

KATHMANDU

Sustainability Report 2020

Our journey.

Tämnäton rerengd.

Our journey.

Kathmandu CEO Reuben Casey looks at what's beyond B Corp and how we're tracking one year into our five-year plan.

Last year, we announced our five-year plan, Best for the World, which has three pillars: people, planet and practice.

We obtained our B Corp certification, and now we're going further – working to become a leading global B Corp.

To achieve this, we need to start at the top. This year, we'll be embedding sustainability into our governance by introducing sustainability key performance indicators for senior leadership.

BEST IN PRACTICE

Being a B Corp comes with a lot of responsibility, and if we don't have that responsibility embedded right at the top, it can be easy to overlook. Embedding sustainability into senior leadership helps formalise our B Corp commitment and also sends a strong statement to our team and our customers that we are committed.

BEST IN PRACTICE 2025 GOALS

- Become a leading Global B Corp.
- Integrate circular economy principles within our business.

BEST FOR PEOPLE

We released our social impact statement intending to positively change the lives of 100,000 people by 2025, and this is the area of our plan that excites me the most.

Every time we talk to our community, customers and shareholders, human rights is their number one priority. This drives us to focus on the people in our supply chain rather than on ticking boxes. I think it's important for all of us as consumers to remember

that real people are making our products, and the decisions we make have a real impact on their lives.

I'm proud of the work we've done to improve the lives of our employees too such as achieving the Rainbow Tick, which is especially important for making sure the 16% of our staff who identify as LGBTQIA+ feel safe and supported at work. As part of our response to Covid-19 we've introduced more flexible working policies this year, and we are looking for ways to support more women into future senior leadership roles.

BEST FOR PEOPLE 2025 GOALS

- Empower our community to change 100,000 lives.
- All our team members embody our purpose and values.
- All direct suppliers across our business meet our minimum expectations on their social and environmental impacts.

BEST FOR THE PLANET

Our biggest challenges will be introducing the concepts of circularity to our business. It's a big challenge for our industry as a whole, but we'll have to make progress there to achieve our goal of integrating circularity into our business by 2025.

We're proud to have our first solar-powered store in Melbourne this year and hope to expand this initiative.

We also achieved 100% sustainable cotton in our range and introduced the Moana range of backpacks made with recycled ocean plastics.

January's bushfires in Australia had a huge impact on our biggest market, and we felt compelled to respond. With the help of our customers, we managed to raise \$110,000 for the bushfire recovery.

BEST FOR THE PLANET 2025 GOALS

- Net zero environmental harm from our business operations.
- 100% of products designed, developed and manufactured using elements of circularity principles.

LOOKING BACK

We can't talk about this year without mentioning Covid-19, which saw stores across Australia and New Zealand shut in March. We worked with our suppliers to minimise the impact on them, and we are pleased that they've reported fewer than 5% of layoffs. We see our suppliers as partners, and some have been partners for a very long time.

Covid-19 has reduced our resources significantly, but we've managed to protect our commitment to sustainability. Having less money to spend means we've got to have more focus on what matters. We're aiming for a 'less but better' approach that allows us to focus on what makes the biggest impact.



REUBEN CASEY
CEO

R Casey

Best for the world 2025

OUR PROGRESS THIS YEAR TOWARDS ACHIEVING OUR 2025 SUSTAINABILITY GOALS.

BEST FOR PEOPLE



ACHIEVED
RAINBOW TICK



COVID-19 SUPPLIER
COMMITMENT



INTRODUCED MORE
FLEXIBLE WORKING POLICIES



PROVIDED EDUCATION
TO 18,969 PEOPLE*

BEST FOR THE PLANET



FIRST RANGE USING
OCEAN PLASTICS



FIRST
SOLAR-POWERED STORE



100%
SUSTAINABLE COTTON

BEST IN PRACTICE



LOOKING AT SUSTAINABILITY
KPIS FOR SENIOR LEADERSHIP



COLLABORATING WITH RIP CURL
ON THEIR B CORP JOURNEY

* Direct education provided to children and adults via AHF and NZHT

Our partners.



B CORP

Certified B Corporations® (B Corps™) are for-profit companies that use the power of business to build a more inclusive and sustainable economy.



OUTDOOR INDUSTRY ASSOCIATION

We participated in OIA's Sustainability Working Group, a collaborative platform of more than 300 outdoor brands and suppliers working together to identify and implement better business practices.



SUSTAINABLE APPAREL COALITION

Membership of the SAC gives us access to the Higg Index modules. We've been using the index since 2014, which supports our sustainability strategy. The index guides us on the environmental and social impacts of our products and how we can improve.



FAIR LABOR ASSOCIATION

We became the first brand in the southern hemisphere to achieve FLA accreditation.

This verifies that our social compliance programme in our supply chain exceeds the most stringent global standards.



BLUESIGN®

Our bluesign® system partnership supports our chemicals management programme, materials and products so that they are environmentally and socially friendly.



TEXTILE EXCHANGE

Our membership with the Textile Exchange supports our materials strategy, and we also participate in their Preferred Fiber & Benchmarking Programme.



CANOPY

We have been partners with Canopy since 2016. We work with them to use our influence in our fabric supply chain to protect the world's remaining ancient and endangered forests and endangered species habitat.



LEATHER WORKING GROUP

Our work with the LWG helps us to assess the environmental compliance and performance capabilities of our tanneries and to promote sustainable and appropriate environmental business practices within the leather industry.



CARBON DISCLOSURE PROJECT

We submit an annual report to the CDP, which supports our carbon measurement and reduction programme.



TOITŪ ENVIROCARE

Our membership with Toitū Envirocare helps us to measure, manage and reduce our carbon footprint through our annual carbonreduce certification.



AUSTRALIAN PACKAGING COVENANT ORGANISATION

We submit an annual report and action plan to APCO, which supports our packaging and waste strategy.



AUSTRALIAN HIMALAYAN FOUNDATION

We have been partners with the AHF since 2011. We work with the AHF to support communities in Nepal, the nation that inspired our brand.



HIMALAYAN TRUST NEW ZEALAND

We have partnered with the Himalayan Trust to further improve outcomes in education in remote rural Nepal.



ELEVATE

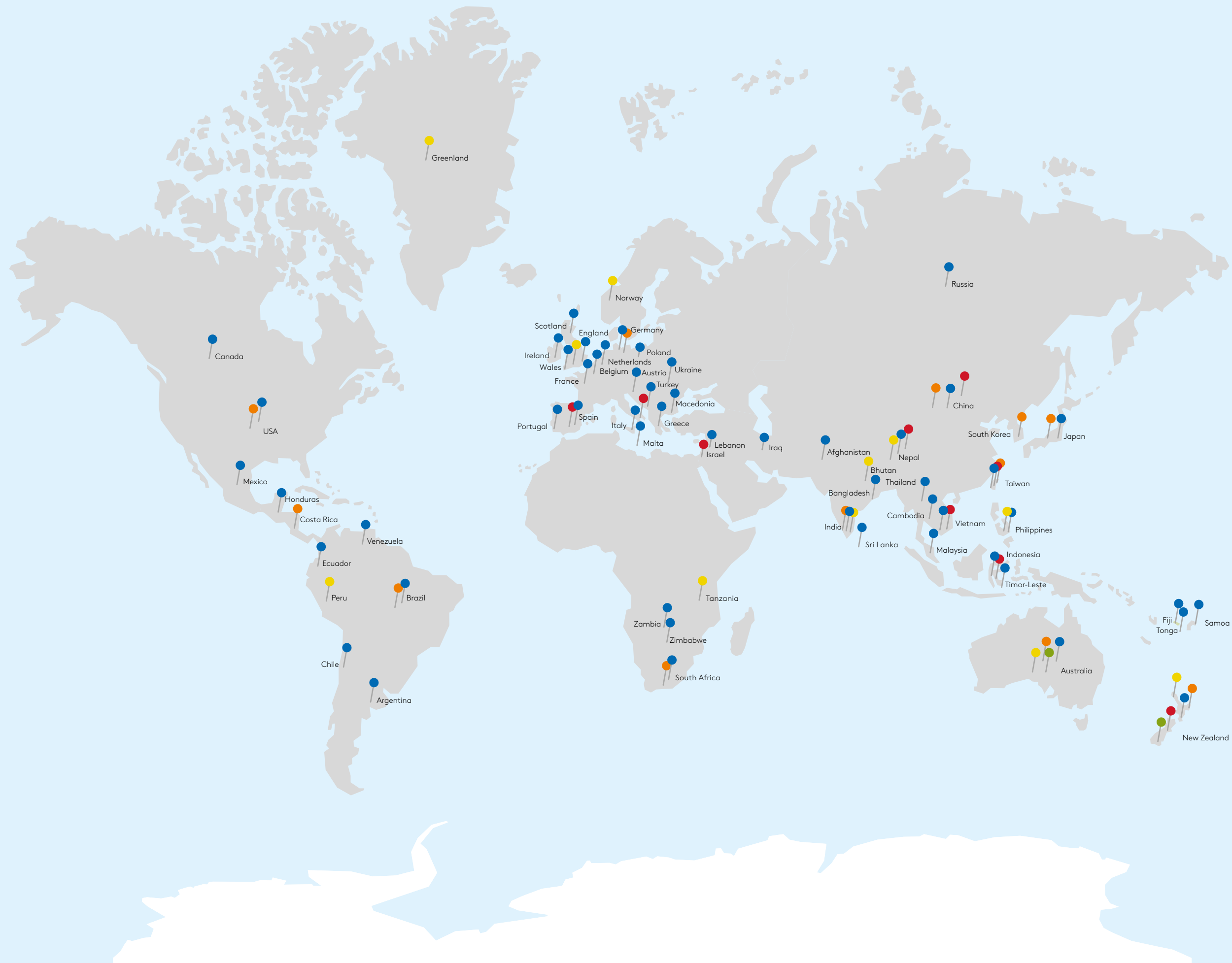
ELEVATE is our chosen supply chain partner and an industry leader in sustainability, auditing and improvement services.



RAINBOW TICK

We achieved our Rainbow Tick certification this year, which demonstrates our commitment to diversity and inclusion in the workplace and creating a supportive work environment for our team members.

Our world.



KEY



FACTORIES

99 TOTAL

China (76), Vietnam (12),
Indonesia (3), New Zealand (3),
Nepal (1), Italy (1), Spain (1),
Taiwan (1), Israel (1)



MATERIALS SOURCING

China, Taiwan, Australia,
New Zealand, South
Africa, Germany, India,
South Korea, USA, Japan,
Costa Rica, Brazil



OPERATIONS

New Zealand

49 stores

1 distribution centre

1 headquarters – Christchurch

Australia

116 stores

1 distribution centre

1 headquarters – Melbourne



COMMUNITY SPONSORSHIPS

24 adventure sponsorship
winners travelled to
Philippines, Nepal, India, Bhutan,
Greenland, Australia (Coffs
Harbour and Tasmania), Peru,
New Zealand, Norway, England,
Tanzania

698 adventure sponsorship
recipients



53 NATIONALITIES ACROSS OUR TEAM

Afghanistan, Argentina, Australia,
Austria, Bangladesh, Belgium, Brazil,
Canada, Cambodia, Chile, China,
Ecuador, England, Fiji, France,
Germany, Greece, Honduras, India,
Indonesia, Iran, Ireland, Italy, Japan,
Lebanon, Macedonia, Malaysia,
Malta, Mexico, Nepal, Netherlands,
New Zealand, Philippines, Poland,
Portugal, Russia, Samoa, Scotland,
South Africa, Spain, Sri Lanka,
Taiwan, Thailand, Timor-Leste,
Tonga, Turkey, Ukraine,
United States, Venezuela, Vietnam,
Wales, Zimbabwe



Thi Thanh Huyen, a worker at TGI factory outside of Ho Chi Minh City, Vietnam.

Our suppliers.

Ngã
Kaiw ha kar at oi

Our first report under the Modern Slavery Act.

“Our Modern Slavery Act statement reflects our wider approach to sustainability, but it’s much more than that.”

GARY SHAW

CORPORATE SOCIAL
RESPONSE-ABILITY MANAGER

The Australian Modern Slavery Act came into force in 2018, requiring all companies operating in Australia to report annually from this year on the risks of modern slavery in their supply chains and how they will address those risks.

We prepared our first report this year, outlining our unique approach to human rights in the supply chain.

