



Sustainability

Sustainability and responsible entrepreneurship are an integral part of SkiStar's strategy, business model, governance and culture. SkiStar's three foundations are safe & secure, sustainability and employees & culture. They permeate everything we do and are a cornerstone of our business. This year we have taken a big step forward by adopting a new sustainability strategy containing a new climate target.



SkiStar and sustainable mountain experiences



Fanny Sjödin, Head of Sustainability at SkiStar.

WHAT DOES SUSTAINABILITY MEAN TO SKISTAR?

"From the start, SkiStar's foundation has been, and still is, to promote an active lifestyle all year round. Through our sustainability strategy, we want to get more people moving while our guests get to enjoy our wonderful mountain environment. We want to protect the nature and humans in the short and long term so that more people can enjoy both memorable and sustainable mountain experiences in the future too. We have therefore prepared a new sustainability strategy based on The Global Goals and the 2030 Agenda for Sustainable Development containing the three perspectives of social, economic and environmental sustainability. The strategy includes matters that have always been important to SkiStar and that we have worked on for a long time, but now we are enhancing it to include long-term goals and clearer ambitions going forward."

HOW DOES THIS RELATE TO YOUR STRATEGIC FRAMEWORK?

"Sustainability issues affect all three foundations on which SkiStar's strategic framework rests: Safe & Secure, Sustainability and Employees & Culture. These foundations are the cornerstones that should permeate everything we do and that frame much of what we have worked on for a long time: ensuring safe and secure memorable mountain experiences, and doing so in a sustainable way together with our employees. The sustainability strategy is one of these foundations and consists of three focus areas: promoting an active lifestyle, protecting nature and our mountain environments and having a close interaction with the communities and people who live wherever we operate."

WHAT HAVE YOU FOCUSED ON THIS YEAR?

"A major part has involved producing our new sustainability strategy – an initiative that has engaged much of the organisation and many of our stakeholders. An important milestone is that we have adopted a new climate target that encompasses our entire value

chain. The climate is an important issue for us, as a change in the climate alters the conditions for our business. We have also begun the work of finding and developing projects that can be implemented in both the long and short term. Our business can contribute to a more healthy lifestyle and better public health. For this reason, we entered new collaborations during the year to ensure more people have access to an active lifestyle."

WHAT IS THE AMBITION GOING FORWARD?

"This year we have launched new initiatives to start working towards our long-term goals, for example, a major partnership with Jämtkraft, see page 39, which will start properly next year. We will also continue to implement the strategy and identify additional key figures to measure and follow up those efforts, and focus on launching more initiatives internally and with new partners."

Fanny Sjödin, Head of Sustainability at SkiStar.





Foundations for Sustainability

SkiStar's strategic framework is based on three foundations to ensure the business can achieve its vision "To create memorable mountain experiences". The foundations' focus areas guide the work forward and include our sustainability strategy, employees and culture, and a safe and secure experience.

FOUNDATIONS

SAFE & SECURE

Book
Stay
Lift & Piste

SUSTAINABILITY

Activity & Recreation
Ecosystem & Impact
Dialogue & Interaction

EMPLOYEES & CULTURE

Culture & Values
Leadership
Organisation



SUSTAINABILITY GOVERNANCE

To take advantage of opportunities and counteract risks, SkiStar has a clear sustainability management structure. Responsibility for sustainability-related issues is ultimately held by SkiStar's Board of Directors; the President and CEO and Group Management have overall responsibility, reporting to the Board at least twice a year. The Head of Sustainability is responsible for operational sustainability initiatives. An operational sustainability forum was established during the year to support these operational sustainability efforts. The forum meets regularly to discuss the company's development, achieve established goals and ensure compliance with policies and guidelines. Read more about our sustainability governance on pages 101–102.

Policies and guidelines

The company's internal sustainability initiatives are governed by SkiStar's Code of Conduct as well as its sustainability policy, employee policy, work environment policy, diversity policy and Code of Conduct for suppliers and partners. All documents are reviewed annually. SkiStar follows global guidelines and principles set by the UN Global Compact and is committed to following its ten principles regarding human rights, working conditions, the environment and anti-corruption, as well as the ILO's eight fundamental conventions concerning minimum standards for working conditions. SkiStar applies the precautionary principles and collaborates in industry initiatives to achieve long-term sustainable development, for example within the SLAO (Swedish Ski Lift Organisation) and ALF (Norwegian Ski Lift Association).

Risk management

SkiStar is exposed to various risks related to its business. It annually identifies the risks that may prevent the company from achieving established goals and determines whether the risks are in line with its propensity for risk. SkiStar's identified sustainability risks and how they are managed are described on pages 49–50.

MATERIAL ISSUES

During the year, the materiality analysis was revised and updated in line with stakeholder dialogues conducted through surveys and in-depth interviews. Read more about our stakeholder dialogue and materiality analysis on page 103.



> FOUNDATION: SUSTAINABILITY



Activity & Recreation

Getting people moving has been at the heart of SkiStar's operations since the company was founded more than 45 years ago. By making an active holiday available to more people, we can help promote a more active and sustainable lifestyle and enhance well-being.

MORE ACTIVITY FOR MORE PEOPLE

The core of our business is getting more people more active. Research shows that we feel good when we are active and spending time in nature – even more so if we are active in nature. This has a positive effect on how we feel, both physically and mentally, by lowering our heart rate and reducing stress. Making it easier for more people to be active on their holiday creates the conditions for a more active lifestyle, even beyond the holiday. This is our way of contributing to better public health and to the UN:s Sustainable Development Goal 3 for good health and well-being.

Alpine skiing forms the basis of our operations and is an important aspect to continue offering and developing. Our goal is to get more people to take part in our activities, both in the summer and the winter. During the year, we adopted our goal of offering 7 million skier days and activities per year by 2030, of which 6.4 million are skier days and 600,000 activities. We will achieve this by establishing new collaborations and initiatives linked to our destinations all year round.

Schools that teach the joy of an active life

We want to help everyone discover the joy of an active life. Through our ski schools, we want more people to be given the opportunity to have fun on the ski slopes and stable, basic training that makes everyone feel safe and secure. In 2020/21, more than 58,000 (80,000) children and adults took part in our training – a decrease due to the pandemic. All children and young people up to the age of 15 resident in the municipality are offered a free SkiPass at all SkiStar destinations. During the 2020/21 winter season, 2,694 children and young people took advantage of this opportunity. During the summer season, cycling lessons are offered via our cycling guides to enable more people to discover the mountains in the summer. The cycling guides offer both beginner groups and private lessons adapted to different levels of difficulty.

Valle's Winter Weeks

An active life often starts at an early stage. Lowering the threshold for activities for children and young people helps encourage an active lifestyle that follows into adulthood. At Valle's Ski School, children learn how to be safe and confident skiers, with the support of our highly qualified ski instructors and Valle the Snowman. To make it possible for more children to discover the mountains, skiing, the ski school and ski rentals are free for children up to the age of six during Valle's Winter Weeks. More than 25,000 (35,000) children attended our ski schools during the 2020/21 winter season.

Generation Pep

Promoting physical activity among children is an increasingly important societal issue. Only 2 out of 10 children currently manage the amount of physical activity recommended according to Generation Pep's annual report. To encourage more activity, SkiStar entered into a partnership during the year with Generation Pep, a popular movement that works to inspire children and young people to lead a healthier life. Using Valle as a role model, training programmes and the Valle's World game were launched to inspire healthy diets. The ambition is to reach all children and young people that SkiStar comes into contact with every year.

AN ACTIVE SUMMER

We want to encourage more people to be active and experience the mountains in the summer, which is why SkiStar has developed a major summer initiative called SkiStar Sports & Adventures. We have expanded our destinations of Åre, Sälen and Trysil to offer a wide variety of summer activities adapted to different levels of difficulty.

The destinations offer multiple activities in the mountains to make them more accessible all year round, such as climbing parks, trail cycling and hiking trails. There is also the chance to play padel

2030

Goal	• SkiStar will be the primary choice for guests who prioritise an active holiday
Performance measures	• 7 million skier days and activities of which: <ul style="list-style-type: none">• 6.4 million skier days• 600,000 activities• Help attract more new guests

MYSKISTAR

MYSKISTAR is the customer club for everyone who loves holidays in the mountains, be it skiing in the winter or an active holiday in the summer. You get discounts and offers on ski trips and summer activities, points on all your purchases at skistar.com and skistarshop.com, skiing statistics during your skiing holiday and much more. The entire family can connect on MySkiStar and collect vertical metres. The customer club has over 1.3 million members, who together collected over 4,800,000 pins in total and travelled 4 billion drop meters during the financial year.

and crazy golf and to enjoy a spa and relaxation centre. Nearly 20,000 guests have tested the climbing parks in Sälen and Åre, and bike rentals increased their sales by more than 200 percent on average compared with the previous year.

Valle Kids Club

Valle Kids Club was launched as part of the summer initiative – a summer holiday activity for children aged 4-9. Through adventures, missions and games in a mountain environment, children are encouraged to learn to take care of nature, different animals, the Right of Public Access and, not least, themselves. The initiative was implemented in Sälen during the first year, with over 450 children taking part during the summer. Together with Valle, the participating children took 14 million steps.





> FOUNDATION: SUSTAINABILITY



Ecosystem & Impact

We at SkiStar want to protect nature, just as nature protects us. Through ambitious climate targets and the establishment of more circular solutions, we are working to reduce our impact and enable our guests to make climate-friendly choices.

CLIMATE

Global warming is occurring at a rapid pace and the world is heading for a rise in temperature above the two degrees that the Paris Agreement and the United Nations' Intergovernmental Panel on Climate Change (IPCC) consider to be safely within planetary boundaries. For SkiStar, a change in the climate will have a direct and considerable impact on our business. White, cold winters are a prerequisite for our winter operations, and more unstable weather changes our ability to plan and run those operations. Therefore, it is self-evident that we should reduce our own carbon footprint to ensure that our mountain and natural environments can be enjoyed by future generations. However, it also means that we need to adapt to the fact that the climate and society will change and start contributing innovative and circular solutions.

New climate target

We are raising our ambition with our new climate target. By 2030, we will reduce our total carbon footprint by 50 percent, in line with the sustainable development goals and the Paris Agreement. The climate target includes both direct and indirect emissions, and we want to take responsibility by attempting to influence both our suppliers' and guests' emissions. We expect to reduce emissions from our own operations by 90 percent by switching from diesel to HVO for operations in Norway and increasing the use of electric snowmobiles, to take two examples.

Reduction in direct emissions

Over the past five years we have done a great deal of work to reduce our own impact. Through new technology to reduce our fuel consumption, energy efficiency improvements and increased



2030

Goal	• SkiStar will reduce its climate impact by at least 50 percent and have a circular solutions, while creating financial growth
Performance measures	• Net-zero climate impact from our operations. • Halve the climate impact from guests' and employees' journeys to the destination • < 2–3 percent annual energy efficiency enhancement at SkiStar's properties • Increased share of self-produced energy • Promote biodiversity by including the mitigation hierarchy throughout all projects.

