Financial statements 2022

Contents

Key figures

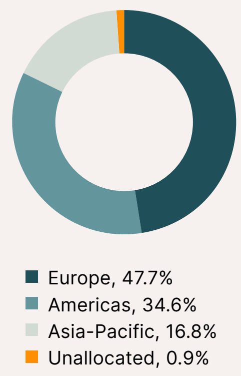
EUR million (unless otherwise noted)	2022	2021	Change
Net sales	1,248.4	1,254.3	-0.5%
Comparable net sales[1]	1,248.4	1,227.6	1.7%
EBIT	134.7	142.8	-5.7%
Items affecting comparability in EBIT	-16.3	-11.5	42.4%
Comparable EBIT[2]	151.0	154.2	-2.1%
Comparable EBIT margin	12.1%	12.3%	
Profit before taxes	124.1	144.1	-13.9%
Profit for the period	99.1	87.5	13.2%
Earnings per share, EUR	1.21	1.06[3]	14.1%
Equity per share, EUR	10.32	9.97	3.5%
Cash flow from operating activities before financial items and taxes	-24.9	164.2	
Free cash flow	-100.7	95.3	
Net debt	325.3	145.0	
Net debt/EBITDA	1.66	0.71	
Equity ratio, %	53%	57%	
Net gearing, %	39%	18%	
Capital expenditure	48.1	34.4	40.0%
Personnel (FTE), average	6,273	6,081	3.2%

[1] Comparable net sales excludes the impact of exchange rates, acquisitions and divestments.

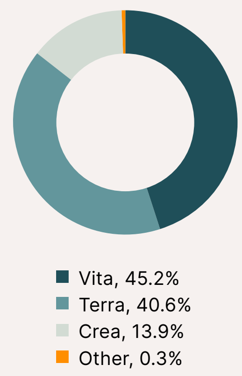
[2] EBIT excluding items affecting comparability. Comparable EBIT is not adjusted to exclude the full impact of acquisitions/divestments/disposals.

[3] In 2021, earnings per share includes a negative impact of EUR 0.35 per share related to a tax reassessment case from 2014 regarding forgiven intra company loans from 2003, where the company was obliged to pay EUR 28.3 million in additional tax, interest and punitive increases.

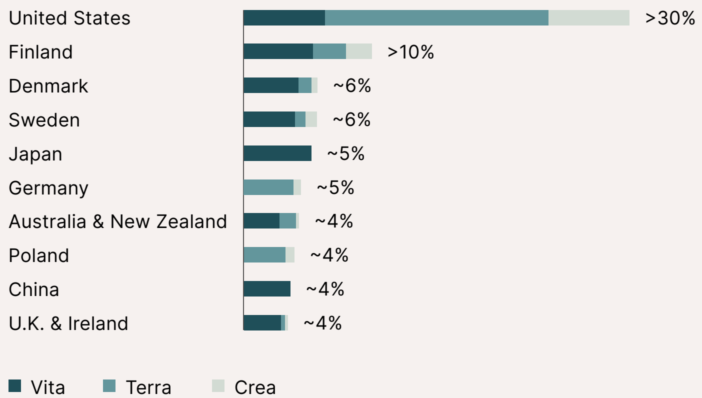
Net sales split by geography, %



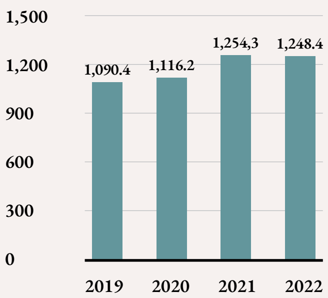
Net sales split by segment, %



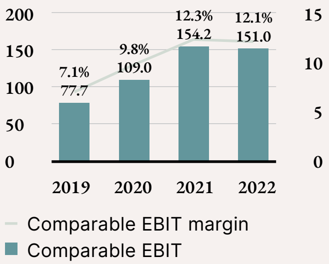
Largest countries by sales, % of the Group net sales



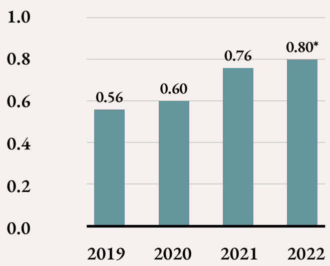
Net sales, EUR million



Comparable EBIT and EBIT margin, EUR million, %



Dividend per share, EUR



* Board's proposal

Report by the Board of Directors for the year 2022

Business model and strategy

Fiskars Group is the global home of design-driven brands for indoor and outdoor living. The company is driven by its common purpose: Pioneering design to make the everyday extraordinary.

Fiskars Group has a well-balanced portfolio of unique brands including Fiskars, Gerber, Iittala, Royal Copenhagen, Moomin by Arabia, Waterford, and Wedgwood, as well as several smaller brands. The company's brands are present in more than 100 countries in Asia-Pacific, Europe and the Americas. Fiskars has a strong market position especially in the Nordics and in the gardening segment in the U.S.

The company serves wholesale customers and B2B customers as well as consumers directly in its own stores and ecommerce. Wholesale is Fiskars Group's largest channel generating approximately 70% of the company's sales. Serving end consumers in the direct-to-consumer (DTC) channels is a strategic focus area for Fiskars. In 2022, DTC sales amounted to 21% of the company's sales. The company has approximately 350 own stores around the world, a majority of them in the Asia-Pacific region.

Fiskars has a diverse team of almost 7,000 employees based in 29 countries. The company recognizes the importance of its people in contributing to its success, and continuously invests in opportunities for employees to learn and grow. The company promotes employee engagement by creating an inclusive and inspiring working environment.

Fiskars combines own manufacturing operations with those of its carefully selected suppliers. Fiskars has 11 own manufacturing units located in Europe, Asia and the U.S. Fiskars has approximately 130 finished goods suppliers and a wide network of suppliers for raw materials, components, and services. The company has built a strong supplier network that meets its business needs, as well as its values and social and environmental expectations.

Fiskars' Growth Strategy outlines the strategic choices that will put the company on a healthy path of organic growth and profitability improvement. The strategic logic is clear: the company focuses on winning brands, winning channels, and winning countries. The Growth Strategy consist of four transformation levers; commercial excellence, direct to consumer, the U.S. and China. These levers will transform Fiskars Group across brands, channels, and countries. The strategic growth enablers are people, digital, innovation & design, and sustainability. These are at the core of Fiskars Group, and all are critical for executing the Growth Strategy.

Operating environment in 2022

In 2022, the operating environment was affected by Russia's attack on Ukraine in February, which caused supply chain disruptions and increased raw material, energy and transportation costs globally. During the year, inflation accelerated across the world and consumer confidence dropped to all-time lows in many regions. Nonetheless, demand in Fiskars Group's product categories remained resilient in most markets in the first half but started to decline in the third quarter with the exception of China.

In terms of weather conditions, the cold spring especially in North America and in parts of Northern Europe delayed the start of the gardening season and reduced demand for products in this segment. In the latter part of the year, snowy conditions in the Nordics supported demand for snow tools.

Especially in the U.S., retailers' inventories were at a high level due to precautionary measures taken to avoid delays from disruptions in the global supply chains. Softer demand in the gardening season increased the inventories further. These factors impacted trade customers' demand.

Compared to the previous two years, the Covid-19 pandemic impacted the operating environment mainly in China. In the first and second quarter, lockdowns to control the pandemic led to store and distribution center closures and supply chain disruptions. In the fourth quarter, the easing of the restrictions caused a wave of infections resulting in temporary store closures due to a lack of personnel. Despite the disruptions related to the pandemic, overall demand in China remained strong throughout the year.

Year in brief: Solid year in a challenging operating environment

Year 2022 was volatile due to a challenging operating environment and significant cost inflation. For Fiskars Group, the year was twofold: whereas in the first half of the year the company's net sales grew by double-digits, in the second half sales declined due to weaker demand. Demand was particularly weak in the U.S. in the fourth quarter due to low consumer confidence and retailer's high inventories. For the full year, net sales amounted EUR 1,248.4 million which is slightly below previous year's record level (2021: 1,254.3).

Fiskars' gross margin improved as a result of actions taken in line with the company's strategy as well as successful mitigation of cost inflation impacts. While Fiskars managed its cost base prudently throughout the year, it continued investing in the key strategic growth drivers, namely digital acceleration and DTC, to ensure that it remains a top choice for consumers. These investments increased SG&A expenses, which offset the positive drivers. Comparable EBIT amounted to EUR 151 million, which was below the company's expectations in the beginning of the year but still the second-best comparable EBIT in the company's history.

Fiskars' actions to mitigate product availability risk related to supply chain disturbances combined with rapidly declined demand led to increased levels of inventories. Cold spring also increased the inventories, as demand in the gardening segment was weaker than anticipated. Higher inventories had a significant negative effect on the free cash flow, which was EUR -100.7 million for the full year. In the fourth quarter, cash flow started to improve thanks to measures taken by the company.

Fiskars continued the execution of its Growth Strategy, launched in 2021, with tangible results in its transformation levers of commercial excellence, direct to consumer (DTC), U.S. and China. The like-for-like gross margin, the company's key performance indicator for commercial excellence, improved despite broad-based cost inflation. DTC grew by 8% in 2022 amounting to 21% of the Group's sales with very good development especially in e-commerce. In the U.S., the year started with strong growth but as demand weakened significantly in the fourth quarter, sales for the full-year declined. The company's China business continued on a strong growth track with sales growing 36% during the year despite intermittent Covid-19 disruptions.

During the year, Fiskars made some structural changes. In February, the divestment of the company's North American watering business was closed. This transaction had been announced in December 2021. In March, Fiskars announced that it decided to withdraw from the Russian market due to Russia's attack on Ukraine. The disposal of the Russian subsidiary was closed in August.

In late 2022, Fiskars updated its environmental, social, and governance (ESG) strategy. The company's ambitious approach and most of the commitments and targets remain the same, but the strategy was simplified to ensure focus on the areas in which Fiskars Group has the biggest impact. The updated ESG strategy is more closely linked to business and the company purpose: Pioneering design to make the everyday extraordinary.

Group performance

In 2022, Fiskars Group's organizational structure featured three Business Areas (BA): Vita, Terra and Crea. Fiskars Group's four primary reporting segments are Vita, Terra, Crea and Other. In addition, Fiskars Group reports net sales for three geographical areas: Europe, Americas and Asia-Pacific.

BA Vita offers premium and luxury products for the tableware, drinkware and interior categories. It consists of brands such as Iittala, Royal Copenhagen, Waterford and Wedgwood.

BA Terra consists of the gardening, watering, and outdoor categories. The brands include Fiskars and Gerber.

BA Crea consists of the scissors and creating as well as the cooking categories, mainly with the Fiskars brand.

The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

Net sales

EUR million	2022	2021	Change	Comparable change
Group	**1,248.4**	1,254.3	-0.5%	1.7%
Vita	**563.7**	544.6	3.5%	1.8%
Terra	**507.4**	535.4	-5.2%	3.6%
Crea	**173.4**	170.6	1.6%	-4.1%
Other	**3.9**	3.8	3.3%	

Fiskars Group's consolidated net sales decreased by 0.5% to EUR 1,248.4 million (2021: 1,254.3). Comparable net sales increased by 1.7% thanks to strong sales growth in the first half of the year. In the second half, sales were negatively impacted by weaker demand due to low consumer confidence and retailers' high inventory levels.

Comparable EBIT

EUR million	2022	2021	Change
Group	**151.0**	154.2	-2.1%
Vita	**85.6**	79.2	8.1%
Terra	**48.4**	51.6	-6.1%
Crea	**34.3**	36.5	-6.4%
Other	**-17.2**	-13.1	31.4%

Items affecting comparability in EBIT include items such as restructuring costs, impairment or provisions charges and releases, integration-related costs, and gains and losses from the sale of businesses.

Fiskars Group's comparable EBIT declined to EUR 151.0 million (2021: 154.2). EBIT margin was 12.1% (12.3%). Comparable EBIT increased in Vita but declined in Terra and Crea. In Terra, the divestment of the North American Watering business on February 1, 2022 contributed to the decline.

Comparable EBIT was supported by sales volumes and gross margin, which improved slightly despite broad-based cost inflation during the year. The company continued to invest in key strategic building blocks, digital acceleration and direct-to consumer growth, thereby increasing SG&A expenses and offsetting the positive drivers.

Reporting segments and geographies

Vita segment in 2022

EUR million	2022	2021	Change
Net Sales[1]	**563.7**	544.6	3.5%
Comparable EBIT	**85.6**	79.2	8.1%
Capital Expenditure	**20.9**	16.0	30.8%

[1] Using comparable exchange rates excl. acquisitions and divestments, net sales increased by 1.8%.

Net sales in the Vita segment increased by 3.5%, to EUR 563.7 million (2021: 544.6). Comparable net sales increased by 1.8%.

Sales growth was driven by DTC channels, especially in China. Royal Copenhagen and Wedgwood were the best-performing brands and over 50% of their sales is already generated in DTC channels. During the year, net sales in DTC channels increased to 42% (41%) of total Vita net sales.

The U.K., Ireland and Denmark also contributed positively to sales growth. Net sales in Finland and Sweden declined with the Iittala brand especially having sluggish sales.

Comparable EBIT in the Vita segment increased to EUR 85.6 million (79.2) and was 15.2% of net sales (14.5%). EBIT increased driven by sales volumes and an improved gross margin. At the same time, the company continued to invest in driving DTC acceleration programs, and building these capabilities increased costs.

Terra segment in 2022

EUR million	2022	2021	Change
Net Sales[1]	**507.4**	535.4	-5.2%
Comparable EBIT	**48.4**	51.6	-6.1%
Capital Expenditure	**17.5**	12.2	43.1%

[1] Using comparable exchange rates excl. acquisitions and divestments, net sales increased by 3.6%.

Net sales in the Terra segment decreased by 5.2% to EUR 507.4 million (2021: 535.4). Figures from the comparison period include the North American Watering business, which was divested on February 1, 2022. The figures from the reporting period only include the North American Watering business in January 2022.

Comparable net sales increased by 3.6% driven by strong performance in the first half of the year. In terms of geographies, comparable net sales increased especially thanks to positive development in Continental Europe.

Comparable EBIT in the Terra segment declined to EUR 48.4 million (51.6), or 9.5% of net sales (9.6%). Comparable EBIT is not adjusted to exclude the impact of acquisitions/divestments such as the divestment of the North American Watering business on February 1, 2022, which affected the decline. While sales volumes supported EBIT, gross margin declined driven by high input costs.

Crea segment in 2022

EUR million	2022	2021	Change
Net Sales[1]	**173.4**	170.6	1.6%
Comparable EBIT	**34.3**	36.5	-6.4%
Capital Expenditure	**4.0**	3.3	19.4%

[1] Using comparable exchange rates excl. acquisitions and divestments, net sales decreased by 4.1%.

Net sales in the Crea segment increased by 1.6% to EUR 173.4 million (2021: 170.6). Comparable net sales decreased by 4.1% as growth in the Scissors category in the first half of the year was offset by a more challenging second half in all three categories (Cooking, Scissors and Creating).

Comparable EBIT in the Crea segment declined to EUR 34.3 million (36.5), or 19.8% of net sales (21.4%). EBIT declined primarily due to lower volumes and cost increases.

Other segment in 2022

EUR million	2022	2021	Change
Net Sales	**3.9**	3.8	3.3%
Comparable EBIT	**-17.2**	-13.1	31.4%
Capital Expenditure	**5.9**	2.8	

Net sales in the Other segment amounted to EUR 3.9 million (2021: 3.8), consisting of timber sales and rental income. The comparable EBIT for the Other segment amounted to EUR -17.2 million (-13.1).

Net sales by geography in 2022

EUR million	2022	2021	Change	Comparable change[1]
Europe	**596.0**	592.2	0.6%	1.9%
Americas	**432.0**	475.9	-9.2%	-4.1%
Asia-Pacific	**209.4**	187.7	11.5%	10.6%
Unallocated[2]	**11.1**	-1.4		

[1] Comparable net sales exclude the impact of exchange rates, acquisitions and divestments.

[2] Geographically unallocated exchange rate differences.

Net sales in Europe increased by 0.6% amounting to EUR 596.0 million (2021: 592.2). Comparable net sales increased by 1.9%. Growth was driven by Continental Europe, the U.K. and Ireland, which offset the decline in net sales in the Nordics.

Net sales in the Americas decreased by 9.2% to EUR 432.0 million (475.9) as demand weakened in the second half after a strong start to the year. Figures from the comparison period include the North American Watering business, which was divested on February 1, 2022. The figures from the reporting period only include the North American Watering business in January 2022. Comparable net sales decreased by 4.1%.

Net sales in Asia-Pacific increased by 11.5% to EUR 209.4 million (187.7). Comparable net sales increased by 10.6% with positive development in most countries in the region. In China, net sales increased by 36% despite the impact of intermittent Covid-19 disruptions, especially in the second quarter.

Financial items, net result and cash flow

In 2022, financial income and expenses amounted to EUR -11.7 million (2021: -0.0). Net interest expenses from funding, currency hedging and leasing liabilities amounted to EUR -7.4 million (-3.4). The unrealized loss from investments in unlisted funds amounted to EUR -1.4 million (6.4). Foreign exchange differences accounted for EUR -1.1 million (4.2) of financial items.

Profit before taxes was EUR 124.1 million (144.1). Income taxes were EUR -25.0 million (-56.5). Earnings per share were EUR 1.21 (1.06, including the negative impact of EUR 0.35 per share related to the tax reassessment case).

Cash flow from operating activities before financial items and taxes declined to EUR -24.9 million (164.2) due to increase in net working capital. Cash flow from financial items and taxes amounted to EUR -36.6 million (-41.3).

Cash flow from investing activities was EUR -7.8 million (-33.7), including EUR 48.1 million of capital expenditure on fixed assets, EUR 43.9 million of proceeds from the sale of assets held for sale, EUR -9.2 from the impact of the disposal of the Russian subsidiary and EUR 4.3 million of cash flow from other investments. Cash flow from financing activities was EUR 149.8 million (-123.3), including EUR 130.1 million proceeds from non-current debt, EUR 129.3 million of change in current debt, EUR -62.9 million of dividends paid, EUR -26.5 million of payments of lease liabilities, EUR -18.0 million purchase of treasury shares and EUR -1.7 million change in current receivables. The comparison figure from 2021 included EUR -49.2 million dividends paid, EUR -60.5 million repayments of non-current debt, EUR 12.8 million of change in current debt and EUR -26.4 million of payments of lease liabilities.

Capital expenditure totaled EUR 48.1 million (34.4) and was mainly related to IT and the supply chain. Depreciation, amortization and impairment amounted to EUR 59.4 million (61.6).

Balance sheet and financing

Fiskars Group's working capital totaled EUR 337.2 million (164.5) at the end of December. The equity ratio was 53% (57%), and net gearing was 39% (18%).

Cash and cash equivalents at the end of the period totaled EUR 115.8 million (31.5). Net interest-bearing debt amounted to EUR 325.3 million (145.0), of which lease liabilities classified as interest-bearing debt under IFRS 16 accounted for EUR 115.5 million (111.5).

Excluding lease liabilities, short-term borrowing totaled EUR 195.2 million (64.4) and long-term borrowing EUR 130.4 million (0.7). Short-term borrowing consisted of a revolving facility loan and of commercial paper maturing in 2023. Long-term borrowing included bilateral loans from financial institutions.

Fiskars Group had EUR 250.0 (2021: 280.0) million of long-term committed credit facilities and uncommitted overdraft facilities of EUR 47.0 (44.0) million. A commercial paper program of 400 million was available with Nordic banks. Of the long-term committed credit facilities EUR 50.0 million was in use (0.0), and of the commercial paper program EUR 145.6 (0.0) million was in use.

Research and development

Research and development expenses totaled EUR 20.8 million (2021: 15.5), equivalent to 1.7% (1.2%) of net sales.

Personnel

The average number of full-time equivalent employees (FTE) was 6,273 (2021: 6,081) in 2022. At the end of the year, the Group employed 6,595 (6,690) employees, of whom 1,172 (1,111) were in Finland. In 2022, personnel costs amounted to EUR 289.0 million (293.7), of which wages and salaries constituted EUR 238.0 million (240.0).

Reporting of non-financial information

In this section of the Report by the Board of Directors, we describe the material sustainability topics and disclosures around Fiskars Group's commitments, along with material sustainability topics and KPIs defined by the Non-Financial Reporting Directive. Non-financial risks are covered in the section on Risks and business uncertainties, and the Fiskars Group business model can be found at the beginning of the Report by the Board of Directors.

More comprehensive information on Fiskars Group's sustainability work and results can be found in the 2022 Sustainability Report, published as part of Fiskars Group's Annual Report.

ESG in 2022

Sustainability is one of Fiskars Group's key enablers for creating and delivering sustainable growth. Sustainability represents an opportunity for Fiskars Group to further strengthen the reputation and increase brand love.

During 2022, Fiskars Group reviewed and updated its sustainability strategy. The company's ambitious approach and most of the commitments and targets remain the same, but the strategy was simplified to ensure focus on the areas in which Fiskars Group has the biggest impact. The updated strategy is more closely linked to business and the company purpose: Pioneering design to make the everyday extraordinary. The sustainability strategy is now called the environmental, social and governance (ESG) strategy. The new terminology better describes the aspects considered in Fiskars Group's sustainability work and their link to business performance.

Fiskars Group conducted a materiality assessment in 2022 to update the company's understanding of material topics and the main impacts on the economy, environment, and people throughout its value chain. In addition to the impact lens, financially material topics were identified, thus expanding the assessment to cover the concept of double materiality. Double materiality takes into account how a company affects the environment and society around it, as well as how ESG factors affect a firm's financial value. The materiality analysis was based on the input from key stakeholders such as consumers, corporate customers, suppliers, investors, NGOs, the media, and employees. The results from the materiality assessment were used in defining and updating Fiskars Group's ESG strategy and approach to sustainability.

In the updated ESG strategy, two commitments and five key targets have been prioritized which will be followed and frequently reported on at the Group level, both internally and externally.

Commitments

- Pioneering design against throwaway culture
- Making the everyday extraordinary

Key targets and progress

All targets set in previous years are not part of the five key KPIs, but the company continues to monitor those as a part of the sustainability work. Fiskars Group's Business Areas and Global Functions set their own sub-targets and roadmaps to help achieve Group-level goals.

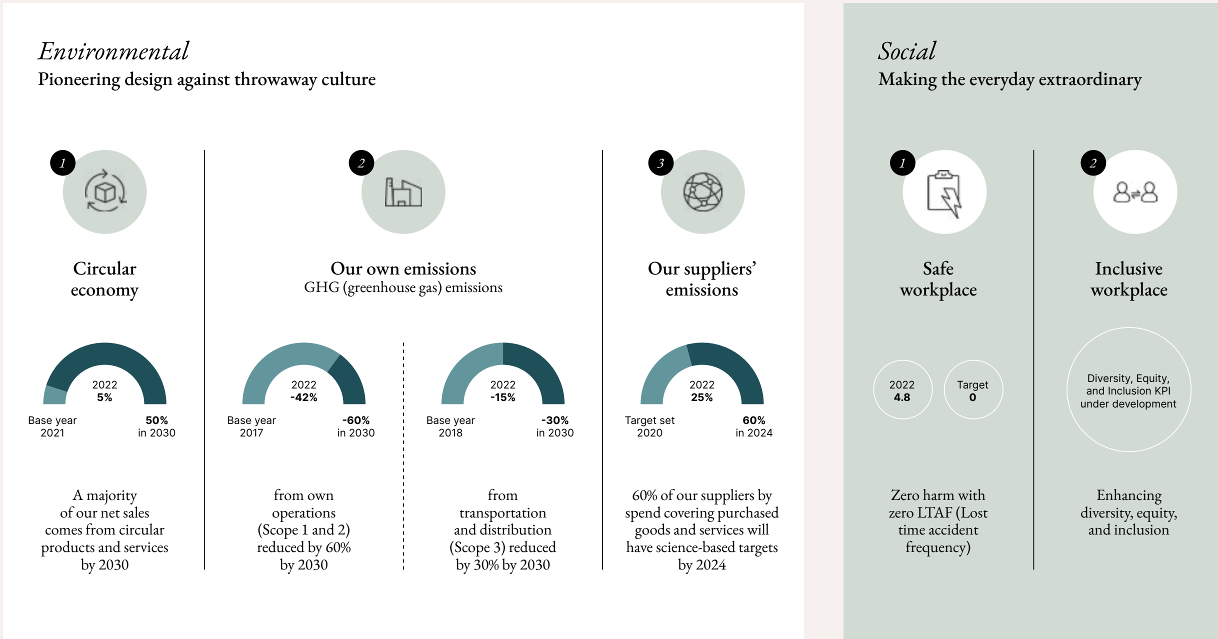
During 2022, Fiskars Group focused on scaling circular services, e.g., the Vintage service and Fiskars pan care, increasing the use of circular materials, further developing the company's approach to decreasing its carbon footprint and working towards health and safety, as well as enhancing diversity and inclusion.

In 2022, Fiskars Group was recognized for its leadership in corporate transparency and performance on climate change by the global environmental non-profit CDP, securing a place on its annual Climate Change A List. Based on data reported through CDP's 2022 Climate Change questionnaire, Fiskars Group was one of less than 300 companies achieving the A rating out of nearly 15,000 companies scored. In addition, Fiskars Group achieved a Platinum level sustainability rating from EcoVadis. The Platinum EcoVadis Medal places Fiskars Group among the top 1% of companies assessed in our industry.

Environment

The responsible and reduced use of natural resources and the careful reuse and recycling of materials are central to Fiskars Group's sustainability approach. Fiskars Group's environmental approach is guided by two main principles: supporting long-term competitiveness and reducing negative impacts.

New business models based on the circular economy, such as extending material cycles, innovating,



and introducing service-based solutions, provide opportunities to create value. In addition, Fiskars Group is constantly seeking new opportunities to increase the use of recycled or renewable materials in its products. For example, Fiskars Group is committed to promoting efficiency in energy and resource utilization and identifying new solutions to enable better efficiency across the value chain.

POLICIES AND COMMITMENTS

International standards and guidelines such as ISO 14001 form an important foundation for Fiskars Group's environmental management. The Fiskars Group Environmental Policy emphasizes common targets and ways of working within Fiskars Group's manufacturing units. Fiskars Group's Supplier Code of Conduct outlines expectations regarding suppliers' energy and emissions management, and every supplier must sign and commit to it if they are to do business with Fiskars Group.

TARGETS AND ACTIONS

Target for 2030: A majority of our net sales comes from circular products and services

Creating new business models is essential to staying relevant in the changing business landscape. The circular economy provides opportunities to create value and supports Fiskars Group in resource wisdom: being more efficient and innovating with new materials and technologies to mitigate the use of non-renewable materials. Fiskars Group aims to have a majority of its net sales coming from circular products and services by 2030. Fiskars Group's brands have created recycled material product ranges, and approximately 5% of the Group's net sales were generated from these product ranges during 2022.

Fiskars Group's Vintage service buys and sells second-hand Iittala, Arabia, and Rörstrand tableware in Finland and Sweden. Vintage products sold through the service during 2022 helped avoid the consumption of 77 (116) tons of solid natural resources and saved 26 (39) tons of CO_2 emissions. The assessment was conducted with Helsinki Metropolitan Area Reuse Centre Ltd to better understand the environmental savings that people can achieve by buying previously owned tableware instead of new products.

Mitigating waste

As part of Fiskars Group's commitment to fight against throwaway culture and become more circular, the company is working on reducing landfill waste from its own operations. The company aims for all waste from its own operations (manufacturing, distribution centers, retail, and offices) to be recovered or recycled by 2030 so that no waste ends up in landfills.

To achieve this goal, Fiskars Group is constantly seeking new opportunities to improve material efficiency and to increase the use of recycled or renewable materials. Fiskars Group regularly assesses performance in this area and manages waste in accordance with ISO 14001:2015 and applicable laws and regulations. Factories and distribution centers have gained an insight into developing new opportunities for recycling and reusing materials, and many have already made significant changes to their waste management processes. These efforts resulted in a reduction in landfill waste to just 352 tons in 2022, and compared to the previous year, Fiskars Group was able to reduce the amount of landfill waste through its own operations by 41%. Compared to 2017, Fiskars Group has been able to reduce landfill waste by 91%, meaning that the company exceeded its 2022 interim goal of reducing landfill waste from manufacturing by 80% compared to 2017.

Targets:

- Greenhouse gas emissions from own operations (Scopes 1 and 2) reduced by 60% from a 2017 base year by 2030
- Greenhouse gas emissions from transportation and distribution (Scope 3) reduced by 30% from a 2018 base year by 2030
- 60% of our suppliers by spend covering purchased goods and services will have science-based targets by 2024

Fiskars Group's energy consumption was approximately on the same level compared to the previous year. The Group's total energy consumption was 1,031 TJ (1,029 TJ), with 229 TJ (236 TJ) of energy from renewable sources. The company was able to reduce energy consumption in many places, although these efforts were insufficient to mitigate the slight overall increase.

In 2022, Fiskars Group enhanced energy efficiency by implementing various energy-saving activities that decreased energy consumption by 265 MWh (430 MWh). Since the 2018 base year, these activities have enabled the company to decrease energy consumption by 12,672 MWh (12,300 MWh). Energy savings consist of multiple actions in manufacturing units and distribution centers. For example, we have continued to replace lighting with LED lighting, resulting in an energy saving of 66 MWh this year.

Group-wide greenhouse gas emissions decreased by 6% in 2022 compared to the previous year. Compared to the 2017 base year, Fiskars Group has achieved a reduction of 42% as a result of energy-saving actions and investments in renewable energy. In 2022, 38 tons of CO_2 equivalents were saved through energy and emissions saving activities in manufacturing units and distribution centers.