The International Labor Organization has reported that 89 million people¹ experienced some form of modern slavery in the last five years, and the impact of Covid-19 is expected to increase these numbers.

As a certified B Corp, our supply chain approach is framed by a benefit mindset. This requires a new business model that puts equal weight on profit and people. As authors Justine Nolan and Martijn Boersma write in *Addressing Modern Slavery*², modern supply chain management tends to be more “aimed at treating the symptoms than tackling the underlying causes: the very nature of our business model”.

The Kathmandu approach goes beyond compliance to working alongside our suppliers to put people at the heart of our work. “Over the last five years, we have been shifting our suppliers to those who share our values of transparency and collaboration and are willing to work together on sustainable improvement,” says Corporate Social Response-ability Manager Gary Shaw.

Audits are the main mechanism used to monitor compliance in the supply chain, and they can be useful in flagging issues. However, they have generally failed to make a difference to the lives of workers. We have

therefore moved away from a pure compliance model to one that recognises each supplier’s strengths and challenges.

We have given workers a voice with innovative social media communication channels and anonymous confidential worker surveys that workers can complete using their mobile phones.

Kathmandu partners with ELEVATE to manage our audits and worker surveys and facilitate the necessary improvement projects in our factories.

“Our Modern Slavery Act statement reflects our wider approach to sustainability, but it’s much more than that,” Gary says.

“For me, it is an exciting invitation to challenge the existing predominant business model, which relies on growth for growth’s sake. It is this model that is destroying our planet and is ultimately a very uninspiring and short-sighted way of doing business. What we are proposing is a new lens through which to see business. If Kathmandu can go all the way with this idea, I think we’ll be one of the most exciting companies on the globe.”

RIP CURL AND OBOZ ALIGN WITH KATHMANDU ON CSR

The Kathmandu team has been developing our supply chain management for many years now and is recognised by our Fair Labor Association accreditation and B Corp status as a leader in this area. We are excited to report that both Oboz and Rip Curl have decided to embrace and participate in our approach to corporate social responsibility (CSR) and supply chain improvements.



Covid-19 ethical fashion commitments



WE COMMIT TO SUPPORT WORKERS’ WAGES BY HONOURING SUPPLIER COMMITMENTS.



WE COMMIT TO IDENTIFY AND SUPPORT THOSE WORKERS AT GREATEST RISK.



WE COMMIT TO LISTEN TO THE VOICES AND EXPERIENCE OF WORKERS.



WE COMMIT TO ENSURING WORKERS’ RIGHTS AND SAFETY ARE RESPECTED.



WE COMMIT TO COLLABORATE WITH OTHERS TO PROTECT VULNERABLE WORKERS.



WE COMMIT TO BUILD BACK BETTER FOR WORKERS AND THE WORLD.

Nguyen Hoang Huy, a worker at TGI factory is provided protective gear for his safety.

They will work to align with our standards, methodology and mindset – moving away from a compliance-based model to one that relies on partnership and trust.

Both brands will also work with ELEVATE as their supply chain partner.

“We all have the same goal when it comes to our respective supply chains, which is protecting and enhancing the wellbeing of workers. This also leads to a more efficient and profitable business. It is great that we can leverage the combined weight of the three brands under the Kathmandu umbrella to facilitate this,” says Gary.

WORKER WELLBEING IN THE FACE OF COVID-19

When large companies around the world began cancelling orders due to Covid-19, it had a devastating effect on the garment industry. Millions of workers have been laid off and now

face desperate circumstances as their only means of income has ended. There are more beneficial and ethical ways to respond to the crisis, and this is what Baptist World Aid (BWA), Tearfund and the International Labor Organization (ILO) are asking of companies with a new call to action.

The decision was made to cancel the annual Ethical Fashion Report for 2020, and instead BWA and Tearfund asked companies that normally participate to outline how they are responding to Covid-19, given the impact on workers in their supply chains.

Gary says this was an opportunity for Kathmandu to reinforce the company’s mindset, approach, and values.

“Many countries have no safety net for workers who lose their jobs. When COVID 19 hit, we called our suppliers and while we did have to

delay some orders, we did not cancel any. This helped our suppliers to plan for the future while keeping workers meaningfully employed.”

In April, we sent a survey to all of our suppliers to understand more about how they have been affected.

“80% of our suppliers replied to the survey and the results showed that fewer than 5% had to lay anyone off which was very encouraging.”

1. [International Labour Organization and Walk Free Foundation \(2017\). Global Estimates of Modern Slavery: Forced Labour and Forced Marriage.](#)
2. [Nolan & Boersma \(2019\). Addressing Modern Slavery.](#)



Nguyen Tan An, a worker at TGI factory outside of Ho Chi Minh City, Vietnam.

COLLABORATING WITH OTHER BRANDS

Our regular audit schedule was disrupted by Covid-19. Regular travel was disrupted and in most cases restricted. Physical audits would put both workers and auditors at risk.

We therefore decided to collaborate more closely with other brands and to share audits more openly. We also worked with our supply chain partner ELEVATE to create and use a remote assessment process that allows factories that are due for an audit to submit the relevant documents and photographs digitally for review.

Corporate Social Response-Ability Manager Gary Shaw says the remote audits are not as robust as an in-person audit. "But it's better than stopping audits completely. It shows our ongoing commitment to working with suppliers to both respect the impact of Covid-19 on their business while continuing to safeguard and improve the lives of workers."

TRAINING THE TRAINERS

This year, we partnered with a non-governmental organisation to run modern slavery prevention training in a Vietnamese factory. When we first approached the supplier about this opportunity, there was little interest as they did not think Vietnam had a problem with modern slavery. Tragically, on 23 October 2019, the bodies of 39 Vietnamese nationals (29 men, two boys and eight women) were found in the trailer of an articulated refrigerator truck in the United Kingdom. They are believed to have been victims of modern slavery. The supplier then contacted Kathmandu and agreed to partner with us in this trial.

Using a 'train the trainer' model, we paid a local Vietnamese NGO to educate trainers about modern slavery prevention and the circumstances that can lead to people being more susceptible to slavery. It also covered child abuse, sexual

exploitation and how to keep families and children safe from online predators.

"The supplier came back and said the training was empowering – a huge success," says Gary. "It was certainly a very cost-effective way for us to make a powerful, immediate and meaningful difference."

The next step is to look at expanding this programme to other suppliers. We were invited to meet with the Vietnamese Government to discuss this and other CSR initiatives.

"Unfortunately, the meeting was cancelled because of Covid-19, but we are hoping this will develop into a very cool example of corporate, NGO and government collaboration," Gary says.

OUR SUPPLIERS 2020



99
FACTORIES KATHMANDU
PARTNERS WITH



39
SUPPLIERS KATHMANDU
PARTNERS WITH



12*
TOTAL AUDITS



100%
NEW SUPPLIERS SCREENED
USING SOCIAL CRITERIA



62
CORRECTIVE
ACTION PLANS

10
EXITS



680
HOURS TRAINING STAFF

* Due to COVID 19, we approved a lot more copy audits than normal as it was prudent to do so (35). Kathmandu completed 12 of our own audits, a smaller number than normal because of this.

Our product team sewing samples in our Christchurch office workshop, that will later be used to create our NZ Made Aotearoa T-Shirts.

Our products.

Ngā hua.

Why 100% sustainable cotton is not the end of the story.

“We want to move from not just taking resources to giving back resources. That’s what we’ll be exploring next.”

MANU RASTOGI

HEAD OF PRODUCT INNOVATION
AND PRODUCT SUSTAINABILITY

We set a target to have 100% sustainable cotton in our range by 2020, and we are proud to have hit that goal this year with the release of our Summer 2020 range.

This was an important goal because cotton production uses a large amount of water and around 25% of the world’s pesticides.

To reach our 100% sustainable cotton milestone, we used a mix of organic, recycled and Better Cotton Initiative (BCI) cotton.

Organic cotton is grown with no pesticides or chemical fertilisers. This is great, but the difficulty in shifting from traditional to organic cotton meant the transition was slow and the numbers small. Enter BCI – now the largest sustainable cotton programme in the world – creating long-term change by helping farmers grow cotton in a way that reduces stress on the environment and improves the welfare of farming communities.

BCI has trained 1.6 million cotton farmers in 21 countries on five continents.

For pure sustainability, nothing beats recycled cotton, which uses factory waste to create a new yarn with no dyeing.

“Recycled cotton – like all recycled materials – fits better into our aims to move towards a circular economy where we can work towards closing the loop,” says Kathmandu Head of Product Innovation and Product Sustainability Manu Rastogi.

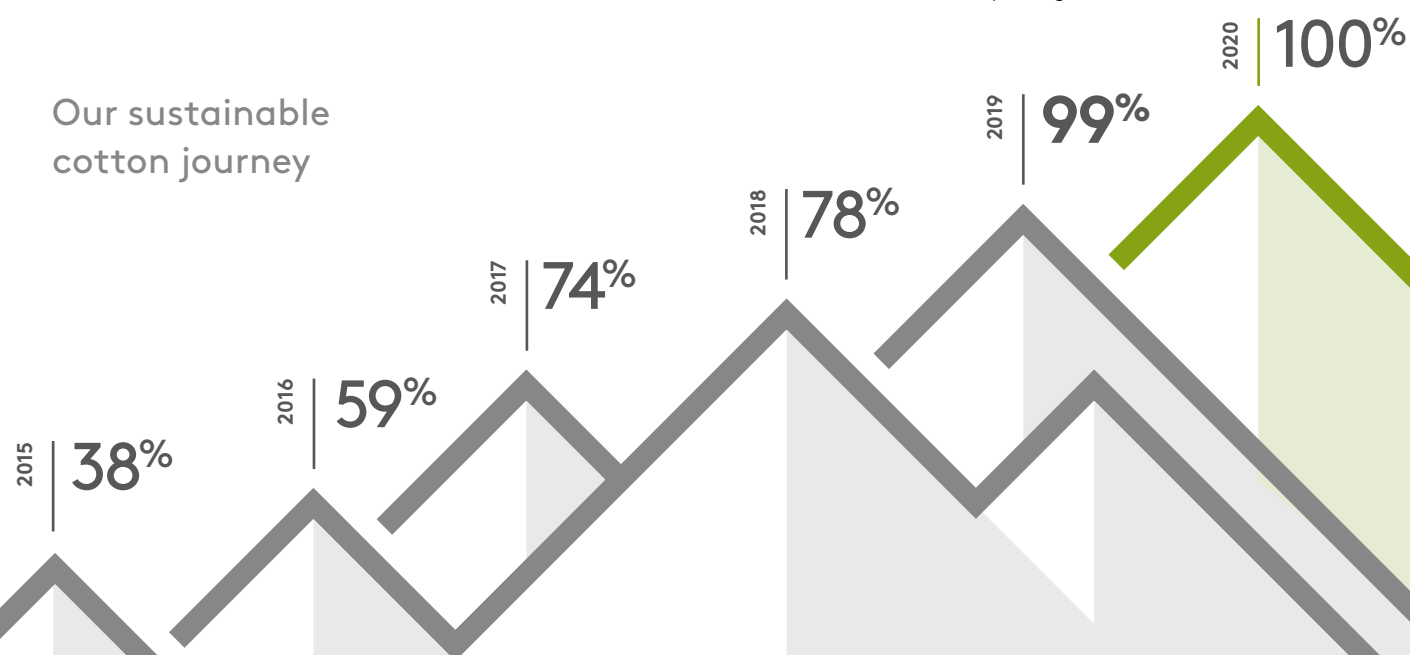
So now that we’ve reached 100%, is it time to pat ourselves on the back and relax? Definitely not, says Manu.

“Reaching 100% sustainable cotton only means we are 100% ‘less bad’. Now we need to shift from reducing our impact to doing good. The next challenge is to think about what is beyond sustainability and look at regenerative agriculture,” Manu says.

There are some exciting trials in place for regenerative cotton as well as other textiles such as leather and wool.

“We want to move from not just taking resources to giving back resources. That’s what we’ll be exploring next.”

Our sustainable cotton journey



Summit Club members Jared and Hayley wearing our sustainable cotton T-Shirts in Cuba.



Recycled polyester range grows.

We have recycled 30,423,221 plastic bottles since we started counting in 2015. Although the total bottle count dropped this year because of Covid-19, our range of recycled polyester continues to grow.

