



2021

CORPORATE SOCIAL  
RESPONSIBILITY  
**STOCKMANN**



## FROM THE CEO

Stockmann supports the UN's Global Compact initiative. Accordingly, in its business operations, Stockmann promotes human rights, labour rights, environmental work and anti-corruption measures. This CSR Review is also the Stockmann Group's Communication on Progress (COP) for the Global Compact initiative.

**Jari Latvanen**  
CEO



The CEO's review is available in the 'Our Year 2021' Business Review.



## ABOUT THE REVIEW

The Stockmann Group's annual reporting consists of five reviews: 'Our Year 2021' Business Review, Financial Review, Corporate Governance Review, Remuneration Report and CSR Review. The CSR Review presents Stockmann's sustainability themes, goals and progress in accordance with the Global Reporting Initiative (GRI) Standards: Core option. All of the Group's CSR reports are available in Finnish, Swedish and English at [stockmanngroup.com](http://stockmanngroup.com).

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## TO THE READER

In 2021 we continued our steadfast work in both divisions of the Stockmann Group to achieve the sustainability targets in all strategic focus areas. At the same time, we started taking the sustainability work to the next level. To update our CSR strategy, we conducted a stakeholder survey in all the countries in which the Stockmann Division operates and created a materiality assessment based on the results. Lindex also conducted an extensive stakeholder survey, based on which it will develop its sustainability work in line with its targets. We will provide more information on our updated CSR strategy and programme during 2022.

We have strived forward in 2021 in our work to cut emissions. We are now also committed to the SBTi initiative, under which we will set science-based climate targets for cutting greenhouse gas emissions in our own operations and the Group's value chain. Both Stockmann and Lindex have been tracking their carbon footprints for a number of years now, and in 2021, to further reduce its climate impact, the Stockmann Division introduced a plastic-free online store concept and offered a fossil-free option for online store home deliveries through Budbee.

The increasing importance of the circular economy as part of sustainable operations has been strongly highlighted in stakeholder surveys for both divisions. In response to our customers' wishes, we added more new sustainable alternatives to Stockmann's selection, including clothes, jewellery and swimwear manufactured from surplus fabrics, recycled material and plastic waste, and Finnish natural cosmetics brands. As part of our fashion strategy and promotion of the circular economy, we launched cooperation with second-hand retailer Relove at our Helsinki city centre department store. Relove complements the service provided by Emmy for the recycling of products. In addition, we expanded our offering of sewing and fashion services, among other things, to allow our customers to prolong the life cycle of their garments and use them in versatile ways. To

support our customers in making sustainable choices, we increased the amount of sustainability information provided in the product descriptions in our online store together with our suppliers and this cooperation will continue.

Similarly, Lindex also successfully launched several circular economy pilot projects in various product categories. These projects are in line with the new Circular Design Guidelines unveiled in 2021, including the 10 Circular Design Principles, with which the company will create sustainable and responsibly made products, taking into account all stages of their life cycle.

To ensure good working conditions throughout our value chain, Stockmann Group was among the first to sign the extension to the International Safety Accord. We also continued to actively pay attention to health and safety to ensure the wellbeing of our customers and personnel and we succeeded in avoiding widespread infections and exposures to the coronavirus.

During the past year, we systematically executed our corporate restructuring programme, which is proceeding according to plan. We also made preparations for revising the Stockmann Division's operating model and focusing the organisation to the customer-centric core process. With these changes, we are aiming to ensure better service and smoother processes, and this will continue to demand our efforts in 2022.

We will develop our operations so that they are more responsible in cooperation with our stakeholders and would be very pleased to receive feedback and ideas at the [csr@stockmann.com](mailto:csr@stockmann.com). In this CSR Review, we present our goals, actions and progress in the development of our operations to make them more sustainable that were carried out in 2021. Enjoy your read!

**Henna Tuominen**

Director, Communications, CSR and IR



DEPARTMENT STORES  
AND FASHION STORES IN

19

(18) COUNTRIES

STOCKMANN HAS

8

DEPARTMENT STORES  
IN 3 COUNTRIES: FINLAND,  
ESTONIA AND LATVIA

INCLUDING FRANCHISING STORES,  
LINDEX HAS

441

(458) STORES IN 19 (18) COUNTRIES



## STOCKMANN GROUP IN BRIEF

Stockmann, established in 1862, is a Finnish listed company engaging in the retail trade. It has about 45 054 shareholders and about 5 833 employees. The Group's operating structure is divided into two divisions: Stockmann and Lindex.

The company has 8 department stores, 441 fashion stores in a total of 19 countries. The Group's head office and joint support functions are located in Helsinki, Finland. The company also has six purchasing offices in the main supplier countries of its own brand garments: Bangladesh, China, Hong Kong, India, China, Myanmar and Turkey. Out of these purchasing offices, Stockmann's own brands are produced in Bangladesh, China, India and Turkey.

Stockmann offers an extensive selection of premium brands, excellent customer service, and inspiring shopping experiences in its department stores, fashion stores and online. Our vision is to be the marketplace for a good life.

**LINDEX HAS 409 (420) OWN  
STORES IN 9 (9) EUROPEAN**

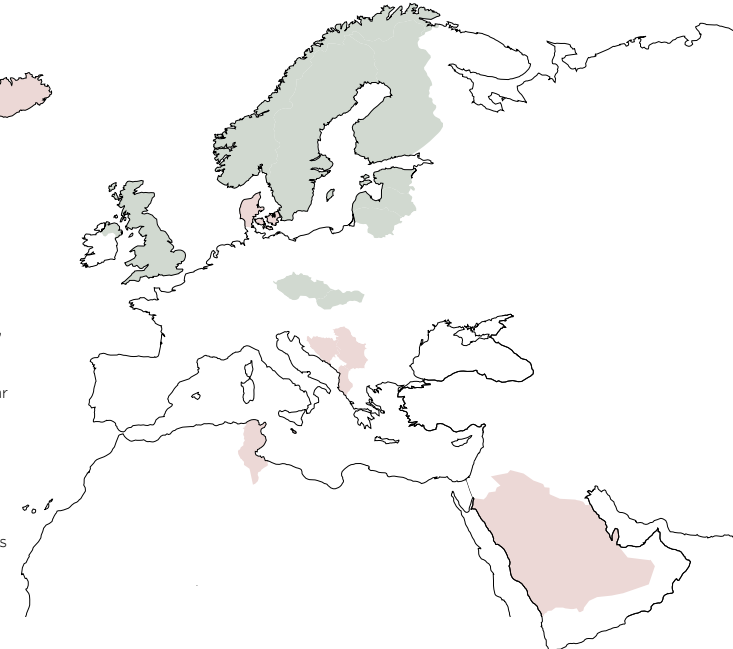
**COUNTRIES:** Finland, Sweden,  
Norway, Estonia, Latvia, Lithuania,  
the UK, the Czech Republic and  
Slovakia.

**LINDEX HAS 32 (38) FRANCHISING  
STORES IN TEN COUNTRIES:**

Albania, Bosnia and Herzegovina,  
Denmark, Iceland, Kosovo, Malta  
(new in 2021), Qatar, Saudi Arabia,  
Serbia and Tunisia. Lindex's online  
store is also available in these  
countries, excluding Albania, Qatar  
and Saudi Arabia.

**LINDEX'S ONLINE STORE IS  
AVAILABLE IN 34 COUNTRIES.**

In addition, Lindex's products are  
sold in the online stores of ASOS,  
Boozt, Nelly and Zalando, as well as  
Next as the latest addition.







# CSR HIGHLIGHTS IN 2021

In November 2021, the Stockmann Group committed to the **SCIENCE BASED TARGETS INITIATIVE (SBTi)** for limiting global warming to 1.5 degrees in accordance with the Paris Agreement. Stockmann has made determined progress in its efforts to cut emissions. This is a strong indication of its commitment to systematically promoting sustainable development in its operations. Stockmann is intensifying collaboration between its divisions with the aim of cutting greenhouse gas emissions in its own operations and in the Group's value chain.

## NEW COLLECTIONS THAT PROMOTE THE CIRCULAR ECONOMY WERE ADDED TO THE SELECTIONS

including *Lili Marleena* dresses made from the surplus fabrics of Italian luxury brands, *HallaXHalla* swimsuits produced with marine plastic waste, *Colorful Standard* clothes made from organic cotton and recycled merino wool, *Sägen* jewellery made from recycled material and *Upcycle with Jing* jewellery made from recycled bottles.

The Stockmann Group signed the new expanded **INTERNATIONAL ACCORD FOR HEALTH AND SAFETY IN THE TEXTILE AND GARMENT INDUSTRY**. In May 2013, Stockmann was the first Finnish company to join *the Accord on Fire and Building Safety in Bangladesh*. Stockmann was also among the first companies to sign the new expanded Accord this time, too. The signatories are committed to working exclusively with suppliers and factories that have signed the Accord.

By the end of 2021, Lindex had trained

# 40%

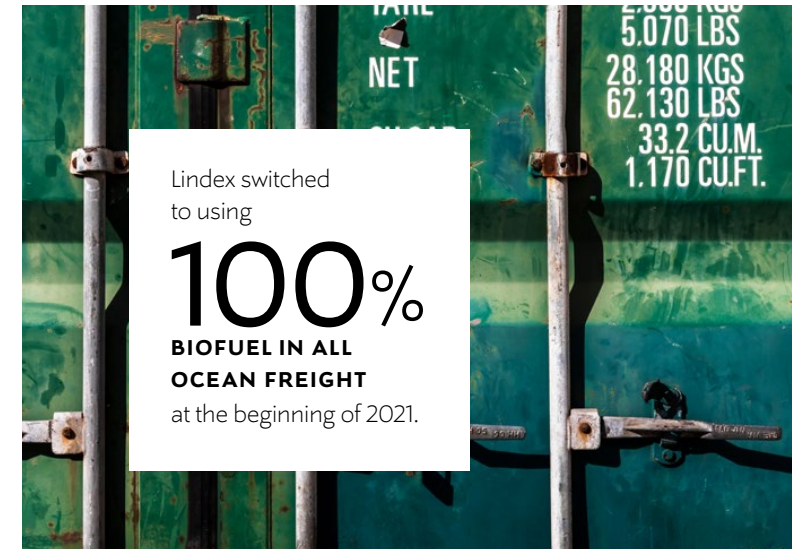
of its 30 largest suppliers in calculating a local living wage and prepared **wage gap analyses of its 11 largest suppliers** in China and Bangladesh.

Lindex introduced *a new environmental assessment* tool for all vertical Tier 1 suppliers and its key Tier 2 suppliers. This tool includes **Lindex's new water strategy**.

Lindex launched several **CIRCULAR ECONOMY PILOT PROJECTS** in various product categories in line with the Circular Design Guidelines and **THE 10 CIRCULAR DESIGN PRINCIPLES** announced in 2021.



The natural cosmetics selection was expanded with new brands, such as *Pure Beauty*, *Moi Forest*, *Muru Muru*, *Havu Cosmetics* and *Luonkos*. We collaborated actively with cosmetics brands in **reducing wastage** by further optimising our selection so that it better corresponds to demand. In addition, we paid attention to the availability of **refill packages** and **the recyclability of packaging** when planning our selections.



**LINDEX COMPLETED THE WATERAID PROJECT IN MIRPUR IN BANGLADESH, WHERE MORE THAN 7,000 PEOPLE GAINED ACCESS TO CLEAN DRINKING WATER AND SANITATION FACILITIES.**



Online store deliveries to customers have not included plastic as a packaging material since Q1 2021. We use **FIBRE MATERIALS INSTEAD OF PLASTIC** in the online store's delivery packaging as well as in the void fillers used in packaging.



#### **INNOVATIVE ONLINE STORE PACKAGING AND SHOPPING BAGS**

Stockmann took a new Finnish innovation into use in its shopping bags and, as the first company in Finland, in the mailing bags used by its online store. The *Paptic@Tringa* material used in the bags was developed in Finland and is made from wood fibres from sustainably managed, FSC-certified forests. The fibre material is very durable, highly breathable, moisture repellent and biodegradable. The material also has excellent printing properties. The bags and packaging can be reused multiple times and recycled with paper or cardboard.





## RELOVE COLLABORATION MEETS CUSTOMER DEMAND

Relove opened a second-hand store on the third floor of the Helsinki department store in April in connection with the renewal of the department store. *The Relove store that sells high-quality second hand clothing* also features a cosy café and restaurant. Stockmann aims to fulfil its customers' wishes and offer inspiration for sustainable fashion. Supporting Relove's circular economy business is one way of doing this.



## SUSTAINABLE MATERIALS IN STOCKMANN'S OWN COLLECTIONS

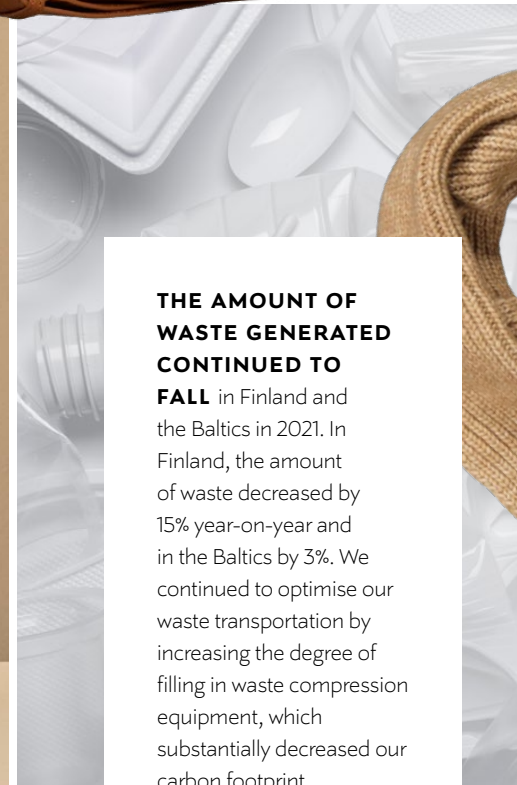
The majority of the A+More leather products are made from sustainable certified leather (LWG-certified), vegetable-tanned leather or chrome-free leather. In 2021, 77% of the A+More leather products were LWG-certified, and this figure is set to increase in 2022. The accessory collection also features lots of recycled material (wool, cotton, polyester, polyamide), as well as ecological, undyed alpaca wool.

## NEW LOW-EMISSION DELIVERY OPTIONS AT STOCKMANN.COM

The delivery alternatives offered by Stockmann's online store were increased with the addition of fossil-free and climate-compensated deliveries by Budbee. Budbee always delivers orders made at stockmann.com to the customer's door. Budbee aims to make the operating methods of its industry more sustainable and differentiate itself as the greenest delivery alternative. It compensates all the carbon dioxide emissions it produces by 110%. Low-emission delivery options are also offered by Stockmann's other delivery partners: DB Schenker uses Neste MY Renewable Diesel™ in its deliveries to pick-up points and Posti offsets the emissions caused by its deliveries.



**THE AMOUNT OF WASTE GENERATED CONTINUED TO FALL** in Finland and the Baltics in 2021. In Finland, the amount of waste decreased by 15% year-on-year and in the Baltics by 3%. We continued to optimise our waste transportation by increasing the degree of filling in waste compression equipment, which substantially decreased our carbon footprint.







# OUR APPROACH

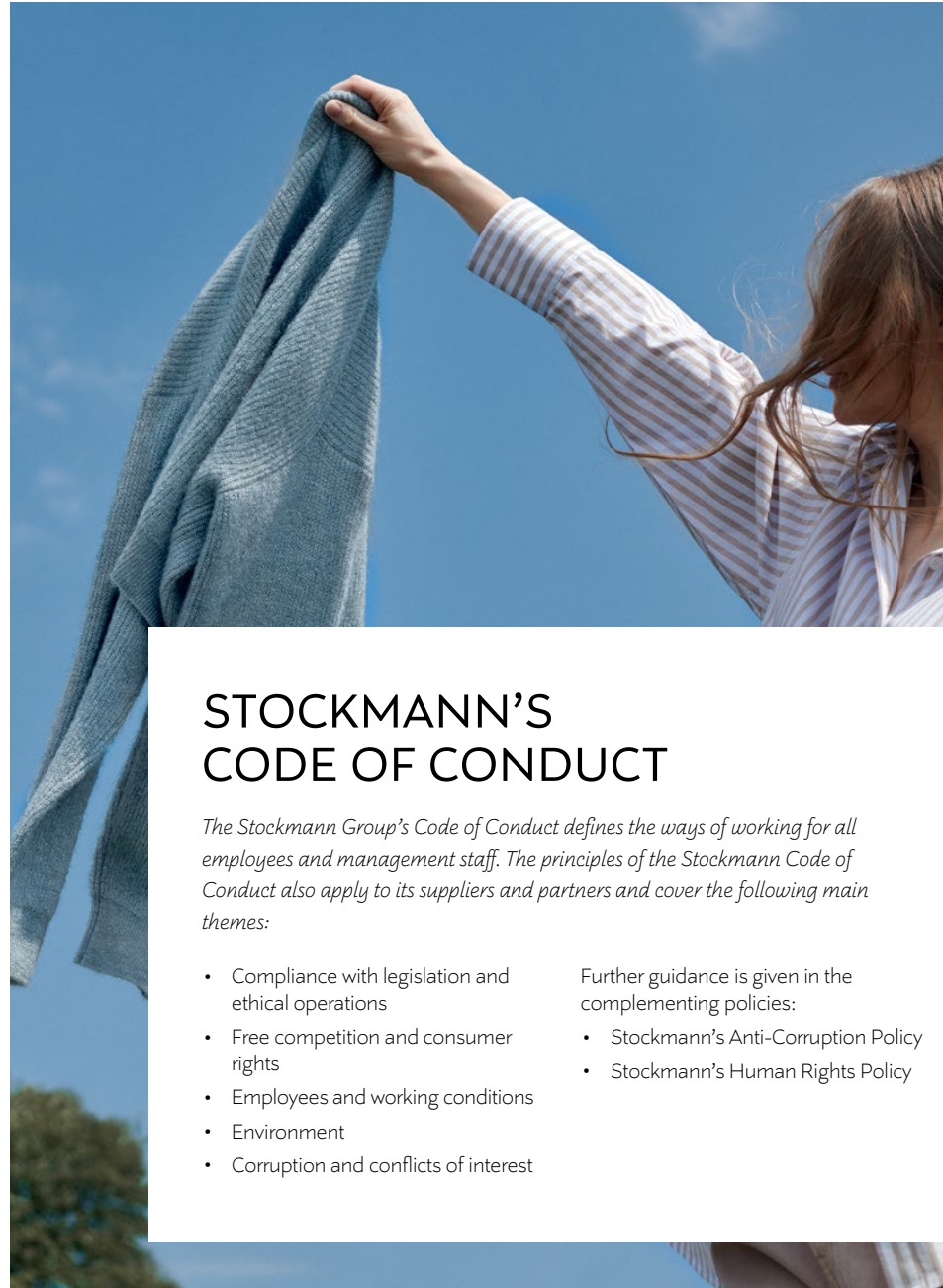
The Stockmann Group is committed to following the principles of sustainable development. Our CSR strategy is guided by the Group's vision, strategy, values and CSR promise. Sustainability forms a key element in Stockmann's operations and it is incorporated in our daily management approach, covering the entire value chain of our operations. Our CSR promise is to inspire and support our customers in making responsible choices, and we work for a more sustainable future.





