FINANCIAL STATEMENTS

2021

Contents

Report by the Board of Directors for the year 2021

We are driven by our common purpose: pioneering design to make the everyday extraordinary. Fiskars Group pursues profitable growth with the aim of becoming the first choice in the garden and outdoors categories, and in the kitchen and at the table.

To achieve this ambition, Fiskars Group relies on its deep understanding of the everyday, and combines its passion for design, innovation and quality with a firm commitment to sustainability. The company delivers value by building brands that people love, driving a business that customers respect and developing a culture where people can perform at their best.

The Fiskars Group team is made up of diverse and creative professionals, serving people around the world with a portfolio of loved brands. The growth strategy outlines the fewer, bigger and bolder strategic choices that will put Fiskars Group on a healthy path towards organic growth and improved profitability. The logic behind the strategy is clear – the company focuses on winning brands, channels and countries. The brand portfolio is categorized into three groups: winning brands (Fiskars, Royal Copenhagen, Iittala, Moomin by Arabia and Gerber); profitable growth brands (Arabia and Rörstrand); and turnaround brands (Wedgwood, Waterford, Royal Albert and Royal Doulton). In December 2021 Fiskars Group announced that it would be divesting its North American Watering business, including the Gilmour and Nelson brands.

Fiskars Group's business is based on understanding and predicting consumer needs, aspirations, motives, and behavior. A profound insight into and understanding of the consumer is the starting point for building the brands, offering, sales and marketing activities. A culture that puts consumers at the heart of every discussion, decision and action is enabling Fiskars Group to build loved and trusted brands.

Consumers' understanding of global influences like climate change, resource scarcity and digitalization is greater than ever. For Fiskars Group, this is an opportunity to take action towards solving these global challenges and to create solutions that support consumers in their journey towards a more sustainable future.

Fiskars Group is committed to encouraging employee engagement by creating an inclusive and inspiring working environment. The company recognizes the importance of its people in contributing to its success, and continuously invests in opportunities for employees to learn and grow. Building a values-based leadership helps Fiskars Group's leaders to shape their skills and engage with people, which is crucial in creating value for consumers and other stakeholders. Fiskars Group's culture is based on strong values, engaging leadership and clear ways of working that set us apart from our competitors.

The impacts on employees of COVID-19

On March 11, 2020, the World Health Organization (WHO) declared COVID-19 a pandemic. Fiskars Group acted quickly to ensure the health and wellbeing of the employees and other people working in our value chain. Since the start of the pandemic, the number one concern has been the safety and wellbeing of employees.

A wide range of measures has been implemented throughout the pandemic in order to help prevent the spread of COVID-19 and to protect employees and customers. These include continued remote working for all employees able to do so, keeping business travel to a minimum, introducing rigid safety measures in factories and distribution centers as well as safeguards in our stores.

As a result of the pandemic, the last two years have been challenging for Fiskars Group's employees. Nevertheless, they have successfully served consumers and customers while making sure that the company's financial performance has continued on a strong track.

Year 2021 in brief: Record strong year

Fiskars Group had a strong year, as the company and its employees were able to successfully serve consumers and customers in these dynamic times. Additionally, the financial performance continued on a strong track. Both net sales and comparable EBITA reached an all-time high level. Net sales were driven by all business areas. While the comparable EBITA was driven by business area Vita, both Terra and Crea also performed well against an unusually strong comparison period.

In 2021, there were significant challenges in global supply chains as well as broad-based cost inflation. Fiskars Group has successfully mitigated supply chain constraints and the ability to do so has been a competitive advantage. The company has also successfully mitigated the inflationary pressure. Full-year gross margin increased by 2.5 percentage points in 2021, supported by price increases and improved commercial excellence. Within commercial excellence, the initial actions have been focused on the value-based pricing as well as the in-store and online excellence.

During the second half of the year, the company significantly increased spending to accelerate growth. This increase was mostly related to digital operations and consumer excellence. During the year, Fiskars Group also completed the Restructuring and Transformation programs. The programs were launched in October 2018 and December 2019 and combined targeted annual cost savings of approximately EUR 37 million These benefits were realized, and a majority were already visible by the end of 2021. The total costs of both programs amounted to EUR 42.5 million, clearly below the original estimate of approximately EUR 70 million.

During 2021, cash flow from operating activities before financial items and taxes amounted to EUR 164.2 million (2020: 223.8). Earnings per share were EUR 1.06 (0.83).

Group performance

In 2021, 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	2021	2020	Change	Comparable change
Group	**1,254.3**	1,116.2	12.4%	14.2%
Vita	**544.6**	456.6	19.3%	19.3%
Terra	**535.4**	493.8	8.4%	11.6%
Crea	**170.6**	162.0	5.3%	7.7%
Other	**3.8**	3.8	1.1%	1.0%

Fiskars Group's consolidated net sales increased by 12.4% to EUR 1,254.3 million (2020: 1,116.2). Comparable net sales increased by 14.2%, supported by all business areas and nearly all channels. Strong demand supported the increase in net sales.