The bottle count number comes from the growing number of products that use REPVE recycled polyester. Manu Rastogi says there are many other recycled polyester products in the range, but the bottle count is limited to REPVE products.

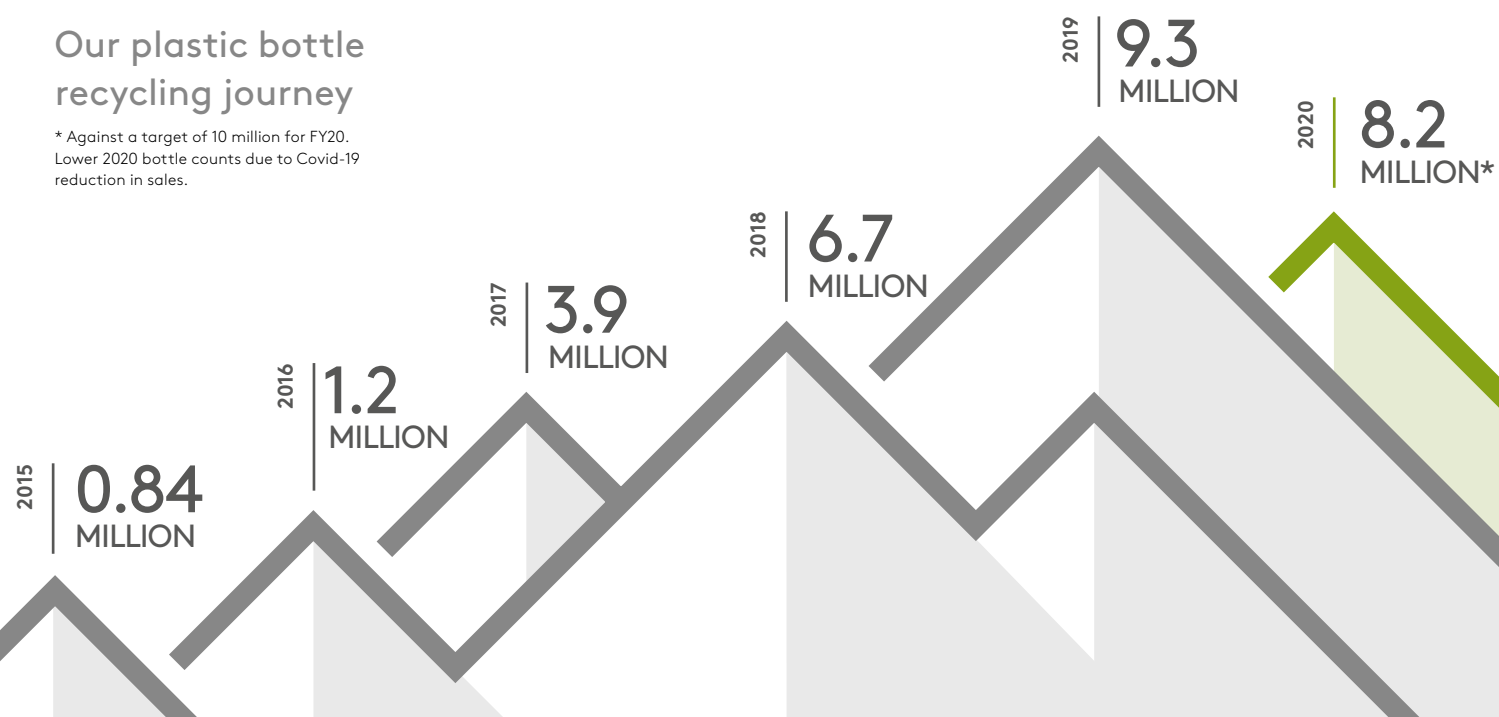
"Only REPVE is able to accurately tell us how many plastic bottles go into each of our products, so this is the only product we are comfortable reporting on. If we could get an accurate count on other recycled polyesters, we estimate it could double our recycled bottle count."

This year, we expanded our Heli recycled insulation range to include 10 styles. The Heli range uses a synthetic ecodown made from recycled post-consumer PET bottles, which are broken down into resin and reinvented as polyester fibres that mimic down by trapping warmth in air pockets.

This year, we also introduced the Moana day pack range, which is a blend of BCI cotton and recycled polyester made from marine and ocean plastic. The recycled yarn makers, Bionic Yarn, work with Robert F Kennedy Jr's Waterkeeper Alliance to collect and recycle plastics on Costa Rica's Nicoya Peninsula. The programme is a pilot for launching into other regions where there is currently no recycling infrastructure.

Our plastic bottle recycling journey

* Against a target of 10 million for FY20. Lower 2020 bottle counts due to Covid-19 reduction in sales.



Chloe and Jonathan collecting beach waste in our new Moana pack, made from ocean plastics.

Saving water to save lives.

“It is something we can’t afford to take for granted any more.”

MANU RASTOGI

HEAD OF PRODUCT INNOVATION
AND PRODUCT SUSTAINABILITY

The United Nations says, “By saving water, we save lives.” It’s something we can’t afford to take for granted any more.

Water wastage and pollution have disastrous consequences for the environment and, in turn, for people.

With 700 million people worldwide at risk of being displaced by intense water scarcity by 2030, the United Nations is calling for a “fundamental shift” in the way water is managed.

As Kathmandu moves to align with the UN Sustainable Development Goals, we are determined to contribute to Goal 6 — access to water and sanitation for all. By using more recycled cotton and solution-dyed polyesters, we have been able to keep moving the needle on how much water is used in our products.

We’ve saved 40 million bottles of water already.

Water savings

* This year’s lower total reflects decreased orders due to Covid-19.



Summit Club member Sian in Lyttelton wearing our Solus pack which is made from solution-dyed fabrics.



40
MILLION
AND COUNTING

Bottles worth of
fresh water saved*

* This is based on 500ml bottles.

Manu Rastogi Head of product
innovation and product sustainability

New Zealand-made products hit home.

Wool sourced from merino sheep on a Mackenzie Country station in the South Island of New Zealand.

When we started down the path of creating a New Zealand-made range, we had no idea that a global pandemic would arrive to illustrate just how important it is to keep manufacturing industries alive at home.

The aim was to support local manufacturing and local jobs so that, if the global supply chain is disrupted, we have not got all our production offshore. Achieving this turned out to be more difficult than we anticipated with our New Zealand merino range.

Although there are plenty of merino farms in New Zealand, including right in our backyard here in Canterbury, there is no processing capability left in the country. Eventually, we found an Australian processor who could process our New Zealand merino clip into fabric before sending it back to us in Christchurch.

Here we worked with local manufacturer Albion Clothing to create our range of New Zealand-made t-shirts. Another challenge was finding a local supply for trims and packaging.

"It was a good trial programme where we were able to gain a lot of understanding and learning," says Manu Rastogi. "Covid-19 has really driven home how much we rely on other countries to produce our products. In the future, we would like to expand this programme and use it as a place where we can experiment and innovate. We'd like to inspire other New Zealand companies to do the same. By working together, we can make even more impact."



GLOBAL SCOREBOARD

Results from the 2019 Textile Exchange's Corporate Fiber and Materials Benchmark Program.



LISTED IN MCI DOWN INDEX LEVEL 4
— LEADING PERFORMANCE BAND

#7

IN RESPONSIBLE WOOL STANDARD
"TOP 10 BY VOLUME"



LISTED IN MCI COTTON INDEX LEVEL 4
— LEADING PERFORMANCE BAND

#7

IN RESPONSIBLE DOWN
STANDARD "TOP 10 BY VOLUME"



LISTED IN MCI STRATEGY LEVEL 4
— LEADING PERFORMANCE BAND

#8

IN RECYCLED POLYESTER
"TOP 10 BY VOLUME"

100%

LISTED IN PREFERRED
MMCF "100% UPTAKE"

Covid offers a chance to reset.

As stores shut, Covid-19 lockdowns threatened to halt the textile industry's sustainability transformations. But Manu Rastogi has taken the pause as an opportunity to reset and look for ways to do more with less.

"Our aim is to do less but do better and take the time to refocus on where we can have the most impact," Manu says. "What Covid has highlighted for us is that these are collaborative pursuits. To get out of a global pandemic, everyone has to contribute, and the same goes for the challenges facing the textile industry. People are now realising that collaboration is really important."

With industry conferences and trade shows going digital and online, more people than ever are able to participate, Manu says.

As Kathmandu looks for ways to do more with less, we will be putting ideas like circularity and carbon neutrality on the table.

"It's time to look at what it would mean if one of our core lines became carbon neutral. We are starting slowly but with a bigger vision and looking at how we can bring our business more in line with the United Nations Sustainable Development Goals," Manu says.

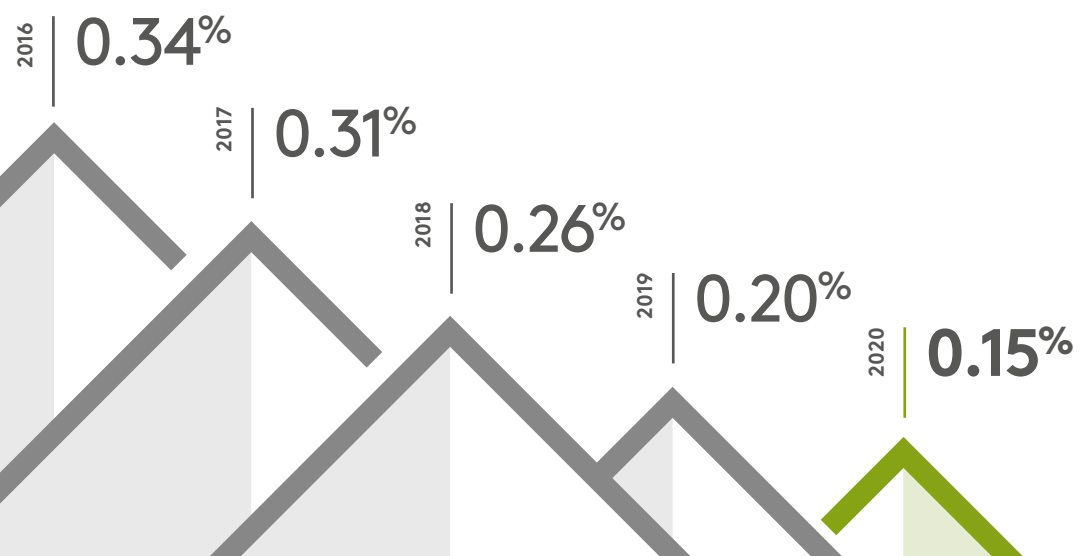
"Our aim is to do less but do better and take the time to refocus on where we can have the most impact."

MANU RASTOGI

HEAD OF PRODUCT INNOVATION
AND PRODUCT SUSTAINABILITY

Quality return rates

Our product return rates for quality failures are very low, but we still strive to reduce this year on year.



Sean and Michelle wearing our merino face masks in Melbourne.



CARE AND REPAIR



3,377
REPAIRS

SAFETY



1
REPORTED INCIDENT

Only one of the reported incidents were a result of non compliance with voluntary codes.

Chloe and Jonathan keeping dry
while hiking in Japan.

Our footprint.

Tā mātou
tāpuwae.

The road to carbon zero.



Waste and carbon emissions continue to have the biggest impact on our footprint. That's why we developed an ambitious five-year plan to eliminate both. Our goal is to be net-zero carbon by 2025.

MEASURE, MANAGE, VERIFY, MITIGATE

Our path to net-zero carbon is paved with four simple steps: measure, manage, verify and mitigate.

We are currently working on our fourth year certification of our carbon footprint by Toitū Envirocare under the carbonreduce programme.

Covid-19 helped reduce our carbon footprint this year with decreases in air travel, commuting and electricity. The challenge will be to see if we can make some of these carbon savings permanent by encouraging new ways of working.

A permanent flexible working policy that now allows staff to work from home up to two days a week could have a big impact on commuting emissions, while an increase in online meetings could save on air travel.

In 2014, we set a target of 20% reduction on our Scope 2 emissions by 2020, and since then, our store network has grown from 125 stores to 165 stores.

