

Our way forward

Impact and responsibility report 2021

Published December 2022





“The pursuit of a raw, no fuss,
simple, lightweight approach to
both mountaineering and life.”

Introduction

A radical approach towards a low-impact future

Mountain Equipment is an outdoor equipment company with more than sixty years of heritage, rooted in alpine-style climbing and an obsession for exploration of mountainous and wild places. The impact of climate change is already clear to see in these environments and there is an urgent need for us to take a leading role in reducing our contribution to what we now recognise is a climate and ecological emergency.

We are at the beginning of a long climb to change the way we do business to achieve a better future. Thanks to the detailed work we are now undertaking on our whole footprint, we are starting to understand how we can get there.

Central to this is our understanding and approach to our carbon impact since this directly impacts on climate change. Our target to reduce our total carbon emissions by 6% per year throughout the measurable entirety of our supply chains is a genuinely radical approach to decarbonising our product which, if all companies did the same, would have a transformational impact on greenhouse gas emissions. It is also the reason why we have chosen not

to use the easy option of carbon offsetting, and instead are focused on reducing our emissions at source.

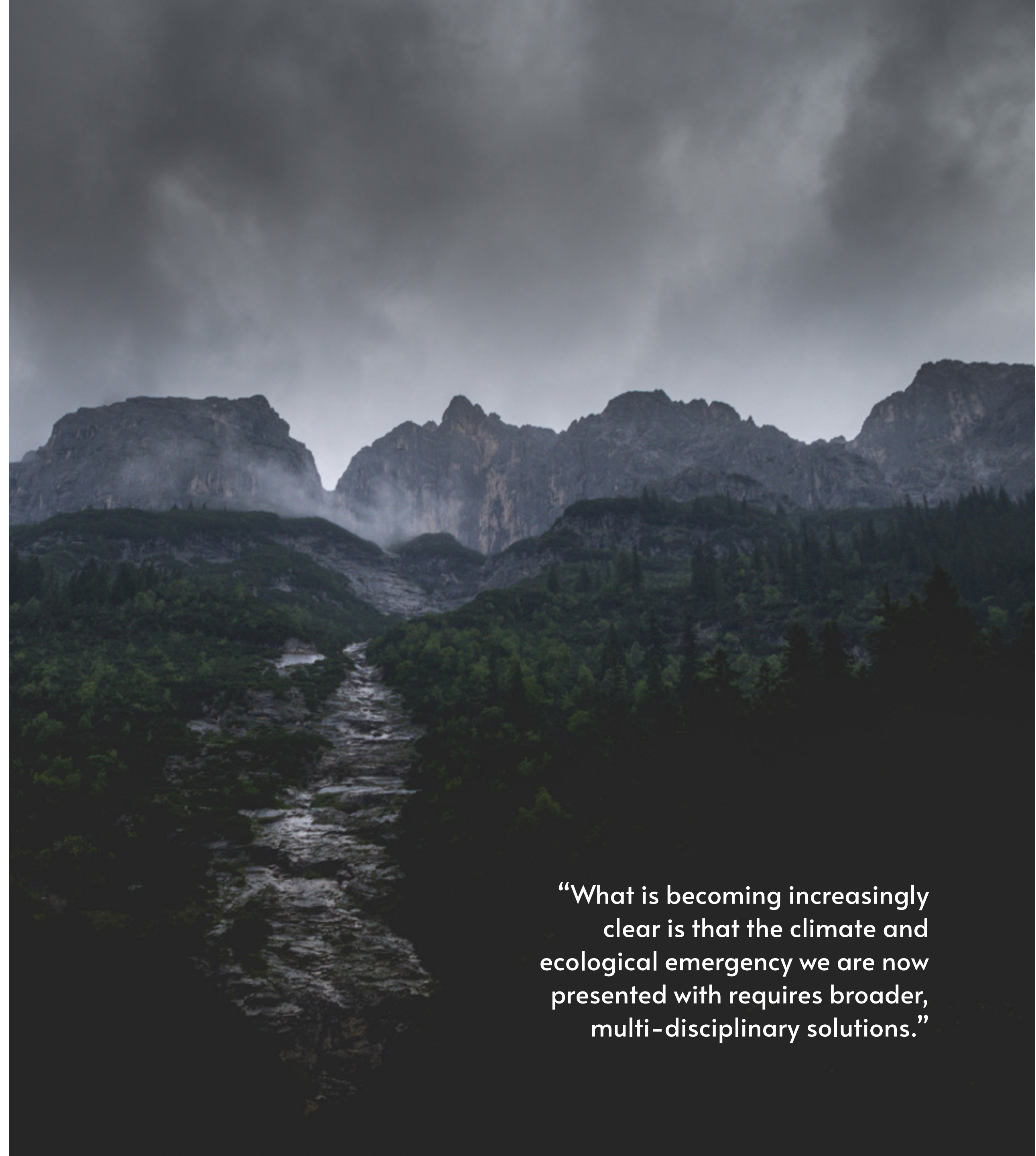
But what is becoming increasingly clear is that the climate and ecological emergency we are now presented with requires broader, multi-disciplinary solutions. That is why we are committed to looking at our total impact; ensuring we treat the factory workers whose jobs it is to make our products fairly, ending the use of unnecessary packaging and minimising our use of single-use plastics, encouraging free and fair access for all to our wild spaces and ensuring we do all that we can to lengthen the life of the products we make, both through rigorous design and the aftercare services we offer.

Underpinning all of this is our approach to life and the deep respect we have for the mountains and for others. The belief that we should all live a simpler, more efficient, more honest life. One in which we accept self-responsibility and recognise that together we can make a difference.

This is a challenging but important journey.



**Hamish Dunn, Brand Director,
Mountain Equipment**



“What is becoming increasingly clear is that the climate and ecological emergency we are now presented with requires broader, multi-disciplinary solutions.”



Contents

Simple truths: Our reporting standards	05
Section one: The pursuit of alpinsim	06
Section two: About us	10
Reporting objectives and priorities	14
Section three: The impact of carbon	15
Section four: Lessening our impact	25
Section five: People and partners	38
Appendices	41

Simple truths

Our reporting standard

As a business we have an impact on this world. The goal of this report is to present the truth clearly and accurately and to demonstrate how we will translate our Alpinist values into business practice.

This annual report covers the work we have undertaken during the 2021 calendar year. It represents the latest stage of our journey to understand and reduce our impact on the environment, to identify and cut our carbon emissions, and enhance our corporate and social responsibility. It includes an updated assessment of our carbon footprint and information on our efforts to promote fair working conditions as part of our broader multi-disciplinary approach.

It began in 2019 with an interim Carbon Impact report but we decided to hold back from reporting fully, until we were satisfied that we were able to accurately measure data across our whole business and entire supply chain. For our carbon impact, this means being able to include Scope 1, 2 and 3 emissions, the latter being the indirect emission that occur throughout our full product life cycle or value chain, from upstream procurement of raw materials through to purchased goods and services.

Any questions should be sent to responsibility@oscltd.co.uk

Reporting standards

This report has been written with reference to the Global Reporting Initiative (GRI) Standards, which revolve around responsible business conduct and best reporting practice. We will report directly in line with these standards, with a focus on consistency and credibility in all matters. We have not obtained external assurance for this 2021 report but intend to progress to that for future reports.

Every conversation moves us forward

Our measurement resources will continue to improve, and our methods will evolve. We acknowledge the gaps in our understanding, and the need to refine and improve the ways we examine our data. We want to report honestly with a focus on consistency and credibility on both positive and negative impacts. We want to calculate and report our impact with an inquisitive approach that's open to new ideas and actions.



The pursuit of Alpinism

Section one





Our way of life

Values

Alpinism is more than just how we climb; it is about our entire approach, how we choose to live.

Our values of simplicity, efficiency, honesty, self-responsibility; a deep respect for the mountains and for others connect us to other Alpinists, and to the world we climb, live and work in.

The respect and reverence we have for each other as well as our natural playground is fundamental to Alpinism. Minimising our impact and our ethics matter. We're on a journey to minimise that impact and enhance our world, leaving it in a better place than today for future generations.

“The respect and reverence we have for each other as well as our natural playground is fundamental to Alpinism.”



Where craft meets practice

Our product essence

Alpinism is at the heart of every one of our products. Valuing experience over price, our expertise is in designing and engineering our clothing and equipment not for glory or recognition but for necessity.

It is by combining both the craft and the practice of Alpinism that we create what we do.

Our heritage

Founded in 1961, Mountain Equipment has participated in countless ascents of the world's highest peaks, supporting Alpinists in establishing ever more adventurous routes in the alpine style.

Our commitment to the mountains and our culture is as undiminished today as when we were founded over 60 years ago.


1963

Central Tower of Paine:
Whillans and Bonington




1970

Annapurna South Face:
Whillans, Bonington, Boysen, Clough, Haston, Frost, Burke, Estcourt, Lambert, Thompson and Kent




1975

Everest, SW Face, first British ascent:
Bonington, MacInnes, Haston, Scott, Burke, Estcourt, Thompson, Boysen, Boardman, Braithwaite



