

ELEIKO SUSTAINABILITY

2019 ANNUAL REPORT



2019 INITIATIVES 02

 HQ ENERGY OPTIMISATION 03

 CORPORATE ACTIVITIES..... 04

 STRONGER COMMUNITIES..... 07

SUSTAINABILITY POLICY 08

2020 GOALS..... 11



ELEIKO HQ ENERGY OPTIMISATION

The energy initiatives Eleiko planned for, and started in 2018 were completed in 2019. The project involved significant energy optimisation actions at the company's HQ offices in Halmstad Sweden.

The project involved a complete analysis of the energy system at the corporate offices and looked at the heating and power usage, discovering ways to improve systems to lower CO2 emissions and energy consumption.

In 2019, we built upon the 2018 energy-reduction actions which focused on upgraded heating and ventilation systems and updating light fixtures and switches to maximize efficiency. The project was completed towards

the end of the summer, so the early results compare the 4th quarter from 2018 to 2019.

In 2019, Eleiko purchased 100% "Green Electricity" or CO2 neutral electricity.

EARLY RESULT OF THE OPTIMIZATION

- **30% decrease in district heating consumption from Q4 2018 to Q4 2019**
- **25% decrease in electricity usage between Q4 2018 and Q4 2019**



CORPORATE ACTIVITIES

PROGRESS TOWARDS OUR 2020 GOALS

WASTE

By the year 2020 we will reduce our amount of waste (in relation to tons of delivered goods) by 15% compared to 2017 numbers.

TRANSPORTATION

By the year 2020 we will reduced our CO2 emission of our goods transported (in relation to tons of goods delivered) by 10% compared to 2018 numbers.

ENERGY

By the year 2020 we will reduce our energy consumption at Eleiko headquarters by 10% when compared to 2018 numbers.

	2017	2018	2019 Result	2020 Goal
Tones delivered with air freight	-	78	126	50
Kg CO2 emission per delivered ton	-	219	238	197
KWH - Energy	-	454,084	403,380	408,676
Kg waste (wood + burnable) per delivered ton	22,43	17,42	16,35	19,04

CORPORATE LOCAL TRANSPORTATION

Two electric car charging stations were installed in the HQ parking lot to better accommodate and encourage the use of electric vehicles from staff, customers and HQ visitors.

ISO 14001

We are pleased to announce we are now certified and ISO 14001 compliant, approved by Lloyd's Register: LRQA Sweden. The certification is a third-party verification that our environmental initiatives meet international standards.

The certification reflects our commitment to environmental stewardship. It is a testament to our ongoing effort to measure, manage, and reduce our environmental impact. Like all ISO management system standards, ISO 14001 calls for continual improvement of an organization's systems and approach to environmental concerns. While becoming certified reflects the positive work we have done, the certification itself ensures we maintain focus on this important aspect of our business, minimizing our environmental impact.



This certification is important as it also calls for greater responsibility on the part of the entire Eleiko team to strive for continual improvement. Environmental stewardship is deeply personal to many within the organization, including the senior management team and owner family. Eleiko and its owners are members of the Family Business Network, and as part of that program have made a sustainability pledge.

Eleiko is committed to social responsibility and sustainability. Taking care of the environment is integral to living up to our values and realizing our vision of Building A Stronger World. Embracing sustainability initiatives expands our focus beyond physical strength and human potential.

EVERY LIFT-OFF COUNTS

Transportation identified as one of the biggest opportunities for improvement within Eleiko towards its environmental impact and sustainability goals.

An internal communications campaign was launched to inform the team about the impact of air freight and included education components to inform staff about the options available in choosing alternatives to air freight when shipping and the environmental impact of these choices.

Materials were distributed to team members and posters hung around the office as a reminder to the organization to consider the impact of choices made.

EVERY LIFT-OFF COUNTS
and you can make a difference!

NO MORE THAN 50 TONS IN 2019

ENVIRONMENTAL GOAL
We aim to reduce air freight to 50 tons in 2019, a 32% reduction from 2018.

AIR FREIGHT FACTS
Air freight is around 200 times more polluting than sea freight!

WE NEED YOUR HELP
Avoid air freight, choose environmentally friendly options via ground and sea.

ELEIKO
MAKE THE DIFFERENCE

WE AIM TO REDUCE AIR FREIGHT TO 50 TONS IN 2019
and we need your help to get there!