On reflection, we realised our target would be better focused on our intensity, as this has been where our operational improvements have come from and still allows Kathmandu to grow as a business. Our revised target is a 20% reduction on our Scope 2 emissions per store by this year based on 2012 numbers. We safely achieved this. However, the tangible improvements our business will start to achieve will come when we set science-based targets. We hope to complete this process this coming year and can set a more aggressive reduction target in line with the level of decarbonisation required to keep global temperature increase below 2°C compared to pre-industrial temperatures.

OUR CARBON JOURNEY*

TOTAL SCOPE 2 EMISSIONS

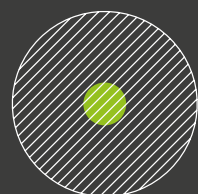
● AUS ● NZ ● UK



SCOPE 2 AVERAGE CARBON EMISSIONS PER STORE



SCOPE 3 TRANSPORT EMISSIONS



629 TONNES CO₂e 77 TONNES OF STOCK MOVED 398 TONNES CO₂e 2,396 TONNES OF STOCK MOVED

* 2020 figures are pre-certification estimates.



Jonathan, taking a stroll down the road in Japan.

New carbon offset programme restoring Australian outback.

We offset 1058 tonnes of carbon from our 2019 air travel emissions through the Bierbank and Lanherne Regeneration Project in Queensland.

The project is part of the Australian Government's Emissions Reduction Fund and is re-establishing permanent native forest on land that had been cleared by grazing and mining. The project will provide much-needed habitat for six endangered species and 21 vulnerable species in the region. It will also create jobs and economic activity in an area where opportunities can be limited.

Kathmandu Sustainability Specialist Shannon Ball says carbon offsetting is a great way to invest in conservation.

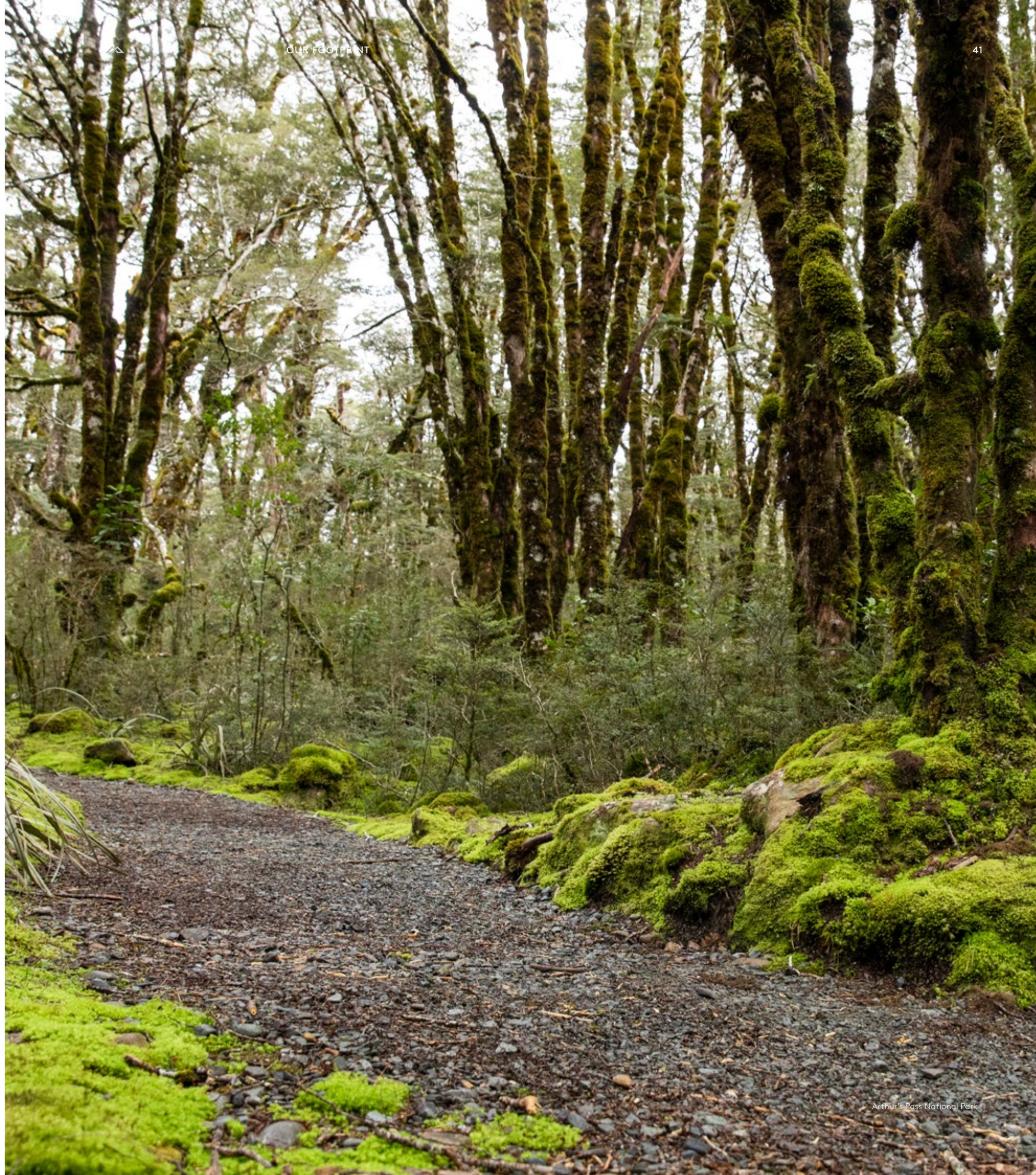
"Bush regeneration projects need money from somewhere. It's great that businesses like ours can benefit from the carbon offset they provide."

As we start setting science-based climate targets and move towards our net-zero carbon goal in 2025, Kathmandu will look to offset more of its emissions.

"Carbon offsetting is a great way to invest in conservation."

SHANNON BALL

SUSTAINABILITY SPECIALIST



First solar-powered store opens.

This year, we opened our first 100% solar-powered store in Blackburn, Victoria. This follows a solar panel installation in our Melbourne distribution centre in 2016.

Kathmandu Project Manager Dean Smith says the Blackburn store was a good solar project because it is a stand-alone store.

"Because many stores are located in large shopping centres, it won't be possible for solar power to be rolled out across the entire store network, but we intend to assess which of our stores can be adapted for solar power in the future to help reach our net-zero carbon target by 2025."

The system has a solar battery generator that's able to deliver 100% of the store's annual energy or up to 92,000 kilowatt-hours. The system will eliminate up to 124 tonnes of carbon dioxide emissions overall.

The array will use the battery on overcast days and for backup power. A live feed of the store's solar activities will be displayed on a monitor within the store, allowing customers to view power generation versus usage.

The system will eliminate up to 124 tonnes of carbon dioxide emissions overall.



Solar panels on top of our Blackburn store in Victoria.

Reducing the waste we pass on to consumers.

“It acknowledges that our traditional take, make and waste approach is not going to sustain our communities in the future.”

OUR PACKAGING FUTURE

AUSTRALIAN PACKAGING COVENANT ORGANISATION

As our waste journey continues, we’re turning our mind to the waste we send home with our customers and our goal to have 100% sustainable packaging by 2025.

Sometimes, it’s little things that add up to make a big difference. Our store staff started asking a simple question: “Do you need a bag?” This got customers to pause and think, resulting in 6% fewer bags used per transaction compared to last year.

We’ve set up a working group to look at a more sustainable alternative to the plastic delivery satchels we use to deliver online orders.

As members of the Australian Packaging Covenant Organisation (APCO), we subscribe to their vision for a future where packaging is circular.

“This vision recognises that our planet has finite resources,” APCO says in its 2020 report our packaging future. “It acknowledges that our traditional take, make and waste approach is not going to sustain our communities in the future.”

PROJECT POLYBAG COMING BACK FROM DISRUPTION

Our journey to zero waste continues with a new signpost in place – a zero-waste target for 2020. Cardboard and plastic recycling is the cornerstone of our zero waste project, which took a big hit in New Zealand when China shut its doors to offshore plastic recycling.

We went from 100% of plastic polybags recycled in all New Zealand stores in 2018 to just over half our stores last year. Now we are expanding our partnership with New Zealand-based plastics recyclers who are turning soft plastics into fence

posts, plastic matting, buckets and other products. Three more stores were added to the Soft Plastics Recycling Scheme this year.

Kathmandu Sustainability Specialist Shannon Ball says, “A key project is getting better information on which of our stores have good recycling options and which don’t. We are aiming to process as much recycling locally as we can, and we are also looking for ways to reduce the size of our polybags and introduce more recycled content into our packaging too.”

TENT COLLECTORS HELP REFUGEES

Some of our returned tents have found a new home at refugee camps, thanks to the work of Hastings-based non-profit Tent Collectors.

The organisation saves tents from landfill and collects them from festivals to be redeployed to Syrian refugee camps in Europe, including the Greek island of Samos, which currently houses 5,900 people in a military camp built for 600. Tents that were returned by customers and couldn’t be resold as seconds were donated to Tent Collectors.

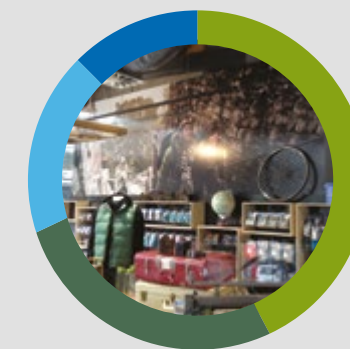
CHRISTCHURCH STORE WINS RED AWARD FOR SUSTAINABILITY

Our new flagship store in Christchurch – built with our focus on sustainable and reusable materials – was recognised with an award for sustainability by the New Zealand Retail Interiors Association. The RED awards are the country’s premier retail design awards, and the sustainability category judges fit-outs on materials, equipment and services.



New Moana packs made from ocean plastics.

STORE WASTE BREAKDOWN



43% paper/
cardboard

15% polybags and
shrink wrap

18% co-mingled
recycling

24% non-recycled
material

Kathmandu Store Design and Development Manager Abigail Wasmer says the approach to store design is about continuous improvement. “Sustainable store design is not something you achieve and tick a box and are done with. It’s a constant process of getting better. Every year, we introduce new elements and new practices.”

A big focus has been on selecting natural and sustainable materials, shifting from particleboard to solid and plywood timbers that can be recycled and reused.

Abigail says the approach is also about bringing suppliers and contractors on the journey with us. “In Melbourne, our shopfitters have an entirely solar-powered factory, and we give contractors reusable coffee cups and water bottles so that they can reduce their waste. We’ve also put water-filling stations in stores so that anyone can come in and refill a bottle.

Sometimes, little things can make a big difference.”

This year, we switched 32 new and refurbished stores to LED lighting, which has helped us towards our goal of becoming net-zero carbon by 2025.

“Sustainable store design is not something you achieve and tick a box and are done with. It’s a constant process of getting better. Every year, we introduce new elements and new practices.”

ABIGAIL WASMER

STORE DESIGN AND DEVELOPMENT MANAGER

Our community.

Tā mātou hāpori.

Positively changing lives.

Last year, we announced our new social impact goal - intending to positively change 100,000 lives by supporting our workers in our supply chain, assisting our partners to grow their education programmes in Nepal and providing adventure opportunities to our Summit Club members.

This year, although many events we planned were interrupted by Covid-19, we've still made progress on this goal.

CELEBRATING DIVERSITY

We wrapped our International Women's Day campaign and our Pride campaign into a project we've code-named Positive Days of Impact.

This supports our goal to be best for people and aligns with our new social impact strategy.

For International Women's Day (IWD), celebrated annually on 8 March, we partnered with the charity ActionAid, which supports women across the globe to break the cycle of poverty and to live free from violence. We asked customers to join us with in-store fundraising and donated 1% of our sales on IWD to ActionAid.

We also put on two fundraising events in Sydney and Auckland. These 'micro-adventures' took women into the outdoors with experienced female guides.

As part of the campaign, we profiled three inspiring women from our community who are working towards gender equality.

PRIDE AT KATHMANDU

We believe adventure is for everyone, regardless of what part of the rainbow you hail from. We celebrated Pride from January to March by

raising more than \$10,000 for charities that support and celebrate rainbow youth.

The Minus18 Foundation is Australia's youth-driven charity for LGBTQIA+ youth. For over 21 years, Minus18 has been running high-impact LGBTQIA+ events, workshops and campaigns, creating peer support, safe spaces and inclusive environments across Australia.

