



TRANSPARENCY & ESG

# SNOW REPORT

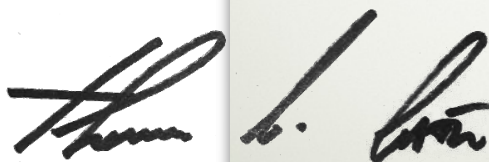
2021/22 Year 2

**MGG**



# FOUNDER & CEO STATEMENT

Our second (COVID-19 affected) season proved to be highly informative. With the successful launch of our 'Bound by Snow' campaign in November 2021, we further expanded the scope of our radical transparency commitment. Unlike any other brand before us, we made the information and data contained within our first Transparency & ESG Snow Report the focal point of our 2021/22 marketing campaign. This unique approach has subsequently inspired us to consider new ways of sharing facts and figures with our customers, including the possibility of even building them into our products themselves. We launched several new ranges in 2021/22, including our Lyngen Touring Shell Pro Jacket and our Kodiak Crossover Jacket, and we also increased the number of styles of Merino Sweaters that we offer, since these are fast becoming a brand staple. Notably, together with our athlete Tanner Hall, in February 2022 we hosted the triumphant second running of the Backcountry Invitational in conjunction with Nendaz Freeride. In the year to come we'll be introducing new fabrics, working with new suppliers, and putting greater emphasis on our give back initiative, [Off Piste . On Course](#). As always, every new move that we make will be designed to maintain momentum, as we work towards building a fully transparent and ever more circular business model. We thank all our customers, athletes, ambassadors, and friends for their continued support!



# HIGHLIGHTS

## 100% made in Europe

While the vast majority of our competitors produce either some or all of their products in developing countries, we take pride in manufacturing 100% of our final products in Europe. This 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 we'll therefore continue to build on our Price vs Cost transparency initiative. In particular, we plan to expand it by developing a new 'Radical Transparency Label', which we're aiming to integrate within as many of our future products as possible.

## Fair working conditions

Fair working conditions for our employees and suppliers are a cornerstone of our brand ethos. Our products are 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 either leave it at our Verbier Store, or send it to us. We then work with charities such as [Riders for Refugees](#) to ensure that your donations will be distributed to people who are less fortunate than ourselves, and who 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're continuing to 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.



# OUR PEOPLE

MGG's multinational team of mountain enthusiasts has now grown from 6 to 7 individuals, hailing from 6 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



**Paola Colleoni**  
Merchandising Director



**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. The 2021/22 winter season was much drier than normal, and 2022 was one of the driest and hottest years in Europe on record.

**MGG 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 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.



# COMPANY PROFILE

## MGG

Our products are available to buy on our website and ship worldwide. We opened our first brick & mortar flagship store in [Verbier](#) in November 2020, where our customers can fully experience our products. We also wanted our store to be more than just a retail space, so every season we invite local artists to exhibit and sell their work, and we've added seating and a professional espresso machine to create a more social atmosphere.

### MGG registered companies:

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

Rue du Lignolat 55, 1170 Aubonne, Switzerland

Find our Swiss registered company on the official national registry: [HERE](#)

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

Elišky Krásnohorské 12/5, 11000 Prague, Czech Republic

Find our Czech registered company on the official national registry: [HERE](#)

Our high performance technical outerwear and premium apparel 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 products to our customers across our various sales channels.



# OUR MARKETS

**Total MGG revenue (%) by sales channel, 1st October 2020 to 30th September 2021 vs 1st October 2021 to 30th September 2022**

Sales channel	01.10.20 – 30.09.21	01.10.21 – 30.09.22
Wholesale	7.26%	38.95%
Store	39.77%	29.43%
Online platforms	12.73%	20.09%
Website	49.77%	11.53%

We were able to significantly grow our wholesale revenue as a percentage of our total revenue, from 7.26% in 2020/21, to 38.95% in 2021/22. Our revenue from online platforms (e.g. Zalando) also increased from 12.73% in 2020/21, to 20.09% in 2021/22.

**Total MGG website revenue (%) by country / region, 1st October 2020 to 30th September 2021 vs 1st October 2021 to 30th September 2022**

Country / Region	01.10.20 – 30.09.21	01.10.21 – 30.09.22
United Kingdom	30.36%	38.93%
Switzerland	22.50%	25.62%
Other European	25.65%	20.26%
Germany	6.74%	7.8%
North America	9.38%	6.93%
Other International	5.37%	0.46%



# 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 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're also conscious that many customers don't trust sustainability messaging, because 'greenwashing' has become so commonplace that there is frequently a disconnect between what brands say, and what they do. *Triple Bottom Line* theory, which maintains that companies should commit to focusing as much on social and environmental concerns as they

do on profits, is becoming increasingly important for consumers, with 80% considering their lifestyles to be 'environmentally friendly'. However, this frequently does not translate into increased consumption of sustainably and ethically produced products, because more than 60% of customers remain dubious about 'green' claims.

At MGG, we believe in radical transparency, since it's patently clear that the apparel industry has a major problem with social and environmental credibility, and we feel that the only way that we can hope to create change is by disrupting the status quo. In so doing, we're aiming to increase accountability and accelerate the adoption of sustainable practices. To build trust with our customers, we provide them with 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, and much more.

## **The credibility of brand sustainability is becoming increasingly important:**

- 81% of consumers consider themselves to be environmentally friendly
- 43% of Gen Z are actively seeking brands with a credible sustainability reputation
- 39% of consumers want to see more sustainably sourced materials, 37% want reduced CO2 emissions, and 32% are looking for transparent manufacturing practices

## **But:**

- 22% of customers do not in any way trust brand sustainability messaging
- Only 10% of brand sustainability campaigns are considered credible



# RADICALLY TRANSPARENT FROM DAY ZERO

Inspired by food labelling, where nutritional data is displayed on food packaging to allow consumers to make informed decisions about what to buy and place *inside* their bodies, we're currently developing our own 'Radical Transparency Label'. We want to display what goes into producing each piece of apparel, so that our customers are able to make similarly well-informed decisions about what to place on the *outside* of their bodies.

