



TRANSPARENCY & ESG

SNOW REPORT

2020/21 Baseline year

MGG

SR20/21_1

FOUNDER & CEO STATEMENT

First of all, we want to thank all of our customers who have bought from us over the past season. Since we launched in October 2020, we've been on an amazing journey, navigating the many obstacles that have been placed in our path by the COVID pandemic. Without your support there would be no Mont Gele Gear® (MGG), and we would have failed in our mission to bring you superior products which live up to the sustainability and transparency goals that we've set ourselves. In this, our first season, we've built solid foundations on which to grow our brand sustainably, including seeking out and working with ethical suppliers, measuring our environmental impact, and taking appropriate measures to offset our carbon footprint. Our approach focuses on all stages of the supply chain, from raw material supplier to customer, and the huge amount that we've already learned and continue to learn helps us to constantly improve our working processes. This is, however, a journey which has only just begun, and we'll continue to refine our approach as we push on towards our goal of full circularity. We'd also like to take this opportunity to reinforce our commitment to our promises. Our products will continue to be made 100% in Europe, and we're already making significant efforts to replace any raw materials that are not of European origin. We will also now seek to increase communication about our radical transparency promise, and to focus greater attention on educating customers on how to engage with us sustainably. The entire MGG team thanks you from the bottom of their hearts for your interest, support and valued engagement. We can't wait to show you what the future holds!



HIGHLIGHTS

100% made in Europe

While 60% of all clothing sold in the EU is produced abroad (mostly in Asia), we take pride in manufacturing 100% of our products in Europe. Such an approach allows us to ensure the premium quality of our products, to work in close cooperation with our suppliers, to guarantee that our suppliers' employees enjoy fair working conditions, and to monitor our suppliers' environmental impact.

Price vs Cost

We want you to understand everything about your purchase, and not just the financial cost of our manufacturing and operations. Globally, the apparel industry is the 4th highest consumer of raw materials and water, and the 5th highest producer of greenhouse gas emissions. Furthermore, working condition transparency is sorely lacking. The environmental and social costs of our industry must not be ignored, and so, this year, we're launching our Price vs Cost transparency initiative.

Fair working conditions

Fair working conditions for our employees and suppliers are a cornerstone of our brand ethos. Our premium quality gear is produced by people in Europe, only. We strongly believe in European manufacturing talent, as well as the capacity of its clothing manufacturing infrastructure to evolve and become increasingly more sustainable.

Give back initiative

Our [Off Piste . On Course](#) give back initiative combines circularity and a social cause. When you've had enough wear out of your old gear, you can send it to us, and we'll make sure that it will be sent on to a charity operating in cold, high-altitude climates, such as the Himalayas or the Andes, where people less fortunate than ourselves need warm clothing every day to live and work.

Carbon neutral

An in-depth assessment of the carbon footprint of our wider business operations, and also a strategy to reduce up and downstream greenhouse gas emissions, will take time to implement. We will work on this in close cooperation with our suppliers and experts. For now, however, we're reducing our greenhouse gas emissions with carbon offsetting. In partnership with [Forestmatic](#), we're planting a new tree in the tropics in Uganda with every single online *and* offline order, so as to fully offset the carbon footprint of every product that we sell.

SR20/21_3

OUR PEOPLE

MGG's multinational team of mountain enthusiasts has grown to 6 individuals, hailing from 5 countries, and speaking between them a total of 9 different languages. We believe that our diversity, our unique combination of skills and our varied experience, all of which are bound by a love of snow and a dedication to MGG's values, are an asset to our business, and will allow us to grow while maintaining a lean headcount, over the following years.



Charlie Cazalet
Commercial Director & Co-Founder



Tom Bata
CEO & Founder



Rohit Chandra Mouli
Marketing Director & Co-Founder



Patrik Pavlíček
COO & Head of Design



Tomáš Vojtas
Graphic & Fashion Designer



Friedi Feige
Sustainability Manager



OUR PURPOSE

Bound by snow

As skiers and boarders, we're acutely aware of the effects that climate change is having on our environment. In few places are these effects more obvious than in the mountains. Snowfall is becoming less reliable, greater daily temperature fluctuations are resulting in an increased avalanche risk and, most worrying of all, glaciers are retreating on a global scale.

Mont Gele Gear® was founded on a promise of quality, an obsession with radical transparency, and a commitment to long term sustainability.

Our values are reflected in our approach to our products, our our supply chain, our leadership and employees, our customers, and our partners. They were developed by our core founding team in 2020, and represent an ethos which underpins every action and decision that we've made from Day Zero.



SR20/21_3_A

TEAM INTERVIEW

In search of change

Charlie Cazalet

Commercial Director & Co-Founder

Charlie started out life as a tech lawyer at an international law firm in London. Having previously qualified as a BASI Level 2 ski instructor back in 2012, he'd always yearned to freeski professionally, or at least to be involved in the ski industry in some capacity. As MGG's Commercial Director, he wears all sorts of hats, but his main role encompasses the entire MGG digital presence, from running the website, to digitally creating and managing inventory across multiple OMS, CMS and ERP platforms. He's also MGG's part-time photographer, image editor, data protection contact, and of course in-house legal counsel, among many other things, so his days are extremely varied.



What do you hope that MGG will achieve over the next 5 years?

My hope is that over the next five years, MGG will become ever more widely known for challenging the status quo in an industry which currently remains far too opaque with respect to materials and manufacturing. I also hope that despite our small size, we'll be punching well above our weight and provoking much needed change among our competitors. If we can succeed in doing this, while also growing our business organically and continually improving our own processes, so that we become known not just for making high quality, desirable products, but also for our rock solid commitment to transparency and sustainability, then I think we'll be well on our way to achieving what we set out to do on Day Zero.

Do you prefer to follow trends or create them?

I would absolutely prefer that we create trends as a business, to the extent that it's possible to do so. When we founded MGG, we didn't do it so that we could be an identikit version of our competitors - we did it because we believed that the prevailing snowsports-wear apparel business model was inherently flawed and in direct opposition to the mountains that we love and the environment that supports them. Therefore, our aim has always been not to follow the herd, but to try to demonstrate that there is a different way of doing things.

Are you concerned about compromising on sustainability as MGG grows?

Yes, but not as much as you might expect. In literal terms, as any business grows, its carbon footprint will increase, among other issues - this is a given, and can be tackled in various ways. However, in more general terms, I don't think that we'll necessarily need to compromise on anything. This is because we have two secret weapons: Firstly, we're small and lean, and we intend to remain so. To use a well-worn analogy, our competitors are vast tankers with slow turning circles, whose ingrained business practices and processes take a great deal of time to alter, and who also have shareholders to answer to. By comparison, we're a nimble speedboat that can turn on a dime and we answer to nobody but ourselves, and this means that we can react and adapt far more quickly than our competitors will ever be able to, should issues arise. Secondly, by entering the market at this advanced stage, we've already been able to mould our entire business model around sustainable and transparent practices from the outset. By putting in place the correct foundations from the very beginning, this should give us the best possible chance of growing our business in line with our core objectives.

Do you see MGG as a global mainstream brand?

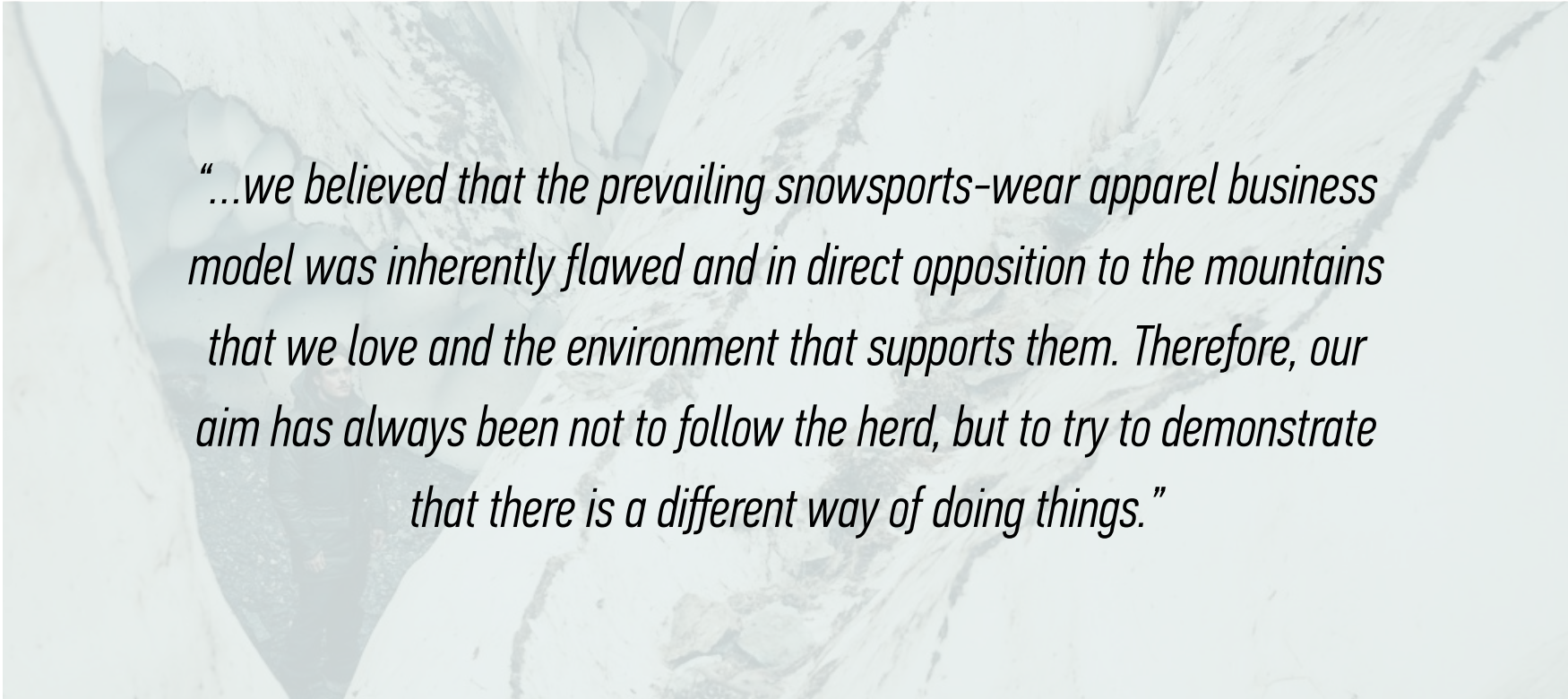
Of course, I wouldn't be working for MGG if I didn't - you have to think big! Nevertheless, as I've already said, the route that we're intending to take to get there, and the impact (or lack thereof) that we're aiming to have on the environment in doing so, means that inevitably we're going to be putting transparency and sustainability ahead of profit. This means that the journey to becoming a mainstream global brand will be longer, because we won't be able to grow organically as rapidly, and we'll need to ensure that our loyal customers really buy into our alternative approach, in a way that might not already be the case for other competitor brands.

What do you think will represent the greatest challenge for the fashion industry over the following years?

There are in fact two great challenges as I see it. The first will be how do you run an apparel business in a truly sustainable way, but avoid any accusations of greenwashing (and also, how exactly do you define 'sustainable'). This is a problem which has already been around for some years, and as businesses across all industries embrace sustainable initiatives, it will only become more relevant. The second is supply chain transparency, in other words how well informed businesses are about the origin of the component materials in their products, and also about their manufacturers' working practices, among other things. While the sustainability issue can be tackled in myriad novel ways, supply chain transparency is more murky and poses real challenges, and I'm not sure that enough apparel brands have a convincing answer to this conundrum right now.