Qtopia is a social service for LGBTQIA+ young people, their whānau and their communities in Canterbury. Using education, advocacy, support and celebration, Qtopia aims to create positive and lasting social change.

We encouraged customers to donate online or in store, and we matched donations. We also organised a fundraising 'micro-adventure' event in Sydney.

PARTICIPATION

Participation means going beyond learning about our differences to living and experiencing them. This year, we looked to take a more active role in our community. We partnered with Māori language immersion school Te Whānau Tahī to connect students learning about the outdoors with our teams and share our experience of the outdoors.

We further developed relationships with rainbow youth organisations Qtopia and Minus18 who support our growing awareness and understanding while we support them in their objectives.

Our ongoing commitment is to support young people in outdoor adventures.



TOTAL FUNDS DONATED

TOTAL DONATED TO

MINUS18

\$5,684.13

TOTAL DONATED TO

QTOPIA

\$6,245.43

TOTAL DONATED TO

ACTIONAID

\$16,468

Products that give back.

We love creating products that give back to the causes dear to our hearts. Our Nepalese-made Christmas ornament is inspired by the Himalayan red panda. The pandas were given to customers who made a \$10 donation to the Australian Himalayan Foundation and New Zealand Himalayan Trust and 100% of the donations were passed on to the charities. This year, we raised \$89,586 with our Christmas giving programme.



The panda that gives back.

ARTIST SERIES T-SHIRT

Our latest Artist series T-Shirt was created by Ash 'Chimp' Sisson, a New Zealand street artist known for his vibrant murals.

Armed with a sketchbook and Kathmandu gear, Chimp took part in Kathmandu's Nepal Treks to Everest Base Camp to draw inspiration from the stunning Himalayas – a once in a lifetime trip that he found eye-opening.

His design illustrates the story of a journey between two cultures – Nepal and New Zealand – through the ambitious upward gaze of an adventurous woman.

\$5 from the purchase of every limited edition tee goes directly to the Australian Himalayan Foundation or the Himalayan Trust of New Zealand.

KHUSI BEANIE

Khusi means 'happy' in Nepalese. Our Khusi Beanie reflects the support that this product provides for traditional Nepalese knitters.

For 31-year-old Sabina, who experienced regular headaches, knitting is both a livelihood and a support unit.

"I feel a strong connection with the other knitters. We work as friends and this helps us enjoy our work," Sabina says.

Sabina uses her income on household expenses for her family – the rest she saves for a rainy day.

This was the fourth year that the Khusi Beanie has been part of our range.

"I feel independent and proud of myself."

SABINA

TRADITIONAL NEPALESE KNITTER

AUSTRALIAN BUSHFIRE SUPPORT

Last summer was one of the worst on record for Australian bushfires. We launched an appeal to raise funds for the Australian Red Cross Disaster Relief and Recovery Fund.

We promised to match funds donated by our customers up to \$50,000. Our customers rose to the challenge and donated just over \$60,000, which saw more than \$110,000 donated in total.

LIZARD TEE APPEAL

Our vintage Lizard tee made a comeback this year to join in the fight for Australian native species impacted by bushfires. All profits from the limited edition tee were donated to the work done by Greening Australia to conserve and restore wildlife habitat. Sales continue, and \$4,000 has been raised so far.

FUNDRAISING FOR OUR COMMUNITIES

KHUSI BEANIE



23,332

TOTAL UNITS SOLD

XMAS GIVING



\$89,586

FROM CUSTOMERS

ARTISTS TEE



\$33,940

AMOUNT RAISED

AUSTRALIAN BUSHFIRES



\$110,053

AMOUNT RAISED

Sarah keeping cosy in our Khusi Beanie made in Nepal.

AUSTRALIAN
HIMALAYAN
FOUNDATION

HIMALAYAN
TRUST
FOUNDED 1980
BY SIR EDMUND HILLARY

Competitors encounter multiple river crossings as part of the annual Kathmandu Coast to Coast race.



Getting our community into the outdoors.

Part of our best for people five-year goal is about inspiring and equipping people to discover their potential through education, personal development and wellbeing. We committed to giving 10,000 Summit Club members access to outdoor adventure and volunteering opportunities with free events.

ADVENTURE SERIES

Although Covid-19 meant that only three of our 16 adventure series events went ahead, we did connect with 52 participants in this guided hiking programme.

RUN CLUB

Run Club is a weekly free trail running programme for Summit Club

members of all levels. Each Run Club session offers professional coaching focusing on different skills, then puts trail running techniques into practice all over the city. Last year, we held more than 80 running sessions for 2629 participants across Christchurch, Adelaide and Melbourne.

SUMMIT CHALLENGE

We challenged Summit Club members to climb the height of Everest to raise money for our partner charities that support Nepal. The New Zealand event, Summit Challenge, had 220 participants who raised \$39,295 for the New Zealand Himalayan Foundation. The Challenge included three group hikes held in Wellington, Christchurch and Auckland.

SUMMIT CLUB VOLUNTEERING

We worked with charity partner Tangaroa Blue to host six volunteering events. Across all six events, 318 participants collected 672kg of rubbish.

KATHMANDU COAST TO COAST

We supported the Coast to Coast Rangers again this year in their work to give young people opportunities to participate in the Kathmandu Coast to Coast race. Run by the Aspiring Youth Development Trust, the Rangers programme gives kids exposure to outdoor activities as well as developing lifelong skills and introducing them to sustainable knowledge and values.

ADVENTURE SPONSORSHIP BY NUMBERS



24
TOP TIER WINNING APPLICATIONS



4
STAFF ENTRIES



WINNERS VISITED:

PHILIPPINES
NEPAL
INDIA
BHUTAN
GREENLAND
AUSTRALIA (COFFS HARBOUR AND TASMANIA)
PERU
NEW ZEALAND
NORWAY
ENGLAND
TANZANIA



332
TOTAL APPLICATIONS



698
VOUCHERS DISTRIBUTED

Adventure sponsorship

In 2007, Bronwyn Griffin's life was suddenly and irreversibly changed when her husband and the father of her children was taken by a sudden fatal heart attack.

"At the time, I was pregnant with our third child, our middle child was nine months old and our oldest was just two years old. Since Nick's death, we have forged on together to live an active and healthy lifestyle with a shared passion for mountain biking."

This January, Bronwyn and her kids (now 11, 12 and 13) decided to take on the Overland Track (including Cradle Mountain) in Tasmania. With pack loads varying from 15kg to 24kg, the four spent seven days in the mountains and raised \$5,000 for heart research.

"The weather on the mountains is notoriously unpredictable, and we were met with a full spectrum of weather – crushing heat, pouring rain, snowfall and strong winds that almost swept us off our feet."

Despite some challenging times, Bronwyn says the beauty of the track and their fundraising efforts kept their spirits up.

"We saw so many animals and plants that were just beaming with vitality and life we couldn't help fall in love with the Cradle Valley," she says. "The slow pace allows you to soak up the vibrancy, diversity and complexity of the environments you pass through, and I loved the places that conversations go when you have so much uninterrupted time together."

Bronwyn says the trip finished with a rush of accomplishment for doing it together.

"Our love for hiking together is now firmly embedded, and we can't wait to plan our next adventure together. We'll continue to put our efforts towards the prevention of early cardiac death, which is an issue close to our hearts."





Our visual merchandising team at our new flagship store opening in Christchurch.

Our team.

Kathmandu

Our values shine through our people in challenging times.

He toka tū moana

PEOPLE WHO ARE STEADFAST
AND NOT EASILY SWAYED BY
STRONG COMPETITION

Like most businesses around the world, the Covid-19 pandemic forced us to do things differently. We have seen our core values come through in the way our teams responded to a year of change and uncertainty.

We witnessed resourcefulness as our people adapted with agility to new ways of working in the absence of travel and the closure of office spaces and embraced new ways of collaborating and communicating — from Facebook Workplace updates to utilising available technology for collaboration and communication.

Openness and directness were essential for our team to stay connected and informed and safe and as discussions about personal wellbeing became more crucial than ever.

More than anything, the passion and determination of our teams drove them to find new ways to deliver results and keep our business operating.

These changes led to the introduction of a permanent flexible working policy that allows support staff to manage their workload and personal requirements through flexibility in work time and location, with the ability to work 40% of their hours from home for many team members.

We have also flipped our approach to performance management on its head and supplemented annual reviews (look back) with regular ongoing coaching (look forward) to drive development and results.

This year has shown our teams to be resilient and focused on doing their best under unfamiliar circumstances. Our people have been the driving force behind the positive change that makes us stronger as a business.

OUR JOURNEY TO INCLUSION

Kathmandu is an incredibly diverse workplace and each team member brings their own experience, values and identity to work with them each day.

This diversity is core to our business, and our goal is to leverage this strength and strive to be a truly inclusive organisation where everyone has a place.

We have committed to this journey to inclusion, both within our brand and beyond, as we want to bring our industry and community so that everybody we reach feels seen, heard and valued.

Our diversity programme has three objectives: education, participation and celebration.

EDUCATION

We strive to educate ourselves but also look at how we can influence our wider communities. We create opportunities to learn from others both in and out of our business. This year, we have grown our whānau by developing new relationships in our wider communities.

These included Bros for Change, who shared Māori culture, and Anton Matthews, who led group classes on cultural awareness and te reo Māori.

CELEBRATION

It's not enough to simply accept our difference so we believe they should be embraced and celebrated.

One way we celebrated our diverse workforce was with a diversity video featuring four team members sharing their stories and experiences of same-sex families, gender transition, spina bifida, use of a wheelchair and autism. The message behind our this is me video was that, while we're all different, we're all the same too.

In March, we achieved our Rainbow Tick a celebration for 17% of our workforce that identifies as LGBTQIA+.

We celebrated women in our business through participation in events such as the M2 Journey to Excellence, and we celebrated our New Zealand cultural heritage across the year.

We have challenged ourselves to celebrate diversity more in our brand and marketing content from now on. Our future diversity strategy includes a celebration of the faiths, cultures and other differences that make our people who they are.

The journey continues.

OUR DIVERSE TEAM (BY THE NUMBERS)

53

DIFFERENT
NATIONALITIES

65

LANGUAGES

25%

SPEAK MORE THAN
ONE LANGUAGE

Ka ora pea i a koe,
ka ora koe i a au

IN ANY GROUP ENTERPRISE,
THE PERFORMANCE OF EACH
MEMBER IS KEY TO ITS SUCCESS

Sharmali exploring the native
bush on the Paparoa Trail in
New Zealand.

Measuring the diversity in our diversity.

In November, we conducted a team diversity survey to get a better picture of what our workforce looks like. As expected, we found a diversity of nationalities, ethnicities, faiths, cultures and abilities and were able to form a picture of our team.

There is a lot of diversity in our diversity. Our teams encompass the cultures, faith, values and personal characteristics of the world we live in.

We discovered that 11% of respondents identified themselves as having a health issue (including mental health) or disability that prevents them from doing activities that others do. This broad definition of 'disability' gives us a new perspective on supporting our teams.

We learned that about 25% of our team speak more than one language and that after English, Spanish and French are the most common languages spoken by our team members.

The data collected will help us to make sure that everyone in our workplace has representation and a voice and that our diversity activities are aligned with our people.

The third-party anonymous survey had a high response rate with 42% of team members completing the survey, well above the industry benchmark standard of 30%.

KATHMANDU ACHIEVES THE RAINBOW TICK!

The Rainbow Tick is a certification that helps organisations ensure they are safe and welcoming workplaces for rainbow team members.

To achieve the Rainbow Tick, Kathmandu was found to have fully achieved success in five areas: strategy and policy, employee engagement and organisational support, external engagement, organisational development, and monitoring.

The Rainbow Tick is a New Zealand-based certification. We believe this certification reflects our business across all locations, while we work towards achieving a ranking in the Australian Workplace Equality Index.

SUPPORTING WOMEN IN OUR BUSINESS

This year, we looked for new ways to support and develop women in our business to thrive in their roles and as leaders. Women from across the business attended conferences and forums to network with and learn from other successful women.

Our teams can also now look to even more internal role models as more women joined the executive leadership team, bringing the number of female senior leaders to five this year.

The next step is the development of a formal policy and framework to support women in their career development at Kathmandu.

GEARING UP ON CAPABILITY

We took a more strategic approach to capability this year launching our Gear Up Curriculum to support the development of the core skills and competencies that allow our teams to be successful. The curriculum was designed to support our Next Level business strategy, providing key competencies to drive our business success, including critical thinking, influence skills and change leadership.

