HAPPY WORLD INTELLECTUAL PROPERTY DAY

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Part of the Solution
Brands Innovate for a Green Future

World IP Day – April 27, 2020
Aiko Bode
Fenix Outdoor Group
CSO & CCO

Fabrice Mattei
Rouse
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Tiffany Valeriano
INTA Brands for a Better Society Committee

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Agenda

• Setting the Stage
• INTA Actions, Brands for a Better Society
• Part of the Solution: Brands Innovate for a Green Future
  • Fenix Outdoor Group
  • Rouse - Carbon Footprint Calculator
• Q&A
Setting the Stage
World IP Day 2020
Innovate for a Green Future

• Celebrating World IP Day 2020 – dedicated to “Innovate for a Green Future”

• Growing awareness on the role of IP in helping fight the climate crisis, all over the world

• Goal: brands are part of the solution, not only patents and transfer of technologies

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IP means more than patents –

• Brands have much to contribute
• How?
  • Setting an environmentally-responsible CSR
  • Embedding environmental awareness in their core values they convey and defend
• Brands deserve more recognition

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The Future is NOW - Europe’s Green Deal

- Presented in December 2019 by the European Commission
- EC’s roadmap to make Europe climate-neutral by 2050
- Prioritizes actions to fight climate change, including “mobilizing research and fostering innovation”
- EC IP Strategy is due May 2020

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INTA Initiatives
Brands for a Better Society

• Presidential Task Force 2019
• Brands & CSR Report (survey)
• New INTA committee: Brands for a Better Society
  • Mission: determine the impact of CSR on brands, businesses and brand value
  • Develop a strategy for INTA moving forward

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Brands & CSR Report 2019

Key Takeaways

1. CSR policies &/or activities are prevalent
2. CSR policies &/or activities impact business and branding strategy decisions
3. CSR viewed as a social obligation that benefits brands, but not all brands fully understand &/or have taken advantage of these benefits
INTA's Role: Actions & Initiatives

• INTA Brands Manifesto (Sep 2019)
  • Raise awareness with European law makers about brands, and how they benefit EU society
  • Links brands and the environment
  • Brand reputation is key
    • 40% of European online consumers would pay more for brands that are eco-friendly and socially responsible
    • 55% of young consumers choose to buy brands with those same values
INTA’s Role: Actions & Initiatives

WIPO Green

• Marketplace for sustainable technology – connecting providers and seekers of environmentally friendly technologies

• MoU – INTA & WIPO – signed Oct 4 in Geneva

• Partnership to accelerate, adapt, adopt, and deploy green technology solutions

• Raise awareness and organize joint workshops and programs

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INTA’s Role: Actions & Initiatives

• Challenge: Lack of facts & figures re impact of all IPRs on fighting the climate crisis and supporting a green future

• INTA, together with other IP Associations in Europe, is insisting for the European Observatory for the Infringements of IPRs to issue a study on the environmental impact of all IPRs, trademarks, designs and geographical indications included.

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Who we are
Fenix Outdoor International AG

Fenix Outdoor International AG is a group of outdoor brands and retailers that produce and market high quality outdoor equipment. The company is registered in Switzerland and stock-listed at the Stockholm Stock Exchange; the majority owner is still the founder family of „Fjällräven“, with the son of the founder acting as Chairman and CEO of the group.
Our Sustainability Journey

- 2012 adopted Fenix Way
- 2019 updated
- Common corporate culture
- Includes Code of Conduct and Sustainability Agenda 2025
Management with an Ethical Compass

The Fenix Way
Management compass®

N = Nature
As a family of outdoor brands and retailers, our core business is enjoying people to spend time in nature. We therefore work actively to preserve and protect our planet’s natural heritage and biological diversity and in the longer term contribute to the restoration of degraded natural systems.

W = Wellbeing
Our employees all over the world deserve a safe and healthy working environment, and our customers must have safe and satisfying products. We aim to respect each individual’s human rights, and we do trust people fully. We encourage a balanced life, and we offer possibilities for personal development.