Comparable EBITA

EUR million	2021	2020	Change
Group	**168.8**	136.8	23.4%
Vita	**86.7**	41.0	111.4%
Terra	**57.0**	67.5	-15.6%
Crea	**38.0**	41.1	-7.4%
Other	**-12.9**	-12.8	-0.7%

Fiskars Group's comparable EBITA increased by 23.4% to EUR 168.8 million (2020: 136.8). The increase in comparable EBITA was driven by the Vita segment, whereas it decreased in Terra and Crea.

Comparable EBITA was supported by an increase in net sales, an improvement in gross margin from a more favorable product and channel mix, as well as the benefits from the ongoing programs.

At the Group level, the completed Transformation and Restructuring programs had a positive impact on profitability. At the same time, the previous year's figures were supported by temporary cost savings. Increased spending to accelerate growth had a negative impact during the second half of the year.

Operating environment in 2021

The operating environment remained volatile in 2021, although less so than in 2020. The significant differences in impact at the category level decreased in 2021 from the level seen in 2020.

The number of store closures varied throughout the year. Overall, it was lower than in 2020, but with regional differences. Despite the decreased impact on brick-and-mortar stores compared to 2020, the importance of e-commerce and hybrid models (such as curbside pickup) is more prominent than before the pandemic.

Global supply chains have continued to come under pressure, as the pandemic is still having an impact on consumer demand and the global economy. The challenges have included a lack of sufficient logistics capacity and port congestions. This has resulted in higher freight costs and longer delivery times. Additionally, raw material prices have risen rapidly. Energy prices in many countries were significantly higher during the second half of the year compared to the previous year's level.

Reporting segments and geographies

Vita segment in 2021

EUR million	2021	2020	Change
Net sales	**544.6**	456.6	19.3%
Comparable EBITA	**86.7**	41.0	111.4%
Capital expenditure	**16.0**	16.3	-1.8%

Net sales in the Vita segment increased by 19.3% to EUR 544.6 million (2020: 456.6). Comparable net sales increased by 19.3%, rebounding from a difficult first half of 2020, when the pandemic had a more significant negative impact on the financial performance.

Net sales increased for most of the brands and in nearly all important markets. Growth was strongest in China, the Americas and the Nordics. On a channel level, net sales increased most in e-commerce, both direct and indirect. The entire direct channel posted growth figures, even though temporary store closures still had a negative impact on net sales.

Comparable EBITA in the Vita segment increased to EUR 86.7 million (41.0). The comparable EBITA was supported by a number of factors. Sales volumes increased, pricing improved, and the channel mix was more favorable, driven by a higher share of the direct channel. The profitability of the English & Crystal brands has improved. The positive impact from the completed programs has increasingly supported profitability. At the same time, the previous year's figures were supported by temporary cost savings. Increased spending to accelerate growth had a negative impact on comparable EBITA.

Terra segment in 2021

EUR million	2021	2020	Change
Net sales	**535.4**	493.8	8.4%
Comparable EBITA	**57.0**	67.5	-15.6%
Capital expenditure	**12.2**	9.9	23.8%

Net sales in the Terra segment increased by 8.4% to EUR 535.4 million (2020: 493.8). Comparable net sales increased by 11.6%.

Net sales increased in all markets, Central Europe in particular. Additionally, all categories supported net sales growth despite a negative impact from availability challenges during the year.

Comparable EBITA in the Terra segment decreased to EUR 57.0 million (67.5). While the increase in net sales supported the comparable EBITA, higher manufacturing and logistics costs and increased spending to accelerate growth had a negative impact. At the same time, the previous year's figures were supported by temporary cost savings.

Crea segment in 2021

EUR million	2021	2020	Change
Net sales	**170.6**	162.0	5.3%
Comparable EBITA	**38.0**	41.1	-7.4%
Capital expenditure	**3.3**	1.8	90.9%

Net sales in the Crea segment increased by 5.3% to EUR 170.6 million (2020: 162.0). Comparable net sales increased by 7.7%.

Net sales growth was driven by the Nordics and Continental Europe. At the same time, net sales decreased in the Americas, where the comparison figures from 2020 were strong. The key driving force behind the growth was the cooking category, where the expansion in Europe proceeded well.

Comparable EBITA in the Crea segment decreased to EUR 38.0 million (41.1). While the increase in net sales and a more favorable product mix supported the comparable EBITA, higher manufacturing, logistics costs and increased spending to accelerate growth had a negative impact. At the same time, the previous year's figures were supported by temporary cost savings.