1976

West Wall of Changabang, first ascent:
Boardman and Tasker




1978

Everest first ascent without Oxygen:
Messner and Habler




1983

Broad Peak:
Parkin and Rouse




1997

North Face of Changabang:
Cave and Murphy




2009

North Face of Chang Himal:
Bullock and Houseman




2012

Nanga Parbat by the Mazeno Ridge, first ascent:
Allen and Allan



2018

Latok I first ascent from the North:
Livingstone, Cesen and Stražar



About us

Section two



Ownership

Our structure and responsibilities

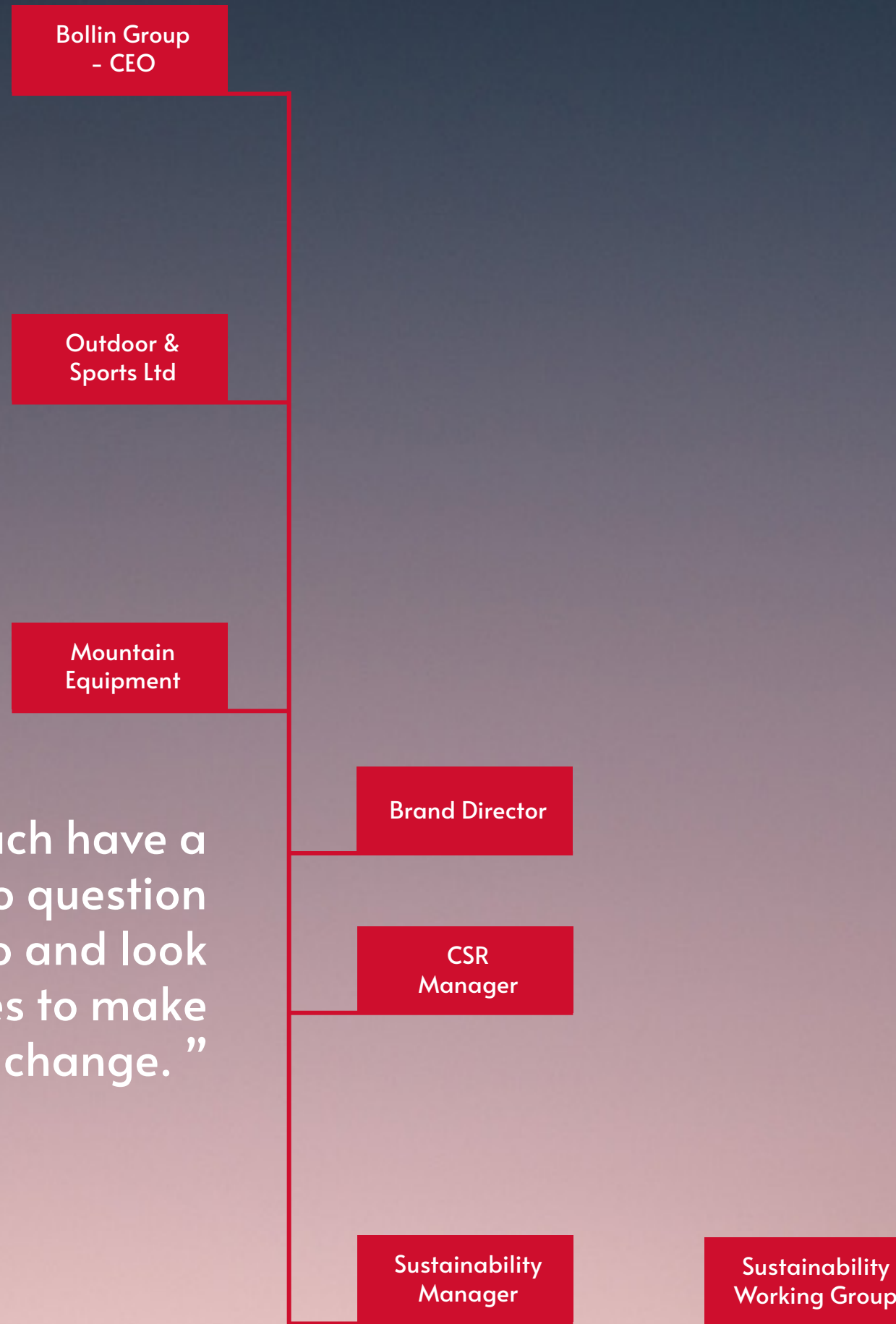
Since 2003, Mountain Equipment along with its parent company, the Outdoor & Sports Company Limited (OSC) has been owned by the Bollin Group, a privately owned and family run UK-based business.

At Mountain Equipment the responsibility for reaching our impact and responsibility goals sits with every member of our team. We each have a responsibility to question the status quo and look for opportunities to make a positive change.

Our Impact & Responsibility strategy is led by the Corporate and Social Responsibility Manager and our Sustainability Manager, who report to our Brand Director. They also meet with our department heads as well as senior directors from the whole of OSC Limited to deliver our Responsibility Strategy and hold the business accountable. Our approach is continually assessed at the highest levels of the business through an operational review at the monthly executive meeting of the group CEO and our Brand Director.

In 2021, we established our Sustainability Working Group. This is a multi-disciplinary group of colleagues from across our business who drive actions to embed sustainability into our everyday operations and corporate culture. They assist the Sustainability Manager by collaborating to support initiatives to reduce our environmental impact.

“We each have a responsibility to question the status quo and look for opportunities to make a positive change.”



How we work

Our Team

Mountain Equipment is based in the North-West of England, on the outskirts of Manchester. As part of the Outdoor & Sports Company Limited, our brand team is supported by a broader OSC team in Operations, Customer services and Finance. We have guiding Standards of Conduct accompanied by numerous policies, which are given to all new employees.

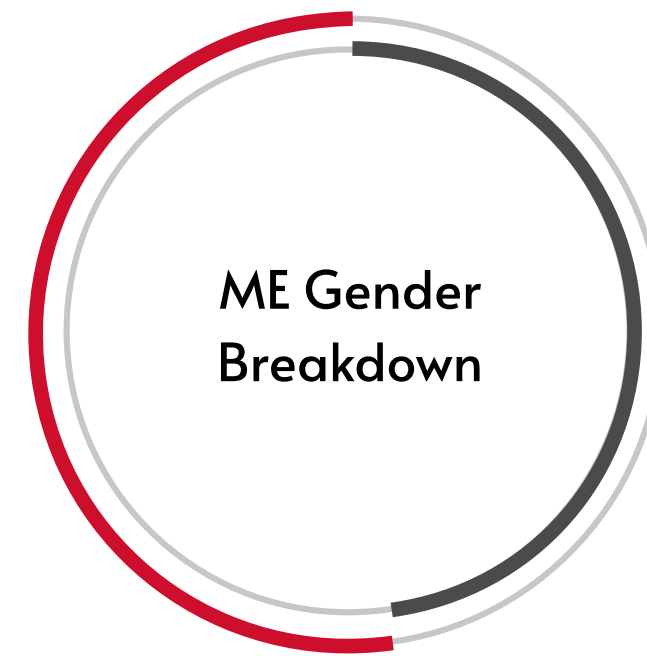
In 2021, the UK government continued with lockdown periods due to the ongoing Covid-19 pandemic.

As such, in line with government advice our team continued to work from home for much of this time with a return to work in August and September of that year before government advice once again led to our team working from home for the remainder of year.

Throughout this time, advice from the UK government was followed and updated to all employees. Our office remained open for those who could not work from home, with limited occupancy and social distancing measures in place.

We have since adopted a hybrid working policy with most employees choosing to work part-time within the office and part-time working from home.

Mountain Equipment UK
December 2021
Total ME staff = 27



Male - 52% Female - 48%

OSC UK
December 2021
Total OSC staff = 113



Male - 46% Female - 54%



Full-time Part-time



Full-time Part-time



Manufacturing locations

Where our product is made

We work with 23 manufacturing partners, across 9 countries.

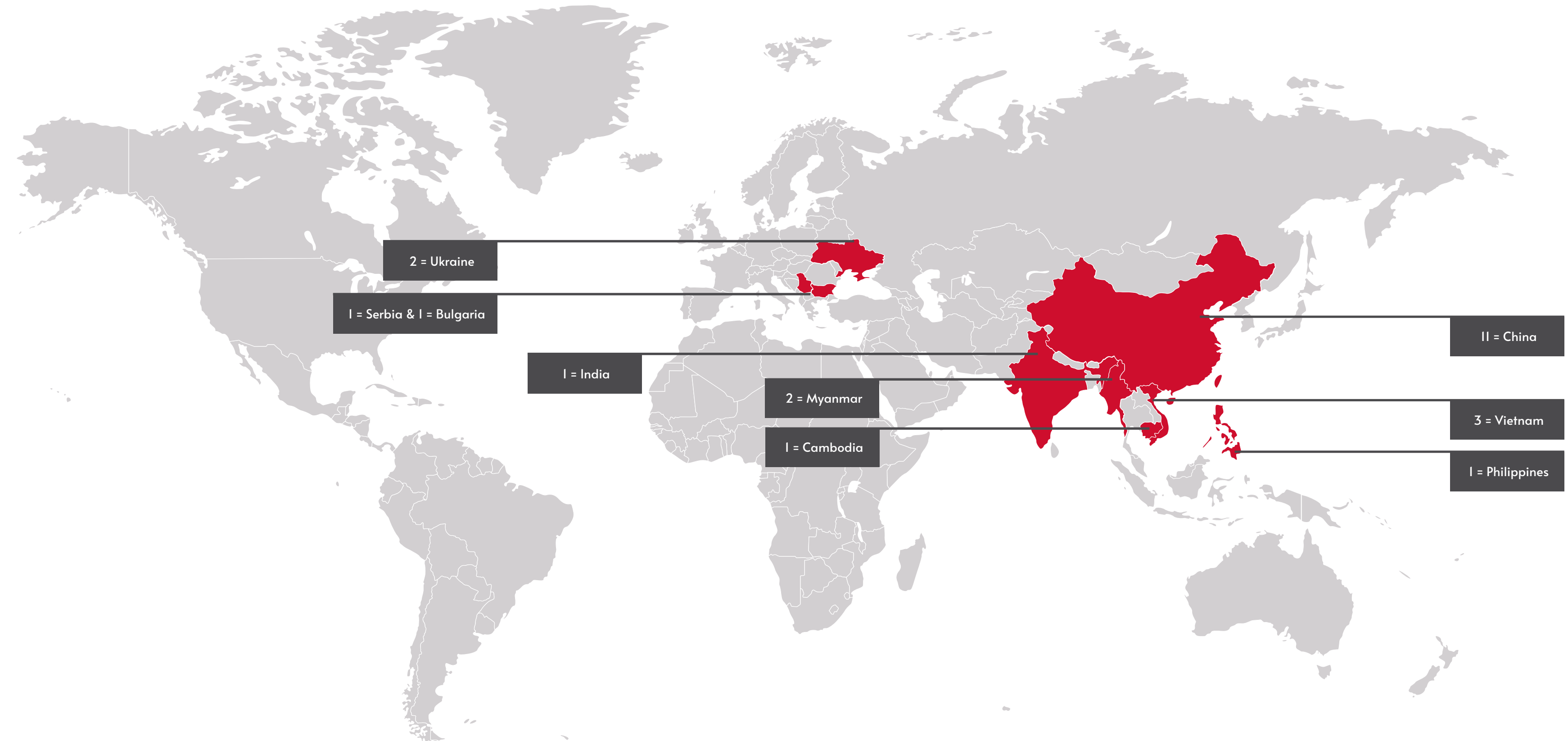
We source 70% of our products from China, 10% from Myanmar, 9% from Europe, 5% from Vietnam with the remainder coming from the Philippines, Cambodia and India.