EVERY LIFT-OFF COUNTS

ENVIRONMENTAL GOAL
Air freight is the most significant contributor to our emissions numbers and presents our biggest opportunity to make a significant impact towards our sustainability goals.
In 2018 we transported 73,6 tons by air freight. To illustrate the opportunity let's look at one of our forwarders (61). 13.5% of total weight delivered for Eleiko was air freight, however air freight accounted for 47% of our costs and 97% of our emission with this carrier. We aim to reduce air freight to 50 tons in 2019.

OUR ACTIONS
We are committed to changing standard shipping methods to the most environmentally friendly option. We will create reports for all deviating air freights. We will also inform our stakeholders about our focus on air freight transportation. This is especially important for our customers. We will communicate our sustainability initiatives with the aim of getting their support in accepting lead times that allow us to choose the most sustainable shipping methods.

WE NEED YOUR HELP
We aim to make a big reduction in 2019 and we can only do it with your participation and support.
To hit our targets we need everyone to actively consider shipping and delivery options at every point in our process from product development to customer delivery. This means better planning, more communication about standard lead times, and informing customers and partners about our environmental policies and goals.

We set an aggressive target to reduce CO2 emission of our goods transported (in relations to tons of good delivered) for 2019. While we exceeded those targets this year, we continue to evaluate our procedures to find ways we can improve and make progress towards meeting our 2020 goals. New processes and additional internal communications plans are in place for 2020.



SUSTAINABILITY VISION

A stronger world

We aim to Build A Stronger World. We will identify opportunities in our processes, product development and supply chain where we can do more to protect and contribute to a healthy environment and promote sustainable practices. In doing this we can build value and positively influence our stakeholders. From suppliers to employees, customers to end-users, our focus on building a stronger world should have a real positive impact.

Eleiko should take responsibility for the environment and actively contribute to reaching THE GENERATIONAL GOAL set by the Swedish government which aims to "leave the environment in a better state for the next generation".

Eleiko should be a role model for other companies in sustainability and drive positive change amongst all our stakeholders.

"For a Stronger World" theme should expand beyond simply making people stronger to also strengthening our communities and environment. When we say A Stronger World, we mean it in an all-encompassing way – personal strength, strong communities and a clean environment for a healthy strong world.

CORPORATE ACTIVITIES



TEAM BUILDING COMPANY ACTIVITY

During the Eleiko Global Conference held in Sweden in the fall of 2019, the Eleiko Green Team organized and hosted a team building activity with an educational component around sustainability and Eleiko’s environmental initiatives. The event was held on Ven Island, known for its beauty, restrictions on cars and remarkable Swedish nature. After a ride to the island on an old fishing boat, smaller teams were formed and given an iPad with a map showing a number of locations. Teams rode bikes around the island to each location where they were given a challenge, a question to answer or tasks to solve as a team.

The activity provided not only an opportunity for team members from different countries and departments to bond and share experiences, but also prompted thinking and discussion around social responsibility and how we all need to be kind - to others, ourselves and mother earth. It was a very successful and fun day filled with laughter, new friendships and appreciation for what a day in nature away from everyday life does for ones well-being and soul.

SAMPLE QUESTION

As you all know, the barbell is our baby. Why can we say that our bars are green?

1. Recycled steel
2. 30% less CO2 emissions during production
3. Chromed in an environmentally friendly way



BARBELLS FOR BOOBS X ELEIKO

Raising the Bar for Breast Cancer Awareness



For the third year running, Eleiko has partnered with Barbells for Boobs, a not for profit organization with a mission to redefine the standard of care in breast health and improve quality of life post-diagnosis through fitness and weightlifting. While in past years we have produced custom Barbells for Boobs barbells given as prizes for top fundraisers. This year Eleiko scaled up the program producing a custom set of Barbells for Boobs discs and weights.

Eleiko donated 25% of their proceeds from this limited edition collection to Barbells for Boobs in support of its mission, and

also donated two sets to be used as fundraising prizes in addition to the barbells alone. The program was a huge success for Barbells for Boobs, and with the support of a strong lifting community, Eleiko was able to donate nearly \$14,000 USD to the organization.

BLODOMLOPPET X ELEIKO

Blodomloppet is an annual run organised in 18 cities around Sweden to raise awareness about vital blood donation and promote a healthy lifestyle.

Eleiko has sponsored the event and a large number of Eleiko staff and their families participate each year - running for a brighter future and helping to build a stronger world.