Fiskars Group has continued to invest in renewable electricity. For example, the Group installed solar panels at some of its locations, and continues to seek opportunities to expand these initiatives. In 2022, Fiskars Group announced an energy investment of approximately EUR 10 million[1] in the Iittala glass factory in Hämeenlinna, Finland, where Iittala's iconic glass products are manufactured for sale in Finland and globally. Fiskars Group is replacing the factory's existing natural gas powered furnaces with electricity powered furnaces. These new furnaces incorporate high technology solutions and will use renewable energy. The project will be completed during 2026. With this investment, the glass factory will reduce its annual carbon dioxide emissions by 74% by the end of 2026. In total, Fiskars Group's Scope 1 emissions will be reduced by 26% compared to 2021. In addition to reducing the factory's carbon dioxide emissions, the new furnaces will also decrease the energy consumption of the glass melting furnaces by 67%. The furnaces are responsible for most of the factory's total energy consumption.

1 Approximately 30% of the total investment will be covered by the European Union's NextGenerationEU funding granted by the Ministry of Economic Affairs and Employment of Finland on October 4, 2022. This energy investment aid to the Iittala glass factory amounts to EUR 2.871 million.

ENERGY

GRI 302-1 Energy consumption within the organization, TJ

	2022	2021	2020
Direct energy consumption: non-renewable	**728**	686	606
Direct energy consumption: renewable	**11**	12	9
Indirect energy consumption	**293**	330	285
Total energy consumption	**1,031**	1,029	901

Fiskars Group's transportation emissions decreased by 8% from 2021: Emissions from inbound and outbound transportation were 22,142 tCO_2e (23,963 tCO_2e). The decrease was mostly due to a divestment during the year that resulted in less road transportation being used, and from the Group's logistics partners transitioning to lower emission operations. Transportation emissions have been reduced by 15% from the 2018 target base year.

In addition to transportation emissions, Fiskars Group annually measures and reports the emissions from business travel. To keep business travel emissions as low as possible, the company encourages all employees to consider alternatives to travel such as virtual meetings. All business travel must have a valid business purpose. In 2022, business travel emissions increased by 179% from the previous year as Covid-19 travel restrictions eased in most locations. Business travel emissions for 2022 are 72% lower than in 2019, before the Covid-19 restrictions were introduced.

Fiskars Group encourages suppliers to set science-based targets for at least their Scope 1 and 2 emissions. For example, the company supports suppliers in their climate work by providing online training sessions and direct local support. By collaborating with suppliers, Fiskars Group was able to make noticeable progress in its target:
By the end of the year, approximately 25% of the company's suppliers by spend covering purchased goods and services set science-based targets. Fiskars Group started actively engaging with its suppliers on this topic in 2021, and by the end of that year, approximately 6% by spend had set science-based targets.

EMISSIONS

GRI 305-1 Direct (Scope 1) GHG emissions, 1,000 t CO_2

	2022	2021	2020
Scope 1 emissions	**40**	38	34

GRI 305-2 Energy indirect (Scope 2) GHG emissions, 1,000 t CO_2e

	2022	2021	2020
Scope 2 emissions			
Market-based	**10**	16	15
Location-based	**27**	31	28

GRI 305-3 Other indirect (Scope 3) GHG emissions

	2022	2021	2020
Scope 3 emissions			
Business travel[1]	**1,414**	507	770
Upstream and downstream transportation[2]	**22,142**	23,100	25,930

[1] The reported business travel emissions include all business-related flights from the company's main locations.

[2] In 2022, 94% of Fiskars Group's transportation emissions inventory was calculated using either GHG reports received from our logistics partners or the distance-based method. The remaining 6% was extrapolated by spend to cover all annual transportation emissions.

Social and employee-related matters

Fiskars Group is committed to inspiring and empowering people to learn, develop as professionals, and to bring in new ideas, skills, and perspectives. Fiskars Group is building a globally collaborative culture and diverse team so that it can serve its stakeholders in the best possible way. Fiskars Group wants to attract, develop, and retain a diverse team of high-performing people from different backgrounds and cultures.

One of the key priorities in Fiskars Group's operations is to ensure the safety and wellbeing of employees and people involved in the company's value chain. Fiskars Group promotes a culture of zero harm to increase safety and hazard awareness. A continuing focus on reducing accidents and near-misses and promoting the reporting of safety observations are vital in developing and retaining a team that is engaged and enabled to do its best.

POLICIES AND COMMITMENTS

Fiskars Group has outlined a set of policies and guidelines related to social and employee-related matters to guide its leadership and employees, as well as its partners, in their day-to-day work.

Fiskars Group's Code of Conduct provides a detailed description of Fiskars Group's approach to doing business in an ethical way. Fiskars Group's Supplier Code of Conduct outlines the same expectations for suppliers. Fiskars Group's Code of Conduct and the Supplier Code of Conduct were updated in 2022. The update included adding expectations on several topics and due diligence practices, as well as Fiskars Group whistleblowing channel, i.e. Ethics & Compliance Helpline.

Fiskars Group organizes regular mandatory training sessions to help all employees implement the principles and guidelines outlined in the Code of Conduct in their everyday work. New employees conduct the training during their onboarding. In addition to the onboarding, all Fiskars Group employees must complete the training every second year. Classroom trainings are held at all Manufacturing Units and Distribution Centers in local languages at regular intervals by the local HR. By the end of 2022, 96% of employees had completed the Code of Conduct training.

Fiskars Group's Employment Policy aligns topics such as diversity and inclusion, employee wellbeing, freedom of association and employee contracts.

Fiskars Group's Health and Safety Policy promotes a culture of zero harm and supports safety priorities. Health and safety topics such as workplace safety, emergency preparedness, and management and communication on health and safety are also covered in Fiskars Group's Supplier Code of Conduct.

TARGETS AND ACTIONS

HEALTH AND SAFETY

Target 2030: Zero harm with a zero Lost Time Accident Frequency (LTAF)

In 2022, Fiskars Group's Lost Time Accident Frequency (LTAF) decreased to 4.8 (5.2), and the rate of recordable work-related injuries was 7.4 (8.7). The company is driven to improve safety performance. Contractor LTAF was 0 (3.0).

Fiskars Group's fifth global Safety Week was celebrated with the theme "I care: Back to safety basics." The focus was on safety basics, and each location organized its own location-specific Safety Week activities. Safety week activities included familiarizing employees with the safety procedures specific to their location, conducting safety walks, reporting on safety observations, and policy training.

Reporting safety hazards, observations, and incidents is everyone's responsibility at Fiskars Group. Fiskars Group emphasizes the importance of having a good trust culture and encourages transparency and openness in reporting safety observations, accidents, and near-miss events. One of Fiskars Group's objectives for the Safety Week is to encourage our employees to submit safety observations and thereby contribute to safe working environments. The easily accessible tool for reporting safety observations has proven very effective and is used widely to manage safety at most locations. Employees reported almost 1,000 observations during Safety Week.

Diversity, equity, and inclusion

Target: Enhancing diversity, equity, and inclusion
Fiskars Group is committed to creating a diverse, equal, and inclusive work culture in which employees can do their best. The fifth key target in Fiskars Group's updated ESG strategy is to enhance diversity, equity and inclusion (DEI) experienced by employees. The company also wants to actively participate in promoting DEI topics in society.

During 2022, Fiskars Group continued to be guided by its DEI statement and focus areas which were defined in 2021. Fiskars Group's focus areas are building awareness and understanding, welcoming and nurturing diverse talent, and celebrating and promoting diversity. Together with stakeholders in the company, DEI initiatives were aligned, planned, and implemented. The company continued to integrate DEI into Fiskars Group's everyday processes.

In 2022, Fiskars Group continued to emphasize the first focus area: building awareness and understanding. The company's commitment to human rights and diversity and inclusion are firmly embedded in Fiskars Group's Code of Conduct. Fiskars Group is committed to equal opportunity in all employment practices, policies, and rules, as well as treating all employees fairly and impartially based on competence, experience, and performance, without regard to race, ethnicity, age, disability, gender, sexual orientation, and/or any other characteristics.

During the year, Fiskars Group piloted the first two People Networks (also known as Employee Resource Groups). People Networks are voluntary employee-led groups whose aim is to foster a diverse and inclusive workplace. The Networks have their own executive sponsor(s), and they are open to all employees. The first Networks are: the Women in Business Network (focusing on women's empowerment and equality in business); and the Pride Network (whose goal is to connect and support colleagues in LGBTQ+ matters and to champion and celebrate inclusion within the company).

Fiskars Group has an employee engagement survey, Our Voice. Two Our Voice surveys were conducted in 2022, the first in May as a pulse survey for office employees, and the second in October for all employees. The engagement score in the second survey was 73, down by two points from the November 2021 comparison score.

Our Voice also tracks two scores especially related to DEI:

- Belonging score (Question: I feel a sense of belonging at Fiskars Group): 76 (October 2022) (73; November 2021)
- Inclusion score (Question: Where I work, diverse perspectives are valued): 72 (October 2022) (70; November 2021)

DIVERSITY AND EQUAL OPPORTUNITIES

GRI 405-1 Diversity of governance bodies and employees

Board of Directors Age group	Female, %	Male, %	Total, %
Under 30	0 (0)	0 (0)	0 (0)
30–50	12.5 (25.0)	25.0 (12.5)	37.5 (37.5)
Over 50	25.0 (12.5)	37.5 (50.0)	62.5 (62.5)
Total	37.5 (37.5)	62.5 (62.5)	100.0 (100.0)

Leadership Team Age group	Female, %	Male, %	Total, %
Under 30	0 (0)	0 (0)	0 (0)
30–50	10.0 (9.1)	20.0 (27.3)	30.0 (36.4)
Over 50	30.0 (18.2)	40.0 (45.4)	70.0 (63.6)
Total	40.0 (27.3)	60.0 (72.7)	100.0 (100.0)

Managers with teams Age group	Female, %	Male, %	Total, %
Under 30	1.8 (2.2)	0.5 (0.3)	2.3 (2.5)
30–50	27.3 (28.4)	32.5 (35.8)	59.8 (64.2)
Over 50	16.7 (14.8)	21.2 (18.5)	38.0 (33.3)
Total	45.8 (45.4)	54.2 (54.6)	100.0 (100.0)

Human rights, anti-corruption, and bribery

Fiskars Group impacts people's lives throughout its global value chain. The company respects human rights and recognizes the equality of people.

Fiskars Group is committed to full compliance with all applicable laws and regulations of relevant countries. All business is conducted according to the law and with integrity. Fiskars Group does not allow working conditions or treatment that contravene basic human rights. All Fiskars Group employees must be aware of and conduct their activities in accordance with the Code of Conduct and all supporting Fiskars Group policies, even when the Code requires a higher standard of behavior than is required by national laws and local regulations.

POLICIES AND COMMITMENTS

The Fiskars Group Code of Conduct and related training provide a detailed description of the company's approach to doing business in an ethical way. Civil and political rights, economic, social, and cultural rights, labor rights, and the rights of vulnerable groups are essential for creating a positive, lasting impact on the quality of life of the people and the communities Fiskars Group is a part of. Fiskars Group employees receive regular training on the Code of Conduct to increase their awareness of and ability to implement the company's principles in their everyday work.

Fiskars Group expects all its business partners, customers, and their sub-contractors to be governed by the same or similar principles stipulated in the Fiskars Group Code of conduct. The Fiskars Group's Supplier Code of Conduct communicates Fiskars Group's ethical and sustainability expectations to all our suppliers and cooperation partners. Every supplier must sign and commit to Fiskars Group's Supplier Code of Conduct if they are to do business with Fiskars.

Fiskars Group is a participant to the United Nations Global Compact, by which Fiskars Group has committed to mitigate adverse human rights and work against corruption and bribery. Fiskars Group's commitment to human rights is deeply ingrained in its values and is articulated in its Code of Conduct, company policies, and Human Rights Statement. To support Fiskars Group's commitment, the Fiskars Group Anti-Corruption and Anti-Bribery Policy outlines the expectations towards Fiskars Group's employees, as well as all business partners, to act impartially and in good faith at all times. The policy covers every individual working in or with Fiskars Group, at any level or grade, and wherever they are located. Fiskars Group also expects all its business partners to be governed by the same or similar principles, as stipulated in this policy. Fiskars Group expects all business partners to ensure these principles are communicated to their employees and sub-contractors.

In addition to the United Nations Global Compact principles, Fiskars Group is committed to adhering to the International Bill of Human Rights, UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Fiskars Group supports the values, freedoms, and fundamental rights promoted in these texts and is committed to continuously learn about and follow the evolution of human rights.

TARGETS AND ACTIONS

Fiskars Group does not allow working conditions or treatment that contravene basic human rights. Fiskars Group has zero tolerance for child labor, and safeguards vulnerable workers from abuse or exploitation, regardless of their employment contract or immigration status. Supplier sustainability audits help assess and control human rights topics in the Fiskars Group supply chain.

Fiskars Group is currently assessing awareness and commitment to human rights and anti-corruption and bribery by measuring the percentage of employees who have participated in Code of Conduct training. By the end of 2022, 96% of our employees had completed our Code of Conduct training.

A human rights assessment was conducted in 2019 to better understand the gaps, risks, opportunities, and steps required when developing a human rights due diligence program. After the assessment, the Covid-19 pandemic and changes in Fiskars Group organization slowed down plans related to the human rights due diligence program. However, progress has been made since, and work has been continued to develop human rights due diligence. Instead of creating a separate new process, Fiskars Group's aim has been to integrate human rights management more deeply into existing processes, ESG strategy, and management.

Fiskars Group is committed to conducting its business in an ethical and responsible manner, tolerating no violations of the Fiskars Group Code of Conduct. The Fiskars Group Code of Conduct requires all employees or other persons working under Fiskars Group's direction to report any suspected violations to their manager, HR, Legal & Compliance function, through the anonymous written Ethics and Compliance Helpline, or by calling Ethics and Compliance Hotline numbers. Fiskars Group has country-specific numbers for those countries where there is either a manufacturing unit or distribution center or significant suppliers. The anonymous third-party channels are also open to suppliers and partners.

All suspected violations and occurrences of misconduct are promptly and thoroughly investigated with confidentiality by the Legal and Compliance function. Depending on the case, relevant functions such as HR are engaged in resolving the issues. All reported cases are reported quarterly to the Board's Audit Committee.

During 2022, Fiskars Group had a total of 30 reported misconduct cases. Eighteen reports were anonymously made through the Ethics and Compliance Helpline, four cases were received via management, six cases were received via HR, and two were reported via the compliance email address. The reported cases were related to leadership issues, the misuse of employee benefits, breaches of policies and guidelines, discrimination, bullying, harassment, conflicts of interest, health and safety, fraud, and privacy. Eighteen of these cases were investigated, resolved, and closed during 2022. Twelve remain under investigation or are being followed up.

The performance of Fiskars Group's suppliers is followed up through regular audits. In 2022, Fiskars Group conducted a total of 88 (81) supplier code of conduct audits on its suppliers. This included audits for finished good suppliers, raw material and component suppliers, and out-licensing partners. Fiskars Group has a professional team of auditors who perform audits in the Far East and Southeast Asia. In addition, third-party audit services are used to complement the company's own assessments when required.

Risks

The overall objective of Fiskars Group's risk management is to identify, evaluate, and manage risks that may threaten the achievement of the company's business goals. The most material sustainability related risks, including environmental, social, and employee matters, respect for human rights, and anti-corruption and bribery matters, are included in the established annual risk management process. This ensures that risks related to sustainability are identified and assessed, and that control measures are set. Fiskars Group has put several processes in place to manage risks, such as supplier risk management processes and strategic initiatives to lower emissions and reduce energy consumption. Detailed risk descriptions can be found under the section on Risks and business uncertainties.

EU Taxonomy

Fiskars Group discloses information according to Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021, supplementing Regulation (EU) 2020/852 ("EU Taxonomy for sustainable activities") of the European Parliament and of the Council.

The EU has taken an active role in driving sustainable growth. Directing investments towards sustainable projects and activities is necessary to meet the climate targets set by the EU. To support this, the EU has established a classification system for sustainable economic activities, the EU Taxonomy.

The EU Taxonomy consists of a list of environmentally sustainable economic activities. The Taxonomy Regulation establishes six environmental objectives, of which two (climate change mitigation and climate change adaptation) have been finalized (EU Taxonomy Climate Delegated Act) thus far. As of January 2022, large companies in Europe were required to provide information on their Taxonomy-eligible activities, and from January 2023, companies are required to provide information on their Taxonomy-aligned economic activities in addition to Taxonomy-eligible activities for the first two environmental objectives.

At this stage, the economic activities defined in the Climate Delegated Act are mainly those with the most significant impact on climate change. These economic activities have been defined first, as they are the most crucial for meeting climate change mitigation and climate change adaptation requirements. Fiskars Group's main business is in manufacturing consumer products for indoor and outdoor living. Fiskars Group's industry has not been defined among the most high-emitting industries, and the company's interpretation of the current Taxonomy is therefore that most of the company's business is not within the scope of the Taxonomy. However, in addition to providing consumer products and services, Fiskars Group's activities include museums and cultural activities, real estate activities, and forest management which have been specified in the Taxonomy. These represent a minority of the overall business.

Fiskars Group has reviewed the Minimum Social Safeguards set out in Regulation (EU) 2020/852 and the Final Report on Minimum Safeguards by the EU Platform on Sustainable Finance. The minimum safeguards cover minimum criteria on human rights, bribery and corruption, taxation, and fair competition. Fiskars Group has assessed its activities to be aligned with the established criteria. Fiskars Group has extensive policies in place for the aforementioned topics, extending requirements also to the company's business partners. The company is committed to and supports the values, freedoms, and fundamental rights promoted in internationally recognized labor and human rights standards, as well as guidelines on taxation and preventing bribery and corruption. More information on advancing human rights, anti-corruption and prevention of bribery can be found in the section on Reporting of non-financial information and the 2022 Sustainability Report.

Sustainability is an important part of Fiskars Group's strategy, and the company is constantly working to further improve its performance in this area. Fiskars Group views sustainability as an opportunity to take action in solving global challenges and to create solutions that support consumers in their journey toward a more sustainable future. Fiskars Group designs products of timeless, purposeful, and functional beauty, driving innovation and sustainable growth, and has launched new product series which use recycled materials. The company continues to research and innovate with new and sustainable materials. Fiskars Group has also introduced new business models based on services (for example, the Vintage service and Fiskars pan care service) to keep products in circulation for as long as possible. The company has set ambitious science-based targets to reduce emissions, and the company invests in its operations to constantly improve efficiency and to become more circular. More information about Fiskars Group's environmental sustainability can be found in the Reporting of non-financial information section of this report and the 2022 Sustainability Report, published as a part of the Annual Report.

Fiskars Group has taken a stringent approach to assessing Taxonomy-eligibility and alignment. The company has assessed turnover, capital, and operational expenditure for its forestry, cultural, and real estate operations, as well as its operational activities. Individual Taxonomy-eligible activities have been identified. In terms of Taxonomy-alignment, Fiskars Group has not identified any activities from the currently defined economic activities.

Fiskars Group expects the share of eligibility and alignment to increase as the classifications under the remaining four environmental objectives are published. At this stage, while the remaining environmental objectives have yet to be fully defined, the share of turnover, capital (CapEx), and operational expenditure (OpEx) substantially contributing to the economic activities in the Climate Delegated Act for Fiskars Group remains low. The share of turnover, CapEx, and OpEx figures are accounted for from the relevant separate IFRS reported account groups, and no items have therefore been double counted for the numerator.

The figures are presented in the tables at the end of this section.

Taxonomy-eligible turnover
The proportion of turnover has been calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-eligible economic activities (numerator), divided by the net turnover (denominator) of Fiskars Group.

In addition to providing consumer products and services, Fiskars Group's activities include museums and cultural activities, real estate activities, and forest management. However, these represent a minority of the overall business. Fiskars Group identified certain activities as Taxonomy-eligible, according to the economic activities 1.3 Forest management, 7.7 Acquisition and ownership of buildings, 13.1 Creative, arts and entertainment activities, and 13.2 Libraries, archives, museums and cultural activities in Annex I of Regulation (EU) 2021/2139.

1.3 FOREST MANAGEMENT
Fiskars Group owns around 14,000 hectares of FSC™-certified (FSC C109750) and PEFC-certified (PEFC / 02-21-18) forests around the area of the company-owned Fiskars Village and elsewhere in Finland. Fiskars Group actively manages these forests and generates income from selling wood (logging).

The carbon stock of the forests is significant. According to an assessment conducted with the Natural Resources Institute Finland, the current carbon stock of trees is 2.2 million tons of CO_2 equivalent, with the total combined carbon stock of trees, other biomass, and soils is 5.7 million tons of CO_2 equivalent. The current annual carbon sink of the forest is 17,000 tons of CO_2 equivalent. The Substantial Contribution Criteria set out in Annex I of Regulation (EU) 2021/2139 for this economic activity are vast. Forest management meets and in many parts exceeds the criteria set by Finnish law. Forest management is also continuously audited through the FSC certification requirements, for example. However, some criteria are not fulfilled in order to be fully aligned.

This economic activity has been assessed as Taxonomy-eligible but not aligned.

7.7 ACQUISITION AND OWNERSHIP OF BUILDINGS
Fiskars Group owns real estate and gathers income from tenants renting the buildings in question. However, the majority of the rental properties are in protected buildings, for which Energy Performance Certificates (EPCs) have not been acquired. Protected buildings are not required to have EPCs. Energy Performance measures have not been thoroughly assessed, so Fiskars Group has assessed this activity as Taxonomy-eligible but not aligned.

13.1 CREATIVE, ARTS AND ENTERTAINMENT ACTIVITIES
Fiskars Group's brands have a strong heritage, and historical and cultural connections are maintained by offering creative experiences, for example. Fiskars Group generates some income from these activities. Design museum Iittala in Finland offers glass vase mouth blowing for visitors. The World of Wedgwood in the UK offers creative experiences in the form of clay studios, pottery painting, and other activities and workshops. Iittala & Arabia Design Centre in Helsinki invites visitors to explore their own creativity through workshops, lectures, and events, for example.

These activities are solely Taxonomy-eligible and not aligned, as they are not linked to climate change adaptation.

13.2 LIBRARIES, ARCHIVES, MUSEUMS AND CULTURAL ACTIVITIES
Fiskars Group collaborates with museums and institutions, including Design Museum Helsinki, generating some income from ticket sales and tours.

Visits and guided tours are also arranged e.g., at Fiskars Group's factories in Ireland (The House of Waterford), the U.K. (the World of Wedgwood), and Slovenia (Rogaška).

These activities are solely Taxonomy-eligible and not aligned, as they are not linked to climate change adaptation.

Fiskars Group has identified 0.4% of Taxonomy-eligible turnover for 2022 from the economic activities listed above. Fiskars Group has not identified any Taxonomy-aligned turnover.

Taxonomy-eligible CapEx
The proportion of Taxonomy-eligible CapEx has been calculated as part of the total CapEx related to assets or processes that are associated with Taxonomy-eligible economic activities. In addition, the numerator includes individual measures enabling target activities to become low-carbon or to lead to greenhouse gas reductions, notably, activity 7.3 Installation, maintenance and repair of energy efficient equipment.

The denominator has been compiled in accordance with the application of international financial reporting standards (IFRS) as adopted by Regulation (EC) No. 1126/2008.

Fiskars Group has set ambitious science-based targets to reduce emissions. In line with these targets, Fiskars Group is investing in ways to improve energy efficiency and cut greenhouse gas emissions. To distinguish the investments with the most significant impacts on Fiskars Group's operative outcome and to ensure they represent a meaningful share of the company's overall CapEx, Fiskars Group decided to mainly gather CapEx information for activities exceeding EUR 100,000.

With the monetary threshold and examining Taxonomy-eligible expenditures, Fiskars Group identified three economic activities, under which certain projects were found eligible: 7.2 Renovation of existing buildings, 7.3 Installation, maintenance and repair of energy efficiency equipment, and 7.6 Installation, maintenance and repair of renewable energy technologies, in Annex I of Regulation (EU) 2021/2139.

7.2 RENOVATION OF EXISTING BUILDINGS
In 2022, Fiskars Group renovated the roof of one of its manufacturing sites and a building. The latter included changing the windows and adding new insulation. These were both interpreted as Taxonomy-eligible projects. However, as energy efficiency improvements have not been quantified, these projects have been assessed as Taxonomy-eligible but not aligned.

7.3 INSTALLATION, MAINTENANCE AND REPAIR OF ENERGY EFFICIENCY EQUIPMENT
Under Installation, maintenance and repair of energy efficiency equipment, Fiskars Group has identified equipment and lighting related expenditures which improve energy efficiency and/or reduce emissions in manufacturing operations. In 2022, Fiskars Group invested in a robot coating line which increases energy efficiency. In addition, Fiskars Group announced an energy investment of approximately EUR 10 million[1] in the Iittala glass factory in Hämeenlinna, Finland, where the company is replacing the factory's existing natural gas powered furnaces with electricity powered furnaces. With this investment, the glass factory will reduce its annual carbon dioxide emissions by 74% by the end of 2026. In 2022, the company initiated investments for two new furnaces, which will be run with renewable electricity instead of natural gas.

[1] Approximately 30% of the total investment will be covered by the European Union's NextGenerationEU funding granted by the Ministry of Economic Affairs and Employment of Finland on October 4, 2022. This energy investment aid to the Iittala glass factory is EUR 2.871 million.

However, as this economic activity is listed under Construction and real estate in the EU Taxonomy, the technical criteria listed are related to the energy efficiency of buildings. The criteria are not relevant regarding the investments Fiskars Group has considered under this activity. The company has therefore assessed this activity as Taxonomy-eligible but not aligned.

7.6 INSTALLATION, MAINTENANCE AND REPAIR OF RENEWABLE ENERGY TECHNOLOGIES
During 2022, Fiskars Group invested in solar photovoltaic systems at one of its manufacturing units. The project has been assessed as Taxonomy-eligible solely because of not meeting the Do No Significant Harm criteria regarding climate change adaptation. The company has not performed a robust climate risk and vulnerability assessment for this specific activity. The company has therefore assessed this activity as Taxonomy-eligible but not aligned.

Of the economic activities listed above, Fiskars Group has identified 4.4% of Taxonomy-eligible CapEx for 2022. Fiskars Group has not identified any Taxonomy-aligned CapEx.

Taxonomy-eligible OpEx
The OpEx denominator covers direct non-capitalized costs related to research and development, building renovation measures, short-term leases, maintenance and repair, and other direct expenditure related to the day-to-day servicing of assets of property, plant, and equipment by Fiskars Group or a third party to whom activities are outsourced that are necessary

to ensure the continued and effective functioning of such assets.

The OpEx numerator equals to the part of the operating expenditure included in the denominator that is related to assets or processes associated with Taxonomy-eligible economic activities, including training and other human resources adaptation needs and direct non-capitalized costs that represent research and development.

Fiskars Group has identified relevant operational expenditures related to Taxonomy-eligible turnover from 1.3 Forest management, as well as 7.7 Acquisition and ownership of buildings. These operational expenditures include personnel, IT, rents and leases, and other running expenses. For forest management, these also include expenses from planting new trees.

Of the economic activities listed above, Fiskars Group has identified 6.2% of Taxonomy-eligible OpEx for 2022. Fiskars Group has not identified any Taxonomy-aligned OpEx.

Turnover

Economic Activities	Code(s)	Absolute turnover	Proportion of turnover	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	DNSH criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover, year 2022	Taxonomy-aligned proportion of turnover, year 2021	Category (enabling activity)	Category (transitional activity)
		MEUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																				
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Libraries, archives, museums and cultural activities	91	0.7	0.1%																	
Acquisition and ownership of buildings	68	1.7	0.1%																	
Creative, arts and entertainment activities	90	0.2	0.01%																	
Forest management	02.20	2.1	0.2%																	
Turnover of Taxonomy-Eligible but not environmentally sustainable activities (not-Taxonomy-aligned activities) (A.2)		4.6	0.4%																	
Total (A.1 + A.2)		4.6	0.4%																	
B. Taxonomy-non-eligible activities																				
Turnover of Taxonomy-non-eligible activities (B)		1,243.4	99.6%																	
Total (A + B)		1,248.0	100%																	

CapEx

Economic Activities	Code(s)	Absolute CapEx	Proportion of CapEx	Substantial contribution criteria: Climate change mitigation	Substantial contribution criteria: Climate change adaptation	Substantial contribution criteria: Water and marine resources	Substantial contribution criteria: Circular economy	Substantial contribution criteria: Pollution	Substantial contribution criteria: Biodiversity and ecosystems	DNSH criteria: Climate change mitigation	DNSH criteria: Climate change adaptation	DNSH criteria: Water and marine resources	DNSH criteria: Circular economy	DNSH criteria: Pollution	DNSH criteria: Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx, year 2022	Taxonomy-aligned proportion of CapEx, year 2021	Category (enabling activity)	Category (transitional activity)
		MEUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																				
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Installation, maintenance and repair of energy efficiency equipment	23, 25	3.0	3.9%																	
Renovation of existing buildings	43	0.3	0.4%																	
Installation, maintenance and repair of renewable energy technologies	43	0.5	0.1%																	
CapEx of Taxonomy-Eligible but not environmentally sustainable activities (not-Taxonomy-aligned activities) (A.2)		3.4	4.4%																	
Total (A.1 + A.2)		3.4	4.4%																	
B. Taxonomy-non-eligible activities																				
CapEx of Taxonomy-non-eligible activities (B)		73.6	95.6%																	
Total (A + B)		77.0	100%																	

OpEx

Economic Activities	Code(s)	Absolute OpEx	Proportion of OpEx	Substantial contribution criteria: Climate change mitigation	Substantial contribution criteria: Climate change adaptation	Substantial contribution criteria: Water and marine resources	Substantial contribution criteria: Circular economy	Substantial contribution criteria: Pollution	Substantial contribution criteria: Biodiversity and ecosystems	DNSH criteria: Climate change mitigation	DNSH criteria: Climate change adaptation	DNSH criteria: Water and marine resources	DNSH criteria: Circular economy	DNSH criteria: Pollution	DNSH criteria: Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OpEx, year 2022	Taxonomy-aligned proportion of OpEx, year 2021	Category (enabling activity)	Category (transitional activity)
		MEUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																				
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Acquisition and ownership of buildings	68	1.8	5.0%																	
Forest management	02.20	0.4	1.2%																	
OpEx of Taxonomy-Eligible but not environmentally sustainable activities (not-Taxonomy-aligned activities) (A.2)		2.3	6.2%																	
Total (A.1 + A.2)		2.3	6.2%																	
B. Taxonomy-non-eligible activities																				
OpEx of Taxonomy-non-eligible activities (B)		34.2	93.8%																	
Total (A + B)		36.5	100%																	

Changes in organization and management

On January 18, 2022, Fiskars Group appointed Charlene Patten Zappa as Executive Vice President, Business Area Terra, and a member of the Fiskars Group Leadership Team. Charlene started in her position on January 18, 2022 and reports to the President and CEO. James Brouillard, previously Executive Vice President, Business Area Terra, decided to leave the company. Additionally, the Consumer Experience and Communications function was merged into the Business Areas and other functions. Consequently, Chief Consumer and Communication Officer Tina Andersson decided to leave the company.