Responsibility work starts at the beginning of the value chain, by ensuring safe working conditions in the supply chain, and continues to the minimisation of environmental impact. We want to offer our customers sustainable choices and information on how to make sustainable decisions. We work diligently to increase the share of more responsible products in our selection and to offer services that support a sustainable lifestyle. We place the customer at the core in all our operations, and guarantee the safety and quality of our products. We devote attention to employee wellbeing and environmental aspects, and we follow the principles of good corporate governance.

Our responsibility work is guided by Stockmann's strategy and values, the CSR strategy, Stockmann's Code of Conduct and international treaties, declarations and recommendations. Our everyday work is also guided by numerous voluntary commitments and initiatives, such as human rights principles, our anti-corruption policy, our HR policy, our environmental system and product policies. Stockmann operates in an ethical manner, complying with the international and national laws and regulations valid at any given time in the countries in which it operates. In its business operations, Stockmann aims to exceed the minimum requirements stipulated by laws, regulations or conventions.



## STOCKMANN'S CODE OF CONDUCT

*The Stockmann Group's Code of Conduct defines the ways of working for all employees and management staff. The principles of the Stockmann Code of Conduct also apply to its suppliers and partners and cover the following main themes:*

- Compliance with legislation and ethical operations
- Free competition and consumer rights
- Employees and working conditions
- Environment
- Corruption and conflicts of interest

Further guidance is given in the complementing policies:

- Stockmann's Anti-Corruption Policy
- Stockmann's Human Rights Policy

## KEY COMMITMENTS

*Stockmann has committed to several international declarations and conventions, the most important of which are:*

- UN's Universal Declaration of Human Rights and Convention on the Rights of the Child
- ILO's Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights since 2018
- United Nations Sustainable Development Goals since 2016
- UN's Global Compact initiative since 2011
- amfori BSCI Code of Conduct at the Group level since 2005
- International Accord for Health and Safety in the Textile and Garment Industry (Replaces the Accord on Fire and Building Safety in Bangladesh, which was previously in force since 2013)

*In addition, Lindex is working with collaboration partners to implement projects in supply chain or communities like Water Aid and Cotton Connect. Textile Exchange, STICA, SEDEX, ETI and Clean Cargo are memberships to drive change, collaborate and gain knowledge.*





# UN SUSTAINABLE DEVELOPMENT GOALS



**THE GLOBAL GOALS**  
For Sustainable Development

We are committed to supporting the United Nations Sustainable Development Goals (SDGs) in our operations. From the 17 goals, we have identified six SDGs which our business can best contribute to and which we focus our efforts on.



## RESPONSIBLE CONSUMPTION AND PRODUCTION

Corporate social responsibility forms a part of our operations. It is a key element in our supply chain, selections and logistics, and it informs our customers in their purchasing decisions. In addition, we strive to increase the use of more sustainable materials and processes in our own brand selections.



## DECENT WORK AND ECONOMIC GROWTH

We act responsibly towards our employees and the people working in our supply chains. We offer our personnel a fair working environment and we aim to guarantee it in our supply chains as well. We strive for a profitable business.



## CLIMATE ACTION

Our contribution includes reducing emissions, increasing energy efficiency and carrying out waste sorting and recycling in our own operations.



## GENDER EQUALITY

Our contribution includes the active promotion of gender equality in all employment categories. Gender equality is at the core of Lindex's Code of Conduct, which was introduced in 2019. Lindex aims to empower women everywhere by creating equal jobs, improving women's self-esteem, encouraging women to value and respect their bodies and motivating them to lead a sustainable lifestyle.



## COLLABORATION AND PARTNERSHIPS

Our contribution includes active collaboration and engagement with our key stakeholder groups. We believe that together we can drive change towards a more sustainable future.



## CLEAN WATER AND SANITATION

Our business can make a significant contribution to the goal concerning clean water and sanitation. One of the core aims of Lindex's sustainability promise is to be a responsible company in relation to water use. The company is increasing the efficiency of water consumption throughout its value chain.





# CSR PROMISE AND STRATEGY

## STOCKMANN'S CSR STRATEGY 2019–2021 //

### STOCKMANN DIVISION:

In our CSR strategy, the targets are grouped under four priority areas that determine the future of our responsibility work. Key performance indicators that enable the monitoring and measurement of our CSR work have been set for each area.

**CSR PROMISE** // We inspire and support our customers in making responsible choices. We work for a more sustainable future.

#### INSPIRATION FOR RESPONSIBLE CHOICES

- We are a source of inspiration for responsible consumption and a responsible lifestyle
- We offer responsible and long-lasting quality fashion
- We foster sustainable supply chains

#### SUSTAINABLE BUSINESS APPROACH

- We are committed to good corporate governance and act in compliance with the Stockmann Code of Conduct

#### SUSTAINABLE SHOPPING ENVIRONMENT

- We are committed to reducing our packaging materials and their environmental footprint
- We take actions to mitigate our climate impact
- We apply a circular economy approach in our operations

#### RESPONSIBLE WORK COMMUNITY

- We ensure a healthy and safe working environment and promote the wellbeing of our personnel
- We value equality and diversity
- We support our personnel's professional growth

**FOUNDATION** // Stockmann's Code of Conduct

**VISION** // The marketplace for a good life



### LINDEX DIVISION:

In 2019, Lindex announced its sustainability promise, which is based on the fashion brand's vision – to empower and inspire women everywhere.

The promise is divided into three focus areas with which Lindex aims to promote sustainability and to commit to empowering women:

#### 1 EMPOWER WOMEN

- Taking the lead in creating fair and equal workplaces for women
- Advocating inclusiveness and body positivity
- Supporting a sustainable lifestyle

#### 2 RESPECT THE PLANET

- Taking action for the climate
- Having a circular business approach
- Being a water-responsible company

#### 3 ENSURE HUMAN RIGHTS

- Advocating respect for human rights







## REPORTING PRINCIPLES AND MATERIALITY

The review covers all of the Stockmann Group's own operations. The Group's reporting segments are Stockmann and Lindex. Stockmann's subsidiary Lindex publishes a sustainability report of its own, with more detailed information about its sustainability work, at [lindex.com](https://lindex.com).

The environmental figures also cover the operations of our tenants in the department store properties. The supply chain is covered to the extent defined in the materiality analysis. The GRI indicators have been selected according to materiality.

Our goal is to report the relevant indicators in terms of revenue and employee count at least for our main operating countries, which are Finland and Sweden. Due to differences in reporting practices within the Group's units, some of the indicators describing personnel and the environment are reported only for Finland. The measurement and accounting policies are described in connection with each relevant indicator.

## MATERIALITY ASSESSMENT

This Sustainability Report is based on the materiality assessment conducted in 2018 and describes the sustainability work carried out in

the final period of activity for the current CSR strategy. During Q2 and Q3, we conducted a new sustainability survey among our stakeholders. This was a part of the new CSR strategy process for 2022–2024. Materiality is assessed as part of Stockmann's continuous operations and therefore our sustainability work focuses strongly on the most material themes for our business, taking the global sustainable development targets into consideration. In conjunction with continuous stakeholder dialogue and market analysis, we will update the material development areas and indicators used in the reporting so that they correspond to the CSR targets.

### LINDEX

Lindex conducted a comprehensive stakeholder survey in 2021. The aim of the process was to collect feedback from stakeholders on the CSR focus areas in order to help map out Lindex's approach to reporting on and strategic commitment to key topics. A total of 21 representatives of various stakeholders and more than 500 customers participated in the feedback process through the survey, an interview or the quality feedback channel. More information can be found in Lindex's 2021 Sustainability Report, under 'Materiality' in the 'Report background' chapter.

## MATERIALITY ANALYSIS

STOCKMANN'S STRATEGIC PRIORITIES FOR 2019–2021	MATERIAL TOPICS	TOPIC BOUNDARY
<b>INSPIRATION FOR RESPONSIBLE CHOICES</b>	Customer satisfaction	Own operations
	Marketing and product labelling	
	Customer privacy	
	Customer health and product safety	Own brands' supply chain and own imports, product safety and procurement practices in own operations
	Materials	
	Procurement practices	
<b>SUSTAINABLE SHOPPING ENVIRONMENT</b>	Environmental and social assessments of suppliers	
	Energy	Own operations
	Emissions	Own operations and indirect emissions for selected parts
<b>RESPONSIBLE WORK COMMUNITY</b>	Effluents and waste	Own operations
	Employment	Own operations
	Labour/employer relations	
	Freedom of association and collective bargaining	
	Occupational health and safety	
	Training and education	
<b>SUSTAINABLE BUSINESS APPROACH</b>	Diversity and equal opportunities	
	Non-discrimination	
	Economic performance	Own operations
	Human rights assessments	Own operations and supply chain for own brands
	Anti-corruption	Own operations
	Anti-competitive behaviour	Own operations



## STAKEHOLDER ENGAGEMENT

*We engage in active and ongoing dialogue with our stakeholders to strengthen relations and better respond to the expectations and wishes placed on us. We have identified five key stakeholder groups that most affect and are affected by our business.*

STAKEHOLDER GROUP	INTERACTION	KEY INTERESTS & CONCERNS FOR STAKEHOLDERS IN 2021	RESPONDING TO STAKEHOLDER EXPECTATIONS
<b>CUSTOMERS</b> Customers are an especially important stakeholder group. One of our values is to focus on the customer.	Dialogue in the department stores and other stores, customer service (emails, calls, social media), customer surveys, marketing communications, events, loyal customer programme.	Customer service and satisfaction, customer privacy protection and health and safety when shopping, materials and chemicals in products, labour practices and chemicals management in supply chains, animal welfare, stockmann.com online store orders and their packaging and distribution over multiple shipments, sustainable products in the selection, the renewal of Stockmann's loyal customer programme and its benefits, carrier bags and plastic, women and local communities in Lindex's operations.	We developed our operations and redesigned our online store in order to better meet our customers' expectations. We increased sustainability in our selection, introduced new secure services and shopping methods to our customers, and further reduced the use of plastic in, for example, online store delivery packaging, and adapted our operations according to the coronavirus pandemic situation prevailing at any given time.
<b>PERSONNEL</b> We value our personnel and their commitment to our company. We work continuously to improve the working environment and dialogue with employees.	Performance and development discussions, personnel surveys, Employees' and Group Councils, codetermination, staff events, workshops, intranet, Teams.	Employee wellbeing and safety, coping with the workload and stress level, continuous learning and professional and career development, caring about the staff, equality, modern collaboration platforms and communications channels, environmental issues in the department stores, sustainable products in the selection, clothes recycling, materials, production processes, the circular economy, water management in the supply chain, animal welfare.	The personnel participated in the development of Stockmann's operations through workshops and by providing feedback and improvement ideas in personnel surveys and other internal communications channels, such as Teams channels. We made preparations for updating Stockmann's operating model in collaboration with our personnel. We renewed the performance and development discussions that we conduct with our personnel and increased development opportunities for supervisors and sales personnel by organising several contact training courses.
<b>SHAREHOLDERS AND INVESTORS</b> Stockmann aims to be an attractive and sought-after investment in the capital markets.	Stock exchange releases, financial reviews, annual reporting, Group website, webcasts, regular investor relations meetings, Annual General Meeting of shareholders, surveys.	Financial performance and ability to change the course of the company, execution of the strategy and the corporate restructuring programme, share price performance, sustainability of the operations, ESG ratings, customer and employee satisfaction.	We communicate openly and transparently to stakeholders. We participated in the Carbon Disclosure Project (CDP) and numerous sustainability and ESG surveys.
<b>SUPPLIERS AND SERVICE PROVIDERS</b> They play a key role in our sustainability work and the continuous improvement of our production. All suppliers are expected to follow the Stockmann Code of Conduct.	Meetings, negotiations, workshops, cooperation projects and co-campaigns, factory visits and inspections, website, supplier surveys.	Developing the selection together with the goods suppliers and service providers, implementing sustainability targets and initiatives in the business operations, raising sustainability topics, materials, production processes, labour practices, transparency, water management.	We engaged in active dialogue with our purchasing offices and service providers so as to take our goods suppliers' situation and safety into consideration.
<b>THE AUTHORITIES AND ORGANISATIONS</b> We collaborate and engage in continuous dialogue with the authorities and organisations to develop our business operations.	Activities in organisations, collaboration, projects, responding to surveys, charity work, website, annual reporting.	Labour and human rights risks in the supply chain, supply chain management and transparency, human rights due diligence law proposal, design and procurement practices, production processes, work practices in the supply chain and own operations, combating climate change and GHG emissions in the value chain, materials, animal welfare, fur products in the department store selection, use of plastics, circular economy.	We engaged in dialogue with non-governmental organisations, including in connection with Finnwatch surveys and the Rank A Brand campaign of Pro Ethical Trade Finland (Eetti). We responded to surveys and gave interviews and lectures to students.





## INSPIRATION FOR RESPONSIBLE CHOICES

Our goal is to be a source of inspiration for responsible consumption and a responsible lifestyle. We offer responsible and long-lasting quality fashion and we respect and listen to our customers and make every customer encounter special. We promote sustainable brands and provide services to support a more responsible lifestyle. We foster sustainable supply chains and focus on the responsibility, transparency and traceability of our supply chains.



**W**e focus on providing a top-class service that exceeds our customers' expectations. We provide regular training for our personnel and conduct customer satisfaction surveys. Customer feedback is used to improve customer service and sales, to manage the personnel on a daily basis, to develop skills, remuneration and commitment and in the design of training programmes.

## CUSTOMER SATISFACTION

Stockmann and Lindex use separate customer feedback channels and continuously monitor the development of customer satisfaction and the brand image.

All feedback collected via customer encounters, the phone or social media is analysed by Stockmann. Stockmann's customer service centre is responsible for handling feedback given via phone, email, chat service and social media. In 2021, the centre handled approximately 162 000 (197,000). The themes that generated the most feedback were online store orders, deliveries and availability of products. Other themes were the Crazy Days campaign, COVID-19, the corporate restructuring proceedings and customer service in general.

The customer experience is measured through regular customer surveys which we conduct at different points of the customer journey. The most important indicator in the

## INSPIRATION FOR RESPONSIBLE CHOICES

TARGET	KEY PERFORMANCE INDICATORS (KPIs)	PROGRESS AND ACTIVITIES	STATUS
<b>We are a source of inspiration for responsible consumption and a responsible lifestyle and we create a feeling that lasts.</b>	<p>In 2021, we introduced the Emotional Value Index (EVI) as a new indicator to measure our performance. The EVI targets for the divisions will be set separately for the H1 and H2 periods. The Net Promoter Score (NPS) that was used previously will no longer be used as of the beginning of 2022. The division-level EVI target for H1/22 is 54.</p> <p>Customers are asked questions about sustainability in separate sustainability surveys twice a year (H1 and H2). The target result is 4 (on a scale of 1–5) by the end of 2022.</p>	<p>We added new sustainable alternatives to our selection and actively promoted sustainable products and responsible services in our marketing and communications and in the department stores.</p> <p>We continued to systematically develop the customer experience throughout the customer journey. During the year, we developed our online store, among other areas, in numerous ways, which was reflected in the positive EVI trend. The MyStockmann programme was developed together with the customers, who will gain access to the new features in the first half of 2022. In addition, our delivery process has been one of our focus areas for improvement.</p> <p>In 2021, the EVI result at the division level was 49. The EVI result was 65 for the department stores, 5 for customer service and 48 for the online store. In 2021, the NPS at the division level was 46 (58). Due to a revised measurement method and different measurement volumes, the NPS for 2021 is not fully comparable to the result for 2020. The NPS for the department stores in Finland was 54 (58), while the NPS for the online store was 47 (34). In Riga the NPS was 73 (66) and in Tallinn 64 (63). We will continue to develop the customer experience systematically in line with specific targets in 2022.</p> <p>The result of the sustainability survey for 2021 was 3.7. We will continue our systematic work to promote sustainability in 2022.</p>	● Target partially met
<b>We offer responsible and long-lasting quality fashion</b>	Share of more sustainable materials in own brand garments: target 50% of all products and 80% of jersey by the end of 2021.	We updated the selection in the department stores with new sustainable brands and products. 60% (60%) of Stockmann's own brand garments and 88% (91%) of own brand jersey garments were made from more sustainable materials.	● Target met
<b>We foster sustainable supply chains</b>	Target: 100% of factories manufacturing our own brands in high-risk countries have a valid audit by the end of 2021.	<p>A total of 65% of our own brand suppliers had a valid audit in 2021. We are on track to reach the target and the situation is being actively updated as new audits are completed. Additionally, we are investigating the challenges arising from, among other things, the COVID-19 pandemic as well as the transfer of factories' profiles to the new amfori Sustainability Platform.</p> <p>73% of fashion and home own brand suppliers have signed the Stockmann Supplier Code of Conduct, the amfori BSCI Code of Conduct or similar (target 100%).</p>	● Target partially met





surveys is the Emotional Value Index (EVI), which we adopted at the beginning of April 2021 in all our channels: at the department stores, in the online store and in customer service. The EVI is our new strategic performance indicator. In 2021, the EVI result at the division level was 49. In addition to tracking the EVI, we continued to measure the Net Promoter Score (NPS) in 2021 at the touchpoints along the customer journey where it was measured before. In 2021, the NPS at the division level was 46 (58). Due to a revised measurement method and different measurement volumes, the NPS for 2021 is not fully comparable to the result for 2020. We will continue to develop the customer experience systematically in line with specific targets in 2022.

## SERVICES TO SUPPORT A RESPONSIBLE LIFESTYLE



Our goal is to be a source of inspiration for responsible consumption and a responsible lifestyle, and we provide our

customers with various services that support this goal.