E = Economic performance and core business processes
By developing, producing, and selling high-quality, durable products, and by continuously innovating, we will provide our customers with high-value products and services, develop long-term business relationships, and ensure strong financial returns for our shareholders, for many decades to come.

S = Societal responsibility
We uphold the highest standards of ethical behavior and practice good corporate citizenship in the countries and communities where we are present. Our aim is to be a net contributor to a well-functioning society everywhere we do business.

The Global Goals For Sustainable Development

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CSR Reporting since 2012

Annual CSR Report

### INDIRECT ENVIRONMENT 2019

#### ENERGY CONSUMPTION

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2019</th>
<th>kg CO₂</th>
<th>2018</th>
<th>kg CO₂</th>
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<tbody>
<tr>
<td>Regional Energy</td>
<td>2.58</td>
<td>2.58</td>
<td>5.63</td>
<td>5.63</td>
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<tr>
<td>Parking Energy</td>
<td>1.58</td>
<td>1.58</td>
<td>1.58</td>
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<tr>
<td>Electricity (kWh)</td>
<td>64,390</td>
<td>64,390</td>
<td>67,666</td>
<td>67,666</td>
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<tr>
<td>Total Heating (kWh)</td>
<td>8,284</td>
<td>8,284</td>
<td>9,949</td>
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</table>

#### CO₂E FROM BUSINESS TRAVEL BY MODE OF TRANSPORT (1)

<table>
<thead>
<tr>
<th>Mode</th>
<th>2019</th>
<th>2018</th>
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<tbody>
<tr>
<td>Car</td>
<td>552</td>
<td>666</td>
</tr>
<tr>
<td>Bus</td>
<td>62</td>
<td>62</td>
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<tr>
<td>Train</td>
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<tr>
<td>Boat</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Air</td>
<td>1,117</td>
<td>1,117</td>
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</table>

#### CO₂E FROM SEGMENTS BY MODE OF TRANSPORT (1)

<table>
<thead>
<tr>
<th>Mode</th>
<th>2019</th>
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<tbody>
<tr>
<td>Train</td>
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<td>1,905</td>
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<tr>
<td>Bus</td>
<td>196</td>
<td>244</td>
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<tr>
<td>Air</td>
<td>2,236</td>
<td>314</td>
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<tr>
<td>Other</td>
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<td>10</td>
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</table>

#### OTHER EMISSIONS INCLUDED IN CO₂E CALCULATIONS IN KG

<table>
<thead>
<tr>
<th>Type</th>
<th>2019</th>
<th>2018</th>
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<tbody>
<tr>
<td>NOx</td>
<td>19,608</td>
<td>17,000</td>
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<tr>
<td>SOx</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO</td>
<td>2,376</td>
<td>5,006</td>
</tr>
<tr>
<td>CH4</td>
<td></td>
<td>218</td>
</tr>
<tr>
<td>N2O</td>
<td></td>
<td>136</td>
</tr>
</tbody>
</table>
Innovations for a Green Future
Animal Welfare

Fjällräven Code of Conduct for Down and Feather Source & Impracticality of Mistreatment on Animals v. 2.0

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Increase Tracability and Transparency in the Supply Chain

Transform our supply chain and product portfolio to align with our sustainability goals

It is a way to trace materials as far back as possible, fabrics, chemicals etc. all the way to raw material in a systematized way and gain more transparency and engagement possibilities within all our supply chains.

By that, allowing us to make LCAs, CO2 foot printing, general sustainability analysis of product and suppliers.
Platform Preview

Example: Traceability Tool

Brand’s Traceability Visualization

Supplier’s Traceability Request Form

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All time favorite since 1978

The Fjällräven Kånken…

…and Re-Kånken
Innovation and Continuity

- Re-Kanken made from recycled PET (PET bottles) – 100%
- Spindye® technology applied
- Recyclablility

Environmental benefits:

No virgin material use
75% less water consumption
90% less dyeing chemicals

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Risks and Opportunities

Counterfeits and copies are sold online and can be ordered globally without customs in the receiving countries nor authorities in the production countries to act due to the sheer volume and low value per item when discovered.