OVERALL CLIMATE IMPACT



- Purchases of goods and services, 40,5%
- Guest travel, 35%
- Fuel and energy-related activities, 10%
- Employee travel to workplace, 8,5%
- Operations, 6%

We calculated our total carbon footprint during the year and began reporting in line with the Greenhouse Gas (GHG) Protocol. The calculations are based on data from 2019/20. Over the next financial year we will continue our efforts, include new hotel operations to a greater extent and define clearer targets in the areas in which we have the greatest impact, such as Property Development and Exploitation and purchases for SkiStarShop.

PARTNERSHIPS FOR MORE SUSTAINABLE MOUNTAIN TOURISM

Three major parts of SkiStar's climate impact arise as guests travel to our destinations, energy is consumed at properties and snow is produced. We want to change this. For this reason, SkiStar has entered a partnership with the electricity company Jämtkraft to jointly come up with new climate and energy solutions for the mountain resort destinations of the future.

In addition to joint climate and innovation efforts, electricity agreements are also included that use 100 percent renewable energy and are certified as a Good Environmental Choice for SkiStar's facilities in Vemdalen, Sälen and Åre as well as via the subsidiary Scandem A/S for Trysil and Hemsedal. The partnership is seen as a long-term investment that we hope will continue for a long time.



resource efficiency, emissions from our own operations have decreased by 46 percent compared to the starting year 2015. The reason for this is that most of the ski systems and equipment at our Swedish destinations are run on renewable energy and fossil-free fuel, including our ski buses. To further reduce emissions from our snow groomers, all of them now have snow-depth gauges with GPS devices to optimise and streamline how they drive and make snow. Fossil-free fuel accounts for 63 (60) percent of our total fuel consumption, an increase of 3 (5) percent compared with 2019/20. During the financial year, SkiStar's carbon dioxide emissions from operations (S1 and S2) amounted to 2,082 tonnes, which is a reduction of 17 percent compared with 2019/20. See Note H6 on page 110.

Sustainable destinations

As part of our climate ambitions, we want to take responsibility for our indirect emissions and reduce guests' climate impact. We achieve this by reducing the need to use a car at our destinations, for example. We offer free bus transport for our guests with a Ski-Pass, and ensure that all new construction offers solutions allowing the guest to get from their accommodation to the slopes without a car. We also want to reduce the impact from guests' journeys to and from our destinations, as well as encourage and simplify the use of electric cars. We ensure that charging stations are provided for all new construction of accommodation. In addition, we are working to develop infrastructure for electric cars both at our destinations and on the journey to our destinations.

SkiStar's world in 2060

Climate change is expected to have a major impact on people's travel, not least on tourism. Like all markets, tourism is dependent on supply and demand. As global warming changes the climatic conditions of countries across the globe, this will create a gradual shift in tourist destinations.

To gain a better understanding of how climate change may affect SkiStar and the hospitality industry in the future, we have conducted climate scenario analyses for all of our destinations. Climate scenarios help us understand what our climate may look like in the future depending on several global issues like politics, technology, economics and societal change. By analysing the possible effects on operations in different climate scenarios, we are

able to identify both adjustment risks and physical risks. These can then help us to adapt our future strategy. Read more about the analyses and our reporting on climate risks in line with the recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD) on pages 107–108.

ENERGY

We must aim to use energy efficiently to realise our climate ambitions. SkiStar strives to streamline energy use within its operations. For several years now, all electricity has been purchased from renewable energy sources and is labelled a "Good Environmental Choice", which ensures that the electricity is produced with the greatest possible consideration for the climate and environment. For the most energy-intensive processes such as snow production and the operation of properties and lifts, we systematically map and analyse our electricity consumption and run the processes with as little usage as possible. Energy consumption is an aspect we take into consideration when making new investments and reinvestments.

ENVIRONMENTALLY CERTIFIED BUILDINGS

To reduce the impact of new construction, SkiStar decided during the year that all larger newly constructed buildings must be environmentally certified according to BREEAM's "very good" status. This certification ensures that sustainability issues are highlighted throughout the work process and that the building's environmental performance meets requirements for energy use, indoor climate, water management and waste management. For smaller buildings, there are requirements to satisfy the environmental certification of SGBC Silver at a minimum, which sets requirements for energy use, indoor environment and materials.

TOWARDS INCREASED REUSE

There are several aspects to a skiing trip that consist of reusable resources. For SkiStar, optimisation and reuse of resources has become an integral part of our business model. We have a long history of mediating accommodation, whereby we offer accommodation owners the chance to rent via SkiStar, thus increasing the use of available beds at our destinations and reducing the need for new construction. Renting ski and bicycle equipment through



17%
**REDUCTION IN
GREENHOUSE GAS
EMISSIONS
YEAR-ON-YEAR.**

RESTORE THE MOUNTAIN ENVIRONMENT

SkiStar is concerned about protecting the skiing areas and new constructions. Part of this involves restoring nature that has been negatively impacted and maintaining our mountain environments. When the downhill slope in Åre was built in the 1980s, several explosions were carried out to make the construction possible. Since then, the vegetation on the mountain has had difficulty growing back. To restore the natural mountain environment, we have initiated a project together with the County Administrative Board and that the landowners will identify the best methods for regaining vegetation in the area. The project is expected to run for two to three years.



SkiStarShop is a natural part of many people's trips to the mountains, and we are reviewing the possibility of expanding the offer to include clothing. The strength of being a major operator accustomed to the rental process is that we can offer advantageous all-inclusive offers and build on existing processes to expand the services.

BIODIVERSITY

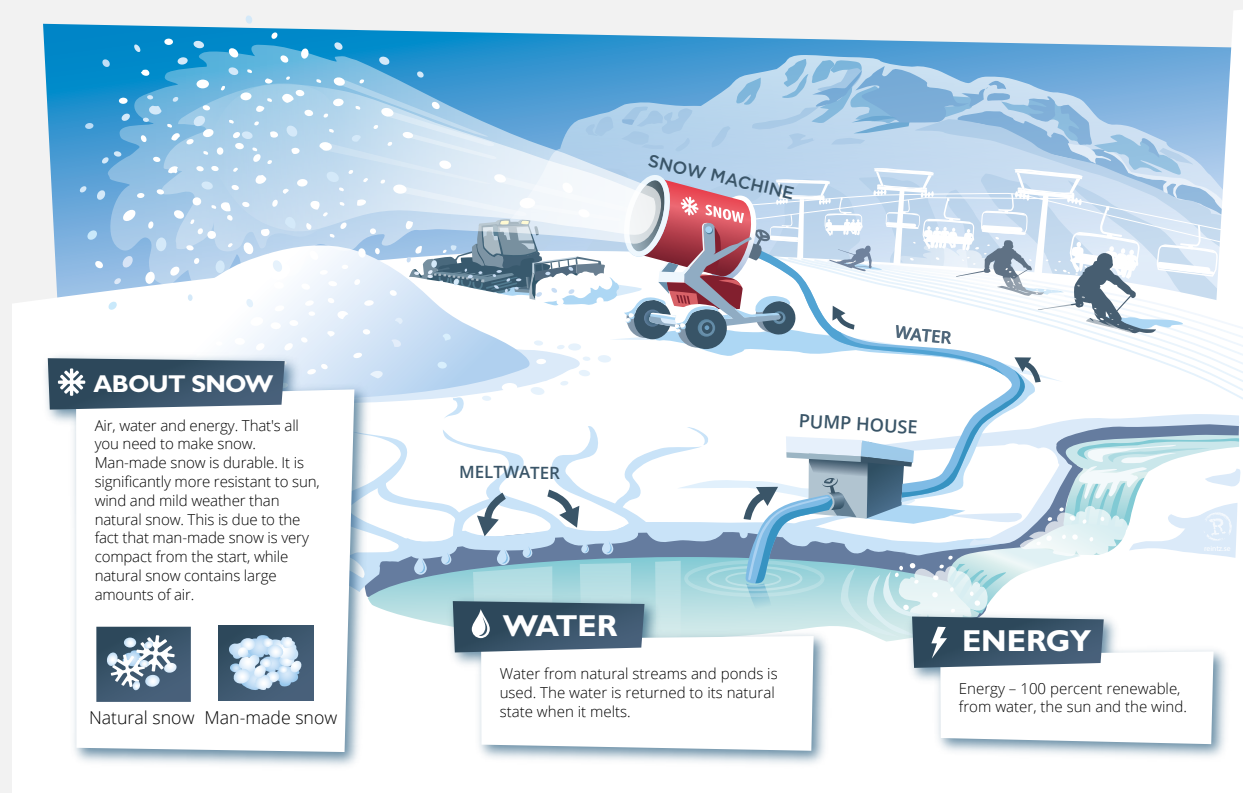
To give more people the opportunity to experience the mountain world and proximity to unspoiled nature over the long term, we need to preserve that alpine environment and its biodiversity. Our skiing areas are regulated by environmental requirements on the development of untouched nature. Our fundamental approach is to not develop untouched land, instead densifying the areas that are already in use. The need to expand infrastructure and transport is reduced by concentrating beds centrally in the skiing area. When development does take place – in the case of new construction or expansion of the skiing area – we are careful to save existing forests to preserve the proximity to nature.

SNOW PRODUCTION

To manage our winter operations and offer skiing at our destinations, there is a recurring need to make snow with canons. This is more durable and robust snow that withstands the effects of weather better than natural snow, but it is water and energy-intensive activity that accounts for the largest share of water used in our operations.

SkiStar wants to make snow production as resource-efficient as possible. One aspect of this is producing the right amount of snow in the right location. There are now snow groomers at all destinations containing GPS equipment that measures snow depth, meaning the snow production is programmed to produce the right amount in the places where it is needed. Water consumption amounted to 4.5 million litres during the year, which is a decrease of 6 (8) percent compared with 2019/20.

Energy consumption linked to snow production has also been reduced. Using an automated system for snow production, the snow is produced when weather conditions are optimal. This means that larger quantities are produced over a shorter period, which in turn means that the energy consumption to produce snow has been reduced over the past ten years.



FROM WATER TO SNOW

During production, natural water is extracted from nearby watercourses and lakes, which in some cases is stored in ponds adjacent to our facilities. Water is collected from these sources at the beginning of the winter season. The water is regulated for each source by water rights court rulings. When the snow melts in the spring, the water returns to its natural sources.



> FOUNDATION: SUSTAINABILITY

Dialogue & Interaction

We take responsibility in the areas in which we operate and throughout the entire value chain by focusing on dialogue and interaction. Collaborations enable us to both accelerate sustainable development together with our stakeholders and create long-term sustainable solutions that contribute to positive trends in business and the wider community.