Our Radical Transparency Label will capture key data for each product, such as the final product and component origins, the percentage price breakdown, details on factory working conditions, carbon footprint and offsetting information, and the percentage of recycled materials used. We intend to either print or stitch onto as many new products as possible, starting in the 2023/24 season. Please note that the mockup is only provided as an example, and may contain inaccurate data.



## RADICAL TRANSPARENCY LABEL KENAI CROSSOVER JACKET 2.0

Final product origin	Slovakia
<b>PRODUCT</b>	
<b>COMPONENTS SOURCED FROM WITHIN EU (TOTAL)</b>	47%
Outer shell	Pertex® Quantum Pro 3,000mm outer shell (DWR C6) (Japan)
Insulation	Climashield® Apex + HL Insulation (100% recycled polyester) (Poland)
Lining	Nylon (100% recycled) (China)
Other components sourced from within EU	50%
<b>PERCENTAGE PRICE BREAKDOWN</b>	
Materials	16%
Design & Marketing	19%
Manufacturing	11%
Logistics	5%
Rent & Operations	12%
Taxes	20%
Admin & Profit	17%
<b>PEOPLE</b>	
Space per employee	35m²
Average monthly net salary vs. minimum wage	€702.00 vs. €623.00
Employees in full-time employment	89%
Gender of employees	F: 91% / M: 9%
<b>PLANET</b>	
Carbon footprint per unit	20.92 Kg
No of trees required to offset 1 unit over 5 years	0.33 trees
Carbon emissions offset per unit sold	100%
Amount of recycled materials used by weight	61%

# SUSTAINABLE DEVELOPMENT GOALS (SDGs)

**At MGG, our business model and approach are in line with, and support, the SDGs:**



Secure employment, worthwhile work for all, and social protection, are at the heart of what we do at MGG. Fair working conditions are one of the reasons why we manufacture all our final products in Europe, and also why we source as many components as possible from European or other countries with strong labour laws.



We pride ourselves on making products from the highest quality, durable materials, so that they stand the test of time. We also believe in small batch production, and only work with suppliers who agree to accommodate this approach. We're convinced that consumers should buy fewer, better products, and we hope that our mission and values play a part in re-educating the wider public.



We calculate and assess the carbon footprint of the production of all our products, and we offset each product unit accordingly when they're sold, so as to achieve 100% product carbon neutrality. In the medium to long term, we're committed to becoming a carbon neutral business.



To offset the CO2 emissions generated by every product unit that we sell (online *and* offline), we plant trees in Uganda. As well as carbon sequestration, trees counteract deforestation and help return biodiversity to barren land, where trees were previously felled for firewood. Where fruit trees are planted, they provide an additional means of income for local people. The organisation that we partner with provides agroforestry training and employment in rural communities.

In 2015, all members of the United Nations adopted the *2030 Agenda for Sustainable Development*, which provides a shared blueprint for peace and prosperity for people and the planet, made up of 17 Sustainable Development Goals (SDGs). These SDGs are an urgent call for action by all countries, as a global partnership. They recognise that ending poverty and other deprivation must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change, and working to preserve our oceans and forests.

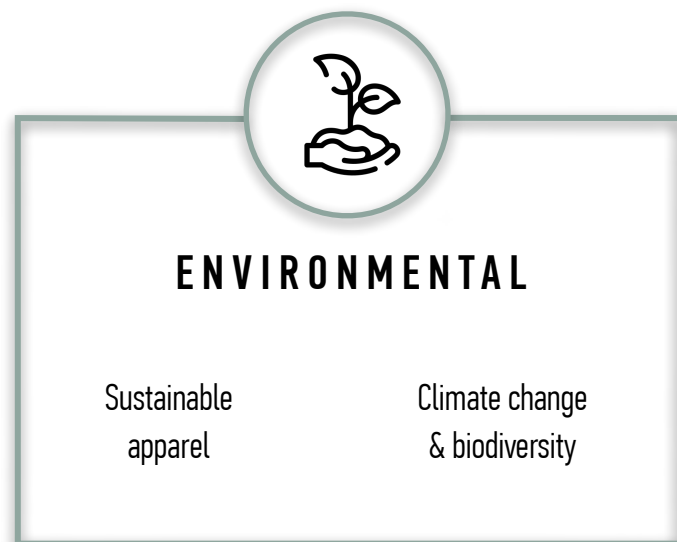


# KEEPING TRACK

## 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:



# 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.

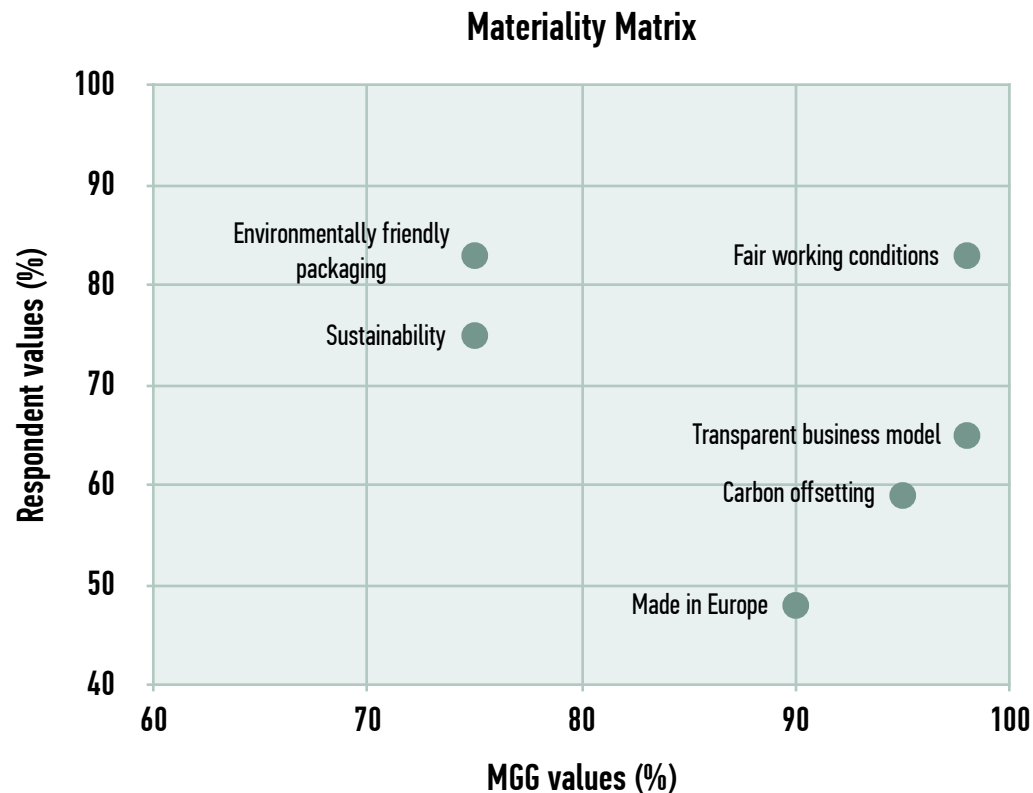
### Key issues identified by stakeholder groups