Our participation and sponsorship has grown each year, and we look forward to expanding our work with the organization in coming years. This year we had nearly 60 people from the Eleiko family participate in the event and help build a strong community and promote a healthy lifestyle.



WOD FOR HER X ELEIKO

Eleiko was pleased to sponsor WOD FOR HER, supporting Eleiko team member Anais Fatnassi and the French team in the event's inaugural year. WOD FOR HER was an online functional fitness competition which raised money and awareness for Uterine cancer donating the monies raised from registration fees to a local cancer organization. The event, which featured Rx and Scaled divisions as well as mixed teams, mother-daughter teams and teams of friends, had more than 1,200 people register and raised 6000€ for the cause.

By popular demand, we are planning a new edition of WOD FOR HER which will grow from the online only competition to include a live finale at La Salle de Sport. It will also be joined by a WOD FOR HIM 2020 online only competition which will focus on supporting a prostate association.



STAKEHOLDERS

The various groups involved with Eleiko that have a vested interest in our business, our goals and initiatives

Eleiko strives to conduct its business guided by three core values:

PURSUE OUTSTANDING PERFORMANCE

Bring your strongest and best to every moment.

KEEP LEARNING

Stay hungry for improvement and for life itself.

ACT WITH KINDNESS

Treat the environment, other people, yourself and your body with the greatest respect.

With these core values in mind, it is important that we act responsibly and continuously improve profitability, efficiency, innovation, environment, work environment and product quality.

OWNERS

Our owners expect Eleiko employees to establish and maintain work methodologies and adopt practices that are aligned with these values.

When it comes to the environment it should be treated with a "special kindness," and we are prepared to implement changes to our business to reflect this strong belief.

CO-WORKERS

Our employees should know that they work for a responsible and sustainable company. We care about the environment, safe working conditions, personal development opportunities and gender equality. Eleiko should be directly engaged in activities that positively impact our world and leave it a better, STRONGER WORLD for future generations. With clarity and transparency in these areas, we hope to attract talent and people that can contribute further to achieving our sustainability objectives.

SOCIETY

Our society is filled with differing views and opinions related to environmental programs and their importance. We believe we can best serve our communities and society by holding strong to our beliefs that sustainability programs are vital to building stronger communities and bettering society. We will clearly communicate our beliefs, our work, our initiatives and our results to positively influence society with our actions, demonstrate our commitment to building A Stronger World and ideally serve to inspire others along the way.

The company owners are active within an international network for family-owned companies and have pledged to work towards a more sustainable future together with other family-owned companies. Please see Exhibit 1. for details on this commitment.

CUSTOMERS

As the global leader in barbell manufacturing – and with an objective of becoming the world's number one strength company - we have earned a reputation for producing products with superior quality, performance and durability. Our customers expect no less from our business model and sustainability program. Globally there is an increased focus on environmentally friendly products. Our customers should feel confident we are supplying them with safe and superior products that support their initiatives and business goals while also minimizing their global footprint. Therefore, it is important that we show transparency in what we do.

SUPPLIERS

As a supplier with a global supply chain, Eleiko has an opportunity and responsibility to raise the bar on what we demand from our suppliers. We will provide suppliers with clear specifications and product requirements in support of our sustainability goals and promote suppliers that can meet such requirements.

END-USERS

We work to develop and produce products that are of high quality, safe to use and optimized for performance to help our end-users achieve their goals. In addition, our end-users should know that we act in a responsible way towards the environment and that we want to have a positive social impact. Our sustainability initiatives should support this and make it easier for our end-users to make sustainable choices when it comes to strength training.

FEDERATIONS: IWF, IPF AND WPPF

Federations set the guidelines and specifications for many of our products. They impact how we produce in many respects, but also look to us for leadership in product development and to help shape future standards. Sustainability work is something we can build into future expectations and product specifications. As an industry leader with strong federation relationships, our company and our programs play a vital role in promoting and fostering goodwill towards the sports of weightlifting and powerlifting. Raising our standards for our products and processes through our sustainability program can be of mutual benefit to all parties and inspire additional actions towards cleaner, greener sports.

SUSTAINABILITY POLICY

Goals and Objective for Eleiko



Eleiko endorses the Swedish government's THE GENERATIONAL GOAL which aims to solve environmental concerns for the next generation, and uses this as guidance for our own sustainability policy and goals.