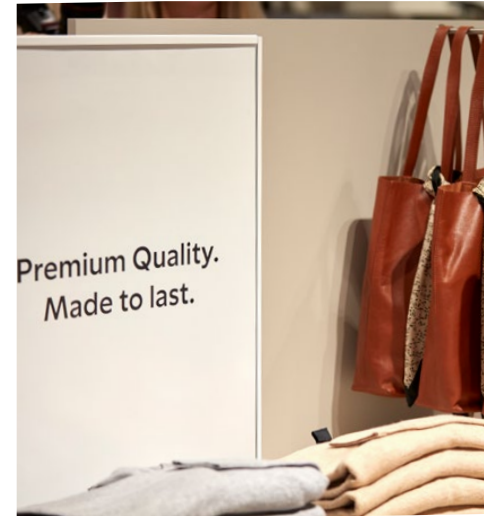
### STOCKMANN

- We offer information on how to use and care for products and on recycling alternatives to enable extending the lifecycle of the products and to minimise environmental impacts.

- We offer fashion consulting, sewing and interior decoration services to enable customers to choose the products that best suit them and to create their own personal style.
- The department stores in Finland and Tallinn collaborate with the Emmy online shop, which sells second-hand designer clothing. The service enables Stockmann's customers to recycle their clothes and receive the proceeds from the sales in the form of Stockmann gift cards.
- In Finland, customers can return used electrical appliances and electronic equipment, batteries, fluorescent tubes, energy-saving bulbs and nail polish bottles to Stockmann department stores. In the Baltic countries, only batteries can be returned to the department stores.
- Stockmann regularly organises recycling campaigns in collaboration with suppliers in its department stores in Finland and the Baltics. For example, in February 2021 we launched a model for recycling frying pans and saucepans with Fiskars, and this model is continuously in use.

### LINDEX

- Lindex's website and store materials provide information on making conscious choices that aim at prolonging the useful life of clothes and reducing their environmental impact.
- Lindex's customers can hand in used clothes and textiles for recycling and reuse at all Lindex stores in Sweden, Norway, Finland and Lithuania. In 2021, Lindex collected 154



(123) tonnes of textiles, excluding the textiles collected in Lithuania. In Finland, textiles were not collected at all in the second and third quarters due to the coronavirus pandemic. The amount of textiles collected in Norway also fell due to the pandemic.

## MARKETING AND LABELLING



Stockmann respects the rights of the consumer and engages in responsible marketing. This policy is included in the Stockmann

Code of Conduct. In our marketing communications, we follow the Consolidated ICC Code of Advertising and Marketing Communication Practice, the Consumer Protection Act and our strategy.

## MARKETING COMMUNICATIONS

Our marketing communications avoid all misleading practices, such as false or deceptive messages and omission of important information. Our marketing should never be inappropriate or offensive. These practices are known and followed by all of our company's marketing designers and are overseen by each division's Marketing Director.

Lindex has its own brand strategy and marketing guidelines regarding images, tonality, choice of models, retouch management etc., as well as social media guidelines. Lindex is a member of the self-regulatory Swedish Advertising Ombudsman (Reklamombudsmannen, RO) organisation, founded by the industry to review and maintain standards. RO receives complaints about advertising and assesses whether the advertising follows the Consolidated ICC Code. It also provides information, guidance and training in the field of ethical marketing.

In 2021, there were no incidents of non-compliance concerning marketing communications legislation or voluntary principles at Stockmann. Lindex got one complaint where the Swedish Advertising Ombudsman considered the advertisement misleading.

## PRODUCT INFORMATION

We comply with statutory labelling, in addition to which voluntary labels that reflect product sustainability may be attached to products.

If fashion products are made from materials with reduced environmental impact, such as organic cotton or recycled fibres, this is



clearly marked using a hangtag or a print, or on the product packaging, as well as in the product information in the online store. The country of origin is marked on all of Stockmann's own brand garments and home textiles as well as on all Lindex garments.

### STOCKMANN

- Stockmann uses the Sustainable Design label in its own fashion brands to communicate and provide information on products made from materials that we consider to be more environmentally friendly, such as Better Cotton and organic cotton, lyocell or recycled polyester. The country of origin is indicated on the washing instruction label.
- Stockmann's own brands have been granted the right to use the Design from Finland label until 2023. The label indicates that the product has been designed in Finland with a focus on the product's user.

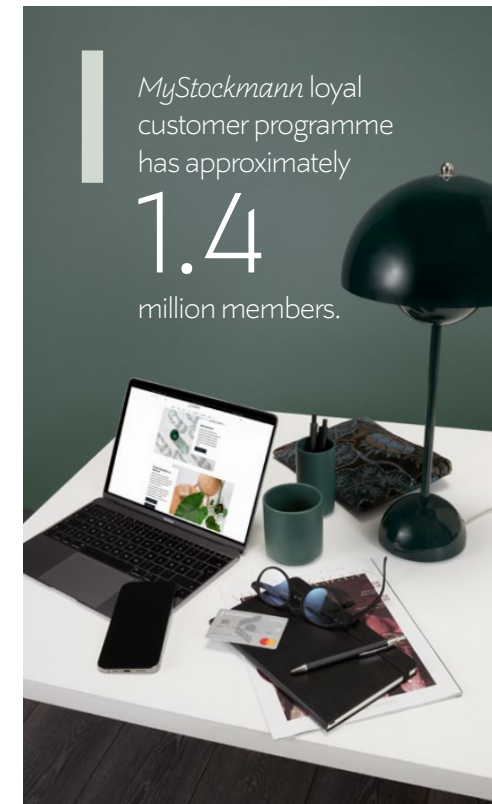


The company is committed to publicly communicating about the structure of its production chain, the countries of origin and Finnish products with its stakeholders. Stockmann's own brands are designed at the Stockmann Design Studio in Helsinki.

- The teams at Stockmann Design Studio actively train sales staff and other stakeholders on the grades of sustainable development so that they are able to provide customers with better service at the customer interface and provide inspiration and care instructions for the long-term use of the product.
- An increasing number of brands included in Stockmann's product selection provide additional information on the sustainability of their products. In 2020, we launched a sustainability project aiming at increasing the amount of product information provided in the online store to help users make responsible choices. In 2021, we redesigned the navigation in the online store to allow customers to browse our selection of products made from sustainable materials.

### LINDEX

- Lindex is one of the largest users of organic cotton in the world. In 2021, about 99% of the cotton used by Lindex was responsibly produced and 80% was organic cotton.
- Many of the cotton garments, especially those made from denim, contain recycled cotton.
- The production chain of the cotton used in baby garments is GOTS-certified.
- Most of the wool used has the Responsible Wool Standard label.



### CUSTOMER PRIVACY

Stockmann and its employees respect the privacy of the customers and inviolability of their rights. We do not reveal or use customer information other than in strict accordance with the EU General Data Protection Regulation (GDPR) and Stockmann's privacy policies. Training on the GDPR and customer privacy is mandatory for all employees and it is included in the induction programme for new employees.





The company has two loyal customer programmes. Stockmann's MyStockmann loyal customer programme has approximately 1.4 million members. Lindex's More at Lindex loyal customer programme has more than 4.1 million members. Loyal customers are offered personal offers and benefits. The data file descriptions of the loyal customer programmes can be found on the divisions' respective websites. Both of the loyal customer programmes have a separate customer register, compiled in order to manage customer relationships and for customer service and marketing purposes. The personal data of Stockmann's customers and of shareholders attending its General Meetings are handled confidentially in accordance with

the applicable legislation. Stockmann's annual target is zero incidents of breaches of customer privacy. In 2021, no cases of breach of customer privacy were reported in the Stockmann Division. Lindex received one GDPR report through a local representative, but this did not require any measures.

## SUSTAINABLE PRODUCT SELECTION

The product selection in the Stockmann department stores and Lindex fashion stores offers customers opportunities to make safe and responsible shopping choices. In the areas of



CUSTOMER HEALTH &  
SAFETY AND PRODUCT  
COMPLIANCE



**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

The Stockmann Group is responsible for the safety of the products it sells and ensuring that they do not pose a risk to the customers' health or property. Both divisions have established procedures for systematic monitoring and continuous improvement of the operations.

The Stockmann Division's Commercial Operations organisation makes sure that products comply with the valid requirements set in legislation. Products are tested regularly by their manufacturers and importers. Stockmann also tests its own brand products and own imports by taking regular samples and conducting risk analysis. Testing ensures that the products fulfil all quality and safety requirements set by legislation or the stricter requirements set by Stockmann.

Additionally, Stockmann follows product notifications issued by the EU in order to inform customers as quickly as possible about products that pose a risk. In Finland, the Finnish Customs and the Finnish Safety and Chemicals Agency (Tukes) promote product safety.

Product recalls are handled in accordance with Stockmann's internal product recall instructions, which specify responsibilities and the action required. In 2021, there were no public recalls involving own brand products sold at Stockmann.

Stockmann introduced new circular collections, such as handmade *Upcycle with Jing* jewellery made from recycled bottles.

fashion, cosmetics and home products, the choices include products made from organic and recycled materials and products with an ecolabel. The sales personnel are encouraged to find out about the more sustainable products in their areas of responsibility. Information for the personnel concerning sustainability aspects and the origin of products is available on the Stockmann intranet.

## MATERIALS



Responsibility is integral to the Stockmann Group's processes concerning clothing design and procurement of materials and products. Our goal is to systematically increase the proportion of more environmentally friendly and sustainable materials, such as sustainable cotton and lyocell and recycled fibres, in the Group's own brand products. We define sustainable cotton as the use of organic, Better Cotton (BCI) or recycled cotton.

Stockmann's own fashion brands are based on timeless design and sustainable materials that withstand wear and tear. The product ranges are created by Stockmann's own Design Studio in Helsinki. The materials used in the products are selected at the design stage with an eye to sustainability. For instance, the wool products are made from wool certified under the Responsible Wool Standard (RWS) and the Responsible Mohair Standard (RMS), which focus on animal welfare and progressive environmental management on sheep farms. The wool in RWS-certified products can also be traced to the farm from which it originates. Down products use recycled down or material certified under the Responsible Down Standard (RDS). In outdoor products, we have increased the proportion of recycled materials in the lining and outer shell fabrics as well as their fillers. In addition, recycled materials are used in clothing and accessories, including recycled polyester and wool. Stockmann's own brand products have the Sustainable Design label indicating the use of sustainable materials in them.

### STOCKMANN

- In 2021, 60% (60) of Stockmann's own brand garments were made of more sustainable materials, and 90% (91) of own brand jersey garments were made of more sustainable cotton. For example, in 2021 more sustainable cotton accounted for 77.3% of all jersey products in the NOOM womenswear brand, with organic cotton being used in 38.7% of all clothes in the collection. In the BOGI children's wear brand, 97.2% of the jersey products were made from more sustainable cotton, and in the Cap Horn men's wear brand, for example, more sustainable cotton accounted for 94.6% of jersey products in 2021. We have systematically increased the proportion of sustainably produced certified wool (RWS, RMS), and in the autumn season it already accounted for 36.1% of the knitwear in Stockmann's own fashion brands. All the down used in Stockmann's own brand down products is either recycled or sustainably produced and certified under the Responsible Down Standard.
- We continued active collaboration with all our goods suppliers to provide information to our customers about the origin of our own brand products and our partners' products and the sustainable materials used in them.
- There is active communication with the suppliers on Stockmann's development projects in sustainability and on the expectations placed on our stakeholders. Our purchasers always aim to choose the most sustainable option from the products offered. This policy is part of our daily work.

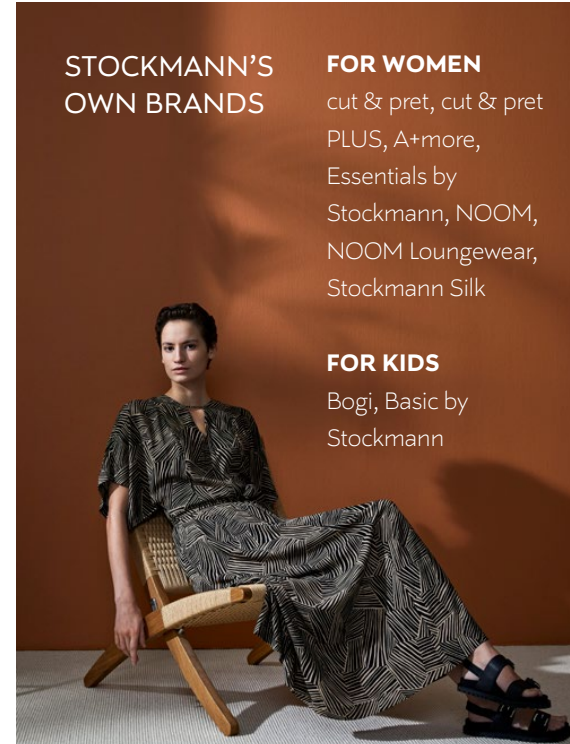
### STOCKMANN'S OWN BRANDS

#### FOR WOMEN

cut & pret, cut & pret PLUS, A+more, Essentials by Stockmann, NOOM, NOOM Loungewear, Stockmann Silk

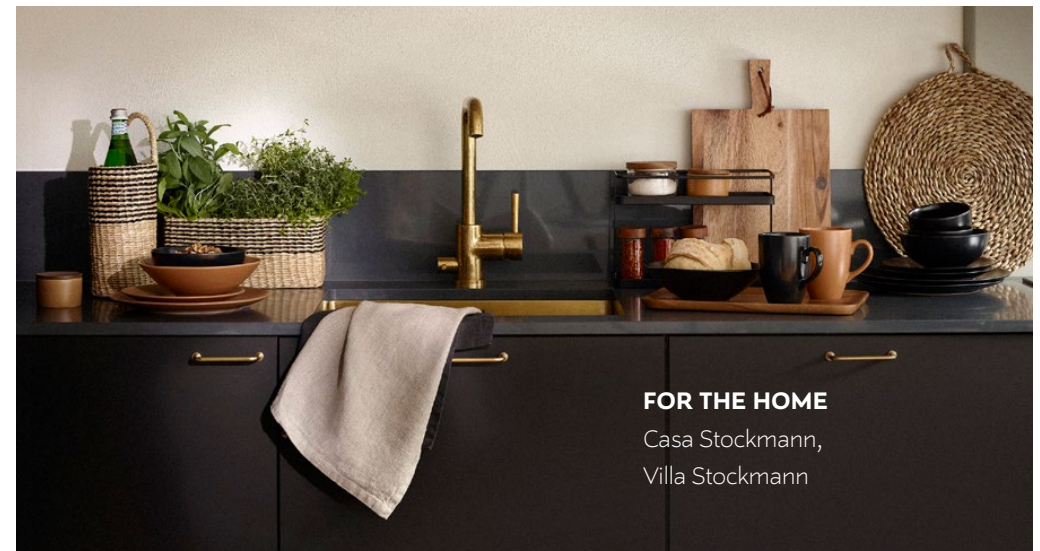
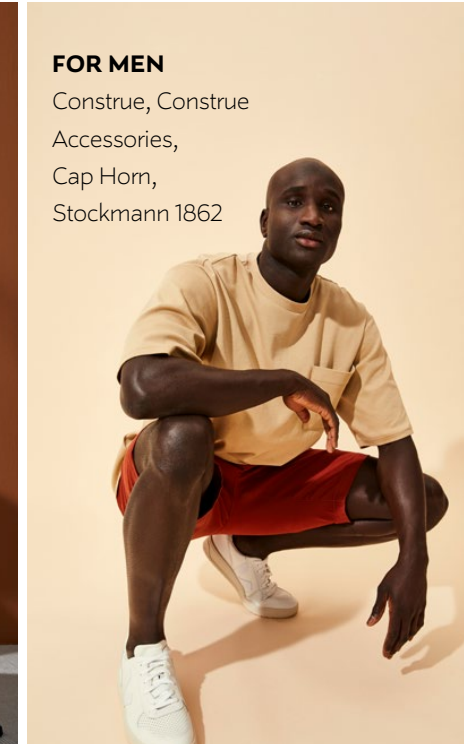
#### FOR KIDS

Bogi, Basic by Stockmann



#### FOR MEN

Construe, Construe Accessories, Cap Horn, Stockmann 1862



#### FOR THE HOME

Casa Stockmann, Villa Stockmann





## LINDEX

- 78% (68) of Lindex's garments were made of more sustainable materials and approximately 99% (99) of cotton used by Lindex comes from more sustainable sources.
- One of Lindex's ambitious sustainability goals is that 100% of the materials used will be recycled or sustainably sourced by the end of 2025.
- The production chain of the cotton used in baby garments is 100% GOTS-certified and 100% of Lindex's denim products are 'Better Denim'.

## USE OF CHEMICALS

When producing garments, chemicals are used in processes such as dyeing, printing and washing. The Stockmann Group fulfils the requirements of the REACH regulation and actively works to limit the use of harmful chemicals in all of its products. The Group has certain measures to achieve this aim. The use of perfluorinated compounds (PFCs), among other chemicals, has been completely banned since 2014. The ban affects all of Lindex's outerwear and Stockmann's own brand outerwear, and these items are now treated with Bionic-finish@ECO finish instead of PFCs. In addition, Lindex has adopted a voluntary ban on the use of cyclic siloxanes and perfluorinated alkylated substances (PFAS) in cosmetic products.



Approximately

**99%**  
of cotton  
used by Lindex comes  
from more  
sustainable  
sources.



Lindex has implemented a Chemical Strategy, according to which the goal is to remove all hazardous and toxic substances from the Lindex supply chain by the end of 2025 and to promote transparency and more sustainable use of chemicals. In 2019, Lindex published a list of chemicals (MRSL) that are not permitted at any stage in the manufacture of the company's products. With the MRSL, Lindex can eliminate harmful substances right from the beginning, so they do not enter the production process at all. Lindex introduced the Bhive app which scans the chemical storage of suppliers against Lindex's MRSL and indicates the suppliers' compliance level. In 2021, neither Stockmann nor Lindex had any incidents related to the use of chemicals.

The production chain of the cotton used in baby garments is **100% GOTS-certified** and **100% of Lindex's denim products are 'Better Denim'**.



## SUSTAINABLE SUPPLY CHAIN MANAGEMENT

A responsible, transparent and traceable supply chain is one of the focus areas in Stockmann's sustainable supply chain management. Our reporting on the supply chain is based on risk assessment, and the ability to exert an influence. We focus especially on developing the responsibility of the supply chain for the Stockmann Group's own brands, which we have the best possibility to influence. We also engage in active dialogue with our partners.

## PROCUREMENT PRACTICES



Our stakeholders are showing increasing interest in our work in the supply chain. The questions raised include our purchasing practices, the countries of manufacture, our Supplier Code of Conduct and human rights, including a living wage, freedom of association and traceability.

All suppliers are expected to follow the Stockmann Code of Conduct or demonstrate a similar commitment. Sustainability issues are discussed during the purchasing negotiations and when supplier agreements are concluded.