Other segment in 2021

EUR million	2021	2020	Change
Net sales	**3.8**	3.8	1.1%
Comparable EBITA	**-12.9**	-12.8	-0.7%
Capital expenditure	**2.8**	2.2	30.4%

Net sales in the Other segment amounted to EUR 3.8 million (2020: 3.8), consisting of timber sales and rental income. The comparable EBITA for the Other segment amounted to EUR -12.9 million (-12.8).

Net sales by geography in 2021

EUR million	2021	2020	Change	Comparable change
Europe	**592.2**	495.9	19.4%	18.7%
Americas	**475.9**	471.6	0.9%	5.4%
Asia-Pacific	**187.7**	154.1	21.8%	22.6%
Unallocated	**-1.4**	-5.4		

In Europe, net sales increased by 19.4% and amounted to EUR 592.2 million (2020: 495.9). Comparable net sales increased by 18.7%. Growth was driven by all markets, with a strong performance in the Nordics and Continental Europe.

Net sales in the Americas were close to the previous year's level, amounting to EUR 475.9 million (471.6). Comparable net sales increased by 5.4%, supported by the Vita and Terra segments.

Net sales in Asia-Pacific increased by 21.8% to EUR 187.7 million (154.1). Comparable net sales increased by 22.6%, driven by nearly all markets, China in particular.

Research and development

The Group's research and development expenses totaled EUR 15.5 million (2020: 16.5), equivalent to 1.2% (1.5%) of net sales.

Personnel

The average number of full-time equivalent employees (FTE) was 6,081 (2020: 6,104) in 2021. At the end of the year, the Group employed 6,690 (6,411) employees, of whom 1,111 (1,062) were in Finland. In 2021, personnel costs amounted to EUR 293.7 million (264.4), of which wages and salaries constituted EUR 240.0 million (214.2).

Transformation and Restructuring programs

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

Both programs were completed by 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, respectively. These benefits were realized, and a majority were already 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 EUR 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).

Financial items, net result and cash flow

In 2021, other financial income and expenses amounted to EUR -0.0 million (2020: -8.9), including EUR -6.2 million of interests related to the tax dispute. Foreign exchange differences accounted for EUR 4.2 million (-2.2) of financial items.

Profit before taxes was EUR 144.1 million (89.8). Income taxes were EUR -56.5 million (-21.3). Out of the total income taxes, EUR -22.1 million relate to the tax dispute concerning intra-group loans forgiven by the company in 2003. The Supreme Administrative Court did not grant Fiskars Corporation a leave to appeal the case in its decision of March 3, 2021, and consequently, the income tax, which was already paid in Q3 2016, was recorded as tax cost in the first quarter of 2021. Interest of EUR 6.2 million relating to the tax decision was posted as an interest expense. Earnings per share were EUR 1.06 (0.83), where the tax dispute had a negative impact of EUR 0.35 per share.

The cash flow from operating activities before financial items and taxes amounted to EUR 164.2 million (223.8). The change was a result of the increase in profit before taxes, while the change in net working capital had the opposite effect. Cash flow from financial items and taxes amounted to EUR -41.3 million (-24.6).

Cash flow from investing activities was EUR -33.7 million (-29.4), including EUR -34.4 million of capital expenditure on fixed assets. Cash flow from financing activities was EUR -123.3 million (-118.9), including EUR -60.5 million of repayments of non-current debt, EUR 12.8 million of change in current debt, EUR -49.2 million of dividends paid and EUR -26.4 million of payment of lease liabilities. The comparison figure from 2020 included EUR -80.0 million of repayments of non-current debt, EUR 40 million of proceeds of non-current debt, EUR -45.7 million dividends paid and EUR -26.4 million of lease liability payments.

Capital expenditure totaled EUR 34.4 million (30.0), mainly relating to retail, supply chain and IT investments. Depreciation, amortization and impairment amounted to EUR 61.6 million (76.1, including an impairment of EUR 10.4 million of the Waterford trademark).

Balance sheet and financing

Fiskars Group's working capital totaled EUR 164.5 million (134.2) at the end of December. The equity ratio was 57% (57%) and net gearing was 18% (19%).

Cash and cash equivalents at the end of the period totaled EUR 31.5 million (62.5). Net interest-bearing debt amounted to EUR 144.4 million (143.7), of which leases classified as interest-bearing debt under IFRS 16 accounted for EUR 111.5 million (94.5).

Excluding leasing debt, short-term borrowing totaled EUR 64.4 million (61.2) and long-term borrowing EUR 0.7 million (51.2). Short-term borrowing consisted mainly of a term loan maturing in 2022.

In addition to outstanding loans, Fiskars Group had EUR 280 million (300 million) of unutilized long-term committed credit facilities and a commercial paper program of EUR 400 million with Nordic banks.