On January 31, 2022, Fiskars Group appointed Anna Mindelöf as Chief People Officer and a member of the Fiskars Group Leadership Team. Anna started in her position on March 1, 2022 and reports to the President and CEO. Niklas Lindholm, Chief People Officer, decided to leave the company.

On November 15, 2022, Fiskars Group announced several changes to its Leadership team as of January 1, 2023. The company announced that it would add a new role of Executive Vice President, Direct to Consumer, to the Leadership Team. This position will be filled later. In addition, the leadership of Fiskars Group's wholesale sales organization was split into two regional roles, one for the Americas and one for Europe and Asia-Pacific (excluding China). It was announced that Johan Hedberg, previously Fiskars Group's Chief Sales Officer and President, Americas and member of the Leadership Team since December 2019, would continue to lead sales for the Americas region as Chief Sales Officer, Americas and President, Americas. Gennady Jilinski was appointed Chief Sales Officer, Europe and APAC (excl. China). Risto Gaggl, Chief Supply Chain Officer, decided to leave Fiskars Group at the end of 2022 and Bengt Erlandsson was appointed Chief Supply Chain Officer on an interim basis until the new Chief Supply Chain Officer is appointed. Furthermore, the position of Chief Legal Officer, held by Päivi Timonen, will not be part of the Leadership Team as of January 1, 2023.

Other significant events during the year

Outlook lowered on December 14, 2022

On December 14, 2022, Fiskars Group lowered its outlook for 2022 as a result of weaker than anticipated demand in the fourth quarter. Based on the new outlook, the company expected comparable EBIT to be approximately EUR 150 million (2021: EUR 154.2 million). Previously the company expected comparable EBIT to increase from 2021. The rationale for lowering the outlook was that low consumer confidence together with retailers' elevated inventory levels had reduced customers' new orders and replenishments more than anticipated, especially in the U.S.

Cancellation of treasury shares announced on October 28, 2022 and registered on November 2, 2022 – total number of shares changed

On October 28, 2022, Fiskars Group announced that the Board of Directors of Fiskars Corporation had decided to cancel a total of 905,242 Fiskars shares owned by the Company. On November 2, 2022, Fiskars Group announced that the cancellation of the treasury shares had been registered with the Trade Register maintained by the Finnish Patent and Registration Office. After the cancellation, the total number of shares in Fiskars Group is 81,000,000, the total number of votes attached to the shares is 81,000,000 and Fiskars holds a total of 419,484 treasury shares. The cancellation of the shares had no effect on the share capital of Fiskars.

Corporate Governance

Fiskars Corporation is a Finnish public limited company whose duties and responsibilities are defined in Finnish law. Fiskars Group comprises the parent company Fiskars Corporation, and its subsidiaries. The statutory governing bodies of Fiskars Corporation are the General Meeting of Shareholders, the Board of Directors, the Managing Director (President and CEO), and the Auditor. Other Group management supports the statutory governing bodies of Fiskars Corporation. The company's domicile is Raseborg, Finland.

Corporate governance at Fiskars Corporation is based on the Finnish Limited Liability Companies Act, the rules and regulations concerning publicly listed companies, the Company's Articles of Association, the charters of the Company's Board of Directors and its Committees, and the rules and guidelines of Nasdaq Helsinki Ltd. Fiskars Corporation is a member of the Finnish Securities Market Association and complies, with an exception concerning the Nomination

Committee, with the Finnish Corporate Governance Code approved by the Securities Market Association, which came into force on January 1, 2020, and can be reviewed at www.cgfinland.fi. In terms of the composition of the Nomination Committee, the company has departed from Recommendation 15 of the Finnish Corporate Governance Code as explained in more detail in the Corporate Governance Statement 2022.

Resolutions of Annual general meeting 2022 and Board's constitutive meeting

The Annual General Meeting ("AGM") of shareholders of Fiskars Corporation was held at Itämerentori 2, Helsinki, on March 16, 2022. To prevent the spread of Covid-19, the AGM was held without shareholders and their proxy representatives present at the meeting venue. The shareholders of the company participated in the meeting and exercised their shareholders' rights by voting in advance or through a proxy representative designated by the company. A total of 163 shareholders, representing 47.6 million shares and votes, was represented at the meeting. The AGM supported all the proposals by the Board of Directors with at least 96 percent of the votes cast. The AGM approved the financial statements for 2021 and discharged the members of the Board and the President and CEO from liability.

The AGM decided in accordance with the proposal by the Board of Directors to pay a dividend of EUR 0.76 per share for the financial period ending on December 31, 2021. The dividend was paid in two instalments. The ex-dividend date for the first instalment of EUR 0.38 per share was on March 17, 2022. The first instalment was paid to shareholders who were registered in the shareholders' register of the company maintained by Euroclear Finland Ltd on the dividend record date, March 18, 2022. The payment date for this instalment was March 25, 2022.

On September 7, 2022 The Board of Directors resolved in accordance with the resolution of the Annual General Meeting the record date and the payment date of the second instalment of EUR 0.38 per share. The ex-dividend date for the second instalment was September 8, 2022 and the dividend record September 9, 2022. The payment date for the second dividend instalment was September 16, 2022.

The AGM decided to adopt the adjusted Remuneration Policy for the governing bodies.

The AGM decided that the Board of Directors should consist of eight (8) members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Jyri Luomakoski, and Ritva Sotamaa were re-elected to the Board of Directors. Julia Goldin, Carl-Martin Lindahl, and Volker Lixfeld were elected as new members of the Board of Directors. The term of the Board members will expire at the end of the AGM in 2023.

Ernst & Young, the Authorized Public Accountants firm, was re-elected as auditor for the term, which will expire at the end of the AGM in 2023. Ernst & Young has announced that the responsible auditor will be Kristina Sandin, APA. The AGM decided that the auditors' fees would be paid according to a reasonable invoice approved by the Board of Directors.

Convening after the AGM held on March 16, 2022, the Board of Directors elected Paul Ehrnrooth as its Chairman and Jyri Luomakoski as its Vice Chairman. The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chairman), Louise Fromond and Jyri Luomakoski as members, and Alexander Ehrnrooth as an external member to the Nomination Committee. It further decided to establish an Audit Committee and appointed Jyri Luomakoski (Chairman), Albert Ehrnrooth, Louise Fromond, and Ritva Sotamaa as the members of the Audit Committee. The Board also decided to establish a Human Resources and Compensation Committee and appointed Paul Ehrnrooth (Chairman), Jyri Luomakoski, Carl-Martin Lindahl, and Volker Lixfeld as members of the committee.

Board authorizations

Authorizing the Board of Directors to decide on the acquisition of the company's own shares

The Annual General Meeting 2022 decided to authorize the Board to decide on the acquisition of a maximum of 4,000,000 of the company's own shares, in one or several instalments, using the unrestricted shareholders' equity of the company.

The company's own shares may be acquired in public trading on Nasdaq Helsinki Ltd at a price formed in public trading on the date of the acquisition. The authorization may be used to acquire shares to be used for the development of the capital structure of the company, as consideration in corporate acquisitions or industrial reorganizations, and as part of the company's incentive system and otherwise for further transfer, retention, or cancellation.

The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition of the company's own shares. Based on the authorization, the acquisition of the company's own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed acquisition).

The authorization is effective until June 30, 2023, and it did not cancel the corresponding authorization granted to the Board by the AGM on March 11, 2021.

PURCHASES OF THE COMPANY'S OWN SHARES IN 2022

In 2022, the company acquired 1,000,000 of its own shares for EUR 18 million. The average price of the acquired shares was EUR 18.01 per share, the highest price being EUR 20.95 per share, and the lowest price EUR 14.24 per share.

The share acquisition commenced based on the authorization given by the Annual General Meeting 2021 and has continued based on the authorization given by the Annual General Meeting 2022.

Authorizing the Board of Directors to decide on the transfer of the company's own shares

The Annual General Meeting 2022 decided to authorize the Board to decide on the transfer of the company's own shares (share issue) held as treasury shares of a maximum of 4,000,000 shares, in one or several instalments, either against or without consideration. For example, the company's own shares held as treasury shares may be transferred as consideration in corporate acquisitions or industrial reorganizations or for the development of the capital structure of the company, or as part of its incentive system.

The Board of Directors is authorized to decide on all other terms and conditions regarding the transfer of the company's own shares held as treasury shares. The transfer of the company's own shares may also be carried out in deviation from the shareholders' pre-emptive rights to the company's shares (directed issue).

The authorization is effective until June 30, 2023 and cancelled the corresponding authorization granted to the Board by the AGM on March 11, 2021.

TRANSFERS OF THE COMPANY'S OWN SHARES IN 2022

In 2022, the company transferred 108,951 of its own shares in two directed issues. Both of the issues were related to rewards based on the company's incentive plans to key employees. The first directed issue was based on authorization given by the Annual General Meeting 2021 and the second issue was based on authorization given by Annual General Meeting 2022.

Shares and shareholders

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. In 2022, Fiskars Corporation cancelled 905,242 treasury shares after which the number of shares in the Corporation was reduced to 81,000,000. Fiskars Corporation held 419,484 of its own shares at the end of the year. The share capital remained unchanged at EUR 77,510,200.

Fiskars shares are traded in the Large Cap segment of Nasdaq Helsinki. The volume weighted average share price was EUR 18.61 in 2022 (2021: 18.13). At the end of December, the closing price was EUR 15.38 (EUR 23.00) per share and Fiskars had a market capitalization of EUR 1,239.3 million (1,873.8). The number of shares traded on Nasdaq Helsinki and in alternative marketplaces in 2022 was 9.7 million (8.0), which represents 12.1% (9.8%) of the total number of shares. The total number of shareholders was 32,602 (30,080) at the end of 2022.

Flagging notifications

Fiskars was not informed of any significant changes among its shareholders during the year.

Risks and business uncertainties

Fiskars Group has identified the following uncertainties that may have an adverse impact on the business and financial performance of the company. Sustainability related uncertainties are reviewed as a part of Fiskars Group's annual risk management process and as such also described below. Risk management practices are explained in a separate Corporate Governance Statement.

Macroeconomic and political

A prolonged recession and weak consumer demand, as well as political uncertainty including trade disputes, sanctions, import restrictions and geopolitical tensions may have a material adverse impact on the net sales and profit of Fiskars Group. A global pandemic slowing down the world economy, as witnessed with Covid-19, may impact the operations of the company. In addition, negative consumer reactions towards a situation created by geopolitical tensions, can be harmful to business. In the long-term, these risks are mitigated by having a diversified commercial footprint, both in terms of geography and product portfolio.

The current changes in geopolitical environment have increased the political and country risks substantially. There is a political risk to sanctions or import restrictions, especially with China. The realization of this risk would have a negative impact on the Group's net sales and profit as China is both a key supplier market and one of the strategic focus countries.

Supply chain and suppliers

Fluctuations in the price, availability or quality of the most important raw materials, energy, components and finished products from suppliers can have a negative impact on the profitability of Fiskars Group. Furthermore, global supply chain disturbances, increases in shipping costs and regulatory actions, such as tariff increases, and emission trading systems can affect profitability negatively. Dependency on any single source of supply can cause business interruptions and result in lack of product supply for several months.

Fiskars Group manages the price, availability and quality risks inherent in contracts with multiple suppliers and by continuously seeking alternative sustainable materials. The company also mitigates the dependency on any single source of supply by mapping possible suppliers and by maintaining an extensive business interruption insurance. In addition, to secure product availability, the company may also prepare for potential disruptions with safety stocks.

Fiskars Group's production strategy is based on a combination of its own manufacturing and carefully selected supply partners. Own manufacturing takes place in Europe, Asia and the United States, and most of the suppliers are located in Asia. The company's suppliers are exposed to changes in the legal, economic, political and regulatory landscape in the operating countries.

Consumers have increasing expectations regarding sustainability requirements. Failure to meet these expectations or a lack of transparency in the supply chain may have a negative impact on the Group's employer or brand reputation and on consumers' trust in the brands. Fiskars Group strives to build strong and long-term relationships with trusted suppliers that live up to our corporate values and commit to a timely delivery of products and materials. Suppliers are required to follow the Fiskars Group Supplier Code of Conduct which sets the non-negotiable minimum standards regarding topics such as health and safety, environmental protection, and human and labor rights. The company conducts audits on its finished good suppliers. Currently, transparency is mainly limited to Fiskars Group's direct suppliers, and the challenge is to manage the risks beyond direct suppliers.

Consumer behavior

The development of new technologies and new retail channels has increased the role of online shopping, social media advertising and selling, as well as the use of mobile applications. An increasing emphasis on sustainability is expected to add demand for new services and business models that support circularity and extend the lifecycle of products. Related to this, Fiskars Group has also identified the risk of decreasing demand for traditional products. In addition, the fast pace of change in consumer trends puts pressure on new product development and speed-to-market processes.

Failure or slowness to respond to changing consumer behavior, changing preferences or increased competition may weaken the competitive position and thus lead to a potential loss of net sales and profit. Fiskars Group's focus is on growing in the direct channel, including e-commerce and own stores, as well as on sustainability by innovating circular designs and new business models to address the needs of the modern consumer.

The geopolitical tensions, broad-based inflation and rising interest rates witnessed in 2022 in many markets have reduced consumer confidence and can further weaken the demand for Fiskars Group's products.

Customers

Fiskars Group's products are sold to wholesale and retail customers, as well as directly to consumers through the company's own stores and e-commerce. Fiskars Group is exposed to risks from structural changes in the retail landscape. Consolidation among retailers and the increasingly centralized purchasing activity by international retailers may have an impact on the net sales and profit of Fiskars Group. As a supplier, Fiskars Group is also exposed to retailers shifting their strategic focus to their own private label businesses. As an outcome retailers may lower the level of the Group's products in their own stock, decrease the level of shelf space reserved for the Group's products or even discontinue selling the Group's products.

Failure to meet customer demands may result in Fiskars Group losing customers or category listings with customers. The loss of any of the largest customers, the loss of significant category listings with key channels, or a decrease in business volume with key customers may have a material adverse impact on the net sales and profit of Fiskars Group. There is also a risk of customer bankruptcy due to the challenging economic environment.

Fiskars Group maintains relationships and trade relations with a diverse customer base and no single customer represents more than 5% of the Group's revenue. Fiskars Group is constantly developing its sales organization and supply chain operations to meet the changes in customer demand.

People

People are at the core of Fiskars Group's strategy as the most important asset and enabler. The execution of the Growth Strategy is heavily reliant on employing the right people in the right positions.

An inability to attract and retain talented and committed professionals with the needed capabilities in the competitive employee market may have an adverse impact on the achievement of Fiskars Group's strategic objectives. Failure to provide an inspiring and motivating working environment may lead to a loss of critical competencies and key employees in strategic positions. The growing demands of working life can result in loss of employee engagement, increased absence rates and high turnover. Employee engagement is promoted notably by providing opportunities for professional growth through leadership training and skills development and by committing to a diverse and inclusive culture. The "Our Voice" employee surveys are carried out regularly to monitor the engagement and well-being of the company's employees.

Occupational health and safety risks may cause severe harm to employees and endanger the continuity of operations. Fiskars Group has set a Group-level target of achieving zero lost time accident frequency. The company is committed to ethical and responsible business practices and to respecting human rights, anti-corruption and anti-bribery activities. The same is also expected of the Group's suppliers. Failure to keep these commitments can lead to a decrease in employee motivation and well-being as well as reputational and financial damage to the company. Any misconduct can be reported anonymously through a whistle-blowing channel, and the company is committed to taking corrective action when needed.

The risk of human error is prevalent in all business operations. This is mitigated by designing and implementing appropriate processes for all business-critical operations.

IT systems and cyber security

Fiskars Group is increasingly dependent on centralized information technology systems and suppliers that hold and process critical business information. Breaches, malfunctions, cyber-attacks and fraud attempts towards Fiskars Group or its suppliers may cause interruptions in the company's operations on either a regional or global level. Such interruption may have a material adverse effect on the net sales, profit and reputation of the Group.

Risks related to major system implementations, such as conflicting or missing data, budget overspend and delay of the project may affect business negatively. Operating against IT best practices, such as following poor lifecycle management, may leave systems vulnerable and cause compromised security. The risk applies both to own and suppliers' or other third parties' IT environment.

Fiskars Group mitigates IT-related risks by deploying high-quality IT solutions and by maintaining, developing and testing their function and integrity according to internal IT control framework and industry best practices. Critical service and technology providers are required to have continuity and recovery plans for their services in the event of disruptions. Changes to new and existing IT systems are made according to standard processes and procedures.

Fiskars Group's information and cyber security governance works towards integrating risks into corporate decision-making. Security posture and capabilities are ensured with different security technologies including network, endpoint and cloud detection and response, firewalls, threat intelligence and security operations. Security awareness program develops and promotes cyber security and data privacy mindset for all Group's employees.

Environment and climate change

The impact of climate change on well-functioning ecosystems, temperatures and sea levels may cause unforeseen challenges to Fiskars Group. Regulations aiming to decrease dependency on fossil fuels and to reduce emissions, including the introduction of new tax policies, may increase energy prices. As regulations are tightening and public awareness and expectations are growing, past measures to contain the environmental impact may prove insufficient. The increasing frequency of natural catastrophes, such as floods and typhoons, and loss of biodiversity may interrupt and impact the operations of Fiskars Group.

Water scarcity and resource scarcity related to exhaustible fossil materials are increasing global challenges in the long term, leading to an increased cost of raw materials and risk of production interruptions. Currently, the challenge is the limited availability and higher prices of more sustainable raw materials such as certified wood materials, renewable plastics and recycled raw materials.

Fiskars Group needs to enhance climate change resilience by adapting to changing weather patterns and shifting customer expectations. The Group is constantly increasing its sustainability efforts and aims to minimize environmental risks through systematic risk management. Fiskars Group is committed to promoting a circular economy through the value chain, combating climate change by taking actions to mitigate emissions, reducing the use of energy and promoting renewable energy sources. Also, the expectation to acquire green and sustainability linked funding is increasing, and a demand for showing performance in ESG matters is growing. Financial implications of business interruptions caused by natural hazards are mitigated by insurance.

Multiple source contracts and ongoing research carried out on alternative sustainable materials are relied on to manage price and availability risks.

Seasonality

For the gardening category in the Terra segment, the second quarter of the year is seasonally the most important. The back-to-school and holiday seasons are important for the sales performance of Crea during the second half of the year. For the Vita segment, the fourth quarter of the year is the most important.

Any negative developments related to product availability, demand or increased costs in manufacturing or logistics during the important seasons can significantly affect the full-year net sales and profit. The seasonality of demand can differ from a typical year due to current volatile market conditions. Fiskars Group's strategy is to balance seasonality by diversifying and developing its product portfolio according to customer needs.

Weather

Demand for some of Fiskars Group's products depends on the weather conditions, especially for garden tools during the spring and snow tools during the winter. Unfavorable weather conditions, such as a cold and rainy spring and summer and snowless winter can have a negative impact on the sale of these products, whereas favorable conditions can boost their sales. The company seeks to balance the impact of changing weather conditions by having a broad and diverse product portfolio and broad geographical footprint. Extreme weather conditions, for example storms and wildfires, are expected to increase in the future due to climate change and may also have local impact on business operations.

Legal and regulatory compliance

A changing legal and regulatory environment may expose Fiskars Group to compliance and litigation risks regarding for example competition compliance, anti-corruption and human rights. Furthermore, environmental, social and governance (ESG) related legislation and regulations are expected to get tighter and may affect for example choices regarding product materials and manufacturing techniques. There are increasing regulatory requirements for data security and data protection, as well as accelerating changes in technology and heightened consumer and public expectations. These can lead to a need for data inventory and personal data processing activities and third-party audits. There may also be a need for increased resourcing to comply with new regulations and new reporting and disclosure requirements.

Compliance with the regulation may add operative costs and expose the company to the risk of criminal penalties and civil liabilities. Failure to comply with the legal and regulatory requirements may have a material adverse effect on the profit and brand reputation of Fiskars Group.

In order to enhance legal and regulatory compliance, Fiskars Group has implemented various compliance programs, policies, processes, and for example a mandatory Code of Conduct training program for all employees. All finished goods suppliers need to comply with Fiskars Group's Supplier Code of Conduct requirements.

Intellectual property rights

The well-known and strong Fiskars Group's brands are exposed to infringement of intellectual property rights (IPR). There is a risk that the company, its agents or suppliers can be harmed by employees, agents or third parties using company trade secrets or intellectual property to the Group's detriment. Counterfeit products may present quality and safety risks to consumers and may damage consumer confidence in the Group's products. Fiskars Group is also exposed to the risk of unintentionally violating other parties' intellectual property rights. Infringement of IPRs may lead to loss of net sales and profit.

Potential IPR infringements are monitored through cross-functional processes and through online monitoring and systems. Fiskars Group has an enforcement policy in place governing the enforcement actions that are taken to protect the exclusivity of Fiskars Group's IPRs. Fiskars Group has a good understanding of the competitive landscape and provides its employees with training in IPRs.

Product safety and liability

Fiskars Group is committed to offering high-quality and functional products that are safe to use and fit for purpose. As a manufacturer and seller of an extensive portfolio (including sharp cutting tools, food contact items, children's products) with a broad distribution, the Group carries a risk of product liability. Failure to meet safety, quality and legal requirements due to for example inadequate supplier selection, quality assurance or manufacturing process control may lead to a delivery stop or product recall, reputation loss, indemnities and lost sales. These costs can be substantial, and in some jurisdictions may include punitive elements.

Comprehensive insurance cover and a product recall policy are in place to mitigate the financial impact of a recall and to precipitate the process of recalling potentially harmful products from the markets. The product development process at Fiskars Group is based on continuous testing and learning, and the company has invested in product development and quality assurance resources to reduce the recall risk at an early stage of product development.

Currency rates

With a significant part of the business in the U.S. and in other countries outside the eurozone, Fiskars Group is exposed to fluctuations in foreign currency rates. A change in the exchange rate may have a material impact on the reported financial figures. A change in the exchange rate may also negatively impact the local competitiveness of a Fiskars Group company. The most significant transaction risks relate to the appreciation of IDR, THB and USD and the depreciation of AUD, CAD and SEK. The most significant translation risks relate to the depreciation of USD.

Currency risks related to commercial cash flows are first managed by offsetting cash flows denominated in the same foreign currency. Purchases of production inputs and the sales of products are primarily denominated in the local currencies of the Fiskars Group companies. The remaining net exports or imports in foreign currencies is hedged up to 15 months in advance using currency forwards and swaps.

Acquisitions

Acquisitions are not a central part of the strategy of Fiskars Group; however, the company may also grow through acquisitions. Despite a careful due diligence process, all acquisitions and integrations of acquired businesses include risks. Acquired businesses may not perform as expected, key individuals may decide to leave the company, the costs of the integration may exceed expectations, and synergy effects may be lower than expected.

Taxation

Fiskars Group entities are subject to tax audits in several countries. It is possible that tax audits may lead to reassessment of taxes as the international tax environment creates uncertainties related to tax obligations. Increasing tax enforcement activity may lead to double taxation and additional costs in the form of penalties and interest. Eventual reassessments may have an impact on the reputation of Fiskars Group.

Changes in tax or import duty liabilities in countries where Fiskars Group operates may affect the company's profit. Uncertainty regarding tariffs may have an impact on the company's business, as part of the product portfolio sold is imported.

Fiskars Group closely monitors changes in tax regulations and international agreements in order to proactively manage risks relating to taxes and duties. Processes and controls are actively developed and maintained to ensure compliance with any local and international requirements. Fiskars Group promotes open dialogue with tax authorities and may seek for advance tax rulings to secure its tax positions beforehand where deemed necessary.

Financial investments

The financial investment portfolio of Fiskars Group mainly consists of investments in unlisted private equity funds. The value of the investments is exposed to fluctuations in the financial markets, including changes in interest rates and foreign exchange rates, and increases in credit risk. The financial investments are treated at fair value through profit or loss.

Events after the reporting period

Jan 13, 2023: Preliminary key figures for Q4 and full year 2022

Fiskars Group published preliminary key figures on its financial performance in the fourth quarter and the full year 2022, as 2022 was volatile due to the challenging operating environment. In the release, the company published unaudited Q4 and full-year sales on a comparable and reported basis as well as comparable EBIT for Q4 and the full year 2022. The figures provided in the release did not change after publication.

Jan 20, 2023: Proposals of the Nomination Committee of the Board of Directors to Fiskars' Annual General Meeting 2023

The Nomination Committee of the Board of Directors proposes to the Annual General Meeting that the following individuals shall be re-elected to the Board of Directors: Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Julia Goldin, Carl-Martin Lindahl, Volker Lixfeld, Jyri Luomakoski and Ritva Sotamaa. The Nomination Committee proposes that the annual fees of the members of the Board of Directors shall be EUR 70,000, the annual fee of the Vice Chairman EUR 105,000 and the annual fee of the Chairman EUR 140,000.

Jan 23, 2023: Plans for targeted organizational changes to accelerate strategy execution

Fiskars Group announced that it is planning changes mainly in the organizational structure of its three business areas to further accelerate the execution of its Growth Strategy. The planned organizational changes are expected to lead to a net reduction of approximately 100 roles globally and to result in total annual cost savings of approximately EUR 30 million, out of which approximately half would be realized in the second half of 2023. At the same time, the company will continue to invest in key strategic building blocks, especially direct-to-consumer and digital. One-off costs related to the planned organizational changes are expected to amount to a total of approximately EUR 5 million, and they will be recorded as items affecting comparability (IAC) in the first quarter of 2023.

Outlook for 2023

Fiskars expects comparable EBIT to be slightly below the 2022 level (2022: EUR 151.0 million).

The company expects that key negative factors impacting its performance in 2023 will be the continued volatility of the market environment and weaker demand especially in the first half of the year.

The company has announced plans for organizational changes, which are expected to result in savings supporting the company's EBIT from the second half onwards. At the same time, the company will continue to invest in key strategic building blocks.

Proposal for the distribution of dividend

Fiskars' aim is to distribute a stable, over time increasing dividend, to be paid biannually. According to the balance sheet of the parent company at the end of the financial period 2022, the distributable equity of the parent company was EUR 231.9 million (2021: EUR 315.8 million).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.80 per share shall be paid for the financial period that ended on December 31, 2022. The dividend shall be paid in two installments. The ex-dividend date for the first installment of EUR 0.40 per share shall be on March 16, 2023. The first installment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date March 17, 2023. The payment date proposed by the Board of Directors for this installment is March 24, 2023.

The second installment of EUR 0.40 per share shall be paid in September 2023. The second installment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date, which, together with the payment date, shall be decided by the Board of Directors in its meeting scheduled for September 7, 2023. The dividend is intented to be paid during the week commencing on September 18, 2023.

On the date of the financial statement release, the number of shares entitling their holders to a dividend was 80,580,516. The proposed distribution of dividends would thus be EUR 64.5 million (EUR 61.9 million). This would leave EUR 167.4 million (EUR 253.8) of distributable earnings in the parent company.

No material changes have taken place in the financial position of the company since the end of the financial period. The financial standing of the company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the company's solvency.