A PART OF THE LOCAL COMMUNITY

SkiStar will be a driving force for sustainable mountain tourism at our destinations. Part of that commitment is to contribute to the local communities in which we operate through conversations, dialogue and collaborations. We operate in the same place and are all dependent on each other, which is why we want to strengthen our local communities in any way we can.

SkiStar's business have an impact on the local economy by creating and generating jobs in sparsely populated areas and in their surrounding areas. They also stimulate more tourism locally, giving other companies the opportunity to work in and around the destinations, such as restaurants and other activities close to the mountains. This generates jobs in the local area, meaning more people can stay in sparsely populated areas, and increases the opportunity for capital to be invested and reinvested.

Initiatives in our municipalities

SkiStar is keen to ensure that residents of our destinations should have access to and be able to spend time in the mountain environments to which they live so close. In Åre and Sälen, we offer a reduced ski school fee for children aged 2–6 who attend preschool there. This provides greater opportunities for more residents to spend time with us and makes things easier for parents who may otherwise have difficulty taking their children up the slopes. We offer municipal discounts to adults and have conducted several municipal days during the winter and summer whereby we offer everyone free activities at the resort.

Swedish skiing for immigrants (SFI+)

Making skiing accessible means promoting the opportunity to test skiing among those who have never done so before. On the initiative of Åre municipality, students from the Swedish for Immigrants

courses are offered a day outdoors on the mountain. SkiStar sponsors the day by providing a SkiPass, skiing equipment and ski instructors so that students can experience the nature and activities of the mountain environment in a meaningful way. It is also a way to show off the benefits of living in the countryside and the opportunities afforded by living close to nature and the mountains.

SKISTAR COLLABORATES WITH ITS SUPPLIERS FOR THE FUTURE

Together with suppliers, SkiStar is developing a snow groomer completely powered by electricity. SkiStar was first in the world to test the machine during the financial year and thus help the supplier develop the machine with the aim of eventually incorporating it into SkiStar's equipment. Trollskogen was prepared at SkiStar Sälen in Hundfjället using 100 percent renewable electricity over a number of days, for example.

SÁPMI

It is important for SkiStar to have a positive dialogue with all stakeholders who are affected by and live in the neighbourhood of our destinations. As our operations are in an mountain environment, parts of them are run in Sápmi, Lapland, where our destinations Åre and Vemdalen are located. As our summer activities are expanded, cohabitation between our guests and wildlife will become an even more important issue.

For SkiStar, it is important to respect the native Sami culture and reindeer husbandry. To provide information and ensure a good symbiosis in the mountains during both the winter and summer season, SkiStar developed guidelines and etiquette rules to ensure that their culture and reindeer husbandry are respected at our destinations. The guidelines clarify how our guests should behave towards the animals and where you can go in the moun-

2030



Goal	• SkiStar will contribute to sustainable development along with our stakeholders throughout our value chain
Performance measures	<ul style="list-style-type: none"> • Increased number of overnight stays • 100 percent of all suppliers approve SkiStar's Code of Conduct • 0 workplace accidents • Aim for 40/60% equal distribution with regard to equality, diversity and inclusion in the company's professional groups • At least 40 percent female managers in senior executive roles



"SKISTAR MAKES IT POSSIBLE FOR US TO TAKE STUDENTS UP INTO THE MOUNTAINS"

SkiStar wants to enable more children and young people to be active out in nature. This is why we offer a free SkiPass to children and young people up to the age of 15 who live in the municipalities where we are located. We also want to encourage schools to use our ski systems and climbing parks for leisure days outdoors, for example, and we are keen to make it easier for them to do so.

"The school staff can't demand that our students have access to ski equipment, and our budget doesn't make it possible to cover the cost of renting equipment for the students who don't have their own. As SkiStar waives the ski rental fees, we can arrange leisure days and free periods for the students on the slopes. This creates equality among our students so all the children have an equal chance to experience the mountains and their nature."

Kim Sommarin, Headteacher at Åreskolan



tains so as not to disturb them. The guidelines are available on skistar.com and guests are informed about them via newsletters and social media, for example.

SUPPLIERS

SkiStar depends on good collaborations with our suppliers. To guarantee correct procurements, SkiStar works in accordance with established directives and takes multiple perspectives into account, including sustainability aspects. The company's expectations are described in our Code of Conduct for suppliers and partners, which is included as an appendix in the majority of all agreements entered with SkiStar.

The code was updated during the year to clarify SkiStar's expectations and requirements regarding respect for human rights, working and employment conditions, the environment, discrimination and business ethics. The right to review suppliers was also added. SkiStar's goal is for all suppliers to sign the Code of Conduct. In 2020/21, suppliers who account for 70 percent of SkiStar's total debited amounts approved the Code of Conduct for suppliers and partners. If any breaches of the Code of Conduct occur, SkiStar takes appropriate action.

Risks along the supply chain

To enhance transparency and control at the supplier level, SkiStar launched a risk assessment of the company's supplier base during the year. The main suppliers will be assessed based on five risk perspectives to identify possible risks linked to products, areas and industries, for example. The result will provide a risk classification that supports work relating to suppliers going forward.

The risk of human rights violations is principally deemed to be at the supplier level. SkiStar's Code of Conduct for suppliers and partners contains expectations of suppliers in terms of forced labour and unhealthy working conditions. Violations of human rights are reported and dealt with in line with current legislation.

ANTI-CORRUPTION

SkiStar has a zero tolerance policy for bribery and corruption in our operations and in our business relationships. There is a potential risk of corruption at the company and in its business relationships, but this is deemed to be small. Corruption issues are managed within the framework of SkiStar's risk management, with policy documents reinforcing efforts to prevent and identify instances of corruption. There are also clear guidelines and procedures clarifying what is expected of our employees when purchasing and procuring. If corruption is suspected or uncovered, there are guidelines governing how such cases should be handled.

WHISTLEBLOWER FUNCTION

SkiStar has an anonymous whistleblower function for cases of suspected corruption, breaches of our policies or other irregularities. The function is available to all employees and cases are reported anonymously. During the 2020/21 financial year, one case of suspected violation of SkiStar's Code of Conduct was reported and investigated, concerning a potential conflict of interest. No violation of the code was able to be established. No investigation was on-going at the end of the year.

CONSULTATION MEETINGS DURING THE PANDEMIC

Our shared responsibility became even clearer during the pandemic. To bolster our collective force, SkiStar, together with the resort companies at our destinations, took the initiative to bring together health-care representatives, the police, the municipality, restaurant owners and restaurateurs for joint consultation meetings to develop common guidelines. Together with our ski industry organisations SLAO and ALF, we also had dialogue meetings with national organisations such as the public health authorities in Sweden and Norway.



SPECIAL COLLABORATIONS

Stefans Stuga, Lindvalen

Next to Snötorget in Lindvalen is Stefans Stuga, a specially designed set of accommodation close to the lifts where families affected by cancer can relax and spend precious time together.

Every week during the year, two families are offered a free week in Stefans Stuga. The cottage is a result of the commitment of many people and companies, all with a common desire to create a place for positive experiences and good memories. In winter, the stay includes a SkiPass, ski equipment, gym and playground. During the summer months, swimming, bowling and the gym are included.

Panta Mera (Swedish can and PET bottle recycling campaign)

Every year, we collect and donate the money that guests at our Swedish destinations have raised by recycling their PET bottles. During the 2020/21 winter season, over 450,000 PET bottles were recycled, generating over SEK 420,000. This year's collection goes towards saving the Scandinavian arctic fox together with WWF Sweden. The arctic fox is threatened with extinction as a result of climate change and litter left by mountain visitors. WWF Sweden strengthens the pack by feeding them all year round.

450,000

RECYCLED PET
BOTTLES GENERATED
OVER SEK 420,000
FOR WWF



> FOUNDATION: EMPLOYEES & CULTURE

Employees & Culture

SkiStar's employees are the key to the company's success and our biggest asset. Their commitment and hospitality is a prerequisite for ensuring our guests have memorable mountain experiences. Our "Employees & Culture" foundation enables us to strengthen strategic initiatives together with our employees, managers and organisation.

It is nothing new to us that employees and culture are one of the foundations of SkiStar's business and success. Our foundation means we make the obvious role that our employees and our culture play for the business visible. To continue having committed, motivated and satisfied employees, we will clarify the priorities we work on over the long term so that they can remain this way.

We conducted employee surveys during the year to gather important insights and ensure we are heading in the right direction. The three areas in focus include: our culture and values, continuing to invest in strong leadership and developing the organisation. In the coming financial years, we will identify and implement our strategic activities and priorities moving forward.

A SPECIAL WORKPLACE

Guests are our focus at SkiStar, and their experience and satisfaction at our destinations are largely due to the employees who make their holidays memorable. Our culture is characterised by a high level of dedication and pride in what we do in the areas in which we operate. We offer not only a job, but a lifestyle. Committed, motivated and satisfied employees who are happy at work are a prerequisite for our ability to deliver memorable experiences for our guests, and to ensure they return year after year.

We offer the opportunity to combine a challenging job with varied tasks and an active lifestyle. Moving to the mountains and living at our destinations is a unique experience that creates a strong community among colleagues. We have a wide range of tasks to perform, and in a normal season we recruit for over 80 different positions.

People stay with us for a long time because it is a lifestyle they enjoy, they want to continue developing and like meeting people. Our goal is for two-thirds of our seasonal staff to return each year, as over 65 percent of our seasonal employees did in 2020/21. Many of our employees choose to work on new tasks or at new

destinations, and over 80 percent of our employees state that they enjoy their work.

Employer of young people

We are also proud to be a major employer of young people that offers them a start in the labour market. In the last ten years, more than 12,000 young people aged 18-24 have been given the opportunity to gain a foothold in the labour market at our destinations. It also entails a great responsibility for us as an employer. For many, a job with us means moving away from home and being thrown into a new world. To facilitate and help our employees, we are reviewing the opportunity to take greater responsibility for their well-being through health and climate-promoting activities.

Employer in sparsely populated areas

SkiStar is also a major employer in sparsely populated areas – and in some cases the largest employer in the area. We try to recruit and attract employees from local areas to enable more people in sparsely populated areas to work where they live and have the opportunity to stay. For employees who have been with us for a long time, we are keen to enlarge our range of professional development options to ensure opportunities for growth and motivation at work. We also collaborate with nearby schools, offering internships to provide work experience and showcase our workplace to potential employees in the future.

RECRUITMENT

SkiStar operates a seasonal business and has a great need for seasonal employees. Before each season, a major recruitment effort is undertaken to find new staff, with thousands of applications being received. This requires a positive and efficient recruitment process that ensures we have the right skills in place before each



FROM LIFT ATTENDANT TO SENIOR EXECUTIVE

Camilla Sundqvist has travelled a long way at SkiStar. In 2003, she started as a lift host in Hundfjället, before going on to become HR Director and part of SkiStar's Group management.



DESCRIBE YOUR JOURNEY AT SKISTAR.

