SUSTAINABILITY POLICY

1 PURPOSE AND OBJECTIVES

The policy shall guide decisions, priorities and ways of working throughout SkiStar's operations. The purpose of SkiStar's sustainability work is to manage sustainability risks and contribute to sustainable development. The work is based on long-term goals in line with Agenda 2030 and the Paris Agreement and focuses on three areas: social sustainability, environmental sustainability and economic sustainability. We work strategically in these areas together with guests, employees and partners to make SkiStar the sustainable choice, now and in the future.

2 EXTENT

The Sustainability policy includes SkiStar AB and the company's wholly-owned subsidiaries.

3 RESPONSIBILITY AND ORGANISATION

3.1 Strategic responsibility

SkiStar's Board of Directors has the overall strategic responsibility for sustainability. The CEO is responsible for ensuring that sustainability efforts are integrated into the business. The Head of Sustainability is responsible for the Group-wide coordination, development, follow-up and reporting of sustainability efforts.

3.2 Operational responsibility

To ensure progress in sustainability work and compliance with applicable policies the respective business area managers and heads of central functions are responsible for translating the policy into concrete activities, targets and follow-up within their respective areas of responsibility. The Sustainability Manager supports and follows up on this work in close dialogue with the business areas and central functions.

3.3 Responsibility for each employee

Through continuous training, all SkiStar employees must understand how they in their business affect SkiStar's sustainability work and how each employee is a key in fulfilling the business's sustainability policy and achieving the business's sustainability goals. Annual sustainability training is provided to all company employees to ensure that sustainability issues are considered at all levels. Every employee is also expected to actively seek and absorb information.

4 SUSTAINABILITY RELATED RISKS

Sustainability-related risks include both risks to SkiStar's operations and SkiStar's impact on people, the environment and society.

- **Limiting climate change:** SkiStar's operations contribute to climate impact through greenhouse gas emissions from, among other things, energy consumption, transportation, procurement, construction, operations and guest travel. To limit climate change, SkiStar needs to reduce emissions within its own operations and throughout the value chain, in line with the

company's climate targets.

- **Adaptation to climate change**: SkiStar's operations are affected by a changing climate, for example through higher temperatures, changing precipitation patterns, an increased risk of rain instead of snow, and greater variations in weather conditions. This may affect the length of the season, snow availability, operations, as well as the availability and cost of water, energy and materials. SkiStar therefore needs to continuously adapt its operations to climate change in order to reduce vulnerability and ensure long-term operation.
- **Loss of biodiversity**: Risk that SkiStar contributes to unauthorised environmental impact through unauthorised emissions and impact on sensitive natural areas. Furthermore, there is a risk of restricting operations as SkiStar's operations may take place in nature conservation areas.
- **Limited water supply**: SkiStar has a water-intensive operation. Water availability for snow production is assessed on the basis of the water source, surrounding factors that may have a significant risk in the matter and the water licences that apply.
- **Working in the value chain**: SkiStar's operations involve risks relating to the working environment, corruption and human rights. These risks exist within the company, but also among suppliers and partners working on behalf of SkiStar. This risk can result in criminal offences but can also cause significant damage to SkiStar's business and brand.
- **Affected communities**. SkiStar needs to maintain good communication with the local community, including local and regional politicians and decision-makers, given the risk of disruption, e.g. in connection with development or new projects. This could negatively impact SkiStar's credibility and brand.

5 SUSTAINABILITY MEASURES

In order to reduce the impact of the above risks on SkiStar's operations, a strategy with long-term objectives has been developed.

We strive to develop our company together with guests, employees, stakeholders and partners with sustainability and responsible business in focus. SkiStar must be responsible and forward-thinking when it comes to the environment, human rights, labour law and anti-corruption. Sustainability is the core of business development and the way to create value for guests, employees, stakeholders and partners.

5.1 Public Health

At SkiStar, we work for an active lifestyle that contributes to increased well-being. Through collaborations and initiatives, we reach more people and contribute to active holiday experiences in nature all year round.

Through the product SkiStar offers we contribute to active leisure and good health effects. At SkiStar, we work actively to achieve our goal of getting more employees, guests, local residents and partners moving.

5.2 Climate

SkiStar's climate target has been approved and verified by the Science Based Targets initiative (SBTi).