At the time of writing this report the world is facing numerous geopolitical challenges; the on-going impact of COVID-19, Russia's invasion of Ukraine, a military coup in Myanmar and rising tensions between China and the West are just some.

In 2021, of particular and immediate concern to us was the situation in Myanmar, a country where two of our manufacturing partners are located. The military coup which occurred in February, has resulted in the displacement of tens of thousands of people and put an already fractious economy on an even weaker footing.

Whilst our manufacturing partners in Myanmar are Taiwanese owned companies and in no way connected to the military junta, we face a difficult dilemma; balancing on one-hand a desire to support individual factory workers and their families by continuing to provide employment and on the other, a desire to not support or be seen to endorse a brutal military dictatorship.

Our logistics and CSR teams are in regular contact with both factories to assess the situation on a week-by-week basis and we will continue to keep our operations in Myanmar under review.



Reporting objectives and priorities

Our focus

We don't want to hide the negatives but tell the truth and involve our teams across the business. With the world facing so many issues it can be difficult to know where our focus and priorities should lie.

By asking our team to consider areas of concern and their importance to both us and the wider world we have been able to determine our area of focus. It's important to remember that many of these impact areas are interlinked and each year we will reconsider our impact and focus, broadening our stakeholder engagement and continuing to consider the wider global picture.

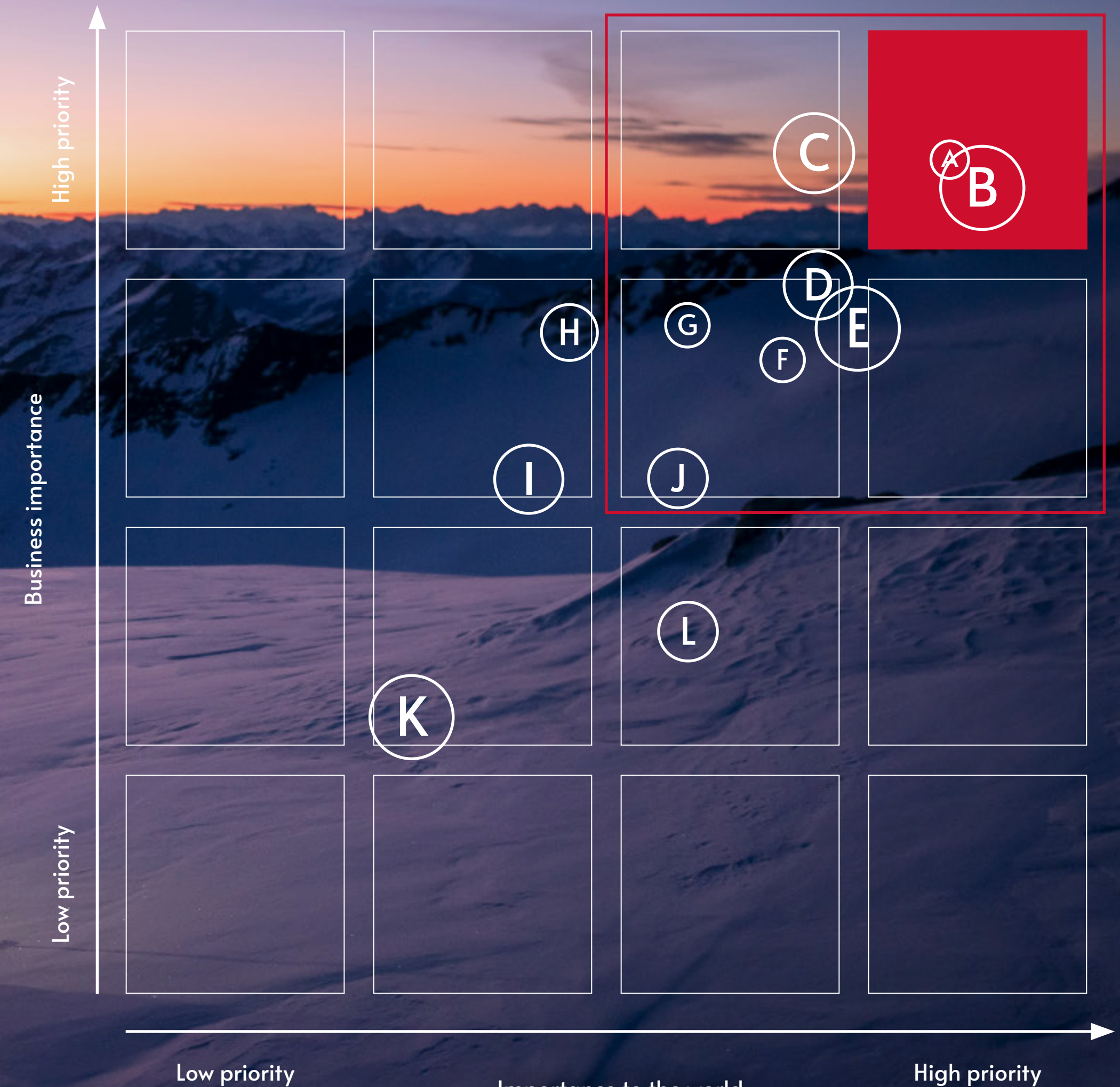
Our objectives

- Evaluate our position in the overall context of the outdoor industry.
- Examine our potential impacts on the climate and global environment.
- Determine our impact on people.

It is our responsibility to assess all these areas, and to be honest about not only what we are doing well, but also about what we could do better.

Areas of concern:

- A. GHG emissions
- B. Materials
- C. Governance and policies
- D. Packaging
- E. Product sustainability
- F. Labour conditions
- G. Community and partnerships
- H. Sourcing and supply
- I. Business travel and commuting
- J. Product life
- K. Our everyday
- L. Responsible brand communication



*size of circle indicates frequency of issue raised

Areas of greatest focus Areas of critical focus

The impact of carbon

Section three





Addressing the climate emergency

Moving in the right direction

Our planet continues to heat up; Glaciers are melting, forests are burning and whole ecosystems are under threat.

The time we have to change is critically short, and we are already seeing significant changes to our world and our way of life. We must move in the right direction and at pace. We are in a climate and ecological emergency.

The scientific consensus is that global heating must be limited to 1.5° above pre-industrial limits, to avoid disastrous consequences for all life on earth*. To do this, we must make deep cuts to our global greenhouse gas footprint.

Transformational change is required across every corner of society and that means Mountain Equipment must play its part too.

*Supported by scientific consensus and outlined in the IPCC Special Report: Global Warming of 1.5 degrees (2018)

How we've got here

In partnership with Small World Consulting

“For over 60 years Mountain Equipment has made gear for people exploring the alpine and polar regions. These environments are now under greater threat than ever and in some cases will disappear completely. We have worked with Mountain Equipment to understand the carbon impacts throughout their business; to set targets and recommend strategies that will ensure they are truly playing their part in the transition to the more sustainable world that everybody needs.”

Professor Mike Berners-Lee

Professor Mike Berners-Lee is the founder of Small World Consulting (SWC) and a professor at Lancaster University. He is a leading expert in carbon footprinting and he has authored several subject matter books including *How Bad are Bananas?*; *The Burning Question*; and *There is No Planet B*.

Working with his team at Small World Consulting, we have calculated our carbon footprint for 2020 and 2021. Our targets and strategy have been developed by looking at our carbon footprint across the full scope of our operation as outlined in “The value chain”.

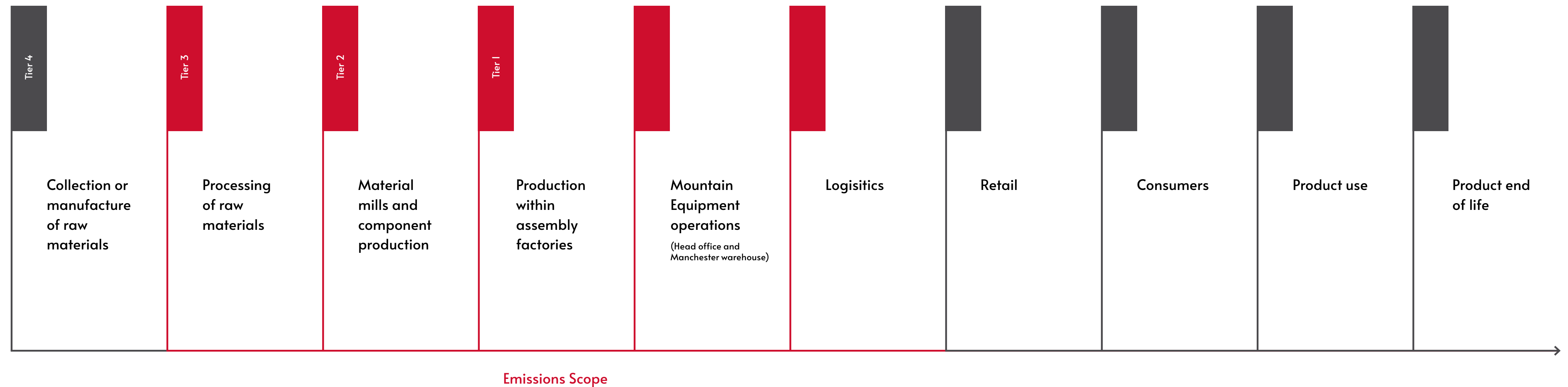


The value chain

The scope of our calculations

We understand that our impact is broader than our central operation, and that of our supply chain. Every step in the product lifecycle; from the sourcing of raw materials to the marketing of our products, the services, utilities, and transportation we purchase, are part of this journey and carry an environmental impact. The entirety of this journey is known as the value chain.

We design and manufacture clothing and equipment for demanding, physical activities, a process which itself can be demanding and resource intensive. To do this we work with many partners both upstream and downstream. Our supply chain is long and complex, but collaboration and transparency with each of these partners enable us to better understand the impact we make. This visibility will continue to develop as we work to improve data management with our partners.