Espoo, Finland, February 6, 2023

FISKARS CORPORATION

Board of Directors

Consolidated Financial Statements, IFRS

Consolidated income statement

EUR million	Note	2022		2021	
Net sales	2.1	**1,248.4**		1,254.3	
Cost of goods sold	2.3	**-692.5**		-714.6	
Gross profit		**555.9**	**45%**	539.8	43%
Other operating income	2.2	**5.6**		4.1	
Sales and marketing expenses	2.3	**-276.1**		-267.5	
Administration expenses	2.3	**-120.9**		-116.9	
Research and development expenses	2.3	**-20.8**		-15.5	
Goodwill and trademark impairment	2.3, 3.2	**0.0**		0.0	
Other operating expenses	2.3	**-8.9**		-1.1	
Operating profit (EBIT)		**134.7**	**11%**	142.8	11%
Change in fair value of biological assets	3.5	**1.1**		1.3	
Other financial income and expenses	2.6	**-11.7**		0.0	
Profit before taxes		**124.1**	**10%**	144.1	11%
Income taxes	2.7	**-25.0**		-56.5	
Profit for the period		**99.1**	**8%**	87.5	7%
Attributable to:					
Equity holders of the parent company		**98.2**		86.6	
Non-controlling interest		**0.9**		0.9	
Profit for the period		**99.1**		87.5	
Earnings for equity holders of the parent company per share, euro (basic and diluted)	2.8	**1.21**		1.06	

Consolidated statement of comprehensive income

EUR million	Note	2022	2021
Profit for the period		**99.1**	87.5
Other comprehensive income for the period:			
Items that may be reclassified subsequently to profit or loss:			
Translation differences		**3.6**	13.6
Cash flow hedges		**0.1**	-0.1
Items that will not be reclassified to profit or loss:			
Defined benefit plans, actuarial gains (losses), net of tax	4.4	**1.3**	0.3
Other comprehensive income for the period, net of tax		**5.1**	13.9
Total comprehensive income for the period		**104.2**	101.4
Attributable to:			
Equity holders of the parent company		**103.2**	100.6
Non-controlling interest		**1.0**	0.9
Total comprehensive income for the period		**104.2**	101.4

Consolidated balance sheet

EUR million	Note	31.12.2022		31.12.2021	
ASSETS					
NON-CURRENT ASSETS					
Goodwill	3.2	**221.2**		219.1	
Other intangible assets	3.2	**278.6**		270.2	
Property, plant & equipment	3.3	**146.3**		144.9	
Right-of-use assets	3.4	**110.6**		106.8	
Biological assets	3.5	**46.5**		45.4	
Investment property	3.6	**5.8**		3.6	
Financial assets at fair value through profit or loss	5.3	**29.0**		32.0	
Other investments	5.3	**3.5**		3.7	
Deferred tax assets	2.7	**29.0**		27.5	
Other non-current assets	5.3	**6.4**		6.9	
Non-current assets total		**876.7**	**55%**	860.0	60%
CURRENT ASSETS					
Inventories	4.1	**364.7**		272.9	
Trade receivables	4.2	**170.5**		206.3	
Other current receivables	4.2, 5.3	**48.8**		23.6	
Income tax receivables		**7.2**		2.6	
Interest-bearing receivables		**1.7**		0.0	
Cash and cash equivalents	5.3	**115.8**		31.5	
Current assets total		**708.6**	**45%**	537.0	37%
Assets held for sale	3.1			38.4	3%
Assets total		**1,585.4**	**100%**	1,435.5	100%

EUR million	Note	31.12.2022		31.12.2021	
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to the equity holders of the parent company		**831.6**		812.1	
Non-controlling interest		**4.1**		4.2	
Equity total	5.1	**835.6**	**53%**	816.3	57%
NON-CURRENT LIABILITIES					
Interest-bearing liabilities	5.4	**130.4**		0.7	
Lease liabilities	5.5	**92.9**		88.9	
Deferred tax liabilities	2.7	**34.5**		32.1	
Employee benefit obligations	4.4	**10.8**		12.8	
Provisions	4.5	**2.4**		3.4	
Other non-current liabilities		**4.0**		6.0	
Non-current liabilities total		**275.1**	**17%**	143.9	10%
CURRENT LIABILITIES					
Interest-bearing liabilities	5.4	**195.2**		64.4	
Lease liabilities	5.5	**22.5**		22.6	
Trade payables	4.3	**69.2**		139.3	
Other current payables	4.3	**180.9**		231.2	
Income tax liabilities		**2.1**		3.2	
Provisions	4.5	**4.8**		14.7	
Current liabilities total		**474.6**	**30%**	475.4	33%
Equity and liabilities total		**1,585.4**	**100%**	1,435.5	100%

Consolidated statement of cash flows

EUR million	2022	2021
Cash flow from operating activities		
Profit before taxes	**124.1**	144.1
Adjustments for		
Depreciation, amortization and impairment	**59.4**	61.6
Gain/loss on sale and loss on scrap of non-current assets	**0.6**	-0.9
Other financial items	**12.3**	-0.2
Change in fair value of biological assets	**-1.1**	-1.3
Change in provisions and other non-cash items	**-11.2**	17.7
Cash flow before changes in working capital	**184.0**	221.1
Changes in working capital		
Change in current assets, non-interest bearing	**14.9**	-7.4
Change in inventories	**-89.7**	-96.0
Change in current liabilities, non-interest-bearing	**-134.1**	46.5
Cash flow from operating activities before financial items and taxes	**-24.9**	164.2
Financial income received and costs paid	**-7.4**	-5.0
Taxes paid	**-29.2**	-36.4
Cash flow from operating activities (A)	**-61.4**	122.9

EUR million	2022	2021
Cash flow from investing activities		
Investments in financial assets	**-0.4**	-3.8
Capital expenditure on fixed assets	**-48.1**	-34.4
Proceeds from sale of fixed assets	**1.5**	1.8
Proceeds from sale of assets held for sale	**43.9**	
Disposal of subsidiary, net of cash disposed of	**-9.2**	0.9
Other dividends received	**0.2**	
Cash flow from other investments	**4.3**	1.6
Cash flow from investing activities (B)	**-7.8**	-33.7
Cash flow from financing activities		
Purchase of treasury shares	**-18.0**	
Change in current receivables	**-1.7**	
Proceeds from non-current debt	**130.1**	
Repayments of non-current debt	**-0.3**	-60.5
Change in current debt	**129.3**	12.8
Payment of lease liabilities	**-26.5**	-26.4
Cash flow from other financing items		0.0
Dividends paid	**-62.9**	-49.2
Cash flow from financing activities (C)	**149.8**	-123.3
Change in cash and cash equivalents (A+B+C)	**80.5**	-34.2
Cash and cash equivalents at beginning of period	**31.5**	62.5
Translation differences	**3.7**	3.3
Cash and cash equivalents at end of period	**115.8**	31.5

Statement of changes in consolidated equity

	Equity attributable to shareholders of the parent company								
EUR million	Share capital	Treasury shares	Cumul. transl. diff.	Fair value reserve	Actuarial gains and losses	Financial assets at FVTOCI	Retained earnings	Non-controlling interest	Total
Opening Balance Jan 1, 2021	**77.5**	**-7.2**	**-4.5**	**0.1**	**-1.7**	**0.0**	**693.7**	**3.8**	**761.6**
Translation differences			13.7					-0.1	13.6
Cash flow hedges				-0.1					-0.1
Defined benefit plan, actuarial gains (losses), net of tax					0.3				0.3
Other comprehensive income for the period, net of tax, total	0.0	0.0	13.7	-0.1	0.3	0.0	0.0	-0.1	13.9
Profit for the period							86.6	0.9	87.5
Total comprehensive income for the period	0.0	0.0	13.7	-0.1	0.3	0.0	86.6	0.9	101.4
Purchase and issue of treasury shares							0.0		0.0
Share-based payments							2.4		2.4
Dividends paid							-48.9	-0.4	-49.2
Other changes							0.1		0.1
Balance at Dec 31, 2021	**77.5**	**-7.2**	**9.2**	**0.0**	**-1.4**	**0.0**	**733.9**	**4.2**	**816.3**
Opening Balance Jan 1, 2022	**77.5**	**-7.2**	**9.2**	**0.0**	**-1.4**	**0.0**	**733.9**	**4.2**	**816.3**
Translation differences			3.6					0.1	3.6
Cash flow hedges				0.1					0.1
Defined benefit plan, actuarial gains (losses), net of tax					1.3				1.3
Other comprehensive income for the period, net of tax, total	**0.0**	**0.0**	**3.6**	**0.1**	**1.3**	**0.0**	**0.0**	**0.1**	**5.1**
Profit for the period							98.2	0.9	99.1
Total comprehensive income for the period	**0.0**	**0.0**	**3.6**	**0.1**	**1.3**	**0.0**	**98.2**	**1.0**	**104.2**
Purchase and issue of treasury shares		-18.0							-18.0
Share-based payments, shares issued		1.8					-2.9		-1.1
Share-based payments, costs							-1.6		-1.6
Cancellation of treasury shares		16.6					-16.6		0.0
Dividends paid							-61.7	-1.1	-62.8
Other changes			5.4				-6.6		-1.3
Balance at Dec 31, 2022	**77.5**	**-6.7**	**18.1**	**0.1**	**-0.1**	**0.0**	**742.7**	**4.1**	**835.6**

Dividends
The Board of Directors has proposed a total dividend of EUR 0.80 per share to be paid for the 2022 result. A cash dividend of EUR 0.76 per share was paid for the 2021 result.

The notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1

General accounting principles

1.1 Basic information

Fiskars Oyj Abp (the "Company" or the "parent company") is a Finnish, public limited liability company, domiciled in Raseborg. Its registered address is Keilaniementie 10, Espoo, Finland. The Company's shares are listed on the Nasdaq Helsinki Ltd. Fiskars Oyj Abp and its subsidiaries together form the Fiskars Group ("Fiskars Group" or the "Group") that manufactures and markets branded consumer goods globally. Fiskars Group's primary reporting segments are Vita, Terra, Crea and Other. The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services. Fiskars Group reports group-level net sales for three geographical areas: Europe, Americas, and Asia-Pacific. The Group's international key brands are Fiskars, Gerber, Iittala, Royal Copenhagen, Waterford and Wedgwood.

The consolidated financial statements were authorized for issue by the Board of Directors of Fiskars Oyj Abp on February 7, 2023. According to the Finnish Limited Liability Companies' Act, the shareholders have a possibility to approve or reject, or make a decision on altering the financial statements in the Annual General Meeting.

1.2 Basis of preparation

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, observing the standards and interpretations effective on December 31, 2022.

The consolidated financial statements are prepared on historical cost basis except for financial assets and financial liabilities which are presented at fair value through profit or loss, and biological assets as well as assets and liabilities related to defined benefit pension plans that are measured at fair value.

Financial statements figures are presented mainly in millions of euros with one decimal. Figures presented are subject to rounding, which may cause that the sum of individual figures might differ from the presented aggregated column and row totals.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts.

1.3 Consolidation principles

The consolidated financial statements include the parent company, Fiskars Oyj Abp, and the subsidiaries in which it holds, directly or indirectly, over 50% of the voting rights or over which it otherwise has control. Acquired or established subsidiaries are included in the consolidated financial statements from the date control commences until the date that control ceases.

Subsidiaries are consolidated using the acquisition method. Inter-company transactions, profit distribution, receivables, payables and unrealized gains between group companies are eliminated in consolidation. The profit or loss for the period attributable to the owners of the parent company and non-controlling interest is presented in the Consolidated Income Statement and the total comprehensive income for the financial year attributable to the owners of the parent company and non-controlling interest is presented in the Statement of Comprehensive Income. The non-controlling interest in equity is presented within equity, separately from the equity of the owners of the parent company.

Investments in associates in which Fiskars Group has a significant influence but not control are accounted for using the equity method. Significant influence usually exists when the group holds over 20% of the voting power of the entity or when the group otherwise has significant influence but not control. At the moment, there are no investments in associates with significant influence in the Fiskars Group.

1.4 Translation of foreign currency items

Translation of financial statements of foreign subsidiaries

Items included in the financial statements of each of the Fiskars Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These consolidated financial statements are presented in euros, which is the Group's presentation currency. In the consolidated financial statements income statements, statements of comprehensive income and cash flows of foreign subsidiaries are translated into the Group's presentation currency at the average exchange rates for the period. Balance sheet items are translated at exchange rates prevailing at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and presented under cumulative translation differences in equity. The effective portions of the gains or losses on those financial instruments hedging net investments in foreign operations are recognized similarly. When the group disposes of all, or part of that subsidiary, the translation differences accumulated in equity are transferred to profit or loss as part of the gain or loss on disposal.

Transactions in foreign currencies

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period monetary assets and liabilities are translated using the exchange rate prevailing at the end of the reporting period. Exchange differences arising from translation are recognized in the income statement and presented under financial items, except for exchange rate differences related to trade receivables and trade payables that are presented within operating profit. Non-monetary items denominated in foreign currencies are translated using the exchange rate at the date of the transaction, except for those items carried at fair value that are translated using rates prevailing at the date when the fair value was determined.

1.5 Use of estimates

The preparation of financial statements in conformity with IFRS requires the management to make judgments and assumptions that affect the recognition and measurement of financial statement items. These estimates and associated assumptions are based on historical experience and other justified assumptions that are believed to be reasonable under the circumstances at the end of the reporting period. These estimates form the basis for judgments of the items in the financial statements. Development of markets and general economic situation may affect the variables underlying the estimates and actual results may differ significantly from these estimates. Significant accounting policies applied, and critical accounting estimates and judgments are described adjacent to each note.

1.6 New and amended standards applied in financial year ended

Fiskars Group has applied amendments and interpretations published by IASB that are effective for the first time for financial reporting periods commencing on January 1, 2022. These amendments and interpretations did not have a material impact on the results, financial position of Fiskars Group, or presentation of financial statements.

1.7 Adoption of new and amended standards January 1, 2023

Fiskars Group has not identified any new standards, amendments or interpretations published by IASB that apply for the first time to financial reporting periods commencing on January 1, 2023, that are expected to have a material impact on the results or financial position of Fiskars Group, or presentation of financial statements.

2

Financial performance

2.1 Segment information

Accounting principles

Fiskars Group's organizational structure features three Business Areas (BA): Vita, Terra and Crea. Fiskars Group´s four primary reporting segments are Vita, Terra, Crea and Other. In addition, Fiskars Group reports net sales for three geographical areas: Europe, Americas and Asia-Pacific.

The performance of the reporting segments is reviewed regularly by the chief operating decision-maker, Fiskars Group's Board of Directors, to assess performance and to decide on allocation of resources. The operating segments, BA Vita, Terra and Crea, are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The performance of the segments is reviewed based on segments' operating profit (EBIT). The accounting principles of the segments are the same as those used in the preparation of the financial statements. Financial income and expenses, and income taxes are managed on Group level and thus, not allocated to operating segments.

OPERATING PROFIT

In Fiskars Group, the operating profit (EBIT) is the net of revenues and other operating income, material purchases and change of inventories, production for own use, employee benefits, depreciations, amortizations and possible impairments and other operating expenses. The operating profit includes operating results of Fiskars' primary reporting segments Vita, Terra, Crea and Other. Change in fair value of biological assets is presented as a separate line item below EBIT in the income statement.

NET SALES AND REVENUE RECOGNITION

In the Consolidated Income Statement, Net sales comprise the sales of goods and services, adjusted with indirect taxes, discounts, rebates, fees and penalties as well as the exchange rate differences of sales denominated in foreign currency. The share of services of total net sales is not significant. Revenue from the sale of goods is recognized when performance obligation is satisfied. Performance obligation is satisfied when control is transferred to a customer, typically at the time when a product has been delivered to a customer in accordance with the terms of delivery.

Operating segments

BA Vita offers premium and luxury products for the tableware, drinkware and interior categories. It consists of brands such as Iittala, Royal Copenhagen, Waterford and Wedgwood.

BA Terra consists of the gardening, watering, and outdoor categories. The brands include Fiskars and Gerber.

BA Crea consists of the scissors and creating as well as the cooking categories, mainly with the Fiskars brand.

The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

Business activities between the segments are not significant. Inter-segment sales are made on arm's lenght basis.

Unallocated items

The unallocated items contain group level income and expenses, such as goodwill and trademark amortization and impairment, and financial income and expenses. Unallocated assets comprise items related to group administration, tax and loan receivables, and shares. Unallocated liabilities comprise non-current and current debt and tax liabilities. Also part of the restructuring costs are unallocated.

No single customer of Fiskars Group accounts for more than 10% share of the Group's total net sales.

Operating segments

2022

EUR million	Vita	Terra	Crea	Other	Unallocated and Eliminations	Group total
Net sales	563.7	507.4	173.4	3.9		1,248.4
EBIT excl. Items affecting comparability in operating profit	85.6	48.4	34.3	-17.2		151.0
Items affecting comparability in EBIT[1]	-0.1	-14.2	-0.1	-1.9		-16.3
EBIT	85.5	34.1	34.2	-19.1		134.7
Amortization					-13.8	-13.8
Impairment						
Change in fair value of biological assets				1.1		1.1
Financial income and expenses					-11.7	-11.7
Profit before taxes						124.1
Income taxes					-25.0	-25.0
Profit for the period						99.1
Capital expenditure	20.9	17.5	4.0	5.9		48.1
Depreciations, amortizations and impairment	33.6	19.0	4.1	2.7		59.4

[1] Includes EUR 11.9 million of disposal of a subsidiary in Russia, EUR 3.3 million of divestment of the North American Watering business and EUR 1.1 million changes in Leadership team.

Operating segments

2021

EUR million	Vita	Terra	Crea	Other	Unallocated and Eliminations	Group total
Net sales	544.6	535.4	170.6	3.8		**1,254.3**
EBIT excl. Items affecting comparability in operating profit	79.2	51.6	36.5	-13.1		**154.2**
Items affecting comparability in EBIT[1]	-9.8	-0.7	-0.2	-0.7		**-11.5**
EBIT	69.4	50.9	36.3	-13.8		**142.8**
Amortization					-14.6	**-14.6**
Impairment						
Change in fair value of biological assets				1.3		**1.3**
Financial income and expenses						
Profit before taxes						**144.1**
Income taxes					-56.5	**-56.5**
Profit for the period						**87.5**
Capital expenditure	16.0	12.2	3.3	2.8		**34.4**
Depreciations, amortizations and impairment	34.3	20.4	4.4	2.6		**61.6**

[1] Includes EUR 7.6 million related to the Restructuring program and EUR 3.9 million related to the Transformation program.

Net sales by geography

Accounting principles

Fiskars Group reports net sales for three geographical areas: Europe, Americas, and Asia-Pacific. In the Americas the Fiskars branded products' distribution, logistics and consumer preferences are managed centrally for the business units. In Europe and Asia-Pacific, the markets and distribution are more diversified, however, from the customer point of view the business units operate in a common environment.

Net sales by geography

EUR million	2022	2021
Europe	**596.0**	592.2
Americas	**432.0**	475.9
Asia-Pacific	**209.4**	187.7
Unallocated[1]	**11.1**	-1.4
Total	**1,248.4**	1,254.3

[1] Geographically unallocated exchange rate differences

Net sales by destination

EUR million	2022	2021
Net sales in Finland	**111.9**	112.3
Net sales in the U.S.	**414.7**	455.7
Net sales in other countries	**721.9**	686.4
Total	**1,248.4**	1,254.3

Non-current assets by location (excl. deferred tax assets)

EUR million	2022	2021
Assets in Finland	**278.0**	300.8
Assets in the U.S.	**64.3**	54.0
Assets in other countries	**476.4**	477.8
Total	**818.8**	832.6

2.2 Other operating income

Accounting principles

Other operating income includes income other than that associated with the sale of goods or services, such as gain on disposal or sale of fixed assets, rental income and other similar income not classified to revenue.

EUR million	2022	2021
Gain on disposal of fixed assets	**5.8**	1.3
Compensations from insurance company	**-1.7**	0.0
Rental income	**0.3**	0.3
Other income	**1.2**	2.5
Total	**5.6**	4.1

2.3 Total expenses

Total expenses by nature

EUR million	2022	2021
Materials and supplies	**654.2**	548.9
Change in inventory	**-55.4**	-89.1
External services	**73.7**	74.2
Employee benefits	**289.0**	293.7
Depreciation and amortization	**59.4**	61.6
Impairments	**0.0**	0.0
Other expenses	**98.7**	226.3
Total	**1,119.7**	1,115.6

Other expenses include lease payments on short-term leases and leases of low-value assets that are recognized as an expense on a straight-line basis over the lease term. In 2022, expenses related to short-term leases amounted to EUR 0.1 million (2021: 0.2) and leases of low-value assets EUR 0.1 million (2021: 0.2). Accounting principles related to right-of-use assets, lease liabilities and amounts recognised in income statement relating to these are described in Notes 3.3 Right-of-use assets and 5.5 Lease liabilities.

Other operating expenses

Accounting principles

Other operating expenses include losses on the disposal or sale of fixed assets, integration costs and other similar expenses not classified to other cost items.

EUR million	2022	2021
Loss on sale of fixed assets	**0.4**	0.0
Loss on scrap of fixed assets	**0.8**	0.5
Other operating costs	**7.8**	0.6
Total	**8.9**	1.1

Depreciation, amortization and impairment by asset class

EUR million	2022	2021
Buildings, tangible assets	**4.5**	5.2
Machinery and equipment, tangible assets	**15.8**	16.9
Real estate, right-of-use assets	**22.2**	23.0
Other leases, right-of use assets	**2.7**	2.1
Intangible assets	**13.8**	14.0
Investment property	**0.4**	0.4
Goodwill and trademark impairment	**0.0**	0.0
Total	**59.4**	61.6

Fees paid to Group auditors

EUR million	2022	2021
Audit fees	**1.5**	1.3
Tax consultation	**0.1**	0.1
Other non-audit fees	**0.1**	0.0
Total	**1.6**	1.4

Annual General Meeting has selected Ernst & Young Oy as the Group auditor for the financial year 2022 and 2021. Ernst & Young Oy has provided non-audit services to the entities of Fiskars Group in total of EUR 0.1 million (2021: 0.1) during the financial year 2022.

2.4. Employee benefits and number of personnel

Employee benefits

EUR million	2022	2021
Wages and salaries	**238.0**	240.0
Other compulsory personnel costs	**27.9**	29.5
Pension costs, defined contribution plans	**18.7**	18.0
Pension costs, defined benefit plans	**0.9**	0.9
Other post-employment benefits	**0.4**	0.7
Termination benefits	**1.7**	1.6
Share-based payments	**1.3**	2.9
Total	**289.0**	293.7

Personnel at the end of period

	2022	2021
Finland	**1,172**	1,111
Slovenia	**825**	792
Poland	**426**	390
UK	**302**	306
Other Europe	**752**	846
Indonesia	**895**	867
Thailand	**780**	727
U.S.	**637**	786
Other	**806**	865
Total	**6,595**	6,690

Personnel (FTE) in average

	2022	2021
Direct	**2,653**	2,369
Indirect	**3,620**	3,712
Total	**6,273**	6,081

Fiskars Group has adopted the following definitions for employee reporting:

Personnel, end of period = active employees in payroll at the end of period

Personnel (FTE), average = full-time equivalent number of employees according to worked volume during the period

Direct = production staff

Indirect = other employees than production staff

2.5 Share based payments

Long-term incentive plan 2018–2022, settled in shares

In February 2018, the Board of Directors approved the establishment of a Performance Share Plan for years 2018–2022. The Board of Directors has decided separately for each performance period the participants and the minimum, target and maximum rewards for each participant, as well as the performance criteria and related targets. Targets for the last performance period are based on total shareholder return, net sales growth and cumulative EBITA and net working capital, with EBITA cutter to the net sales growth criterion.

If the targets are reached, the rewards will be paid in the company's shares, after the deduction of the relevant cash proportion that is required for covering taxes and tax-related costs due on the basis of the reward. As a starting point, the net shares shall be paid by as existing shares of the company and thus the share plan is not expected to have a diluting effect on the ownership of the company's shareholders.

Long-term incentive plans, settled in shares and/or cash

In December 2020, the Board of Directors approved the establishment of two new share-based Long-term Incentive Plans. The plan includes a Performance Share Plan and a Restricted Share Plan.

The Performance Share Plan consists of annually commencing individual performance share plans, each with a three-year performance period, followed by the payment of the potential share reward. The Board of Directors will decide separately the commencement of each individual plan and their participants, the minimum, target and maximum rewards for each participant, as well as the performance criteria and related targets. The amount of the reward paid depends on the achievement of the set targets. No reward will be paid if the targets are not met. For the first 2021–2023 performance period the performance targets relate to the company's absolute total shareholder return and EBITA. For the second 2022–2024 performance period, the performance targets relate to the company's absolute total shareholder return and EBIT.

The Restricted Share Plan consists of annually commencing individual restricted share plans. The Board of Directors will decide separately the commencement of each individual plan. Each plan comprises an overall three-year retention period during which the Company may grant fixed share rewards to individually selected key employees. The company may choose to use a shorter retention period on a case by case basis within this overall three-year period. The granted share rewards will be paid after the retention period. The first two commenced plans are for years 2021–2023 and 2022–2024.

If the targets are reached, the rewards for both plans will be paid in the company's shares, after the deduction of the proportion that is required for covering taxes and tax-related costs due on the basis of the reward. However, the company may decide to pay the reward fully in cash. As a starting point, shares to be awarded to key employees based on Performance Share Plan or Restricted Share Plan will be paid as existing shares of the company and thus the plans are not expected to have a diluting effect on the ownership of the company's shareholders.

In February 2022, the Board of Directors approved the launch of new periods for the years 2022–2024 within the Performance Share Plan and Restricted Share Plan, which form a part of Fiskars remuneration program for its key employees. The aim of the plans is to support the implementation of the company's strategy and drive profitable growth and to align the objectives of key employees with the shareholders to increase the value of the company.

Amount of share incentives and terms and assumptions in the fair value calculation

		Performance share plan 2021		Restricted share plan 2021		Performance share plan 2018–2022
		2022–2024 Performance period	2021–2023 Performance period	2022–2024 Retention period	2021–2023 Retention period	2020–2022 Performance period
Maximum number of shares granted, at the end the year		324,758	354,656	25,320	28,300	293,100
Grant date share price, EUR		18.25	17.20	18.25	17.20	10.28
Estimated realization of share price after vesting and restriction period	15.38					
Expense recorded during the financial year, EUR million	1.5					
Cumulative expense recorded to equity at the end of the financial year, EUR million	1.6					
Vesting period starts		Jan 1, 2022	Jan 1, 2021	Jan 1, 2022	Jan 1, 2021	Jan 1, 2020
Vesting period ends		Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2022
Number of participants		52	35	26	21	26

2.6 Financial income and expenses

EUR million	2022	2021
Dividends received from investments through other comprehensive income and at fair value through profit and loss	0.3	
Interest income	2.8	0.0
Net change in fair value of other investments at fair value through profit or loss		6.4
Foreign exchange gain on commercial hedges	1.4	3.7
Other foreign exchange gains	0.6	0.6
Financial income total	5.1	10.6
Interest expenses	-8.1	-1.5
Penalty interests[1]		-6.3
Interest cost on lease liabilities at amortized cost	-2.1	-1.9
Net change in fair value of other investments at fair value through profit or loss	-1.3	
Other foreign exchange losses	-2.5	-0.2
Other financial expenses	-2.8	-0.8
Financial expenses total	-16.8	-10.6
Financial income and expenses total	-11.7	0.0

[1] 2021 Penalty interests include EUR 6.3 million relating to intra group loan forgiveness case from 2016.

2.7 Income taxes

Accounting principles

The Group's tax expense comprises current and deferred taxes. The current tax charge is calculated using the tax rate enacted or substantively enacted at the end of the reporting period.

Deferred tax liabilities and deferred tax assets are accounted for temporary differences between the carrying amounts and tax basis of assets and liabilities using tax rates enacted or substantively enacted at the end of the reporting period. A deferred tax liability is recorded to its full amount on taxable temporary differences. Deferred tax assets are recognized for deductible temporary differences, unutilized tax losses and unused tax credits to the extent that it is probable that taxable profit or taxable temporary differences will be available against which the deductible temporary differences, unutilized tax losses and unused tax credits can be utilized. Deferred tax assets are assessed for realizability at the end of each reporting period. If it is no longer probable that sufficient taxable profit will be available to allow deferred tax asset utilization, carrying amount of deferred tax asset is reduced. Correspondingly, if it is probable that sufficient taxable profit will be available, reduction to deferred tax asset value is reversed.

Income tax in the income statement

EUR million	2022	2021
Current taxes[1]	-22.6	-54.2
Deferred taxes	-2.4	-2.3
Total income tax expense	-25.0	-56.5

[1] 2021 Current taxes include EUR 23.2 million relating to intra group loan forgiveness case from 2016.

INCOME TAX RECONCILIATION

Reconciliation of income taxes at statutory tax rate in Finland (20%) and income taxes recognized in the Consolidated Income Statement.

EUR million	2022	2021
Profit before taxes	124.1	144.1
Income taxes at Finnish statutory tax rate	-24.8	-28.8
Difference between Finnish and foreign tax rates	-2.7	-2.7
Effect of deferred taxes not recognized	-2.0	-3.8
Benefit arising from previously unrecognized deferred tax asset	4.4	2.4
Prior year income taxes[1]	2.0	-23.1
Effect of changes of tax rates	0.1	-0.5
Income taxes on undistributed earnings	-1.0	1.2
Other items[2]	-0.8	-1.2
Total income tax expense	-25.0	-56.5

[1] 2021 prior year taxes include EUR 22.1 million tax cost relating to intra group loan forgiveness case from 2016.

[2] Other items in 2021 include EUR 1.2 million tax cost relating to non-tax deductible interest and punitive increases deriving from the intra group loan forgiveness case from 2016.

Deferred taxes

Deferred tax assets

EUR million	2022	2021
Intangible assets and property, plant and equipment	**8.9**	11.0
Accruals and provisions	**14.0**	16.6
Inventories	**7.3**	6.2
Post-employment liabilities	**3.5**	2.9
Tax losses recognized	**10.2**	10.0
Other temporary differences	**3.0**	2.6
Total	**46.9**	49.3
Offset against deferred tax liabilities	**-18.0**	-21.8
Total deferred tax assets	**29.0**	27.5

Deferred tax liabilities

EUR million	2022	2021
Intangible assets and property, plant and equipment	**35.8**	39.7
Investments at fair value	**7.3**	6.6
Undistributed earnings	**3.3**	2.3
Other temporary differences	**6.0**	5.3
Total	**52.4**	53.9
Offset against deferred tax assets	**-18.0**	-21.8
Total deferred tax liabilities	**34.5**	32.1
Net deferred tax assets (+) and liabilities (-)	**-5.5**	-4.6

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

Deferred tax liability has been booked fully on undistributed earnings of subsidiaries.