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



# KEEPING TRACK

## Materiality assessment



### Materiality Matrix: Survey results

This materiality assessment allows us to have better informed conversations with our key partners and stakeholders. Even though the Materiality Matrix is only a snapshot in time, it helps us gain a clearer understanding of our customers, and what they value most when buying our products.

The survey questions were based on the priority assessment previously described. We distributed the survey via our newsletter, promoted it on our social media, and we also shared it via private channels. 84% of respondents were existing MGG customers, members of the general public, or others, meaning that the remaining 16% were MGG business partners or athletes.

The results of the survey showed that fair working conditions (83%) and environmentally friendly packaging (83%) are valued most highly by our stakeholders. Of the survey respondents, 75% and 65% considered sustainability and a transparent business model, respectively, to be important. Carbon offsetting and Europe production were stated to be either very or extremely important by 59% and 48% of survey respondents, respectively.

At MGG, in order of priority, we value the transparency of our business above all else, followed by fair working conditions, carbon offsetting, European production, sustainability, and environmentally friendly packaging.



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# GOVERNANCE

Producing high performance products with a long lifespan, and which are 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 solely concerned with environmental issues. The social and economic impacts of businesses such as ours are just as important, and brands that fail to take an holistic approach shouldn't describe themselves as '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, in which crucial information (or indeed a lack thereof) is often buried amid a sea of pretty pictures and unintelligible graphics. This led to us asking ourselves, “What good is transparency, if it’s so hard to see?” After all, total transparency is the *only* way to create and ensure accountability for sustainable and ethical practices. We believe in communicating the whole truth (and not just the part that makes us look good) in as detailed and concise a manner as possible, so that it’s easily accessible for everyone.



# GOVERNANCE

## Transparency

**Our commitment is to be THE radically transparent brand.**

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

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

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

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

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

Therefore, we've decided to reveal the various costs of our ENTIRE product portfolio. Every piece of apparel that we produce 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 in the future, this question will be answered as standard, by all apparel brands. However, this is certainly not the case right now.**

For each of our products we provide:

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



**RADICAL TRANSPARENCY**

**Origin of raw 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 Crew Neck Sweaters:

- Materials - 16%
- Design & Marketing - 20%
- Manufacturing - 10%
- Logistics - 7%
- Rent & Operations - 12%
- Taxes - 20%
- Admin & Profit - 15%

# GOVERNANCE

## Price vs Cost

Percentage price breakdown for 2021/22 products	Denali Insulated Pro Jacket 2.0 (M) & 1.0 (F)			Lyngen Touring Shell Pro Jacket (M/F)			Kodiak Crossover Jacket (M)		
	%	CHF	EUR	%	CHF	EUR	%	CHF	EUR
Materials	22	164.78	148.30	23	137.77	123.99	27	215.73	194.16
Design & Marketing	19	142.31	128.08	19	113.81	102.43	19	151.81	136.63
Manufacturing	10	74.90	67.41	10	59.90	53.91	10	79.90	71.91
Logistics	5	37.45	33.71	5	29.95	26.96	5	39.95	35.95
Rent & Operations	12	89.88	80.89	12	71.88	64.69	12	95.88	86.29
Taxes	20	149.80	134.82	20	119.80	107.82	20	159.80	143.82
Admin & Profit	12	89.88	80.89	11	65.89	59.30	7	55.93	50.34
Totals	100	749.00	674.10	100	599.00	539.10	100	799.00	719.10

# GOVERNANCE

## Price vs Cost

Percentage price breakdown for 2021/22 products	Kenai Crossover Jacket 2.0 (F)			Valdez & Teton Pro Pants 2.0 (M/F)			Technical Ski Socks (Unisex)		
	%	CHF	EUR	%	CHF	EUR	%	CHF	EUR
Materials	16	111.84	100.65	25	99.75	89.77	10	3.50	3.15
Design & Marketing	19	132.81	119.53	17	67.83	61.05	20	7.00	6.30
Manufacturing	11	76.89	69.20	10	39.90	35.91	5	1.75	1.58
Logistics	5	34.95	31.46	5	19.95	17.96	10	3.50	3.15
Rent & Operations	12	83.88	75.49	12	47.88	43.09	12	4.20	3.78
Taxes	20	139.8	125.82	20	79.80	71.82	20	7.00	6.30
Admin & Profit	17	118.83	106.95	11	43.89	39.50	23	8.05	7.24
Totals	100	699.00	629.10	100	399.00	359.10	100	35.00	31.50



# GOVERNANCE

## Price vs Cost

Percentage price breakdown for 2021/22 products	Merino Sweaters (M/F)			Merino Beanies (Unisex)			Merino Scarves (Unisex)		
	%	CHF	EUR	%	CHF	EUR	%	CHF	EUR
Materials	16	24.00	21.60	16	6.40	5.76	16	11.20	10.08
Design & Marketing	20	30.00	27.00	20	8.00	7.20	20	14.00	12.60
Manufacturing	10	15.00	13.50	10	4.00	3.60	10	7.00	6.30
Logistics	7	10.50	9.45	7	2.80	2.52	7	4.90	4.41
Rent & Operations	12	18.00	16.20	12	4.80	4.32	12	8.40	7.56
Taxes	20	30.00	27.00	20	8.00	7.20	20	14.00	12.60
Admin & Profit	15	22.50	20.25	15	6.00	5.40	15	10.50	9.45
Totals	100	150.00	135.50	100	40.00	36.00	100	70.00	63.00