Why did you decide to co-found MGG?

Firstly, since about 2012 I've been passionate about the startup scene, and over the following years I read a huge amount, made some excellent contacts and, as time wore on, the urge to build a brand of some kind became increasingly strong. Therefore, for me, it was always a case of when I would start something, and not if. At this point I suppose that I should finally let the cat out of the bag and admit to my former colleagues that I never set out to be a lawyer! Being a lawyer is a fantastic training in so many ways, but from my first day at law school in January 2013, my intention was to do something entirely different with my life once I was fully trained. Secondly, I've had a passion for freeskiiing for the past two decades, and have grown up watching the golden era of athletes who laid the roots of what back in the early 2000s was only a nascent sport. I've been privileged enough to have skied my whole life from my first trip at the age of five (I'm now 33), and the pleasure that skiing has given me is unquantifiable. For me, it truly is an obsession! Lastly, I've been lucky enough to chase powder all over the world, from Chile to Japan, and this has given me a unique perspective, which I know is also shared by others like me, for whom skiing is a major part of their lives - we've all observed that as the years have passed, weather patterns have become increasingly random, snow coverage now varies greatly from year to year in the same location, temperature gradients are much wider than in the past, and the list goes on. It's crystal clear that humans are having a distinct impact on the Earth and, as skiers, we feel this more acutely than almost any other sportspeople, as it directly impacts upon our enjoyment of our sport. Therefore, taken as a whole, the offer of a) building a new transparency and sustainability focused apparel brand from scratch; b) doing it in an industry with which I've always had a strong affinity; and c) aiming to drive change in that industry by building said brand, was an offer that I couldn't refuse.

A person is seen climbing a steep, icy mountain face. The climber is wearing dark gear and is positioned on the left side of the frame, ascending the ice. The background is a vast, white, and textured expanse of snow and ice, with some darker rock visible. The overall scene is one of a high-altitude, challenging mountain environment.

“...we believed that the prevailing snowsports-wear apparel business model was inherently flawed and in direct opposition to the mountains that we love and the environment that supports them. Therefore, our aim has always been not to follow the herd, but to try to demonstrate that there is a different way of doing things.”

COMPANY PROFILE

Mont Gele Gear® (GRI 102-6)

Our products are available to buy on our website and ship worldwide. We proudly opened our first brick & mortar flagship store in Verbier in November 2020, where our customers can fully experience and get a feel for our products. Since the emergence of COVID-19, we've particularly focused our efforts on online accessibility, and online D2C currently represents over 72% of our sales to date.

Mont Gele Gear® registered companies & headquarters (GRI 102-1, 102-3, 102-5):

Mont Gele Gear S.à.r.l. (ID: CHE-397.112.704)

Rue du Lignolat 55, CH-1170 Aubonne, VD, Switzerland

Find our Swiss registered company on the official national registry [here](#).

Mont Gele Gear s.r.o. (ID: 09244662)

Elišky Krásnohorské 12/5, CZ-11000 Josefov, Prague, Czech Republic

Find our Czech registered company on the official national registry [here](#).

Our premium gear is designed in the Czech Republic and manufactured in Europe. We're intimately familiar with our supply chain, which allows us to closely monitor the working practices of our manufacturers, and the impact of our manufacturing and operations. Our team is in charge of sourcing our raw materials, managing our supply chain, and delivering our premium products to our customers across our various sales channels.



OUR MARKETS

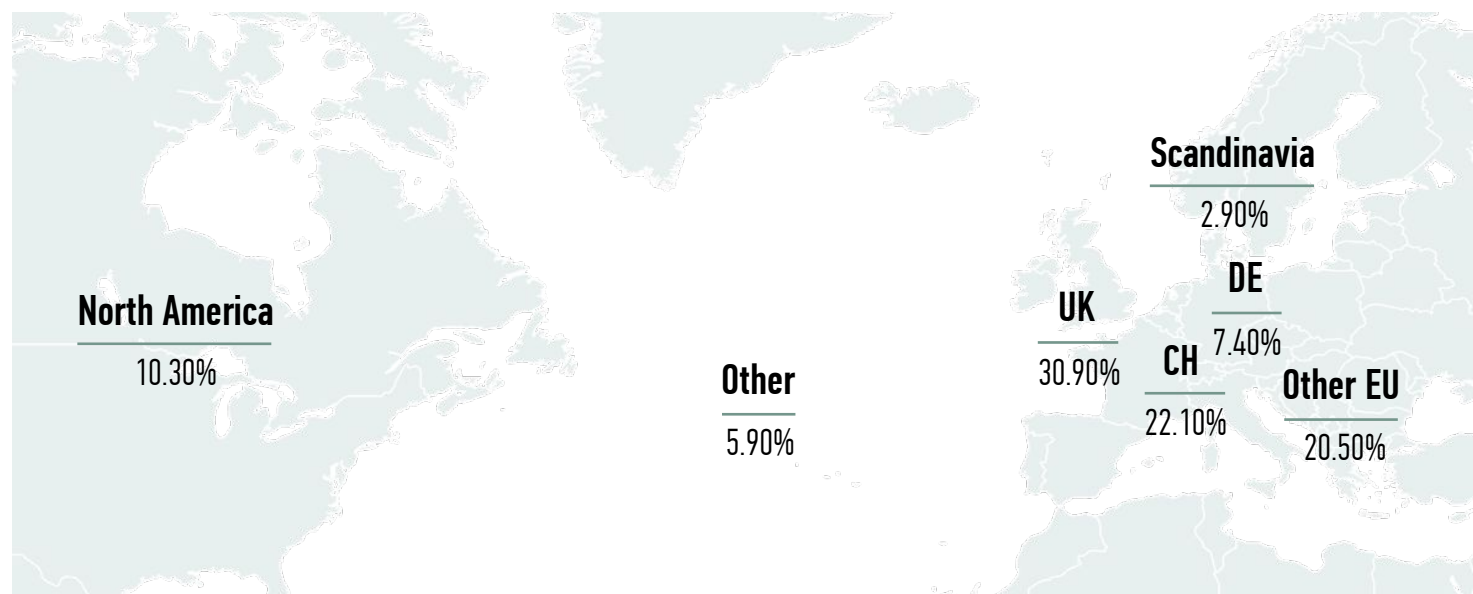
(GRI 102-6)

Breakdown of MGG sales (%) by sales channel, between 1st October 2020 and 5th July 2021

Sales channel	Percentage of sales
Website + wholesale	49.77%
Verbier store	39.77%
Online platforms (Zalando, Otto, etc.)	10.46%

Our online sales during our inaugural 2020/21 season were predominantly to European customers, and more specifically to customers in the UK, Switzerland and Germany. However, we could already see a small but dedicated customer base forming in Canada, the USA and further afield (Japan, Singapore, etc.), and we hope to grow our sales in these international markets in particular, during the upcoming 2021/22 season, using a mixture of D2C and wholesale orders.

Online sales on our website, between 1st October 2020 and 5th July 2021 (Region / Percentage of online sales)



SR20/21_3_B

STORE MANAGER INTERVIEW

Welcome to Verbier

Charlie Wethered

Verbier Store Manager

Charlie's background is in luxury events. He previously had his own company providing galleries, brands and high net worth clients with drinks and catering. Due to COVID-19, he was forced to cease operations, and instead ran the MGG Verbier store between January and April 2021, a role in which he welcomed potential and existing customers, built new relationships, and acted as a representative for MGG's brand values.



In an increasingly online world, is it important for a brand to have an offline presence, and why?

Yes, I think so, because human to human interaction will always beat any online experience, particularly when someone's making a more expensive purchase. A lot of decisions are based on connections with people, and how we feel around the people who work for those companies that sell us products and services. A good example - I went to a pub on Saturday for a wedding and had a great experience, so I went back yesterday. I could have gone to any pub in the area, but I wanted to go back to that pub specifically, because of the friendly atmosphere created by the staff. Particularly with clothing, I feel that it's also important to touch what you're buying.

What do you think has the greatest effect on customers when they step into a store?

Eye catching designs. They aren't really too focused on the store layout or how it looks. Instead, they just want to see great designs that stand out from all of the others, in what is a very crowded market.

What do you think makes a great retail experience?

Feeling that the people selling you the product actually care about a) their job and b) you. Other things like music, coffee, etc. are nice touches, but for me, it's about the feel of a place, and that comes from the staff.

How did you use the retail space to tell the story of MGG's sustainability and transparency?

Tricky question. It was really difficult, would be the short answer! They're two great buzzwords, but I feel that there will always be a bit of cat and mouse between the business and the consumer when it comes to these issues. The business is trying to convey these messages because they genuinely want to help the planet, while the customer is simultaneously trying to assess how genuine the business is in their efforts. I think visual aids are great - timelines, maps, etc. I really like visual timelines with illustrations, as they tell a story in an approachable and easily digestible way. I've heard that people have the lowest attention span in human history nowadays (!), so I think the less text, the better.

When personally talking to customers, were they interested in MGG's sustainability efforts?

Definitely. Customers like to feel that they're part of a change in the fashion industry and, on the whole, this was received really well. Certain individuals were more cynical and said things such as, "everyone's doing that now", to which you could reply, "yes, it's great that brands are making the effort, and that people are starting to make more environmentally conscious purchases!" Overall, I wouldn't say that it directly led to any purchases per se, but it certainly didn't do any harm in shaping customer decisions.

Why did you decide to join the MGG team?

It's a long story but, in a nutshell, because I'm good friends with Charlie, Tom, Rohit and Friedi, and they asked me if I wanted to head out to Verbier to run the shop for a few months. I love startups and the feeling of working in a company during the early stages of growth, and leapt at the opportunity! I also get a buzz from engaging with people, so it seemed like the perfect role.

"...human to human interaction will always beat any online experience..."

RADICALLY TRANSPARENT FROM DAY ZERO

The global apparel industry has been under the spotlight for many years, due to the negative impact that it has on the environment and society. When founding MGG, our aim was to create a new kind of D2C brand that actively recognises and acknowledges its environmental and social impact from the very beginning, and which does everything within its power to minimise this impact, while creating value for its customers, and the suppliers and communities with which it partners.

We therefore committed to being radically transparent from Day Zero. What does this mean? It means that we will always endeavour to share with our customers information and data which other brands are often simply too afraid to share, or indeed can't share, because it would destroy their business model.

We want to give our customers ALL the information that they need to make a fully informed decision about their purchase, from in-depth details about the working conditions of all our manufacturers, to a precise breakdown of the different costs that go into producing our products.

The European apparel industry – what they don't tell you

1%

of clothing in Europe is recycled and turned into new fabrics

52%

of clothing imported into EU countries is produced by non-EU countries

11kg

of textiles per person in the EU are thrown away annually

4th

highest consumer of primary raw materials and water, after food, housing and transport; 5th highest producer of greenhouse gas emissions

60%

of fibres produced in the EU are synthetic (mostly polyester)

!