"I started as a seasonal employee in the lift department, and for several years combined the winter season at SkiStar with summer seasons abroad. During those years, I had the opportunity to combine many different services, see a broad range of SkiStar activities and try out different types of roles. That's how I discovered my interest in human resources and gained the confidence to develop our work in the HR area at one of our destinations. Our HR function developed from there, and now I handle HR issues for the entire company. In between, though, I've jumped between several different types of managerial roles when a need has arisen, from hotels and restaurants to ski rentals and sports outlets. This has given me broad knowledge of the company and different types of services, which makes me stronger in my current role."

WHAT HAS MADE YOUR JOURNEY POSSIBLE?

"SkiStar has a culture of entrepreneurship that has always attracted me. I have raised my ideas and had the opportunity to implement them. The company has always supported me in my goals and made it possible to grow both on a personal and professional level, by placing more trust in me and letting me combine working and studies, for example."

WHAT'S IT LIKE TO WORK AT SKISTAR?

"We have a very strong community here – you get the chance to make things happen, find yourself and build your identity. You are always part of a team with us, and if you have ideas and are willing to realise them then you can be involved in developing the company. I have good memories and friends for life, and above all I've had a lot of enjoyment – throughout all my years I have never had a boring day at work."

Camilla Sundqvist, HR Director at SkiStar



season, as well as for future needs. Much of our recruitment takes place through a web-based recruitment tool that also takes our values into account so we can attract the best possible recruits. We also collaborate with companies in the tourism industry that have similar seasonal activities during the summer to recruit and supply staff.

COLLECTIVE BARGAINING AGREEMENTS

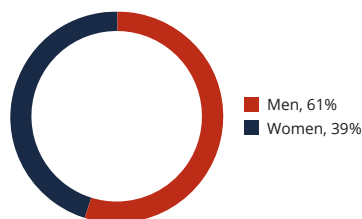
All of SkiStar's destinations are covered by collective agreements that regulate minimum wages and employee rights. All SkiStar employees, except for the President and CEO, are covered by collective agreements.

TRAINING AND EDUCATION

SkiStar attaches great importance to the training of new and returning employees and offers all employees development and training opportunities. Every year we receive a large volume of seasonal employees, and we have a systematic induction and training programme to prepare them for performing their tasks and thriving with us.

Our goal is for all employees to be trained in relevant areas of sustainability. Every year, all employees undergo a web-based training course that includes the work environment, sustainability and GDPR, among other topics. We are also working to broaden our training offering to increase opportunities for professional development within the company. Our employees underwent an average of 10 training hours during the year.

GENDER DISTRIBUTION¹⁾



1) Refers to average man-years at the end of the financial year.

SkiStar Academy

Strong leadership and managers are a core issue for SkiStar and a prerequisite for providing a good guest experience. We want talented and committed managers with a personal leadership style who want to learn new things and develop. We have offered leadership training in recent years to give our managers the right conditions to succeed and feel content. During the year we further developed the training course under the name SkiStar Academy to cover a wider scope. At SkiStar Academy, we want to educate and inspire across a wide range of subjects, from rhetoric and digitalisation to employeeship. The programme covers all managers and leadership roles, be they full-time or seasonal employees.

CODE OF CONDUCT

SkiStar's Code of Conduct describes the guidelines and values that form the basis for how our employees should behave towards one another and the people they meet. The Code incorporates the UN Global Compact's ten principles regarding human rights, working conditions, the environment and anti-corruption, as well as the ILO's eight fundamental conventions concerning minimum standards for working conditions. The Code is revised annually. The Code is available to all employees via SkiStar's intranet.

SkiStar takes violations of the Code of Conduct seriously, and they are reported to the police if there is a crime. A whistleblower function is available internally to enable anonymous reporting of violations.

DIVERSITY AND INCLUSION

SkiStar's corporate culture is permeated by values and attitudes that welcome diversity within the company. We try to create an inclusive work environment where all employees feel a sense of belonging and community. All employees have the same rights and the right to equal treatment regardless of gender, sexual orientation, ethnicity, beliefs, functional variation or age. We have a zero-tolerance policy regarding any form of discrimination and take strong action in response to incidents and conduct that contravene SkiStar's policies and directives. We value and welcome our differences and aim to increase the diversity of the management team. The gender distribution at the company during the financial year was 39 percent female and 61 percent male, with Group management composed of 29 percent women and 71 percent men. Operational efforts to pursue gender equality

issues are the responsibility of each department and area manager. These efforts are regulated by our diversity policy and Code of Conduct, which are revised annually.

HEALTH AND SAFETY

It is self-evident that SkiStar's workplaces must be safe, secure and accident-free. We have a systematic work environment initiative that is pursued at each destination by a work environment team that conducts safety inspections and risk assessments. In the event of serious incidents, there is a crisis management organisation with procedures and crisis groups at each destination, which then shift into crisis mode. SkiStar conducts annual crisis management exercises at our destinations to maintain and strengthen our crisis management capability.

During the financial year, a total of 111 (105) accidents/near-misses were reported among SkiStar's employees. None of these near-accidents was classified as serious. The distribution of accidents/incidents by destination is not reported as the maturity per destination varies. Efforts are being made to enhance reporting of the number of accidents and near-misses.

WORKING ENVIRONMENT

SkiStar should be a workplace with good working conditions and a healthy balance between work and free time. We conduct annual employee surveys to ensure a positive and healthy work environment and identify opportunities for improvement. Each employee undergoes at least one performance review per year to ensure a good work situation. Health checks are conducted regularly to prevent risks at work and ensure that our employees are well.

Covid-19

The pandemic has had a major impact on our work environment and has led to extensive efforts to implement both the Swedish Work Environment Authority's rules and the authorities' recommendations at all destinations. We have continuously produced and communicated new internal guidelines and restrictions at the destinations and carried out continuous risk assessments of the current situation. We have supported healthcare in their contact tracing efforts by helping them make contact with our guests and employees. Prior to the season, new quarantine accommodation was prepared for staff and new sick leave rules that meant staff with symptoms were moved to quarantine accommodation.



> FOUNDATION: SAFE & SECURE

Safe & Secure

Safe and Secure is SkiStar's promise to our guests. We want our guests to feel secure and to guarantee memorable mountain experiences all year round that offer quality, activity, experiences and safety throughout the customer journey. If any issue arises, we will take care of our guests.

SAFE DESTINATIONS

Offering safe and secure experiences for our guests has been an important aspect of our business over the years. This is why SkiStar developed Safe and Secure, our customer promise that applies from the time of booking through to their stay in our accommodation and ski system. The pandemic has involved major changes to adapt our destinations to current restrictions. Our focus during the financial year has been on implementing changes to deliver a safe and secure stay at our destinations.

THE IMPACT OF THE PANDEMIC

Safe and Secure has long been SkiStar's focus, but it has taken on a new meaning since the outbreak of the pandemic. In order to provide a safe stay at our destinations. To adapt the business to prevailing guidelines and restrictions, many new procedures and internal guidelines have been introduced. This has involved major changes for guests, employees and SkiStar in general.

BOOK WITH CONFIDENCE

Protection for cancellation and booking changes

"Book with Confidence" was introduced ahead of the 2020/21 winter season – a new and improved protection for cancellation and booking changes that allows the accommodation to be cancelled up to 21 days before arrival. The SkiPass, ski school and ski rentals can always be cancelled or rebooked up until the day before arrival. This new insurance received a strong reception, with 80 percent of all guests during the year using the additional protection.

Snow guarantee

SkiStar wants our guests to be able to go alpine skiing on their skiing holiday. However, all of the ski resorts have unique geographical locations and varying conditions. Thanks to our snow guarantee, guests at our Scandinavian destinations have the opportunity to rebook their trip or get their money back if SkiStar does not deliver the ski product promised for a certain period of time. If we cannot fulfil the snow guarantee at the selected ski resort, the guest can choose to rebook the trip at another of our Scandinavian destinations.

LIFT & PISTE

Safe slopes

Having the right judgment, knowledge and equipment minimises the risk of accidents and injuries during a holiday. At our destinations in Norway and Sweden, we collaborate with the ski industry organisations SLAO and ALF to secure our slopes, both in summer and winter. Together with SLAO and ALF, we have developed rules of conduct that all guests are obliged to follow at our destinations. These are available to download from our website. They describe our rules of conduct on the slopes during summer and winter, as well as penalties if the rules are broken.

Safe behaviour is particularly important for the youngest skiers. This is why we have produced Valle's skiing rules, which teach young skiers about the importance of good supervision, skiing together on the slopes and where it is safe to stop. The rules are an important part of our ski school for children and are available to all guests on our website.

80%
OF GUESTS USED
BOOK SAFELY





Sustainability information

SkiStar's sustainability initiatives are reported annually. This report is for the period 1 September 2020 – 31 August 2021. SkiStar's sustainability work is initiated by Group management and endorsed by the Board of Directors as a priority area for SkiStar. The objective is to run the entire business in a sustainable way. That is why the description of the sustainability initiatives is integrated into the Company's annual report.

The sustainability report has been prepared in accordance with GRI Standards' core level. The GRI index on pages 111–112 contains references to where the information can be found in the annual report.

By applying the international GRI guidelines, SkiStar strives to provide reporting of sustainability-related content relevant for our stakeholders in a transparent and balanced manner.

The report has been reviewed by PwC and their statement can be found on page 117.

LIMITATIONS AND CHANGES COMPARED TO THE PREVIOUS YEAR

The sustainability report includes the Parent Company and wholly owned subsidiaries. The skiing destination in St. Johann was excluded from the sustainability report, as it has been in previous years. It has been determined that co-owned associates do not constitute a significant portion of operations, which is why they are not included in the report. Joint-venture companies co-owned by SkiStar are not included and are not considered to be a significant part of the operations. The figures reported in the sustainability notes have been collected from each destination and relevant business areas.

Since 1 July 2021, SkiStar has a new hotel division within the Groups. Figures from the hotel operations are reported from 1 July to 31 August and are outlined in the sustainability report. The data varies between hotel operations, and will thus be standardised in the coming years.

A calculation of SkiStar's total climate data was conducted during the financial year together with an external supplier, which resulted in updated conversion factors being used during the financial year compared with the previous year. During the year, SkiStar began reporting scope 3 data. The most relevant categories

have been evaluated and calculated, such as guest travel to our destinations. This will be further developed in 2021/22. Data from 2019/20 has been recalculated and updated in the report.

STATUTORY SUSTAINABILITY REPORT

The sustainability report has been prepared in accordance with the provisions in the Annual Accounts Act, Chapter 6, Section 11, and is described on pages 35–46, with the exception of the description of the Company's business model which is on pages 11–14 and risk management which is on pages 49–50.

For questions relating to SkiStar's sustainability reporting, contact the company at hallbarhet@skistar.com.