# GOVERNANCE

## Price vs Cost

Percentage price breakdown for 2021/22 products	Cotton Tees (short-sleeved) (M/F)			Cotton Tees (long-sleeved) (M/F)			Cotton Hoodies & Sweatshirts (M/F)		
	%	CHF	EUR	%	CHF	EUR	%	CHF	EUR
Materials	15	5.25	4.72	15	6.00	5.40	15	12.00	10.80
Design & Marketing	20	7.00	6.30	20	8.00	7.20	20	16.00	14.40
Manufacturing	7	2.45	2.21	7	2.80	2.52	7	5.60	5.04
Logistics	10	3.50	3.15	10	4.00	3.60	10	8.00	7.20
Rent & Operations	12	4.20	3.78	12	4.80	4.32	12	9.60	8.64
Taxes	20	7.00	6.30	20	8.00	7.20	20	16.00	14.40
Admin & Profit	16	5.60	5.04	16	6.40	5.76	16	12.80	11.52
Totals	100	35.00	31.50	100	40.00	36.00	100	80.00	72.00

## GOVERNANCE

## Price vs Cost: All products

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 1.0 (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 Insulated Pro Jacket 1.0 (M)	399.00	20%	34%	15%	12%	5%	12%	2%
Kenai Crossover Jacket 1.0 (F)	299.00	20%	25%	15%	10%	5%	12%	13%
Valdez Pro Pants 1.0 & 2.0 (M)	399.00	20%	25%	17%	10%	5%	12%	11%
Teton Pro Pants 1.0 & 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%
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 Insulated Pro Jacket 1.0 (M), Kenai Crossover Jacket 1.0 (F), Valdez Pro Pants 1.0 (M), and Teton Pro Pants 1.0 (F).

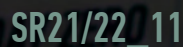
More detailed Price vs Cost percentage breakdowns for 2020/21 are presented in last year's Transparency & ESG Snow Report 2020/21.



# GOVERNANCE

## Commitments & targets

Topic	Key Performance Indicator	Target	Status: Baseline (BL)	Status: 2021/22
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	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	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 Matrix
Materiality Assessment	Provide more extensive materiality assessment	Extend materiality assessment in 2022/23 report	In progress	In progress



# SOCIAL

A huge amount of time and effort has gone into choosing our suppliers, and we maintain a close working relationship with all of them, often on a daily basis. With COVID-19 restrictions easing from mid-2021 onwards, we were able to visit our suppliers more frequently in person, which allowed us to ensure that their facilities continued to meet the high standards that we require. Many different factors determine why we've chosen to work with these suppliers but, above all, they 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. We've also now put in place a Code of Conduct that we ask all our suppliers (who don't already have a code of conduct of their own) to adhere to.



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OUR HOPES IS THAT THIS QUESTION WILL BE ANSWERED, AS STANDARD, BY ALL FASHION BRANDS IN THE FUTURE.

ers more frequently in person, which

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al change,

which we recognise is not an easy thing to ask of them. We've also asked them to do a lot of things (in the form of a list of 100 things that we expect of them) to adhere to.