High content of toxic chemicals – forbidden in the EU and posing a serious health risk for fetuses and small children!

Only the Original is a safe product!
Call for Joint Action

• Political willingness: protect people or „seeming“ free trade?

• Tax all CO$_2$e heavy products from climate-ignorant states – no exceptions

• Hold trade platforms and importers responsible and liable for illegal and hazardous products > e.g. provide clarity on regulation of exemption of liability; request active measures to be taken by platform providers;

• Support customs officers and reduce burden on authorities -> strong and clear legal frameworks needed

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Thank you

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https://www.youtube.com/watch?v=Dyk7J7URXwA&t=45s
Glossary of some climate Change acronyms

- Conference of the Parties (COP)
- Paris Agreement on Climate Change (PA)
- United Nations Framework Convention on Climate Change (UNFCCC)
- Carbon emissions: Greenhouse Gas (GHG) emissions
- Carbon Border Adjustment Mechanism (CBAM)
Primary emission sources

Greenhouse Gas (GHG) emission / Carbon emissions

CH$_4$, N$_2$O, CO$_2$, O$_3$, CFC, CO, SO$_2$

Intermediate emission sources

1. GHG emission from processing primary emission resources into intermediate emission sources (electricity, fuel and paper)

2. GHG emissions from IP activities (emails, mails, hours of work, transportation, computer and electricity usage, seized goods etc.)
Climate change legislations: twentyfold increase over 20 years

1997

2017
Climate change litigation
<table>
<thead>
<tr>
<th>Countries</th>
<th>Cases</th>
</tr>
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<tbody>
<tr>
<td>Netherlands</td>
<td>State of the Netherlands v. Urgenda Foundation, 2019</td>
</tr>
<tr>
<td>Germany</td>
<td>Saúl Luciano Lliuya vs. RWE (2015 – pending)</td>
</tr>
<tr>
<td>USA</td>
<td>Gbemre v. Shell Petroleum Development Company Nigeria Ltd and Others, 2005</td>
</tr>
<tr>
<td>Nigeria</td>
<td>Gbemre v. Shell Petroleum Development Company Nigeria Ltd and Others, 2005</td>
</tr>
<tr>
<td>Philippines</td>
<td>Greenpeace Asia and others vs. 47 Carbon majors (Shell, BP etc), 2019</td>
</tr>
</tbody>
</table>
Carbon markets – Credit Emission Units
Carbon leakage & IPRs (EU Green Deal)

High price carbon emission units

Country A
Carbon price emission Euros 20 per one metric ton of CO2

push older technologies to regions outside the system, possibly raising global emissions overall

Export of goods from Country B to Country A

Country B
Carbon price emission Euros 12 per one metric ton of CO2

Incentive to develop green technologies and branding

Low price carbon emission units

CBAM

© Rouse, 2019
Thank you

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Resources

INTA & Brands

• “INTA report highlights brand commitment to CSR” (WTR article, 2019): https://bit.ly/2S0QyyI
• “Covid-19 emergency means the work of trademark counsel is more important than ever” (WTR article, 2020): https://bit.ly/2VHWmxu
Resources

Fenix Outdoors

• Fenix Way (movie): https://youtu.be/8TJqzBHzXJs
• Fenix CSR-related information: https://www.fenixoutdoor.se/hallbarhet/
• The Down Flow (video): https://youtu.be/5v-323FrTQo
• The Re-Kanken (video): https://youtu.be/s7nRBa4rkTc

Rouse

• CLIPMATE by Rouse https://www.youtube.com/watch?v=Dyk7J7URXwA
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