Scopes

The whole truth

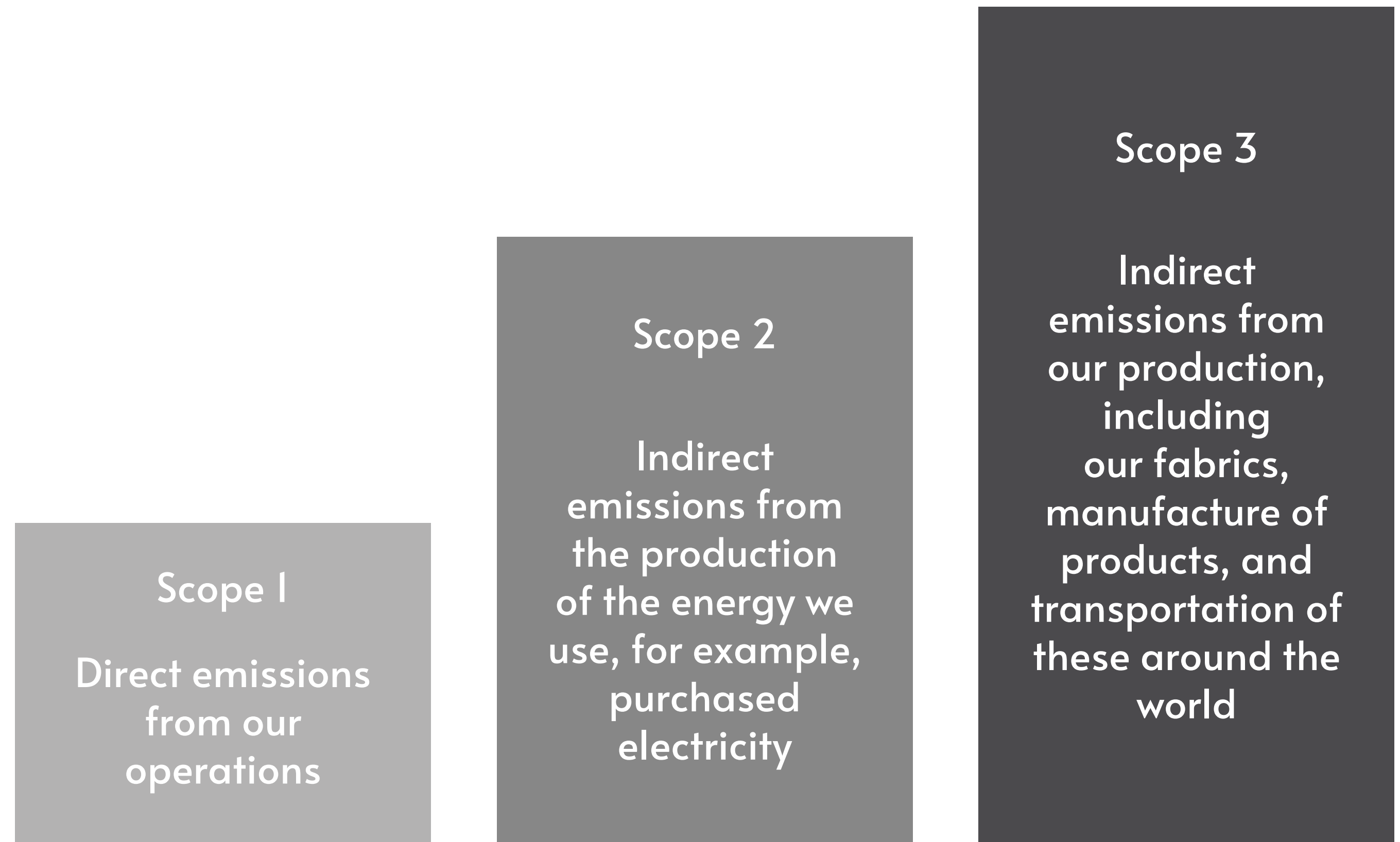
We want to be open, transparent and above all, truthful. That is why we've included our whole supply chain and all operational carbon* emissions in our calculations. We will share with you what we do, how we do it, and why, as clearly and honestly as we can – even if we make mistakes.

Greenhouse gas emissions are categorised into three groups or 'Scopes' by the most widely used international accounting tool, the Greenhouse Gas (GHG) Protocol. This means we've included all Scope 1, Scope 2 and upstream Scope 3 emissions – the carbon footprint up to point of sale of our products.

We have captured our Scope 3 carbon emissions calculations, but this has excluded product sale and life. We know that there is a high level of carbon emissions during the use of the product, but there are too many variables for this to be calculated accurately.

For clarity, we are currently calculating our emissions from the raw materials processed to fabric until the product is received by our retailer or customer. In the future, we aim to calculate the entirety of emissions from our products from raw material sourcing to product end-of-life. However, our lack of accurate data post-sale does not hold us back from our efforts to extend product life, both through designing for longevity and encouraging care and repair to prolong product use.

*When we say 'carbon', 'carbon footprint', or 'CO2e', this includes all six gases covered within the Greenhouse Gas Protocol (carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF6).)



The methodology

Calculating our carbon emissions

Robust methodology

Our data collection partners, Small World Consulting, have used a hybrid methodology to estimate our carbon emissions. Top-down, environmentally extended Input-Output modelling allows for a system-complete estimate of supply chain emissions based on business expenditure. This estimate is combined with Process-Based Life Cycle Analysis (PBLCA) data for specific components of our footprint where it is possible to obtain more detailed information, such as raw materials, fabric production, travel and transport, fuel and energy use.

Calculating carbon emissions always involves complex assumptions, but we see our identified footprint as a 'best estimate' and we are confident our approach is the right one based on SWC's guidance. It is worth highlighting that carbon footprinting is an evolving area of data science, and we fully intend to continue to improve our climate reporting by enhancing our data collection processes and incorporating advancements in data science as they emerge.

As with all supply chain assessments, a degree of uncertainty will always remain. We will work to continuously improve the quality of our data.

What we've included:

- Data from 22,288 shipments
- The transport of all 4,365 individual components
- Modelling of fabric range in the Higg MSI
- Individual calculation for all 478 products across 2021 using the Higg Product Tools
- Recycling and waste
- Business accounts data
- Transport – company cars, flights, car hire, commuting
- Utilities
- Packaging used throughout the supply chain
- Goods transport from raw material suppliers to factories, and finished goods transport.

The state we're in

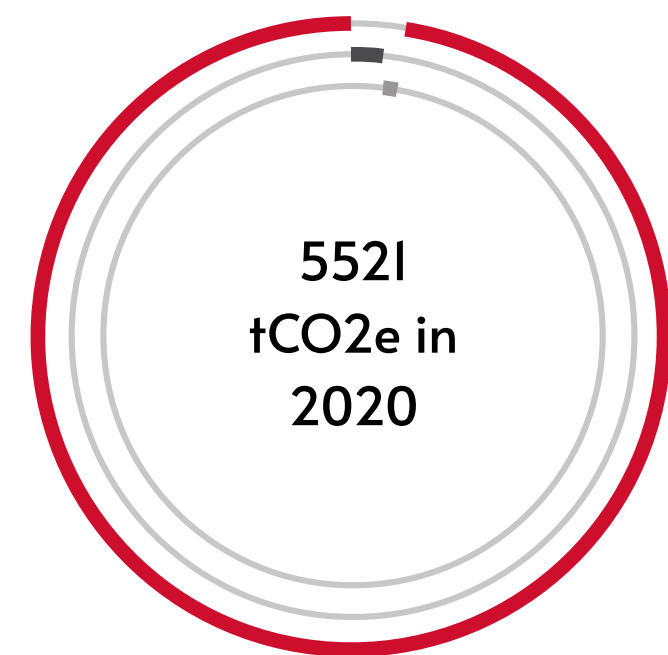
Our emissions

The footprint per product sold in 2021 increased by 1.5% from 12.7 to 12.9 kgCO₂e versus the previous year. However, we have significantly improved our data collection and measuring methods, including detailed data from our warehouse distribution, and accounting for homeworking emissions in 2021.

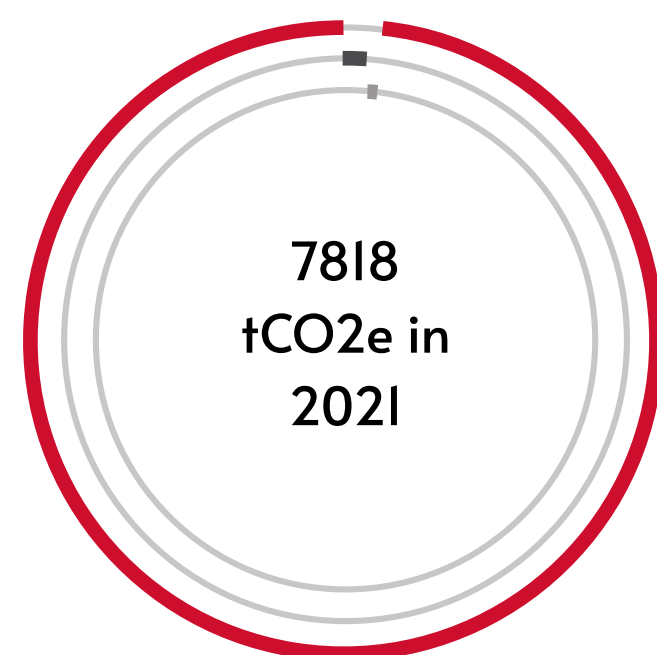
Although we have made great strides in reducing the footprint of our direct operation, with Scope 1 and 2

emissions down 12% year on year, the emissions from our supply chain are by far the biggest contributor to our carbon impact. We cannot reach our goals without improvements in this space.

In 2021 our business grew, we manufactured and sold more products than the previous year, and this in turn increased the Scope 3 emissions from our supply chain.



- Scope 1 – 105.1 tCO₂e (1.9%)
- Scope 2 – 37.3 tCO₂e (0.7%)
- Scope 3 – 5378.6 tCO₂e (97.4%)



- Scope 1 – 90.1 tCO₂e (1.2%)
- Scope 2 – 35.6 tCO₂e (0.5%)
- Scope 3 – 7692.2 tCO₂e (98.4%)



To align with our Higg MSI and Product tools, methodology, the emissions were recalculated in 2021. We recalculated our 2020 emissions to incorporate Higg Index updates and our developed methodology.

Our product

Manufacturing gear

Manufacturing our product accounted for 6,879 tCO₂e or 88% of our carbon footprint in 2021. This does not include the transport of materials and garments but does include individual product packaging and labelling.