IMPACT ON THE UN'S SUSTAINABLE DEVELOPMENT GOALS

Sustainable development is defined by the UN as development that fulfils today's needs without jeopardising the ability of future generations to fulfil theirs. In September 2015, UN member states adopted 2030 Agenda, a universal agenda containing 17 goals for economic, social and environmental sustainable development. The intent of goals is to help reduce poverty, injustice and inequality, and solve the climate crisis by 2030.

By integrating sustainability into our strategies and targeted measures, we make a positive contribution to the sustainable developments goals while also trying to understand and deal with any negative impact we may cause.

Our operations are deemed to have the greatest positive impact on Goal 3, Good Health and Well-being, as getting people activated has been at the heart of SkiStar's operations since the company was founded more than 45 years ago. By making an active holiday available to more people, we can help promote a more active and sustainable lifestyle and enhance well-being. We make a positive contribution to Goal 8, Decent Work and Economic Growth, through our work at our destinations and thereby our contribution to rural communities. Operational challenges that can be linked to the 2030 Agenda goals include Goal 13, Climate Action. Through SkiStar's strategic climate initiatives and ambitious climate goals, the company works to reduce its negative impact on Goal 13.



Sustainability governance

Sustainability is an integral part of SkiStar's governance and reporting. An understanding of and commitment to challenges such as climate change and the use of natural resources are highly significant to SkiStar. Responsibility is thus important both at Group level and at the destinations.

Responsibility for sustainability-related issues is ultimately held by SkiStar's board. SkiStar's CEO bears overall responsibility for evaluating and managing sustainability issues, including climate-related issues, which are well integrated in SkiStar. Within Group management, responsibility for evaluating and managing sustainability and climate-related issues is delegated to the Director of Communications and Sustainability.

Operational responsibility for sustainability and climate-related issues at Group level is led by the Head of Sustainability, who reports to the Director of Communication and Sustainability. The Head of Sustainability is responsible for defining, proposing and supporting implementation and communicates decisions made in connection with the sustainability strategy and established goals.

SkiStar's CEO is Chairman of the sustainability forum, of which the Head of Sustainability is the secretary. The forum consists of representatives from core operations: the President and CEO, Director of Communication and Sustainability, Director of Property and Exploitation, Director of HR, Head of Strategy and CEO of SkiStar Norge AS. The forum meets regularly to discuss the company's development, achieve established goals and ensure compliance with policies and guidelines.

Planning, management and follow-up of sustainability initiatives follows the organisational structure with a clear delegation of responsibilities and powers. This consists of policies, directives, procedures and overall goals. Furthermore, our work is governed by laws, guidelines and regulations, including the UN:s Sustainable Development Goals.

POLICIES

In addition to the general Code of Conduct, SkiStar works in line with a range of policies and governance documents that clarify the company's risks, risk management strategy and approach to achieving its objectives. The purpose of these policies is to create transparency and clarify how we intend to pursue operations with a long-term, sustainable approach to generate growth and develop the company. All policies are reviewed annually and constitute a basic tool to ensure each employee at SkiStar can easily access information regarding how they are expected to act, when and for what reason.

Annual online training is provided to increase awareness and understanding of how SkiStar is expected to act and respond to its operating environment. The training course looks at all policies and the Code of Conduct. The course is also aimed at increasing understanding of how sustainability aspects should be observed in all areas of the business, and how they should be a natural consideration for every employee at all levels and in all decisions. All the company's policies are available to SkiStar's employees via the intranet.

Sustainability policy

Our ambition to influence and tackle the challenges of the future is described in SkiStar's sustainability policy. SkiStar's sustainability policy was updated during the financial year to reflect SkiStar's new sustainability strategy, for example to include the 2030 objective. The sustainability policy governs and monitors SkiStar's climate initiatives and goals. SkiStar's Head of Sustainability is responsible for establishing and implementing the sustainability policy. Water consumption is governed by SkiStar's sustainability policy. SkiStar uses water from rivers, streams and dams near SkiStar's mountain destinations for snow production. SkiStar follows established water rights court rulings.

All SkiStar employees are continuously trained to understand how their role in the business affects SkiStar's sustainability initiatives and how each employee is key to complying with the sustainability policy and achieving its goals. Every employee is also expected to actively seek out and familiarise themselves with such information.

Employees

Employers are responsible for ensuring a good physical and psychosocial work environment. The impact on our own employees occurs within the organisation. The greatest risk for serious accidents is in our Operation of Mountain Resorts and Property Development & Exploitation business areas. In our Operation of Mountain Resorts business area, we work systematically and actively to ensure the safety of our employees and guests. In the Property Development & Exploitation business area, the risk for serious accidents lies outside the organisation among the people managing our properties and working on our construction sites. However, we are aware that as the purchaser of these services we have an opportunity to influence the workplaces of these people.

SkiStar's health and safety initiatives are based on the Work Environment Act and are described in several governance documents, such as our Work Environment Policy. SkiStar AB's Board of Directors has overall responsibility for ensuring that the SkiStar Group's work environment initiatives are conducted in accordance with the policy. With the support of Group management, the CEO is to ensure that there is an appropriate organisation, delegated tasks and sufficient resources for work environment initiatives in accordance with the policy. More detailed instructions that describe our systematic health and safety initiatives can be found in the work environment handbook, which serves as a daily aid. Employees' voices are heard via employee surveys, employee dialogues, work environment meetings and safety representatives. All employees at SkiStar are covered by systematic work environment initiatives.

SkiStar trains managers and supervisors with the right knowledge, skills, resources and powers to be able to work towards maintaining a good and safe work environment and ensuring that all employees receive the introduction and training they need to be able to work safely and healthily.



Diversity and inclusion

SkiStar is engaged in creating a corporate culture that values equality, diversity and inclusion at all levels and gives all employees equal opportunities. The diversity policy applies to all employees in the Group regardless of their type of employment. It is also a natural part of the Company's leadership programme and employee induction. Employee surveys are conducted annually and include work environment and diversity issues. The results are a measure of how well SkiStar has managed in this area but are also a source for continued improvements.

Human rights

Respecting human rights is part of SkiStar's Code of Conduct and Code of Conduct for suppliers and partners. SkiStar clarifies its position in the policy, which is revised annually and approved by SkiStar's Board of Directors.

For SkiStar, it is self-evident that all people are equal. We must meet and treat our fellow human beings equally, regardless of gender, ethnicity, religion or other belief, disability or age. SkiStar respects and supports internationally declared human rights and labour law.

The risk of human rights violations is principally deemed to be at the supplier level. SkiStar's Code of Conduct for suppliers and partners contains expectations of suppliers in terms of forced labour and unhealthy working conditions. Violations of human rights are reported and dealt with in line with current legislation.

Suppliers

Effective partnerships and responsible procurement of suppliers are an important factor in the ongoing sustainable development of operational activities. SkiStar works with many different suppliers within the company's various business areas. Most of SkiStar's suppliers come from Scandinavia and Europe. SkiStar's main suppliers are in the Operation of Mountain Resorts and Property Development & Exploitation business areas. Both price and the length of the business relationship with each supplier consequently vary. SkiStar applies a Supplier Code of Conduct, which sets out the expectations SkiStar has of its suppliers. SkiStar's Supplier Code of Conduct includes respect for human rights, among other areas. It states that suppliers are to be familiar with basic human rights and labour conditions, and to respect them and comply with them. All SkiStar's suppliers and business partners are expected to accept this Code of Conduct. SkiStar will act on any breaches. To ensure responsible procurement, SkiStar works based on established directives for purchasing, which take account of various perspectives during procurement and purchasing processes, including accessibility, price and quality, along with sustainability aspects. SkiStar's Supplier Code of Conduct is available on SkiStar's website, [skistar.com/en/company-information](https://www.skistar.com/en/company-information), under Sustainability.

Compliance

SkiStar aims to achieve full compliance with the company's policies. For everyone to feel confident that the company is working towards the same goals, and identify all possible policy breaches, SkiStar has established a whistleblower service. The service is designed to give all employees the opportunity to anonymously report any suspicions of serious irregularities. The whistleblower service is a warning system aimed at reducing risks, preferably at an early stage in the chain of events. A whistleblower service is an important aspect of effective corporate governance and maintains public confidence in us as a company. Directives and procedures for reporting are available to all employees.



Stakeholder dialogues

Mapping and analysing stakeholders' expectations of our operations is a prerequisite for creating sustainable value. That is why we have ongoing dialogues with our stakeholders.

In addition to this ongoing dialogue with stakeholders, in-depth interviews were conducted during the year with a selection of representatives from our various stakeholder groups. The purpose was to identify SkiStar's most important sustainability issues now and in the future, and to gain an understanding of which issues create great value for our stakeholders. The stakeholder dialogue formed the basis of SkiStar's new sustainability strategy.

Dialogues with stakeholders provide insights into the expectations of different stakeholder groups and contribute to the development of long-term relationships and continuous improvement of SkiStar's operations. The dialogues also provide valuable information when SkiStar evaluates its sustainability work and prioritises initiatives in the area of sustainability.

A targeted survey was conducted during the year to which approximately 4,050 guests and 500 employees responded. In addition, in-depth interviews were conducted with selected stakeholder groups, such as municipalities, regions, owners and destination companies. This was done to get a picture of the stakeholder groups' priorities, and it formed the basis for SkiStar's materiality analysis and sustainability strategy.

SKISTAR'S STAKEHOLDERS



STAKEHOLDER ENGAGEMENT

Stakeholders	Dialogue	Material issues
Guests/Customers	<ul style="list-style-type: none"> • Weekly guest surveys • Daily meetings with guests 	<ul style="list-style-type: none"> • Waste and Recycling • Sustainable tourism • Health and Safety • Circular economy
Employees	<ul style="list-style-type: none"> • Annual employee survey on sustainability • Regular employee surveys • Individual dialogues 	<ul style="list-style-type: none"> • Sustainable working life • Climate and mountain environment • Waste and Recycling
Shareholders	<ul style="list-style-type: none"> • Investor meetings • ESG surveys and assessments 	<ul style="list-style-type: none"> • Climate-related risks and opportunities • Climate initiatives • New business opportunities, year-round operations
SOCIETY		
Suppliers	<ul style="list-style-type: none"> • One-off meetings • Purchasing dialogue • Collaborations 	<ul style="list-style-type: none"> • Compliance with SkiStar's Code of Conduct for suppliers • Working hours and working conditions • Long-term collaborations
Land owners	<ul style="list-style-type: none"> • One-off meetings • Continuous dialogue 	<ul style="list-style-type: none"> • Protection of mountain environment • Exploitation and development of mountain destination
Municipalities & Politicians	<ul style="list-style-type: none"> • One-off meetings • Consultation meetings • Continuous dialogue 	<ul style="list-style-type: none"> • Public health and inclusiveness • Covid-19 and precautionary measures • Sustainable development of destinations
Local businesses	<ul style="list-style-type: none"> • One-off meetings • Consultation meetings • Continuous dialogue 	<ul style="list-style-type: none"> • Covid-19 and precautionary measures • Booking conditions and interest in mountain holidays • Sustainable development of destinations
Media	<ul style="list-style-type: none"> • Interviews • Continuous dialogue 	<ul style="list-style-type: none"> • Covid-19 and precautionary measures • Booking conditions and interest in mountain holidays • Incidents at mountain resorts (avalanche/accidents)