Individuals work with their managers to identify development objectives and create an individual develop plan from the curriculum and annual training calendar. Gear Up means learning and development can be planned strategically and resources used more effectively to the benefit of our teams and the business.

Whakamanahia
te wāhine

EMPOWER WOMEN

Next level in retail development.

For our retail teams, we continue to develop accessible and relevant content delivered through our online learning platform Kampus. In addition to core operational and product knowledge content, we have diversified to include a wider range of professional and personal development content.

We extended eligibility for management courses across levels of management to create a more visible learning pathway for 3ICs and ASMs to develop into the next roles in their career.

To develop expertise in our teams, we further extended our Footwear Guide Certification programme, certifying a further 50 Footwear Guides this year, and partnered with Oboz to create online content for our wider teams.

In addition to Kampus, workshops and in-store training, we utilised Facebook Workplace to deliver accessible and effective information (sharper, smarter, faster) and facilitate knowledge sharing within teams to drive a culture of learning.

Even when stood down, our teams sought out development opportunities, and retail teams took the opportunity to upskill themselves and prepare to welcome our customers back with confidence and exceptional service when stores reopened.

During the initial closure alone, our teams completed 7,002 courses on Kampus and took the opportunity for personal growth as well, as evidenced by the courses they completed.

TOP 5 COURSES OVERALL



RAINBOW TICK
INCLUSION AT WORK



OBOZ 2020



DEALING WITH STRESS
AND ANXIETY



COVID-19:
WHAT YOU NEED TO KNOW



WINTER READY 2020

The world has changed and so has Kathmandu.

IT IS OUR PEOPLE THAT WILL CONTINUE TO DRIVE KATHMANDU'S SUCCESS AS A BRAND AND WILL DO SO MORE STRONGLY DUE TO THE AGILITY, RESILIENCE, AND SOLUTION FOCUS WE HAVE ALL DEVELOPED.

Tania Griffiths started as casual labour in Kathmandu's Melbourne distribution centre back in 2014. Today, she is a warehouse system and continuous improvement analyst overseeing the implementation of new WMS systems, creating standard operating procedures and process maps and training casual and full-time staff.

Looking back, Tania puts her success down to hard work and an eagerness to learn.

"Upon joining Kathmandu, my main focus was to work super, super hard. I wasn't aware of what my journey was going to hold however, I am a very hard worker, and I take pride in my work. If I'm doing a task, I want to know the ins and outs. If there's an issue, I want to investigate it and find out what went wrong and how I can fix it."

As a casual worker, Tania says she asked regularly if there were full-time positions available. "Eventually, I was offered a full-time position. I explored and gained so much knowledge from other areas of the warehouse — from picking and packing to e-commerce and dispatch."

This well-rounded base of experience set her up to become a Superuser on our new and first Australian-built Crossbelt Automated Sortation System when the distribution centre moved into its new 5-star Green Star rated building in 2015.

At the time, Tania remembers, "I didn't have a lot of confidence talking to groups of people, managers nor staff. It was hard for me to stand up and talk freely and express if I had an improvement idea or to complete training needs. Daily setup meetings were very nerve-wracking."

Tanya's confidence got a boost when she joined the Kathmandu TrekBud Mentor programme, where her mentorship was complemented with online learning. Tanya's mentor was Nova Knight.

I think she's progressed amazingly," Nova says. "She has gone on to deliver training workshops to the whole of the distribution centre and put together comprehensive engaging training material. Her confidence to execute and stand up and deliver was awesome to see."

"I benefited a lot from those modules," Tania says. "It was really good for highlighting the areas I wasn't so confident around. We learned about presenting to team members and the different ways people have of learning and tailoring their needs by incorporating different learning styles. I became more confident, knowledgeable and accommodating in myself and others. It was a super-exciting journey to work with Nova. She's become a great friend."

In February this year, Tanya completed a course on empowering women in the workplace from Swinburne University. "The course looked at being bold at work and having an influence in the workforce."

While the distribution centre has a large percentage of males in the office space, Tania says she's never felt that was a barrier and has only helped her gain confidence in her leadership.

"I feel very supported. I'm very thankful to everyone who's supported me through my journey. My bosses are amazing, and Kathmandu is such a great company to be a part of," Tania says.

He ao hurihuri

IT'S AN EVER-CHANGING WORLD



Tania Griffiths, warehouse system and continuous improvement analyst.

Sustainability Report 2020: Appendices



TABLE 1: GRI GENERAL STANDARD DISCLOSURES

IND.	DESCRIPTION	REFERENCE	PAGE #	NOTES
ORGANISATIONAL PROFILE				
102 - 1	Name of the organisation	Cover page	1	Kathmandu Pty Limited, Kathmandu Limited and Kathmandu UK Limited. For all Kathmandu Holdings subsidiaries see page 63 of the 2020 Annual report.
102 - 2	Activities, brands, products and services	Introduction		Kathmandu is an outdoor lifestyle and adventure brand. We sell our own branded gear including other brands through our online, retail and wholesale network.
102 - 3	Location of headquarters	Our world	16-17	Kathmandu Head Office, 223 Tuam Street, Christchurch 8011, New Zealand.
102 - 4	Location of operations	Our world	16-17	—
102 - 5	Ownership and legal form	This appendix	This appendix	Kathmandu is a publicly listed company. For more information, please see page 78 in our 2020 Annual Report.
102 - 6	Markets served	Our world, this appendix	16-17	Kathmandu sells products through our store network in Australia, New Zealand and the UK. We also sell online and have begun to sell through wholesale partners internationally.
102 - 7	Scale of the organisation	Our world, Our team Annual Report 2020	16-17 54-61	For full financial disclosures, please see from page 23 in our Annual Report 2020.
102 - 8	Information on employees and other workers	Our team, this appendix	54-61 Table 7 on pg 141	—
102 - 9	Supply chain	Our world, Our suppliers, Our products	16-17 18-23 24-35	—
102 - 10	Significant changes to the organisation and its supply chain	Our world, Our suppliers, Our products	16-17 18-23 24-35	—
102 - 11	Precautionary principle approach	Our suppliers, customer health and safety, Our footprint	18-23 24-35 36-45	We use a precautionary approach across each department of the business to ensure we do not harm the environment or people.
102 - 12	External initiatives	Our journey	10-17	We collaborate with specialist organisations to support our sustainability strategy and outputs. Collaboration is absolutely core to our development as a business.
102 - 13	Membership of associations	Our journey, Our suppliers, Our products, Our footprint, Our community	14-15	Collaboration is fundamental to our sustainability strategy and programme. Without our memberships, we would not understand the complexities of our impacts and outreach to global initiatives and communities.
STRATEGY				
102 - 14	Statements from senior decision maker	Chairman and CEO report	3	—
ETHICS AND INTEGRITY				
102 - 16	Values, principles, standards, and norms of behaviour	Our team	56-57	See our Code of Conduct

IND.	DESCRIPTION	REFERENCE	PAGE #	NOTES
GOVERNANCE				
102 - 18	Governance and structure	Annual Report 2020	Annual Report 2020	The Board guides the overall governance of our organisation. Please from page 78 in our 2020 Annual Report for more information on our governance and structure.
STAKEHOLDER ENGAGEMENT				
102 - 40	List of stakeholder groups	Our journey, Our stakeholders table	14-15 Table 3 on pg 138	—
102 - 41	Collective bargaining agreements	This appendix	Table 10 on pg 142	—
102 - 42	Identifying and selecting stakeholders	Our journey, Our stakeholders table	—	—
102 - 43	Approach to stakeholder engagement	Our journey, Our stakeholders table	14-15 Tables 3 & 4 on pg 138-139	—
102 - 44	Key topics and concerns raised	Our journey, Our stakeholders table	14-15 Tables 3 & 4 on pg 138-139	—
REPORTING PRACTICE				
102 - 45	Entities included in the consolidated financial statements	Annual Report 2020	—	Kathmandu Pty Limited, Kathmandu Limited and Kathmandu UK Limited. For all Kathmandu Holdings subsidiaries see page 63 of the 2020 Annual report.
102 - 46	Defining content and topic boundaries	Our journey, Our stakeholders table, Our Impacts table	10-17 Tables 3 & 4 on pg 138-139	—
102 - 47	List of material topics	Our journey, Our stakeholders table, Our Impacts table	10-17 Tables 3 & 4 on pg 138-139	—
102 - 48	Restatements of information	This appendix	—	No restatement this year.
102 - 49	Changes in reporting	This appendix	—	This is our fourth year using the new GRI Standards reporting framework.
102 - 50	Reporting period	This appendix	—	1 August 2019 to 31 July 2020.
102 - 51	Date of most recent report	This appendix	—	Kathmandu Holdings Sustainability Report 2020 01/08/2019 — 31/07/2020
102 - 52	Reporting cycle	This appendix	—	Annual (01/08/2019 — 31/07/2020).
102 - 53	Contact point for questions regarding the report	This appendix	—	Olivia Barclay olivia.barclay@kathmandu.co.nz
102 - 54	Claims of reporting in accordance with the GRI standards	—	—	This report has been prepared in accordance with the GRI Standards Core option.
102 - 55	GRI content index	This appendix	—	—
102 - 56	External assurance	This appendix	—	Kathmandu has adopted numerous certifications, partnerships and programmes that verify our various sustainability initiatives. This report has not been externally assured.



TABLE 2: GRI TOPICS

TOPIC		REFERENCE	PAGE #	NOTES
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our suppliers	16-17 18-23 Table 4 on pg 139	
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140	
407 - 1: Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk.		Our suppliers	18-23	78% of our suppliers are in China. Due to the communist government, individual worker rights including freedom of association and collective bargaining are inevitably at risk. Collective bargaining is almost unheard of, and independent unions do not typically have any real power to leverage change in wages or working conditions. Updating our code of conduct and terms of trade documents; creating a new CSR strategy that puts more emphasis on performance and partnership and less emphasis on policing and compliance; investing in a new CSR professional services company specialising in sustainability and supply chain analytics; designing and implementing customised programmes that reflect our unique supply chain; worker surveys and improved grievance mechanisms; supplier training and education.
GRI 408: CHILD LABOUR				
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our suppliers	16-17 18-23 Table 4 on pg 139	
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140	
408 - 1: Operations and suppliers at significant risk for incidents of child labour		Our suppliers	18-23	Child labour is common in the international apparel industry, especially in Tier 2 and 3. We created and implemented a mandatory child labour and forced labour policy company wide. We also have a partnership with a consultancy specialising in advising businesses in child rights and improving the lives of children in supply chains across Asia.
GRI 409: FORCED OR COMPULSORY LABOUR				
GRI 103: Management Approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our suppliers	16-17 18-23 Table 4 on pg 139	
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140	
409 - 1: Operations and suppliers considered to have significant risk for incidents of forced or compulsory labour		Our suppliers	18-23	Forced labour is still common in the international apparel industry. Migrant workers are especially vulnerable to forced labour. China, Taiwan, Vietnam, India and Indonesia are all high risk for forced labour and these are all areas from where we source our product. We created and implemented a mandatory child labour and forced labour policy company wide. We also invested in a new CSR professional services company specialising in sustainability and supply chain analytics with the ability to access worker voice through social media, effective grievance mechanisms and anonymous worker surveys.