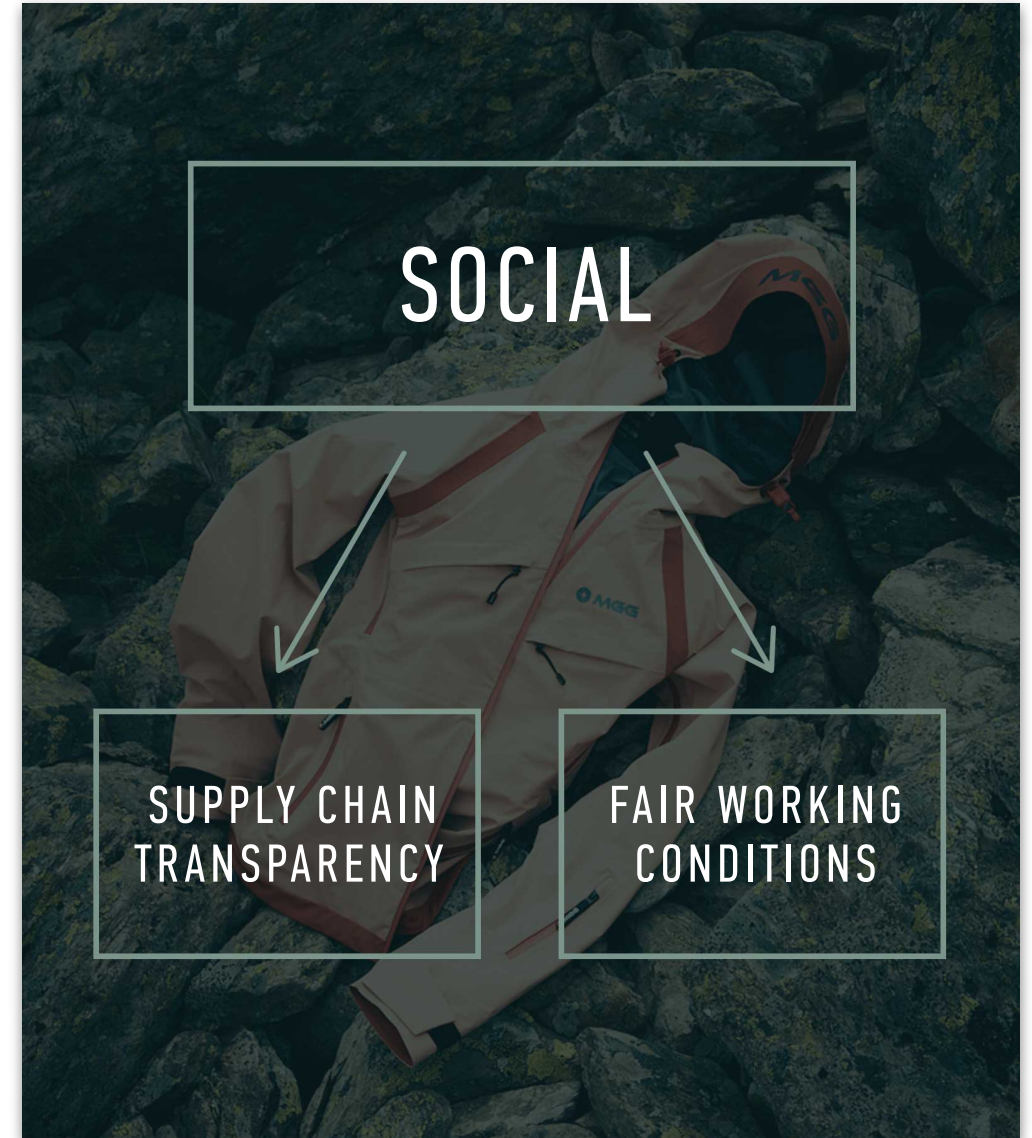
# SOCIAL

Total supply chain transparency among brands within the apparel industry is almost non-existent, because it's not easy to achieve. If a brand such as ours wants to 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

**As of Autumn 2022, we also have a new supplier Code of Conduct that we've asked all our suppliers (who didn't already have a code of conduct of their own) to adhere to.**





## SOCIAL

# Final product suppliers: Always in Europe

All MGG final 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 better manage the environmental impact of our manufacturing and logistics.



# SOCIAL

## Jackets:

### Manufacturer location, working conditions & environmental approach



#### Manufacturer site information | Social

Site size (m <sup>2</sup> )	1,100
m <sup>2</sup> 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 <sup>2</sup> )	3,200
m <sup>2</sup> 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	(1)	(2)
Site size (m <sup>2</sup> )	175	2,500
m <sup>2</sup> per employee	44	208
Number of employees	4	12
Gender of employees (%)	Female: 100 Male: 0	Female: 92 Male: 8
Age breakdown (%)	<30: 0 30-50: 75 >50: 25	<30: 0 30-50: 100 >50: 0
Type of contract (%)	Full-time: 75 Part-time: 25	Full-time: 67 Part-time: 33
Holiday (days/year)	20	20
Average monthly net salary full + part-time (EUR) (N.B. Part-time salaries skew this total net average downwards)	566.20	977.20
Legal minimum monthly net salary full time (EUR)	574.62	666.87 (2022)
Health insurance + pension provisions	Yes	Yes
Health & safety training + emergency & accident measures in place	Yes	No data
Availability of rest & social areas	Yes	Yes
Manufacturer site information   Environmental	(1)	(2)
Energy source	Electricity, solar powered water heating, and heating support.	Czech grid mix
Renewable energy commitment	Not currently	Not currently
Waste disposal	All Merino Wool is fully processed.	No data

# SOCIAL

## Cotton Wear:

### Manufacturer location, working conditions & environmental approach



Manufacturer site information   Social	
Site size (m <sup>2</sup> )	1,600
m <sup>2</sup> 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

## Ski Socks:

### Manufacturer location, working conditions & environmental approach



Manufacturer site information   Social	
Site size (m <sup>2</sup> )	4,500
m <sup>2</sup> 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

## Logistics Hub: Location, working conditions & environmental approach



Logistics Hub site information   Social	
Site size (m <sup>2</sup> )	16,000
m <sup>2</sup> per employee	163
Number of employees	98
Gender of employees (%)	Female: 61 Male: 39
Age breakdown (%)	<30: 17 30-50: 64 >50: 19
Type of contract (%)	Full-time: 59 Part-time: 41
Holiday (days/year)	25
Average monthly net salary full + part-time (EUR) (N.B. Part-time salaries skew this total net average downwards)	1629.70
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
Logistics Hub site information   Environmental	
Energy source	57.65% nuclear energy 32.43% coal 7.09% gas 2.83% renewable sources
Sustainability commitment	Yes, better handling of packaging material and waste (repeated use, or transformation into filling material, etc.).



## SOCIAL

## Commitments &amp; targets

Topic	Key Performance Indicator	Year	Target	Status: Baseline (BL)	Status: 2021/22
Final product manufacturer working conditions	Achieve increased transparency on final product manufacturer working conditions	BL	Publish data from all manufacturer questionnaires by 2021	Completed	N/A
		2021/22	Gather and publish more detailed data about new and existing manufacturers for 2022/23	N/A	In progress
Raw material & component supplier working conditions	Achieve increased transparency on sub-supplier working conditions	BL	Supplier Code of Conduct to be prepared by 2022	In progress	Supplier Code of Conduct in place
		2021/22	Continue to share Code of Conduct with new suppliers who don't already have one, and encourage suppliers & sub-suppliers to adhere to it	N/A	In progress
Education	Provide final product suppliers with materials and training on sustainability	BL	Fully train all final product suppliers by 2022	In progress	In progress
		2021/22	Fully train all final product suppliers by 2023/24	N/A	In progress

## SOCIAL

# Off Piste . On Course

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.

Through this initiative, we were able to donate one very large box of warm winter clothing to [Riders for Refugees](#) in both 2021 and 2022.

Clothing may be donated at our Verbier store or by using 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.



SR21/22\_11\_D

## SOCIAL

# Backcountry Invitational, hosted by MGG & Tanner Hall

In February 2022, in conjunction with Nendaz Freeride, MGG co-hosted the Backcountry Invitational with our own Tanner Hall. Snow conditions were poor at best, and the running of the event hung in the balance. However, from the moment that Hugo Serra dropped in, it quickly became clear that conditions, remarkably, were no issue at all. What followed was an extraordinary exhibition from some of the finest riders on the planet, including FWT 2019 winner & 2014 Winter Olympian Markus Eder and FWT 2022 winner Maxime Chabloz (who has since joined the MGG family). Tanner presided over the event as “commissioner”, yet he, along with fellow judges Alex Hackel and Will Tucker, couldn’t resist hitting the spectacular course, with Tanner throwing the first double backflip of the day as part of a scintillating run. With [Downdays](#) calling it an “An Unexpected Masterpiece”, [Newschoolers](#) describing it as “The triumphant return of the backcountry freestyle comp”, and many riders claiming that it was the best event that they’d ever participated in, it wouldn’t be going too far to say that this second edition of the Backcountry Invitational sent shockwaves through the freeski world.