Well-known international and Finnish brands make up the majority of the selection

sold at Stockmann's department stores. In addition to these, there is a large selection of exclusive own brands designed by the Stockmann Design Studio. Almost all the brands sold by Lindex are exclusive to the company.

### PURCHASING PRACTICES FOR OWN BRAND PRODUCTS

The Stockmann Group does not own any factories or production facilities. Instead, our own brand products are made by contractors. We pay attention to several factors when selecting goods suppliers. The most important criteria are the fit with the needs of the Stockmann Group's customers, supplier know-how and ability to deliver, quality and price, CSR with the focus on working conditions and environmental issues, and the potential for long-term cooperation relationships. All factories must fulfil the Stockmann Group's starting requirements and commit to the Supplier Code of Conduct and to continuous improvement.

Direct suppliers in risk countries: Lindex 89, Stockmann 80. Production facilities in risk countries (from which direct purchases are made): Lindex 144, Stockmann 118.

The Stockmann Group's aim is to **develop and maintain long-term cooperation with suppliers.**

### CLOSE COOPERATION WITH THE SUPPLIERS

The Stockmann Group has six local purchasing offices in Bangladesh, China, Hong Kong, India, Myanmar and Turkey. Among these, the Stockmann Division cooperated with the purchasing offices in Bangladesh, China, India and Turkey.

The offices play a key role in developing working conditions and identifying risks. A total of 118 (118) people are employed by the offices and they are tasked with supervising purchasing and production. They review the procedures of each factory that they use before placing any orders. After the initial inspection, the systematic responsibility work continues. Around 94% of Lindex products were bought via the purchasing offices.

A total of 51% (64) of Stockmann's own brand producers were direct suppliers and 49% (36) supplied their products through our purchasing offices. Of the purchasing volume, 73% comes from the suppliers through the purchasing offices and 27% from the suppliers directly.

Our local CSR specialists provide training and support to the suppliers and factory owners to help them make improvements in line with our Code of Conduct and environmental requirements. They also perform announced and unannounced audits. Our local production and quality controllers also regularly visit the production units to ensure that conditions meet our requirements, and they report on any suspected violations of the Code of Conduct.

In addition to factory audits and training, every aspect of the suppliers' operations is rated according to a 'supplier scorecard', which forms the basis for development. The suppliers are evaluated based on their scorecard twice a year. The indicators used include sustainability and business performance. We grade our suppliers based on our evaluations, and those with the best score get the most orders.

### OUR INSTRUCTIONS FOR SUPPLIERS

A Code of Conduct underpins the purchasing practices of both Stockmann and Lindex. All suppliers are expected to follow the Stockmann Supplier Code of Conduct, the Lindex Code of Conduct, the SEDEX standard, or the amfori BSCI Code of Conduct complemented with Stockmann's additional requirements, which are set based on detected human rights risks and other risks. These include a ban on the sandblasting of jeans, fundamental requirements for animal rights, and restrictions on chemicals.

Unauthorised subcontracting poses a risk to compliance with our code. Our producers are always required to inform us about the use of subcontractors in advance. As a result of our risk analysis, we have banned the use of subcontractors in Bangladesh altogether, this being a zero-tolerance issue which leads to no further orders being placed.

The Lindex Code of Conduct is a fundamental document that guides the company's work with its supply chain partners. It is founded on Lindex's values and sets





expectations for the fulfilment of those values at the workplace. It clearly expresses that partners are expected to act honestly and ethically in compliance with laws and regulations and to always avoid actual, potential or evident conflicts of interest.

The Lindex Code of Conduct is based on the ETI Base Code of the Ethical Trading Initiative, setting the basic requirements for, among other things, wages, working conditions, freedom of association. Lindex has recently taken its Code of Conduct one step further by updating the document in order to reinforce expectations of gender equality in the premises of suppliers. Lindex aims to increase gender equality at a national level and across its industry in line with the UN's Sustainable Development Goal 5: Gender equality. The company's guidelines make this focus area clear to all partners and help identify and support suppliers that are committed to offering a robust working environment for all male and female employees and to participating in accelerating systemic change. All of Lindex's business partners are obliged to comply with the Code of Conduct, the new version of which was introduced throughout Lindex's value chain during 2021.

### SOCIAL RESPONSIBILITY AUDITS

Stockmann has been a member of amfori BSCI (formerly known as Business Social Compliance Initiative, BSCI) since 2005 and will continue the cooperation. Amfori BSCI is a business-driven initiative for companies committed to improving working conditions in



factories worldwide. Based on international treaties, the amfori BSCI Code of Conduct sets out 11 core labour rights which the participating companies and their business partners undertake to incorporate in their supply chain in a step-by-step development approach. Stockmann actively communicates about the amfori BSCI Code of Conduct to its suppliers and producers and cooperates with them to ensure a better chance of improving working conditions in the supply chains. Factories that manufacture Stockmann's and Lindex's own brand products and are located in countries

classified as high-risk by the amfori BSCI, are subjected to regular audits by Stockmann, which are conducted by our local personnel, and to amfori BSCI, Sedex and SA8000 audits conducted by a third party.

In 2020, Lindex began complying with the Sedex standard instead of amfori BSCI. As a member of Sedex, Lindex uses the Sedex Members Ethical Trade Audit (SMETA), which is an approach that was selected because it focuses closely on gender equality, which is in line with Lindex's goals and values. Stockmann will assess the situation with regard to

The WE Women project has succeeded in achieving its primary goal. At least 70% of the female workers felt that their working conditions and career opportunities had improved at the factories that participated in the project.

cooperation in audits following Lindex's decision and based on experiences. Factories used by Lindex are regularly audited, with both internal and third-party audits. Parallel with audits, Lindex is developing self-assessment and training its suppliers to assess themselves and report to the company. With self-assessment, Lindex aims to shift responsibility and ownership to the suppliers and develop their skills to improve conditions without constant external pressure.

In July 2020, Population Research and Development Associates (PRDA) was tasked with evaluating the Lindex WE Women project. PRDA was requested to review whether the working conditions and career opportunities of female workers had improved at the factories that participated in the project. Based on the results of the review, it is clear that the WE Women project has succeeded in achieving its primary goal. At least 70% of the female workers felt that their working conditions and career opportunities had improved at the factories that participated in the project. Around 94% of the female employees



interviewed stated that working conditions at the factories had improved since January 2019, and 90% of the women said that their career opportunities had been enhanced over the same period. Thanks to the programme's success, Lindex will introduce this management system with all garment suppliers; The management system was introduced in India in late 2021. The programme will next be expanded into Turkey and China. The aim is to have this programme in place throughout Lindex's value chain by 2025. Introduction of the programme is managed by the Global Women Empowerment Manager, who joined Lindex in 2021 and works in Bangladesh.

The Lindex Code of Conduct is based on the ETI Base Code by Ethical Trading Initiative, but has an enhanced focus on gender equality and especially the situation for women in factories. All of Lindex's business partners are required to follow the Code of Conduct, which will be implemented throughout Lindex's value chain by the end of 2021.

## NUMBER OF AUDITS

	2021	2020	2019	2018	2017
amfori BSCI	<b>59</b>	57	115	257	88
internal	<b>18</b>	0	62	66	119
SA8000 certificate	<b>9</b>	2	8	3	13
Accord inspections	<b>34</b>	88	88	145	221

## AMFORI BSCI AUDITS

Score	2021	2020	2019	2018	2017
A = outstanding	<b>10%</b>	9%	8%	8%	5%
B = good	<b>17%</b>	9%	15%	9%	11%
C = acceptable	<b>70%</b>	80%	67%	70%	60%
D = insufficient	<b>3%</b>	2%	10%	13%	24%
E = unacceptable	<b>0%</b>	0%	0%	0%	0%
Number of audits	<b>59</b>	57	115	252	88

\* The COVID-19 pandemic continued to have an impact on the number of audits in 2020-2021.

## ACCORD REMEDIATION PROGRESS RATE

	2021	2020	2019	2018	2017
Stockmann Group	<b>93%</b>	96%	96%	93%	89%
Average	<b>93%</b>	92%	91%	89%	82%

## AUDITS AND FINDINGS

An audit report with a corrective action plan to address detected deficiencies is put together after each audit, be it an amfori BSCI audit, an own audit or an inspection in compliance with the Accord on Fire and Building Safety in Bangladesh. Each task on the corrective action plan is given a deadline and progress is

monitored. The amfori BSCI audits are conducted by internationally accredited independent auditors. The main findings in the audits were non-compliance with the requirements on working hours or providing one day off every seven days, as well as issues with health and safety, the management system and fair remuneration.

## IMPROVING FIRE AND BUILDING SAFETY IN BANGLADESH

The Stockmann Group signed the new expanded International Accord for Health and Safety in the Textile and Garment Industry. In May 2013, Stockmann was the first Finnish company to join the Accord on Fire and Building Safety in Bangladesh. Stockmann was among the first companies to sign the new Accord this time, too. The signatories are committed to working exclusively with suppliers and factories that have signed the Accord. According to the agreement, Stockmann is committed to having all of the factories producing garments for the Group audited on the basis of three different inspections, concerning fire safety, electricity and structural issues.

The first agreement period ended in 2018, and Stockmann also committed to continue the remediation work through the transition Accord. The aim of the transition Accord is to transfer the responsibility to the local government as soon as possible, after having finished the remediation of the necessary improvements that were detected during the original Accord.

A total of 34 Accord inspections were carried out in 2021. A total of 93% of the remediation required under the Accord has been completed.



## PRODUCTION COUNTRIES AND FACTORY LISTS

Our aim is to provide transparent communications on issues that interest our stakeholders, and therefore we disclose lists of the suppliers and the factories producing own brand fashion and home products on our websites.

### STOCKMANN

Stockmann's own brand garments were bought from around 76 (87) suppliers and made in around 110 (133) factories. Around 51% (64) of the factories were direct suppliers and 49% (36) supplied their products through our purchasing offices.

Stockmann's own brand home products were bought from 51 (56) suppliers and made in 58 (64) factories. The majority, or 96%, of the producers were direct suppliers.

### LINDEX

Lindex had about 99 (119) suppliers who operated 154 (174) production units.

Lindex has 30 (30) suppliers that account for 75% (80) of production, and they are considered Lindex's key suppliers. Lindex has systematically consolidated its supply chain to be able to focus on fewer suppliers and improving cooperation, working conditions and environmental work in the most important factories.

Lindex discloses on its website supplier lists that include manufacturing plants, processing facilities and tier 2 factories.

#### STOCKMANN'S SUPPLIER LIST

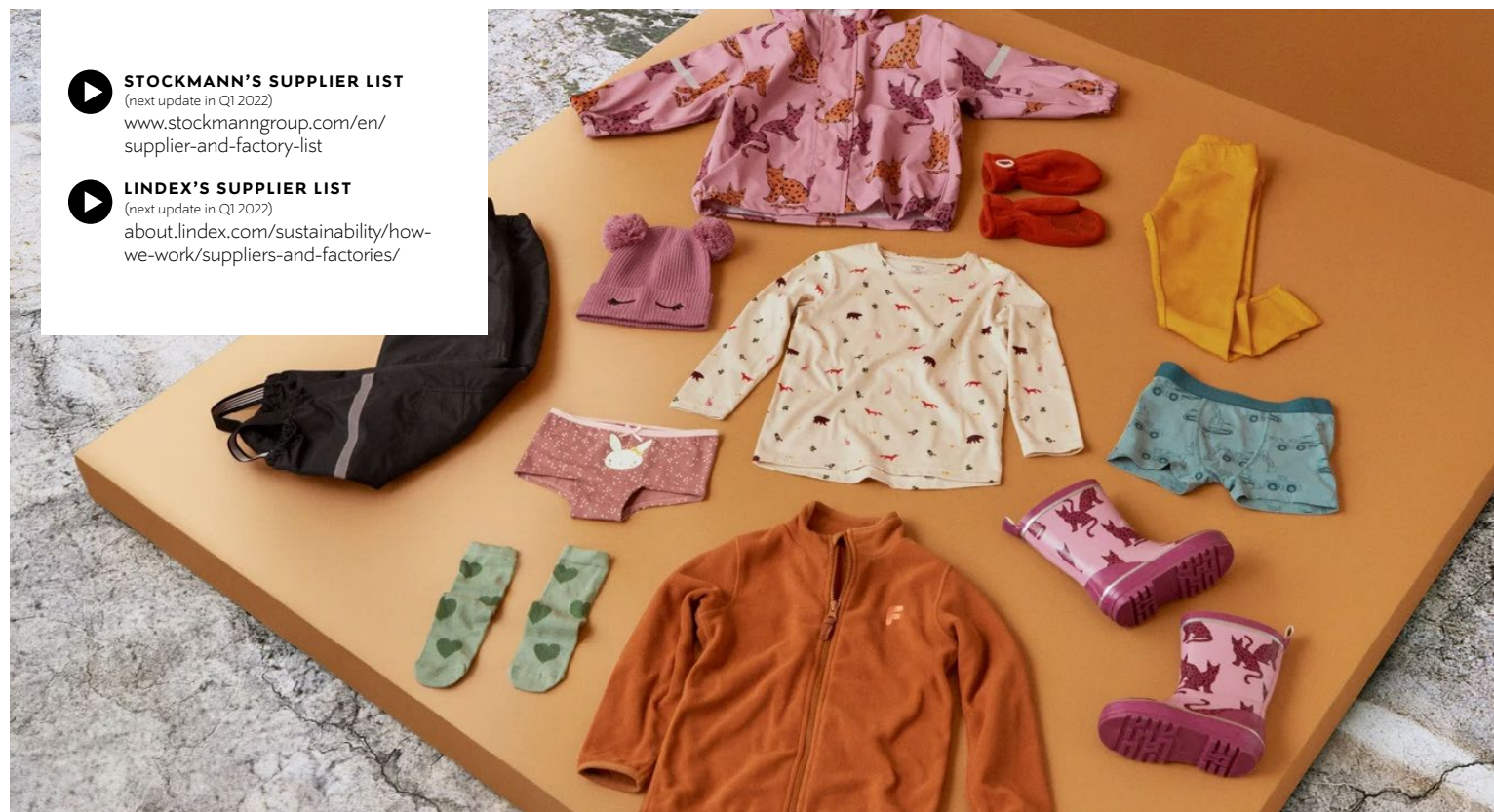
(next update in Q1 2022)

[www.stockmanngroup.com/en/supplier-and-factory-list](http://www.stockmanngroup.com/en/supplier-and-factory-list)

#### LINDEX'S SUPPLIER LIST

(next update in Q1 2022)

[about.lindex.com/sustainability/how-we-work/suppliers-and-factories/](http://about.lindex.com/sustainability/how-we-work/suppliers-and-factories/)



## KEY PRODUCTION COUNTRIES

### STOCKMANN'S OWN FASHION BRANDS

China	60%
Bangladesh	13%
India	7%
EU countries (low-risk)	6%
Turkey	5%

Five main areas account for: 91%

### STOCKMANN'S OWN HOME BRANDS

EU countries (low-risk)	57%
China	14%
Pakistan	10%
India	8%
Thailand	5%

Five main areas account for: 94%

\* Calculated based on purchases in euros.

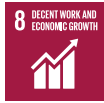
### LINDEX

Bangladesh	47%
China	27%
Turkey	9%
India	5%
Sri Lanka	4%

Five main areas account for: 92%

\* Calculated based on order qty % per production country (excl cosmetics)

## SUPPLIER ASSESSMENT FOR LABOUR PRACTICES AND HUMAN RIGHTS



A significant percentage of Stockmann's own brand fashion products (94% and at Lindex 95%), is manufactured in areas classified as risk countries by amfori BSCI. We are aware that in these countries there is a risk of violation of the codes of conduct and we are actively working to ensure compliance.

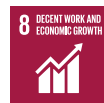
We are looking into the possibility of better incorporating human rights and children's rights into our assessments. The Stockmann Group has a Human Rights Policy which has been approved by the Board of Directors. In cases of human rights violation, we work together with the supplier to correct the victim's situation.

### TEXTILE INDUSTRY CHALLENGES AND RISKS

Challenges that concern the whole textile industry include, for example, the traceability and transparency of the supply chain, the realisation of human and labour rights throughout the chain, and the environmental impacts of production and raw materials.

Our risk analysis shows five particular areas of risk for our Code of Conduct, which are: management systems, documentation, trade union affiliation, wages and compensation, and working hours. More information on the identified risks and management methods can be found on the Stockmann Group's website.

## SUPPLIER ASSESSMENT FOR ENVIRONMENTAL PRACTICES



The textile industry is water-intensive. Water impacts our supply chain mostly through the irrigation of cotton fields and through the wet processes of textile production, such as dyeing and washing. Water consumption and water treatment should, therefore, be as efficient as possible.

We require our suppliers to comply with the applicable environmental legislation. In addition, our purchasing offices have adopted an environmental code, which sets requirements for water treatment, chemicals handling, waste treatment, emissions and continuous improvement.

On a product level, water impact is reduced by choosing more sustainable materials, such as Better Cotton and organic

cotton that are produced with more sustainable cultivation methods in which using less water is one factor. But above all, by replacing some of the cotton with recycled cotton, thousands of litres of water can be saved. The water impact is also reduced by using more sustainable processes for washing, printing, dyeing and finishing in production.

Besides working on a product level, Lindex also focuses on water management at the factory level. We score our suppliers on their water consumption and wastewater generation. Being a water responsible company is one of the core aims in Lindex's sustainability promise. Lindex wants to be water efficient throughout its value chain, to reduce the risk of water scarcity in areas connected to its operations and, together with business partners, provide access to water and sanitation in factories and nearby communities. By 2025, all of Lindex's business partners with water-intensive operations must measure their water use, will have set reduction goals and

incorporated reduction, reuse and recycling of wastewater in their environmental management systems.

Lindex has committed to removing the release of all hazardous and toxic substances from its supply chain by 2025, and to promoting transparency and sustainable water consumption. Water is needed at every stage of a garment's life cycle, from the cotton field to the washing machine at home. Lindex aims to use water responsibly in its production processes.

Lindex's aim is to ensure that there is sufficient water in cultivation and production communities for other purposes, such as drinking, fishing and farming. In addition, Lindex makes sure that the water used in the making of its products is clean and safe when it is released into the environment. This means that all chemicals, equipment and processes used in manufacturing must be carefully considered. Lindex has taken specific actions throughout its supply chain to ensure that clean water is used wisely and the environment and people's health are protected. Together with its business partners, Lindex ensures that workers have access to clean water and sanitation at the factories and in the nearby communities.

Lindex conducted a global water risk assessment in 2020, based on the location of Tier 1 and 2 factories. The new water strategy launched in 2021 was based on this assessment. The updated version of the Environmental Assessment tool, including this water strategy, is now used with all Tier 1 vertical suppliers and the key Tier 2 suppliers. In addition, basic training on this topic was provided to all Lindex employees.