The impact of the COVID-19 pandemic on Fiskars Group in 2021

Market situation

The market situation has been volatile throughout the pandemic. It was most challenging in March-April 2020, after which it improved clearly, and the situation has stabilized during 2021. Throughout the pandemic there have been significant differences by category and market. Overall, consumers have shifted their focus to e-commerce channels as a result of lockdowns and store closures, which has impacted retailers as well.

In the Vita categories demand has improved during the end of 2020 and 2021. Gifting is an important part of the business, and this still has not fully recovered from the hit by social distancing and restrictions on holding meetings. Additionally, customers in the hospitality channel (i.e., hotels, cruise lines, airlines) have largely halted investments.

In the Terra and Crea categories the pandemic had a different impact. Demand has been strong, as people have spent more time at home. In particular, the gardening and watering categories have seen increased consumer interest. For Crea, the demand for scissors and sewing products increased temporarily as people have spent more time at home. The growth in demand has levelled for both Terra and Crea from the second quarter of 2021 onwards.

Temporary cost-cutting measures

At the beginning of the pandemic, proactive steps were swiftly introduced to lessen the negative impacts of COVID-19 on operations around the world. As the situation evolved during 2020, a broad range of cost savings were implemented. Most of these measures were taken starting in the second quarter of 2020 and were visible in the financial performance from the second quarter onward. In 2021, these measures have only had a minor impact on profitability.

Own stores

The company had to temporarily close stores due to the pandemic, starting in the Asia-Pacific region as early as January 2020. The closures and reopenings varied by country and even by city. The closures reached a high in April 2020, when a significant number of the Group's stores were closed. The number of store closures has since been at a lower level. At the end of the fourth quarter of 2021, only a small number of stores were closed.

Supply chain

The pandemic has impacted most of the company's own production units. During the pandemic, some units have been temporarily closed to adjust to the decrease in demand, while others increased production volumes. In all units, new arrangements were put in place in order to meet regulations ensuring the health and wellbeing of employees. The strong demand and challenges in the global logistics chains have put pressure on the supply chain, during 2021 in particular. Despite these challenges, the company has successfully served its customers. The ability to deliver has been a competitive advantage for Fiskars.

Financial position

The liquidity of Fiskars Group has remained strong during 2021. Actions to secure liquidity with short term borrowing were promptly taken during the first quarter of 2020. Driven by the strong cash flow, the remainder of these loans were repaid during the second quarter of 2021.

Throughout the COVID-19 pandemic, Fiskars Group has intensely followed up on and assessed the credit risks of trade receivables. The existing bad debt provision model for expected credit losses is based on the age of the trade receivables. Bad debt provision increases in line with the age of the trade receivables, so as the model is followed, the increased credit risk in the form of more mature trade receivables results in a higher bad debt provision. The model is adjusted for forward-looking information. Credit losses have remained at a historically normal level during 2021.

The credit risk of trade receivables and the amount of bad debt provision was analyzed at the end of the reporting period, with the conclusion being that sufficient provisions have been made.

Reporting of non-financial information

Sustainability in 2021

In 2021, Fiskars Group continued working towards its sustainability targets according to the roadmaps in place.

A strong sustainability approach is the right thing to do for people and the planet and the prerequisite to future-proof and grow business. Sustainability represents an opportunity for Fiskars Group to further strengthen the reputation and increase brand love.

Sustainability is one of our key enablers for creating and delivering sustainable growth. Fiskars Group's sustainability approach describes our level of ambition. We are on a mission: for lasting wellbeing of people and planet.

Fiskars Group has continued its work on its three long-term sustainability commitments: against throwaway culture, for a carbon neutral business and for increased joy.

Fiskars Group is committed to taking climate action, and has thus joined the UN Business Ambition for 1.5°C and set science-based targets, aligned with the latest climate science and the most ambitious goals of the Paris Agreement, to reduce greenhouse gas emissions by 2030.

These commitments are guided by Fiskars Group's sustainability ambition and inspired by the United Nations Sustainable Development Goals (SDGs).

These three commitments will help us achieve sustainable growth and long-term value and will support the progress of our mission for the lasting wellbeing of people and the planet.

Environment

The responsible and reduced use of natural resources and the careful re-usage and recycling of materials are central to Fiskars Group's sustainability approach. Fiskars Group's environmental and energy 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 and introducing service-based solutions provide opportunities to create value. In addition, Fiskars Group is constantly looking for new opportunities to increase the use of recycled or renewable materials in its products. Fiskars Group is committed to promoting efficiency and identifying new solutions throughout the value chain.

POLICIES AND COMMITMENTS

International standards and guidelines such as ISO 14001 create an important foundation for Fiskars Group's environmental management. Fiskars Group's 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 to be able to do business with Fiskars Group.