Materiality analysis

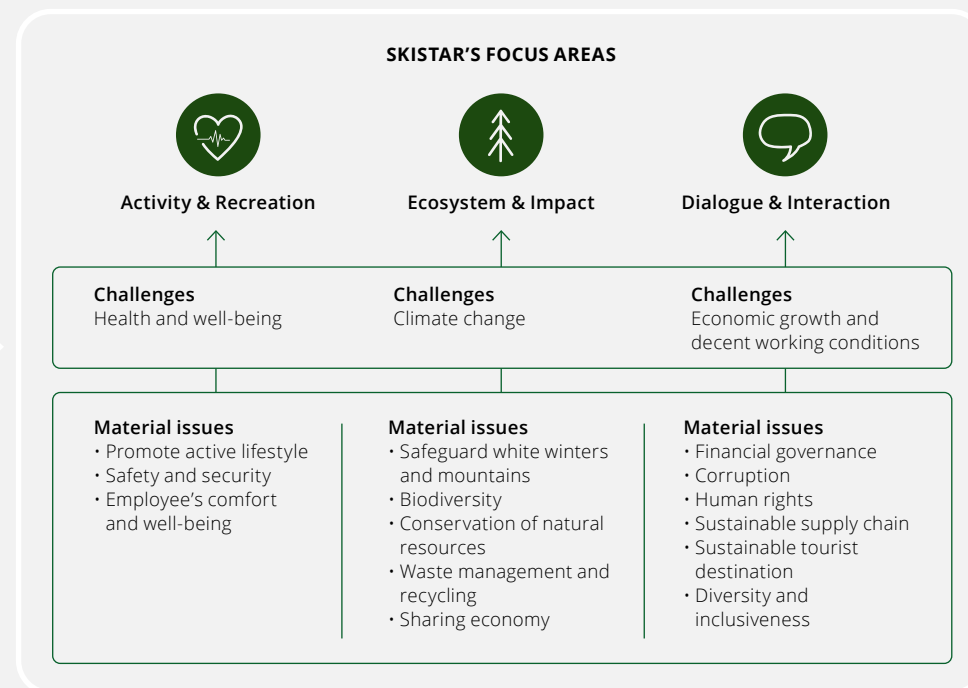
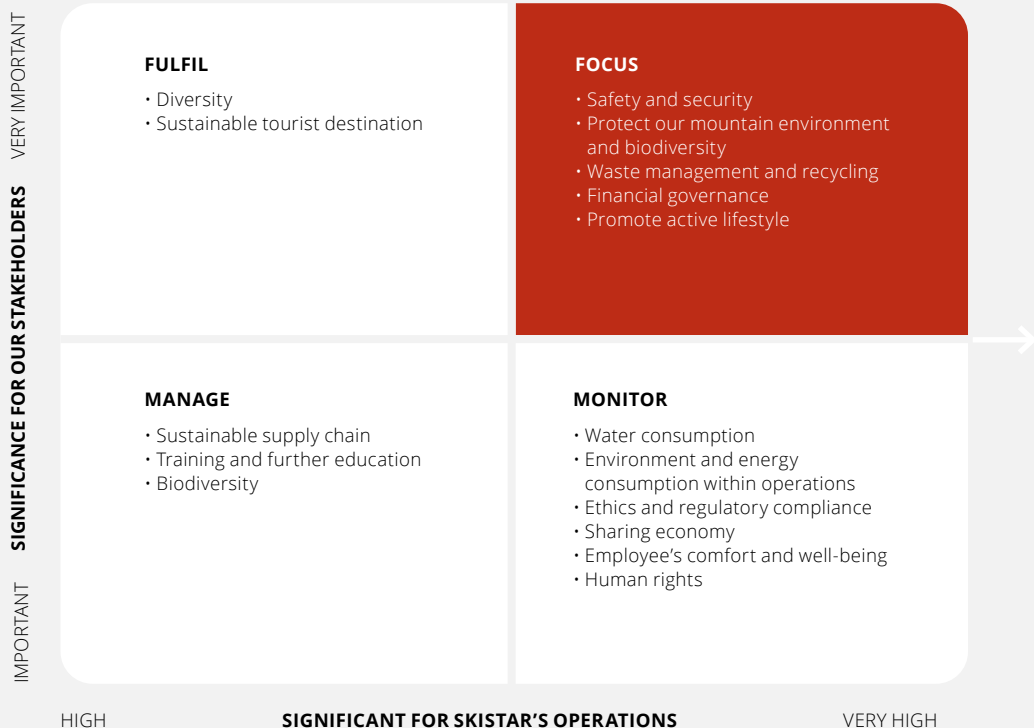
SkiStar's materiality analysis is based on several different areas: Stakeholder dialogues, external trends and the company's and management's strategic priorities. The analysis forms the basis of SkiStar's strategic focus and prioritisation of sustainability initiatives. Based on the survey of stakeholders' expectations and external monitoring, internal priorities have been established, of

which sustainability issues are deemed the most significant. When establishing these priorities, SkiStar's actual impact on people, the environment, the economy and society was considered.

SkiStar conducts a materiality analysis every two years. A review of and update to the materiality analysis was carried out during the year, the conclusions of which are shown below. The results

show the areas that are most important for SkiStar's business and value initiatives as based on the analysis.

SkiStar's contributions and challenges linked to the UN:s 17 Sustainable Development Goals also formed part of the analysis.





Target follow-up

SkiStar developed a new sustainability strategy and sustainability goals during the financial year. The targets developed during the 2018/2019 and 2019/20 financial years have formed the basis for the new sustainability strategy. Targets that were not achieved have been integrated into the new strategy and objectives. See adjacent table.

Each goal has an associated plan of action, including activities and measures. The objectives have been linked to the UN:s 17 Sustainable Development Goals (SDGs) to ensure SkiStar's goals generate long-term value both in the regions in which SkiStar operates and from a national and global perspective.

Area	Goal	Outcome 20/21	UN's Sustainable Development Goals
Water consumption	SkiStar will endeavour to improve biodiversity in lakes and water-courses, partly via responsible water usage and partly by participating in projects that boost biodiversity.	Efforts to ensure guaranteed snow are being taken to a new level thanks to new reservoirs for snow production in Hundfjället and Tandådalen, with biodiversity being considered and compensatory measures implemented.	6.4, 6.6
Emissions	SkiStar will have zero emissions of greenhouse gases from its own vehicles or from energy consumption by 2030.	SkiStar reduced its CO ₂ emissions (S1 + S2) by 17 percent compared with the previous financial year. The goal has been included in SkiStar's updated climate goals for 2030 – SkiStar will reduce its total climate footprint by 50 percent (S1 + S2 + selected S3)	13.1, 13.2
Energy	During the 2019/20 financial year, SkiStar will select certification models for its own construction of new housing, which will be implemented in the 2020/21 financial year.	In line with SkiStar's updated sustainability strategy, an updated decision was also taken on a certification model for new construction. All larger newly constructed buildings must be environmentally certified according to BREEAM's "very good" status. This certification ensures that sustainability issues are highlighted throughout the work process and that the building's environmental performance meets requirements for energy use, indoor climate, water management and waste management. For smaller buildings, there are requirements to satisfy the environmental certification of SGBC Silver at a minimum, which sets requirements for energy use, indoor environment and materials.	12.3



CONT. TARGET FOLLOW-UP



Area	Goal	Outcome 20/21	UN's Sustainable Development Goals
Biodiversity	SkiStar will participate in projects to promote biodiversity at all its destinations.	During the year, SkiStar launched a new project to restore the natural mountain environment and promote biodiversity. When the downhill slope in Åre was built in the 1980s, several explosions were carried out to make the construction possible. Since then, the vegetation on the mountain has had difficulty growing back. To restore the natural mountain environment, SkiStar has initiated a project together with the County Administrative Board, biologists and the landowners that will identify the best methods for regaining vegetation in the area.	15.4, 15.5
Circular resource management	SkiStar will offer guests opportunities to sort waste for recycling at all destinations by 2025.	There are ongoing dialogues with relevant partners to ensure waste-sorting is available at all SkiStar destinations. These efforts are in line with established targets.	12.5
	SkiStar will work towards increasing the rental of beds already available at SkiStar's destinations.	Visitor numbers increased thanks to the new investment in the summer season: 30 percent more visitors used the lift system and activities on the mountain in summer 2021 than in the previous year. We also see that as many as one in four of our visitors have not visited us before in the summer. The absence of foreign guests, particularly in Norway, is having a negative impact on earnings.	12.5
Health and safety	SkiStar's workplaces will be accident free.	SkiStar has a structured work process that includes work environment teams and a crisis management organisation for each destination that work to prevent accidents and near-accidents. During the financial year, 111 (105) accidents/near-accidents occurred among SkiStar's employees. None of these near-accidents was classified as serious.	8.6
Diversity	SkiStar will increase diversity in senior management.	During the financial year, SkiStar increased the number of female managers in the organisation by 6 percent compared with the previous year.	5.5



TCFD climate reporting

During the year, SkiStar began reporting on financial climate risks in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The aim is mainly to provide information about the risks and opportunities that a transition to a society with lower CO₂ emissions and a changed climate entails. TCFD's recommendations involve reporting in four areas: governance, strategy, risk management and key figures and targets. Our ambition is to report in line with the recommendations as far as possible to clarify how our operations will be affected by climate change, based on two different future scenarios.

Below is our account of how we conduct this work in these four areas today, as well as references to other parts of the annual report where more detailed information is available.

GOVERNANCE AND STRATEGY

Planning, management and follow-up of sustainability initiatives follows the organisational structure with a clear delegation of responsibilities and powers. This consists of policies, directives, procedures and overall goals. Furthermore, our work is governed by laws, guidelines and regulations, including the UN:s Sustainable Development Goals.

SkiStar has always been dependent on nature and the weather. From the very beginning, we identified the climate as an important external factor and a significant issue for our operations. Over five years ago, we began an extensive transformation in our own operations, which made us pioneers in our industry in terms of converting to fossil-free fuel. Over the past five years, SkiStar has reduced its own carbon footprint by almost 50 percent. This year we have adopted a more ambitious climate agenda to be part of the transition to a fossil-free society.

In 2020/21 we therefore updated our strategy model, developing our vision and more concrete targets and strategies. For more information about how we govern our operations, see pages 22–24.