The target means that SkiStar shall reduce greenhouse gas emissions by 50 percent by 2030 compared with the base year 2020. The target covers the company's own operations and the value chain, including energy use, transportation, procurement, construction, operations, products and destination development. To achieve this target, SkiStar works systematically to reduce its climate impact through, among other measures, energy efficiency improvements, fossil-free transportation, climate requirements in procurement, sustainable material and product choices, circular solutions, and climate-smart development of destinations, buildings and offerings.

We strive to contribute beyond our own operations and therefore collaborate with suppliers, partners and guests to develop sustainable solutions that reduce climate impact throughout the value chain.

5.3 Biological diversity

We protect the unique ecosystems and wildlife of the mountains and work actively to preserve and strengthen biological diversity in the areas where we operate. Our operations must maintain high quality standards while minimising our impact on nature, water and biological diversity in the mountain environment.

In all exploitation and development of new land, we apply the hierarchy of consideration — we shall first avoid, then minimise and, as a last resort, compensate for any negative impact on biodiversity.

5.4 Water

Water is a critical natural resource and particularly important in the sensitive mountain environments where SkiStar operates. All our water use is governed by applicable legal requirements and water rights, which are strictly adhered to. Water withdrawals are documented in accordance with applicable legal requirements, water rights permits and internal procedures.. Regulatory inspections are carried out regularly. SkiStar works continuously to improve the efficiency of snowmaking, build new water reservoirs and automate snow systems to reduce water consumption.

Vi arbetar även förebyggande för att skydda vattenkvaliteten och minska risken för negativ påverkan på vattenmiljöer. Det innebär att vi följer utvecklingen av nya lagkrav och andra krav kopplade till vattenkvalitet och föroreningar, inklusive PFAS och andra långlivade ämnen, där det är relevant för vår verksamhet, våra materialval och vår leverantörskedja.

We also require our suppliers to manage water resources responsibly, as water is a scarce and critical resource in some countries. Consideration for water impact must be taken into account in production, delivery and other parts of the value chain.

5.5 Working Environment and Human Rights

SkiStar shall promote respect for human rights, good working conditions and responsible business conduct both within its own operations and throughout the value chain. Matters relating to employees, the working environment and employment conditions within the company's own operations are primarily governed by SkiStar's Employee Policy, Employee Handbook and other HR-related governing documents. Requirements for suppliers and business partners are governed through SkiStar's Code of Conduct for Suppliers and Business Partners, as well as relevant procurement and contracting processes.

5.6 Communities we influence

SkiStar operates in communities close to the mountains and takes responsibility for contributing to long-term sustainable development through dialogue, collaboration and good relations with municipalities, residents and other stakeholders. We contribute to job creation, local business development and activities for all ages, while working to minimise any negative impact we may have on the environment, society and culture.

6 INTERNATIONAL STANDARDS

SkiStar supports and complies with international sustainability standards, including the UN Global Goals, the UN Global Compact, the OECD Guidelines and the UN Guiding Principles on Business and Human Rights. We conduct regular human rights analyses and follow local sustainability programmes at our destinations.

7 REPORTING

SkiStar reports sustainability information annually in accordance with the Swedish Annual Accounts Act's rules on sustainability reporting To ensure transparent and relevant sustainability reporting, SkiStar complies with the reporting frameworks Corporate Sustainability Reporting Directive, EU Taxonomy, Science Based Targets and Task Force on Climate-related Financial Disclosures. SkiStar also reports its climate impact annually to CDP.[1]

8 EXEPTIONS

SkiStar AB's Board of Directors shall decide on any deviations and exceptions to this policy.

9 FOLLOW-UP AND COMPLIANCE

Compliance with the Sustainability policy shall be regularly monitored by all managers, executives, Group management and the Sustainability manager and on a random basis by the company's auditors in connection with the annual review. If deviations from the policy are identified, this must be reported to the immediate manager, who in turn shall report the deviation to the Sustainability manager. Deviations can also be reported to the relevant person responsible via SkiStar Hub. The follow-up of compliance with the policy document shall be reported to the Group management and the Board of Directors through the Audit Committee in connection with the annual update of the policy document. However, should significant deviations be identified, such reporting shall be done without delay.

10 OTHER DOCUMENTS

As the policy is an overarching governance document, it is supplemented by several detailed directives and procedures. See examples of related documents below.

- SkiStar Code of Conduct/ Supplier and Partner Code of Conduct
- Diversity Policy
- Work Environment Policy
- Information Policy

[1] Carbon disclosure project

- Purchasing Directive
- Directive on biological diversity
- Directive on water use