Movements in the net deferred tax balance

EUR million	2022	2021
Net deferred tax asset (+) / liability (-) at January 1	**-4.6**	-3.8
Recognized in income statement	**-2.4**	-2.3
Recognized in other comprehensive income	**-0.2**	-0.2
Recognized in equity		0.5
Translation differences and other	**1.7**	1.1
Net deferred tax asset (+) / liability (-) at December 31	**-5.5**	-4.6

Amount of tax losses carried forward, tax credits and temporary differences for which no deferred tax asset has been recognized due to uncertainty of utilization:

Tax losses carried forward

EUR million	2022	2021
Expiring within 10 years	**0.5**	3.0
No expiry	**164.3**	183.9
Total	**164.8**	186.9

Tax credits

EUR million	2022	2021
Expiring within 10 years	**0.6**	0.6
Temporary differences	**2.6**	0.3

Taxes in other comprehensive income

2022

EUR million	Gross	Tax	Net
Translation differences	**3.6**		**3.6**
Cash flow hedges	**0.1**		**0.1**
Defined benefit plans, actuarial gains (losses)	**1.6**	**-0.2**	**1.3**
Other comprehensive income for the period, total	**5.3**	**-0.2**	**5.1**

2021

EUR million	Gross	Tax	Net
Translation differences	13.6		13.6
Cash flow hedges	-0.1		-0.1
Defined benefit plans, actuarial gains (losses)	0.5	-0.2	0.3
Other comprehensive income for the period, total	14.0	-0.2	13.9

2.8 Earnings per share

The basic earnings per share is the annual profit for the period attributable to equity holders of the parent company divided by the weighted average number of shares outstanding during the year. Fiskars Group does not have any current share option programs or other diluting financial instruments, so the diluted earnings per share is the same as basic.

	2022	2021
Profit for the period attributable to equity holders of the parent company, EUR milllion	**98.2**	86.6
Number of shares[1]	**81,000,000**	81,905,242
Weighted average number of shares outstanding	**81,029,486**	81,538,066
Earnings per share, EUR (basic and diluted)	**1.21**	1.06

[1] On November 2, 2022, cancellation of 905,242 treasury shares

3

Intangible and tangible assets

3.1 Assets held for sale

Accounting principles

Non-currrent assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. The recognition criteria are regarded to be met when a sale is highly probable, the asset (or a disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary, the management is committed to the plan to sell the asset and the sale is expected to take place within one year from the date of classification.

As from classification date a non-current asset (or a disposal group) held for sale is measured at the lower of its carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

2022

There were no non-current assets or disposal groups classified as held for sale in 2022.

2021

On December 21, 2021, Fiskars Oyj Abp announced it has signed an agreement to sell its North American Watering business to Lawn & Garden LLC, a holding company owned by affiliates of Centre Lane Partners (CLP), a New York based private equity firm.

The transaction was structured as an asset sale. The agreement covers intellectual property including the Gilmour and Nelson brands, related trademarks and patents pertaining to watering equipment commercialized in North America. As part of the agreement, the manufacturing plant in Excelsior Springs, Missouri and the warehouse operations in Independence, Missouri, as well as employees working in these two locations, will be included in the transaction. The business subject to the transaction had a net sales of approximately EUR 80 million for the twelve month period ending September 30, 2021.

The transaction was completed in February 1, 2022. The sale did not have a significant impact on Fiskars Corporation's EBIT or financial position in 2022.

Assets directly associated with the sale are classified as held for sale and presented separately in the Consolidated Balance Sheet. The carrying amounts of significant assets are as follows:

EUR million	Note	2022	2021
Property, plant and equipment	3.3		5.0
Inventories	4.1		33.4
Assets held for sale			38.4

3.2 Intangible assets

Accounting principles

An intangible asset is initially recognized in the balance sheet at cost if the cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to the asset will flow to the group. Residual values and expected useful lives are reassessed at least at each financial year-end and, if necessary, are adjusted to reflect changes in the expected future economic benefits. Those borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

GOODWILL

Goodwill represents the Group's share of difference between the cost of the acquisition and the fair value of the net identifiable assets, liabilities, and contingent liabilities acquired, measured at the acquisition date. Goodwill is stated at historical cost less any accumulated impairment losses. Goodwill is not amortized but is tested for impairment at least annually. For this purpose goodwill has been allocated to cash-generating units (CGU) or, in case of an associated company, the goodwill is included within the carrying amount of the associate in question. The recoverable amount of the unit is compared annually or more often if there are indications of impairment, with its carrying amount to determine potential impairment.

Contingent consideration will be measured at fair value and subsequently measured through profit or loss. All acquisition-related costs, such as experts' fees, will be expensed instead of capitalization. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs are expensed as they are incurred, except for those development costs that are capitalized if the criteria in IAS 38 are met. Capitalized development costs consisting of mainly direct labor costs and external services are recognized as intangible assets. In 2022, research and development expenses amounted to EUR 20.8 million (2021: 15.5).

Intangible assets not yet available for use are tested annually for impairment. Subsequently capitalized development costs are measured at cost less accumulated amortization and accumulated impairment losses. They are amortized on a straight-line basis over their useful lives, from 3 to 6 years.

OTHER INTANGIBLE ASSETS

Other intangible assets include among other patents, capitalized development costs, software, as well as trademarks and customer relationships acquired in business combinations. Intangible assets are stated at cost less accumulated amortization and any accumulated impairment. Intangible assets in this class are amortized on a straight-line basis over their known or expected useful lives. Residual values and expected useful lives are reassessed at least at the end of reporting period, and if necessary, are adjusted to reflect changes in the expected future economic benefits. The estimated useful lives are as follows:

- Software 3–10 years
- Customer relationships 5–15 years
- Other 3–10 years

Intangible assets with an indefinite useful life such as trademarks or brand names acquired in business combinations are not amortized but they are tested at least annually for impairment.

2022

EUR million	Goodwill	Trademarks, patents and domain names	Software	Other intangible assets	Construction in progress	Total
Historical cost, Jan 1	231.4	249.0	138.5	40.7	8.8	668.4
Translation differences	2.0	1.5	1.3	0.4	-0.2	4.9
Additions		0.5	3.6	0.5	15.7	20.3
Decreases		-0.6	-44.4	-0.8	-0.0	-45.9
Transfers between asset groups			1.0		-1.0	0.0
Historical cost, Dec 31	233.5	250.4	99.9	40.8	23.3	647.7
Accumulated amortization and impairment, Jan 1	12.3	22.7	110.8	33.2		179.1
Translation differences	-0.1	-0.4	1.5	-0.2		0.9
Amortization		0.6	11.2	1.9		13.7
Impairment				0.1		0.1
Decreases		-0.6	-44.4	-0.6		-45.7
Accumulated amortization and impairment, Dec 31	12.2	22.4	79.0	34.3		147.9
Net book value, Dec 31	221.2	228.0	21.0	6.2	23.5	499.8

2021

EUR million	Goodwill	Trademarks, patents and domain names	Software	Other intangible assets	Construction in progress	Total
Historical cost, Jan 1	226.9	246.0	123.8	39.8	8.9	645.4
Translation differences	4.6	2.3	2.2	1.2	0.2	10.5
Additions		0.6	5.3	0.0	7.4	13.4
Decreases		0.0	-0.6	-0.4	0.0	-0.9
Transfers between asset groups		0.0	7.7	0.1	-7.8	0.0
Historical cost, Dec 31	231.4	249.0	138.5	40.7	8.8	668.4
Accumulated amortization and impairment, Jan 1	13.2	22.2	97.4	30.8		163.6
Translation differences	-0.9	-0.2	2.2	0.9		2.0
Amortization	0.0	0.8	11.8	1.4		14.0
Impairment		0.0	0.0	0.1		0.1
Decreases		0.0	-0.6	0.1		-0.5
Accumulated amortization and impairment, Dec 31	12.3	22.7	110.8	33.2		179.1
Net book value, Dec 31	219.1	226.2	27.7	7.5	8.8	489.3

Goodwill impairment test in cash-generating units

Accounting principles

Fiskars Group's operations have been divided into cash-generating units (CGU) that are similar to the primary reporting segments. The carrying amounts of the assets relating to these CGUs are reviewed for impairment indicators annually at the end of the reporting period. The recoverable amounts of the following assets are also estimated annually irrespective whether there is any indication for impairment: goodwill, intangible assets with indefinite useful lives and unfinished intangible assets.

To determine a potential impairment the carrying amount of the asset, or the carrying amounts of the CGU's net assets are compared against the recoverable amount of that asset or CGU. The recoverable amount is the higher of the present value of the future cash flows (value in use) and the fair value less costs to sell. An impairment loss is recognized for an asset when its carrying amount exceeds its recoverable amount. An impairment loss previously recognized for items of property, plant, and equipment as well as for intangible assets other than goodwill is reversed subsequently only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization or depreciation, if no impairment loss had been recognized for the asset in prior years. An impairment loss recognized for goodwill is not reversed.

Goodwill is not amortized but is tested at least annually for impairment. Goodwill has been allocated to cash-generating units as at December 31, 2022 and 2021 as follows:

EUR million	2022	2021
Vita	**218.4**	216.6
Terra		
Crea	**2.8**	2.5
Total	**221.2**	219.1

The primary reporting segments, which form the CGUs, are Vita, Terra and Crea. The recoverable amounts from CGUs are determined with value in use method, using five-year discounted cash flow projections, based on strategic plans approved by management for years 2023-2025, and after this cash flows are estimated for two year period before calculating the terminal value. Cash flows for the period extending over the five year planning period are calculated using the terminal value method. The discount rate is the weighted average post-tax cost of capital (WACC) as defined by Fiskars Group. The components of the WACC are risk-free rate, market risk premium, company-specific risk premium, industry specific equity beta, cost of debt and debt to equity ratio. WACC components have been updated to present the current market conditions. As a result of the annual impairment tests, no impairment was recognized on goodwill in 2022, or in 2021.

Fiskars Group has nine trademarks whose aggregate carrying amount is EUR 207.7 million (2021: 203.7). Total EUR 106.9 million of trademarks, patents and domain names was recorded in the Consolidated Balance Sheet with relation of WWRD acquisition (English Crystal & Living business) in 2015. Since the benefits from trademarks are indefinite, they are not amortized but are tested at least annually for impairment using a royalty relief method. An exception for this principle is trademark Hackman for which amortization has begun in 2017 (amortization period 20 years). Cash flows attributable to trademarks are derived by identifying revenues from sales of products belonging to each trademark. The value in use of trademarks is determined on a discounted cash flow method basis, derived from five-year cash flow projections, based on strategic plans approved by the management. Cash flows for the period extending over the planning period are calculated using the terminal value method. As a result of the annual impairment tests, no impairment was recognized on trademarks in 2022, or in 2021.

Key parameters applied in impairment testing

	2022		2021	
%	Goodwill	Trademarks*	Goodwill	Trademarks*
Increase in net sales on average	**7.9**	**8.7**	5.3	6.6
Steady growth rate in projecting terminal value	**1.0**	**1.0**	1.0	1.0
Discount rate, pre-tax, average	**7.8**	**9.4**	7.3	9.1

* Used one percentage point higher risk premium than in goodwill testing

Sensitivity analyses

Sensitivity analyses of goodwill have been carried out for the valuation of each CGU by making downside scenarios for key parameters. The management views that no reasonably possible change in any of the key parameters would lead to impairment as the recoverable amounts exceed the carrying amounts. The recoverable amount exceeds the carrying amounts after changes in the key parametres.

Sensitivity analyses of trademarks have been carried out for the valuation of each trademark by making downside scenarios for key parameters. The management views that no reasonably possible change in any of the key parameters would lead to impairment.

3.3 Property, plant and equipment

Accounting principles

Property, plant, and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses, if applicable. Those borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets. Residual values and expected useful lives are reassessed at least at each financial year-end and, if necessary, are adjusted to reflect changes in the expected future economic benefits. The estimated useful lives are as follows:

- Buildings 20–40 years
- Machinery and equipment 3–10 years
- Land and water No depreciation

Gains and losses on sales and disposals of property, plant, and equipment are presented in other operating income and other operating expenses.

2022

EUR million	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	21.0	91.9	111.3	10.4	234.6
Translation differences	0.2	0.2	4.5	0.2	5.0
Additions		3.1	8.3	14.5	26.0
Decreases	-0.2	-5.0	-8.3	-0.6	-14.1
Transfers between asset groups		1.8	7.6	-10.2	-0.8
Historical cost, Dec 31	20.9	92.0	123.5	14.3	250.7
Accumulated depreciation and amortization, Jan 1	0.0	31.6	58.8	-0.7	89.7
Translation differences		0.4	4.1	0.0	4.5
Depreciation		4.5	15.8		20.3
Decreases		-3.3	-7.0	0.1	-10.2
Accumulated depreciation and impairment, Dec 31	0.0	33.2	71.7	-0.6	104.4
Net book value, Dec 31	20.9	58.8	51.7	14.9	146.3

2021

EUR million	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	21.0	89.2	111.6	6.8	228.6
Translation differences	0.4	1.9	5.4	0.2	7.8
Additions		2.1	8.2	10.8	21.1
Decreases	-0.1	-1.1	-12.0	1.3	-11.8
Transfer to assets held for sale	-0.3	-1.6	-9.3		-11.2
Transfers between asset groups		1.4	7.3	-8.8	0.0
Historical cost, Dec 31	21.0	91.9	111.3	10.4	234.6
Accumulated depreciation and amortization, Jan 1	0.0	27.5	52.7	-0.7	79.5
Translation differences		0.5	4.7	0.0	5.1
Depreciation		5.2	16.9		22.2
Impairment			0.0		0.0
Decreases		-0.9	-10.0		-10.9
Transfer to assets held for sale		-0.8	-5.4		-6.2
Accumulated depreciation and impairment, Dec 31	0.0	31.6	58.8	-0.7	89.7
Net book value, Dec 31	21.0	60.4	52.5	11.1	144.9

3.4 Right-of-use assets

Accounting principles

Fiskars Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

RIGHT-OF-USE ASSETS

Fiskars Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, including the initial measurement of lease liabilities, any initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Subsequently right-of-use asset is measured at cost less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the lease term, generally as follows:

- Real estate 3–15 years
- Other assets 3–5 years

SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

The Group applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Fiskars Group has lease contracts for real estate, machinery, vehicles and other equipment used in its operations. Real estate leases generally have lease terms between 3 and 15 years, while other assets generally have lease terms between 3 and 5 years. Several lease contracts include extension and termination options and variable lease payments. The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. Expenses arising from short-term leases and leases of low values assets can be found from Note 2.3 Total Expenses. Lease liabilities are described in Note 5.5 Lease liabilities.

2022

EUR million	Real estate	Other	Total
Book value, Jan 1	**103.9**	**2.9**	**106.8**
Translation differences	**0.5**	**0.0**	**0.5**
Additions	**25.9**	**3.0**	**28.9**
Depreciations	**-22.2**	**-2.1**	**-24.3**
Decreases	**-1.2**	**-0.2**	**-1.3**
Book value, Dec 31	**107.0**	**3.6**	**110.6**

2021

EUR million	Real estate	Other	Total
Book value, Jan 1	86.9	3.3	90.2
Translation differences	2.0	0.1	2.1
Additions	42.2	1.8	44.0
Depreciations	-23.0	-2.1	-25.1
Decreases	-4.1	-0.2	-4.3
Book value, Dec 31	103.9	2.9	106.8

3.5 Biological assets

Accounting principles

Biological assets are measured at their fair value less costs to sell them. Biological assets consist of growing stock of Group's forest assets in Finland. The change in fair value resulting from both growth and change in the market value of standing timber is presented as a separate line item in the Consolidated Income Statement after operating profit (EBIT). The revenue from the sale of standing timber is presented in the Consolidated Income Statement within the operating profit.

There are no existing active markets for forest assets. Therefore, the biological asset valuation is made by using the discounted future cash flows. Cash flows are based on forest management plan taking into account forestry costs and harvesting incomes from one growth cycle. For valuing harvesting incomes, Fiskars applies a three-year rolling average price of standing timber, based on the statistics provided by the Natural Resources Institute Finland, adjusted with company specific price components.

The fair value measurements of biological assets are categorized within level 3 of the fair value hierarchy.

EUR million	2022	2021
Fair value, Jan 1	**45.4**	44.1
Increase due to growth	**2.2**	1.9
Decrease due to harvested timber	**-1.1**	-1.1
Change in fair value	**0.0**	0.5
Fair value, Dec 31	**46.5**	45.4

Fiskars Group has around 11,000 hectares of productive forest land in Finland. Biological assets consist of growing stock. The harvested amount in 2022 was approximately 42.000 m^3 (2021: 37.000 m^3).

3.6 Investment property

Accounting principles

The properties that are not used in the Group's operations or which are held to earn rental income or increase in value are classified as investment property. These properties are measured at cost less accumulated depreciation and impairment. Investment properties are depreciated over 20–40 years on a straight-line basis. Land is not depreciated.

EUR million	2022	2021
Historical cost, Jan 1	**11.7**	11.7
Translation differences	**0.0**	0.0
Additions	**1.8**	0.0
Decreases		0.0
Transfers from tangible assets	**0.8**	
Historical cost, Dec 31	**14.3**	11.7
Accumulated depreciation, Jan 1	**8.1**	7.8
Translation differences	**0.0**	0.0
Depreciation and impairment	**0.4**	0.4
Decreases		0.0
Accumulated depreciation and impairment, Dec 31	**8.6**	8.1
Net book value, Dec 31	**5.8**	3.6

Investment Property comprises the parent company's buildings and zoned and unbuilt lots for detached houses in Fiskars Village, Finland.

Fair value

Properties in Fiskars Village are unique in their cultural and historical values. Therefore it is not possible to determine a comparable market value on those properties. The book value of these properties, located in Finland, were EUR 5.8 million in 2022 (2021: 3.6).

4

Operative assets and liabilities

4.1 Inventories

Accounting principles

Inventories are carried at the lower of cost and net realizable value. Cost is determined using the first-in first-out (FIFO) method. The cost of finished goods and work-in-progress comprise direct purchase and manufacturing costs, other direct costs and a proportion of the related production overheads based on normal operating capacity. Net realizable value is the estimated amount that can be realized from the sale in normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are presented net of write-down recognized for obsolete and slow-moving inventories.

EUR million	2022	2021
Raw materials and consumables	**36.7**	31.8
Work in progress	**22.2**	18.2
Finished goods	**333.6**	286.0
Advance payments	**1.2**	0.3
Transfer to assets held for sale		-35.0
Gross value of inventories	**393.7**	301.3
The amount of write-down of inventories	**-29.0**	-29.9
Transfer to assets held for sale		1.6
Total, Dec 31	**364.7**	272.9

Change in write-down for obsolete and slow-moving inventories of EUR 0.6 (2021: 8.0) million was recognised during financial period.

4.2 Trade and other receivables

Accounting principles

Trade receivables are measured at amortized cost. According to the simplified impairment model under IFRS 9, an allowance amounting to lifetime expected credit losses is recognized at first reporting date. To measure the lifetime expected credit losses, trade receivables have been grouped based on aging categories. An allowance for doubtful receivables is measured based on historical loss rates adjusted by forward looking estimates and individual assessment. The inputs used in the model are updated on a regular basis. Impairment is recognized as an expense in Other operating expenses. If an amount previously recognized to Consolidated Income Statement is subsequently settled, it is recognized as a reduction to Other operating expenses.

EUR million	2022	2021
Trade receivables	**170.5**	206.3
Derivatives	**5.8**	0.6
Other receivables	**5.0**	4.0
Prepaid expenses and accrued income	**38.0**	19.0
Total, Dec 31	**219.2**	230.0

Aging of trade receivables

EUR million	2022	2021
Not fallen due	**143.4**	179.0
1–30 days past due	**21.4**	17.3
31–60 days past due	**4.8**	5.7
61–90 days past due	**1.7**	2.4
91–120 days past due	**0.8**	1.3
Over 120 days past due	**3.3**	6.5
Allowance for expected credit losses, Dec 31	**-4.9**	-5.9
Total, Dec 31	**170.5**	206.3

Trade receivables' payment terms vary, but average is 45 days.

Trade receivables in currencies

EUR million	2022	2021
US Dollars (USD)	**61.4**	86.8
Euros (EUR)	**37.7**	34.8
Danish Krones (DKK)	**19.1**	24.8
Swedish Kronas (SEK)	**10.5**	10.4
Japanese Yens (JPY)	**8.1**	8.2
Norwegian Krones (NOK)	**8.0**	7.2
Canadian Dollars (CAD)	**5.5**	4.2
Australian Dollars (AUD)	**5.0**	5.8
Other currencies	**15.2**	24.1
Total, Dec 31	**170.5**	206.3

Trade receivables are widely spread geographically. The biggest customers are major retailers with solid credit ratings. Credit loss risks are estimated to be moderate. The maximum exposure to credit risk is the carrying amount of the trade receivables. The credit risk is described in more detailed in Note 5.2.

Allowance for expected credit losses

EUR million	2022	2021
Allowance for expected credit losses, Jan 1	**-5.9**	-5.5
Translation differences	**-0.2**	
Additions	**-3.1**	-3.2
Deductions	**3.2**	2.7
Recognised impairment losses	**1.2**	0.2
Recovery of doubtful receivables	**0.0**	-0.1
Allowance for expected credit losses, Dec 31	**-4.9**	-5.9

4.3 Trade and other payables

EUR million	2022	2021
Trade payables	**69.2**	139.3
Other non-interest-bearing payables	**39.3**	31.0
Accrued expenses and deferred income		
Interests	**3.2**	0.9
Wages, salaries and social costs	**35.4**	48.3
Contract liabilities	**47.3**	72.8
Other	**55.7**	78.2
Total, Dec 31	**250.1**	370.4

Contract liabilities includes for example accrued discounts, rebates, customer program credits and other revenue related adjustments. Other accrued expenses includes accrued materials and supplies, amongst other.

4.4 Employee defined benefit obligations

Accounting principles

Group companies have various pension plans in accordance with local conditions and practices in the countries in which they operate. The plans are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan the group pays fixed contributions into a separate entity. If the entity does not hold sufficient assets to pay all employees the benefits in question, the Group will have no legal or constructive obligation to pay further contributions. All other plans not meeting the above criteria are classified as defined benefit plans. Most of the plans that group companies have are classified as defined contribution plans and related contributions are charged to the income statement in the year in which the payment obligation has arisen.

The costs for defined benefit pension plans are calculated and recognized under the terms of the plan based on actuarial calculations. Pension costs are recognized as expenses over the employees' service period. The pension obligation is measured as the present value of the estimated future contributions deducted by the fair value of plan assets at the end of the reporting period. Changes in the estimates in the actuarial calculations may influence the reported pension obligations and pension costs. Actuarial gains and losses are recognized in other comprehensive income (OCI).

Most of Fiskars Group's pension plans are defined contribution plans. Vita business area has defined benefit plans in Indonesia, Japan and Slovenia. The defined benefit plans in the U.S., UK and Germany are closed plans, and future pay increases will not impact the valuation. The Group also has supplementary pension plans in Finland which are classified as defined benefit plans. Each plan is operated in accordance with local conditions and practices of the respective country. Authorized actuaries have performed the actuarial calculations for the defined benefit plans.

The main unfunded plans are in the U.S., Germany, Indonesia, Japan and Slovenia. Plan in Finland is taken care of by local pension insurance company. The Group estimates its contributions to the plans during 2023 to be EUR 1.2 (2022: 1.0) million.

Characteristics of the defined benefit plans and risks associated with them

EUR million	Net liability 2022	Net liability 2021	Description and risks
Finland	**0.0**	0.1	There are 22 eligible members in the Finnish pension plans. The plans are either funded insured pension plans, which are closed, or unfunded pension promises. Benefits of the plans are old age pension, disability pension, family pension and funeral grant. Pension increases are based on either insurance companies' own indexes or TyEL index. Main risks are changes in bond yields, increase in life expectancy and inflation risk.
Germany	**0.8**	1.0	There are 68 eligible members in the German pension plans. The plans are either unfunded individual pension promises, or unfunded pension plans, which are closed. Benefits of the plans are old age pension, disability pension and widow's/widower's pension. Pension increases, if any, are based on inflation. Main risks are changes in bond yields, increase in life expectancy and inflation risk.
Thailand	**1.0**	1.0	There are 766 eligible members in the Thai pension plan, which is a retirement benefit plan. Benefit of the plan is severance pay. There are no pension increases. Main risks are changes in bond yields and inflation risk.
UK			There are 173 eligible members in the British pension plan, which is a closed pension fund. The plan has surplus (asset) of GBP 1.7 million at end of 2022 (2021: 2.3), which is not recognized as an assets due to asset ceiling. Benefits of the plan are old age pension, early retirement pension, widow's/widower's pension and death benefit. Pension increases are based on inflation. Main risks are volatility of equity instruments, changes in bond yields, increase in life expectancy and inflation risk. UK legislation requires the board to carry out actuarial valuations at least every three years and to target full funding against a basis that prudently reflects the fund's risk exposure, including the strength of the covenant offered to the fund by Fiskars UK Limited. The most recent actuarial valuation was carried out as at March 31, 2017. From July 31, 2017 the Company has agreed with the Trustee of the scheme a revised schedule of contributions for the scheme to reduce the annual contributions payable to GBP nil per annum. On December 5, 2017 the Company completed a buy-in of GBP 14.5 million of UK Scheme liabilities underwritten by the purchase of the annuity contract. The buy-in policy provides cash flows to match the benefits of the members covered, and is valued at higher than the present value of the defined benefit obligation for those members. The Fund administration costs at the end of 2017 has been recognized as an expense in the company's income statement, and under rules of IAS 19 applicable to the scheme, has been offset with recognition of other comprehensive income to generate nil impact on company reserves for in the period.
U.S.	**4.1**	5.0	There is one eligible member in the American pension plan, which is an unfunded pension obligation. Benefits of the plan are old age pension and widow's/widower's pension. There are no pension increases. Main risks are changes in bond yields and increase in life expectancy.
Indonesia	**2.9**	3.5	There are 798 eligible members in the Indonesian pension plan, which is an unfunded retirement benefit plan. Benefits of the plan are severance pay, death benefit and disability benefit. There are no pension increases. Main risks are changes in bond yields and inflation risk.
Japan	**0.6**	0.7	There are 67 eligible members in the Japanese pension plan, which is a funded and insured pension and retirement allowance plan. Benefits of the plan are old-age pension, death benefit and retirement allowance. There are no pension increases. Main risks are changes in bond yields, increase in life expectancy and inflation risk.
Slovenia	**1.4**	1.5	There are 888 eligible members in the Slovenian pension plans, which are unfunded retirement benefit plans. Benefit of the plan is severance pay. There are no pension increases. Main risks are changes in bond yields and inflation risk.
Total net liability	**10.8**	12.8	

Changes in net defined benefit liability

EUR million	Present value of obligation	Fair value of plan assets	Total	Additional liablity and effect of asset ceiling	Total
Jan 1, 2022	30.7	-20.6	10.0	2.7	12.8
Current service cost	0.7		0.7		0.7
Interest expense (+) or income (-)	0.7	-0.3	0.3	0.0	0.4
Administration expenses		0.5	0.5		0.5
Past service cost and gains and losses from settlements	-0.7		-0.7		-0.7
Total included in personnel expenses (Note 2.4)	0.7	0.2	0.9	0.0	0.9
Return on plan assets, excluding amounts included in interest, (gain -) and (loss +)		4.6	4.6		4.6
Actuarial gains (-) and losses (+) arising from changes in demographic assumptions	-0.4		-0.4		-0.4
Actuarial gains (-) and losses (+) arising from changes in financial assumptions	-6.7		-6.7		-6.7
Experience adjustment gains (-) and losses (+)	1.2		1.2		1.2
Changes in asset ceiling, excluding amounts included in interest				-0.7	-0.7
Remeasurement gains (-) and losses (+) included in OCI	-5.9	4.6	-1.3	-0.7	-2.1
Translation differences	-0.6	1.0	0.3	-0.1	0.2
Employer contributions		-1.0	-1.0		-1.0
Benefits paid	-2.1	2.1			
Other changes					
Dec 31, 2022	22.8	-13.8	8.9	1.9	10.8

Changes in net defined benefit liability

EUR million	Present value of obligation	Fair value of plan assets	Total	Additional liablity and effect of asset ceiling	Total
Jan 1, 2021	31.1	-21.0	10.1	3.0	13.1
Current service cost	0.8		0.8		0.8
Interest expense (+) or income (-)	0.7	-0.3	0.4	0.0	0.4
Administration expenses		0.5	0.5		0.5
Past service cost and gains and losses from settlements	-0.8		-0.8		-0.8
Total included in personnel expenses (Note 2.4)	0.7	0.2	0.9	0.0	0.9
Return on plan assets, excluding amounts included in interest, (gain -) and (loss +)		0.5	0.5		0.5
Actuarial gains (-) and losses (+) arising from changes in demographic assumptions	-0.6		-0.6		-0.6
Actuarial gains (-) and losses (+) arising from changes in financial assumptions	0.3		0.3		0.3
Experience adjustment gains (-) and losses (+)	-0.3		-0.3		-0.3
Changes in asset ceiling, excluding amounts included in interest				-0.5	-0.5
Changes in asset ceiling, excluding amounts included in interest	-0.6	0.5	-0.1	-0.5	-0.6
Translation differences	1.6	-1.1	0.4	0.2	0.6
Employer contributions		-1.2	-1.2		-1.2
Benefits paid	-2.0	2.0			
Other changes					
Dec 31, 2021	30.7	-20.6	10.0	2.7	12.8

Plan assets by asset category

	2022		2021	
EUR million	Quoted	Unquoted	Quoted	Unquoted
Equity instruments				
Bonds	**0.5**		0.7	
Property				
Insurance contracts		**11.8**		17.5
Cash and cash equivalents	**1.6**		2.4	
Total	**2.0**	**11.8**	3.1	17.5

Principal actuarial assumptions at the balance sheet date

%	2022	2021
Discount rate		
UK	**4.90**	1.80
U.S.	**5.20**	2.20
Indonesia	**7.56**	6.70
Slovenia	**3.57**	0.90
Other countries	**0.60–3.70**	0.30–2.15
Future salary increases		
UK	**n/a**	n/a
U.S.	**n/a**	n/a
Indonesia	**5.00**	5.00
Slovenia	**3.90**	3.35
Other countries	**n/a / 1.50–4.00**	n/a / 0.00–4.00
Future pension increases		
UK	**3.05**	3.25
U.S.	**0.00**	0.00
Indonesia	**5.00**	5.00
Slovenia	**0.00**	0.00
Other countries	**n/a / 2.65–2.90**	n/a / 0.00–2.35

Sensitivity analysis

The sensitivity analyses below have been determined based on reasonably changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. A linear extrapolation of these amounts based on alternative changes in the assumptions as well as an addition of combined changes in the individual assumptions is not possible. There are no changes in the way the sensitivity analyses were performed compared to the previous years.