TARGETS & ACTIONS

Targets 2030:

- A majority of our net sales comes from circular products and services*
- Circularity is fully integrated into innovation*
- A global concept in use to take-back and recycle/reuse/resell our products, covering all our main brands.
- 100% of our packaging is renewable, preferably recycled and further recyclable

Target 2022: business model for recycling and reselling the products in place in select markets.

* Targets were defined in 2021

Creating new business models is essential for staying relevant in the changing business landscape. The circular economy provides opportunities to create value and support Fiskars Group in resource wisdom: being more efficient and innovating 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' recycled material product ranges have been popular, and sales of recycled products have increased by 78% since 2020.

Our new services are created at BRUK, Fiskars Group's own innovation hub. BRUK brings together people and knowledge from across the entire Fiskars Group, with the aim of quickly designing, testing, and scaling new ideas.

Aligned with the 2022 target, the Vintage service, which provides people with the opportunity to buy and sell previously-owned Iittala, Arabia and Rörstrand tableware products, continued in Finland and expanded within Sweden, now covering all Iittala stores in both countries. The Vintage service has been very well received by consumers, and plans are in place to expand it further to new categories and markets in 2022.

Vintage products sold during 2021 helped save 116 tons of solid natural resources and 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.

Targets 2030:

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

Fiskars Group implemented a number of energy and emission-saving activities in 2021 that decreased energy consumption by 430 MWh. Since 2018, these activities have enabled a decrease in energy consumption by 12,300 MWh. However, our energy consumption increased by 14% in 2021 compared to the previous year as our total energy consumption was 1,029 TJ (2020: 901 TJ), with 236 TJ of energy coming from renewable sources. This increase in energy consumption is a result of increased production volumes.

In 2021, renewable electricity was taken into use in Denmark and the U.K. Renewable electricity is also used in Finland, Slovenia, Poland, Norway, and Ireland. In 2021, solar panels were installed on the roof of the distribution hall at the distribution center in Hämeenlinna, Finland. In addition, solar panels have been installed at our Royal Copenhagen manufacturing unit in Thailand, as well as at our distribution center in Wall, New Jersey, U.S. Fiskars Group is looking for opportunities to expand these initiatives to other locations in the future.

ENERGY

GRI 302-1 Energy consumption within the organization, TJ

	2021	2020	2019
Direct energy consumption: non-renewable	**686**	606	695
Direct energy consumption: renewable	**12**	9	5
Indirect energy consumption	**330**	285	323
Total energy consumption	**1,029**	901	1,023

In 2021, Group-wide greenhouse gas emissions increased by 11% compared to the previous year due to increased production volumes. Still, compared to the 2017 base year, Fiskars Group achieved a reduction of 38% as a result of energy-saving actions and investments in renewable energy. In total, 71% of the electricity purchased in 2021 was from renewable sources. Even though overall emissions increased, 68 tons of CO_2 equivalents were saved in 2021 through energy and emissions-saving activities in our manufacturing units and distribution centers.

Emissions from business travel decreased (34%) compared to last year as a direct result of the COVID-19 situation affecting work and business travel in 2020 and 2021. Transportation emissions decreased by 8% compared to 2020. In 2021, emissions from inbound and outbound transportation were 23,960 t CO_2e (26,000 t CO_2e). The main cause for the decrease is the update of an external logistic partners' emission calculation methodology.

EMISSIONS

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

	2021	2020	2019
Scope 1 emissions	**38**	34	38

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

	2021	2020	2019
Scope 2 emissions			
Market-based	**16**	15	28
Location-based	**31**	28	34

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

	2021	2020	2019
Scope 3 emissions			
Business travel	**507**	770	5,000
Upstream and downstream transportation	**23,960**	25,930	26,000

Business travel includes the emissions from business flights, covering all our main locations. Data is calculated by collecting GHG emissions data from our logistic partners. We were able to receive 94.8% of the emissions from our partners and 5.2% was extrapolated to cover CO_2e emissions for the whole year 2021.

Target 2030: 100% of waste from our own operations (manufacturing, retail, offices and DCs) is recovered or recycled and zero waste goes to landfill

Target 2022: Waste to landfill reduced by 80% compared to the 2017 base year

To reach the target, Fiskars Group's manufacturing units and distribution centers have been mapping, measuring, and minimizing their waste, as well as further investigating opportunities for improvement. The overall reduction of waste to landfill has reached 85% since the base year 2017. This means that the 2022 target has already been reached. The total amount of waste sent to landfill in 2021 was 595 (828) tonnes.

Various initiatives carried out at the manufacturing units and distribution centers have made it possible to achieve these reductions. Manufacturing units, for example in Billnäs in Finland, Slupsk in Poland, PT Doulton in Indonesia and the Royal Copenhagen factory in Thailand have managed to reduce waste to landfill significantly by recycling waste and collaborating with external partners. As of the end of 2021, 7 of 21 manufacturing units and distribution centers have been able to reach the target of zero waste to landfill, nine years ahead of the 2030 target.