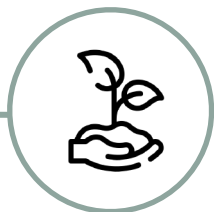
low rates of pay and poor working conditions are extremely common in the apparel industry, even in Europe

KEEPING TRACK

Priority assessment

Our approach

As a young company, we understand the need to integrate the management of ESG (Environmental, Social & Governance) issues into our strategy and approach. Identifying key areas of impact is essential to being transparent and accountable. It also allows us to make informed decisions based on appropriate data. We have identified the following key ESG focus areas:



ENVIRONMENTAL

Sustainable
apparel

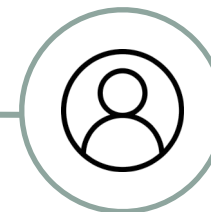
Climate change
& biodiversity



SOCIAL

Supply chain
transparency

Fair working
conditions



GOVERNANCE

Transparency

Accountability

KEEPING TRACK

Priority assessment

A dialogue with our stakeholders

Being a young, small and agile business, we have particularly benefited from what has been an excellent opportunity to be in such close contact with our stakeholders at a very early stage. The issues that continue to arise from our conversations and questionnaires will be further assessed and prioritised, and specific actions will be taken in response.

An active and ongoing dialogue with our stakeholders is crucial. It enables us to better our understanding of our impact and to identify key areas for improvement and risk management. We now have ongoing discussions with a range of stakeholders, including employees, suppliers, customers, NGOs and business partners, which has helped us to create a baseline for understanding their concerns and needs.

Key issues identified by stakeholder groups

Customers	Employees	Suppliers	General public
Pricing Quality & design Sustainability & transparency	Employee equality Fair salaries Purpose & values	Supply chain transparency Laws & regulatory compliance Opportunities for growth & learning	Climate change awareness Supply chain transparency Product transparency
Investors	NGOs	Government & policy	Innovators (academics, startups & SMEs)
ESG performance Risk management Compliance	Climate change awareness Supply chain transparency Active engagement	Compliance Human rights GHG emissions management	Knowledge transfer Climate change awareness Incentives



SR20/21_8

GOVERNANCE

Producing premium quality ski gear with a long lifespan, and which is made in as sustainable a way as possible, is a challenge. It's a challenge, however, that we as a team, together with our suppliers, are willing and eager to embrace. We must also not forget that sustainability is not only concerned with environmental topics. The social and economic impacts of businesses such as ours are just as important, and a brand that doesn't take an holistic approach shouldn't call itself 'sustainable'.

MGG

GOVERNANCE

We believe that radical transparency is the correct and only way to keep our business accountable to its stakeholders.

Long-winded sustainability and/or transparency reports are commonly produced by much larger businesses than our own. Unfortunately, the sheer size of some of these businesses means that for many operational areas, they will only be collecting data for the first time. As a result, they will then have to work backwards to try to fix all those issues which are revealed by this new data. This kind of damage limitation is time consuming, and can use up so many company resources that it may ultimately not be financially worthwhile for large businesses to actually fix their own problems. By comparison, we see great benefits in maintaining a lean team that is well aware of its ESG baseline, and which can make informed decisions based on empirical data.



SR20/21_3_C

TEAM INTERVIEW

Price vs Cost

Thomas A. Bata

CEO & Founder

Thomas grew up in an entrepreneurial environment and spent many years working in the shoe and fashion industry. After he finished his studies in the USA, he decided to take the best of what he'd learned, combine it with his passion for snowsports, and partner with a group of likeminded individuals to create his own transparent and sustainable brand, with the ultimate aim of bringing about change in the outdoor apparel industry.



MGG was only launched in 2020, and its first financial year is not even over yet. Why was it so important for you to be transparent from Day Zero?

I've been working in the fashion industry for most of my life, and I've just seen how things are buried, and how companies act very selectively in what they communicate. Couple that with a profit and influencer driven world, and you end up with very superficial kinds of initiatives. We believe that the only way to really improve processes is for things to be radically transparent. We're constantly sold a world of exaggeration, whether it's photoshopped images, greenwashing or disposable fashion. We want to highlight these issues and bring productive solutions that at least take us in the right direction - and to do this we needed to be honest with ourselves from the very beginning.

Why did you decide to reduce your markup, when compared to your competitors?

Well, in a way we're just going back to how things used to be. Markups have been increasing over the years, and less and less money has been going to the workers that make the raw materials and the finished products. A big part of this is outsourcing, but it's not the only culprit. We believe that capitalism has to serve everyone and our planet. So that means making goods closer to home and ensuring that people involved in the company directly or indirectly can make a fair living. This is our aspiration.

Are there any topics that you feel even the most famous sustainable brands are not sufficiently transparent about?

Oh, don't get me started here, I think there are many! Obviously I believe that there's a huge spectrum within the industry. I feel that it's really important to look at things with all the information available, and to do so rationally and empirically. For example, the plastic vs paper bag debate is an interesting one. When plastic bags were invented, they were seen as a saviour, as many fewer forests would be cut down. Today, we see them as evil and paper bags as good. But, as always it's not so simple... Plastic in many ways is a magical material - it can be durable, flexible and practical. The problem isn't the plastic, it's the way in which it's used and disposed of. Imagine if someone used a plastic bag 1,000 times, or even 10,000 times in a lifetime? Then we wouldn't be having this discussion. Unfortunately, things that are cheap tend to be used ignorantly, and abused. The point is, behaviour and habit are huge factors, and any sustainability initiative has to be looked at holistically, and with the alternatives properly evaluated.

Do you hope that MGG will gain enough momentum to disrupt the fashion industry?

Yes, of course I do! If big companies copy our way of working, this I will consider to be a huge success. I understand that businesses need to be profitable and need to grow. I'm not anti-capitalist, but I do believe that we've gone backwards over the past 40 years in terms of looking at businesses holistically as a win-win mechanism for communities, employees and the environment. In many ways we've gone forwards of course, but not in many of these important areas.

It would have been cheaper to produce your products in Asia, for example, so why did you decide to keep your manufacturing in Europe?

We want to humanize clothing again. Despite clothing being such an important part of people's lives, not enough of us actually think about how and who has made our products. In short, we decided to make our products in Europe for three reasons: 1) To be close to the people that make our products, both in spirit and physically – our factories are located generally near the mountains and many of the workers at our outerwear factories, for example, are skiers themselves; 2) to ensure high standards of environmental and labour compliance; and 3) to create super high quality products, since manufacturing in Europe gives us access to some incredible talent.

Why did you decide to found MGG?

Ultimately, we want to make a difference and effect real change in the industry. We want to create apparel for skiing and other winter activities, and to save our winters at the same time. We were tired of waiting for others to make this happen.... Most companies see sustainability as a marketing activity to engage with “millennials”, etc... We see it as a basic fundamental value that guides our every move. In the end it's that simple, that's the big difference, and why I believe we can truly have a huge impact.

“If big companies copy our way of working, this I will consider to be a huge success. I understand that businesses need to be profitable and need to grow. I’m not anti-capitalist, but I do believe that we’ve gone backwards over the past 40 years in terms of looking at businesses holistically as a win-win mechanism for communities, employees and the environment.”

GOVERNANCE

Transparency

Everything that you need to know about us as a company can be found in the following chapters:

[OUR PEOPLE](#), [COMPANY PROFILE](#) and [OUR MARKETS](#).

Our financial disclosures will be incorporated into this report at the end of the financial year, at which point this report will be updated accordingly.

Everything that you need to know about our supply chain can be found in the following sections:

[SOCIAL](#) and [ENVIRONMENTAL](#).

Our commitment is to be THE radically transparent brand.

We believe that all stakeholders deserve the truth, and especially our customers. We've also identified that most fashion and almost all outdoor fashion brands are not transparent enough about production and other COSTS.

As such, we've decided to reveal the various costs of our ENTIRE product portfolio. Every piece of clothing that we make has environmental and social costs which should not remain hidden.

PRICE VS COST

GOVERNANCE


Price vs Cost

What is the PRICE vs COST of the clothing that you're buying? Our hope is that this question will be answered, as standard, by all fashion brands in the future. However, this is certainly not the case right now.

For each of our products we provide:

- the origin of all their component materials
- the location of their final product manufacturer
- a full percentage price breakdown (including profit)
- their CO2 and monetary carbon footprint

For both the 2020/21 and 2021/22 seasons, our products are sorted into five categories: Jackets, Pants, Knitwear, Cotton Wear and Technical Ski Socks.



TOTAL TRANSPARENCY —

Origin of materials

- Argentina, Brazil, Chile, South Africa & Uruguay - Fine Merino Wool (mulesing-free certified)

Location of manufacturer

- Czech Republic

Transparent pricing

Percentage price breakdown for our Merino Sweaters:

- Materials - 13%
- Design & Marketing - 15%
- Manufacturing - 13%
- Logistics - 10%
- Rent & Operations - 11%
- Taxes - 20%
- Admin & Profit - 17%

CARBON FOOTPRINT +

GOVERNANCE

Price vs Cost

Percentage price breakdown for all 2020/21 products	Denali Jacket 1.0 (M)			Kenai Jacket 1.0 (F)			Valdez & Teton Pants 1.0 (M/F)		
	%	CHF	EUR	%	CHF	EUR	%	CHF	EUR
Materials	22	154.00	138.60	22	110.00	99.00	27	81.00	72.90
Design & Marketing	14	98.00	88.20	14	70.00	63.00	6	18.00	16.20
Manufacturing	14	98.00	88.20	14	70.00	63.00	23	69.00	62.10
Logistics	5	35.00	31.50	5	25.00	22.50	5	15.00	13.50
Rent & Operations	11	77.00	69.30	11	55.00	49.50	11	33.00	29.70
Taxes	20	140.00	126.00	20	100.00	90.00	20	60.00	54.00
Admin & Profit	14	98.00	88.20	14	70.00	63.00	8	24.00	21.60
Totals	100	700.00	630.00	100	500.00	450.00	100	300.00	270.00

GOVERNANCE

Price vs Cost

Percentage price breakdown for all 2020/21 products	Merino Sweaters (M/F)			Merino Beanies (Unisex)			Merino Scarves (Unisex)		
	%	CHF	EUR	%	CHF	EUR	%	CHF	EUR
Materials	13	19.50	17.55	12	3.60	3.24	20	14.00	12.60
Design & Marketing	15	22.50	20.25	10	3.00	2.70	12	8.40	7.56
Manufacturing	13	19.50	17.55	8	2.40	2.16	10	7.00	6.30
Logistics	10	15.00	13.50	6	1.80	1.62	8	5.60	5.04
Rent & Operations	11	16.50	14.85	18	5.40	4.86	15	10.50	9.45
Taxes	20	30.00	27.00	20	6.00	5.40	20	14.00	12.60
Admin & Profit	18	27.00	24.30	26	7.80	7.02	15	10.50	9.45
Totals	100	150.00	135.00	100	30.00	27.00	100	70.00	63.00

GOVERNANCE

Price vs Cost

Percentage price breakdown for all 2020/21 products	Cotton Tees (M/F)			Cotton Hoodies & Sweatshirts (M/F)			Technical Ski Socks (Unisex)		
	%	CHF	EUR	%	CHF	EUR	%	CHF	EUR
Materials	14	4.90	4.41	14	11.20	10.08	10	3.50	3.15
Design & Marketing	11	3.85	3.47	11	8.80	7.92	17	5.95	5.36
Manufacturing	11	3.85	3.47	11	8.80	7.92	7	2.45	2.20
Logistics	9	3.15	2.83	6	4.80	4.32	14	4.90	4.41
Rent & Operations	11	3.85	3.46	12	9.60	8.64	14	4.90	4.41
Taxes	20	7.00	6.30	20	16.00	14.40	20	7.00	6.30
Admin & Profit	24	8.40	7.56	26	20.80	18.72	18	6.30	5.67
Totals	100	35.00	31.50	100	80.00	72.00	100	35.00	31.50