RISK MANAGEMENT

SkiStar is exposed to various risks related to the business and the business model. To manage and work with the risks faced by the company, SkiStar engages systematically with risk assessment and risk management, covering all areas. SkiStar's Board of Directors has overall responsibility for ensuring risk management is conducted, as well as managed efficiently and purposefully. In addition, sustainability risks are evaluated separately, including these areas: climate/environment, human rights, labour law and anti-corruption. SkiStar's risk management relates to all risks associated with the company's sustainability work and the company's materiality analysis. SkiStar's risk management is described in the administration report on pages 49–50.

TARGETS AND PERFORMANCE MEASURES

A summary of SkiStar's greenhouse gas emissions for 2018/19 to 2020/21 can be found in sustainability note H6 on page 110. A description of environmental targets established for 2020/21 can be found on pages 39–40.

We have tried to follow TCFD's recommendations as far as possible. Work is under way to further quantify these aspects.

50%
**SKISTAR REDUCED ITS DIRECT
CARBON FOOTPRINT OVER
THE LAST FIVE YEARS**





CONT. TCFD CLIMATE REPORTING

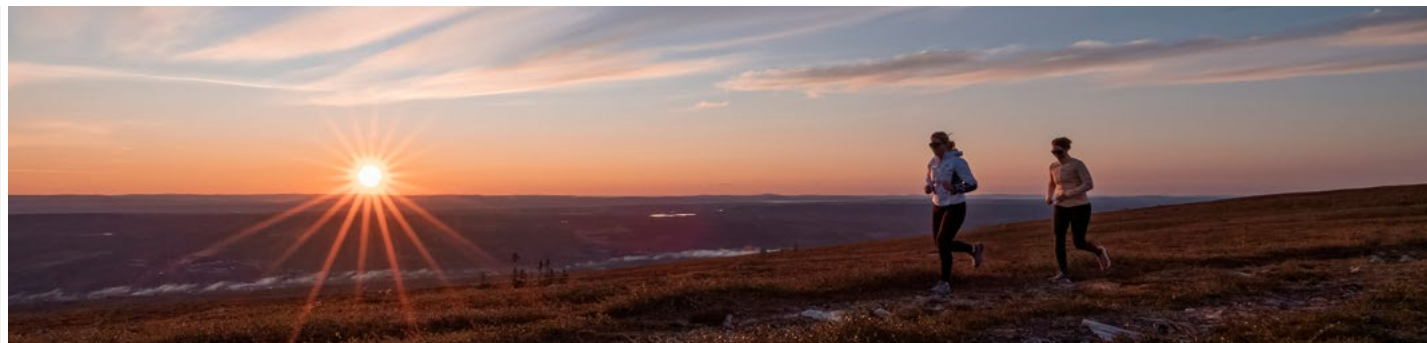
RISKS AND OPPORTUNITIES

Based on the climate scenarios, we have identified our financial climate risks as physical risks and adjustment risks. Physical risks are risks that may involve direct damage to assets or indirect damage, such as interruptions to lift operations. Adjustment risks are risks that a transition to a society with lower CO₂ emissions may entail.

The analyses have been made on the basis of two possible scenarios – RCP 2.6 and RCP 8.5 – which correspond to the best and worst future scenario identified by the UN Climate Panel, IPCC. The analysis is based on SMHI's reports for Dalarna and Jämtland County, the Norwegian Climate Service Center and other relevant reports, and covers the period until 2060. The impact of global warming will be similar at each of SkiStar's destinations. Based on the climate scenarios, we have identified our financial climate risks according to the Task-Force for Climate-Related Financial Disclosures framework.

EXAMPLES OF MEASURES TO MEET FUTURE CLIMATE CHANGE

- Streamline and expand snow production
- Weather-proof exposed resorts
- Develop a more weather-resistant range of activities
- Produce sustainable travel alternatives to our destinations
- Convert from winter destination to year-round destination
- Build sustainable properties and accommodation in the mountains

**SCENARIO 1: WE MAKE THE TRANSITION (RCP 2.6)**

The world's greenhouse gas emissions are halved by 2050, and the temperature increase is limited to 1.5-3 degrees in Sweden. Renewable energy technology is introduced on a large scale and energy intensity is low. Major adjustments to society, infrastructure and buildings are made, and greenhouse gases are subject to taxes and regulations. Land use and building standards have stricter sustainability requirements. There are good conditions for natural snow and skiing, with less need for snow from canons.

Risks

- CO₂ emissions are regulated: Increased regulation, taxes and fees on CO₂ emissions affect land use and building standards. Requirements for zero emissions throughout the value chain.
- New business models: Circular economy requires changes in the business model.
- Energy: Increased volatility and higher prices.
- New technology: Places requirements on increased investments.
- Biofuel: Altered and expanded instruments for biofuels may affect the supply of biofuels and shortages may arise.

Opportunities

- SkiStar remains the mountain destination of the future
- More tourism, skiing safeguarded for the long term
- Increased use of renewable energy and self-produced solar energy
- Greater demand for innovation and new technology

**SCENARIO 2: WE CONTINUE AS NORMAL (RCP 8.5)**

Emissions of greenhouse gases continue to increase at the same rate as now. Political climate initiatives and collaborations fail, and the worsened climate affects human health through an increased risk of pandemics. The temperature in Sweden and Norway increases by 3-7 degrees, with winters becoming up to 10 degrees warmer in northern Sweden. There are more days with extreme weather, floods and strong winds, and the number of forest fires increases. Annual precipitation increases by 10-35 percent, especially in northern Sweden. There are fewer snow-covered days, which results in poorer skiing conditions.

Risks

- Warmer winters: The average temperature increases by 2-3 degrees at all destinations. Fewer days with natural snow cover, more melting during the operating season, snowfall turns into rain
- Shorter winter season: The winter cold comes a month later, the start of snow production is delayed and it becomes less possible to guarantee a complete ski resort open for Christmas/New Year.
- Stronger winds: The number of days with outages increases, more wear and tear on infrastructure, worse weather for guests.
- Warmer summers, more precipitation: Poorer guest experience in the exposed areas of the destinations.
- Risk that resources become strained as a result of increased tourism: Increased temperatures will lead to reduced snowfall in the Alps. Changed travel patterns in Europe may in turn lead to increased tourism at SkiStar's destinations to begin with.

Opportunities

- The effect of climate change on human movement patterns
- Increased tourism in the short term as Scandinavian facilities have a geographical advantage.
- Increased summer tourism with long-term favourable conditions.
- Expand snow production both in terms of scope and capacity.



Sustainability notes

NOTE H1 EMPLOYEES

Number of employees	2020/21				2019/20			
	Permanent employees ¹⁾		Seasonal employees ²⁾		Permanent employees ¹⁾		Seasonal employees ²⁾	
	Men	Women	Men	Women	Men	Women	Men	Women
Sweden	532	398	435	502	219	133	848	822
Norway	147	64	200	96	75	41	361	208

1) Permanent employees refers to average man-years at the end of the financial year.

2) Seasonal employees refers to the number of season employees employed on 28 February 2021 and 29 February 2020.

3) Information on number of employees, age and gender is retrieved from our salary system.

NOTE H2 DIVERSITY

2020/21	Women	Men	>29 years	30–50 years	>50 years
Board of Directors	4	2	0	1	5
Group management	2	5	0	4	3
Destination management teams	17	25	0	24	18
Employees ¹⁾	11	15	1	15	10

1) Here, 'employees' relates to individuals who report to a member of Group management. All figures as at 31 August 2021.

2) Limitation: Impact occurs internally when recruiting new employees. Reporting only covers individuals employed by SkiStar.

NOTE H3 TRAINING HOURS PER EMPLOYEE

	2020/21		2019/20		2018/19		2017/18	
	Women	Men	Women	Men	Women	Men	Women	Men
Permanent employees	10	10	10	10	10	10	10	10
Employees on fixed-term contracts	25	25	25	25	25	25	25	25

1) The statistics are not broken down by employee due to system limitations. Efforts to eventually be able to collect and report this information are in progress.

NOTE H4 WATER USE IN SNOW PRODUCTION

Litres	2020/21	2019/20	2018/19
Sälen	1,048,515	1,212,308	1,273,001
Åre	1,597,960	1,611,204	2,008,217
Vemdalen	825,595	850,782	817,609
Trysil	741,164	806,775	720,000
Hemsedal	367,465	404,908	484,000
Hammarbybacken ¹⁾	8,000	1,000	—
Total water use	4,588,699	4,885,977	5,302,827

1) Hammarbybacken was previously included in Sälen's data.

Data for Hammarbybacken is estimated for 2020/21. Efforts to report actual figures are in progress.

2) Reported water use is based on actual readouts. The values are not normalised in any way.

NOTE H5 FUEL AND ENERGY CONSUMPTION

ELECTRICITY CONSUMPTION

MWh	2020/21	2019/20	2018/19
Consumption of electricity, SkiStar operations	72,606	72,369	82,169
Electricity total	72,606	72,369	82,169

FUEL CONSUMPTION WITHIN THE ORGANISATION

Litres	2020/21	2019/20	2018/19
Consumption of HVO 100	1,450,281	1,417,129	1,518,380
Consumption of diesel	656,521	772,632	966,817
Consumption of petrol	134,641	166,497	98,718
Total fuel	2,241,443	2,356,258	2,583,914

DISTRICT HEATING WITHIN THE ORGANISATION

MWh	2020/21	2019/20	2018/19
District heating	9,482	7,977	10,168
District heating total	9,482	7,977	10,168

NOT H6 **GHG EMISSIONS (CO₂E)**

	2020/21		2019/20	
	Consumption	CO ₂ l tonnes	Consumption	CO ₂ l tonnes
SCOPE 1		2,050		2489
Mobile combustion, m³				
Diesel	657	1,244	773	1,465
Petrol	135	303	170	382
HVO	1,450	0	1,417	0
Alkylate gasoline	46	103	—	—
Stationary combustion				
Wood chips, m ³	24,492	172	22,506	158
Cooking oil, m ³	65	189	37	109
Propane, kg	13,012	39	124,979	375
SCOPE 2		32		9
Electricity, MWh				
Renewable electricity	256,956	0	241,540	0
Consumption of electricity, SkiStar operations	72,606	0	72,369	0
Fjällinvest ¹⁾	184,350	0	169,171	0
District heating	2,203	32	1,427	9
SCOPE 3		4,556		4,159
Fuel and energy-related activities				
Diesel	657	156	773	184
Alkylate gasoline	46	11	—	—
Petrol	135	31	170	40
HVO	1,450	776	1,417	753
Wood chips, m ³	24,492	294	6,507	66
Cooking oil, m ³	65	15	37	8
Propane, kg	13,012	7	124,979	71
Renewable electricity, MWh	256,956	3,232	241,540	3,027
District heating, MWh	2,203	33	1,427	16
Biogenic emissions²⁾				
Wood chips, m ³	24,492	10,065	22,506	9,248
HVO, m ³	1,450	3,548	1,417	3,442

1) Wholly-owned SkiStar companies reporting for the first time in 2020/21

2) Broadened scope of 2020 GHG protocol

SUMMARY OF TOTAL GHG EMISSIONS, TONNES CO₂

Tonnes	2020/21 ¹⁾	2019/20 ¹⁾	2018/19
Scope 1	2,050	2,489	3,954
Scope 2	32	9	205.8
Scope 3	4,556	4,159	—
Total	6,638	6,657	4,160
Emissions intensity (tonnes CO₂e/SEK m revenue)	2.4	2.4	—

1) During 2020/21, SkiStar carried out an overall analysis of the Company's carbon footprint; resulting in broader reporting of climate data in 2020/21. The climate data for 2019/20 has been recalculated to produce comparative figures, so the figures cannot be compared to 2018/19. SkiStar's scope 3 calculation will be further expanded in 2021/22.