Social and employee-related matters

Fiskars Group is committed to inspiring and empowering people to learn and develop as professionals, and to bring in new ideas, skills and views. Fiskars Group is building a globally collaborative culture and needs a diverse team to be able to serve consumers in the best possible way. Fiskars Group wants to attract, develop and retain a diverse team of high-performing people with different backgrounds and cultures.

One of the key priorities in Fiskars Group's operations is to ensure the safety and well-being of employees and people involved in the value chain. Fiskars Group promotes a culture of zero harm in order 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 of people engaged and enabled to do their best.

POLICIES AND COMMITMENTS

Fiskars Group has outlined a set of policies and guidelines on social and employee matters in order to guide the leadership, employees, and 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 was updated in 2021.

The Employment Policy aligns important topics such as diversity and inclusion, employee wellbeing, freedom of association and employee contracts.

Ensuring the safety and well-being of employees and the people involved in Fiskars Group's value chain is a key priority. Fiskars Group's Health and Safety Policy promotes the culture of zero harm and supports safety priorities. Fiskars Group's Supplier Code of Conduct includes health and safety topics, such as workplace safety, emergency preparedness, and management and communication on health and safety.

TARGETS & ACTIONS

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 go through the training during their onboarding process. All employees receive training every two years. By the end of 2021, 91% of our employees had completed our Code of Conduct e-learning training.

HEALTH AND SAFETY

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

Target 2022: LTAF reduced by -20% (compared to the base year 2017)

In 2021, Fiskars Group Lost Time Accident Frequency (LTAF) decreased to 5.2 (2020: 5.9), and the rate of recordable work-related injuries was 8.7 (9.7). We will continue our efforts to improve safety performance.

Throughout the COVID-19 pandemic, the number one concern has been employees' health and wellbeing. In 2021, Fiskars Group continued to diligently follow the guidance of local authorities in the different countries in which the Group operates and take preventive measures towards COVID-19.

Fiskars Group's fourth global Safety Week was celebrated based on the theme: 'I care: Working together for safety!', which focused on employee wellbeing in particular. Participation was active, although due to the continuing COVID-19 pandemic office employees mainly attended activities remotely. In-person events were organized at manufacturing units and distribution centers, as most employees were back at their workplaces. The Safety Week boosted safety observation reporting, and a total of 10,846 (7,690) observations were reported during 2021. A new safety tool for reporting safety observations, near-misses, ideas, and accidents was launched at manufacturing units and distribution centers in 2021. This has made reporting easier, which has also likely influenced the number of safety observations reported. This is an important way for Fiskars Group to promote safety at work, and all these observations are recorded and actions taken to mitigate the hazards.

The safety reporting processes continued to be developed during 2021. For example, retail in Australia increased its technical capabilities, and a strong focus on training employees to report on hazards has resulted in a significant increase in the number of safety observations recorded. A total of 192 (198) safety observations and 7 (10) lost time accidents were reported in the offices and retail stores.

DIVERSITY AND INCLUSION

Focus area 2030: Engagement score in Our Voice*

* The target was further defined in 2021

A diversity and inclusion (D&I) working group was established in 2020 with representatives from different locations and company functions. In 2021 the working group continued to meet on a quarterly basis to align, plan, and implement D&I initiatives and integrate them into Fiskars Group's everyday processes. This year, emphasis was placed on the first focus area: building awareness and understanding. The first step was to hold a company-wide event to introduce Fiskars Group's diversity and inclusion statement and focus areas, as well as information about the importance of D&I.

There are actions Fiskars Group still needs to take and develop to create a truly inclusive, equal opportunities company where everyone can feel safe and perform at their best regardless of gender, age, ethnicity or beliefs. It is not enough to try and eliminate actual barriers, but Fiskars Group is actively creating a culture that is truly inclusive and fair.

Our Voice, Fiskars Group's new employee engagement program, was launched in April 2021. A key part of the program is the employee engagement survey, which was renewed. New targets were also defined based on the survey, with a new focus on the engagement score and the percentage of employees agreeing with the statement "I have good opportunities to learn and grow at Fiskars Group" in Our Voice. Two Our Voice surveys were conducted in 2021, the first in April and the second in November. The engagement score in the second survey was 75, up by two points from April's score. The percentage of our employees agreeing with the statement "I have good opportunities to learn and grow at Fiskars Group" in the Our Voice survey in November was 62%, up by three points compared to the first survey conducted in April.