GOVERNANCE

Price vs Cost

Product	Retail Price (CHF) (including sales taxes)	Taxes	Materials	Design & Marketing	Manufacturing	Logistics	Rent & Operations	Admin & Profit
Kodiak Crossover Jacket (M)	799.00	20%	27%	19%	10%	5%	12%	7%
Denali Insulated Pro Jacket 2.0 (M)	749.00	20%	22%	19%	10%	5%	12%	12%
Denali Insulated Pro Jacket (F)	749.00	20%	22%	19%	10%	5%	12%	12%
Kenai Crossover Jacket 2.0 (F)	699.00	20%	16%	19%	11%	5%	12%	17%
Lyngen Touring Shell Pro Jacket (M/F)	599.00	20%	23%	19%	10%	5%	12%	11%
Denali Jacket 1.0 (M)	399.00	20%	34%	15%	12%	5%	12%	2%
Kenai Jacket 1.0 (F)	299.00	20%	25%	15%	10%	5%	12%	13%
Valdez Pants 1.0 & Valdez Pro Pants 2.0 (M)	399.00	20%	25%	17%	10%	5%	12%	11%
Teton Pants 1.0 & Teton Pro Pants 2.0 (F)	399.00	20%	25%	17%	10%	5%	12%	11%
Merino Sweaters (M/F)	150.00	20%	16%	20%	10%	7%	12%	15%
Merino Scarves (Unisex)	70.00	20%	16%	20%	10%	7%	12%	15%
Merino Beanies (Unisex)	40.00	20%	16%	20%	10%	7%	12%	15%
Cotton Hoodies & Sweatshirts (M/F)	80.00	20%	15%	20%	7%	10%	12%	16%
Cotton Tees (long-sleeved) (M/F)	40.00	20%	15%	20%	7%	10%	12%	16%
Cotton Tees (short-sleeved) (M/F)	35.00	20%	15%	20%	7%	10%	12%	16%
Tanner Hall Limited Collection Hoodies (M)	80.00	20%	15%	20%	7%	10%	12%	16%
Tanner Hall Limited Collection Tees (M)	40.00	20%	15%	20%	7%	10%	12%	16%
Technical Ski Socks (Unisex)	35.00	20%	10%	20%	5%	10%	12%	23%

Please note:

- Percentages have been re-adjusted with 2021/22 Retail Price changes for the Denali Jacket 1.0, Kenai Jacket 1.0, Valdez Pants 1.0 and Teton Pants 1.0.
- Previously forecasted percentage breakdowns have been readjusted based on real numbers from 2020/21.
- More detailed Price vs Cost percentage breakdowns for 2021/22 will be presented in next year's Snow Report.

GOVERNANCE

Commitments & targets

Topic	Key Performance Indicator	Target	Status
Global Reporting Initiative (GRI)	Extend GRI Standards reporting to GRI 200, 300 & 400	Assess GRI Standards structure & provide update on progress for 2022/23 report	In progress
Sustainable Development Goals (SDGs)	Understand our contribution to SDGs	Assess SDG reporting standards & incorporate SDG related data and progress into 2022/23 report	In progress
Stakeholder Dialogue & Materiality Assessment	Run impact topic priority assessment with all key stakeholders; create assessment process	Complete full priority assessment by 2022	In progress
Materiality Assessment	Provide more extensive materiality assessment	Extend materiality assessment in 2022/23 report	In progress

SR20/21_3_D

TEAM INTERVIEW

Greenwashing: Not cool

Rohit Chandra Mouli

Marketing Director & Co-Founder

Rohit has a background in digital marketing, content creation and digital rights management, and a passion for backcountry skiing. He's worked in the sports and healthcare industries, and has always sought to make a meaningful impact. As MGG's Marketing Director, Rohit's main objectives are to grow MGG brand awareness and to develop new and existing relationships with MGG athletes, partners and ambassadors, such as Tanner Hall and Nendaz Freeride.



What are the most important aspects of building a relationship with a potential customer?

Trust is the main aspect in building a relationship with anyone. We intend to build trust by being honest and transparent, with the objective of building long term relationships with loyal customers.

MGG is predominantly a D2C brand. What's most challenging about giving the customer the correct product experience in an online environment?

A high degree of competition in this space and constantly evolving customer preferences. We also need to stay up-to-date on the latest e-commerce trends, while simultaneously differentiating ourselves from our competitors.

Greenwashing is a regular occurrence in the marketing world. How will you prevent this from happening at MGG?

Effectively communicating our USPs and principal differentiator: Transparency. It's about convincing customers that we are what we say we are, and that when we talk about being transparent, that's across all levels of our business.

How important is it for you to educate customers about sustainability, through communication?

There are lots of resources out there already, so any communication about sustainability should be practical and directly linked to our business and how we can make a change. It's easy to post images with quotes and statistics. Instead, we want to be genuine. In other words, I would much prefer that we focus on communicating how to maintain our products (action), rather than sharing updates on how the glaciers are melting (effect).

Do you see the outdoor clothing market as highly competitive, and what are MGG's greatest assets?

Yes, it's extremely competitive, while the luxury outerwear market is in fact less so. Our greatest assets are authenticity, transparency, and our ability to move quickly.

Why did you decide to co-found MGG?

To spark a change in the industry and to illustrate to the competition that transparency is not something to shy away from, but to embrace. More transparency will lead to legitimate change and a positive impact. This is a message and a lesson that can only be taught and shown from inside the industry. It's about creating change from within.

“More transparency will lead to legitimate change and a positive impact. This is a message and a lesson that can only be taught and shown from inside the industry. It’s about creating change from within.”



SR20/21_9

SOCIAL

A huge amount of time and effort has gone into choosing our highly valued suppliers, and we maintain a close working relationship with all of them, often on a daily basis. Many different factors determine why we've chosen to work with these suppliers but, above all, our suppliers need to be able to adapt and grow with our brand, and they also need to be prepared to accept and embrace real change, which we recognise is not an easy thing to ask of them.

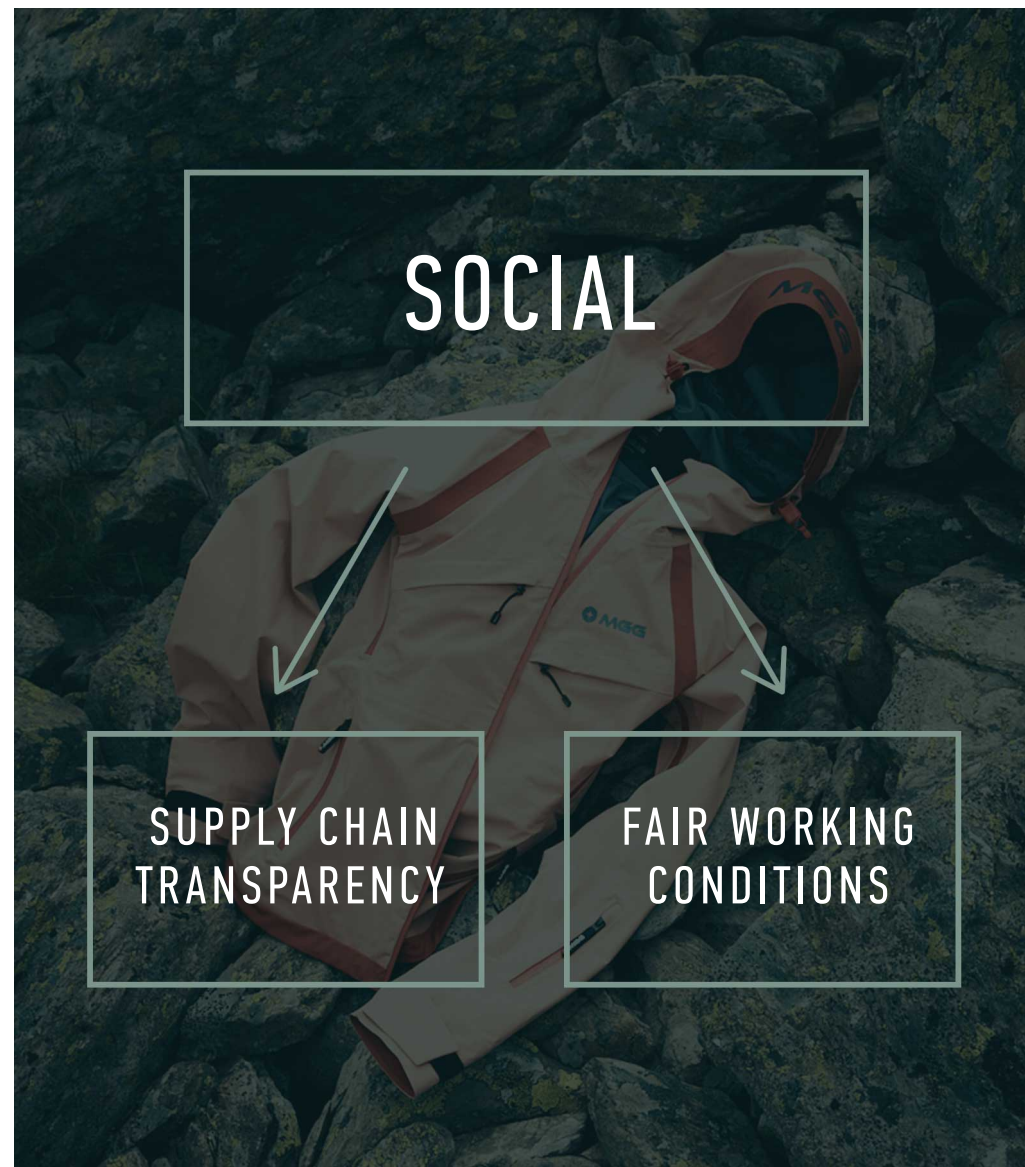
MGG

SOCIAL

Total supply chain transparency among brands within the fashion industry is almost non-existent, because it's not easy to achieve. If a brand such as ours wants to truly call itself transparent and sustainable, it cannot ignore the social impact of its business operations. We've selected our suppliers very carefully, and we've based each decision not only on the quality of their manufacturing, but also just as importantly on how they treat their own employees and on the way that they approach the environmental impact of their operations. Mandatory EU regulatory disclosures and/or global standards with which our European suppliers must comply, are also an additional reliable guarantee that our suppliers will meet the social standards that we've set for MGG.

Our SOCIAL pillar explains our approach to supply chain transparency in terms of:

- the geographic location of our manufacturers
- our manufacturers' working conditions
- the environmental standards to which our manufacturers adhere



SR20/21_3_E

TEAM INTERVIEW

Mastering supply chains

Patrik Pavlíček

COO & Head of Design

Before joining MGG, Patrik worked for startups, medium-sized companies, large multinational companies, and also had his own business. His broad experience spans the full range of fashion house roles: Designer, Fashion Buyer, Key Account Manager, Brand Manager and Director. As MGG's COO & Head of Design, he's responsible for preparing each season's designs, product manufacturing, logistics, liaising with all our suppliers, and managing MGG's Czech entity, among many other tasks.



Which boxes does a supplier need to tick before you're prepared to work with them?

Every supplier goes through a complex vetting process. It's not just a question of geographic location, their ability to meet our sustainability requirements, where they're able to source component materials from, or how they treat their employees. My priority first and foremost is to find suppliers with which we can grow, so that our mutual cooperation enriches both parties. My aim is always therefore to work towards a 'win-win' strategy, such that both MGG and our suppliers are prepared to be flexible and willing to face challenges, whether commercial, macroeconomic, ethical or otherwise.

Do MGG's suppliers appreciate the brand's approach to sustainability, and is it helping them to navigate challenges in the market?