	2022		2021	
	Defined benefit obligation		Defined benefit obligation	
EUR million	Increase	Decrease	Increase	Decrease
UK				
Discount rate (0.5% change)	**-0.5**	**0.6**	-1.0	1.2
Future salary (0.5% change)	**n/a**	**n/a**	n/a	n/a
Future pension (0.5% change)	**0.2**	**-0.1**	0.1	-0.1
Other Group companies, total				
Discount rate (0.5% change)	**-0.5**	**0.5**	-0.7	0.7
Future salary (0.5% change)	**0.3**	**-0.3**	0.4	-0.4
Future pension (0.5% change)	**0.0**	**-0.0**	0.0	-0.0

The weighted average of the duration of the defined benefit obligation: 9.7 (2021: 12.2)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

4.5 Provisions

Accounting principles

A provision is recognized when the Group as a result of a past event has a present legal or constructive obligation, it is probable that the obligation will be realized and a reliable estimate can be made of the amount of the obligation. A provision for restructuring is recognized when a detailed formal plan has been prepared and when there is a valid expectation relating those affected that the plan will be carried out. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is possible to receive compensation for a part of the obligation from a third party, the compensation is recognized as a separate asset, but only when receipt of the compensation is virtually certain.

Fiskars Group may be a party to lawsuits and legal processes concerning the Group's business operations. A related provision is recognized in the financial statements when the amount of the expenditure can be estimated reliably and it is more likely than not that they will be realized. Otherwise these contingent liabilities are disclosed in the notes.

Warranty provisions relate to products sold and are reviewed and adjusted regularly to reflect the estimated cash outflows to settle the warranty claims. Other provisions include, among others, provisions for legal expenses and estimated costs for refurnishment of premises.

2022

Non-current provisions

EUR million	Warranty provision	Restructuring provision	Other provisions	Total
Provisions, Jan 1	0.5	0.1	2.8	3.4
Translation differences	-0.0	-0.0	0.0	0.0
Additions			0.2	0.2
Used provisions			-0.7	-0.7
Reversals		-0.1	-0.5	-0.5
Provisions, Dec 31	0.5	-0.0	1.9	2.4

Current provisions

EUR million	Warranty provision	Restructuring provision	Other provisions	Total
Provisions, Jan 1	2.3	1.0	11.4	14.7
Translation differences	0.1		0.1	0.2
Additions		-0.1	1.2	1.1
Used provisions		-0.6	-7.9	-8.5
Reversals		-0.1	-3.2	-3.3
Transfer from long-term to short-term			0.6	0.6
Provisions, Dec 31	2.4	0.2	2.2	4.8

2021

Non-current provisions

EUR million	Warranty provision	Restructuring provision	Other provisions	Total
Provisions, Jan 1	0.5	0.1	3.0	3.6
Translation differences	0.0	-0.0	-0.1	-0.1
Additions			0.0	0.0
Used provisions			-0.0	-0.0
Change in estimates	-0.0		0.0	0.0
Reversals			-0.1	-0.1
Provisions, Dec 31	0.5	0.1	2.8	3.4

Current provisions

EUR million	Warranty provision	Restructuring provision	Other provisions	Total
Provisions, Jan 1	2.2	0.6	2.9	5.7
Translation differences	0.1	0.0	0.1	0.2
Additions	-0.0	0.7	8.5	9.2
Used provisions	-0.0	-0.3	-0.0	-0.3
Change in estimates	-0.0	-0.0		-0,0
Reversals		-0.0		-0.0
Provisions, Dec 31	2.3	1.0	11.4	14.7

5

Capital structure and financial instruments

5.1 Share capital

	2022 pcs 1000	2021 pcs 1000	2022 EUR million	2021 EUR million
Share capital				
Jan 1	**81,905.2**	81,905.2	**77.5**	77.5
Change	**-905.2**			
Share capital, Dec 31	**81,000.0**	81,905.2	**77.5**	77.5
Treasury shares				
Jan 1	**433.7**	433.7	**7.2**	7.2
Change	**-14.2**		**16.2**	
Cancellation of treasury shares			**-16.6**	
Treasury shares, Dec 31	**419.5**	433.7	**6.7**	7.2

Number of shares and votes

	Dec 31, 2022			Dec 31, 2021		
	Number of shares	Number of votes	Share capital EUR	Number of shares	Number of votes	Share capital EUR
Shares (1 vote/share)	**81,000,000**	**81,000,000**	**77,510,200**	81,905,242	81,905,242	77,510,200
Total	**81,000,000**	**81,000,000**	**77,510,200**	81,905,242	81,905,242	77,510,200

Fiskars Corporation has a single class of shares. Shares have no nominal value.

Board of Directors of Fiskars Corporation decided to cancel a total of 905,242 treasury shares. The cancellation of the treasury shares has been registered with the Trade Register maintained by the Finnish Patent and Registration Office on November 2, 2022.

After the cancellation, the total number of shares in Fiskars Group is 81,000,000 and the total number of votes attached to the shares is 81,000,000. After the cancellation Fiskars holds a total of 419,484 treasury shares. The cancellation of the shares has no effect on the share capital of Fiskars.

5.2 Financial risk management

Financial risks are managed centrally by the Group Treasury in accordance with the Treasury Policy approved by the Board of Directors.

Currency risk

Currency risk refers to changes in income statement, cash flow, balance sheet and competitiveness of Fiskars Group due to changes in exchange rates. Fiskars Group's transaction and translation positions are managed separately.

Transaction risk

Transaction risk arises from foreign currency denominated cash flows, and is measured as net of commercial and financial receivables and payables denominated in foreign currencies. The objective of managing the transaction risk is to reduce the impact of changes in exchange rates on the profit and cash flow of the Group. Group companies are responsible for managing the currency risks associated with their commercial cash flows and to hedge their exposure using currency forwards entered into with the Group Treasury. The net position is hedged with currency derivatives in accordance with the Treasury policy approved by the Board of Directors.

The most significant risks relate to appreciation of USD, THB and IDR, and to depreciation of SEK, CAD and AUD. Fiskars Group is exposed to rate changes in the local currencies of its suppliers, of which the most important is CNY.

Fiskars Group does not apply hedge accounting on foreign exchange derivatives as defined in IFRS 9. All gains and losses resulting from currency derivatives are booked in the income statement. Had hedge accounting been applied on currency derivatives, Fiskars Group's consolidated profit before tax for 2022 would have been EUR 1.3 million lower (3.2 million lower in 2021).

Translation risk

Translation risk refers to the impact of changes in exchange rates on the consolidated income statement, consolidated statement of cash flows and consolidated balance sheet. These changes can also impact key indicators, such as net debt/EBITDA (LTM), equity ratio and gearing. Translation risk is not hedged.

Interest rate risk

Exposure of the values of cash flows, assets and liabilities to interest rate fluctuations gives rise to interest rate risk. In Fiskars Group it is measured by the average interest rate reset period of financial liabilities excluding lease liabilities. The average reset period reflects the time it takes on average for the change in interest rates to impact the interest costs of the debt portfolio. The risk is quantified in monetary terms as the change in interest costs during the observation period caused by a permanent one percentage point rise in interest rates. The shorter the average reset period, the more unpredictable are the interest costs.

Derivatives may be used in the management of interest rate risks, and hedge accounting is applied on interest derivatives. The objective is to maintain the average reset period within the limits of 6 to 48 months as set out in the Treasury policy. As of December 31, 2022 the Group had interest rate swaps in the amount of EUR 50.0 million outstanding (2021: EUR 0.0 million). The Group's interest-bearing net debt excluding leasing liabilities as of December 31, 2022 was EUR 209.8 million (2021: 32.9). Of the debt 85% (23%) was linked to variable interest rates. The average interest rate reset period of the debt was 8 months (2021: 8).

Sensitivity of interest expenses on changes in market rates has been calculated by assuming permanent one percentage point increase in market rates and assuming no change in net debt during the year. The calculated impact on the consolidated result before tax would be EUR -1.6 million (2022: 0.0 million) in 2023.

Liquidity and refinancing risk

Liquidity risk refers to the risk of the Group's financial assets and sources of funding proving insufficient to fund its business operations or the risk of a situation where arranging such funding would result in substantial additional costs. The objective of liquidity risk management is to maintain an optimal amount of liquidity to fund the business operations of the Group at all times while minimizing interest costs. Liquidity is considered to be the sum of cash and cash equivalents and available committed credit lines.

Refinancing risk refers to exposure to unavailability or prohibitively expensive price of financing at the time of maturity of expiring financing lines. The objective of refinancing risk management is to minimize the risk by diversifying the maturity structure of the debt and loan facility portfolio.

Fiskars Group had EUR 250.0 (2021:280.0) million of long-term committed credit facilities and uncommitted overdraft facilities of EUR 47.0 (44.0) million. A commercial paper program of 400.0 million was available with Nordic banks. Of the long-term committed credit facilities EUR 50.0 million was in use (0.0), and of the commercial paper program EUR 145.6 (0.0) million was in use.

Commodity risk

Fiskars may use derivatives to hedge its exposure to commodity price fluctuations where appropriate. At the end of the year, the Group held no outstanding commodity derivative contracts.

Credit risk

Group Treasury is responsible for evaluating and monitoring financial counterparty risk. The Group minimizes this risk by limiting its counterparties to creditworthy banks and financial institutions and by working within defined counterparty limits. Sales function is responsible for monitoring customer credit risks. The Group's clientele is extensive and even the largest customers represent less than 10% of the outstanding receivables. As of the end of the year, the Group's trade receivables totaled EUR 170.5 million (2021: 206.3). The financial statements include provisions for bad debt related to trade receivables totaling EUR 4.9 million (2021: 5.9).

Management of capital

Fiskars is not subject to any externally imposed capital requirements (other than possible local company law requirements effective in the jurisdictions where Fiskars Group companies are active).

The Group's objectives when managing capital are:

- to safeguard the Group's capacity to fund its operations and take care of its obligations
- to maintain a balanced business and investment portfolio that provides return both on short and long term to its shareholders
- to maintain possibilities to act on potential investment opportunities
- to maintain an equity ratio that exceeds 40%
- to maintain a net debt to last 12 months' EBITDA ratio of maximum 2.5

5.3 Financial assets

Accounting principles

FINANCIAL ASSETS

Fiskars Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, and financial assets at amortised cost. Financial assets are classified at initial recognition based on their purpose of use. For assets not at fair value through profit or loss, the directly attributable transaction costs are included in the original costs of the financial assets. All purchases or sales of financial assets are recognized or derecognized using trade date accounting. The Group derecognizes financial assets when it has lost its right to receive the cash flows or when it has transferred substantially all the risks and rewards to an external party. Fair value categories of financial instruments are explained in Note 5.4.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND VIA OTHER COMPREHENSIVE INCOME

Financial assets at fair value through profit or loss include financial assets that are held for trading or are designated as financial assets at fair value through profit or loss upon initial recognition (the fair value option). In Fiskars Group this category comprises derivative instruments for which hedge accounting is not applied, and investments in listed securities.

Financial assets at fair value through profit or loss are measured at fair value both at initial recognition and subsequently. The fair values of the listed securities are based on quoted rates at the end of the reporting period, and both realized and unrealized gains and losses are recognized in the income statement under financial items. The fair value measurement principles of derivative instruments are described in Note 5.6.

Financial assets at fair value through other comprehensive income include listed shares. These assets are measured at fair value at initial recognition and subsequently. Changes in fair value are recognized in other comprehensive income.

FINANCIAL ASSETS AT AMORTISED COST

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are not held for trading or designated as available for sale upon initial recognition. This category comprises trade receivables and other receivables. It also includes deposits to guarantee leases and other similar items presented under Other non-current assets in the Consolidated Balance Sheet. Trade and other receivables are described in more detail in Note 4.2.

Loans and other receivables are measured at amortized cost. The allowance for expected credit losses is based on the risks of the individual items. Carrying amounts of receivables are adjusted to their probable value as a result of this assessment.

Loans and receivables are included in current or non-current assets based on their term to maturity. Amounts expected to be recovered or settled in no more than 12 months after the end of the reporting period are included in current assets.

CASH AND CASH EQUIVALENTS

The balance sheet item Cash and cash equivalents includes cash, i.e. cash in hand and deposits held at call with banks, and cash equivalents. Cash equivalents comprise highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The items included in cash equivalents have original maturities of maximum three months from the date of acquisition. Bank overdrafts are included in current interest-bearing financial liabilities. Cash and cash equivalents are measured at amortized cost.

Financial assets at fair value through profit or loss

	Level 3	
EUR million	2022	2021
Book value, Jan 1	**32.0**	24.4
Additions		0.3
Decreases	**-4.4**	-1.5
Transfers		
Change in fair value	**1.4**	8.8
Book value, Dec 31	**29.0**	32.0

Investments at fair value through profit or loss comprise unlisted funds. The fair value of unlisted funds is based on the market value reported by the funds (level 3). Changes in the fair value are recognized in the income statement.

Other investments and other non-current assets

	Level 1		Level 3	
EUR million	2022	2021	2022	2021
Book value, Jan 1	**0.2**	0.2	**10.4**	7.9
Addition				2.9
Decreases	**-0.2**		**-0.6**	-0.4
Change in fair value		0.1		
Book value, Dec 31		0.2	**9.8**	10.4

Other investments include listed and unlisted shares as well as non-current receivables. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (level 1). Unlisted shares and other investments are measured at fair value (level 3). Fair value of unlisted shares equals acquisition value.

Cash and cash equivalents

EUR million	2022	2021
Cash and cash equivalents	**115.8**	31.5
Other current investments		
Total, Dec 31	**115.8**	31.5

5.4 Financial liabilities

Accounting principles

FINANCIAL LIABILITIES AND BORROWING COSTS

Fiskars Group classifies its financial liabilities in the following categories: financial liabilities at fair value through profit or loss (includes derivative liabilities) and financial liabilities measured at amortized cost. A financial liability is initially recognized at fair value, and subsequently carried at amortized cost. Derivative liabilities are measured at fair value. Financial liabilities are classified as non-current or current; the latter group comprises all those financial liabilities for which the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. The Group removes a financial liability (or a part of it) from its balance sheet only when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires.

Arrangement fees related to loans and loan commitments are amortized over the expected loan term.

Non-current interest-bearing debt

EUR million	2022 Fair value	2022 Carrying amount	2021 Fair value	2021 Carrying amount
Loans from credit institutions	**130.1**	**130.4**		
Other non-current debt			0.7	0.7
Total, Dec 31	**130.1**	**130.4**	0.7	0.7

Interest-bearing debts are valued at amortized cost. The fair values of interest-bearing debts have been calculated by discounting the cash flow of the debt by the market rate at the end of reporting period (fair value hierarchy level 2).

Current interest-bearing debt

EUR million	2022 Fair value	2022 Carrying amount	2021 Fair value	2021 Carrying amount
Bank overdrafts			14.2	14.2
Loans from credit institutions	**195.2**	**195.2**	50.0	50.0
Other			0.2	0.2
Total, Dec 31	**195.2**	**195.2**	64.4	64.4

Reconciliation of net debt

EUR million	2022	2021
Loans from credit institutions	**325.6**	65.1
Lease liabilities	**115.5**	111.5
Cash and cash equivalents	**-115.8**	-31.5
Net debt	**325.3**	145.0

Changes in liabilities arising from financing activities

2022

EUR million	Jan 1	Lease changes	Cash flows	Fx difference	Other	Dec 31
Non-current loans and borrowings	**0.7**		**129.7**			**130.4**
Non-current lease liabilities (Note 5.5)	**88.9**	**1.4**		**2.7**	**-0.1**	**92.9**
Current loans and borrowings	**64.4**		**131.0**	**-0.2**		**195.2**
Current lease liabilities (Note 5.5)	**22.6**	**26.7**	**-26.2**	**-2.0**	**1.4**	**22.5**
Total	**176.6**	**28.1**	**234.5**	**0.5**	**1.4**	**440.9**

2021

EUR million	Jan 1	Lease changes	Cash flows	Fx difference	Other	Dec 31
Non-current loans and borrowings	51.2		-0.5	0.0	-50.0	0.7
Non-current lease liabilities (Note 5.5)	71.8	0.0	0.0	1.5	15.5	88.9
Current loans and borrowings	61.2		-47.2	0.4	50.0	64.4
Current lease liabilities (Note 5.5)	22.7	39.3	-26.4	0.5	-13.6	22.6
Total	206.9	39.3	-74.1	2.5	1.9	176.6

Maturity of liabilities

As of December 31, 2022 the Group had unused committed credit facilities EUR 200.0 million (2021: 280.0) at its disposal to guarantee its liquidity. The average maturity of the credit limit agreements as of December 31, 2022 was 3 years (2021: 3.9). Maturities of long term loans are presented in the below table. Agreements concerning credit facilities and long term loans include a covenant for the solidity. Non-compliance with the covenant leads to a premature expiry of the agreements. Breach of covenant requires material deterioration of the solidity from the current.

2022

EUR million	2023	2024	2025	2026	2027	Later years	Total
Bank overdrafts							
Other debt	**0.2**	**0.2**					**0.4**
Loans from credit institutions	**195.2**		**80.0**			**50.0**	**325.2**
interests	**5.1**	**4.2**	**3.9**	**1.6**	**1.6**	**2.9**	**19.2**
Lease liabilities (Note 5.5)	**19.8**	**16.7**	**15.7**	**13.2**	**10.7**	**29.3**	**105.3**
interests	**2.8**	**2.2**	**1.7**	**1.3**	**0.8**	**1.4**	**10.2**
Trade payables	**69.2**						**69.2**
Derivative liabilities	**1.4**						**1.4**
Total, Dec 31	**293.7**	**23.3**	**101.3**	**16.1**	**13.1**	**83.5**	**530.9**

2021

EUR million	2022	2023	2024	2025	2026	Later years	Total
Bank overdrafts	14.2						14.2
Other debt	0.2	0.2	0.2	0.2			0.9
Loans from credit institutions	50.0						50.0
interests	0.3						0.3
Lease liabilities (Note 5.5)	20.8	16.4	12.3	10.7	9.7	33.6	103.5
interests	1.8	1.4	1.1	0.9	0.8	1.9	8.0
Trade payables	139.1						139.1
Derivative liabilities	0.2						0.0
Total, Dec 31	226.3	18.0	13.6	11.9	10.5	35.5	315.9

Sensitivity analysis of currency exposure

The exchange rate sensitivity analysis in accordance with IFRS 7 indicates how the profit before taxes or consolidated Group equity would be impacted by a 10% depreciation of a currency. The impact of a 10% appreciation of a currency would be approximately the opposite. The analysis of impact on profit includes internal and external foreign currency denominated financial items of the parent company in the selected currencies. Estimated commercial cash flows of the Group companies consist of net purchases and sales in foreign currencies during the subsequent year. Derivatives include transactions to hedge the estimated commercial flows. Other financial items include foreign currency denominated loans, deposits and investments. The selected currencies represent approximately 90% of the commercial net foreign currency flows. The sensitivity analysis on the consolidated Group equity illustrates translation risk related to the foreign currency denominated equity.

	2022				2021			
	Impact on result before taxes				Impact on result before taxes			
EUR million	Estimated commercial cash flows	Derivatives	Other financial items	Impact on group equity	Estimated commercial cash flows	Derivatives	Other financial items	Impact on group equity
AUD	**-1.9**	**2.4**	**-0.4**	**-2.0**	-1.9	2.2	-0.3	-1.7
CAD	**-2.0**	**2.4**	**-0.3**	**-1.6**	-1.3	1.3	0.0	-1.0
GBP	**-0.8**	**4.8**	**-4.0**	**-3.9**	-0.9	6.3	-5.4	-3.6
IDR	**1.3**	**-1.3**	**0.0**	**0.0**	1.2	-1.2	0.0	0.0
JPY	**-1.3**	**2.1**	**-0.8**	**-2.3**	-1.4	2.1	-0.7	-2.1
SEK	**-2.2**	**0.9**	**1.3**	**-0.9**	-2.3	1.1	1.2	-0.6
THB	**3.3**	**-2.7**	**-0.6**	**-1.4**	3.2	-2.4	-0.8	-1.5
USD	**3.5**	**12.7**	**-16.2**	**-16.4**	2.8	8.8	-11.6	-14.5

Average interest rates and sensitivity analysis of interest expenses

The sensitivity of interest expenses on changes in interest rates has been presented by simulating a permanent one percentage unit rise in interest rates at the end of the reporting year. The Group's net interest bearing debt excluding financial leases as of December 31, 2022 was EUR 209.8 million (2021: 32.9) and the average interest reset period of interest-bearing debt was 8 months (2021: 8). A permanent one percentage point rise in all interest rates would increase the corporation's annual interest costs by EUR 1.6 million (2021: 0.0) assuming no change in the amount of the net debt.

The table below shows the Group's net interest bearing debt, currency derivatives, average interest rates on loans and interest rate sensitivity by major currencies.

2022

EUR million	EUR	USD	GBP	PLN	Other	Total
Loans and deposits	**255.0**	**-13.6**	**-1.2**	**-4.4**	**-25.8**	**210.0**
Currency derivatives	**-204.4**	**126.8**	**48.1**	**23.9**	**3.2**	**-2.3**
Net debt and currency derivatives	**50.6**	**113.2**	**47.0**	**19.5**	**-22.6**	**207.7**
Average interest rate on loans (p.a.)	**2.5%**					
Interest rate sensitivity	**0.0**	**1.1**	**0.5**	**0.2**	**-0.2**	**1.6**

2021

EUR million	EUR	USD	GBP	PLN	Other	Total
Loans and deposits	55.4	4.1	-0.2	-0.1	-26.3	32.9
Currency derivatives	-147.8	87.9	63.1	-35.5	31.8	-0.5
Net debt and currency derivatives	-92.4	92.0	62.8	-35.5	5.5	32.4
Average interest rate on loans (p.a.)	0.7%					
Interest rate sensitivity	-1.5	0.9	0.6	-0.4	0.3	0.0

Fair value of financial instruments

Accounting principles

FAIR VALUE CATEGORIES

Hierarchy level 1 includes financial assets and liabilities that are publicly quoted in an active market. This category includes listed shares. Level 2 includes financial assets and liabilities measured using directly observable market inputs. All interest bearing debts and derivatives fall within this category. Level 3 includes financial assets and liabilities measured using non-market observable inputs. The asset classes in this category are unlisted equity investments and funds.

2022

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss			**29.0**	**29.0**
Other investments			**3.5**	**3.5**
Derivative assets		**4.5**		**4.5**
Total assets	**0.0**	**4.5**	**32.5**	**37.0**
Derivative liabilities		**1.4**		**1.4**
Total liabilities		**1.4**		**1.4**

2021

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss			32.0	32.0
Other investments	0.2		3.5	3.7
Derivative assets		0.6		0.6
Total assets	0.2	0.6	35.5	36.3
Derivative liabilities				
Total liabilities				

5.5 Lease liabilities

Accounting principles

Fiskars Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

LEASE LIABILITIES

At the commencement date of the lease, Fiskars Group recognizes lease liabilities measured at the present value of future unpaid lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group, and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date as typically the interest rate implicit in the lease is not readily available. Subsequently lease liability is measured using the effective interest rate method, and the carrying amount of lease liability is increased with the interest on the lease liability, reduced with the amount of lease payments made, and adjusted to reflect any reassessments or lease modifications made. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Fiskars Group has lease contracts for various items of real estate, machinery, vehicles and other equipment used in its operations. Right-of-use assets are presented in Note 3.3. Right-of-use assets. Amounts recognised in Consolidated Income Statement are presented in Note 2.3 Total expenses and in Note 2.6. Financial income and expenses.

EUR million	2022	2021
Book value, Jan 1	**111.5**	94.5
Translation differences	**0.7**	2.2
Additions	**28.9**	44.0
Accretion of interest	**2.0**	1.9
Payments	**-26.2**	-26.7
Decreases	**-1.4**	-4.5
Book value, Dec 31	**115.5**	111.5
Current lease liabilities	**22.5**	22.6
Non-current lease liabilities	**92.9**	88.9

Maturity of lease liabilities

EUR million	2022	2021
Less than one year	**25.3**	24.4
Between one and five years	**68.4**	65.6
More than five years	**32.0**	29.5
Minimum lease payments, total	**125.7**	119.4

5.6 Derivatives

Accounting principles

DERIVATIVES AND HEDGE ACCOUNTING

Derivatives not designated as hedging instruments are recognized at fair value through profit and loss. Derivatives are initially valued at cost and subsequently at fair value determined at the end of each reporting period. The fair value of derivatives is based on prevailing market rates or rates derived from the prevailing market rates at the end of the reporting period (fair value hierarchy level 2). Fair value changes are recognized in financial items.

Fiskars Group applies hedge accounting to changes in the fair value of derivatives designated, qualifying and effective as cash flow hedges. The fair value of derivatives on which hedge accounting is applied is based on prevailing market rates or rates derived from the prevailing market rates at the end of the reporting period (fair value hierarchy level 2). Fair value changes are recognized in equity.

Nominal amounts of derivatives

EUR million	2022	2021
Derivatives, hedge accounting not applied:		
Foreign exchange forwards and swaps	**306.2**	338.3
Derivatives, hedge accounting applied:		
Interest rate swaps	**50.0**	

Fair value of derivatives

EUR million	2022	2021
Derivatives, hedge accounting not applied:		
Foreign exchange forwards and swaps	**3.1**	0.6
Derivatives, hedge accounting applied:		
Interest rate swaps	**0.1**	

Derivative agreements the Group enters into are governed by International Swaps and Derivatives Association's Master Agreements (ISDA) or by corresponding local agreements. In case of a credit event as defined by the ISDA the other agreement party may demand early termination and set-off. Gross amounts of derivative assets and liabilities subject to early termination and set-off are presented in the following table.