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	25.0 (25.0)	12.5 (12.5)	37.5 (37.5)
Over 50	12.5 (12.5)	50.0 (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	9.1 (27.3)	27.3 (27.2)	36.4 (54.5)
Over 50	18.2 (18.2)	45.4 (27.3)	63.6 (45.5)
Total	27.3 (45.5)	72.7 (54.5)	100.0 (100.0)

Managers with teams Age group	Female, %	Male, %	Total, %
Under 30	2.2 (1.4)	0.3 (0.3)	2.5 (1.7)
30–50	28.4 (30.1)	35.8 (37.4)	64.2 (67.6)
Over 50	14.8 (13.6)	18.5 (17.1)	33.3 (30.7)
Total	45.4 (45.2)	54.6 (54.8)	100.0 (100.0)

Human rights, anti-corruption and bribery

Fiskars Group has an important opportunity to influence people's lives throughout the value chain. Fiskars Group respects human rights and recognizes the equality of people.

Fiskars Group is committed to the highest possible standards of integrity, accountability and honesty in all its activities with employees and third parties. This is in line with the commitment that Fiskars Group expects of its employees as well as people involved in the value chain to act impartially and in good faith at all times.

POLICIES AND COMMITMENTS

Fiskars Group's commitment to human rights is deeply ingrained in its values and is articulated in its company policies and Human Rights Statement. Fiskars Group's Code of Conduct provides a detailed description of Fiskars Group's approach to doing business in an ethical and sustainable manner, including working conditions, labor rights, anti-corruption, bribery and safety at work. Fiskars Group's Human Rights Statement was created by the Fiskars Group Human Rights project group in close consultation with Enact, an external human rights development partner. The Human Rights project group consists of representatives from our HR, Legal & Compliance, Finance, Supply Chain, and Consumer Experience & Communication functions.

Fiskars Group's Supplier Code of Conduct outlines the same expectations for the suppliers. Every supplier must sign and commit to Fiskars Group's Supplier Code of Conduct in order to do business with Fiskars.

Fiskars Group is a participant in the United Nations Global Compact, by which Fiskars Group has committed to mitigate adverse human rights impacts and to work against corruption and bribery. To support Fiskars Group's commitment, the Fiskars Group Anti-Corruption and Anti-Bribery Policy outlines the expectations towards Fiskars Group's employees, and all others that we deal with, 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 that all of its business partners should be governed by the same or similar principles as stipulated in this policy. Fiskars Group expects all business partners to ensure that those principles are communicated to their employees and sub-contractors.

TARGETS AND ACTIONS

Fiskars Group's approach to human rights and anti-corruption and bribery is defined in Fiskars Group's policies and Human Rights Statement, both of which also serve as the foundation for the implementation and targets. Fiskars Group complies with all relevant labor laws and regulations. We do not allow working conditions or treatment that contravene basic human rights. We have zero tolerance for child labor, and we safeguard vulnerable workers from abuse or exploitation regardless of their employment contract or immigration status. Supplier sustainability audits help us to assess and control human rights topics in our supply chain.

Fiskars Group is currently assessing the awareness and commitment to human rights and anti-corruption and bribery by measuring the percentage of employees that have participated in Code of Conduct training. New employees go through the training during their onboarding process. All employees receive training every two years. As of the end of 2021, 91% of our employees have completed our Code of Conduct e-learning 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. Fiskars Group put people's safety and wellbeing first when the business was dealing with the impact of the COVID-19 pandemic in 2020 and continuing into 2021. This limited and slowed down plans relating to human rights work, but progress has been made since then, and the human rights work has continued in alignment with the action plan created. The target is to develop a human rights due diligence process, and rather than creating a separate new process the aim has been to integrate human rights management more deeply into our existing processes. We identified an opportunity to develop our risk management to better cover human rights aspects, and we have made progress on this front.

Fiskars Group is committed to conducting its business in an ethical and responsible manner, tolerating no violations of the Fiskars Group Code of Conduct. Our WhistleBlowing Channel, a third-party platform, is a confidential and anonymous channel for all our employees to report any workplace-related issues, complaints, or suspected violations of the Code of Conduct. The 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 and Compliance function, or through the WhistleBlowing Channel.

All suspected violations and occurrences of misconduct are promptly and thoroughly investigated with confidentiality by our Legal and Compliance function. Depending on the case, relevant functions, such as HR, are engaged to solve the issues. All reported cases are reported annually to our Board's audit committee.

During 2021, there were ten cases reported via our Ethics and Compliance Helpline (also known as Whistleblowing channel) and two cases received via management. The reported cases were related to human resources, discrimination, bullying, harassment, and fraud. Six of these cases were investigated, resolved, and closed during 2021. Six of the cases are still under investigation or are being followed up. In 2021, a total of 19 cases were closed, including related and combined cases from the previous years. Next year the focus is to ensure the awareness of the Ethics and Compliance helpline throughout the organization.

