₂ e/kWh	340,19	Litgrid residual mix	www.litgrid.eu/index.php/paslaugos/kilmes-garantiju-suteikimas/liekamasis-energijos-rusiu-derinys/31206

	Heating emission factor tCO ₂ /MWh	Emission factor	Emission factor database	Web-address
S1SCOPE 2	Lithuania	0,1	Teises aktu registras	https://www.e-tar.lt/portal/lt/legalAct/TAR.A2E8B0079BC9/ZtesttHZbM

	Vehicle Type	CO ₂ Factor (kg / unit)	CH ₄ Factor (g / unit)	N ₂ O Factor (g / unit)	Units (km)	Emission factor database
SCOPE 3	Passenger Car A	0,54901	0,01449	0,01288	vehicle-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Light-Duty Truck B	0,74704	0,01932	0,0161	vehicle-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Motorcycle	0,30429	0,1127	0,01127	vehicle-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Intercity Rail - Northeast Corridor C	0,09338	0,008855	0,001127	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Intercity Rail - Other Routes C	0,2415	0,018837	0,006118	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Intercity Rail - National Average C	0,18193	0,014812	0,004186	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Commuter Rail D	0,23023	0,019159	0,004669	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Transit Rail (i.e. Subway, Tram) E	0,17066	0,015295	0,002093	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Bus	0,08694	0,033166	0,001449	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Air Travel - Short Haul (< 300 miles)	0,33166	0,011431	0,010465	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Air Travel - Medium Haul (>= 300 miles, < 2300 miles)	0,21091	0,000966	0,006762	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency
	Air Travel - Long Haul (>= 2300 miles)	0,25921	0,000966	0,008211	passenger-mile	Emmission Factors for Greenhouse Gas Inventories , EPA Uited States Enviornmental Ptorection Agency