SR21/22\_12

# ENVIRONMENTAL

As a 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**



SR21/22\_12

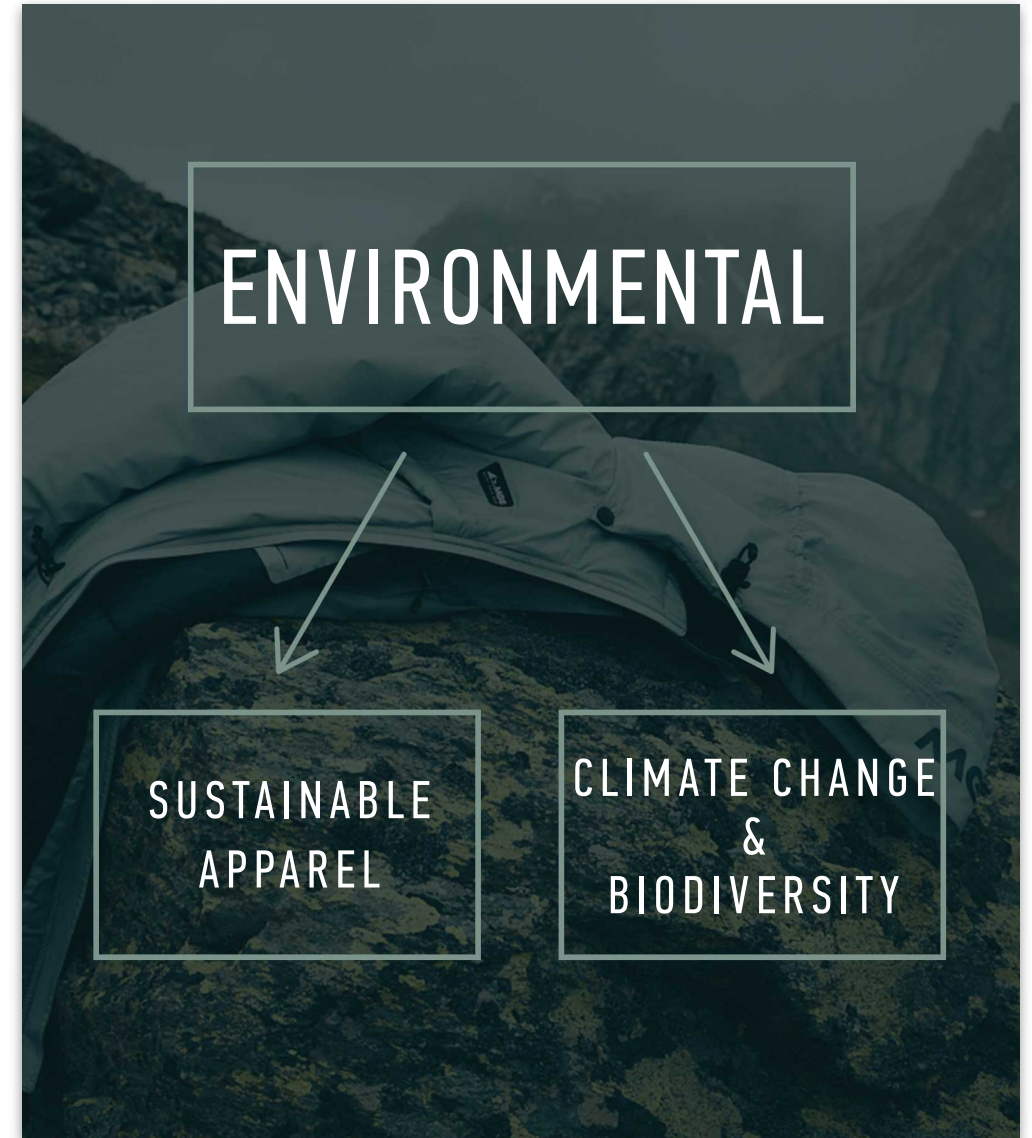
# ENVIRONMENTAL

**All our final products are made in 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 we *don't* manufacture in Europe. We'll then continue to use this information as a baseline, on which we intend to improve in each subsequent season.

We've worked with [Product DNA](#) to calculate the CO2 emissions generated by all our products. To determine the monetary carbon footprint of our products and how many trees we need to plant to offset our carbon footprint, we've partnered with [Forestmatic](#).

Forestmatic enable us to plant a new tree in the tropics in Uganda with every single online *and* offline order, so that we're able to fully offset the carbon footprint of every product that we sell.



# ENVIRONMENTAL

## Products

### Raw materials & components

Product	Raw materials & components	Country of origin
Denali Insulated Pro 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.**

[t-gelanots.com](https://t-gelanots.com)

[climashield.com](https://climashield.com)

[toray.com](https://toray.com)

# ENVIRONMENTAL

## Products

### Raw materials & components

#### 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.**

[pertex.com](https://www.pertex.com)

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

# 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.**

[t-gelanots.com](https://t-gelanots.com)

[climashield.com](https://climashield.com)

[toray.com](https://toray.com)



# ENVIRONMENTAL

## Products

### Raw materials & components

Product	Raw materials & components	Country of origin
Kenai Crossover 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) 100% recycled polyester (Climashield® Apex + HL insulation) (2021/22)	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
	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 94.45% 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.**

[pertex.com](https://www.pertex.com)

[climashield.com](https://www.climashield.com)

[toray.com](https://www.toray.com)

# ENVIRONMENTAL

## Products

### Raw materials & components

Product	Raw materials & components	Country of origin
Valdez Pro Pants 1.0 (M) (2020/21)	Nylon, polyester & polyurethane (Caroltex 10K waterproof outer shell (DWR C6))	Taiwan
Teton Pro 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.**

[caroltex.com](https://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 Scarves (Unisex)			

#### 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 & USA
Cotton Hoodies & Sweatshirts (M/F)	Elastane (long-sleeved tee (F), only)	Turkey
	Polyester	Turkey

#### 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 (type 1 & 2) (Unisex)	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 Wool bought from Südrolle Group (Richter), CSR commitment backed by several major certifications

# ENVIRONMENTAL

## Hang tags & packaging

All MGG hang tags, boxes, envelopes, paper bags, paper padding, and paper wrapping are made from recycled or FSC certified (or equivalent) paper, and the ink printed on our boxes, envelopes, paper bags, and paper padding 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 by our suppliers to our logistics hub. We're currently investigating different types of tape, and we're also discussing with our logistics hub how they can recycle and/or reuse these plastic bags.