Our down insulation and softshell made up the greatest GHG emissions as product groups, totalling 41.2% 2,834 tCO₂e.

We've calculated our product carbon footprint from raw material production to the factory gate. Transport is included within our Scope 3, with transport in our supply chain to our warehouse accounting for 1.2% of our carbon footprint.



■ Product Manufacture - 88%
■ Other - 12%



Our everyday

Manufacturing gear

We are committed to making change across all areas of our business. We must address our impact operationally in our day to day but are acutely aware that this won't create the biggest reductions.

Our utilities, daily activities in our office, employee commuting and business travel all contribute to our scope 1, 2 and 3 emissions.

Utilities & waste

Utilities and energy were 1.8% of our total carbon footprint, associated with 134.4 tCO₂e. This includes water, electricity from our office and warehouse, and gas from our office and warehouse. Utilities and energy included in our 2021 carbon analysis are from our UK sites only.

Our electricity and gas consumption reduced by 11% from 2020 to 2021; this is a 17% reduction in tCO₂e from 2020 (162tCO₂e).

The majority of our impact as a business is within our scope 3 but we are committed to making changes throughout our operations.

- In 2021, we recycled just under 79% of our waste from our UK warehouse and main office.
- Waste was 0.06% of our carbon footprint, attributing to 4.6 tCO₂e.
- 3.69 tCO₂e of those emissions were from non-recycled waste (21% of our annual waste). We have increased our recycling streams in 2022, developed employee education and increased our signage across the business to reduce our waste overall and increase our recycling.
- We have motion-sensor lights in key areas of our office building.

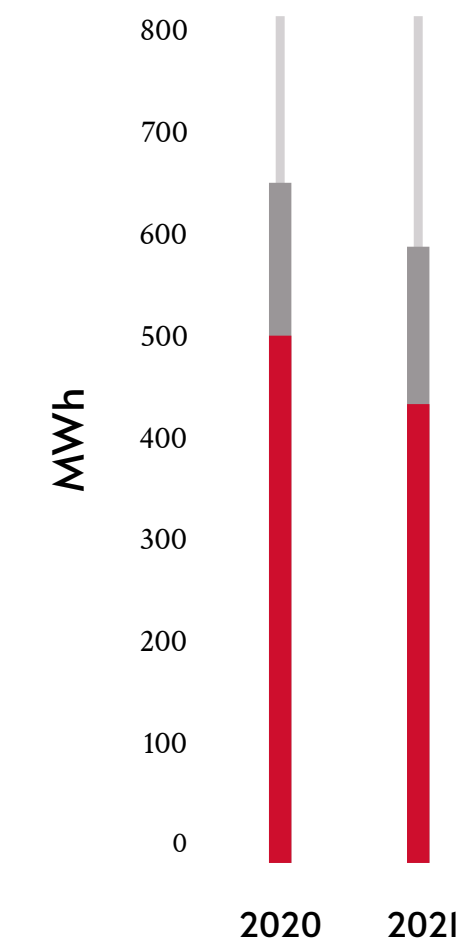
*From non-renewable sources, we will switch to renewable power sources in 2022 with our contract.



- Warehouse Gas - 39.7%
- Premises Gas - 27.5%
- Warehouse Electricity - 17.6%
- Premises Electricity - 15.2%



- 78.9%
- 21.1%



UK total energy consumption

- Gas* (Heating)
- Electricity*

Our everyday

Commuting

With our main office on the edge of the Peak District, our office employees mostly live around Manchester and the surrounding area but some live further afield. Our staff have a hybrid working week splitting the week between the office and working from home. Carbon emissions from homeworking have been included* in our 2021 analysis contributing 22.3 tCO₂e.

We encourage green commuting options by offering bike storage facilities, onsite showers and a cycle-to-work scheme.'

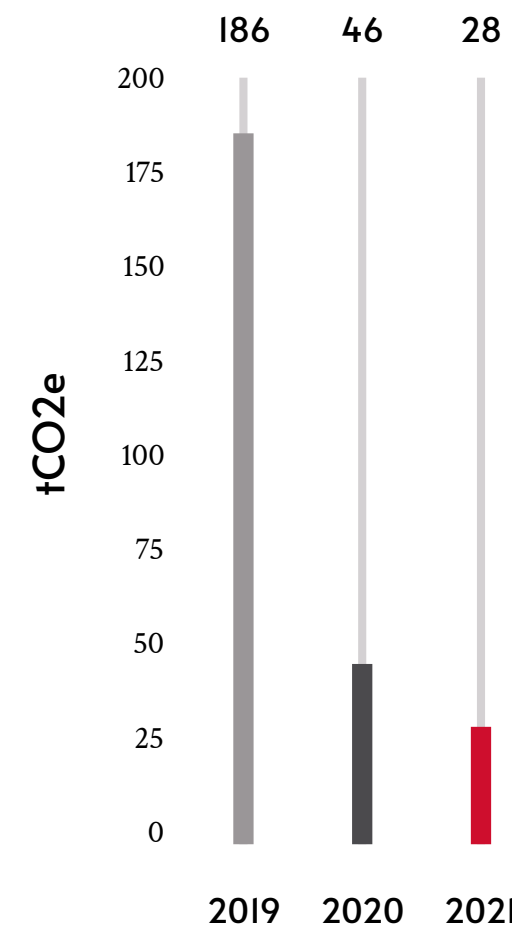
Business travel

Our business travel accounted for 0.4% (28.2 tCO₂e) of our 2021 carbon footprint, this is predominantly our fleet of company cars and the travel by our Sales team across the UK.

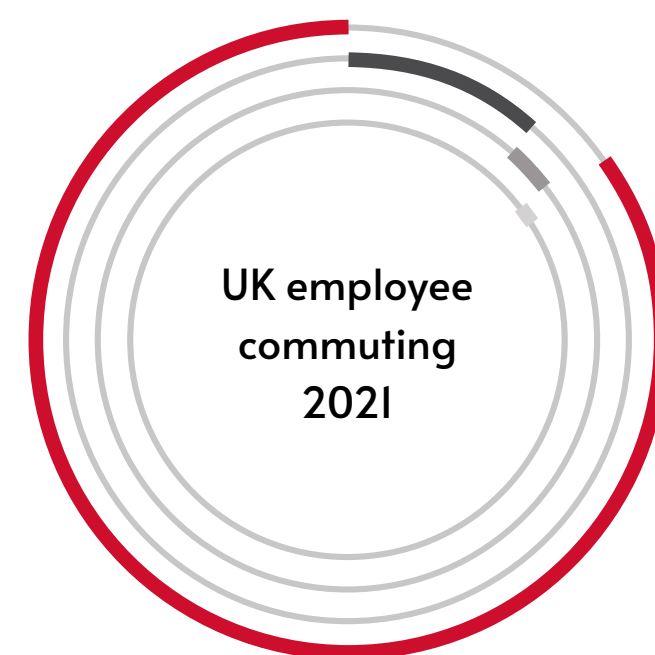
- We have electric vehicle charging points at our office.
- In 2021, a third of our UK company cars were hybrids or electric; we plan to change the remaining of our fleet.

In 2021 our business travel decreased by 49% compared with 2020. This was due to Covid-19 lockdowns and the absence of global travel. During this time we used technology to replace face-to-face meetings with virtual ones, and we continue to encourage virtual meetings to reduce travel where possible.

*This estimate is derived from the base case scenario of EcoAct's Homeworking Emissions Whitepaper (EcoAct, 2020)



UK business travel emissions
2019 - 2021



UK employee commuting
2021



Lessening our impact

Section four



Making transformational change

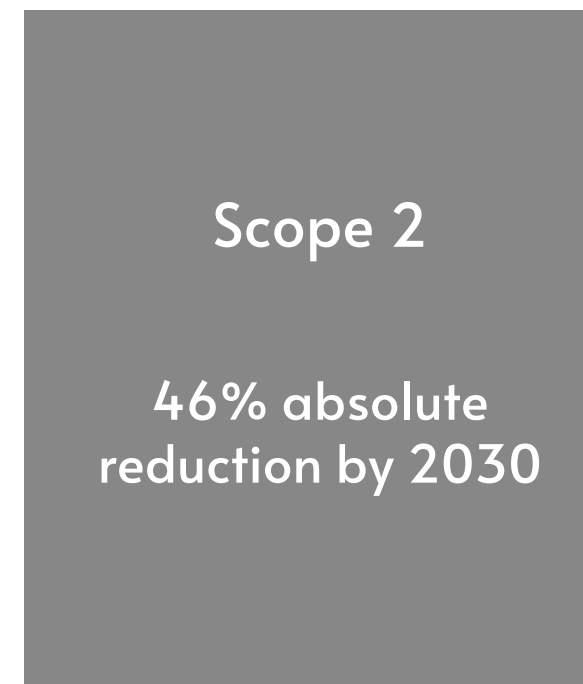
Our strategy for cutting carbon emissions

The starkly visible reduction of the size of many glaciers over recent decades is a particularly striking example of the direct impact of climate change in an environment where our products are regularly used. The world's mountains are currently experiencing observable trends of glacial retreat, rising freezing levels, and diminishing ice and snow cover. This means the environments where many of our products are used are effectively shrinking. Since we can see the direct impact of climate change on the mountains, we feel an urgent need to reduce our own contribution to the climate emergency. We can't refrain from action.

Our policy, therefore, is to set the kind of targets that would have a transformational impact on greenhouse gas emissions if all other companies did the same.

We have set what we believe is an ambitious yet achievable target of reducing our emissions by 6% per year from our 2020 baseline. Over the next 10 years, the rate of 6% per year exceeds the guidance from the Science Based Target Initiative, which is aligned with keeping global emissions below 1.5 degrees warming. However, our target is more ambitious, since we are applying it to the measurable entirety of our supply chains, including measurable Scope 3 emissions, and not just our direct activities (Scopes 1 and 2).

We have already seen a 12% reduction in our scope 1 and 2 from our 2020 baseline but we are concentrating our efforts on scope 3 and how we can lessen our impact, increase product longevity and circularity. We are taking a three-step approach of measuring, reducing and supporting.