EUR million	2022	2021
Foreign exchange forwards and swaps		
Assets	**4.5**	0.7
Liabilities	**-1.4**	-0.2
Net	**3.1**	0.6
Interest rate swaps		
Assets	**0.1**	
Net	**0.1**	

Maturity of derivatives

2022

EUR million	2023	2024	Later years	Total
Foreign exchange forwards and swaps	**306.2**			**306.2**
Interest rate swaps			**50.0**	
Total, Dec 31	**306.2**		**50.0**	**356.2**

2021

EUR million	2022	2023	Later years	Total
Foreign exchange forwards and swaps	338.3			338.3
Total, Dec 31	338.3			338.3

6

Other notes

6.1 Subsidiaries

Shares in subsidiaries

	Domicile		% of share capital	% of voting power	Nature of main activities
Fiskars Americas Holding Oy Ab	Raseborg	FI	100.0	100.0	H
Fiskars Brands, Inc.	Madison, WI	US	100.0	100.0	P
Fiskars Canada, Inc.	Toronto	CA	100.0	100.0	S
Consumer Brands (Hong Kong) Co., Limited	Hong Kong	HK	1.0	1.0	H
Fiskars Europe Holding Oy Ab	Raseborg	FI	100.0	100.0	H
Consumer Brands (Hong Kong) Co., Limited	Hong Kong	HK	99.0	99.0	H
Fiskars (Thailand) Co.,Limited	Bangkok	TH	98.0	98.0	H
Fiskars Trading (Shanghai) Co., Ltd	Shanghai	CN	100.0	100.0	H
Fiskars Finland Oy Ab	Helsinki	FI	100.0	100.0	P
Fiskars (Thailand) Co., Limited	Bangkok	TH	1.0	1.0	H
Fiskars Sweden AB	Höganäs	SE	100.0	100.0	S
Fiskars Estonia AS	Tallinn	EE	100.0	100.0	S
Fiskars Benelux B.V.	Oosterhout	NL	100.0	100.0	S
Iittala BV	Antwerpen	BE	0.5	0.5	S
Iittala BV	Antwerpen	BE	99.5	99.5	S
Fiskars Denmark A/S	Glostrup	DK	100.0	100.0	P
Royal Copenhagen GmbH	Cologne	DE	100.0	100.0	D
Fiskars Japan Co., Ltd	Tokyo	JP	100.0	100.0	S
Royal Copenhagen Korea Co., Ltd	Seoul	KR	100.0	100.0	S
Fiskars Taiwan Limited	Taipei	TW	100.0	100.0	S
Royal Copenhagen Thailand Ltd	Saraburi	TH	60.0	60.0	P
Fiskars Hong Kong Limited	Hong Kong	HK	100.0	100.0	S
Fiskars Deutschland GmbH	Herford	DE	100.0	100.0	D
Fiskars France S.A.S.	Ivry sur Seine	FR	100.0	100.0	S
Fiskars France Sucursal en España	Madrid	ES	100.0	100.0	S

	Domicile		% of share capital	% of voting power	Nature of main activities
Fiskars Germany GmbH	Herford	DE	100.0	100.0	S
Iittala GmbH	Solingen	DE	100.0	100.0	S
Fiskars Italy S.r.l.	Premana	IT	100.0	100.0	S
Fiskars Norway AS	Oslo	NO	100.0	100.0	S
Fiskars Polska Sp. z o.o.	Slupsk	PL	100.0	100.0	P
Fiskars Polska Sp. z.o.o., Magyarországi Fióktelepe	Budapest	HU	100.0	100.0	S
Fiskars Polska Sp. z.o.o., odštěpný závod	Prague	CZ	100.0	100.0	S
Fiskars Form Limited	Bridgend	GB	100.0	100.0	D
Fiskars Commercial (Shanghai) Co., Ltd.	Shanghai	CN	100.0	100.0	S
UAB Fiskars Lithuania	Vilnius	LT	100.0	100.0	S
Fiskars Latvia SIA	Riga	LV	100.0	100.0	S
Fiskars Living Canada, Inc	New Brunswick	CA	100.0	100.0	S
WWRD UK/Ireland, Ltd.	Stoke-on-Trent	GB	100.0	100.0	D
WWRD Ireland IPCo LLC	Wilmington, DE	US	100.0	100.0	D
WWRD IPCo. LLC	Wilmington, DE	US	100.0	100.0	D
Wedgwood/Doulton USA Acqco 1 Inc.	Wilmington, DE	US	100.0	100.0	H
Wedgwood/Doulton USA Acqco 2 Inc.	Wilmington, DE	US	100.0	100.0	H
Fiskars Living US, LLC	Wilmington, DE	US	100.0	100.0	S
Fiskars UK Limited	Stoke-on-Trent	GB	100.0	100.0	P
WWRD Ireland Limited	Waterford	IE	100.0	100.0	P
Steklarna Rogaška d.o.o.	Rogaška Slatina	SI	100.0	100.0	P
Steklarski HRAM d.o.o.	Rogaška Slatina	SI	100.0	100.0	S
Rogaška Kristal d.o.o.	Zagreb	HR	100.0	100.0	D
Fiskars Australia Pty Ltd	Sydney	AU	100.0	100.0	S
Fiskars Australia Pty Ltd - New Zealand Branch	Auckland	NZ	100.0	100.0	S

	Domicile		% of share capital	% of voting power	Nature of main activities
A.C.N. 083 550 681 Pty Ltd	Melbourne	AU	100.0	100.0	D
Josiah Wedgwood & Sons Pty Ltd	Sydney	AU	100.0	100.0	D
Waterford Wedgwood Australia Limited	Stoke-on-Trent	GB	100.0	100.0	D
Fiskars Online Oy Ab	Helsinki	FI	100.0	100.0	S
WWRD Netherlands MidCo B.V.	Amsterdam	NL	100.0	100.0	H
Waterford Wedgwood Trading Singapore Pte Limited	Singapore	SG	100.0	100.0	H
PT Doulton	Tangerang	ID	96.2	96.2	P
Ab Åbo Båtvarf - Turun Veneveistämö Oy	Turku	FI	100.0	100.0	D
Fiskars (Thailand) Co.,Limited	Bangkok	TH	1.0	1.0	H

Holding, management or services	H
Production and sales	P
Sales	S
Dormant	D

6.2 Related party transactions

Fiskars Group's related parties are members of the Fiskars Group Board of Directors and Fiskars Group Leadership Team, other key management persons, and individual shareholders with control or significant influence over the company, as well as entities controlled or significantly influenced by them. In addition, associated companies of Fiskars and members of the family of the above-mentioned individuals are also regarded as related parties.

Fiskars Finland Oy Ab rents real estate from its associated company Koy Iittalan Lasimäki and has granted a capital loan to the company at inception.

Fiskars Group had no significant transactions, liabilities or receivables with related parties during 2022.

EUR million	2022	2021
Rent	**0.2**	0.2
Capital loan	**0.2**	0.2

Shareholdings of the Board and key management, December 31

Includes holding of corporations under controlling power together with a family member.

EUR million	2022 Own holdings	2022 Holdings of controlled corporations	2022 Total	2021 Own holdings	2021 Holdings of controlled corporations	2021 Total
Ehrnrooth Paul		**11,430,961**	**11,430,961**		11,430,961	11,430,961
Fromond Louise	**601,135**	**10,567,417**	**11,168,552**	601,135	10,567,417	11,168,552
Goldin Julia						
Lindahl Carl-Martin						
Lixfeld Volker						
Luomakoski Jyri	**4,000**		**4,000**	3,000		3,000
Mero Inka				700		700
Månsson Fabian					3,000	3,000
Sjölander Peter						
Sotamaa Ritva	**3,000**		**3,000**	3,000		3,000
Ehrnrooth Albert	**855,372**	**13,478,534**	**14,333,906**	855,372	13,051,880	13,907,252
Ahlström Nathalie	**29,974**		**29,974**	14,000		14,000
Andersson Tina[1]						
Bachler Christian	**3,540**		**3,540**			
Brouillard James						
Gaggl Risto[2]	**5,164**		**5,164**			
Hedberg Johan	**3,312**		**3,312**			
Holmberg Peter[3]						
Hyyryläinen Tuomas	**6,852**		**6,852**			
Lindholm Niklas[4]						
Mindelöf Anna[5]						
Siitonen Jussi[6]	**40,000**		**40,000**	15,000		15,000
Timonen Päivi[7]	**4,144**		**4,144**			
Zappa Charlene[8]						
Pohjonen Sari[9]						
Taimi Maija[10]						

The Directors and the CEO do not have any debts to the company; nor has the company given pledges or taken on other responsibilities in their names. The shareholdings of the Board and key management represent in total 45.7% of the outstanding shares of the company.

[1] Member of the Fiskars Group Leadership Team until February 28, 2022
[2] Member of the Fiskars Group Leadership Team until December 31, 2022
[3] Member of the Fiskars Group Leadership Team as of March 15, 2021
[4] Member of the Fiskars Group Leadership Team until February 28, 2022
[5] Member of the Fiskars Group Leadership Team as of March 1, 2022
[6] Member of the Fiskars Group Leadership Team as of August 16, 2021
[7] Member of the Fiskars Group Leadership Team until December 31, 2022
[8] Member of the Fiskars Group Leadership Team as of January 17, 2022
[9] Member of the Fiskars Group Leadership Team until August 13, 2021
[10] Member of the Fiskars Group Leadership Team until February 28, 2021

Remuneration of the Board and key management

	2022			2021		
EUR thousand	**Salaries and fees**	**Statutory pension**	**Supplementary pension**	**Salaries and fees**	**Statutory pension**	**Supplementary pension**
Ehrnrooth Paul	**159.0**			123.0		
Luomakoski Jyri	**120.5**			86.0		
Fromond Louise	**78.8**			62.3		
Mero Inka	**15.0**			57.0		
Månsson Fabian	**16.3**			61.8		
Sjölander Peter	**15.0**			63.3		
Sotamaa Ritva	**77.8**			57.3		
Ehrnrooth Albert	**77.8**			57.3		
Ehrnrooth Alexander	**1.5**			5.3		
Lixfeld Volker	**69.8**					
Lindahl Carl-Martin	**69.8**					
Goldin Julia	**62.3**					
Ahlström Nathalie	**857.7**	**118.6**	**94.9**	1,251.2	213.1	104.1
Fiskars Group Leadership Team, excluding CEO and President	**5,298.0**	**338.7**	**203.6**	5,607.9	596.9	217.4
Total	**6,919.3**	**457.3**	**298.5**	7,432.1	810.0	321.5

The key management consists of the Board of Directors, the President & CEO and the members of Corporate Management Team (Fiskars Group Leadership Team). The figures are presented on an accrual basis.

Fiskars Group Leadership Team belongs to share-based long-term incentive plans to which participants are selected by the Board of Directors annually. In 2022 there is one plan in place for years 2018–2022, which includes one on-going performance period for years 2020–2022 and a new share-based Long-term incentive plan with two on-going performance periods for years 2021–2023 and 2022–2024. The Board of Directors confirms the targets separately for each performance period and they are based on the company's total shareholder return, net sales and net working capital (performance period 2020–2022), total shareholder return and cumulative comparable EBITA (performance period 2021–2023) and total shareholder return and cumulative comparable EBIT (performance period 2022–2024) during the vesting period. No reward will be paid if targets are not met or if the participant's employment ends before reward payment. The expense recorded during the financial year for the corporate management team is included in the salaries and fees figures above.

Fiskars Group Leadership Team members based in Finland have a collective supplementary pension insurance, which includes an old-age pension at the retirement age, vested rights under certain conditions and indemnity payable at death. The amount of pension income is based on the insurance savings. The employer's contribution to the insurance plan is 20% of the preceding year's income, excluding bonuses, for CEO and 16%–20% of the preceding year's income, excluding bonuses, for Fiskars Group Leadership Team excl. CEO.

The President and CEO's compensation consists of base salary, annual short-term incentive plan and a share-based long-term incentive plan. The President and CEO participates in the ongoing performance periods 2020–2022, 2021–2023 and 2022–2024 of the long-term incentive plan. The President and CEO's employment contract will end by the time of the statutory retirement age. The President and CEO and the Company have a notice period of six months. Remuneration upon dismissal by the Company equals annual base salary, in addition to the salary for the six-month notice period.

6.3 Acquisitions and divestments

2022

SALES OF SUBSIDIARY IN RUSSIA

On March 7, 2022, Fiskars Group announced that it has decided to withdraw completely from the Russian market due to Russia's attack on Ukraine. The sale of the subsidiary was completed in August 2022.

The company has operated locally mainly through its Fiskars brand and employed approximately 70 people in Moscow and in the St. Petersburg area. The net sales of the Russian business in 2021 were approximately 1% of the company's global net sales. The exit from the Russian market did not have a significant impact on the company's financial position or result in 2022. The one-time impact of the withdrawal is included in Items Affecting Comparability.

SALE OF NORTH AMERICAN WATERING BUSINESS

On February 1, 2022, Fiskars Corporation announced that it had completed the sale of its North American Watering Business to Lawn & Garden LLC, a holding company owned by Centre Lane Partners (CLP), a New York headquartered American private equity company. The transaction was announced on December 21, 2021.

The transaction was structured as an asset sale. The agreement covered intellectual property including the Gilmour and Nelson brands, related trademarks and patents pertaining to watering equipment commercialized in North America. Included in the transaction were the manufacturing plant in Excelsior Springs, Missouri and the warehouse operations in Independence, Missouri, as well as the employees working in these two locations.

Assets directly associated with the sale were previously classified as held for sale.

2021

The sale of watering assembly plant and related operations in Ningbo, China to Daye (Ningbo Daye Garden Industry Co. Ltd) was closed on January 22, 2021. The divestment did not have a significant impact on Fiskars Group's financial position or result in 2021.

6.4 Commitments and contingencies

EUR million	2022	2021
Guarantees	**6.0**	6.7
Other contingencies[1]	**3.0**	2.4
Total, Dec 31	**9.1**	9.1

[1] Other contingencies include a commitment of USD 1.7 million (2021: 1.7) to invest in private equity funds.

Litigation

Fiskars is involved in a number of legal actions, claims and other proceedings. The final outcome of these matters cannot be predicted. Taking into account all available information to date the outcome is not expected to have material impact on the financial position of the Group.

Fiskars Group entities are subject to tax audits in certain countries. It is possible that tax audits may lead to reassessment of taxes.

6.5 Subsequent events after the reporting period

Jan 13, 2023: Preliminary key figures for Q4 and full year 2022

Fiskars Group published preliminary key figures on its financial performance in the fourth quarter and the full year 2022, as 2022 was volatile due to the challenging operating environment. In the release, the company published unaudited Q4 and full year sales on a comparable and reported basis as well as comparable EBIT for Q4 and the full year 2022. The figures provided in the release did not change and can be found in this financial statement release.

Jan 20, 2023: Proposals of the Nomination Committee of the Board of Directors to Fiskars' Annual General Meeting 2023

The Nomination Committee of the Board of Directors proposes to the Annual General Meeting that the following individuals shall be re elected to the Board of Directors: Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Julia Goldin, Carl Martin Lindahl, Volker Lixfeld, Jyri Luomakoski and Ritva Sotamaa.

The Nomination Committee proposes that the annual fees of the members of the Board of Directors shall be EUR 70,000, the annual fee of the Vice Chairman EUR 105,000 and the annual fee of the Chairman EUR 140,000.

Jan 23, 2023: Plans for targeted organizational changes to accelerate strategy execution

Fiskars Group announced that it is planning changes mainly in the organizational structure of its three business areas to further accelerate the execution of its Growth Strategy. The planned organizational changes are expected to lead to a net reduction of approximately 100 roles globally and to result in total annual cost savings of approximately EUR 30 million, out of which approximately half would be realized in the second half of 2023. At the same time, the company will continue to invest in key strategic building blocks, especially direct to consumer and digital. One off costs related to the planned organizational changes are expected to amount to a total of approximately EUR 5 million, and they will be recorded as items affecting comparability (IAC) in the first quarter of 2023.

Parent company financial statements, FAS

Parent company income statement

EUR	Note	2022		2021	
Net sales	2	**98,010,908.96**		84,197,538.87	
Cost of goods sold	4	**-2,788,437.64**		-2,628,604.92	
Gross profit		**95,222,471.32**	**97%**	81,568,933.95	97%
Administration expenses	4,6	**-87,247,903.15**		-81,137,229.26	
Other operating income	3	**3,573,427.37**		1,239,544.85	
Other operating expenses	4			-94,764.86	
Operating profit (loss)		**11,547,995.54**	**12%**	1,576,484.68	2%
Financial income and expenses	7	**-9,695,219.63**		-6,959,675.83	
Profit (loss) before appropriations and taxes		**1,852,775.91**		-5,383,191.15	
Change in appropriations	8	**-647,606.92**		-88,175.33	
Group contribution		**973,476.35**		3,049,090.97	
Income taxes	9	**-333,116.56**		-22,327,432.79	
Profit for the period		**1,845,528.78**		-24,749,708.30	

Parent company balance sheet

EUR	Note	Dec 31, 2022		Dec 31, 2021	
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	10	**47,690,102.97**		36,089,537.39	
Tangible assets	11				
Land and water		**35,587,738.52**		35,822,984.23	
Buildings		**15,369,798.53**		13,968,732.38	
Machinery and equipment		**2,548,387.42**		2,073,697.49	
Construction in progress		**984,207.35**		2,709,000.93	
Tangible assets total		**54,490,131.82**		54,574,415.03	
Investments	12				
Holdings in subsidiaries		**640,174,887.25**		640,174,887.25	
Other shares		**19,018,741.49**		24,415,184.28	
Investments total		**659,193,628.74**		664,590,071.53	
Non-current assets total		**761,373,863.53**	**58%**	755,254,023.95	71%
CURRENT ASSETS					
Non-current loan receivables		**28,171.14**		33,438.66	
Current receivables					
Trade receivables		**49,591.81**		50,882.89	
Receivables from subsidiaries	13	**438,137,441.69**		301,786,028.71	
Other receivables		**8,492,793.62**		1,792,511.84	
Prepayments and accrued income	14	**7,636,758.68**		3,801,729.55	
Current receivables total		**454,316,585.80**		307,431,152.99	
Cash and cash equivalents	15	**86,959,841.00**		4,616,853.14	
Current assets total		**541,304,597.94**	**42%**	312,081,444.79	29%
Assets total		**1,302,678,461.47**	**100%**	1,067,335,468.74	100%

EUR	Note	Dec 31, 2022		Dec 31, 2021	
SHAREHOLDERS' EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY	16				
Share capital		**77,510,200.00**		77,510,200.00	
Revaluation reserve		**9,570,932.94**		3,731,821.72	
Fair value reserve		**107,401.67**			
Treasury shares		**-6,740,357.32**		-7,181,414.46	
Other reserves		**3,204,313.18**		3,204,313.18	
Retained earnings		**236,840,122.81**		347,698,899.91	
Profit for the period		**1,845,528.78**		-24,749,708.30	
Shareholders' equity total		**322,338,142.06**	**25%**	400,214,112.05	37%
Appropriations		**735,782.25**		88,175.33	
LIABILITIES					
Non-current liabilities	17				
Loans from credit institutions		**130,236,962.94**		334,375.53	
Liabilities to subsidiaries		**2,398.36**		2,398.36	
Non-current liabilities total		**130,239,361.30**		336,773.89	
Current liabilities					
Loans from credit institutions		**196,799,373.46**		63,423,888.80	
Trade payables		**8,409,930.20**		17,557,260.90	
Liabilities to subsidiaries	18	**610,992,704.29**		562,953,729.64	
Other payables		**23,608,433.61**		12,147,074.12	
Accruals and deferred income	19	**9,554,734.30**		10,614,454.01	
Current liabilities total		**849,365,175.86**		666,696,407.47	
Liabilities total		**979,604,537.16**	**75%**	667,033,181.36	62%
Shareholders' equity and liabilities total		**1,302,678,461.47**	**100%**	1,067,335,468.74	100%

Parent company statement of cash flows

EUR million	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before appropriations and taxes	**2,826,252.30**	-2,334,100.18
Adjustments for		
Depreciation, amortization and impairment	**12,884,111.82**	13,489,359.41
Investment income	**-1,582,166.45**	-1,109,422.79
Interest income and dividends	**-7,034,407.54**	-3,584,547.24
Unrealized exchange gains and losses	**4,451,375.13**	2,497,047.14
Interest expenses and other financial costs	**12,475,317.29**	8,047,175.93
Impairment of shares in and receivables from subsidiaries	**135,664.72**	
Group contributions	**-973,476.35**	-3,049,090.97
Change in provisions and other non-cash items	**10,148.07**	-34,345.64
Cash flow before changes in working capital	**23,192,818.99**	13,922,075.66
Changes in working capital		
Change in current assets, non-interest bearing	**2,078,765.96**	-38,968,310.24
Change in current liabilities, non-interest bearing	**-1,917,801.24**	12,668,711.52
Cash flow from operating activities before financial items and taxes	**23,353,783.71**	-12,377,523.06
Financial income received	**6,323,510.72**	4,660,955.66
Financial expenses paid	**-7,744,997.86**	-1,822,080.54
Taxes paid	**582,882.99**	-3,859,354.35
Cash flow from operating activities (A)	**22,515,179.56**	-13,398,002.29

EUR million	2022	2021
CASH FLOW FROM INVESTING ACTIVITIES		
Investments in other subsidiaries		-231,339.98
Investments in financial assets	**-392,488.24**	-3,807,852.16
Investments in intangible assets and property, plant & equipment	**-24,638,724.84**	-15,439,188.66
Proceeds from sale of property, plant & equipment and other investments	**1,820,497.10**	1,358,818.34
Sale of other holdings	**4,189,427.28**	1,528,494.77
Other dividends received	**157,839.02**	
Cash flow from investing activities (B)	**-18,863,449.68**	-16,591,067.69
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	**-18,041,187.66**	
Change of non-current debt	**129,890,895.24**	-50,431,359.89
Change in current debt	**176,455,159.26**	166,569,294.02
Change in current receivables	**-150,980,403.92**	-51,458,484.84
Dividends paid	**-61,682,295.91**	-48,855,465.20
Group contribution received/paid	**3,049,090.97**	-9,147,159.00
Cash flow from financing activities (C)	**78,691,257.98**	6,676,825.09
Change in cash and cash equivalents (A+B+C)	**82,342,987.86**	-23,312,244.89
Cash and cash equivalents at beginning of period	**4,616,853.14**	27,929,098.03
Cash and cash equivalents at end of period	**86,959,841.00**	4,616,853.14

Notes to the parent company financial statements

1. Parent company accounting principles, FAS

The financial statements of Fiskars Corporation have been prepared in accordance with the Finnish Accounting Act and Ordinance and other statutes regulating the preparation of financial statements (Finnish Accounting Standards, FAS). The financial statements are presented in euro.

The preparation of financial statements in conformity with regulations in force and generally accepted accounting principles requires management to make estimates and assumptions that affect the valuation of assets and liabilities and reported amounts of revenues and expenses. Actual results could differ from those estimates.

Transactions in foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the date of the transaction. At the end of the reporting period balances in foreign currencies are translated using the exchange rate prevailing at the end of the reporting period. Foreign exchange derivatives are recognized at market values and changes in market values are recognized in the Income Statement.

Net sales

Net sales are defined as invoiced amount less indirect taxes, rebates and exchange rate differences related to sales. Revenue is recognized when all significant risks and rewards of ownership have been transferred to the buyer, i.e. when a product has been delivered to the client in accordance with the terms of delivery. Royalty income from trademarks held by Fiskars Corporation is recorded as Net sales. Revenue from the sale of securities, dividends and other corresponding income from securities classified as inventories and other income such as service revenue are also recorded as Net sales.

Leasing arrangements

Lease payments are expensed as incurred. Future leasing payment obligations are reported as contingent liabilities. Rent income, when the company acts as a lessor, is recorded as net sales.

Pension benefit plans

The statutory and possible supplementary pension plans for the Finnish companies' employees are funded through payments to independent pension insurance companies.

Income taxes

Income taxes consist of the aggregate current tax expense based on the Finnish tax rules and adjustments to prior year taxes. The parent company does not account for deferred taxes as a stand-alone entity.

Derivatives and hedge accounting

Derivatives not designated as hedging instruments are recognized at fair value through profit and loss. Derivatives are initially valued at cost and subsequently at fair value determined at the end of each reporting period. The fair value of derivatives is based on prevailing market rates or rates derived from the prevailing market rates at the end of the reporting period. Fair value changes are recognized in financial items.

Tangible and Intangible assets and other long-term investments

Tangible and Intangible assets are stated at cost less accumulated depreciation according to plan. Certain land holdings have been revalued.

Revaluations are based on market values at time of the revaluation. Revaluation reserves are adjusted for decreases in the market value of land holdings. When revalued real estate is sold, the respective share in the revaluation reserve is transferred to retained earnings.

Tangible and Intangible assets are depreciated and amortized over their expected useful lives. The following expected useful lives are applied:

- Intangible assets — 3–10 years
- Buildings — 20–40 years
- Vehicles — 4 years
- Machinery and equipment — 3–10 years
- Land and water — Not depreciated

Investments in subsidiaries are stated in the Balance Sheet at cost or at net realizable value if the net realizable value is significantly and permanently impaired. An impairment loss may be reversed until the original acquisition cost, when the value of the investment has been restored.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost includes both direct and indirect costs. Cost is determined on a first-in first-out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Financial assets in inventories are stated at the lower of cost and fair value.

Receivables

Receivables are valued at the lower of book value and recoverable value.

Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. These are booked as Provisions in Balance Sheet and as corresponding items in Income Statement.

Appropriations

Appropriations in the parent company balance sheet consist of depreciation in excess of plan and possible given or received group contributions.

2. Net sales

EUR	2022	2021
Inter-company service fee	**64,730,662.86**	52,965,600.76
Royalties	**27,200,880.41**	25,565,906.30
Rental income	**3,618,900.50**	3,413,897.87
Other	**2,460,465.19**	2,252,133.94
Total	**98,010,908.96**	84,197,538.87

3. Other operating income

EUR	2022	2021
Gain on sale of property, plant and equipment	**1,551,868.45**	1,204,187.65
Compensations from insurance companies	**332,078.91**	
Other income	**1,689,480.01**	35,357.20
Total	**3,573,427.37**	1,239,544.85

4. Total expenses

Total expenses by nature

EUR	2022	2021
Materials and supplies	**-1,936.25**	-5,906.70
Employee benefits	**-19,910,230.97**	-18,193,156.05
Depreciation, amortization and impairment	**-12,884,111.82**	-13,489,359.41
IT expenses	**-29,586,148.96**	-23,403,297.72
Consulting fees	**-17,121,721.51**	-20,659,731.87
External services	**-2,531,316.15**	-1,750,748.62
Other	**-8,000,875.13**	-6,263,633.81
Total	**-90,036,340.79**	-83,765,834.18

Other operating expenses

EUR	2022	2021
Loss on disposal of fixed assets		-94,764.86
Total		-94,764.86

5. Fees paid to company's auditors

EUR	2022	2021
Audit fees	**-363,802.00**	-222,300.00
Tax consultation	**-18,502.16**	
Other	**-23,780.00**	-14,687.00
Total	**-406,084.16**	-236,987.00

6. Employee benefits and number of personnel

Employee benefits

EUR	2022	2021
Wages and salaries	**-17,091,444.83**	-15,297,133.16
Pension costs	**-2,299,458.86**	-2,379,234.77
Other personnel costs	**-519,327.28**	-516,788.12
Total	**-19,910,230.97**	-18,193,156.05

Remuneration to management

EUR thousand	2022	2021
Chief Executive Officer	**1,071.2**	1,568.4
Members of the Board	**763.6**	573.0
Total	**1,834.8**	2,141.4

Number of personnel

	2022	2021
Average (FTE)	**173**	164
End of period	**175**	156

7. Financial income and expenses

EUR	2022	2021
Financial income		
Gain on disposal of financial assets	**30,298.00**	
Financial income from group companies		
Dividend income	**157,839.02**	
Interest income	**4,213,869.64**	2,222,184.43
Financial income from third parties		
Interest income	**2,662,698.88**	1,362,362.81
Financial income, total	**7,064,705.54**	3,584,547.24
Financial expenses		
Loss on disposal of financial assets	**-135,664.72**	
Exchange gain/loss	**-4,451,375.13**	-2,497,047.14
Financial expenses to group companies		
Interest expenses	**-1,533,499.59**	-93,435.49
Financial expenses to third parties		
Interest expenses	**-7,997,621.64**	-7,815,255.60
Other financial expenses	**-2,641,764.09**	-138,484.84
Financial expenses, total	**-16,759,925.17**	-10,544,223.07
Total financial income and expenses	**-9,695,219.63**	-6,959,675.83

8. Appropriations

EUR	2022	2021
Difference between depreciation according to plan and tax depreciation	**-647,606.92**	-88,175.33
Group contribution received	**973,476.35**	3,049,090.97
Total	**325,869.43**	2,960,915.64

9. Income taxes

EUR	2022	2021
Income tax, current year	**-369,290.16**	-196,489.23
Income tax, previous periods	**36,173.60**	-22,130,943.56
Total	**-333,116.56**	-22,327,432.79

10. Intangible assets

EUR	2022	2021
Historical cost, Jan 1	**121,544,965.64**	108,916,461.17
Additions	**21,435,546.02**	12,667,983.54
Decrease	**-45,900,728.37**	-22,179.07
Transfers between asset groups	**1,256,659.15**	-17,300.00
Historical cost, Dec 31	**98,336,442.44**	121,544,965.64
Accumulated amortization and impairment, Jan 1	**85,455,428.25**	73,797,005.93
Amortization for the period	**11,091,639.59**	11,679,161.39
Decrease	**-45,900,728.37**	-20,739.07
Accumulated amortization and impairment, Dec 31	**50,646,339.47**	85,455,428.25
Net book value, Dec 31	**47,690,102.97**	36,089,537.39

11. Tangible assets

2022

EUR	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	26,164,423.51	39,753,025.43	7,205,461.62	2,709,000.93	75,831,911.49
Additions		1,921,512.44	708,353.75	573,312.63	3,203,178.82
Decreases	-147,617.93	-15,095.64	-813,562.39		-976,275.96
Transfers between asset groups		850,945.02	190,502.04	-2,298,106.21	-1,256,659.15
Historical cost, Dec 31	26,016,805.58	42,510,387.25	7,290,755.02	984,207.35	76,802,155.20
Accumulated depreciation and impairment, Jan 1		25,784,293.05	5,131,764.13		30,916,057.18
Depreciation for the period		1,371,391.31	421,080.92		1,792,472.23
Decreases		-15,095.64	-810,477.45		-825,573.09
Accumulated depreciation and impairment, Dec 31		27,140,588.72	4,742,367.60		31,882,956.32
Revaluation, Jan 1	9,658,560.72				9,658,560.72
Decreases	-87,627.78				-87,627.78
Revaluation, Dec 31	9,570,932.94				9,570,932.94
Book value Dec 31	35,587,738.52	15,369,798.53	2,548,387.42	984,207.35	54,490,131.82

2021

EUR	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	26,192,159.40	38,952,466.41	7,814,982.16	1,175,757.55	74,135,365.52
Additions		154,245.91	234,191.79	2,382,767.42	2,771,205.12
Decreases	-27,735.89	-203,210.93	-861,012.33		-1,091,959.15
Transfers between asset groups		849,524.04	17,300.00	-849,524.04	17,300.00
Historical cost, Dec 31	26,164,423.51	39,753,025.43	7,205,461.62	2,709,000.93	75,831,911.49
Accumulated depreciation and impairment, Jan 1		24,575,285.03	5,440,694.45		30,015,979.48
Depreciation for the period		1,336,687.72	473,510.30		1,810,198.02
Decreases		-127,679.70	-782,440.62		-910,120.32
Accumulated depreciation and impairment, Dec 31		25,784,293.05	5,131,764.13		30,916,057.18
Revaluation, Jan 1	9,664,136.19				9,664,136.19
Decreases	-5,575.47				-5,575.47
Revaluation, Dec 31	9,658,560.72				9,658,560.72
Book value Dec 31	35,822,984.23	13,968,732.38	2,073,697.49	2,709,000.93	54,574,415.03