### Hang tags | Products (2020/21 & 2021/22)

Made from 100% recycled paper by [Grafia Gryc](#).

### Boxes, envelopes & paper padding | Logistics hub (2020/21 & 2021/22)

Made from a combination of recycled and FSC certified (or equivalent) paper.

Printed inks are made from natural dyes. The supplier of our boxes and envelopes, [RAJA](#), is ISO14001 certified.

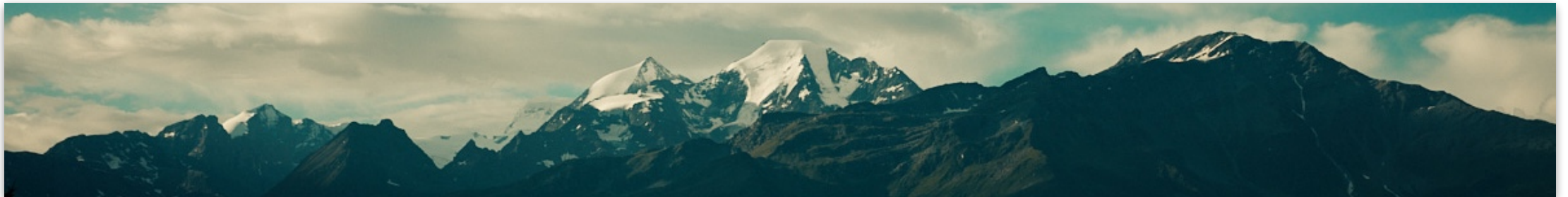
### Paper bags & paper wrapping | Verbier store (2020/21 & 2021/22)

Made from a combination of recycled and FSC certified (or equivalent) paper.

Printed inks are water based.

### Envelopes | Verbier store (2021/22)

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



# ENVIRONMENTAL

## Commitments & targets: Raw materials & components

Topic	Key Performance Indicator	Year	Target	Status: Baseline (BL)	Status: 2021/22
Raw material & component supplier assessment	Achieve increased sub-supplier transparency	BL	Sub-supplier code of conduct to be prepared by 2022	In progress	Supplier Code of Conduct
		2021/22	Publish a detailed raw material & component supplier matrix by 2023	N/A	In progress
Merino Wool (Merino Sweaters, Merino Beanies, Merino Scarves, Technical Ski Socks)	Achieve increased transparency on animal welfare conditions and precise yarn origin	BL	Animal welfare programme structure to be prepared by 2022	In progress	Code of Conduct with reference to animal treatment in place
Coolmax® (Technical Ski Socks)	Switch to using Coolmax® Eco	BL	Use Coolmax® Eco for 2022/23 collection	In progress	No new products planned

# ENVIRONMENTAL

## Commitments & targets: Raw materials & components

Topic	Key Performance Indicator	Year	Target	Status: Baseline (BL)	Status: 2021/22
Recycled raw materials & components	Achieve increased % of recycled raw materials & components in final products	BL	Report on increased % of recycled raw materials & components in final products in 2022/23 collection	In progress	In progress
Packaging, tape & plastic bags	Base approach to packaging, tape, and plastic bags on LCA analysis data	BL	Establish packaging portfolio with lowest environmental impact according to scientific data	In progress	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 carbon footprint of every product in our 2020/21 and 2021/22 collections.

We subsequently partnered with [Forestmatic](#) who, using these data, determined the monetary carbon footprint of the same. We then knew how many trees we would need to plant to offset the carbon footprint of every product that we sell, and we also knew that this was a financially viable endeavour. Forestmatic thereafter have assisted us with managing the process of planting a new tree in the tropics in Uganda with every single online *and* offline order.



## ENVIRONMENTAL

# Why we plant trees

**At the time of writing (30.12.22), we've already planted 2,109 trees, and our trees have offset 17.855 metric 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 old) absorbs 22.65 kg of CO2 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 5 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 5 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 work 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.

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

# ENVIRONMENTAL

## CO2 offset targets

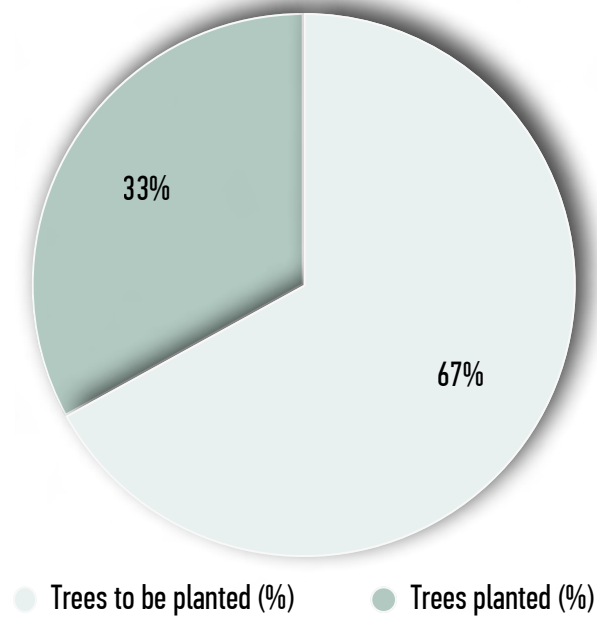
CO2 offset target per season	2020/21	2021/22
CO2 (kg) sequestered (p.a.): Sapling (<3 years from planting)	6	6
CO2 (kg) sequestered (p.a.): Mature Tree (>3 years from planting)	22.65	22.65
CO2 (kg) sequestered by 1 tree over 5 years	63.3	63.3
Total emissions (kg) generated by MGG	163,779	221,614
Total number of trees required to offset collection	2,588	3,502

This table shows the CO2 offset targets for our 2020/21 and 2021/22 collections. As our business grows and our product range expands, our CO2 emissions will increase accordingly. We only plant trees *after* we've sold products (to offset their CO2 emissions), and since we're still continuing to sell our 2020/21 and 2021/22 stock, this is why there are trees which are yet to be planted.