How:

Measure – integrity, honesty, evaluate environmental impact (not just carbon emissions), the use of energy in our suppliers, improve data collection and modify to best practise

Reduce – Scope 1 and Scope 2 impact by 6% absolute reduction, lesser impact materials, extend the life of products, evolve business model, energy efficiency within our suppliers

Support - climate-focused initiatives incl' reforestation, change within our suppliers to change to renewable energy

“We have set what we believe is an ambitious yet achievable target of reducing our emissions by 6% per year from our 2020 baseline.”



A dangerous distraction

Our view on offsetting, carbon neutrality and net zero pledges

“We need to take responsibility for all of our actions, instead of outsourcing the problem in search of a rapid and easy solution.”

We don't believe in the concept of achieving 'carbon neutrality by offsetting our carbon emissions with third parties such as carbon capture and storage companies. We need to take responsibility for all of our actions, instead of outsourcing the problem in search of a rapid and easy solution.

So-called 'net zero' pledges assume that there are no limits to compensating emissions with carbon offsetting schemes. The concept of carbon offsetting also diminishes the urgency to reduce carbon emissions at the source. We want to be accountable now, and to make changes today rather than tomorrow. We can't just swap out what we produce and consume for carbon credits

and then believe we've solved the problem, because we haven't.

Many projects that receive funding because of so-called offsets are often in themselves good things, but this is a separate activity to cutting carbon emissions and any attempt to connect the two is dangerously misleading.

As a result, even though we do actively support organisations such as The John Muir Trust who are committed to the protection and restoration of wild and mountainous places, (including projects that are designed to increase carbon sequestration), we do not make any attempt to suggest that these offset any of our emissions.



“Our business model must include enabling our customers to buy less and replace gear less often.”

Lessening our impact

Everything needs to change

Our carbon footprint analysis has increased our understanding of the impact of our supply chain and the impact of material sourcing and production choices on our carbon emissions.

Our gear is designed not for glory or recognition but necessity. For over sixty years the demands of those climbing and exploring in our high and cold places has dictated that above all else our products were built to last.

Now however it is the threat those regions are under as well as the reality that some will disappear completely that now dictates that durability and longevity must be central to the products we create.

Our carbon footprint analysis has increased our understanding of the impact of our supply chain and the impact of material sourcing and production choices on our carbon emissions. Our teams have worked extensively with our supply chain on three key product families in 2021 to lessen their impact but alongside this, we understand that our business model must include enabling our customers to buy less and replace gear less often.

When making our gear, we want to lessen our impact by

- using recycled materials as much as possible
- considering carbon emissions in our material choices
- evolving product ranges against environmental criteria
- exploring circularity with our textile and raw material partners
- investigating alternative dye processes
- working with our finished goods factories to understand energy use and environmental impact.

Our product durability

Developing and testing

Robust material and component testing allied to demanding field-testing is key to building longevity into our products. Before any Mountain Equipment product reaches the market, it will have undergone extensive testing to ensure all aspects of it meet the highest quality standards. Tear and abrasion testing, pilling tests and wearer trials all play a crucial role in ensuring our products are built to last.

A closer look: The Tupilak Pack

There can be few items of gear more symbolic of climbing and mountaineering than the alpine climbing pack. Even fewer more capable of eliciting such fervent opinion.

In 2018 we re-entered the pack market, after an absence of more than ten years, with the launch of the Tupilak Pack.

Developed over the course of more than three years and refined through more than 35 prototypes, every aspect of the products design and functionality was considered, tested, and assessed by us and our partners.

Exclusive, custom-developed fabrics, trim and componentry was allied with a meticulous, needs-focussed approach to design. The perfect illustration of combining the practice of alpinism with the craft for alpinism





Lesser impact choices

Materials

81% of the carbon emissions related to our product comes from materials, components and the processes involved to make them. Focussing on this area is where we can make the biggest impact.

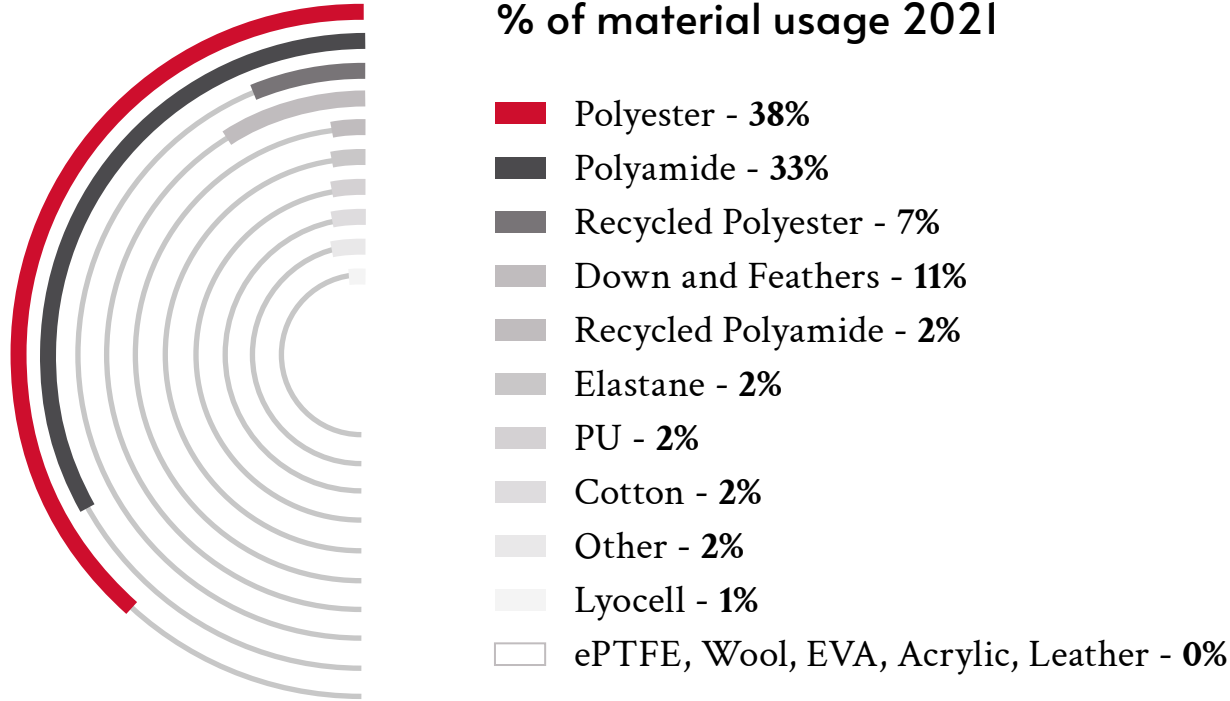
In 2021, we used a total of 319.6 tonnes of fabric, which was comprised of:

- Polyester – 45% (recycled 7%)
- Polyamide – 35% (recycled 2%)

Sustainable sourcing

On a material level we are:

- Increasing the use of recycled materials and insulation across our range.
- Increasing the use of responsibly sourced bio-based yarn and fibres
- Actively engaged with Textile Exchange Roundtables – evaluating recycled Polyester and Bio-synthetics.
- Working with our mill partners on alternative dye processes.
- Strengthening the risk management in our animal-based supply chains -continuing to uphold high standards of animal welfare through DOWN CODEX
- Trialling circularity schemes with our DOWN CYCLE initiative.

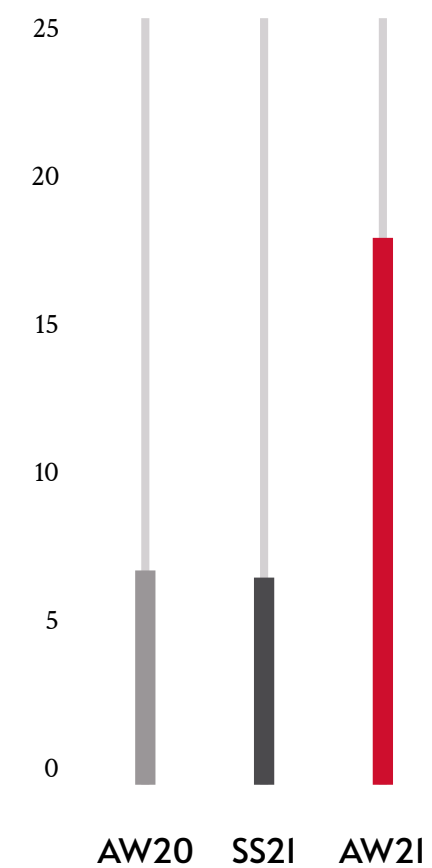


Lesser impact choices

Materials

Recycled materials

Our largest environmental impact is in raw materials we use to make our products. To that end we have introduced extensive recycled materials across three of our core product ranges, as part of our journey to reduce our product and material environmental impact.



% of products in range with >50% recycled content

Spring/Summer season and Autumn/Winter season are not comparable due to differences in range architecture.

Lightline Eco Series

A development from our iconic Lightline Jacket. Available as both a Men's and Women's jacket.

- Recycled DRILITE 50D fabrics and recycled 700FP down.
- Decrease in carbon emissions by 28%/product* – Lightline to Lightline Eco Jacket.
- Saving of 5.57 kg CO2e per jacket.*

Helium Sleeping bags and Classic Sleeping bags:

Two of our most successful and established Sleeping Bags ranges

- Recycled Helium 20D outer and lining fabrics.
- 25% decrease* in carbon emissions between the Classic sleeping bag range and the Helium bag range.**

Earthrise Series:

A range of lightweight down-insulated jackets for Men and Women consisting of Hooded Jackets, Non-Hooded Jackets and Vests.

- Recycled 30D outer and 20D lining with recycled 700FP down.
- Our down insulated clothing utilising 100% recycled down as well as 100% recycled shell and lining fabrics. Recycling down reduces landfill and the raw material inputs associated with virgin down.
- Recycled down is from post-consumer goods - unwanted clothing and bedding recycled throughout Europe.
- Processed and sorted in a European facility powered by solar energy and water recycling capacity.

*This information was calculated using the Higg Product Module 3.3 at Higg.org. They were calculated by Mountain Equipment and are not verified. They include cradle-to-gate impacts only.

**Based on Regular sleeping bags – Classic 1000, 750, 500, 300, Helium 800, 600, 400, 250



Earthrise Hooded Men's Jacket



Lightline Women's Eco Jacket



Helium Sleeping Bag

Lesser impact choices

Other materials & chemicals

Microfibres

We are monitoring the scientific research on microfibres and academic work studying the variables affecting fibre shedding.