12. Investments

2022

EUR	Holdings in subsidiaries	Receivables from subsidiaries	Other shares	Total
Historical cost, Jan 1	**821,174,887.25**		**25,219,905.74**	**846,394,792.99**
Additions				
Decreases			**-6,257,220.95**	**-6,257,220.95**
Currency valuations			**819,450.98**	**819,450.98**
Historical cost, Dec 31	**821,174,887.25**		**19,783,135.77**	**840,958,023.02**
Write-downs, Jan 1	**-181,000,000.00**		**-804,721.46**	**-181,804,721.46**
Decreases			**40,327.18**	**40,327.18**
Write-downs, Dec 31	**-181,000,000.00**		**-764,394.28**	**-181,764,394.28**
Book value Dec 31	**640,174,887.25**		**19,018,741.49**	**659,193,628.74**

2021

EUR	Holdings in subsidiaries	Receivables from subsidiaries	Other shares	Total
Historical cost, Jan 1	820,943,547.27		22,922,325.81	843,865,873.08
Additions	231,339.98		3,807,852.16	4,039,192.14
Decreases			-1,510,272.23	-1,510,272.23
Historical cost, Dec 31	821,174,887.25		25,219,905.74	846,394,792.99
Write-downs, Jan 1	-181,000,000.00		-804,721.46	-181,804,721.46
Decreases				
Write-downs, Dec 31	-181,000,000.00		-804,721.46	-181,804,721.46
Book value Dec 31	640,174,887.25		24,415,184.28	664,590,071.53

Shares in subsidiaries

	Number of shares	Domicile		% of share capital	% of voting power	Book value
Fiskars Americas Holding Oy Ab	1,000	Raseborg	FI	100.0	100.0	110,071,862.76
Fiskars Europe Holding Oy Ab	2,250	Raseborg	FI	100.0	100.0	530,098,092.55
Fiskars (Thailand) Co., Ltd.	100	Bangkok	TH	1.0	1.0	2,409.12
Ab Åbo Båtvarf - Turun Veneveistämö Oy	150	Turku	FI	100.0	100.0	2,522.82
Total Dec 31, 2022						**640,174,887.3**

13. Receivables from subsidiaries

EUR	2022	2021
Trade receivables	**67,281,902.88**	81,672,972.45
Loan receivables	**108,763,262.04**	87,725,444.12
Cash pool receivables	**223,186,908.17**	95,122,670.20
Group contribution receivables	**973,476.35**	3,049,090.97
Prepayments and accrued income	**4,350,520.40**	3,521,218.41
Other receivables	**33,581,371.85**	30,694,632.56
Total, Dec 31	**438,137,441.69**	301,786,028.71

14. Prepayments and accrued income

EUR	2022	2021
Prepaid and accrued interest	**1,297,438.01**	908,931.28
Other prepayments and accruals	**6,339,320.67**	2,892,798.27
Total, Dec 31	**7,636,758.68**	3,801,729.55

15. Cash and cash equivalents

EUR	2022	2021
Cash and cash equivalents	**86,959,841.00**	4,616,853.14
Total, Dec 31	**86,959,841.00**	4,616,853.14

16. Shareholders' equity

EUR	2022	2021
Share capital		
Jan 1	**77,510,200.00**	77,510,200.00
Share capital, Dec 31	**77,510,200.00**	77,510,200.00
Revaluation reserve		
Jan 1	**3,731,821.72**	3,737,397.19
Decrease	**-104,883.00**	-5,575.47
Reclassification[1]	**5,943,994.22**	
Revaluation reserve, Dec 31	**9,570,932.94**	3,731,821.72
Fair value reserve		
Jan 1	**0.00**	
Increase	**107,401.67**	
Fair value reserve, Dec 31	**107,401.67**	

EUR	2022	2021
Treasury shares		
Jan 1	**-7,181,414.46**	-7,181,414.46
Increase	**-18,041,187.66**	
Share based incentives	**1,834,407.85**	
Cancellation of treasury shares	**16,647,836.95**	
Treasury shares, Dec 31	**-6,740,357.32**	-7,181,414.46
Other reserves		
Jan 1	**3,204,313.18**	3,204,313.18
Other reserves, Dec 31	**3,204,313.18**	3,204,313.18
Retained earnings		
Jan 1	**322,949,191.61**	396,554,365.11
Dividends	**-61,682,295.91**	-48,855,465.20
Share based incentives	**-1,834,407.85**	
Cancellation of treasury shares	**-16,647,836.95**	
Revaluation fund reclassification[1]	**-5,944,528.09**	
Net profit	**1,845,528.78**	-24,749,708.30
Retained earnings, Dec 31	**238,685,651.59**	322,949,191.61
Distributable earnings, Dec 31	**231,945,294.27**	315,767,777.15
Shareholders' equity total, Dec 31	**322,338,142.06**	400,214,112.05

[1] In retained earnings booked revaluation for land and water reclassification to revaluation reserve

17. Non-current liabilities

EUR	2022	2021
Loans from credit institutions payable		
between one and five years	**80,236,962.94**	334,375.53
in more than five years	**50,000,000.00**	
Loans from credit institutions, total	**130,236,962.94**	334,375.53
Liabilities to subsidiaries		
between one and five years	**2,398.36**	2,398.36
Liabilities to subsidiaries, total	**2,398.36**	2,398.36
Non-current liabilities, total	**130,239,361.30**	336,773.89

18. Liabilities to subsidiaries

EUR	2022	2021
Trade payables	**42,394.94**	99,058.22
Cash pool payables	**579,941,568.31**	504,951,534.49
Accruals and deferred income	**12,249.24**	557,851.82
Other liabilities	**30,996,491.80**	57,345,285.11
Total, Dec 31	**610,992,704.29**	562,953,729.64

19. Accruals and deferred income

EUR	2022	2021
Interests	**2,698,856.54**	692,960.60
Wages, salaries and social costs	**3,272,199.28**	5,816,138.26
Other	**3,583,678.48**	4,105,355.15
Total, Dec 31	**9,554,734.30**	10,614,454.01

20. Lease obligations

EUR	2022	2021
Payments next year	**2,539,788.50**	2,867,053.99
Payments later	**28,328,677.71**	28,018,283.37
Total, Dec 31	**30,868,466.21**	30,885,337.36

21. Contingencies and pledged assets

EUR	2022	2021
As security for own commitments	**1,562,000.00**	1,471,194.00
Guarantees as security for subsidiaries' commitments	**6,684,000.00**	6,718,000.00
Total, Dec 31	**8,246,000.00**	8,189,194.00

VAT liability for real estate investments

The company is obligated to review the VAT deductions made on real estate investments completed during 2013–2022 if the taxable use of the property has changed during the review period.

EUR	2022	2021
Obligation, Dec 31	**3,006,052.00**	2,174,582.00

22. Derivative contracts

Nominal value, EUR	2022	2021
Foreign exchange forwards and swaps	**306,195,896.63**	512,634,844.10
Interest rate swaps	**50,000,000.00**	
Total, Dec 31	**356,195,896.63**	512,634,844.10

Fair value, EUR	2022	2021
Foreign exchange forwards and swaps	**3,134,792.62**	-329,807.65
Interest rate swaps	**107,401.67**	
Total, Dec 31	**3,242,194.29**	-329,807.65

Board's proposal for distribution of profits and signatures

Proposal on the use of the profit shown on the balance sheet and the payment of dividend in the form of cash

Fiskars' aim is to distribute a stable, over time increasing dividend, to be paid biannually. According to the balance sheet of the parent company at the end of the financial period 2022, the distributable equity of the parent company was EUR 231.9 million (2021: EUR 315.8 million).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.80 per share shall be paid for the financial period that ended on December 31, 2022. The dividend shall be paid in two installments. The ex-dividend date for the first installment of EUR 0.40 per share shall be on March 16, 2023. The first installment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date March 17, 2023. The payment date proposed by the Board of Directors for this installment is March 24, 2023.

The second installment of EUR 0.40 per share shall be paid in September 2023. The second installment shall be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Oy on the dividend record date, which, together with the payment date, shall be decided by the Board of Directors in its meeting scheduled for September 7, 2023. The dividend is intended to be paid during the week commencing on September 18, 2023.

On the date of this financial statement release, the number of shares entitling their holders to a dividend was 80,580,516. The proposed distribution of dividends would thus be EUR 64.5 million (EUR 61.9 million). This would leave EUR 167.4 million (EUR 253.8) of distributable earnings in the parent company.

No material changes have taken place in the financial position of the company since the end of the financial period. The financial standing of the company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the company's solvency.

Signatures to the Financial Statements and the Board of Directors' Report

Espoo, February 6, 2023

Albert Ehrnrooth

Paul Ehrnrooth

Louise Fromond

Jyri Luomakoski

Julia Goldin

Carl-Martin Lindahl

Volker Lixfeld

Ritva Sotamaa

Nathalie Ahlström
President and CEO

The Auditor's Note

Our auditor's report has been issued today.

Espoo, February 6, 2023
Ernst & Young Oy

Kristina Sandin

Authorized Public Accountant, KHT

Auditor's report

(Translation of the Finnish original)

To the Annual General Meeting of Fiskars Oyj Abp

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Fiskars Oyj Abp (business identity code 0214036-5) for the year ended 31 December, 2022. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position as well as its financial performance and its cash flows in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5 (1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 2.3 to the consolidated financial statements.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition	
Refer to note 2.1 of the consolidated financial statements. According to the Group's accounting policies revenue is recognized when control of the good or service is transferred to the customer. Customer discounts and credits are considered when determining the revenue. Assessing subsequent discounts and credits require management judgment both at the time of revenue recognition as well as at the end of each reporting period. Due to the multitude and variety of contractual terms across the group's markets management judgment is needed to account for the revenue, and therefore, revenue could be subject to misstatement, whether due to fraud or error. Based on above revenue recognition was a key audit matter. This matter is also a significant risk of material misstatement as defined by EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of correct timing of revenue recognition included among others: • Assessment of the compliance of the group's accounting policies over revenue recognition, including those relating to discounts and credits, with applicable accounting standards. • Assessment of the revenue recognition process especially relating to timing of revenue recognition, and calculation of discounts and credits. • Testing the accuracy of cut-off with analytical procedures and test of details on a transaction level on either side of the balance sheet date • Analyzing credit notes issued after the balance sheet date. • Assessment of the Group's disclosures in respect of revenues.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of goodwill	
Refer to note 3.2 of the consolidated financial statements. The value of goodwill at the date of the financial statements 31.12.2022 amounted to 221,2 million euro representing 26 % of total assets and 14 % of equity. Valuation of goodwill was a key audit matter because the assessment process is complex and is based on numerous judgmental estimates and because the amount of goodwill is significant to the financial statements. Valuation of goodwill is based on management's estimate about the value in use calculations of the cash generating units. There are a number of underlying assumptions used to determine the value in use, including development of revenue and profitability and the discount rate applied on cash flows. Estimated value in use of the cash generating units may vary significantly when the underlying assumptions are changed. Changes in above-mentioned individual assumptions may result in an impairment of goodwill. Valuation of goodwill is also a significant risk of material misstatement as defined by EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of valuation of goodwill included among others: • Involvement of EY valuation specialists to assist us in evaluating methodologies, impairment calculations and underlying assumptions applied by the management in impairment testing. • Testing of the mathematical accuracy of the impairment calculations. • Comparing the key assumptions applied by management in impairment tests to approved strategic plans and forecasts, information available in external sources and our independently calculated industry averages such as weighted average cost of capital used in discounting the cashflows. In addition, we compared the outcome of the impairment test with Fiskars' market capitalization. • Assessment of the Group's disclosures in respect of impairment testing.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of trademarks	
Refer to note 3.2 of the consolidated financial statements. The Group has 9 trademarks, for which the value at the date of the financial statements 31.12.2022 amounted to 207,7 million euro representing 25 % of total assets and 13 % of equity. Trademarks with indefinite useful life are tested for impairment at least annually. Valuation of trademarks is based on management's estimate about the value in use calculations of the trademarks. Management prepares the impairment tests of trademarks based on the "relief from royalty" -method. There are a number of underlying assumptions used to determine the value in use, including development of revenue for individual trademarks and the discount rate applied on cash flows. Valuation of trademarks was a key audit matter because the assessment process is complex and is based on numerous judgmental estimates and because the amount of trademarks is significant to the financial statements. Estimated value in use of the trademarks may vary significantly when the underlying assumptions are changed. Changes in above-mentioned individual assumptions may result in an impairment of trademarks. Valuation of trademarks is also a significant risk of material misstatement as defined by EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of valuation of trademarks included among others: • Involvement of EY valuation specialists to assist us in evaluating methodologies, impairment calculations and underlying assumptions applied by the management in impairment testing. • Testing of the mathematical accuracy of the impairment calculations. • Comparing the key assumptions applied by management in impairment tests to approved strategic plans and forecasts, information available in external sources and our independently calculated industry averages such as weighted average cost of capital used in discounting the cashflows. In addition, we compared the outcome of the impairment test with Fiskars' market capitalization. • Assessment of the Group's disclosures in respect of impairment testing.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of inventories	
Refer to note 4.1 of the consolidated financial statements. Inventories are valued at the lower of cost or net realizable value. Inventories are presented net of an impairment loss recognized for obsolete and slow- moving inventories. At the balance sheet date, the total value of inventory and related provision for obsolete goods amounted to 393,7 million euro and 29,0 million euro, respectively (net 364,7 million euro). Valuation of inventories was a key audit matter because the carrying value of inventories and related provisions are material to the financial statements, and because valuation of inventories requires management judgment relating to future sales and the level of provision for obsolete goods.	Our audit procedures included among others: • Assessment of the Group's accounting policies over inventory valuation from the perspective of applicable accounting standards • Evaluation of the analyses and calculations made by management with respect to slow moving and obsolete stock and the expected demand and net realizable value related to the inventoried items • Assessment of the Group's disclosures in respect of valuation policies and balance sheet date value of inventories.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on March 13, 2019 and our appointment represents a total period of uninterrupted engagement of four years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Espoo, February 6, 2023 Ernst & Young Oy
Authorized Public Accountant Firm

Kristina Sandin
Authorized Public Accountant

Other financial information

Items affecting comparability

Exceptional and material transactions outside the ordinary course of business are treated as items affecting comparability. These include items such as gains and losses on disposal of business operations, impairments, costs of discontinued significant business operations, restructuring costs and costs of integrating acquired businesses, major product recalls, and fines and penalties. Gains and losses are presented in the Consolidated Income Statement as an income or expense on the relevant line item and function. Impairments have been presented in the Income Statement in depreciation, amortization and impairment of the relevant function or in Goodwill and trademark impairment when the impairment concerns goodwill or trademarks. Write-downs are presented in other operating expenses.

2022

In 2022, items affecting comparability included one-time impact of the sale of subsidiary in Russia, sale of North American Watering business and changes in Leadership team. More detailed information of disposals can be found from Note 6.3.

2021

TRANSFORMATION AND RESTRUCTURING PROGRAMS

The Transformation program was launched in October 2018, and aimed at increasing efficiency, reducing complexity and accelerating long-term strategic development in its former Living segment. The company-wide Restructuring Program was launched in December 2019, aimed at reducing costs in a wide range of areas.

Both programs were completed at the end of 2021. The Transformation program targeted annual cost savings of approximately EUR 17 million and the Restructuring program of approximately EUR 20 million. These benefits were realized, and a majority are already being visible by the end of 2021.

The total costs of both programs were originally expected to be approximately EUR 70 million, consisting of EUR 40 million from the Transformation program and EUR 30 million from the Restructuring program. The total cost of both programs amounted to 42.5 million, EUR 30 million for the Transformation program and EUR 12.5 million for the Restructuring program. The costs have been recorded as items affecting comparability (IAC).

EUR million	2022	2021
EBIT	**134.7**	142.8
Items affecting comparability in EBIT		
Sale of subsidiary in Russia	**11.9**	
Sale of Watering business	**3.3**	
Changes in Group Leadership Team	**1.1**	
Restructuring Program		7.6
Transformation program		3.9
Other adjustments to operating profit		0.0
Total items affecting comparability in EBIT	**16.3**	11.5
Comparable EBIT	**151.0**	154.2

Financial indicators

Five years in figures

		2022	2021	2020	2019	2018
Net sales	EUR million	**1,248.4**	1,254.3	1,116.2	1,090.4	1,118.5
of which outside Finland	EUR million	**1,136.0**	1,142.0	1,021.9	977.5	1,006.6
% of net sales	%	**91.0**	91.0	91.5	89.6	90.0
export from Finland	EUR million	**20.4**	24.2	20.1	20.2	19.5
Change in net sales, %	%	**-0.5**	12.4	2.4	-2.5	-5.6
Gross profit	EUR million	**555.9**	539.8	452.0	447.3	485.1
% of net sales	%	**44.5**	43.0	40.5	41.0	43.4
EBIT	EUR million	**134.7**	142.8	98.0	60.1	91.6
% of net sales	%	**10.8%**	11.4	8.8	5.5	8.2
Comparable EBIT	EUR million	**151.0**	154.2	109.0	77.8	100.8
Change in fair value of biological assets	EUR million	**1.1**	1.3	0.7	-0.2	2.0
Financial items net	EUR million	**-11.7**	0.0	-8.9	3.4	9.4
% of net sales	%	**-0.9**	0.0	-0.8	0.3	0.8
Profit before taxes	EUR million	**124.1**	144.1	89.8	63.2	103.0
% of net sales	%	**9.9**	11.5	8.0	5.8	9.2
Income tax	EUR million	**-25.0**	-56.5	-21.3	-10.8	-21.1
Profit for the period attributable to the equity holders of the parent company	EUR million	**98.2**	86.6	67.6	51.7	81.6
% of net sales	%	**7.9**	6.9	6.1	4.7	7.3
Non-controlling interest	EUR million	**0.9**	0.9	0.8	0.7	0.2
Employee benefits	EUR million	**289.0**	293.7	262.9	311.9	307.9
Depreciation, amortization and impairment	EUR million	**59.4**	61.6	76.1	59.6	43.8
% of net sales	%	**4.8**	4.9	6.8	5.5	3.9

		2022	2021	2020	2019	2018
Cash flow from operating activities	EUR million	**-61.4**	122.9	199.2	96.5	105.9
Capital expenditure	EUR million	**48.1**	34.4	30.0	40.0	46.2
% of net sales	%	**3.9**	2.7	2.7	3.7	4.1
Research and development expenses in income statement	EUR million	**20.8**	15.5	16.5	18.4	18.4
% of net sales	%	**1.7**	1.2	1.5	1.7	1.6
Capitalized development costs	EUR million	**0.0**	0.0	0.0	0.0	0.0
Equity attributable to equity holders of the parent company	EUR million	**831.6**	812.1	757.8	760.9	1,207.0
Non-controlling interest	EUR million	**4.1**	4.2	3.8	3.6	2.7
Equity total	EUR million	**835.6**	816.3	761.6	764.5	1,209.7
Net interest-bearing debt	EUR million	**325.3**	145.0	143.7	261.1	135.4
Working capital	EUR million	**337.2**	164.5	134.2	194.4	197.0
Balance sheet total	EUR million	**1,585.4**	1,435.5	1,342.0	1,364.3	1,719.2
Return on investment	%	**12.1**	15.3	9.9	6.0	7.9
Return on equity	%	**12.0**	11.1	9.0	5.3	6.6
Equity ratio	%	**52.7**	56.9	56.8	56.0	70.4
Net gearing	%	**38.9**	17.7	18.9	34.2	11.2
Personnel (FTE), average		**6,273**	6,081	6,104	6,840	7,219
Personnel, end of period		**6,595**	6,690	6,411	6,984	7,615
of which outside Finland		**5,423**	5,579	5,348	5,852	6,581

Share related figures

		2022	2021	2020	2019	2018
Share capital	EUR million	**77.5**	77.5	77.5	77.5	77.5
Earnings per share (basic and diluted)	EUR/share	**1.21**	1.06	0.83	0.63	1.00
Dividend per share	EUR/share	**0.80**[1]	0.76	0.60	0.56	0.54+5.31[2]
Dividend	EUR million	**64.5**[1]	61.9	48.9	45.6	44.0
Equity per share	€	**10.32**	9.97	9.30	9.34	14.80
Average price	EUR/share	**18.51**	18.55	11.47	15.40	19.37
Lowest price per share	EUR/share	**14.04**	14.46	7.80	11.16	14.48
Highest price per share	EUR/share	**24.45**	23.40	15.02	20.60	25.00
Price per share, Dec 31	EUR/share	**15.38**	23.00	14.98	11.26	15.04
Market value of shares	EUR million	**1,239.3**	1,873.8	1,220.4	917.7	1,226.9
Number of shares, 1,000 pcs		**81,000.0**	81,905.2	81,905.2	81,905.2	81,905.2
Number of treasury shares, 1,000 pcs		**419.5**	433.7	433.7	408.7	332.6
Number of shares traded, 1,000 pcs		**9,724.6**	8,016.4	11,112.7	9,148.1	3,149.5
Price per earnings		**12.7**	21.7	18.1	17.8	15.1
Dividend per earnings in percent	%	**62.7**	71.5	72.3	88.4	54.1
Dividend yield in percent	%	**4.9**	3.3	4.0	5.0	3.6
Number of shareholders, Dec 31		**32,602**	30,080	25,968	23,495	20,013

[1] Board's proposal.
[2] Wärtsilä shares distributed as dividends.

Basic and diluted earnings per share are equal, as the company has no potential ordinary shares.

Calculation of financial indicators

EBIT = Operating profit

Comparable EBIT = Operating profit (EBIT) +/– items affecting comparability

$$\text{Return on investment, \%} = \frac{\text{Profit for the period + income taxes + interest and other financial expenses}}{\text{Equity, total + interest-bearing liabilities (average of beginning and end of year amounts)}} \times 100$$

$$\text{Return on equity, \%} = \frac{\text{Profit for the period}}{\text{Equity, total (average of beginning and end of year amounts)}} \times 100$$

$$\text{Equity ratio, \%} = \frac{\text{Equity, total}}{\text{Balance sheet total}} \times 100$$

$$\text{Net gearing, \%} = \frac{\text{Interest-bearing debt – cash and cash equivalents}}{\text{Equity, total}} \times 100$$

$$\text{Earnings per share} = \frac{\text{Profit for the period attributable to equity holders of the parent company}}{\text{Weighted average number of shares outstanding, end of period}}$$

$$\text{Equity per share} = \frac{\text{Equity attributable to equity holders of the parent company}}{\text{Number of outstanding shares, end of period}}$$

$$\text{Adjusted average share price} = \frac{\text{Value of shares traded during the period}}{\text{Number of shares traded during the period, adjusted for emissions}}$$

Market capitalization = Number of outstanding shares, end of period x market quotation, end of period

$$\text{Price per earnings (P/E)} = \frac{\text{Market quotation per share, end of period}}{\text{Earnings per share}}$$

$$\text{Dividend per earnings, \%} = \frac{\text{Dividend paid}}{\text{Profit attributable to equity holders of the parent company}} \times 100$$

$$\text{Dividend per share} = \frac{\text{Dividend paid}}{\text{Number of outstanding shares, end of period}}$$

$$\text{Dividend yield, \%} = \frac{\text{Dividend per share}}{\text{Market quotation, adjusted for emissions, end of period}} \times 100$$

Shares

Number of shares, votes and share capital

Fiskars Corporation's shares are traded in the Large Cap segment of Nasdaq Helsinki. The Company has one series of shares FSKRS. All shares carry one vote each and have equal rights.

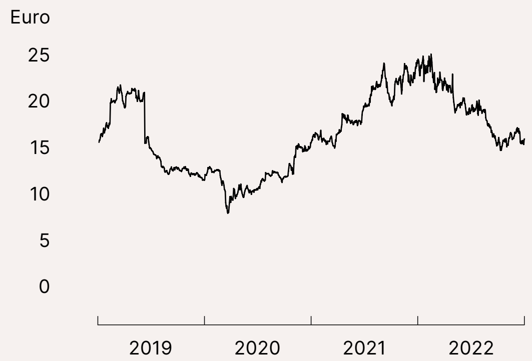
The total number of shares at the end of 2022 81,000,000 (2021: 81,905,242). The share capital was in 2022 at EUR 77,510,200.

Share details

Market	Nasdaq Helsinki
ISIN	FI0009000400
Trading code	FSKRS
Segment	Large Cap
Industry	3000 Consumer Goods
Supersector	3700 Personal & Household Goods
Shares as of Dec 31, 2022	81,000,000

Fiskars share price development

EUR, Jan 1, 2019 – Dec 31, 2022



Wärtsilä shares distributed as extra dividend in June 2019. The value of the share dividend was EUR 5.31 per Fiskars share.

Treasury shares

As of the end of the year, Fiskars owned 419,484 treasury shares, corresponding to 0.5% of the Corporation's shares and votes. The Company has acquired the shares at the Nasdaq Helsinki in accordance with the authorizations of the general meetings of the shareholders.

Board authorizations

The Annual General Meeting for 2022 decided to authorize the Board to acquire a maximum 4,000,000 of Fiskars' own shares. In addition, the Annual General Meeting decided to authorize the Board to decide on the transfer of the company's own shares (share issue) held as treasury shares of a maximum of 4,000,000 shares.

Changes in the number of shares, 2018–2022

	Total
Total shares, Dec 31, 2018	81,905,242
Total shares, Dec 31, 2019	81,905,242
Total shares, Dec 31, 2020	81,905,242
Total shares, Dec 31, 2021	81,905,242
Total shares, Dec 31, 2022	81,000,000
Treasury shares Dec 31, 2022	419,484

Shareholders

Fiskars Corporation had 32,602 (2021: 30,080) shareholders as of the end of the year. Approximately 1.6% (2021: 2.4) of the share capital was owned by shareholders outside Finland and 3,4% (2021: 5.0) by nominee-registered shareholders.

Management shareholding

On December 31 2022, the Board members, the President & CEO and the CFO and their controlled entities and their managed entities together with a family member, owned a total of 37,010,393 (2021: 36,045,465) shares corresponding to 45.7% (2021: 44.0) of the Company's shares and votes. The Company did not have any share option programs.

Share ownership, December 31, 2022

	Number of shareholders	%	Number of shares and votes	%
Financial and insurance institutions	46	0.14	13,346,449	16.48
Households	31,359	96.19	26,989,694	33.32
Private companies	802	2.46	29,446,284	36.35
Non-profit organizations	224	0.69	5,861,302	7.24
General government	8	0.03	4,058,406	5.01
Rest of the world	163	0.50	1,297,865	1.60
Total	32,602	100.00	81,000,000	100.00
Of which nominee registered	11	0.03	2,771,561	3.42

Distribution of shares, December 31, 2022

Number of shares	Number of shareholders	%	Number of shares and votes	%
1–100	18,675	57.28	742,537	0.92
101–500	9,479	29.08	2,415,395	2.98
501–1,000	2,162	6.63	1,645,249	2.03
1,001–10,000	1,816	5.57	3,874,342	4.78
10,001–100,000	214	0.66	1,508,865	1.86
100,001–1,000,000	172	0.53	3,656,042	4.51
1,000,001–	24	0.07	56,961,305	70.32
Total	32,602	100.00	81,000,000	100.00

Major shareholders, December 31, 2022

		Total shares	% of shares and votes
1	Virala Oy Ab	12,740,000	15.73
2	Turret Oy Ab	11,430,961	14.11
3	Holdix Oy Ab	10,165,537	12.55
4	Sophie Von Julins Stiftelse	2,556,000	3.16
5	Julius Tallberg Corp.	2,554,350	3.15
6	Gripenberg Gerda Margareta Lindsay Db	1,982,000	2.45
7	Varma Mutual Pension Insurance Company	1,659,326	2.05
8	Ilmarinen Mutual Pension Insurance Company	1,594,155	1.97
9	The estate of Greta Von Julin	1,560,000	1.93
10	Ehrnrooth Albert Carl Göran	855,372	1.06
11	Elo Mutual Pension Insurance Company	788,000	0.97
12	Lindsay von Julin & Co Ab	750,000	0.93
13	Hartwall Peter Johan	748,450	0.92
14	Therman Anna Maria Elisabeth	722,436	0.89
15	Åberg Karin Margareta Albertina	638,500	0.79
16	Fromond Lilli Sophie Louise	601,135	0.74
17	Fromond Anna Gabriell	600,518	0.74
18	von Limburg Stirum Mariana	596,298	0.74
19	Hisinger-Jägerskiöld Barbara Maria	544,117	0.67
20	Ehrnrooth Jacob	526,929	0.65
20 major shareholders		53,614,084	66.19

Pioneering design to make the *everyday extraordinary.*

Fiskars Group (FSKRS, Nasdaq Helsinki) is the global home of design-driven brands for indoor and outdoor living. Our brands include Fiskars, Gerber, Iittala, Royal Copenhagen, Moomin by Arabia, Waterford, and Wedgwood. Our brands are present in more than 100 countries and we have approximately 350 own stores. We have close to 7,000 employees and our global net sales in 2022 were EUR 1.2 billion.

We are driven by our common purpose: Pioneering design to make the everyday extraordinary. Since 1649, we have designed products of timeless, purposeful, and functional beauty, while driving innovation and sustainable growth. Please visit us at www.fiskarsgroup.com for more information and follow us on Twitter @fiskarsgroup.