Lindex conducted a global water risk assessment in 2020, based on the location of Tier 1 and 2 factories.

**The new water strategy launched in 2021** was based on this assessment.



The background of the page features a photograph of several modern, wooden pendant lamps. The lamps have a ribbed, spherical or conical shape and are made of light-colored wood. They are hanging from thin white cords against a neutral, light-colored wall. The lighting is soft and even, highlighting the texture of the wood.

## SUSTAINABLE SHOPPING ENVIRONMENT AND ENVIRONMENTAL MANAGEMENT

We regularly assess the environmental impact of our business operations and, among other things, aim to reduce our negative environmental impact and to act according to the principles of the circular economy. We have sought new ways of cutting the environmental footprint of our packaging materials and reviewed new alternatives that use materials more efficiently.



Stockmann complies with valid environmental legislation and requires the same from its partners. Our responsibility is

based on our CSR strategy. Environmental management is part of the divisions' daily operations and is coordinated by the Communications, CSR and IR function. We set specific environmental targets, define indicators for monitoring the achievement of these targets and establish appropriate management practices.

Since 2003, an ISO 14001 certified environmental management system has been in use in Stockmann's department stores and support functions in Finland. The department stores in the Baltics have adopted the operating methods and guidelines of Stockmann's environmental management system. Stockmann takes environmental aspects into account when planning and managing operations and when procuring products and services for its own use. Stockmann requires its service providers to commit to Stockmann's Code of Conduct and operating principles, and environmental issues and targets are regularly discussed during cooperation. We work in close cooperation with our service providers, who play an important role in achieving our environmental targets. The Stockmann Group's purchasing offices operate near the production locations, focusing on assessing and minimising the harmful environmental impacts that can be caused by the suppliers' factories. Lindex does not have a certified environmental management system in place, but it has introduced internal environmental guidelines, including an energy efficiency concept.

## SUSTAINABLE SHOPPING ENVIRONMENT

GOALS	KEY PERFORMANCE INDICATORS (KPIs)	PROGRESS AND ACTIVITIES	STATUS
<b>We are committed to reducing our packaging materials and their environmental footprint</b>	Reducing plastic in our packaging materials	Since Q1/2021, we have not included plastic in online store deliveries to customers at the packing stage. We have replaced plastic security bags with a security seal, and shipping bags made of recycled plastic were replaced with ones made from fibre materials back in 2020. In addition, we have used paper tape instead of plastic tape since 2020. We set an additional target of reducing the packaging material used in Stockmann's own home brand Casa Stockmann by 50% by 2024.	● Target met
<b>We take actions to mitigate our climate impact</b>	Improve energy efficiency in Finland by 4% (2016–2020) and in Finland and the Baltics by 7.5% (2018–2025)	<p>We continued to implement energy efficiency measures in our operations. We reached our energy efficiency target and improved energy efficiency in our operations in Finland by 25% from 2016 to 2020. In Finland and in the Baltics, energy efficiency improved by 25% from 2018 to 2021.</p> <p>In 2021, the Group's comparable GHG emissions decreased by 27% (14), amounting to 24,700 tCO<sub>2</sub>e (33,700). The largest share of emissions about 68%, came from the production of purchased energy, especially electricity (Scope 2). From the beginning of 2020, the Stockmann division committed to use renewable electricity in its distribution center. Lindex switched to 100% renewable energy in 2021. The share of certified renewable energy purchased in the Stockmann Group in 2021 was 55% (34,580 MWh, of which Stockmann's share is 11% and Lindex's 89%).</p>	● Target met
<b>We apply a circular economy approach in our operations</b>	Recycling rate target: 75% in Finland and 50% in the Baltics	We met our recycling rate target in Finland with a recycling rate of 76% (77). In the Baltics, the recycling rate was below target at 46% (40). The total amount of waste decreased by approximately 15% in Finland and by 3% in the Baltics compared to the previous year.	● Target partially met

Stockmann's business operations in Finland are ISO 14001 certified.

## RAISING INTERNAL AWARENESS OF ENVIRONMENTAL ISSUES

Every employee's input is required for us to achieve our environmental targets. The personnel's environmental awareness is maintained and enhanced through training and regular internal communications.

Environmental topics are part of the induction training that all new employees participate in, and we provide e-learning courses on sustainability to all employees. During the reporting year, we introduced the Pelsu online service for sharing information on safety and sustainability to all those who work and operate in our department stores. The service gives our partners easy access to our key safety and sustainability documents.





## ENERGY



The Group's energy consumption mainly consists of electricity and district heating and cooling.

Energy is consumed by the lighting, ventilation, heating and cooling systems in the stores, distribution centres and offices, as well as by other equipment and machinery in these facilities, such as lifts and escalators.

Energy efficiency is an important part of Stockmann's environmental work, as the energy consumption in Stockmann's own operations has been identified to be the most significant source of CO2 emissions. As part of

our environmental work, we strive to implement energy-efficient measures to mitigate our climate impact and improve efficiency.

Stockmann's Facility Management Team is responsible for energy management in the department stores, distribution centre and support functions. Energy consumption is monitored daily and measures are taken to address deviations. During 2021, Stockmann continued implementing the energy efficiency programme by optimising the operating hours of building systems as well as ventilation and lighting control in all its premises.

Stockmann's distribution centre, located in Finland, serves the stockmann.com online store and the department stores in all countries of operation. By centralising distribution at one location, Stockmann has been able to optimise its warehouse operations, reduce internal transportation of goods and improve energy efficiency in the logistic operations. The Stockmann distribution centre has been awarded the LEED Gold environmental certificate. The centre uses LED lighting and its geothermal system produces a significant proportion of the heating and cooling energy needed in the property.

Stockmann began using renewable electric power at its distribution centre at the beginning of 2020. Electricity procurements for the department stores favour renewable energy. During the reporting year, Stockmann upgraded the entire first floor of the department store in the Jumbo shopping

centre with LED-based lighting and continued to replace the lighting at the Helsinki city centre department store with LED-based lights.

Lindex's stores have also focused on minimising energy consumption, and all stores follow an efficient energy consumption checklist as a routine practice. A survey of electricity consumption has been conducted in a representative sample of Lindex stores. The survey indicated that lighting, cooling, ventilation and escalators account for approximately 90% of energy consumption. For this reason, energy reduction measures will focus on these areas.

In accordance with its sustainability promise, Lindex respects the planet and therefore prioritises energy from renewable sources. Lindex's goal is to achieve climate neutral in own operations by the end of 2023 and to eliminate 50% of CO2 emissions in its entire value chain by the end of 2030, compared to the level of 2017.

## ENERGY AND WATER CONSUMPTION 2021–2019

	2021	2020	2019	Change % 2020–2021
<b>DIRECT CONSUMPTION</b>				
Heating fuel (MWh)	47	44	41	7,43 %
<b>INDIRECT CONSUMPTION</b>				
Electricity (MWh)	62 810	69 221	81 409	–9,26%
District heating and cooling (MWh)	49 765	48 737	52 052	2,11%
Water (m³)	66 362	77 450	95 875	–14,32%

*Purchased electricity consumption covers all Group's functions. Purchased heating and cooling energy consumption covers all the Group's functions, excluding purchasing offices. Heating and cooling data for Stockmann is based on invoicing and data from service providers. Lindex heating is estimated, the estimate has been updated and figures for 2020 and 2019 restated accordingly. Reporting on water covers all the Stockmann functions (excluding the department store in Itis in Helsinki) and Lindex's distribution centre.*



## EMISSIONS



Reporting on GHG emissions serves as a management tool in the Stockmann Group, providing a basis for defining the areas where emissions should be reduced and for setting reduction targets. Stockmann's carbon footprint in 2021 still covers the Stockmann and Lindex divisions in all countries of operation, excluding Lindex's franchising operations. In Stockmann's case, the figures also cover the emissions generated by tenants in the department stores. At the end of 2021, Stockmann was using 71.5 % (74) of the gross leasable area and the rest was used by tenants.

Stockmann has reported its GHG emissions at the Group level for ten years. The Group's emissions are presented in the 'GHG emissions' table. The GHG figures for 2019–2021 are also presented in the table to enable short-term comparison. Comments and possible changes in the scope of the calculations are explained in the table. The calculation of emissions was carried out in accordance with the international Greenhouse Gas (GHG) Protocol reporting principles.

### REDUCING TRANSPORT EMISSIONS

The Stockmann Group has operations in 19 countries, which means the distribution of goods to the stores and imported freight result in emissions that we are actively working to cut together with our partners. We pay considerable attention to the efficient and environmentally friendly transportation of product flows and we cooperate closely with our logistics partners. In our logistics

management, we value long-term relationships and we strive for close cooperation with our partners to further improve efficiency. Distribution transports are continuously optimised through route planning and the use of return transports. We monitor transports systematically and engage in an active dialogue with our partners.

Lindex uses air freight only in exceptional cases. In cases where speed is the key criterion for a delivery, Lindex transports goods by rail. Since maritime shipping has a much smaller carbon footprint than air freight, shipping is the primary mode of transportation. Lindex switched to using biofuels for all ocean freight at the beginning of 2021.

Lindex has reduced its environmental impacts at every stage of its logistics:

1. Smart product distribution is used to avoid unnecessary transportation between stores.
2. Transports are combined with those of other companies located in the same area.
3. Transport equipment and containers are fully loaded.
4. The requirements of the Swedish Transport Administration are followed in such aspects as traffic safety, emissions and speed limits, and legislation is complied with.
5. Around 70% of online store product returns are delivered directly to a Lindex store instead of a warehouse.

### REDUCING BUSINESS TRAVEL EMISSIONS

To minimise travel, videoconferencing and teleconferencing solutions are used in meetings. Attention is paid to emissions from

## GREENHOUSE GAS EMISSIONS 2021–2019

	tCO <sub>2</sub> e 2021	tCO <sub>2</sub> e 2020	tCO <sub>2</sub> e 2019	Change % 2020– 2021	Change % 2020– 2019	Comments
<b>DIRECT EMISSIONS (SCOPE 1)</b>	<b>372</b>	<b>559</b>	<b>748</b>	<b>–33%</b>	<b>–25%</b>	
Stationary and mobile combustion	114	108	126	5%	–14%	
Refrigerants	258	450	622	–43%	–28%	Latvia refrigerant change to CO <sub>2</sub>
<b>INDIRECT EMISSIONS FROM PURCHASED ENERGY (SCOPE 2)</b>	<b>16 874</b>	<b>23 852</b>	<b>28 430</b>	<b>–29%</b>	<b>–16%</b>	
Purchased electricity (market-based)	8 814	15 601	19 674	–44%	–21%	Lindex 100% Renewable electricity Electricity consumption decreased –10%
Purchased electricity (location-based)	9 495	12 167	15 474	–22%	–21%	
Heating and cooling	8 059	8 251	8 756	–2%	–6%	
<b>OTHER INDIRECT EMISSIONS (SCOPE 3)</b>	<b>7 460</b>	<b>9 294</b>	<b>10 160</b>	<b>–20%</b>	<b>–9%</b>	
Internal logistics	1 710	2 062	2 069	–17%	0%	
External logistics	4 880	6 235	6 641	–22%	–6%	Lindex logistics decrease in sea freight
E-commerce customer deliveries and storage	373	290	195	28%	49%	Figures for Stockmann's online store operations only. Increase in number of deliveries.
Business travel	119	336	792	–65%	–58%	Business travel decrease due to COVID
Waste	378	371	463	2%	–20%	
<b>TOTAL</b>	<b>24 705</b>	<b>33 704</b>	<b>39 338</b>	<b>–27%</b>	<b>–14%</b>	
<b>AVOIDED EMISSIONS (NET EMISSIONS)</b>	<b>333</b>	<b>262</b>	<b>265</b>			
Emissions intensity tCO <sub>2</sub> e (Scope 1+2)	19,2	30,9	30,4			

Carbon intensity refers to the greenhouse gas emissions generated by Stockmann's own operation in relation to turnover (tCO<sub>2</sub> / €).

Lindex calculation methodology has been updated including the heat consumption estimation (Scope 2), figures for 2020 and 2019 have been restated accordingly.





business travel, and low emission options are preferred for such trips. The company travel guidelines recommend travel by train or bus over the use of a private car, and leasing cars have a limit set on maximum emissions. In addition, Stockmann has a remote work policy that allows the personnel to reduce their emissions from commuting, and supports work-life balance.

### CDP DISCLOSURE

The Stockmann Group reports on its GHG emissions in the international Carbon Disclosure Project (CDP). In 2021, Stockmann's score continued to be on a good level, with the Management level score of B-, as in the previous three years (B). The score is higher than the general and European regional average. The score reveals that Stockmann has taken coordinated action on climate issues.

## CIRCULAR ECONOMY



Stockmann has identified the circular economy as one of the key themes in the promotion of sustainable business and therefore

it also aims to act in accordance with the principles of the circular economy. We are monitoring and investigating new solutions to extend the life of products and materials. In 2020, we began a project with the aim of providing more care instructions for materials for customers in the online store to improve the useful life of products.

### PACKAGING MATERIALS AND CARRIER BAGS

Stockmann pays attention to the quality, recyclability and amount of packaging materials in order to keep the environmental load caused by packaging as low as possible. Stockmann has made a commitment to reduce the consumption of plastic bags under Society's Commitment to Sustainable Development. Accordingly, plastic bags are no longer available for our customers at cash desks free of charge and we continue to provide information at stores about sustainable choices in carrier bags. The Stockmann Group reports on the packaging materials it uses, in accordance with the EU Packaging Directive.

#### STOCKMANN

- In 2021, about 22% (21) of our customers chose to buy a bag with their purchase, and

out of those, 30% (61) were plastic bags, 70% (38) were paper bags and 0% (1) were reusable bags.

- Stockmann's plastic bags are 80 % recycled plastic (the bags sold at the Delicatessens in the Baltics are 60% recycled plastic). The paper bags and corrugated cardboard packaging are made from FSC-certified material. In 2020, Stockmann introduced recyclable Paptic® Tringa fibre packaging made of FSC-certified spruce pulp at the department stores and in the online store.
- The packaging materials, such as the cardboard boxes, bubble wrap and packing paper, used for packaging the items purchased in the stockmann.com online store are partially made of recycled materials.
- In 2021, the use of plastic wrappers in Stockmann division's logistic center

decreased by a total of 76.47%, the total amount used was 4,000 kg (17,000).

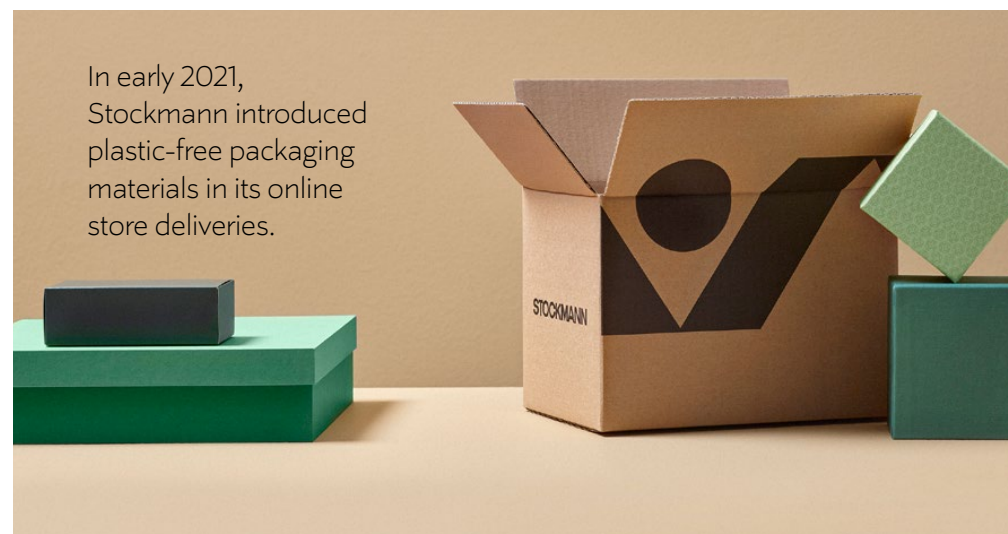
- During the reporting year, we continued to replace the sealed plastic bags used by the online store with seal stickers.

#### LINDEX

- Lindex carrier bags are made with 80% post-consumer recycled plastic and 20% post-industry recycled plastic.
- Lindex online store packages are made of 100% recycled materials. In addition, Lindex has reduced the use of plastic in its supply chain, for example by reducing the plastic used for packing garments shipped from production countries.

### CHARITY COOPERATION AND PROMOTION OF RECYCLING THROUGH DONATIONS

The Stockmann department stores and service functions conduct charity cooperation together to promote reuse and recycling by donating unsold products and product samples, as well as leftover materials and products from the Design Studio to local partners, charitable organisations and various recycling organisations. An important criterion when selecting partners is that they help underprivileged people and deliver donations to those who need them the most. In 2021, Stockmann donated clothes and home products to the following organisations, among others: Sophie Mannerheimin Turvakoti, Hope ry, the Finnish Red Cross, Apuna ry, Vailla vakituista asuntoa ry (VVA ry) and Joulupuu.





## EFFLUENTS AND WASTE



The waste generated by the divisions' operations is mainly packaging waste, such as cardboard and plastic.

Biodegradable waste is also generated in the Stockmann Delicatessen's operations in the Baltics and in the tenants' operations, which include grocery stores, restaurants and cafés. We pay close attention to waste sorting and recycling by providing training for the personnel and tenants, developing our guidance and

making sorting more convenient. Waste sorting is managed in accordance with an ISO 14001 environmental management system, and the results of waste sorting and the amount of waste at the various business locations are monitored regularly. Our target is to reduce the amount of waste and to recycle as much waste as possible into new materials. In Finland the total amount of waste decreased in 2021 by approximately 15% (29). The recycling rate in the department stores in Finland was 76% (77). Stockmann closely cooperates with its waste

management service provider to improve recycling and efficiency.

In recent years, our stakeholders have shown interest in our approach to unsold clothing. At Stockmann, all products are ultimately sold at discounted prices, or to the personnel through personnel sales, to ensure that no products are left. Spoilage of products due to mould or other reasons during transportation is rare. However, in such cases the products end up as waste according to a set process monitored by Customs. Water

consumption in Stockmann's own operations is minimal. Measuring and minimising water consumption is nevertheless an important part of Stockmann's environmental responsibility. Most of the Group's water consumption takes place in the department stores' restaurant, kitchen and sanitary facilities. Water consumption is minimised by instructing the personnel and tenants, preventing and repairing even the smallest leaks and procuring more efficient water fixtures to replace older ones.