In a new initiative, we have begun working with our fabric mills to test the fleece fabrics used in the Spring / Summer 23 range. These will be analysed for the release of fibres during laundering and tested to globally agreed test methods.

Fluorocarbons and chemical management:

We currently use both fluorocarbon (C6) Durable Water Repellents (DWRs) and fluorocarbon-free DWRs on our products depending on the style, the end use and the necessary performance required. We are increasing the use of fluorocarbon-free DWRs across our ranges by working with our mill partners and performance testing the alternatives.



Challenging perspectives

DOWN CODEX

The DOWN CODEX® places animal welfare, quality, and sustainability at the heart of each and every one of our down insulated products. First created in 2009 its key aim is to manage and reduce risk in our down supply chain by constantly working to develop our knowledge and best practice, backed up by comprehensive and transparent auditing.

A new perspective

In 2009 we made a promise to commit as much time and effort into addressing environmental, ethical and welfare concerns within our supply chains as we did to ensuring we sourced the very best materials and made the very best products. It was a direct response to the concerns raised by numerous animal welfare charities and NGOs but driven by our own values.

Our starting point was to create a list of assumptions about our supply chain and then to establish whether those assumptions were correct. We took our lead on welfare from the UK's leading animal welfare charity, the RSPCA and to understand more about the down supply chain itself we turned to the International down and feather laboratory (IDFL) for help.

With their help and the openness of one of our sleeping bag factories we conducted our first site visit in August 2010, in Northern China. Our 'Happy Geese Project', a rather strange title given that the one thing we definitely knew was that the bulk of the down used by us at that time came from ducks was in motion.

From that it became the down project and in January 2011, DOWN CODEX® was formally launched at the ISPO European Outdoor Trade Show. It was an initiative that would enlighten not just ourselves but a whole industry as to how the down supply chain industry really worked, helped show how risk could be managed and led the way in the development of standards and traceability.

100% traceable

All of the virgin down we purchase is a by-product of the food & meat industry and 100% of it comes from independently audited sources.

In the case of our duck down supply chains, most birds are raised for their meat and slaughtered at 29-40 days of age whereas those raised for egg production will live considerably longer. In our goose down supply chain, birds are typically sent to slaughter at 84-91 days.

Independently audited

All of the supply chains we use are independently audited to ensure standards of welfare and quality are met. Auditing a supply chain involves visiting all aspects of that supply chain – the processing facilities, the slaughterhouses and of course the farms. We are committed to transparency and continue to make both our welfare audit reports as well as our quality control reports publicly available online.

“The fact that companies like Mountain Equipment had been asking difficult questions and had experience gave us a perspective we would not have had.”

Ashley Gill, Director of Standards, Textile Exchange



Repairs and aftercare

Extending product life

Reverse your gear

Our products are built to last you through all your mountain adventures. Our most loved items are often the ones that take the most beating, but a scuff from a crampon or burn mark from a stove shouldn't mean a trip to the shops. We have detailed advice across all product categories on care, washing and repair on our main website to make what is bought last as long as possible. Detailed information on repairs which may be from wear and tear is given on our website – giving you the skills and ability to fix and continue using your item.

Support and repair

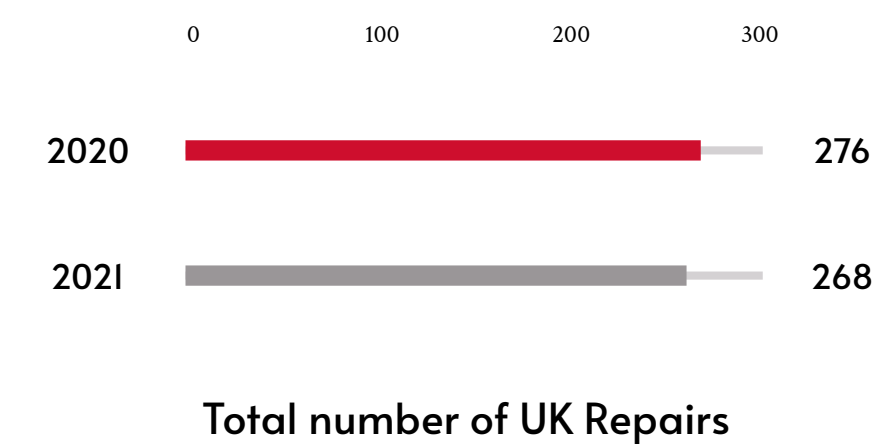
Our dedicated aftersales team support customers in the correct care and repair of Mountain Equipment product to help prolong their use. In 2021 we used external repair companies to help meet demand during busy periods, and in 2022 we will be expanding our team to increase the breadth of repair services we are able to offer and increase capacity. The work undertaken includes zip replacements and patch repairs, these are repairs which extend the usable life of a product outside of the warranty period.

Our guarantee

Everything we make is fully guaranteed to the original purchaser against defects in components, materials, and workmanship.

If the product is found to be defective before use, or fails during use for one of these reasons, we will repair or replace it at our discretion.

As a guide, many of our products should be expected to function for anywhere between 3 and 5 years, longer in the case of some products such as packs and certain sleeping bags but considerably less if used professionally or continuously on expedition for example.



Turning waste into warmth

DOWN CYCLE

DOWN CYCLE is part of our commitment to do business more sustainably. It began in 2017 with the introduction of 100% post-consumer recycled down into our Earthrise range of clothing but also includes a much more ambitious plan to create a functioning closed-loop recycling system, ensuring down clothing and sleeping bags which are either unwanted or at the end of their life do not simply get thrown away.

Down-filled products can be recycled very successfully, with up to 95% of a down garment or sleeping bag able to be repurposed in some way. Doing so prevents products from needlessly being sent to landfill or incinerated and also plays a big part in reducing the wider impact of using virgin down and other materials.

We are increasing the volume of recycled down that we use in our range, including our sleeping bags, (we increased our recycled down by 58% versus 2020) through work with two suppliers. Our recycled down is sourced from Europe and the suppliers have extensive wastewater recycling as well as power supply from solar panels. This down is recycled from post-consumer waste that would otherwise go to landfill.

First steps towards closed-loop recycling

Helping to form part of their 100th anniversary celebrations, JDAV youth groups from across Germany were invited to take part in 100 days of campaigning and collecting down in their local communities. 15 youth groups rose to the challenge and over the course of just 100 days, hundreds of boxes, and a few carloads of used down clothing and bedding made their way to our German headquarters south of Munich. From this, 2650kg of used down products were collected from products which would have been discarded. 97% of this down was recycled and used to fill 1,400 insulated vests, made from 100% recycled fabrics, for the club's members: with any lesser quality down repurposed into home goods. This was our first step towards closed-loop production, recycling down products which are key to our business.



Our packaging

Recycling our plastic waste

Plastic that ends up as a waste item and enters the environment can be environmentally destructive and whilst the principle of recycling is a positive one, we know that recycled packaging and recycling alone isn't going to solve our impact on the climate.

We want to do something substantial about the pollution that our packaging can cause. As such we want to eliminate as much plastic generally from our business as we can and eliminate the use of single-use plastics completely.

We are aware that single-use disposable plastic is one of the major issues affecting marine and terrestrial biodiversity on a global scale. We want to ensure that in the future no item of plastic we use falls into this category.

We are part of the Single Use Plastics Project created by the European Outdoor Group. As part of this, we are improving the recyclability of the polybags we use, to substantially reduce the amount of plastic from our packaging that ends up in landfill working together on a 'closed loop system'.

A product is packaged at our factory and then transported to our warehouse, retailers and customers. A damaged product has a substantially greater environmental footprint than one that is sold and used because the damaged product requires replacement. We will continue to use polybags to protect our products on their journey to sale. The better we can protect them, the more we can avoid damage and waste.

The Single Use Plastics Project has reviewed the impact of the product's production and use, as well as different packaging materials concluding that recycled plastic remains the best material for protection and environmental impact.

In 2021, we consolidated the polybags we use across our clothing ranges.

Resized polybags in our Lightweight Clothing range reduced our plastic consumption in 2021 by a substantial 24573 m² - the same area as 19.7 Olympic swimming pools. Our total polybag consumption amounted to 9913 kg. We have plans to reduce this further across our range, through resizing bags and the use of intelligent product folding. These polybags are recyclable – with soft plastics. We aim to only use recycled or recyclable material, reuse where possible, and reduce our use overall.

Our down sleeping bags have never been packaged in polybags. This is primarily for the benefit of the product, but it has an environmental benefit at the same time. We only use polybag packaging where it is necessary for the safe transportation and delivery of the product to our distributors, retailers and customers.



Product: Polybags – 2021

Recyclable with soft plastics – in the UK check with your local recycling facility

Consolidated polybag sizing across our clothing range

Our next steps:

- Using polybags which are from 100% recycled material from 2023 onwards.
- Working to the EOG SUP Polybag guidelines reducing the printed area of the polybag to minimise contamination when reprocessed.
- Size reduction in our Equipment and Accessories range.
- Removing individual polybags where possible.



Our packaging

Cardboard & paper

In 2021, we used 34.2 tonnes of cardboard to transport products to our retailers.

All cardboard boxes from our warehouse are Forest Stewardship Council (FSC) certified, made from 80%+ recycled content – of which 52.8% are made from 100% recycled content – and are recyclable. Any cartons coming into our warehouse are reused, where possible.

We have also moved away from using plastic tape on cartons and boxes and are now using recyclable and FSC-certified paper e-tape. All Direct-to-Consumer orders shipped from our warehouse, as well as those from our repairs service, are sent to consumers in FSC-certified and recyclable paper bags.

	2021	Our next steps
Our web order packaging	Our web sales and repairs are sent in an outer paper bag which is readily recyclable and FSC-certified.	We will review the removal of the individual polybag, allowing us to recycle it, with data and trials carried out by the Single Use Plastics Project.
Our shipping packaging	All cardboard boxes used by our warehouse contain at least 80% recycled content.	Review the removal of the individual polybags. This will be a large collaborative project with our retailers.

People and partners

Section five



The Fair Wear Foundation

Upholding fair working conditions

As part of the Outdoor Sports Company, Mountain Equipment began working with the non-profit Fair Wear Foundation (FWF) in 2012. We continue to collaborate with them to ensure fair labour conditions and high welfare standards throughout our supply chains. In 2021, Fair Wear Foundation awarded Mountain Equipment 'Leader' Status' for a sixth consecutive year.