We have to be realistic here. Any demands for sustainable materials or changes to working processes are economically and procedurally challenging. That's why it's crucial that we choose our manufacturers and suppliers particularly carefully. So far, we've managed to seek out and form strong working relationships with manufacturers and suppliers who have the same vision as us, and which, like us, care about what our planet will look like in the future.

Is it more difficult to manufacture clothes in Europe, rather than in the Far East, for example?

Like anything, this coin has two sides. From a technical point of view, working with Far Eastern manufacturers is a little easier. If you manage production via the HK Hub, for example, you can leave a much greater amount responsibility to the manufacturer. By comparison, European manufacturing is often more complicated and requires more effort and time. Also, from a cost and investment point of view, European manufacturing is by an order of magnitude more expensive. Producing our apparel solely in Europe is therefore a huge challenge, but I'm delighted that MGG is one of the first outdoor companies in the world to have 100% of its manufacturing capability within Europe. At the end of the day, it's well worth the extra effort and cost.

Why are some of the materials and components in MGG's products sourced from outside Europe?

Certain raw materials and subcontractor supply chains are simply not available in Europe. For example, the fine Merino Wool that we use to make our sweaters, beanies and scarves, is from sheep which are generally only reared outside Europe, in specific climates. Equally, some high-end components in MGG products, such as YKK® zips, are only manufactured outside Europe. Nevertheless, we don't let this interfere with our wider philosophy, and continue to work with all our focus on pursuing a sustainable and environmentally responsible approach to manufacturing, materials and resources.



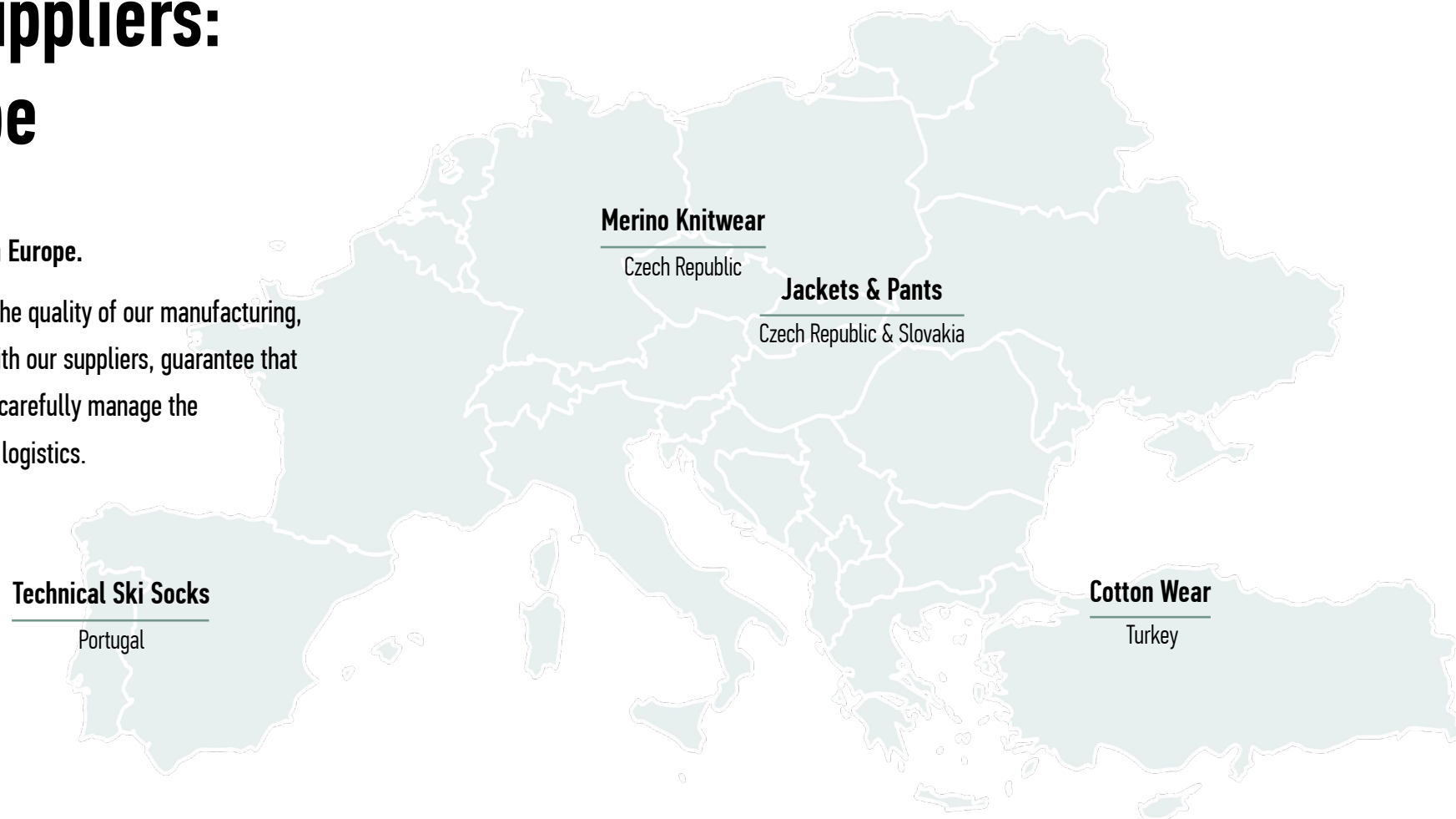
“My priority first and foremost is to find suppliers with which we can grow, so that our mutual cooperation enriches both parties.”

SOCIAL

Final product suppliers: Always in Europe

100% of MGG's products are manufactured in Europe.

By making this commitment, we can maximise the quality of our manufacturing, benefit from an intimate working relationship with our suppliers, guarantee that our suppliers' employees are treated fairly, and carefully manage the environmental impact of our manufacturing and logistics.



SOCIAL

Jackets:

Manufacturer location, working conditions & environmental approach



Manufacturer site information - Social

Site size (m ²)	1,100
m ² per employee	52
Number of employees	21
Gender of employees (%)	Female: 62 Male: 38
Age breakdown (%)	<30: 10 30 - 50: 90 >50: 0
Type of contract (%)	Full time: 81 Part time: 19
Holiday (days/year)	25
Average monthly net salary full + part-time (EUR) (N.B. Part-time salaries skew this total net average downwards)	979.34
Legal minimum monthly net salary full time (EUR)	574.62
Health insurance + pension provisions	Yes
Health & safety training + emergency & accident measures in place	Yes
Availability of rest & social areas	Yes

Manufacturer site information - Environmental

Energy source	Electricity
Renewable energy commitment	Heat pump implementation analysis in progress.
Waste disposal	<p>Waste separation of paper, plastic, glass and other.</p> <p>In case of additional volume, waste is sent directly to a waste separation plant.</p> <p>Water passes through a cleaning plant, and then back into the sewage system, following cleaning.</p>

SOCIAL

Jackets & Pants:

Manufacturer location, working conditions & environmental approach



Manufacturer site information - Social	
Site size (m ²)	3,200
m ² per employee	35
Number of employees	91
Gender of employees (%)	Female: 91 Male: 9
Age breakdown (%)	<30: 3 30 - 50: 29 >50: 68
Type of contract (%)	Full time: 89 Part time: 11
Holiday (days/year)	25
Average monthly net salary full + part-time (EUR) (N.B. Part-time salaries skew this total net average downwards)	702.00
Legal minimum monthly net salary full time (EUR)	623.00
Health insurance + pension provisions	Yes
Health & safety training + emergency & accident measures in place	Yes
Availability of rest & social areas	Yes
Manufacturer site information - Environmental	
Energy source	Electricity
Renewable energy commitment	Plan to use solar energy being consulted upon.
Waste disposal	Waste separation and secondary use of textile waste.

SOCIAL

Merino Knitwear:

Manufacturer location, working conditions & environmental approach



Manufacturer site information - Social	
Site size (m ²)	175
m ² per employee	44
Number of employees	4
Gender of employees (%)	Female: 100 Male: 0
Age breakdown (%)	<30: 0 30 - 50: 75 >50: 25
Type of contract (%)	Full time: 75 Part time: 25
Holiday (days/year)	20
Average monthly net salary full + part-time (EUR) (N.B. Part-time salaries skew this total net average downwards)	566.20
Legal minimum monthly net salary full time (EUR)	574.62
Health insurance + pension provisions	Yes
Health & safety training + emergency & accident measures in place	Yes
Availability of rest & social areas	Yes
Manufacturer site information - Environmental	
Energy source	Electricity, solar power water heating and heating support.
Renewable energy commitment	Not currently.
Waste disposal	All Merino Wool is fully processed.

SOCIAL

Cotton Wear:

Manufacturer location, working conditions & environmental approach



Cotton Wear

Turkey (Istanbul)

Manufacturer site information - Social

Site size (m ²)	1,600
m ² per employee	28
Number of employees	56
Gender of employees (%)	Male: 64 Female: 36
Age breakdown (%)	<30: 16 30 - 50: 81 >50: 3
Type of contract (%)	Full time: 98 Part time: 2
Holiday (days/year)	14-26
Average monthly net salary full + part-time (EUR) (N.B. Part-time salaries skew this total net average downwards)	392.30
Legal minimum monthly net salary full time (EUR)	346.62
Health insurance + pension provisions	Yes
Health & safety training + emergency & accident measures in place	Yes
Availability of rest & social areas	Yes

Manufacturer site information - Environmental

Energy source	Electricity
Renewable energy commitment	Not currently.
Waste disposal	All waste water is treated. Paper and plastic are recycled.

SOCIAL

Technical Ski Socks:

Manufacturer location, working conditions & environmental approach



Manufacturer site information - Social	
Site size (m ²)	4,500
m ² per employee	66
Number of employees	68
Gender of employees (%)	Male: 28 Female: 72
Age breakdown (%)	<30: 13 30 - 50: 57 >50: 30
Type of contract (%)	Full time: 98 Part time: 2
Holiday (days/year)	22
Average monthly net salary full + part-time (EUR) (N.B. Part-time salaries skew this total net average downwards)	900.00
Legal minimum monthly net salary full time (EUR)	775.80
Health insurance + pension provisions	Yes
Health & safety training + emergency & accident measures in place	Yes
Availability of rest & social areas	Yes
Manufacturer site information - Environmental	
Energy source	Electricity
Renewable energy commitment	Not yet, but plans in place to replace all lights with LEDs in the future.
Waste disposal	All waste water is treated. Paper and plastic are recycled.

SOCIAL

Commitments & targets

Topic	Key Performance Indicator	Target	Status
Final product manufacturer working conditions	Achieve increased transparency on final product manufacturer working conditions	Publish data from all manufacturer questionnaires by 2021	Completed
Raw material & component supplier working conditions	Achieve increased transparency on sub-supplier working conditions	Sub-supplier code of conduct to be prepared by 2022	In progress
Education	Provide final product suppliers with materials and training on sustainability	Fully train all final product suppliers by 2022	Training preparation in progress

SR20/21_3_F

TEAM INTERVIEW

Design meets sustainability

Tomáš Vojtas

Graphic & Fashion Designer

Tomáš has worked in the apparel industry as a graphic and fashion designer focusing on sports and streetwear, since 2006. He particularly enjoys the connection between nature and design. He's also a keen photographer and snowboarder, and spends as much of his time as possible up in the mountains with his family.



What do you think are the most important features of snowsports outerwear?

The quality of the fabric, coupled with functional design solutions in every detail. Sufficient ventilation is also just as important as protection from the elements. The apparel must be comfortable for the user, but at the same time attractively designed. And lastly, a product that has a story and which you know that by wearing it you're contributing to a better tomorrow, is irresistible.