By 30th September 2021, 1,463 (57%) of 2,588 trees required to offset CO2 emissions created during the production & transport all our 2020/21 products, had been planted.

By 30th September 2022, 2,030 (33%) of 6,090 trees required to offset the combined total of all our 2020/21 and 2021/22 products, had been planted.

**Progress of tree planting to offset MGG's carbon footprint, 2020/21 & 2021/22**



## ENVIRONMENTAL

# Our tree planting promise

### 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 with 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.

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

Noting in particular the impact of COVID-19 on the 2020/21 and 2021/22 seasons, but also because it was always our intention to do so anyway, we'll continue to sell all those remaining 2020/21 and 2021/22 products that we still have in stock, during the 2022/23 season.

Nevertheless, we recognise that at the end of the 2022/23 season, it's possible that certain 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

## CO2 emissions per product

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 Insulated Pro Jacket 1.0 (M) & Kenai Crossover Jacket 1.0 (F)	40.64	0.64	0.42
Valdez Pro Pants 1.0 (M) & Teton Pro Pants 1.0 (F)	41.51	0.66	0.43
Merino Sweaters (M/F)	46.75	0.74	0.48
Merino Beanies (Unisex)	9.60	0.15	0.10
Merino Scarves (Unisex)	26.72	0.42	0.27
Cotton Tees (M/F)	7.75	0.12	0.07
Technical Ski Socks (type 1) (Unisex)	5.65	0.09	0.06
Technical Ski Socks (type 2) (Unisex)	5.86	0.09	0.06
<p><i>Please note:</i></p> <ul style="list-style-type: none"> <li>- CO2 emissions 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 CO2 emissions of the product in question.</li> <li>- 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 CO2 emissions.</li> </ul>			

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

# ENVIRONMENTAL

## CO2 emissions per product

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	0.34
Teton Pro Pants 2.0 (F)	31.36	0.50	0.33
Merino Sweaters (M/F)	46.86	0.74	0.48
Merino Beanies (Unisex)	6.28	0.10	0.07
Merino Scarves (Unisex)	25.44	0.40	0.26
Cotton Tees (M)	8.79	0.14	0.09
<p><i>Please note:</i></p> <p>- CO2 emissions 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 CO2 emissions of the product in question.</p>			

# ENVIRONMENTAL

## CO2 emissions per product

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)
Cotton Tees (F)	8.53	0.13	0.08
Cotton Hoodies (M)	31.64	0.50	0.33
Cotton Hoodies & Sweatshirts (F)	26.89	0.42	0.27
<p><i>Please note:</i></p> <p>- CO2 emissions 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 CO2 emissions of the product in question.</p>			

# ENVIRONMENTAL

## Commitments & targets: Emissions, energy & waste

Topic	Key Performance Indicator	Year	Target	Status: Baseline (BL)	Status: 2021/22
Greenhouse gas emissions	Achieve full carbon offsetting for all products and business operations	BL	100% by 2023	57% (30.09.21)	33% (30.09.22)
		2021/22	Better understand the CO2 footprint of our operations	N/A	In progress
Energy consumption inside & outside organisation	Understand and assess energy consumption of our own operations and manufacturing, including energy mix, and our contribution to SDGs	BL	To be assessed and addressed by 2023	In progress	In progress
Water consumption, waste water & effluents	Assess water consumption, waste water treatment, and effluents	BL	To be assessed and addressed by all product manufacturers by 2023	In progress	In progress



# ABOUT THIS SNOW REPORT

This report provides a non-financial overview of MGG's environmental, social, and governance performance. All of the data presented cover the periods from 1st October 2020 to 30th September 2021, and 1st October 2021 to 30th September 2022 (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 will 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 second full report covers our 2020/21 and 2021/22 seasons. It follows many GRI standards, but not all GRI standards. This is because we've simply not generated certain data yet. 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. This report also makes reference to certain SDGs.

## 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. MGG makes no warranties or representations of any kind as to the accuracy, currency, or completeness of any information contained on 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 MGG, and a link to this report from another website does not imply a relationship between MGG and any third party. Your use of any third party websites, platforms, or apps is at your own risk, and will be governed by that third party's terms & conditions (including its privacy & cookies policy).

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# 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.**

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SR21/22_11_A1-6	SOCIAL   Final product suppliers	102-9	SDG 8: Employment, decent work for all, and social protection

## References:

### HIGHLIGHTS:

- [www.eea.europa.eu/publications/textiles-in-europes-circular-economy](http://www.eea.europa.eu/publications/textiles-in-europes-circular-economy)

### RADICALLY TRANSPARENT FROM DAY ZERO:

- [www.what-to-do-about-it/en-gb/5613](http://www.what-to-do-about-it/en-gb/5613)
- [www.greenbiz.com/article/how-close-consumers-intention-action-gap](http://www.greenbiz.com/article/how-close-consumers-intention-action-gap)
- [www.corporate.zalando.com/en/attitude-behavior-gap-report#consumer-attitudes-seven-key-themes](http://www.corporate.zalando.com/en/attitude-behavior-gap-report#consumer-attitudes-seven-key-themes)
- [www.fashionnetwork.com/news/Large-numbers-of-consumers-distrust-brands-on-eco-issues,1411799.html](http://www.fashionnetwork.com/news/Large-numbers-of-consumers-distrust-brands-on-eco-issues,1411799.html)

### SUSTAINABLE DEVELOPMENT GOALS (SDGs):

- [www.sdgs.un.org/goals](http://www.sdgs.un.org/goals)

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SR21/22_12_F	ENVIRONMENTAL   CO2 offset targets	305-1, 5	SDG 13: Climate change; SDG 15: Forests, biodiversity, and ecosystems
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SR21/22_12_H1-3	ENVIRONMENTAL   CO2 emissions per product	305-1, 5	SDG 13: Climate change; SDG 15: Forests, biodiversity, and ecosystems
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