### WASTE IN 2021–2019, TONNES

	Stockmann, Finland			Stockmann, Baltics			Lindex, Sweden			Total		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
<b>NON-HAZARDOUS WASTE</b>	<b>1 687</b>	1 981	2 787	<b>559</b>	607	873	<b>1 240</b>	1 164	1 217	<b>3 486</b>	3 752	4 877
Reuse / Recycling	<b>1 278</b>	1 522	2 128	<b>273</b>	245	274	<b>1 121</b>	1 103	1 180	<b>2 672</b>	2 870	3 582
Recovery / Incineration	<b>410</b>	460	659	<b>286</b>	362	600	<b>119</b>	61	37	<b>815</b>	883	1 296
End of life treatment	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>	0	0
<b>HAZARDOUS WASTE</b>	<b>3</b>	3	2	<b>0.2</b>	2	8	<b>0</b>	0	0	<b>3</b>	5	10
Reuse / Recycling	<b>2</b>	1	1	<b>0</b>	0	0	<b>0</b>	0	0	<b>2</b>	1	1
Recovery / Incineration	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>	0	0	<b>0</b>	0	0
End of life treatment	<b>1</b>	2	1	<b>0</b>	2	8	<b>0</b>	0	0	<b>1</b>	4	9
TOTAL, tn	<b>1 690</b>	1 984	2 789	<b>559</b>	609	881	<b>1 240</b>	1 164	1 217	<b>3 489</b>	3 757	4 887
RECYCLING RATE, %	<b>76</b>	77	76	<b>49</b>	40	31	<b>90</b>	95	97	<b>77</b>	76	73

Figures for Stockmann cover all functions in Finland (discluding the department store in Tapiola) and Baltics.

Figures for Lindex cover the distribution centre in Sweden, the 2021 incinerated waste not fully comparable with earlier years.

Figures are not entirely comparable between the countries.





# RESPONSIBLE WORK COMMUNITY

Motivated and committed retail experts are the foundation of our business. We value equality and diversity and treat our employees fairly and impartially according to the principle of equal opportunities. We pay our employees fair wages for their work and support their personal and professional growth. We take care of our employees, provide them with healthy and safe working conditions and promote their wellbeing.





The Stockmann Group's Human Resources (HR) policies are based on the company's values, strategy and Code of Conduct, in addition to which the divisions have their own more detailed HR policies that support the growth and wellbeing of the personnel. The implementation of good HR policies is monitored through personnel surveys, performance and development discussions and other feedback channels. Cooperation also takes place in local personnel committees and the Group Council. The HR Director, who reports to the CEO of the Stockmann Group, is responsible for the human resources management at the company.

## EMPLOYMENT



The past few years have been challenging for Stockmann and its personnel, and the COVID-19 pandemic, which broke out in the spring of 2020, posed further challenges for the business. In 2021, we responded to the restrictions imposed due to the pandemic with temporary adaptation measures. We proceeded with our organisational changes in order to improve efficiency. Meanwhile, we focused strongly on developing competence and the company's culture.

In accordance with the Stockmann strategy updated in 2020, we continued to develop a customer-centric culture. We are strengthening leadership based on the joint leadership principles and the value-based employee experience. We began renewing our joint operating model in

## RESPONSIBLE WORK COMMUNITY

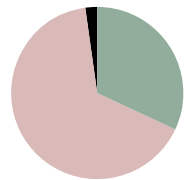
TARGETS	KEY PERFORMANCE INDICATORS (KPIs)	PROGRESS AND ACTIVITIES	STATUS
<b>We ensure a healthy and safe working environment and promote the wellbeing of our personnel</b>	<p>Accident rate target: maximum of 20 per million working hours.</p> <p>The #Stockmannstaff SCORE target by 2021 is 53 and the Leadership SCORE target by 2021 is 74.</p>	<p>In Finland, Stockmann's accident rate was 15 (31) accidents per million working hours. We measured our employees' experiences four times in 2021 with the #Stockmannstaff barometer. The #Stockmannstaff SCORE in the final quarter of 2021 was 50 (51) and the Leadership SCORE was 78 (72).</p>	● Target partially met
<b>We value equality and diversity</b>	<p>Proportion of women and men at different organisational levels.</p> <p>The pay gap between women and men</p>	<p>Equality is a key focus area in Stockmann's values, and it is promoted in all employee categories according to the equality plan that has been prepared together with employee representatives.</p> <p>Stockmann is a female-dominated company. In the Stockmann Division 91 % (90) of employees, 92 % (92) of supervisors and 33 % (40) of the Management Team are women.</p> <p>Average salaries have converged in all areas of work except for senior salaried employees. In 2022, we will classify senior salaried employee positions and look at salaries by complexity class.</p> <p>Stockmann employs people of all ages. For example, in our largest group of employees, salespersons, the age distribution is very even: Under 25 years 12%, 25–34 years 19%, 35–44 years 18%, 45–54 years 27%, Over 55 years 25%</p>	● Target partially met
<b>We support personnel's professional growth</b>	<p>#Stockmannstaff personnel feedback: target score 50 by the end of 2020</p> <p>PDD execution rate: target 100% in 2021</p>	<p>The #Stockmannstaff SCORE failed to meet the target at the end of 2021 with a score of (50) 51. On the other hand, feedback on management improved significantly again, reaching a score of 78 (72) at the end of the year.</p> <p>According to the #Stockmannstaff barometer, 81% of team employees had one or more success dialogues with their supervisor in 2021 (in 2020, 59% of team employees had discussed their job targets with their supervisor and 55% had discussed their personal development).</p> <p>The perception of development opportunities has improved clearly. A total of 43% (35) felt that Stockmann offers good opportunities for professional development and 55% (41) said they had been given sufficient learning and development opportunities.</p>	● Target partially met





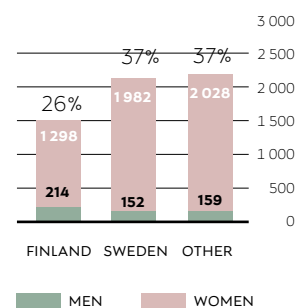
## STOCKMANN GROUP

### EMPLOYEES BY DIVISION

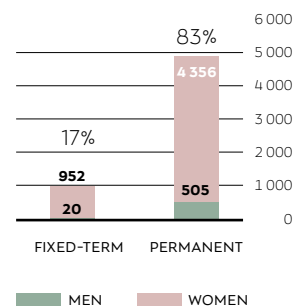


STOCKMANN	1,725	30%
INDEX	3,985	68%
PURCHASING OFFICES	123	2%

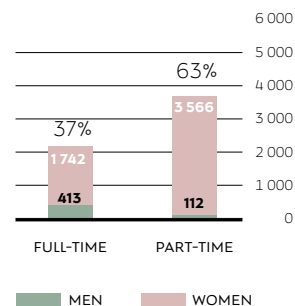
### EMPLOYEES BY COUNTRY



### FIXED-TERM / PERMANENT



### FULL-TIME / PART-TIME



order to facilitate the execution and efficiency of our customer-centric strategy. We are systematically enhancing our employee experience and strengthening our personnel's commitment. We are all increasingly aiming for the same goal as one Stockmann United team.

### EMPLOYMENT CONTRACTS

In retail, the need for fixed-term employees is traditionally high, as the summer and Christmas seasons and campaigns increase the need for seasonal employees. The use of self-employed workers and freelancers is minimal at the Stockmann Group and mostly limited to some cases in marketing.

### STOCKMANN

The number of fixed-term employees at Stockmann has decreased, while seasonal workers at the department stores for the Crazy Days and special seasons are now recruited entirely through a recruitment agency. A large number of people working at the Stockmann department stores are employed by Stockmann's tenants in, for example, restaurants and departments operated by partners.

The Stockmann department stores offer many young people an opportunity to become familiar with the retail sector, for example, in the form of practical training periods that are required by various educational institutions. In summer 2021, we offered 24 young people work experience through the Tutustu työelämään ja tienaa (Earn while experiencing working life) programme. The number of

trainees also decreased drastically. In 2021, we employed 214 (16) trainees.

### EMPLOYEE BENEFITS

The Stockmann Group offers its personnel the benefits stipulated by local legislation in each of its operating countries. These benefits may include occupational health services, insurance against occupational accidents and diseases, parental leave and retirement benefits. The same personnel benefits are offered to part-time and full-time employees. In most countries, employees receive benefits that clearly exceed the requirements set by legislation, including health care, health insurance and meal benefits. These benefits are evaluated and updated regularly. All employees can purchase products using an employee discount in the stores belonging to the Group. In addition, Stockmann offers its employees in Finland the opportunity to purchase work clothes with an additional discount four times a year. Furthermore, separate personnel sales are organised, enabling employees to purchase products at a budget price.

Stockmann has an incentive programme that covers every employee. The aim of the programme is to encourage and motivate employees to succeed in their work and to reward them for success. The main focus of the updated strategy is on profitable business and customer satisfaction. Long-serving employees are rewarded annually with a medal. In both divisions, employees are rewarded on their 50th birthday. Stockmann employees are rewarded for 30 years of service with an additional holiday.



## LABOUR AND MANAGEMENT RELATIONS



The Stockmann Group monitors the implementation of good HR practices through personnel surveys, performance and

development discussions and other feedback channels. The personnel participate in interaction and discussion in many ways. We promote a culture of openness and strive to communicate about issues concerning our personnel as quickly as possible. To this end, we review Stockmann's strategy and financial performance and outlook and set goals for our performance in these areas.

Two employee representatives participate in meetings of Stockmann's Board of Directors, and they have the right to be present and speak at these meetings. One of these representatives is elected by the staff representatives in Stockmann's Group Council and the other by the association representing Stockmann's senior salaried employees.

Stockmann's Chief Executive Officer regularly reviews the company's strategy and financial position in quarterly personnel information sessions as well as in separate information sessions about the strategy, the focus areas and news concerning the personnel together with other management and experts. The objective is that a performance and development discussion (PDD) is conducted at least once a year with every Stockmann employee. The discussions can also be held in groups.

In Finland, there is an Employees' Council at every business location and they convene



four times a year. A similar model is followed in the Baltics. HR matters in Finland are handled at the Group Council, which convenes twice every year.

In 2021, we continued to hold the Leadership Day events intended for supervisors in the Stockmann Division on a quarterly basis. The events aim at accelerating the execution of the strategy and strengthening a joint management and operating culture across the different countries. We used a panel of Stockmann employees interested in development when we enhanced the processes and practices that make up our employee journey. In addition, the expanded use of the Teams application in all functions of the Stockmann Division has promoted cooperation and increased transparency across departments.

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

The Stockmann Group respects the basic rights of its employees, such as freedom of association and collective bargaining. In Finland, approximately 84% (83) of the Stockmann Group's personnel are covered by collective agreements. All Lindex employees in Sweden, Norway and Finland, excluding senior salaried employees, are covered by collective agreements.

The company does not monitor the extent of union membership, but it does compile statistics on the number of employees in Finland whose trade union membership fee

is deducted from their salary. In 2021, such employees accounted for 36% (36) of the Group's personnel working in Finland. In the other countries of operation, statistics on union members have not been collected.

## OCCUPATIONAL HEALTH, SAFETY AND WELLBEING



Occupational health care is arranged in accordance with local laws and regulations in all countries of operation. Employee

wellbeing and occupational safety are discussed regularly in the Employees' Councils, which operate in accordance with the requirements of local legislation and represent all personnel groups. Employee wellbeing is measured through employee surveys.

### STOCKMANN

In 2021, four #Stockmannstaff barometers were carried out. According to the surveys, Stockmann's strengths are the inspiring nature of work, trust within the employees' own teams and the desire to create superior customer experiences. Areas with room for improvement include commitment, high workload and wellbeing. Due to the continuation of the uncertain situation in 2021, we focused in particular on communicating transparently about our future goals and priorities and our latest news.

In 2021, we provided learning opportunities based on the key competences in customer service that we identified together





with the personnel. Supervisors held workshops in all countries so as to implement the customer-centric strategy.

Stockmann offers the opportunity for remote work. The objective is to support work-life balance and equal opportunities. During the pandemic, Stockmann issued a remote work recommendation to all employees whose duties permit this so as to improve occupational safety.

Stockmann's occupational health care was outsourced in 2021 so that we can offer the personnel wider access to more appropriate and effective services as well as better data-driven management opportunities to supervisors. Support provided by the supervisor, a safe working environment and the opportunity to eat healthy food during the workday are also considered part of the support for employees' ability to work. Stockmann offers its personnel in Finland the opportunity to take a seasonal influenza vaccine every year, a service highly appreciated by the employees.

Stockmann updated the early intervention model used to follow up on, support and promote the work ability and health of the employees. Supervisors are recommended to conduct a confidential work ability discussion with an employee when the employee's ability to work has been affected in one way or another. A follow-up of sickness absences requires cooperation between the supervisor and occupational health services and sometimes involves a personnel representative and the HR department.

Different modes of support for the return to work, such as a trial period or part-time sick leave, are actively used at Stockmann. The company also has a substance abuse programme to intervene in cases involving substance abuse. The principles of this programme are updated regularly. In 2021, we also prepared a joint conflict resolution model.

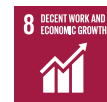
## LINDEX

Lindex is developing a new Diversity, Equity and Inclusion (DEI) strategy, which will be completed in 2022. Meanwhile, Lindex's DEI approach focuses on the five following topics: working conditions, wages and terms of employment, recruitment and promotions, training, and parenting and work. Lindex regularly conducts a global employee survey to obtain an overview of how the company's employees experience their workplace and their company culture. You can read more about the results of the Employee Engagement survey in Lindex's Annual Report at [lindex.com](https://lindex.com).

## WORKPLACE ACCIDENTS AND SICKNESS ABSENCES

Workplace accidents and sickness absences are reported in the table 'Personnel figures'. In Finland and Sweden, the majority of accidents were caused by slipping or falling or by dropping or lifting objects. All employees in Finland were covered by the occupational health services in 2021. The occupational health services of the Group's units in Finland are arranged through outsourced services.

## TRAINING



Systematic, continuous training is a core part of our HR practices and is carried out through e-learning programmes as well as various internal training events and sessions involving representatives from the different functions and personnel groups. Stockmann's goal is to enable and develop the employees' personal skills and offer professional learning opportunities.



## STOCKMANN

In 2021, the strategy-based key competences and the key talents at the organisational level continued to be strengthened in the Stockmann Division. All sales personnel in Finland participated in key competence training sessions, which included contact training and a mobile learning game featuring Stockmann's services. The training sessions in the Baltic countries had to be postponed until early 2022 due to the COVID-19 situation. Stockmann also offered its customer service and sales personnel several e-learning courses and contact training events in sales and customer service work and in knowledge about the product selection. In 2021, all Stockmann units held 'Tunne joka kestää' (Feeling that lasts) workshops that were facilitated by all of the nearly 100 supervisors.

In the spring, a Stockmann Feeling that lasts Ambassador was appointed in every unit in Finland, and the personnel enhanced their competence in developing the customer experience through a course provided by Feedbackly, in which participants received a certificate. In addition, 85 key personnel members participated in contact training for the new customer experience analysis tool.

The personnel increased their competence in data-driven management through Data Driven Decision Making study circles, of which two were held in 2021. The curated learning content was compiled from the broad selection offered in the Coursera learning platform. As a result of the changed work situation, the Teams platform was introduced to all functions in the Stockmann Division and the entire personnel



received training in its use early in the year. The expert teams procured training courses in their areas of specialisation from external partners, as necessary. Safety and first aid training courses are always part of the regular training programme.

The personnel enhanced their digital skills by participating in the SkillPlus training sessions arranged by the Workers' Educational Association WEA Finland. During the year, 53 workers from the central warehouse, sales and support functions participated in training sessions. In addition, the personnel were encouraged to participate in Ketterä oppija (Agile Learner) training events held by SnellmanEDU, the learning contents of which support the development of digital and working life skills.

Stockmann continued to develop its e-learning platform, which now includes 11 different learning tracks. New functionalities include a personal learning report and the downloading of course diplomas for one's own use. The selection of e-learning courses was expanded by adding new content to support independent study, the development of digital skills and language studies. Stockmann's e-learning courses were also made available to the key partners. A total of 1 573 people completed e-learning studies during the year.

## LINDEX

At Lindex, continuous professional development is promoted through various in-house training courses and events. In addition, the company offers external management training.



At Lindex's purchasing offices, continuous training is offered to keep the personnel's knowledge up to date in a rapidly developing industry.

## SKILLS MANAGEMENT AND JOB ROTATION

Continuous professional development and an active internal labour market are Stockmann's strengths. Providing employees with the opportunity to switch positions between divisions, functions and countries promotes professional growth and helps the company commit competent personnel to long-term employment relationships. Many members of the Group's management have experience of working in different parts of the company, including customer service duties.

At Stockmann, we firmly believe that each and every one of us has the ability to learn and develop. The pace of development in our current operating environment and rapid technological progress also partly force us to continuously enhance our competence in close interaction with our daily duties. Our personnel's competence consists of knowledge, skills, attitudes, experiences and contacts. The policies regarding Stockmann's development of competence have been compiled in the 'Strategic People Development and Resourcing Framework 2021–2023' document.

## STOCKMANN

Stockmann introduced a new model for performance and development discussions called success dialogues. We encourage each employee to draw up a competence develop-

ment plan that will be implemented during the year. In addition, in the success dialogues everyone is encouraged to actively think about their future: potential career paths at Stockmann or ways of enriching the current job.

Stockmann supports the combining of work and studies and actively provides, among other things, opportunities for apprenticeship training. During 2021, 19 students graduated from courses leading to a qualification and 30 employees started courses leading to a qualification. The practical nature of apprenticeship training is highly valued at Stockmann both among students and workplace instructors.

The competence development of Stockmann's supervisors and key employees was promoted with Leadership Day meetings, monthly meetings on topical leadership, and meetings for the 'Tunne joka kestää' (Feeling that lasts) and 'Light up Stockmann Star' projects. Additionally, new methods of learning were piloted among key employees (study circles, coaching).

## DIVERSITY, EQUAL OPPORTUNITY AND NON-DISCRIMINATION



Stockmann aims to promote a people-oriented culture that, at its core, includes fair, equal and appreciative treatment of all

employees, with a respect for diversity. Stockmann has a zero-tolerance policy against discrimination and other inappropriate behaviour.