Within the framework for THE GENERATIONAL GOAL, we have identified three specific areas where we believe that we can have the greatest impact through our activities. These three areas are:

- Helping to **REDUCE CLIMATE IMPACT**
- Creating **A NON-TOXIC ENVIRONMENT**
- Working towards **CLEAN AIR**

- Make sustainability a core component of our corporate strategy and an important factor in our overall decision-making processes.
- Establish an Eleiko Sustainability Team that will develop and enact policies and initiatives that inform, inspire and lead Eleiko's sustainability work forward throughout the organization.
- Clearly communicate our sustainability programs and policies to our stakeholders.
- Act as ambassadors for our cause and putting pressure on suppliers and ourselves via policies and agreements;
- Implement ISO 14001 certification standards to ensure we are demonstrating our commitment to quality and sustainability to our stakeholders.
- Set goals, develop programs and launch initiatives in support of THE GENERATIONAL GOAL and measuring our performance via specific sustainability KPIs.
- Support projects and community causes locally and globally that we believe will help to build a STRONGER WORLD.
- Continuously educate ourselves to gain new knowledge and best-practices.





SUSTAINABILITY PLEDGE

Eleiko's pledge to a sustainable future as part of the Family Business Network

A Sustainable Future

Without a sustainable approach our future is at risk. Not just the future of our businesses but, we also risk the lives and livelihoods of generations yet to come. This is why we, The International Board of the Family Business Network, are reaffirming our promise to promote a business model that will sustain not only our own generation, but all those that follow us.

The benefits of a sustainable approach are apparent to us all: the responsible use of capital is a powerful force for good and with corporate stewardship comes corporate advantage. Businesses that achieve great things deliver greater financial results, but these issues we face are more pressing than immediate financial return.

To provide future generations with more than we have received ourselves is a deep-seated human ambition. It is found in all walks of life, but it is in family owned businesses that inter-generational thinking is intrinsic. We believe that our inherent understanding and appreciation of legacy brings an obligation to support and promote a sustainable future in all that we do. As custodians of tomorrow, we believe that it is our duty to act now by making these pledges:

For our people:

We pledge to do all that we can to create and nurture workplaces and working cultures where our people flourish.

For our communities:

We pledge to be responsible global citizens making positive contributions to the communities that we work and live in.

For the environment:

We pledge to constantly search for ways to reduce the ecological impact that we create and safeguard the environment that we all share.

For future generations:

We pledge to share our values and long-term aspirations with future generations.

We know that these are bold promises and we do not make them lightly. But in order to protect all that we have done and create a sustainable future, where our work lives on, they are vital. We call on all family owned businesses, worldwide, to take responsibility for the future of our children and our children's children.

Please join us in our pledge.

Thierry Lombard

Arun Bharat Ram

Karl-Erivan Haub

Thilo Wersborg

Frederiek Chavalit Tsao

Maurizio Sella

Alfonso Libano Daurella

Peter Therman

Sophie Lammerant Velge

Samuel Maldonado Degwitz

Serife Inci Eren

Priscilla de Moustier



© 2014 Family Business Network International

2020 GOALS

Goals and Objective for Eleiko



TRANSPORTATION

By the year 2020 we will reduced our CO² emission of our goods transported (in relation to tons of delivered) and person transportation by 10% compared to 2018 numbers.

ENERGY

By the year 2020 we will reduce our energy consumption at Eleiko headquarters by 10% when compared to 2018 numbers.

WASTE

By the year 2020 we will reduce our amount of waste (in relation to tons of delivered goods) by 15% compared to 2017 numbers.

CHEMICALS

By the year 2020 we will be able to inform customers and waste contractors if the products/waste we produce contains any hazardous substances (defined by the SVHC, PRIO-database and SIN-list).

STUDY

We will study how our activities affect the natural capital and/or ecosystem and by 2020 determine if we should participate in compensatory programs to offset impacts we generate e.g. Ecological compensation.

MATERIALS

By the year 2020 Eleiko will have increased the percentage of recycled and renewable raw material used in the goods Eleiko manufactures and sells by 10% compared to 2018 numbers.



A woman with blonde hair in a bun is performing a pull-up on a bar. She is wearing a teal tank top. A woman in a dark blue t-shirt with 'ELEIKO' printed on it is standing next to her, assisting with the lift. The background is a blurred gym setting with blue equipment.

**SET YOUR BAR HIGH,
BE KIND AND DO MORE
OF WHAT MAKES YOU
STRONGER**

ELEIKO
RAISE THE BAR