When creating MGG's many varied designs, what's your inspiration?

Nature is always the greatest source of inspiration for me. The connection between tradition and new possibilities, as well as trends, is also crucial.

Is it important for you to be in close contact with the manufacturers that make your designs come alive?

Indeed, and thankfully these days I'm able to solve most issues by email and phone. It's of course been more difficult to travel of late, and therefore it wasn't as easy to meet manufacturers in person, as I'd been used to doing previously. For me, it's of paramount importance to know where and how our gear is made, and to discuss all the possible options with manufacturers. It goes without saying that it's also by far preferable to meet in person where feasible, and to build proper personal relationships.

Which raw material from the MGG 2021/22 collection is your favourite, and why?

It's definitely our Merino Wool. I enjoy working with the properties of this raw material, and being able to connect traditional fibres with modern design.

How does sustainability play a role in your creative process?

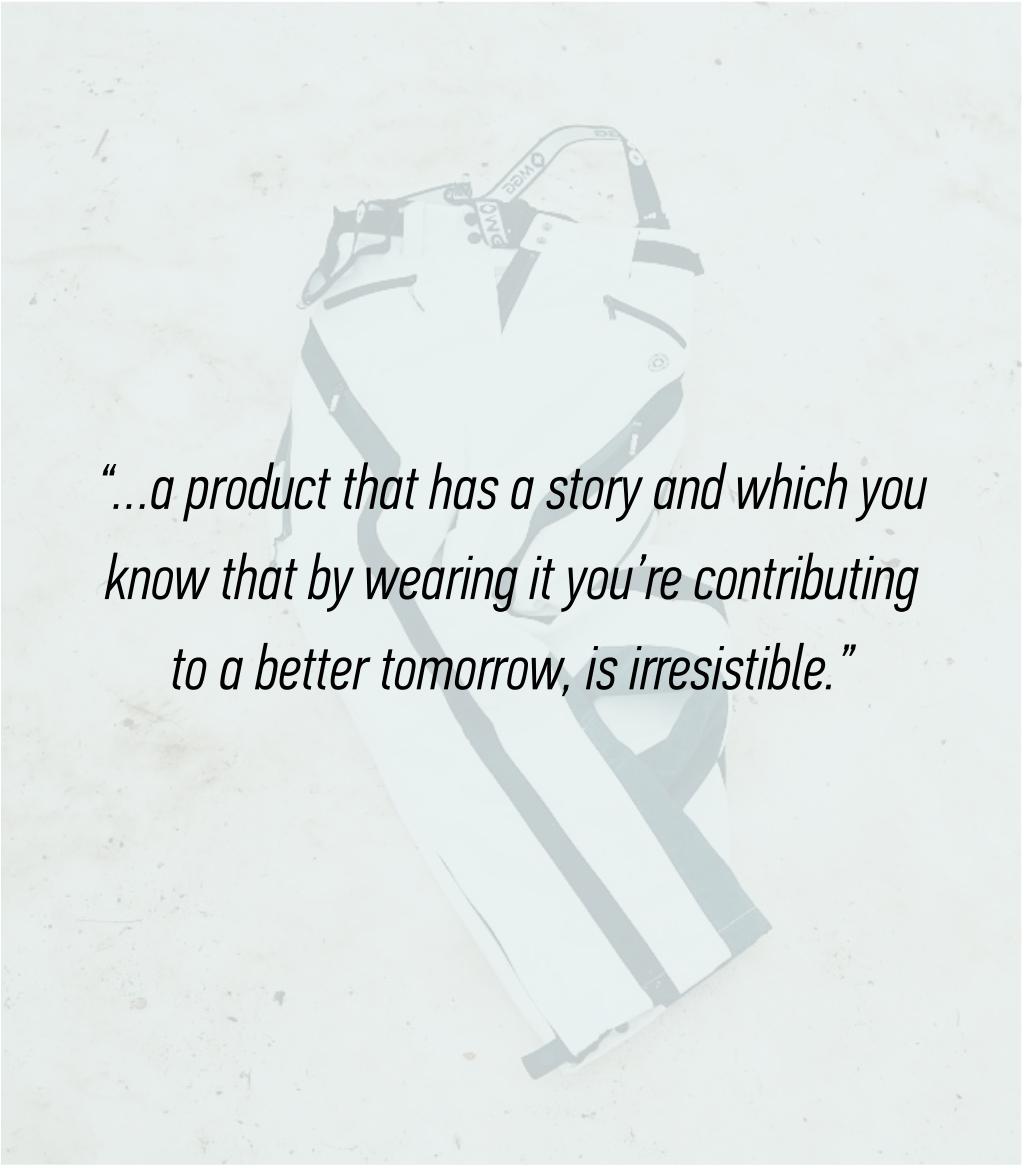
As a designer, it's crucial to carefully choose your materials and the amount of detail required to bring your products to life, and also to consider the impact of any production processes (including in particular dyeing and printing). You must then also think about your products' lifespans, how those products will degrade over time, and to what extent the materials that you've used will be recyclable. MGG is clear and transparent in this respect. This is the future, and I hope that other brands follow our lead.

Previously, how did you and Lenka Mulabegović split your roles?

I should of course mention that although she no longer works for MGG, Lenka was instrumental in the design and colourways of all MGG 2020/21 and 2021/22 products, and many 2022/23 products too. She's a highly talented fashion designer by trade and the owner of her own fashion label, and her unique sense of style is clear for all to see in these collections. When I first joined MGG, I worked principally as a graphic designer, while Lenka worked as MGG's fashion designer. With her departure, I will now be spending more time on fashion design, versus just pure graphic design.

Why did you decide to join the MGG team?

I've known Patrik for a long time, and we worked together in the design department of a large company. When Patrik asked me if I was interested in designing apparel for MGG, I was thrilled. I knew that this was the right thing to do and a great opportunity to create lots of exciting designs, using the experience that I already had. MGG is made up of a strong team of professionals who all think the same way, and this keeps my enthusiasm and desire strong. I believe that this is how everyone should feel in a role such as mine.



“...a product that has a story and which you know that by wearing it you’re contributing to a better tomorrow, is irresistible.”

SOCIAL

Give back initiative

As part of our commitment to sustainability and helping others, we've established a give back initiative, [Off Piste . On Course](#).

Off Piste . On Course is part of MGG's commitment to sustainability and helping others by:

- reducing waste by giving used clothing a second life; and
- helping those in need of warm clothing in remote and vulnerable, high-altitude regions around the world.

Clothing may be donated at our Verbier Store or donated through our dedicated webpage form, [HERE](#). Please note that right now, Off Piste . On Course is available in the EU, only.

Through our focus on sustainability, ethical business practices and philanthropic action, we'd like to inspire more sustainable processes and behaviours, and foster more respect and responsibility for the mountains, the environment, and the products that our customers purchase.





SR20/21_10

ENVIRONMENTAL

As a D2C brand founded entirely by mountain enthusiasts, every member of the MGG team has and continues to regularly witness the impacts of climate change first hand. Directly connecting our products and operations with their environmental impact and ensuring that we improve our performance year on year is, for us, the only way to responsibly run an outdoor apparel brand.

MGG

SR20/21_10

ENVIRONMENTAL

All our products are 100% made Europe and, by doing this, we're already significantly reducing our CO2 emissions from logistics.

However, we're also committed to giving you detailed raw material and component origin data for all our products, because we believe that this is the best way to illustrate what raw materials and components in our products are *not* manufactured in Europe. We will then use this information as a baseline, on which we intend to improve in every subsequent season.

Furthermore, we've worked with [Product DNA](#) to calculate the exact CO2 and monetary carbon footprint of all our products. Using these data, we can then determine how many trees we need to plant to offset our carbon footprint.

And to do this, we've partnered with [Forestmatic](#), to plant a new tree in the tropics in Uganda with every single online *and* offline order, so as to fully offset the carbon footprint of every product that we sell.



SR20/21_3_G

TEAM INTERVIEW

Navigating sustainability

Friedi Feige

Sustainability Manager

Friedi has a background in microbiology and public health. After working for several NGOs, she started by running MGG's give back initiative, Off Piste . On Course. Subsequently, her position evolved and she became our Sustainability Manager. Given all the different data points and partners with which we work, her role is particularly complex, as not only is there a great deal of data to collect and make sense of (you only have to read this report to see exactly that), but it also requires that she pushes our suppliers out of their comfort zones, which can sometimes meet significant resistance.



What does sustainability mean to you personally?

Sustainability is such a broad term. For me, sustainability is a process and not an end point, because there's always more room for improvement. Therefore, to me it means: (1) creating something that lasts, that doesn't damage our planet even further, and that people will love for many years to come; (2) having great business relationships which mean that everybody benefits and gets to enjoy what they do; and (3) integrity, accountability and transparency - we all make mistakes and must learn from them all the time, with the aim of continuously improving ourselves, our business and our relationships.

What are the most challenging areas in which to implement sustainability within the apparel industry?

For me, one of the most challenging areas is the creation of huge amounts of waste, i.e. poor quality, cheap clothing, which ends up in landfills. And this also, in my opinion, represents a massive waste of resources. The apparel industry needs to slow down and be more mindful of the materials that we use and of what we produce. At MGG, we make products that will hopefully stand the test of time. We have much work left to do in terms of becoming circular, but we believe firmly in the model and want to achieve this.

How easy is it to stay up-to-date with best practices and regulations?

There's a huge amount of information on sustainability out there, which is good, because it means that both companies and people have really started to think about why this is important. But on the flipside, this can also mean that it can be quite difficult to find the resources and information which are relevant.

How important for you is it to talk to different stakeholders?


Very important! If we want to be completely transparent, open discussions with our stakeholders are a crucial part of that. Speaking with our suppliers helps us understand their needs, and facilitates a win-win outcome for all of us. Understanding our customers is also of course crucial to improving our products and to learning what's important for them (recycled and recyclable packaging, manufacturing products in Europe, etc.). Lastly, discussions within the team are equally key, so that we all stay aligned, keep on enjoying working with one another, and continue to produce the best gear that we possibly can.

Is it important to ensure that the whole team understands sustainability management and how sustainability is implemented?

Absolutely. MGG was founded with sustainability at its heart, so it goes without saying that all our team need to understand what sustainability is and contribute to it and, most importantly, grasp what it means for MGG: informed supplier selection; informed raw material and component choices; an understanding of how and where we make our gear; regular self-evaluation and correction; and continuously improving and refining our products, the way in which we work, etc.

Why did you decide to join the MGG team?

Having known the founders very well for many years (Tom (CEO) is my husband!), I shared their vision and passion for MGG from the outset. Their motivation to produce something unique, in Europe, in a fair and transparent way, was almost infectious, and I knew that I wanted to be part of such an exciting and meaningful new brand, and contribute in a productive way.



“For me, sustainability is a process and not an end point, because there’s always more room for improvement.”