## EMPLOYEES BY AGE GROUP IN 2021

MEN/WOMEN	under 30 years old	30–50 years old	over 50 years old
Entire personnel, %	38 (6/94)	40 (11/89)	22 (9/91)
Group Management Team, persons		0/2	3/1

## EMPLOYEES BY GENDER

MEN/WOMEN	2021	2020	2019	2018
Entire personnel, %	9/91	10/90	9/91	9/91
With Director title, %	38/62	40/60	36/64	44/56
Group Management Team, persons (%)	3/3 (50/50)	3/3 (50/50)	3/2	4/6 (40/60)
Board of Directors, persons (%)	3/4 (43/57)	4/2 (67/33)	5/3	5/3 (63/37)

## THE RATIO OF BASIC REMUNERATION OF WOMEN TO MEN BY EMPLOYEE CATEGORY, STOCKMANN FINLAND

INDEX	2021	2020	2019	2018
Sales personnel (hourly salary)	98	99	98	98
Warehouse personnel (hourly salary)	96	96	94	94
Office personnel (monthly salary)	95	96	109	94
Senior salaried employees and management (monthly salary)	79	78	82	84

*The index is only indicative, as it does not take into account the diversity of job roles and requirements and differences in competence level.*

### STOCKMANN

Stockmann has an equality plan, which is regularly updated and approved in the Group Council. The purpose of the plan is to point out structural issues in work duties with the aid of statistics and to set improvement targets for achieving a more equal working environment.

The realisation of equality is actively promoted in all employment categories. Mutual respect and abiding by mutually set rules are

part of this. In recruitment, we are open-minded towards the various backgrounds of the candidates, aiming to create a diverse work community. We ensure that tasks, qualifications and titles are gender-neutral. Age, sex or religious beliefs are only considered if there is a justified reason based on the position. We do not accept age discrimination and different age groups are well represented in the company.

The average age of Stockmann personnel in Finland is 45 years.

Personnel planning has been developed to ensure equal treatment, for example, when additional working hours are offered and days off and Sunday work are distributed, and by offering guidance for remote work.

We work actively in cooperation with supervisors to deal with and anticipate potential cases of harassment and discrimination and issues concerning equal opportunity, the work atmosphere and the workload. In 2021, we updated the conflict resolution model in cooperation with the personnel.

Stockmann has guidelines for working clothes, which encourage personnel to dress according to their own style and identity, and in this way strengthen the culture of diversity and inclusiveness within the organisation.

### LINDEX

Lindex has its own non-discrimination policy and the company does not accept any form of discrimination. According to the company's plans on equal opportunities and diversity, Lindex strives to ensure that all employees are treated with respect, have equal opportunities and a positive working environment. Diversity is seen as a competitive advantage that fosters increased creativity and innovation and delivers better results. It is the responsibility of every Lindex manager to make sure that they have a diverse team and that diversity becomes a natural part of the systematic development of competence over the long term. In order to ensure that there is no discrimination and that the organisation takes advantage of diversity,

Lindex continuously conducts analyses and follow-up of working conditions, salaries and terms of employment, recruitment and promotions, education and training, and the combination of parenthood and work.

### DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Diversity is taken into account when electing the members of the Board of Directors, so that the members represent different fields of education and professions, international backgrounds, and different ages and genders. Information on the average age of the employees is presented in the 'Personnel Figures' table.

### EQUAL REMUNERATION

Equal and fair remuneration is one of the areas in the Stockmann Group's equality and diversity plan.

### STOCKMANN

The remuneration of women and men working at Stockmann in Finland is monitored annually using an index.

The causes of pay differences in the index include, for example, the differences between job roles, the level of qualifications and individual competences within the same complexity class, which the index does not take into account. There are relatively more men working in supervisory and ICT positions, which explains some of the differences.

Potential pay differences were reviewed in 2021 as necessary, and unjustified pay differences are being addressed.



## LINDEX

According to the Swedish Discrimination Act, Lindex annually conducts a salary review with the aim of detecting, remedying and preventing unjustified salary differences between women and men who perform the same or equivalent duties.

In line with the Swedish Discrimination Act, Lindex's personnel policy is based on the principle that salaries are competitive in each market area and linked to the responsibilities of each job and to achieved results. Lindex does not accept differences in salary because of gender, functional limitation, ethnicity, sexual identity, sexual orientation, religion and other beliefs, age or parental status. The salary review is conducted within the limits imposed by the collective agreement.

## INCIDENTS OF HARRASSMENT AND DISCRIMINATION

During the reporting year, no cases of sexual harassment or religious or political discrimination were raised at Stockmann Group.

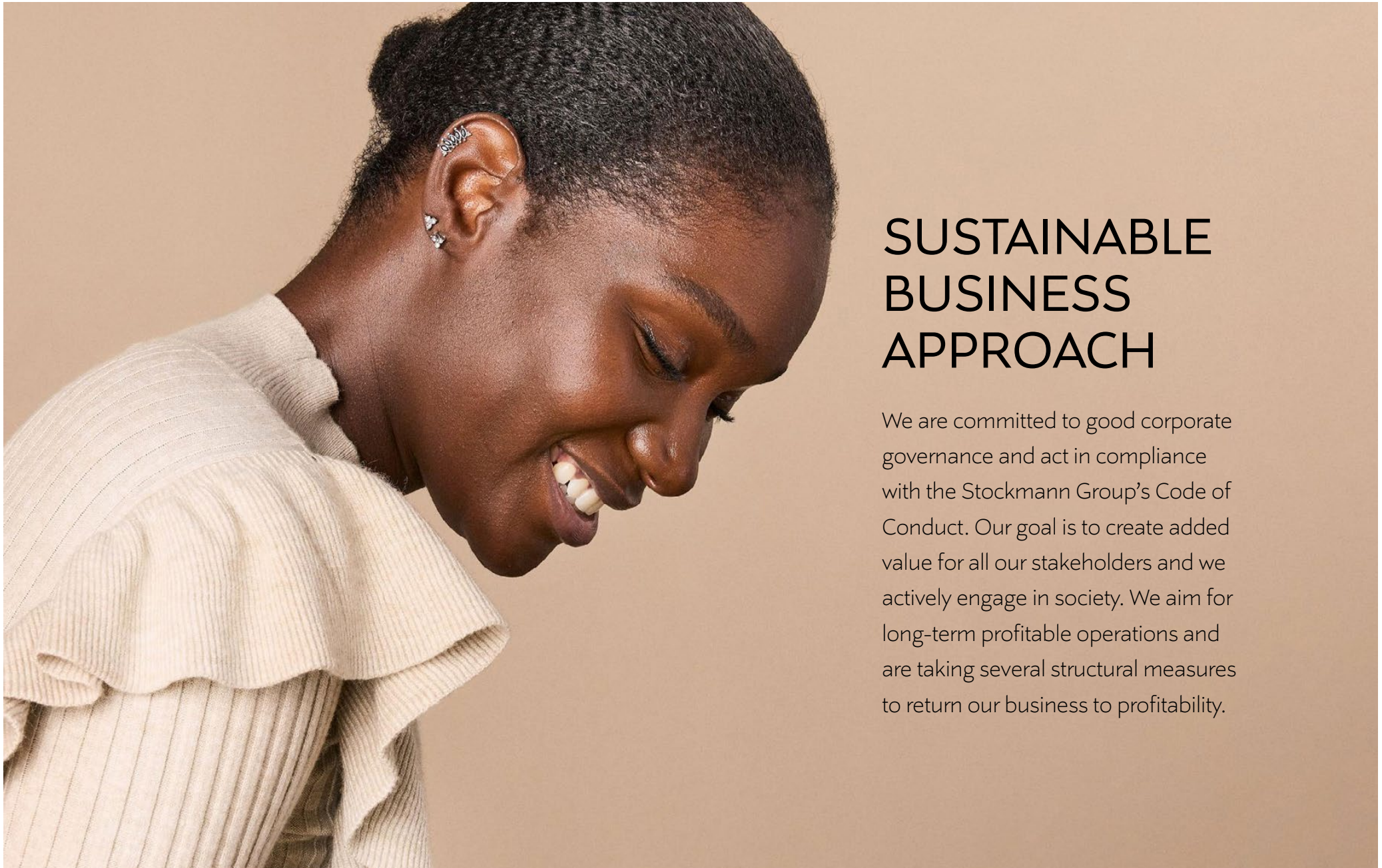
In the Stockmann Division, we have worked with the personnel to create a new conflict resolution model that describes how conflicts can be prevented and resolved in different situations. Among other things, the model describes how to act in line with the company's values in conflicts and what to do if you have been treated inappropriately. The model also sets out the responsibilities of every team member, the supervisor and the management as well as the conflict resolution path. We treat our personnel fairly and equally and value the diversity of our employees.

## PERSONNEL FIGURES

	2021	2020	2019
<b>Number of personnel, 31 December</b>	<b>5 833</b>	5 639	6 914
in Finland (men/women)	<b>214/1 298</b>	239/1 377	271/1 623
in Sweden (men/women)	<b>152/1 982</b>	173/1 850	144/2 168
<b>Personnel on average</b>	<b>5 649</b>	5 991	7 002
<b>Personnel as full time equivalents, on average</b>	<b>3 886</b>	3 973	4 891
<b>Personnel by employment relationship and contract</b>			
fixed-term (men/women)/permanent (men/women)	<b>17 (10/90) / 83 (2/98)</b>	14 (9/91) / 86 (10/90)	20 (4/96) / 80 (10/90)
fixed-term (men/women)/permanent (men/women) in Finland	<b>7 (8/92) / 93 (15/85)</b>	3 (15/85) / 97 (15/85)	6 (8/92) / 94 (15/85)
fixed-term (men/women)/permanent (men/women) in Sweden	<b>20 (7/93) / 80 (1/99)</b>	14 (17/83) / 86 (7/93)	23 (4/96) / 77 (7/93)
<b>Share of full-time/part-time employees of personnel, %</b>	<b>37/63</b>	40/60	34/66
in Finland (men/women)	<b>39 (25/75) 61 (7/93)</b>	41 (24/76) / 59 (8/92)	41 (23/77) / 59 (8/92)
in other countries (men/women)	<b>36 (17/83) 64 (2/98)</b>	40 (20/80) / 60 (4/96)	31 (17/83) / 69 (2/98)
<b>Turnover of permanent employees, on average, %</b>	<b>17</b>	18	18
in Finland	<b>16</b>	12	17
in Sweden	<b>8</b>	8	8
<b>New permanent employee hires, %</b>	<b>17</b>	12	16
in Finland	<b>9</b>	6	10
in Sweden	<b>5</b>	4	6
<b>Personnel costs, EUR million</b>	<b>194.6</b>	181.9	211.1
<b>Personnel expenses, share of revenue %</b>	<b>21.6</b>	23.0	22.0
<b>Average age of personnel</b>	<b>38</b>	39	37
in Finland	<b>42</b>	42	41
in Sweden	<b>40</b>	40	38
<b>Sickness absences, %</b>	<b>5.1</b>	5.3	4.4
in Finland	<b>4.7</b>	4.1	4.2
in Sweden	<b>5.7</b>	6.2	4.9
Reported workplace accidents at the workplace + on the way to work in Finland, quantity	<b>35 + 31</b>	51 + 19	72 + 41
Reported workplace accidents at the workplace in Sweden, quantity	<b>49</b>	225	53
Personnel training expenses (Stockmann Finland, excluding direct wage costs), EUR million	<b>0.1</b>	0.1	0.2

Comparison figures are only presented for two years, due to changes in reporting practices.





## SUSTAINABLE BUSINESS APPROACH

We are committed to good corporate governance and act in compliance with the Stockmann Group's Code of Conduct. Our goal is to create added value for all our stakeholders and we actively engage in society. We aim for long-term profitable operations and are taking several structural measures to return our business to profitability.

## ECONOMIC PERFORMANCE



The Stockmann Group's adjusted operating result in 2021 was EUR 68.3 million (-12.3). The operating result increased in both Lindex and

Stockmann. The reported operating result was EUR 82.1 million (-269.6). Stockmann filed for corporate restructuring in the spring of 2020 due to the impact of the coronavirus pandemic, and the corporate restructuring programme was approved on 9 February 2021.

In 2021, Stockmann executed the corporate restructuring programme according to plan and provided transparent communications about its progress on the corporate restructuring pages at the address [stockmanngroup.com/en/corporate-restructuring](https://stockmanngroup.com/en/corporate-restructuring)

### DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

The Stockmann Group's operations create economic added value to our stakeholders in all the countries in which we operate. The majority of the economic added value goes into personnel salaries and other remuneration, as well as to goods and materials suppliers and service providers.

The shares of Stockmann plc are listed on Nasdaq Helsinki. At the end of the year, Stockmann had 45 054 (43 656) registered shareholders. In accordance with the dividend policy approved by Stockmann's Board of Directors, the company aims to distribute at least half of its result for each financial year in

## SUSTAINABLE BUSINESS APPROACH

TARGETS	KEY PERFORMANCE INDICATORS (KPIs)	PROGRESS AND ACTIVITIES	STATUS
We are committed to good corporate governance and act in compliance with the Stockmann Group's Code of Conduct.	A total of 90% of personnel will have completed the Stockmann Code of Conduct e-learning course by the end of 2020, and 100% by the end of 2021	We continued to roll out our Code of Conduct e-learning programme in all the countries in which we operate.  89% (76) of the Stockmann Division's personnel in Finland and 100% (81) of the personnel in Latvia had completed the training by the end of 2021. No e-learning course is used in Estonia; in 2021, the Code of Conduct was communicated through personnel information sessions, by updating local guidelines to align them with the Code and through a discussion with every new employee.	● Target not met
We create added value for all our stakeholders	Positive EBITDA* at the end of 2021	The Group's EBITDA was EUR 184.9 (109.6) million and adjusted EBITDA was EUR 171.1 (116.9) million.  Due to the effects of the coronavirus pandemic, Stockmann filed for corporate restructuring in spring 2020, and the company's aim is to return the business to profitability. The prerequisites for restoring the business to a sound basis exist and the company has executed the corporate restructuring programme that was approved in February 2021 according to plan. For more information on the corporate restructuring proceedings, please see: <a href="https://www.stockmanngroup.com/en/corporate-restructuring">www.stockmanngroup.com/en/corporate-restructuring</a>  Report in Swedish: <a href="https://www.stockmanngroup.com/sv/foretagssaneringsforfarande">www.stockmanngroup.com/sv/foretagssaneringsforfarande</a> Report in English: <a href="https://www.stockmanngroup.com/en/conversions-2021">www.stockmanngroup.com/en/conversions-2021</a>	● Target met
Our communication is transparent and reliable and we actively engage in society	Responsible corporate citizenship	We published integrated reviews of our business operations, financial position, governance and CSR. We actively communicated about our CSR work. We communicated about the corporate restructuring proceedings actively and openly to the public as well as to our personnel, customers, creditors, suppliers and other stakeholders.  We participated in charitable projects, continued our open dialogue with our stakeholders and responded to numerous surveys and studies, such as the Rank A Brand campaign of Pro Ethical Trade Finland (Eetti), the Finnwatch study of suppliers in risk countries and their carbon footprint, and the CDP ranking.	● Target met

\* Earnings before interest, taxes, depreciation and amortisation



## VALUE FOR STAKEHOLDERS

### Resources

PROFESSIONAL STAFF  
& ORGANISATION

BRAND

PRODUCTS

OMNICHANNEL SERVICES

FINANCIAL RESOURCES AND  
PROPERTIES

NATURAL RESOURCES



### Impacts

#### CUSTOMERS

Sales, lease and service income and other operating income

#### EMPLOYEES

Salaries, fees and pension contributions

#### SOCIETY

Other social security payments, taxes

#### SUPPLIERS & OTHER PARTNERS

Purchases of goods, materials and services

#### INVESTORS & SHAREHOLDERS

Financial expenses

dividends. In accordance with a resolution of the Annual General Meeting, no dividend was paid for the 2020 financial year. The Board of Directors will propose to the Annual General Meeting that no dividends be distributed for the 2021 financial year.

### CHARITY COOPERATION

As part of its CSR work, Stockmann may make donations to non-profit public benefit organisations that fund education, culture, research and other social projects in the countries where Stockmann operates. Charity work is guided by the company's donation policy. The Group's business units may also support non-profit projects as part of their commercial campaigns.

## DISTRIBUTION OF ECONOMIC ADDED VALUE TO DIFFERENT STAKEHOLDERS

EUR million		2021	2020	2019*	2018*	2017*	2016*	2015*	2014*
<b>Creating added value</b>									
Customers	Sales excluding VAT, other operating income, financial income	<b>923.5</b>	811.4	961.5	1 026.2	1 060.3	1 177.5	1 435.8	1 606.0
Goods suppliers and service providers	Purchased goods and services, including capital goods and paid rents	<b>-646.3</b>	-613.1	-732.3	-756.9	-790.5	-864.9	-1 147.6	-1 320.4
<b>ADDED VALUE GENERATED BY STOCKMANN</b>		<b>277.2</b>	198.3	229.23	269.3	269.8	312.6	288.3	285.6
<b>Distribution of added value</b>									
Personnel	Salaries, fees and pension contributions	<b>-163.4</b>	-153.1	-178.9	-188.6	-201.6	-233.0	-281.9	-315.5
Shareholders	Dividends	<b>0.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finance providers	Financial expenses	<b>-19.6</b>	-45.4	-53.7	-35.3	-31.8	-23.9	-22.1	-23.8
Public sector	Other social security payments, taxes	<b>-38.4</b>	-16.6	-47.1	-37.6	-53.2	-50.1	-54.7	-37.0
<b>DISTRIBUTED TO STAKEHOLDERS IN TOTAL</b>		<b>-221.3</b>	-215.1	-279.8	-261.4	-286.7	-307.0	-358.7	-376.3
<b>Retained in the company to develop operations</b>		<b>55.8</b>	-16.8	-50.6	7.9	-16.9	5.6	-70.4	-90.7

Financial income has been adjusted for comparison period year 2020.

\* Continuing operations. Stockmann Delicatessen operations in Finland have been reported as discontinued operations for 2018 and 2017; the comparison year of 2016 has been restated.

The department store business in Russia has been reported as discontinued operations in 2016 and 2015; the comparison year of 2014 has been restated.

### STOCKMANN

- In autumn 2019, we launched our redesigned loyal customer programme, MyStockmann, in Finland, as part of which we launched a new continuous charity cooperation. As part of the programme, Stockmann annually donates a sum based on the loyal customers' progress in the programme to Plan International Finland, WWF Finland, and Hope - Yhdessä & Yhteisesti ry. The sum donated in 2021 was EUR 23 846.
- The joint Christmas charity campaign of Stockmann and Save the Children was held once again at all Stockmann department stores and in the online store. Save the Children received donations worth EUR 22, 020 through the Christmas charity campaign, and the money will be used for





procuring teaching materials, providing recreational activities and offering support families and persons.