Significant assumptions and extrapolations	SkiStar owns 50 percent of Fjällvärme i Sälen AB but has operational control over Fjällvärme i Sälen AB. Thus, 100 percent of emissions from Tandådalen's and Lindvallen's heating plants, which are run by Fjällvärme i Sälen AB, are allocated in line with the operational control method.
Methodology	Greenhouse gas calculation and reporting is based on The Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard and its revised edition as well as the complementary Corporate Value Chain (Scope 3).
Limitations	SkiStar AB and its wholly owned subsidiaries were included in the greenhouse gas report. The reporting period covers 1 September 2020 to 31 August 2021. The greenhouse gas report used an operational approach. See page 100 for more information.

Energi type	Source/comment	Emissions factor
Mobile combustion	Swedish Environmental Protection Agency; SMED, Emissions Factors and Heating Factors 2020; Swedish Energy Agency (2020), Fuels 2019: Reporting of submitted information in line with the Fuels Act, sustainability legislation and the reduction mandate (ER 2020:26).	Diesel: South Pole emission factor Petrol: South Pole emission factor HVO: 0.0 kg CO ₂ e/m ³ Alkylate gasoline: South Pole emission factor
Stationary combustion	Swedish Environmental Protection Agency, SMED, Emissions factors and heat factors 2020	Wood chips: 7.0 kg CO ₂ e/m ³ Cooking oil: 2,930.3 kg CO ₂ e/m ³ Propane: 2,999.7 kg CO ₂ e/m ³
Electricity	Renewable electricity NO: Statistics Norway, 2018, Renewable electricity SE: Swedish EPDs Location-based electricity: IEA, 2020	Renewable electricity: 0.0 kg CO ₂ e/kWh Location-based electricity: licenced emission factor
District heating	SE: Heating market committee, 2020 NO: Average of Norwegian district heating suppliers	SE: South Pole emission factor NO: South Pole emission factor



GRI index

SkiStar's sustainability report for the 2020/21 financial year has been prepared in accordance with Global Reporting Initiative (GRI) Standards guidelines, Core application level. SkiStar's GRI index contains references to where the information can be found in the annual report. To prepare a sustainability report in accordance with the GRI guidelines, SkiStar is required to complete three steps: identification, prioritisation and validation.

GRI STANDARD	DISCLOSURE	PAGE REFERENCE	COMMENTS	UN
GRI 101: FOUNDATIONS 2016				
GRI 101: FOUNDATIONS 2017				
ORGANISATIONAL PROFILE				
102-1	Name of the organisation	Front page		
102-2	Activities, brands, products and services	13–14, 29–34		
102-3	Location of headquarters	52		
102-4	Location of operations	4, 29–34		
102-5	Ownership and legal form	47–48, 119–127		
102-6	Markets served	4, 29–34		
102-7	Scale of the organisation	4, 22, 47–48, 52–53, 60–61, 78		
102-8	Information on employees and other workers	44–45, 78, 101–102, 109		
102-9	Supply chain	43, 102		
102-10	Significant changes to the organisation and its supply chain	98		
102-11	Precautionary Principle or approach	37		
102-12	External initiatives	35–46		
102-13	Membership of associations	35–47		
STRATEGY				
102-14	Statement from senior decision-maker	6–7		
102-15	Key impacts, risks, and opportunities	49–50, 107–108		
ETHICS AND INTEGRITY				
102-16	Values, principles, standards and norms of behaviour	42–43, 100		
MANAGEMENT APPROACH				
102-18	Governance structure	100, 119–127		

GRI STANDARD	DISCLOSURE	PAGE REFERENCE	COMMENTS	UN
STAKEHOLDER ENGAGEMENT				
102-40	List of stakeholder groups	103		
102-41	Collective bargaining agreements	45		
102-42	Identifying and selecting stakeholders	100		
102-43	Approach to stakeholder engagement	103		
102-44	Key topics and concerns raised	103		
REPORTING PRACTICE				
102-45	Entities included in the consolidated financial statements	52, 64		
102-46	Defining report content and topic Boundaries	104		
102-47	List of material topics	104		
102-48	Restatements of information	100	During 2020/21, SkiStar carried out an overall analysis of its carbon footprint, resulting in broader reporting of climate data in 2020/21. The climate data for 2019/20 has been recalculated to produce comparative figures, SkiStar's scope 3 calculation will be further expanded in 2021/22.	
102-49	Changes in reporting	100		
102-50	Reporting period	100		
102-51	Date of most recent report	100		
102-52	Reporting cycle	100		
102-53	Contact point for questions regarding the report	100		
102-54	Claims of reporting in accordance with the GRI Standards	100		
102-55	GRI content index	111–113		
102-56	External assurance	117		





CONT. GRI INDEX

GRI STANDARD	DISCLOSURE	PAGE REFERENCE	COMMENTS	UN
GRI 200: ECONOMIC STANDARDS				
ECONOMIC PERFORMANCE				
GRI 103: Management Approach 2016				
103-1-3	Material topics, their boundaries and management	20, 47–48, 100–102, 103–104		
GRI 201: Economic Performance 2016				
201-1	Direct economic value generated and distributed	11, 20, 52, 59–60		8
INDIRECT ECONOMIC IMPACTS				
GRI 103: Management Approach 2016				
103-1-3	Material topics, their boundaries and management	42–43, 100–102		
GRI 203: Indirect Economic Impacts 2016				
203-2	Significant indirect economic impacts	11, 42–43		3, 8
ANTI-CORRUPTION				
GRI 103: Management approach 2016				
103-1-3	Material topics, their boundaries and management	43, 50, 100–102		
GRI 205: Anti-corruption 2016				
205-2	Communication and training about anti-corruption policies and procedures	43, 100–102	The data is not broken down by region and employee category. Efforts to eventually be able to collect and report this information are in progress.	16
GRI 300 ENVIRONMENTAL TOPICS				
ENERGY				
GRI 103: Management Approach 2016				
103-1-3	Material topics, their boundaries and management	39–41, 100–102, 107–108		
GRI 302: Energy 2016				
302-1-4	Energy consumption within the organisation	40, 109–110	SkiStar has included relevant energy sources	7
WATER				
GRI 103: Management Approach 2016				
103-1-3	Material topics, their boundaries and management	41, 96, 100–102, 105		
GRI 303: Water 2016				
303-1 & 3	Water withdrawal by source, Water recycled and reused	41, 109		6

GRI STANDARD	DISCLOSURE	PAGE REFERENCE	COMMENTS	UN
EMISSIONS				
GRI 103: Management Approach 2016				
103-1	Material topics, their boundaries and management	39–41, 100–102, 105, 107–108		
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	39–40, 107–108	SkiStar has included relevant emitted gases. See the 2015/16 Sustainability Report for more information on SkiStar's base year.	11
305-2	Energy indirect (Scope 2) GHG emissions	39–40, 107–108		12
305-3	Other indirect (Scope 3) GHG emissions	39–40, 107–108	SkiStar has included relevant emitted gases.	13
305-4	GHG emissions intensity	39–40, 107–108		13
GRI 400 SOCIAL TOPICS				
HEALTH AND SAFETY				
GRI 103: Management Approach 2016				
403-1-7	Material topics, their boundaries and management	45, 54, 96, 100–102		
GRI 403: Occupational Health and Safety 2018				
403-8	Workers covered by an occupational health and safety management system	45, 78–79, 101	Figures are not broken down by destination or business area due to system limitations.	3, 8
403-9	Work-related injuries	45, 78–79, 101	Efforts to eventually be able to collect and report this information are in progress.	3, 8
TRAINING AND EDUCATION				
GRI 103: Management Approach 2016				
103-1-3	Material topics, their boundaries and management	42, 45, 96		
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	45, 109	Figures are not broken down by employee due to system limitations. Efforts to eventually be able to collect and report this information are in progress.	4, 8
DIVERSITY AND EQUAL OPPORTUNITY				
GRI 103: Management Approach 2016				
103-1-3	Material topics, their boundaries and management	42, 45, 100, 102, 106, 109		
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	42, 45, 109		5, 6, 10



Auditor's Limited Assurance Report on SkiStar's Sustainability Report and statement on the Statutory Sustainability Report

To the annual general meeting of SkiStar AB, corporate identity number 556093-6949

INTRODUCTION

We have been engaged by the Board and Group Management of SkiStar AB to undertake a limited assurance of SkiStar's Sustainability Report for the year 2020/21. The company has defined the scope of its sustainability report on page 35–46. The statutory sustainability report is defined on page 100–113, which also constitutes the statutory sustainability report.

RESPONSIBILITIES OF THE BOARD AND GROUP MANAGEMENT

The Board of Directors and Group Management are responsible for the preparation of the Sustainability Report, including the statutory sustainability report, in accordance with the applicable criteria and the Annual Accounts Act. The criteria are described on page 100 of the Sustainability Report, and consists of the parts of the GRI Sustainability Reporting Standards which are applicable to the Sustainability Report, as well as the accounting and calculation principles that SkiStar has developed. This responsibility also includes the internal control which is deemed necessary to establish a sustainability report that does not contain material misstatement, whether due to fraud or error.

RESPONSIBILITIES OF THE AUDITOR

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to provide a statement on the statutory sustainability report. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report and applying analytical and other limited assurance procedures. We have conducted our examination regarding the statutory sustainability report in accordance with FAR's recommendation RevR 12, the Auditor's Opinion on the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 have a different focus and a considerably smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent in relation to SkiStar according to generally accepted auditing standards in Sweden and have fulfilled our professional ethics responsibility according to these requirements. The procedures performed in a limited assurance engagement and an examination according to RevR 12 do not allow us to obtain such assurance that we become aware of all significant matters that could have been identified if an audit was performed. The conclusion based on a limited assurance engagement and an examination in accordance with RevR 12, therefore, does not

provide the same level of assurance as a conclusion based on an audit has.

Our procedures are based on the criteria defined by the Board of Directors and the Group Management as described above. We consider these criteria as suitable for the preparation of the Swustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

CONCLUSION

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Group Management.

A statutory sustainability report has been prepared.

Stockholm, 4 November 2021
PricewaterhouseCoopers AB

Camilla Samuelsson Sara Höög
Authorised Public Accountant Authorised Public Accountant