ENVIRONMENTAL Products

Raw materials & components

Product	Raw materials & components	Country of origin
Denali Jacket 1.0 (M) (2020/21)	Polyamide & polyester (Gelanots® 2L 20K waterproof outer shell (DWR C6))	Japan
Denali Insulated Pro Jacket 2.0 (M) (2021/22)	100% recycled polyester (Climashield® HL insulation)	Poland
Denali Insulated Pro Jacket (F) (2021/22)	100% recycled nylon (inner lining), YKK® zips, Velcro®, zip pullers, fold-over elastic & elastic cord with MGG logo	China
	Additional non-woven fabric (neck fleece & hood lining), elastic trims & other additional fabric	Czech Republic
	Pocket bag fabric, neck fleece fabric & hood lining fabric	Italy
	MGG logo, care info transfer, hanging loop & headphones wire eyelet	Hong Kong
	MGG hood logo transfer, OPOC logo transfer & thermos pocket transfer	Austria
	Eyelets & snap buttons	Latvia
	Zip stopper & cannon clip	Taiwan
	Additional elastic fabric	Spain
	Additional fabric	South Korea
	Woven MGG label	Turkey

FINAL PRODUCT

Made in the Czech Republic

RAW MATERIALS & COMPONENTS

Percentage made in Europe:

2020/21: There are 28 components in this product, of which 53.6% are made in Asia and 46.4% are made in Europe.

2021/22: There are 29 components in these products, of which 51.7% are made in Asia and 48.3% are made in Europe.

Percentage made from recycled sources (% by weight) (same for 2020/21 and 2021/22):

- Insulation (16%): Climashield® HL - 100% recycled polyester
- Lining (6%): 100% recycled nylon

In total, 22% of the raw materials and components (by weight) in these products are made from recycled sources.

<https://www.t-gelanots.com>

<https://www.climashield.com>

<https://www.toray.com>

ENVIRONMENTAL Products

Raw materials & components

Product	Raw materials & components	Country of origin
Lyngen Touring Shell Pro Jacket (M/F) (2021/22)	Polyester & polyurethane (Pertex® Shield 20K waterproof shell (DWR C6)), YKK® zips, Velcro®, zip pullers & fold-over elastic	China
	Pocket bag fabric	Italy
	MGG hood logo transfer & OPOC logo transfer	Austria
	MGG logo & care info transfer	Hong Kong
	Eyelets	Latvia
	Additional non-woven fabric	Czech Republic
	Additional elastic fabric	Spain

FINAL PRODUCT

Made in Slovakia

RAW MATERIALS & COMPONENTS

Percentage made in Europe:

2021/22: There are 15 components in these products, of which 53.3% are made in Asia and 46.7% are made in Europe.

In total, 0% of the raw materials and components (by weight) in these products are made from recycled sources.

<https://www.pertex.com>

ENVIRONMENTAL Products

Raw materials & components

Product	Raw materials & components	Country of origin
Kodiak Crossover Jacket (M) (2021/22)	Polyamide & polyester (Gelanots® 3L 20K waterproof outer shell (DWR C6))	Japan
	100% recycled polyester (Climashield® Apex + HL insulation)	Poland
	100% recycled nylon (inner lining), YKK® zips, Velcro®, zip pullers, fold-over elastic & elastic cord with MGG logo	China
	Pocket bag fabric, neck fleece fabric & hood lining fabric	Italy
	MGG logo, care info transfer, hanging loop & headphones wire eyelet	Hong Kong
	MGG hood logo transfer & OPOC logo transfer	Austria
	Zip stopper & cannon clip	Taiwan
	Eyelets	Latvia
	Additional elastic fabric	Spain
	Additional non-woven fabric	Czech Republic
	Woven MGG label	Turkey

FINAL PRODUCT

Made in the Czech Republic

RAW MATERIALS & COMPONENTS

Percentage made in Europe:

2021/22: There are 24 components in this product, of which 58.3% are made in Asia and 41.7% are made in Europe.

Percentage made from recycled sources (% by weight):

Insulation (37%): Climashield® Apex + HL - 100% recycled polyester

Lining (6%): 100% recycled nylon

In total, 43% of the raw materials and components (by weight) in this product are made from recycled sources.

<https://www.t-gelanots.com>

<https://www.climashield.com>

<https://www.toray.com>

ENVIRONMENTAL Products

Raw materials & components

Product	Raw materials & components	Country of origin
Kenai Jacket 1.0 (W) (2020/21)	Polyamide & polyester (Pertex® Quantum Pro 3K water resistant outer shell (DWR C6))	Japan
Kenai Crossover Jacket 2.0 (W) (2021/22)	100% recycled polyester (Climashield® HL insulation) (2020/21)	Poland
	100% recycled polyester (Climashield® Apex + HL insulation) (2021/22)	
	100% recycled nylon (inner lining), YKK® zips, Velcro®, zip pullers, fold-over elastic & elastic cord with MGG logo	China
	Pocket bag fabric, neck fleece fabric & hood lining fabric	Italy
	MGG logo, care info transfer, hanging loop & headphones wire eyelet	Hong Kong
	MGG hood logo transfer & OPOC logo transfer	Austria
	Eyelets	Latvia
	Additional elastic fabric	Spain
	Additional non-woven fabric	Czech Republic
	Woven MGG label	Turkey

FINAL PRODUCT

Made in Slovakia

RAW MATERIALS & COMPONENTS

Percentage made in Europe:

2020/21: There are 18 components in this product of which 94.4% are made in Asia and 5.55% are made in Europe.

2021/22: There are 19 components in this product of which 89.5% are made in Asia and 10.5% are made in Europe.

Percentage made from recycled sources (% by weight) (same for 2020/21 and 2021/22):

- Insulation (51%): Climashield® Apex + HL 100% recycled polyester
- Lining (10%): 100% recycled nylon

In total, 61% of the raw materials and components (by weight) in these products are made from recycled sources.

<https://pertex.com>

<https://www.climashield.com>

<https://www.toray.com>

ENVIRONMENTAL Products

Raw materials & components

Product	Raw materials & components	Country of origin
Valdez Pants 1.0 (M) (2020/21)	Nylon, polyester & polyurethane (Caroltex 10K waterproof outer shell (DWR C6))	Taiwan
Teton Pants 1.0 (F) (2020/21)	YKK® zips, Velcro®, zip pullers & fold-over elastic	China
Valdez Pro Pants 2.0 (M) (2021/22)	Pocket bag fabric	Italy
Teton Pro Pants 2.0 (F) (2021/22)	Elastic braces, brace loops & additional non-woven fabric	Czech Republic
	MGG logo & care info transfer	Hong Kong
	Eyelets & snap buttons	Latvia
	MGG logo transfer	Austria
	Additional elastic fabric	Spain
	Additional fabric	South Korea

FINAL PRODUCT

Made in Slovakia

RAW MATERIALS & COMPONENTS

Percentage made in Europe:

2020/21: There are 17 components in these products of which 52.9% are made in Asia and 47.1% are made in Europe.

2021/22: There are 18 components in this products of which 55.6% are made in Asia and 44.4% are made in Europe.

In total, 0% of the raw materials and components (by weight) in these products are made from recycled sources.

<http://www.caroltex.com>

ENVIRONMENTAL Products

Raw materials & components

Product	Raw material	Country of origin	Country in which yarn spun
Merino Wool Sweaters (M/F)	Merino Wool	Argentina, Brazil, Chile, South Africa & Uruguay	Austria
Merino Wool Beanies (Unisex)	Merino Wool	Argentina, Brazil, Chile, South Africa & Uruguay	Austria
Merino Wool Scarves (Unisex)	Merino Wool	Argentina, Brazil, Chile, South Africa & Uruguay	Austria

FINAL PRODUCT

Made in the Czech Republic

CERTIFICATIONS

- Oeko-Tex® Standard 100: Fabric Dyes: Product Class II Annex 6
- Mulesing-free certified production of raw Merino Wool provided by Schoeller Group

ENVIRONMENTAL Products

Raw materials & components

Product	Raw material	Country of origin
Cotton Tees (M/F)	Cotton	Greece & Turkey
Cotton Hoodies & Sweatshirts (M/F)	Elastane (long-sleeved tee (F), only)	Turkey
Tanner Hall Limited Collection Tees (M) (2021/22)	Cotton	Greece & Turkey
Tanner Hall Limited Collection Hoodies (M) (2021/22)	Polyester	China
	Product still at design & testing stage (20.10.21) - TBC	TBC
	Product still at design & testing stage (20.10.21) - TBC	TBC

FINAL PRODUCT
Made in Turkey

CERTIFICATIONS

- Oeko-Tex® Standard 100: Fabric - Product Class I Annex 6; Embroidery - Product Class II Annex 4; Transfer Printing - Product Class I Annex 6
- Oeko-Tex® Eco Passport (screen printing)

ENVIRONMENTAL Products

Raw materials & components

Product	Raw material	Country of origin
Technical Ski Socks (versions 1 & 2)	Coolmax®	Germany
	Merino Wool	Various
	Polyamide & elastane	Portugal

FINAL PRODUCT
Made in Portugal

CERTIFICATIONS

- Oeko-Tex® Standard 100: Embroidery: Product Class II Annex 4 Ponto Verde 2018/ 0002024 (packaging is compliant with Portuguese law n°152-D/2017)
- Merino bought from Südrolle Group (Richter), CSR commitment backed by several major certifications

ENVIRONMENTAL

Hang tags & packaging

All MGG hang tags, boxes, paper padding and paper bags are made from recycled or FSC certified (or equivalent) paper, and the ink printed on our boxes and paper bags is produced using environmentally friendly processes.

We do, however, recognise that the tape used on our boxes does not yet come from recycled sources, and nor do the plastic bags in which our products are sent to our warehouse from our suppliers. We're currently investigating different types of tape, and we're also discussing with our warehouse how they can recycle and/or reuse these plastic bags.

Hang tags (2021/22)

Made from 100% recycled paper.

Boxes (2020/21 & 2021/22)

Made from a combination of recycled and FSC certified (or equivalent) paper.
Printed inks are made from natural dyes.

Paper bags - Verbier store (2020/21 & 2021/22)

Made from a combination of recycled and FSC certified (or equivalent) paper.
Printed inks are water based.

Please note: Information on the source of the recycled materials used in our new envelopes will be included in next season's Snow Report.



ENVIRONMENTAL

Commitments & targets: Raw materials & components

Topic	Key Performance Indicator	Target	Status
Raw material & component supplier assessment	Achieve increased sub-supplier transparency	Sub-supplier code of conduct to be prepared by 2022	In progress
Merino Wool (Merino Sweaters, Merino Beanies, Merino Scarves, Technical Ski Socks)	Achieve increased transparency on animal welfare conditions and precise yarn origin	Animal welfare programme structure to be prepared by 2022	In progress
Coolmax® (Technical Ski Socks)	Switch to using Coolmax® Eco	Use Coolmax® Eco for 2022/23 collection	In progress
Recycled raw materials & components	Achieve increased % of recycled raw materials & components in final products	Report on increased % of recycled raw materials & components in final products in 2022/23 collection	In progress
Packaging, tape & plastic bags	Base approach to packaging, tape and plastic bags on LCA analysis data	Establish packaging portfolio with lowest environmental impact based on scientific data	In progress

ENVIRONMENTAL

Climate change & biodiversity

From Day Zero, we set out to minimise the negative impact of our manufacturing and operations by planting trees to fully offset the carbon footprint of every product that we sell.

We began this process by working with [Product DNA](#), who have since calculated the CO2 and monetary carbon footprint of every product in our 2020/21 and 2021/22 collections.

Using these data, we then partnered with [Forestmatics](#) to plant a new tree in the tropics in Uganda with every single online *and* offline order.



ENVIRONMENTAL

Climate change & biodiversity

At the time of writing (20.10.21), we've already planted 1,463 trees, and our trees have offset 5.843 tonnes of CO2!

Why do we plant trees to offset the carbon footprint of our products?