- Stockmann was also once again involved in the Kotona Asuen Seniorihoiva organisation's Be Father Christmas campaign, which distributes donations of Christmas flowers to senior citizens living at home alone. In addition, a total of 1 770 senior citizens received a surprise flower bouquet that was delivered by Kotona Asuen Seniorihoiva before Christmas.

## LINDEX

- Lindex is one of the main partners of the Pink Ribbon Project. In the 2021 campaign, Lindex, together with its customers, donated EUR 1 067 000 to support cancer research.
- Lindex have made a promise to future generations that it will be a water responsible company and it have also made a promise to empower women. Lindex collaboration with WaterAid is to improve access to clean water and sanitation around the world is a powerful part of keeping both promises.
- Lindex charges for shopping bags in all the countries in which it operates its own stores. The income from the bag sales is donated to causes that promote sustainable development. Lindex donated EUR 466,000 to WaterAid project and also about EUR 50 000 that it had raised in its Women's Café and School of Hope collections to charity. Further information of Lindex charity program is available on Lindex.com.



## CORPORATE GOVERNANCE

The principles guiding Stockmann's operations are described at the beginning of this review, in the 'Our approach' section.

Lindex is one of the main partners of the Pink Ribbon Project. In the 2021 campaign, Lindex, together with its customers, donated EUR 1 067 000 to support cancer research.

## GRIEVANCE MECHANISMS

The Stockmann Group uses a group-wide whistleblowing reporting channel, which is provided by an external partner. The channel is a tool for Stockmann's own employees, as well as for business partners and other stakeholders, to anonymously report any suspected or detected violations of the Code of Conduct or other Group policies. Stockmann's employees also have the possibility to report any suspicions to their supervisor, their unit's security manager, the Group management, the legal department or the Group's Internal Audit. All whistleblowing reports and discussions are treated seriously and handled confidentially. All incidents are reported to Internal Audit and to the Director of Legal Affairs. In 2021, one incident (not corruption) was reported through the channel. The incident was investigated and the necessary measures were carried out.

## CSR ORGANISATION STOCKMANN

- In 2020, Stockmann's sustainability strategy was integrated into the company's business strategy. Since then, the functions and the Management Team have been responsible for executing the strategy and monitoring its progress. Stockmann's Management Team is also responsible for the targets and focus areas of the sustainability strategy and for managing the strategy. The Management Team monitored the progress of CSR work semi-annually. The practical implementation of CSR work and monitoring of its progress takes place in the functions as part of the day-to-day operations of each function.

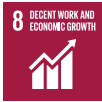
- The Management Team also approves guidelines and the CSR projects, which are implemented using normal management systems. Stockmann's Management Team approves the CSR strategy and appoints separate working groups as necessary to prepare or implement the decisions or matters that it has dealt with.
- Separate working groups related to CSR targets and topical issues are set up as necessary to prepare or implement decisions concerning CSR matters that have been dealt with by the Management Team. Stockmann's Communications, CSR and IR function is responsible for developing, coordinating and reporting on the Group's CSR activities, together with the management and experts within the different functions.

## LINDEX

- The Lindex Management Group is responsible for the overall sustainability direction, goals and strategy with the support of the Corporate Sustainability Team. The Corporate Sustainability Team has overall responsibility for developing sustainability at Lindex, working closely together with the Production Sustainability Teams, which are based at the purchasing offices. Each department and country organisation develops its sustainability work in alignment with the direction, goals and strategies decided by the Management Group. The Lindex Corporate Communications Team is responsible for sustainability communications and reporting.



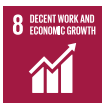
## HUMAN RIGHTS ASSESSMENTS



The Stockmann Group respects and promotes all human rights, as defined in the company's Code of

Conduct and the supplementary Human Rights Principles. Most of the Stockmann Group's own employees work in countries classified by the amfori BSCI as low-risk countries for human rights violations. In 2021, we continued the due diligence project in which we assess the fulfilment of human rights in Lindex's sales and franchising countries and evaluate human rights from the perspective of our key stakeholders. Human rights assessment in the supply chain is discussed in the section 'Supplier Assessment for Labour Practices and Human Rights' and on the Stockmann Group website.

## ANTI-CORRUPTION AND ANTI-COMPETITIVE BEHAVIOUR



Stockmann's principle is to engage in transparent and responsible operations.

Stockmann's policies relating to anti-corruption measures and anti-competitive behaviour are included in the Stockmann Code of Conduct and further specified in the Stockmann anti-corruption policy. Both are available on the Group's website.

Stockmann's employees and management must act in the best interests of the company and in a manner that avoids

conflicts of interest. Stockmann's Employee Discount Rules include instructions for the personnel on Stockmann policies regarding the acceptance of samples, gifts, travel expenses or other monetary benefits from suppliers.

Likewise, the Lindex Ethical Policy provides a foundation for combatting all forms of corruption at Lindex. It has been applied in all countries of operation and all suppliers are informed of the policy before cooperation with them is commenced. For example, our suppliers are not permitted to give any gifts, other than ordinary courtesy corporate gifts, or any other benefits to individual employees.

Stockmann is a founding member of Transparency International Suomi ry, the Finnish chapter of Transparency International, an organisation operating in more than 100 countries that works to combat international bribery and corruption.

### CORRUPTION RISK ASSESSMENT

The Group's international operations pose challenges for resolute anti-corruption action. Anti-corruption policies are included in the codes of conduct applied in our supply chain, which are the amfori BSCI Code of Conduct, the Stockmann Supplier Code of Conduct and the Lindex Code of Conduct.

The Board of Directors has approved the company's risk management principles, which concern all of the Stockmann Group's divisions and business areas. The effectiveness of internal control is monitored by the Internal Audit, which operates as an independent unit under the CEO and reports its observations to the Board's Audit Committee.

Stockmann's Board of Directors and the Group Management Team regularly assess the risk factors to which business operations are exposed and the sufficiency of risk management actions, as a part of the strategy process. Risk management is supported by internal control systems and guidelines.

The divisions' respective management teams are responsible for the preparation of financial and strategic plans in their own units, which includes analysing business risks and evaluating risk management activities. Business

risks are also analysed outside the strategic process, especially in connection with significant projects and investments, and are reported to the Board of Directors as needed.

Unethical business practices among Stockmann's employees or various stakeholders could cause reputational damage for Stockmann and, potentially, negative financial effects. In 2021, there were no confirmed cases of corruption and Stockmann was not aware of any corruption-related lawsuits against the Group. Similarly, Lindex is not aware of any corruption cases in its operations.

### COMMUNICATIONS AND TRAINING ON CODE OF CONDUCT

Employees are trained in matters related to the Code of Conduct and encouraged to contact their supervisors if the best course of action is unclear. The Group's Code of Conduct is published on the Group's website and communicated internally via the intranet.

Stockmann continued the roll-out of the Code of Conduct e-learning programme. By the end of 2021, 89 % (76) of the Stockmann Division's personnel in Finland and 100 % (81) of its personnel in Latvia had completed the training. No e-learning course is used yet in Estonia, but it will be added to training procedures during 2022. The Code of Conduct was rolled out in 2021 through personnel information sessions, by updating local guidelines to align them with the Code and through a discussion with every new employee. Our target is for 100% of the Group's personnel in all countries to have completed the training.





# GRI CONTENT INDEX

Disclosure number	GRI content	Location (page in CSR review)	Additional information or omissions
<b>GENERAL STANDARD DISCLOSURES</b>			
<b>Organisational profile</b>			
102-1	Name of the organisation	GRI content index	Stockmann Oyj Abp
102-2	Activities, brands, products, and services	Stockmann Group in brief (4), Stakeholder Engagement (13), Inspiration for responsible choices (14-25)	
102-3	Location of headquarters	Stockmann Group in brief (4)	Helsinki, Finland
102-4	Location of operations	Stockmann Group in brief (4), Inspiration for responsible choices (14-25), GRI 102-6	
102-5	Ownership and legal form	"Our year 2021" Business Review, Financial review	All the annual reviews are available at year2021.stockmanngroup.com.
102-6	Markets served	Stockmann Group in brief (4)	Stockmann has entered a licensing agreement on the use of the Stockmann brand in Russia. AO Stockmann, a subsidiary of Reviva Holding Limited, has been responsible for the operations of Stockmann department stores in Russia since 1 February 2016. Stockmann online store serves Finland, Estonia and Latvia during the Crazy Days campaigns.
102-7	Scale of the organisation	"Our year 2021" Business Review	All the annual reviews are available at year2021.stockmanngroup.com.
102-8	Information on employees and other workers	Responsible work community (32-39)	
102-9	Supply chain	Inspiration for responsible choices (14-25)	
102-10	Significant changes to the organisation and its supply chain	Financial review / Report by the Board of Directors, Inspiration of responsible choices (14-25), GRI content index	No major changes. All the annual reviews are available at year2021.stockmanngroup.com.
102-11	Precautionary Principle or approach	Report by the Board of Directors, Corporate Governance Review	All the annual reviews are available at year2021.stockmanngroup.com.
102-12	External initiatives	Our approach (8-13), Sustainable business approach (40-44)	
102-13	Membership of associations	stockmanngroup.com	www.stockmanngroup.com/en/activities-in-organisations
<b>Strategy</b>			
102-14	Statement from senior decision-maker	"Our year 2021" Business Review	All the annual reviews are available at year2021.stockmanngroup.com.
102-15	Key impacts, risks and opportunities	"Our year 2021" Business Review, Our approach (8-13), Sustainable business approach (40-44)	All the annual reviews are available at year2021.stockmanngroup.com.
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behaviour	Our approach (8-13), Sustainable business approach (40-44)	
102-17	Mechanisms for advice and concerns about ethics	Sustainable business approach (40-44)	The company has a whistleblowing channel maintained by an external supplier. The channel and instructions on its use can be found at www.stockmanngroup.com/en/code-of-conduct
<b>Governance</b>			
102-18	Governance structure	Corporate Governance review, Sustainable business approach (40-44)	All the annual reviews are available at year2021.stockmanngroup.com.
102-21	Consulting stakeholders on economic, environmental, and social topics	Reporting Principles and Materiality (12), Stakeholder engagement (13)	





Disclosure number	GRI content	Location (page in CSR review)	Additional information or omissions
102-22	Composition of the highest governance body and its committees	Corporate Governance review	All the annual reviews are available at year2021.stockmanngroup.com.
102-23	Chair of the highest governance body	Corporate Governance review	All the annual reviews are available at year2021.stockmanngroup.com.
102-24	Nominating and selecting the highest governance body	Corporate Governance review	All the annual reviews are available at year2021.stockmanngroup.com.
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	Stakeholder engagement (13)	
102-41	Collective bargaining agreements	Responsible work community (32–39)	
102-42	Identifying and selecting stakeholders	Reporting principles and materiality (12), Stakeholder engagement (13)	
102-43	Approach to stakeholder engagement	Reporting principles and materiality (12), Stakeholder engagement (13)	
102-44	Key topics and concerns raised	Reporting principles and materiality (12), Stakeholder engagement (13)	
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	Financial review: Consolidated financial statements, Notes to the consolidated financial statements	All the annual reviews are available at year2021.stockmanngroup.com
102-46	Defining report content and topic Boundaries	Reporting principles and materiality (12)	
102-47	List of material topics	Reporting principles and materiality (12)	
102-48	Restatements of information	GRI content index	Changes are reported in connection with relevant performance indicators.
102-49	Changes in reporting	Reporting principles and materiality (12)	Changes are reported in connection with relevant performance indicators.
102-50	Reporting period	GRI content index	The reporting period for the review is the financial year from 1 January to 31 December 2021.
102-51	Date of most recent report	GRI content index	The previous report, covering the year 2020, was published on 22nd of March, 2021.
102-52	Reporting cycle	GRI content index	Annual
102-53	Contact point for questions regarding the report	GRI content index	csr@stockmann.com
102-54	Claims of reporting in accordance with the GRI Standards	About the review (2), GRI content index	This report has been prepared in accordance with the GRI Standards: Core option. The report has been prepared according to the GRI Standards: Core level (2016, 2018).
102-55	GRI content index	GRI content index	
102-56	External assurance	GRI content index	The Corporate Social Responsibility Report report has not been verified by a third party. Financial indicators, which are presented in the financial statements, are assured by authorised public accountants.
<b>MANAGEMENT APPROACH</b>			
103-1	Explanation of the material topic and its Boundary	Reporting principles and materiality (12)	
103-2	The management approach and its components	Sustainable business approach (40–44)	
103-3	Evaluation of the management approach	Responsible work community (32–39), Sustainable shopping environment (26–31)	Evaluation of the management approach is continuous activity. Based on the evaluation, changes are made to practices in day-to-day management as well as part of annual planning and strategic planning. Based on the evaluation, changes have been made to management methods, for example, in connection with organizational changes.
<b>TOPIC-SPECIFIC DISCLOSURES</b>			
Topic-specific disclosures are reported on aspects identified as relevant			
<b>Economic impacts</b>			
201	<b>Economic performance</b>		
201-1	Direct economic value generated and distributed	Sustainable business approach (40–44), Responsible work community (32–39)	



Disclosure number	GRI content	Location (page in CSR review)	Additional information or omissions
<b>204</b>	<b>Procurement practices</b>		
204-1	Proportion of spending on local suppliers	Inspiration fo responsible choices (14-25)	Partially reported. A list of the suppliers and factories for Stockmann fashion's own brands is available at <a href="http://www.stockmangroup.com/en/supplier-and-factory-list">http://www.stockmangroup.com/en/supplier-and-factory-list</a> , and Lindex's list of suppliers and factories, which includes production and processing factories and level 2 factories, is available at <a href="https://about.lindex.com/sustainability/how-we-work/suppliers-and-factories/">https://about.lindex.com/sustainability/how-we-work/suppliers-and-factories/</a>
<b>205</b>	<b>Anti-corruption</b>		
205-2	Communication and training about anti-corruption policies and procedures	Sustainable business approach (40-44)	
205-3	Confirmed incidents of corruption and actions taken	Sustainable business approach (40-44)	
<b>206</b>	<b>Anti-competitive behaviour</b>		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Sustainable business approach (40-44)	There were no legal actions or fines for anti-competitive behaviour, anti-trust, or monopoly practices or their outcomes in 2021.
<b>Environmental effects</b>			
<b>301</b>	<b>Materials</b>		
301-3	Recycled input materials	Sustainable shopping environment (26-31)	This aspect is considered to be material, but the model for calculating the key figure is not suitable for Stockmann's operations. The section 'Responsible Shopping Environment' (26-31) describes solutions that support circular economy with respect to packaging materials and shopping bags.
<b>302</b>	<b>Energy</b>		
302-1	Energy consumption within the organisation	Sustainable shopping environment (26-31)	
302-2	Energy consumption outside the organisation	Sustainable shopping environment (26-31)	Partially reported. A limited amount of data on energy consumption outside the organisation is collected for the review of Scope 3 emissions (305-3).
<b>303</b>	<b>Water</b>		
303-3	Total volume of water used	Sustainable shopping environment (26-31)	
<b>305</b>	<b>Emissions</b>		
305-1	Direct (Scope 1) GHG emissions	Sustainable shopping environment (26-31)	
305-2	Energy indirect (Scope 2) GHG emissions	Sustainable shopping environment (26-31)	
305-3	Other indirect (Scope 3) GHG emissions	Sustainable shopping environment (26-31)	Only limited data are related to Scope 3 emissions outside the organisation. The most significant emissions were related to distribution transport and import freight.
<b>306</b>	<b>Effluents and waste</b>		
306-2	Waste by type and disposal method	Sustainable shopping environment (26-31)	
<b>Social impacts</b>			
<b>401</b>	<b>Employment</b>		
401-1	New employee hires and employee turnover	Responsible work community (32-39)	Not reported by gender, age group or region.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Responsible work community (32-39)	
<b>402</b>	<b>Labour/Management relations</b>		
402-1	The minimum notice period observed in connection with operational changes	GRI content index	We comply with the notice periods specified in labour legislation in all our countries of operation. In Finland, the notice period is from two weeks to six months, depending on the duration of the employment relationship. In Sweden, the notice period is from one week to several months, depending on the duration of the employment relationship and the operational change in question. Minimum notice periods regarding operational changes are not specified in the collective agreements for the commerce sector.
<b>403</b>	<b>Occupational health and safety management system</b>		
403-3	Occupational health services	Responsible work community (32-39)	
403-9	Work-related injuries	Responsible work community (32-39)	In 2021, there were no deaths due to accidents at work or serious accidents at work.



Disclosure number	GRI content	Location (page in CSR review)	Additional information or omissions
<b>404</b>	<b>Training and education</b>		
404-1	Average hours of training per year per employee	Responsible work community (32-39)	Reported partly
404-3	Percentage of employees receiving regular performance and career development reviews	Responsible work community (32-39)	
<b>405</b>	<b>Diversity and equal opportunity</b>		
405-1	Diversity of governance bodies and employees	Responsible work community (32-39)	Information on minority group membership is not collected, as this is not permitted under Finnish legislation.
405-2	Ratio of basic salary and remuneration of women to men	Responsible work community (32-39)	
<b>406</b>	<b>Non-discrimination</b>		
406-1	Incidents of discrimination and corrective actions taken	Responsible work community (32-39)	
<b>407</b>	<b>Freedom of association and collective bargaining</b>		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Responsible work community (32-39), Inspiration for responsible choices (26-31)	Most of the Stockmann Group's own employees work in countries classified by the amfori BSCI as low-risk countries for human rights violations. The fulfillment of freedom of association in the supply chain is monitored through own audits and those made by a third party.
<b>412</b>	<b>Human rights assessment</b>		
412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainable business approach (40-44)	
412-2	Employee training on human rights policies or procedures	Sustainable business approach (40-44)	
<b>414</b>	<b>Supplier social assessment</b>		
414-1	New suppliers that were screened using social criteria	Inspiration for responsible choices (14-25)	
414-2	Negative social impacts in the supply chain and actions taken	Inspiration for responsible choices (14-25)	
<b>415</b>	<b>Public policy</b>		
415-1	Political contributions	GRI content index	Stockmann does not make political contributions or donations to any politicians, political parties or related organizations, either directly or indirectly.
<b>416</b>	<b>Customer health and safety</b>		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Inspiration for responsible choices (14-25)	
<b>417</b>	<b>Marketing and labelling</b>		
417-2	Incidents of non-compliance concerning product and service information and labelling	Inspiration for responsible choices (14-25)	
417-3	Incidents of non-compliance concerning marketing communications	Inspiration for responsible choices (14-25)	
<b>418</b>	<b>Protection of customer privacy</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Inspiration for responsible choices (14-25)	

Key figures versions: 303: Water and wastewater and 403: Occupational health and safety: version 2018. All other key figures: version 2016.



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