TOPIC		REFERENCE	PAGE #	NOTES
GRI 412: HUMAN RIGHTS ASSESSMENT				
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our suppliers	16-17 18-23 Table 4 on pg 139	
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140	
412 - 1: Operations that have been subject to human rights reviews or impact assessments		Our suppliers	18-23	Nil.
412 - 2: Employee training on human rights policies or procedures		Our suppliers	18-23	680 hours of training and around 50% of Head Office staff have received the training.
412 - 3: Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Our suppliers	18-23	Every one of our 99 factories has to enter into an agreement with Kathmandu, which includes signing and agreeing to abide by and be assessed against our code of conduct. A significant investment includes any and every supplier because no matter how much we spend with a supplier, our commitment to our stakeholders and shareholders is to invest our resources into our supply chain to ensure that human rights are protected.
GRI 412: SUPPLIER SOCIAL ASSESSMENT				
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our suppliers	10-19 18-23 Table 4 on pg 139	
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140	
414 - 1: New suppliers that were screened using social criteria		Our suppliers	18-23	100%
414 - 2: Negative social impacts in the supply chain and actions taken		Our suppliers	18-23	12 audits conducted in FY20 prior to Covid-19, which required greater sharing and acceptance of copy audits (35 accepted) . Four suppliers were identified as having significant actual and potential negative social impacts. They participated in remediation, training and improvement actions as a result.
GRI 301: MATERIALS				
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our products	16-17 24-35 Table 4 on pg 139	
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140	
No indicator				We do not collect recycled materials as a percentage according to topic indicator requirements. We collect data and information in accordance with the Higg Index and Textile Exchange reports.
GRI 303: WATER				
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our suppliers	16-17 Table 4 on pg 139	
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140	

TABLE 2: GRI TOPICS (CONTINUED):

TOPIC	REFERENCE	PAGE #	NOTES
GRI 416: CUSTOMER HEALTH AND SAFETY			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our products	16-17 24-35 Table 4 on pg 139
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 416 - 2: Incidents of non-compliance concerning the health and safety impacts of products and services		35	Kathmandu takes customer health and safety seriously. Kathmandu has implemented practices to safeguard the wellbeing of its customers while in store and using their purchased products. Any health and safety-related incidents are treated as high priority and investigated accordingly with the appropriate corrective action to prevent reoccurrence.
GRI 418: CUSTOMER PRIVACY			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our products	16-17 24-35 Table 4 on pg 139
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 418 - 1: Substantiated complaints concerning breaches of customer privacy and losses of customer data			This year there was no substantiated complaints in regards to breaches of customer privacy and losses of customer data.
GRI 305: EMISSIONS			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our footprint	16-17 36-45
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 305 - 2: Energy indirect (Scope 2) GHG emissions		Our footprint	36-45 We account for our greenhouse gas (GHG) emissions in alignment with the Greenhouse Gas Protocol. Our emission figures are derived from Scope 2 purchased electricity usage across our stores, distribution centres and support offices. Our emissions factors are sourced from government GHG reporting guidance documents published in each jurisdiction that we operate in. Our FY19 - FY20 Scope 2 emissions have been audited by Toitū Envirocare and certified under the carbonreduce programme.
GRI 305 - 3: Other indirect (Scope 3) GHG emissions		Our footprint	36-45 We have aligned our Scope 3 emissions quantification with the Higg Index scoring requirements. We used the carbonreduce software platform to calculate our Scope 3 emissions using the certification's latest emission factors. Our FY19 - FY20 emissions have been audited by Toitū Envirocare and certified under the carbonreduce programme.
GRI 305 - 4: GHG emissions intensity		Our footprint	36-45 Scope 2 emissions are measured and tracked per store.
GRI 306: WASTE			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our footprint	16-17 36-45 Table 4 on pg 139
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 306 - 2: Waste by type and disposal method			44-45

TOPIC	REFERENCE	PAGE #	NOTES
GRI 401: EMPLOYMENT			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our team	16-17 54-61 Table 4 on pg 139
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 401 - 1: New employee hires and employee turnover			Table 8 on pg 142
GRI 401 - 2: Benefits provided to full-time employees that are not provided to temporary or part-time employees.			Table 6 on pg 141
GRI 401 - 3: Parental leave			Table 9 on pg 142
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our team	16-17 54-61 Table 11 on pg 143
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 403 - 1: Worker representation in formal joint management-worker health and safety committees			Table 5 on pg 140
GRI 403 - 9: Work-related injuries			Table 13 on pg 144
GRI 403 - 10: Work-related ill health			Table 12 on pg 143
GRI 404: TRAINING AND EDUCATION			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our team	16-17 54-61
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 404 - 2: Programmes for upgrading employee skills and transition assistance programmes			54-61
GRI 404 - 3: Percentage of employees receiving regular performance and career development reviews		54-61 Table 5 on pg 140	There were no end-of-year reviews undertaken due to Covid-19 impacts on the business. All staff prepared a development plan for the year and had a mid-year review (see Table 14 for Kathmandu figures on page 144).
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY			
GRI 103: Management approach	103 - 1: Explanation of the material topic and its boundary	Our journey, Our team	10-17 54-61
	103 - 2: The management approach and its components	Management approach table	Table 5 on pg 140
GRI 405 - 1: Diversity of governance bodies and employees			54-61 Tables 15 & 16 on page 145



TABLE 3: OUR STAKEHOLDERS

STAKEHOLDER GROUP	ENGAGEMENT MECHANISM	FREQUENCY OF ENGAGEMENT	KEY ISSUES RAISED
Customers	— Social media — Customer insights — In our stores — Our website — Via our customer services team — Summit Club member communication	Ongoing	— Animal welfare — Waste management — Community investment opportunities and sponsorship — Human rights in our supply chain — Product care and repair — Microfibres
Staff	— Performance mechanisms — Questionnaire and surveys — Dream Team meetings — Other engagement committees	Ongoing	— Health and safety — Waste management — Training — Sustainability leadership
Suppliers	— Meetings — Site visits	Ongoing	— Fair and open procurement practices — Fair working conditions — Environmental impacts — Product quality and safety
Factories	— Meetings — Site visits — Audits	Ongoing	— Fair working conditions
Local communities	— In our stores and offices — Community events — Social media — Website	Ongoing	— Our impact on communities — Social investment and sponsorship
Government and regulators	— Meetings — Reports — Site visits	Quarterly and as required	— Economic performance — Environmental impacts — Community impacts
Shareholders	— Our annual reports — Annual general meeting — ASX and NZX announcements — Website — Investor roadshows, briefing forums	Quarterly and as required	— Economic performance — All sustainability material issues
Industry associations	— Meetings — Reports — Workshops	Annually	— Environmental impacts — Community impacts — Human rights in our supply chain
Investment community	— ASX announcements — Website — Investor briefings and forums	Quarterly and as required	— ESG performance
Civil society and community organisations	— Social media — Requests for information	Ongoing	— Human rights in our supply chain — Environmental impacts — Fair working conditions — Product materials stewardship — Supplier management

TABLE 4: OUR IMPACTS: WHERE DO THEY OCCUR?

Material topics were selected based on their importance to stakeholders and significance of impacts. The selection of material topics followed the GRI Standards (101) Materiality Principle.

MATERIAL TOPIC IN ORDER OF PRIORITY	WHO IT APPLIES TO	WHERE IT APPLIES AND BOUNDARIES	LIMITATIONS
OUR SUPPLIERS			
Freedom of association and collective bargaining	Kathmandu factories and suppliers	Our supply chain	—
Child labour	Kathmandu factories and suppliers	Our supply chain	—
Forced or compulsory labour	Kathmandu factories and suppliers	Our supply chain	—
Supplier social assessments	Kathmandu factories and suppliers	Our supply chain	—
OUR PRODUCTS			
Materials	Suppliers, Kathmandu	Our operations	Our overall sustainable materials percentage use against conventional materials is too complex to calculate to meet topic requirements.
Products and services	Kathmandu, consumers	Our operations	—
Customer health and safety	Kathmandu, consumers	Our operations	—
Product labelling	Kathmandu, consumers	Our operations	—
Water	Suppliers, Kathmandu	Our operations	—
Marketing	Kathmandu, consumers	Our operations	—
Customer privacy	Kathmandu, consumers	Our operations	—
OUR FOOTPRINT			
Economic performance	Kathmandu, investors	Our operations	—
Energy	Kathmandu	Our operations and stores	—
Emissions	Kathmandu	Our operations and stores	—
Waste	Kathmandu, customers	Our operations and stores	—
Transport	Kathmandu, supply chain	Our operations	We report on sea and air freight port to port Scope 3 emissions.
OUR TEAM			
Employment	Kathmandu	Our operations	—
Occupational health and safety	Kathmandu	Our operations	—
Training	Kathmandu	Our operations	—
Diversity and equal opportunity	Kathmandu	Our operations	—
Compliance	Kathmandu, consumers	Our operations	—



TABLE 5: MANAGEMENT APPROACH

TOPIC	POLICIES AND MANAGEMENT	ACTIVITIES	EVALUATION	ACCOUNTABLE DEPARTMENT
Workers' rights: freedom of association and collective bargaining, child labour, forced or compulsory labour, human rights assessment, supplier social assessment	Supplier code of conduct	We are members of the Fair Labour Association. Its 10 principles guide our Corporate Social Responsibility team's strategy working towards accreditation in 2018. The 10 principles and strategy corroborates GRI's workers' rights indicators, which we respond to.	We assess our programme against the 10 FLA principles to ensure our programme is comprehensive for accreditation. We recently evolved our CSR strategy based on the evaluation process.	Quality and CSR
Materials, water	Azo Dyes Policy, Down Feather Policy, Leather Policy, Uzbek Cotton Policy, Nano-Silver Technology Statement of Intent, Perflourinated Chemicals Statement of Intent, Sheep Mulesing Statement of Intent, Man-Made Cellulosics Policy, Restricted Substances List.	Our materials priority list guides our materials sustainability strategy.	We participate in the Textile Exchange report rankings. We use the Higg Index as a key driver for better materials.	Product
Customer health and safety	We research and complete all compliance requirements before entering new products into the market.	Our quality department reviews products before entering the market. Market compliance research.	We review our research and completion processes to achieve continuous improvement.	Quality
Customer privacy	We have a stringent policy and process to protect the privacy of our Summit Club members and online account customers.	Our relevant customer services team are briefed on the details of the policy to ensure no breaches are made. Communication is highly prioritised with the customer following any incidents.	Reviews are completed on any incidents to achieve continuous improvement.	Customer Services
Waste	We issued a zero-waste to landfill by 2025 strategy in 2019. This strategy is core to the management approach.	We engage with all key stakeholders internally and externally in managing our operational waste.	We review our strategy goals and objectives twice a year to evaluate how we are managing waste.	Brand, Finance, Retail Operations
Carbon emissions	We have a goal to reduce our Scope 2 emissions per store by 20% by 2020 from 2012 levels. We have issued a carbon strategy that aligns with the carbonreduce certification. We are also using the Higg Index as a guideline for understanding our Scope 3 emissions.	We report annually to the Carbon Disclosure Project. We annually offset our business staff air travel at a local offsetting and conservation project in Australia. Using the Higg Index.	We evaluate main sources of energy usage across Scope 2 and 3 areas.	Brand, Finance, Retail Operations
Team development: new employee hires and turnover, benefits for full-time employees, parental leave, occupational health and safety, training and education, diversity, equal opportunity	As part of our People Plan strategy, we integrate these material topics as part of our continuous improvement management approach.	We engage with all key stakeholders internally and externally in managing our strategy.	We conduct interviews and surveys as a way to inform our strategy approach.	Human Resources

TABLE 6: EMPLOYMENT

BENEFITS THAT ARE STANDARD FOR FULL-TIME EMPLOYEES OF THE ORGANISATION BUT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES	
Life insurance	
Heath care	New Zealand staff only, not offered to part-time store employees
Disability and invalidity	
Parental leave	
Retirement provision	
Stock ownership	Yes - wider leadership team only
Others	

TABLE 7: INFORMATION ON EMPLOYEES AND OTHER WORKERS

	AUSTRALIA	NEW ZEALAND	UK	TOTAL
BY EMPLOYMENT TYPE				
Full-time employees	384	299	1	684
Part-time employees	552	273	0	825
Casual	288	56	0	344
Total employees	1,224	628	1	1,853
BY CONTRACT TYPE				
Permanent	843	540	1	1,384
Fixed-term full-time	53	4	0	57
Fixed-term part-time	40	28	0	68
Casual	288	56	0	344
Total workforce	1,224	628	1	1,853
BY GENDER				
Male	522	226	0	748
Female	702	402	1	1,105
BY AGE GROUP				
<30	710	307	0	1,017
30–50	398	264	1	663
50+	116	57	0	173
BY CATEGORY				
Executive	2	4	0	6
Senior management	15	33	0	48
Management	328	177	0	505
Non-management	879	414	1	1,294

TABLE 8: HIRING AND TURNOVER

		AUS	NZ	UK
NEW HIRES				
Permanent	Total	161	122	0
Indefinite	Total	140	98	0
BY GENDER				
Permanent	Male	74	46	0
Permanent	Female	87	76	0
Indefinite	Male	67	37	0
Indefinite	Female	73	61	0
BY AGE GROUP				
Permanent	<30	104	85	0
Permanent	30–50	52	36	0
Permanent	50+	5	1	0
Indefinite	<30	90	65	0
Indefinite	30–50	46	31	0
Indefinite	50+	4	2	0