Here's why: A sapling (<3 years old) absorbs 6kg of CO2 per year, and a mature tree (>3 years) absorbs 22.65 kg CO2 amount per year, for the rest of the tree's life. Our carbon offset calculations are based on the assumption that every tree that we plant will live for five years and absorb 63.3kg of CO2 in total during that period. Note that the amount of CO2 absorbed will vary by the type of tree and where it's planted. Also, note that in reality, we of course expect our trees to live much longer than five years! We plant different types of fast growing tropical trees that are particularly strong sequesters of CO2, that help preserve the local ecosystem, and that provide economic opportunities for local Ugandans.

[Forestmatic](#) works with [Kijani Forestry](#), an organisation based in Uganda, which is dedicated to combating deforestation in East Africa by building nursery hubs and educating local farmers in the production of sustainable wood for fuel. 51% of Uganda's forests have been clear felled over the past couple of decades, the vast majority of Ugandans are subsistence farmers, and most currently rely on unsustainably sourced firewood.

Kijani Forestry's tree planting action plan ensures that both deforestation and the cycle of poverty are being addressed in tandem. To maximise the impact of their reforestation activities, permanent nurseries and training facilities are being established in rural communities. Nursery hubs are high-output nurseries that provide diverse seedlings, agroforestry training and employment, to vulnerable communities. Shareholder farmers are also provided with the tools to reforest their land, and to build capacity for long-term income and wealth generation.

**Follow our [Forestmatic Profile](#) for
real-time data on our tree planting programme**

ENVIRONMENTAL

Climate change & biodiversity

CO2 offset schema 2020/21

	Yearly CO2 (KG) absorbed	Average CO2 (KG) absorbed by 1 tree over 5 years	Total CO2 (KG) emissions created during production & transport all 2020/21 products	Total number of new trees required to offset CO2 emissions for all 2020/21 products	Average number of trees / product sold
Sapling < 3 years from planting	6.00	63.30	157,084	2,482	0.40
Mature tree > 3 years from planting	22.65				

As of 20th October 2021, 1,463 (58.94%) of 2,482 trees needed to offset CO2 emissions created during the production & transport all 2020/21 products, had been planted.

CO2 offset schema 2021/22

	Yearly CO2 (KG) absorbed	Average CO2 (KG) absorbed by 1 tree over 5 years	Total CO2 (KG) emissions created during production & transport of all 2021/22 products	Total number of new trees required to offset CO2 emissions for all 2021/22 products	Average number of trees / product sold
Sapling < 3 years from planting	6.00	63.30	223,267	3,527	0.34
Mature tree > 3 years from planting	22.65				

ENVIRONMENTAL

Climate change & biodiversity

The long term impact of our tree planting promise

We plant a new tree with every single online *and* offline order, and we really mean it. It doesn't matter whether you purchase something as small as a single Merino Beanie or a pair of Technical Ski Socks – we'll plant a new tree regardless. Because even for our most CO2 intensive products, planting a tree will more than offset their carbon footprint, this means that by planting a new tree for every order in this way, in the long term our trees will more than offset the CO2 emissions created during the production and transport of all our products. In fact, within only a few years, and notably beyond the five year horizon for our trees, every past purchase will effectively become carbon positive!

What happens if a season's collection isn't fully sold?

Noting in particular the impact of COVID-19 on the 2020/21 season, but also because it was always our intention to do so anyway, we'll continue to sell all those remaining 2020/21 products that we still have in stock, during the 2021/22 season. Nevertheless, we recognise that at the end of the 2021/22 season, it's possible that certain 2020/21 products may still not have been sold. If this proves to be the case, depending on the saleability of these products in following seasons, if they can't be sold we'll offset those remaining products at our own cost by planting trees to reflect the CO2 emissions created during their production and transport, and those remaining products will then be donated via our [Off Piste . On Course](#) give back initiative. No product will ever go to waste.

ENVIRONMENTAL

Climate change & biodiversity

CO2 emissions per product for 2020/21 (data produced by Product DNA)

Product	CO2 (KG) / product unit	Trees / product unit (5 year horizon)	CO2 monetary value (EUR) / product unit (5 year horizon)
Denali Jacket 1.0 (M) & Kenai Jacket 1.0 (F)	40.64	0.75	0.49
Valdez Pants 1.0 (M) & Teton Pants 1.0 (F)	41.51	0.77	0.50
Merino Sweaters (M/F)	46.75	0.87	0.56
Merino Beanies (Unisex)	9.60	0.18	0.12
Merino Scarves (Unisex)	26.72	0.49	0.32
Cotton Tees (M/F)	7.75	0.14	0.09
Technical Ski Socks (version 1)	5.65	0.10	0.07
Technical Ski Socks (version 2)	5.86	0.11	0.07

Please note:

- Carbon footprint calculations are based on a men's size L. A women's size L is assumed to weigh 15% less. Where M/F is indicated for 2020/21 products, an average of these men's and women's products has been used to calculate the overall carbon footprint of the product in question.
- For all 2020/21 jackets and pants, an average of the men's and women's versions of these products has been used to calculate their combined overall carbon footprint.

With every new season, we're able to gather more information about our products, which results in improved carbon footprint estimations. The tables on these two pages show the CO2 footprint per product unit produced for our 2020/21 and 2021/22 collections, the number of trees needed to offset that CO2 footprint on a 5 year horizon, and the equivalent CO2 monetary value in EUR, per product unit, again on a 5 year horizon.

ENVIRONMENTAL

Climate change & biodiversity

CO2 emissions per product for 2021/22 (data produced by Product DNA)			
Product	CO2 (KG) / product unit	Trees / product unit (5 year horizon)	CO2 monetary value (EUR) / product unit (5 year horizon)
Denali Insulated Pro Jacket 2.0 (M)	24.44	0.39	0.25
Denali Insulated Pro Jacket (F)	21.30	0.34	0.22
Lyngen Touring Shell Pro Jacket (M)	36.08	0.57	0.37
Lyngen Touring Shell Pro Jacket (F)	29.36	0.46	0.30
Kodiak Crossover Jacket (M)	28.69	0.45	0.29
Kenai Crossover Jacket 2.0 (F)	20.92	0.33	0.21
Valdez Pro Pants 2.0 (M)	33.77	0.53	0.35
Teton Pro Pants 2.0 (F)	31.36	0.50	0.32
Merino Sweaters (M/F)	46.86	0.74	0.48
Merino Beanies (Unisex)	6.28	0.10	0.06
Merino Scarves (Unisex)	25.44	0.40	0.26
Cotton Tees (M)	8.79	0.14	0.09
Cotton Tees (F)	8.53	0.14	0.09
Cotton Hoodies (M)	31.64	0.50	0.32
Cotton Hoodies & Sweatshirts (F)	26.89	0.43	0.28
<p><i>Please note:</i></p> <p>- Carbon footprint calculations are based on a men's size L. A women's size L is assumed to weigh 15% less. Where M/F is indicated for 2021/22 products, an average of these men's and women's products has been used to calculate the overall carbon footprint of the product in question.</p>			

ENVIRONMENTAL

Commitments & targets: Emissions, energy & waste

Topic	Key Performance Indicator	Target	Status
Greenhouse gas emissions	Achieve full carbon offsetting for all products and business operations	100% by 2023	51% (October 2021)
Energy consumption within & outside organisation	Understand and assess energy consumption of our own operations and manufacturing, including energy mix our contribution to SDGs	To be assessed and addressed by 2023	In progress
Water consumption, waste water & effluents	Assess water consumption, waste water treatment and effluents	To be assessed and addressed by all product manufacturers by 2023	In progress

ABOUT THIS SNOW REPORT

This report provides a non-financial overview of MGG's environmental, social and governance performance, from the time that our brand launched in October 2020. All of the data presented covers the period from October 2020 to July 2021 (unless otherwise indicated), and will be updated henceforth on an annual basis. This report delivers a level of transparency which, to the best of our knowledge, and our suppliers' and partners' knowledge, is an accurate reflection of all MGG business operations. Our aim is to further deepen this knowledge, and to be 100% transparent not only about our own operations, but also about the business operations of third parties that are associated in any way with our own business. Our priority assessments and stakeholder dialogues have been conducted based on historical data relating to apparel industry impacts concerning ESG issues. The main objective of doing this is to determine areas of our own operations which require particular attention, and to gain insights that can help us to put in place targets to improve our performance in the future. We want to continually evaluate the quality of our reporting, and align our future reports with commonly used frameworks, such as GRI or SDGs reporting standards. Some of the disclosures in this report are based on reasonably qualified estimates or reasonable assumptions, due to measurement uncertainties, so it's possible that the actual data may vary slightly. The information in this report has not been audited, verified or attested by any third party, except for those data verified by Product DNA, Forestmatic, or local business authorities.

Reporting frameworks alignment

This first full report covers our 2020/21 season and follows many GRI standards, but not *all* GRI standards. This is due to the fact that we've simply not generated certain data yet, such that we can't include all the different GRI standards. We intend to follow more GRI standards in the future, and to evaluate the benefit of using other similar standards which are relevant to our business needs, and for transparency and performance related purposes.

Third party links & websites

This report contains links or references to third parties over whose content we have no control. Such links are provided merely as a convenience. Mont Gele Gear® makes no warranties or representations of any kind as to the accuracy, currency, or completeness of any information contained in such third party websites, including any third party social media or mobile app platforms. The information contained on our website, and on our Instagram, Facebook, YouTube and LinkedIn pages, is not incorporated by reference into this report. Inclusion of any third party links in this report does not imply an endorsement or recommendation by Mont Gele Gear®, and a link to this report from another website does not imply a relationship between Mont Gele Gear® and any third party. Your use of any such third party sites or platforms is at your own risk, and will be governed by that third party's terms & conditions (including its privacy & cookie policies).

CONTACT & FEEDBACK

Our aim is to continue to improve our performance and the transparency of our business operations. Any feedback will always be welcomed, and all questions will be answered within the shortest time possible and to the best of our knowledge.

Please feel free to contact us:

Friedi Feige
Sustainability Manager
friedi@montgelegear.com

Mont Gele Gear S.à.r.l.
Rue du Lignolat 55
CH-1170 Aubonne, VD
Switzerland

Mont Gele Gear s.r.o.
Elišky Krásnohorské 12/5
CZ-11000 Josefov, Prague
Czech Republic

www.montgelegear.com

TABLE OF CONTENTS & REFERENCES

FOUNDER & CEO STATEMENT - SR20/21_1

HIGHLIGHTS - SR20/21_2

OUR PEOPLE - SR20/21_3

OUR PURPOSE | Bound by snow - SR20/21_4

COMPANY PROFILE | Mont Gele Gear® - SR20/21_5

OUR MARKETS - SR20/21_6

RADICALLY TRANSPARENT FROM DAY ZERO - SR20/21_7

GOVERNANCE - SR20/21_8

SOCIAL - SR20/21_9

ENVIRONMENTAL - SR20/21_10

ABOUT THIS SNOW REPORT - SR20/21_11

CONTACT & FEEDBACK - SR20/21_12

TABLE OF CONTENTS & REFERENCES – SR20/21_13

References:

Recycled clothing: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/633143/EPRS_BRI\(2019\)633143_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/633143/EPRS_BRI(2019)633143_EN.pdf)

EU imports: <https://www.ec.europa.eu/eurostat/web/products-eurostat-news/-/edn-20200424-1>

Textile consumption: <https://www.eea.europa.eu/publications/textiles-in-europes-circular-economy>

Synthetic fibres: <https://www.eea.europa.eu/themes/waste/resource-efficiency/plastic-in-textiles-towards-a>

Country minimum wage information: <https://www.wageindicator.org>