The outdoor apparel and equipment industry, like many others, involves long and complex global supply chains. The Fair Wear Foundation's (FWF) Code of Labour Practises are standards derived from the International Labour Organisation and the UN's Declaration on Human Rights. They are core to our relationship with our manufacturing partners. Fair Wear independently audits and reviews our factories, measuring working conditions, our relationship with our suppliers, the factory structure, and its systems and processes. Listening to workers' voices is a central element of the Fair Wear audits.

With the help of the Fair Wear Foundation, we are committed to making a real difference to the working conditions and well-being of our manufacturing workforce on the factory floor.

By the numbers:

- As part of our FWF Brand Performance check we received a high rating of 78, to continue our FWF 'Leader Status'.*
- 10,896 workers made Mountain Equipment products in 2021.
- We work with 23 manufacturing partners, in 9 countries.
- We have worked with 70% of our manufacturing partners for more than 5 years.*
- 93% of our factories have been audited in the last 3 years.*
- In 2021, we audited 5 factories; 2 of which were joint audits with other brands.
- We employ a UK-based CSR Manager to work directly with FWF and collaborate with our manufacturing partners to ensure progress. They also work closely with our internal teams, industry bodies, and other outdoor and garment brands to share best practices and drive standards.
- In 2021, we conducted a Workplace Education Programme with 3 partner factories.

*Achieved as part of the Outdoor Sports Company



"The last two years have seen a seemingly endless set of new challenges for businesses like ours. We are not a huge multinational business but are still global in our spread which means we have multiple concerns to deal with. We run a responsible business and use the UN sustainable development goals as our guide for our efforts. Some of these goals look pretty big but with everything the world is dealing with now are relevant to us all. The outdoor industry has been a leader in facing up to the challenges of harmful chemicals, substandard production facilities and poor labour standards in our factories. These are all big issues but have been joined by the Climate Crisis, Covid 19, Hostile regimes, and now a full-scale invasion of a European country. Our global network includes people who are living with the consequences of these last four huge challenges and we are trying to support them as best we can. Being part of the Fair Wear Foundation helps us to work together and collaborate in the face of these disasters. Our thoughts are with all those who are affected"

"Throughout 2021 the COVID pandemic continued to have a major impact on all our lives. At OSC we have tried to manage everyone's expectations in a sympathetic manner, while considering the commercial effect on the business. Communications have been limited to virtual meetings with factory visits and assessments cancelled. The FWF has managed to audit and train a number of factories. The Coup in Myanmar has also been a great concern and has caused a number of challenges. Regular dialogue with all our factories has allowed us to evaluate and make a judgement on each situation."

Hamish Dunn, Brand Director, Mountain Equipment

Memberships and partnerships

Key partners & charitable causes

In the mountains, experience counts for a lot. The experience and knowledge of our partners who live and work in the mountains is of huge importance to us.

Our partners play varied and vital roles in the mountain environment and the mountain community, whether working to protect and conserve natural alpine habitats, or helping new generations of budding alpinists take their first steps in the mountains safely, they each play an important role in preserving alpinism for future generations.

People & community

John Muir Trust

Conservation charity working to protect and enhance wild places in the UK.

We support the John Muir trust through financial donations and staff involvement.

European Outdoor Conservation Association

The European Outdoor Conservation Association (EOCA) is a non-profit association which funds projects to conserve wild places around the world. We are a member of the EOCA and support their conservation projects.

People & community

Community Action Nepal

Community Action Nepal (CAN) is a charity delivering health, education and livelihood programmes in remote mountain communities of Nepal.

We support CAN through annual financial and product donations.

The Fair Wear Foundation

The Fair Wear Foundation (FWF) is a non-profit organisation supporting safe, dignified and fairly paid employment in the garment industry.

We have worked closely with the FWF for 10 years, and have been awarded 'Leader' status every year since 2016.

Martin Moran Foundation

The Martin Moran Foundation is a charitable foundation supporting young people from a range of backgrounds to pursue adventure in the mountains.

We support the Martin Moran Foundation through financial and product donations, as well as supporting their annual event in Scotland.

Mountaineering

Plas y Brenin

Plas y Brenin is a National Mountain Sports Centre run by non-profit educational charity, The Mountain Trust.

We support Plas Y Brenin through financial donations and have equipped their instructional team with technical outdoor clothing and equipment since 2004. In return, we receive some of the most extreme testing of clothing and equipment available anywhere.

DAV and JDAV

The DAV (German Alpine Club) and JDAV (Youth Alpine Club) are groups that inspire exploration of the mountains.

We support these organisations through donations of clothing and equipment and work together on joint projects, such as the Down Cycle initiative.

Scottish Avalanche Information Service

The Scottish Avalanche Information Service (SAIS) provides daily forecasts on avalanche, snow and mountain conditions.

We support SAIS through product and financial donations.



PLAS Y BRENNIN



Appendices



I. GRI content index

Mountain Equipment, UK, has reported the information cited in this GRI content index for the period 2021 (1 January 2021 to 31 December 2021) with reference to the GRI Standards.

GRI 1: Foundation 2021 has been used.

GRI standard	Disclosure	Page no.	Additional notes
GRI 2: General Disclosures 2021	2-1 Organisational details	11	We have additional offices in Germany (OSC GmbH) and in Canada.
	2-2 Entities included in the organisation's sustainability reporting	11	We intend to include OSC GmbH in our 2022 report.
	2-3 Reporting period, frequency and contact point	5	We intend to publish annually going forward at the same time as our financial reporting. Reporting period – 2021 (1 January 2021 to 31 December 2021).
	2-4 Reinstatements of information		Not applicable for first reporting year
	2-5 External assurance	5	We have not obtained external assurance for this 2021 report but intend to progress to that for future reports.
	2-6 Activities, value chain and other business relationships	3, 18	
	2-7 Employees	12	The headcount data is correct as of December 2021, UK office and warehouse. In the UK, we work with two freelance consultants on a long-term basis.
	2-8 Workers who are not employees		
	2-9 Governance structure and composition	11	
	2-12 Role of the highest governance body in overseeing the management of impacts	11	
	2-14 Role of the highest governance body in sustainability reporting		The Brand Director, Senior management team and CEO review and approve this reported information at sign off prior to publication. Material topics were proposed, discussed, and finalised in series of Materiality workshops.
	2-22 Statement on sustainable development strategy	3	
	2-23 Policy commitments	33	DOWN CODEX (internal policy) OSC Polybags Guidelines (internal documentation)
	2-27 Compliance with laws and regulations		Non applicable.
2-28 Membership associations	36, 39, 40		
2-29 Approach to stakeholder engagement	14	Stakeholder engagement to be expanded and developed.	

I. GRI content index

GRI standard	Disclosure	Page no.	Additional notes
GRI 3: Material topics 2021	3-1 Process to determine material topics	14	
	3-2 List of material topics	14	No previous reporting period
	3-3 Management of material topics		See <i>Management of material topics</i>
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Materials in product – 30 Polybags - 36 Packaging - 37	
	301-2 Recycled input materials used	30	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	23	Total UK energy consumption (1161.57 MWh)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	19, 20, 21	Baseline year for GHG emissions calculations is 2020. No Biogenic CO2 emissions
	305-2 Energy indirect (Scope 2) GHG emissions	19, 20, 21	Baseline year for GHG emissions calculations is 2020.
	305-3 Other indirect (Scope 3) GHG emissions	19, 20, 21	Baseline year for GHG emissions calculations is 2020. Product GHG emissions within scope 3 were calculated using the Higg Product Module 3.3 at Hogg.org. They were calculated by Mountain Equipment and are not verified. They include cradle to gate impacts only.
	305-4 GHG emissions intensity	19, 21	2020 and 2021 included. Footprint per product shipped, calculated by using total product number as denominator. All scopes, therefore total GHG emissions, included in calculation
	305-5 Reduction of GHG emissions	19, 20, 21	

2. Management of material topics

Category	Material topic	Definition	How its managed	Sustainable development goal
A	GHG emissions	Quantifying our carbon footprint as a brand including scope 3, understanding where we can reduce our impact.	Annual calculation with Small World Consulting, using the Higg Index to evaluate product. Carbon emission targets.	13
B	Materials	Assessing and evaluating the environmental impact of our materials, increasing the use of lesser impact materials.	Evaluation of materials using the Higg Index. Evaluation of lesser impact materials to set long term goals.	12,15
C	Governance and policies	Incorporate sustainability into the core of the company, empowering employees, risk management, compliance and ethical operations.	Workplace policies, employee training.	13
D	Packaging	Material use in packaging, POS, sales assets and waste.	OSC Polybags guidelines (policy), packaging efficiency reviews.	12,15
E	Product sustainability	Responsible production including waste, supplier portfolio and innovation. Collating research on lesser impact materials, products and innovative suppliers along with inhouse R&D.	Evaluation of products using the Higg Index. R&D research log.	12,15
F	Labour conditions	Adhering to all labour standards, working with the Fair Wear Foundation and our supplier portfolio to understand and assess working conditions, partnering with long term partners.	Working with the Fair Wear Foundation: monitoring, audits and review. OSC have a member of staff dedicated to our ethical and labour responsibility.	3,8,11,17
G	Community and partnerships	Supporting brand applicable charitable partners; supporting our staff in community work and active outdoor lifestyles.	Managed by Directors and Marketing team.	3,8,11,17
H	Sourcing and supply	Supplier portfolio management, freight logistics, buying procedures.	Monthly Sourcing/Fair Wear meeting.	13
J	Business travel and commuting	Impact of travel and efficient travel in business travel.	Hybrid working; virtual meeting; carbon emissions calculations.	13
K	Product life	Post purchase responsibility for product including repairs, aftercare services and guarantees.	Expansion of repair and aftercare services; detailed care information available direct to consumer.	12,15
L	Our everyday	'Green our building,' water and energy use at warehouse and office, waste and recycling.	OSC Responsibility newsletter and companywide communication; scope 1 and 2 carbon emission targets.	13
M	Responsible brand communication	Elevating our responsibility external and through initiatives; communication channels to consumers and retailers.	Sustainability reporting; social media channels; brand website.	3,8,11,17

Our work is far
from finished