		AUS	NZ	UK
TURNOVER				
Permanent	Total	516	287	9
Indefinite	Total	311	157	9
BY GENDER				
Permanent	Male	217	123	8
Permanent	Female	299	164	1
Indefinite	Male	129	58	8
Indefinite	Female	182	99	1
BY AGE GROUP				
Permanent	<30	365	194	3
Permanent	30–50	127	76	5
Permanent	50+	24	17	1
Indefinite	<30	194	99	3
Indefinite	30–50	97	45	5
Indefinite	50+	20	13	1

TABLE 9: PARENTAL LEAVE

		MALE	FEMALE
1	Report the number of employees by gender who were entitled to parental leave.	602	875
2	Report the number of employees by gender who took parental leave.	2	57
3	Report the number of employees who returned to work after parental leave ended, by gender.	2	45
4	Report the number of employees who returned to work after parental leave ended who were still employed 12 months after their return to work, by gender.	2	14
5	Report the return to work rate of employees who returned to work after leave ended, by gender.	100%	79%
6	Report the retention rate of employees who returned to work after leave ended, by gender.	70%	80%

TABLE 10: COLLECTIVE BARGAINING AGREEMENTS

COLLECTIVE BARGAINING AGREEMENTS	
Percentage of total employees covered by collective bargaining agreements	
0	

TABLE 11: OCCUPATIONAL HEALTH AND SAFETY

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM	
<p>A statement of whether an occupational health and safety management system has been implemented, including whether:</p> <p>i. the system has been implemented because of legal requirements and, if so, a list of the requirements</p> <p>ii. the system has been implemented based on recognised risk management and/or management system standards/ guidelines and, if so, a list of the standards/guidelines</p>	<p>Health and safety management system has been implemented because of legal requirements:</p> <ul style="list-style-type: none">Model Work Health and Safety (WHS) ActModel WHS RegulationsModel Codes of PracticeOccupational Health and Safety Act 2004 (Vic)Occupational Health and Safety Regulations 2017 (Vic)Health and Safety at Work Act (HSWA) 2015Occupational Safety and Health Act (United States) <p>Kathmandu is transitioning to the International Safety Standard ISO 45001 over the next 18 months.</p>
<p>A description of the scope of workers, activities and workplaces covered by the occupational health and safety management system and an explanation of whether and, if so, why any workers, activities or workplaces are not covered</p>	<p>Scope of workers - support offices, distribution centres, stores, casual, part-time, full-time, fixed-term.</p> <p>Activities include-logistics, administration, customer service and sales, stock management, manual handling, staff management, product management.</p>

TABLE 12: WORK-RELATED ILL HEALTH

ALL EMPLOYEES	
Number of fatalities as a result of work-related ill health	0
Number of cases of recordable work-related ill health	0
Main types of work-related ill health	N/A
ALL WORKERS WHO ARE NOT EMPLOYEES BUT WHOSE WORK AND/OR WORKPLACE IS CONTROLLED BY THE ORGANISATION	
Number of fatalities as a result of work-related ill health	0
Number of cases of recordable work-related ill health	0
Main types of work-related ill health	N/A
WORK-RELATED HAZARDS THAT POSE A RISK OF HIGH-CONSEQUENCE INJURY	
How these hazards have been determined	Near-miss and incident reporting, risk assessments
Which of these hazards have caused or contributed to cases of ill health during the reporting period	Manual handling
Actions taken or under way to eliminate these hazards and minimise risks using the hierarchy of controls	Multiple
WHETHER AND, IF SO, WHY ANY WORKERS HAVE BEEN EXCLUDED FROM THIS DISCLOSURE, INCLUDING THE TYPES OF WORKER EXCLUDED	
Workers that have been excluded from the disclosure	0
ANY CONTEXTUAL INFORMATION NECESSARY TO UNDERSTAND HOW THE DATA HAS BEEN COMPILED, SUCH AS ANY STANDARDS, METHODOLOGIES AND ASSUMPTIONS USED	



TABLE 13: WORK-RELATED INJURIES

FOR ALL EMPLOYEES	
Number of fatalities as a result of work-related injury	0
Number of high consequence work related injuries (excluding fatalities)	2
Number and rate of recordable work-related injuries	129
Main types of work-related injury	Bruising/swelling, cuts, sprains, strains.
FOR ALL WORKERS WHO ARE NOT EMPLOYEES BUT WHOSE WORK AND/OR WORKPLACE IS CONTROLLED BY THE ORGANISATION:	
Number and rate of fatalities as a result of work-related injury	0
Number and rate of high-consequence work-related injuries (excluding fatalities)	0
Number and rate of recordable work-related injuries	1
Main types of work-related injury	Cut finger
Number of hours worked	Unable to calculate hours for contractors.
WORK-RELATED HAZARDS THAT POSE A RISK OF HIGH-CONSEQUENCE INJURY	
How these hazards have been determined	Near-miss incidents
Which hazards have caused or contributed to cases of injury during the reporting period	0
Actions taken or under-way to eliminate these hazards and minimise risks using the hierarchy of controls	Engineering controls, administrative controls, substitution.
ACTIONS TAKEN OR UNDER WAY TO ELIMINATE THESE HAZARDS AND MINIMISE RISKS USING THE HIERARCHY OF CONTROLS	
Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked	N/A - no rates calculated
Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded	N/A
Any contextual information necessary to understand how the data has been compiled, such as any standards, methodologies and assumptions used	N/A

TABLE 14: PERCENTAGE OF TOTAL EMPLOYEES BY GENDER AND BY EMPLOYEE CATEGORY WHO RECEIVED A REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEW DURING THE REPORTING PERIOD*

	EXECUTIVE	SENIOR MANAGEMENT	MANAGEMENT	NON-MANAGEMENT	TOTAL
Number of employees receiving performance reviews/appraisals	6	46	398	956	1,406
Male	4	30	179	344	557
Female	2	16	219	612	849
Total number of employees	6	48	505	1,294	1,853
Percentage of employees receiving performance reviews/appraisals	100%	96%	79%	74%	76%

* There were no end-of-year reviews undertaken due to Covid-19 impacts on the business. All staff prepared a development plan for the year and had a mid-year review. These numbers are taken from Kathmandu's mid-year reviews.

TABLE 15: DIVERSITY

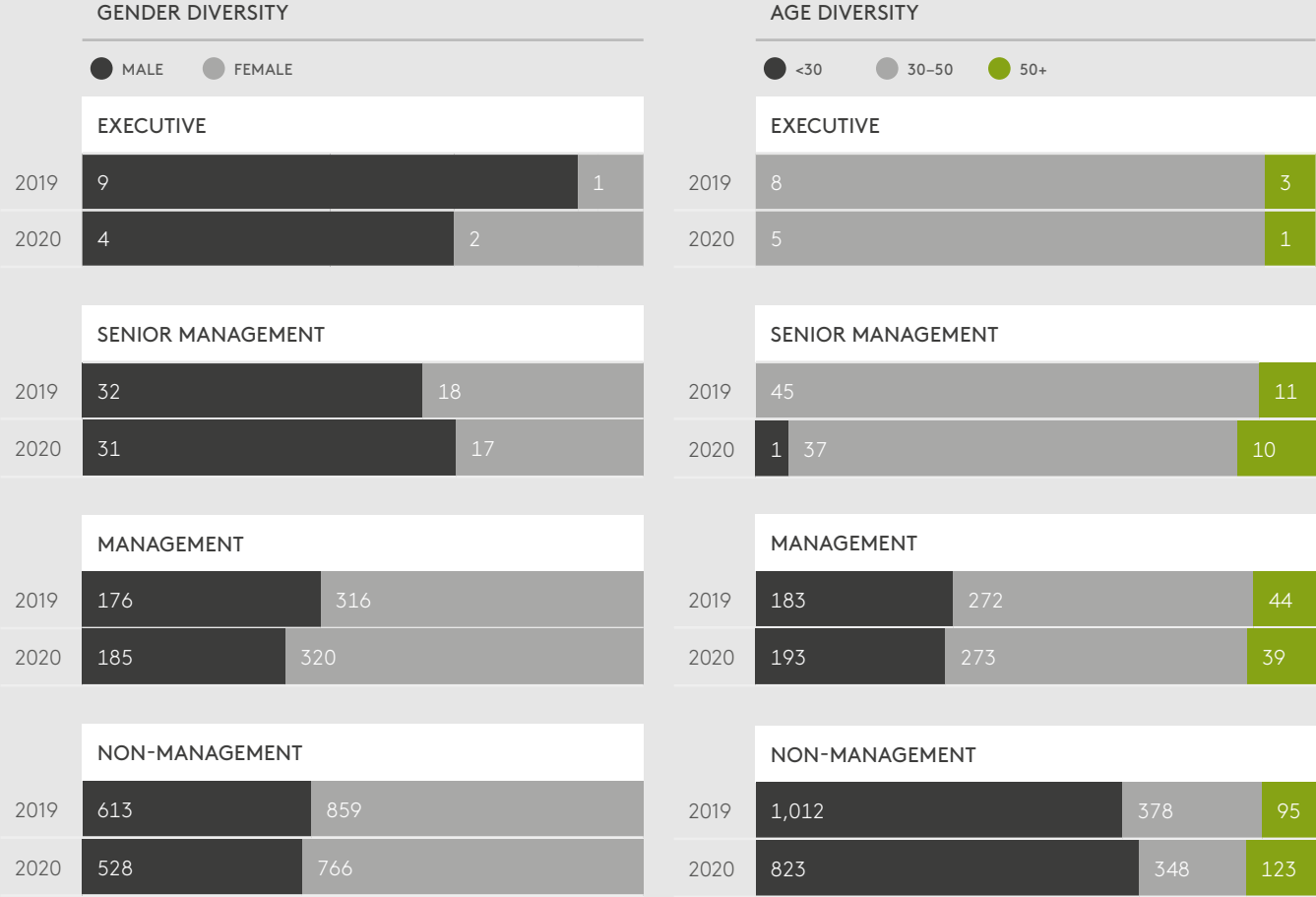
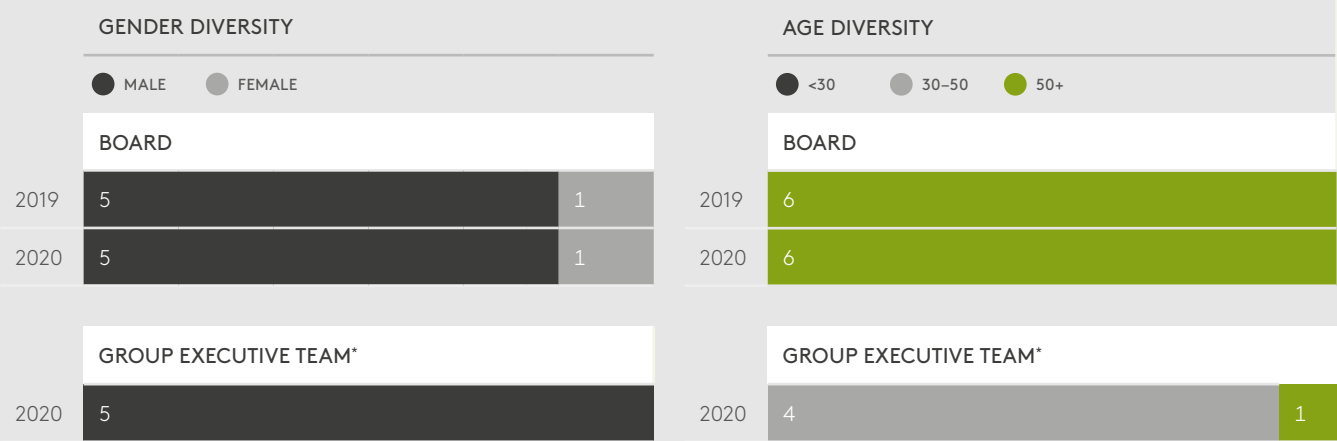


TABLE 16: DIVERSITY (KATHMANDU HOLDINGS BOARD AND GROUP EXEC.)



* Kathmandu Holdings Limited executive team was established in FY20 after the acquisition of Rip Curl.