The performance of Fiskars Group's suppliers is followed up through regular audits, and Fiskars Group supports their development through training sessions and workshops. In addition, Fiskars Group has organized training sessions on the Supplier Code of Conduct and the process of managing suppliers' sustainability in order to raise awareness among Fiskars Group employees across different functions.

In 2021, we conducted in total of 81 (46) supplier code of conduct audits for our suppliers. This included audits for finished good suppliers, raw material and component suppliers, and out-licensing partners.

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, such as environmental, human rights and other social aspects, are now 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.

Climate change, resource scarcity and changing consumer preferences bring with them many new strategic, operative and financial risks as well as opportunities for Fiskars Group. Compliance with the emerging legislation such as the EU's sustainability-related regulations as well as the ability to comply with it in the short to medium term can be challenging, but also presents opportunities. The cost of emissions, non-renewable materials and waste is expected to increase in the future. Consumers are increasingly interested in new business and service models based on the circular economy, such as renting and take-back concepts. Overall, the customer and stakeholder focus on environmental and sustainability aspects is growing. More information on our climate risk mapping in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) can be found in the Fiskars Group Sustainability Report 2021.

Human rights, anti-corruption and bribery risks are mainly seen as financial, compliance and reputational risks. But Fiskars Group also sees them as an operative risk. The main risk is the inability to manage these issues throughout the value chain, by failing to ensure the protection of human rights and health and safety within the supply chain.

Retaining employees and attracting talent can become more challenging as the competition for skilled workers increases. Fiskars Group believes that having the widest possible range of perspectives aboard makes it better, and so continues to solidify its work on diversity and inclusion to attract, recruit and retain diverse groups and pools of talent for all positions.

EU taxonomy

The EU has taken an active role in driving sustainable growth. Directing investments towards sustainable projects and activities is necessary in order to meet the climate targets set by the EU. So far, there has not been a common language or clear definition of what qualifies as sustainable. The EU has therefore been working on a common 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 defined so far (EU Taxonomy Climate Delegated Act). As of January 2022, large companies in Finland are required to provide information on their Taxonomy-eligible economic activities.

Sustainability is an important part of Fiskars Group, and the company is constantly working to improve further in this area. Fiskars Group views sustainability as an opportunity to take action in solving global challenges and creating solutions that support consumers in their journey towards a more sustainable future. Fiskars Group has launched new product series that use recycled materials and continues to research and innovate with new and sustainable materials. Fiskars Group has introduced new business models based on services in order to keep products in circulation for as long as possible. The company is developing its processes to become more circular.

Fiskars Group has assessed its Taxonomy-eligible economic activities against the Climate Delegated Act based on 2021 information. Disclosures and calculations have been compiled according to the Disclosures Delegated Act, which specifies disclosure requirements for Article 8 of the Taxonomy Regulation. Fiskars Group has taken a stringent approach to assess Taxonomy-eligibility. The company has thus not included the eligible activities which are certain not to reach Taxonomy alignment into the final assessment and calculation process.

Fiskars Group has assessed Taxonomy-eligibility regarding its revenue, capital and operational expenditures. Fiskars Group's main business resides in manufacturing consumer products, where Taxonomy-eligible turnover is not generated. The company has assessed capital and operational expenditure from manufacturing units, distribution centers and real estate operations. Fiskars Group has identified individual Taxonomy-eligible expenditures related to, for example, the maintenance of renewable energy technologies and energy-efficiency equipment. However, these figures are insignificant. Due to the nature of its business, Fiskars Group does not provide a substantial contribution to climate change mitigation or adaptation as defined in the Climate Delegated Act.

Fiskars Group is looking forward to the classifications under other environmental objectives, especially regarding the transition to a circular economy. At this stage, while the remaining four environmental objectives have not yet been 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 are insignificant.

Changes in organization and management

On February 18, 2021, Fiskars Group announced that the communications function was merged with the Consumer Experience and Growth function, led by Tina Andersson. As a result of the change, Chief Communications Officer Maija Taimi decided to leave the company.

On March 4, 2021, Fiskars Group appointed Peter Cabello Holmberg as Chief Digital Officer and a member of the Fiskars Group Leadership Team. Peter started in his position on March 15, 2021, and reports to the President and CEO.

On May 6, 2021, Fiskars Group announced the appointment of Jussi Siitonen as Chief Financial Officer and deputy to the CEO. He joined Fiskars Group on August 16, 2021. The former Chief Financial Officer and deputy to the CEO, Sari Pohjonen, had decided to leave the company.

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. As a result, James Brouillard, previous Executive Vice President, Business Area Terra, decided to leave the company, effective immediately. Additionally, the Consumer Experience and Communications function is planned to be split and merged into the Business Areas and other functions. Consequently, Chief Consumer and Communication Officer Tina Andersson will be leaving the company once the process has been finalized.

On January 31, 2022, Fiskars Group appointed Anna Mindelöf as Chief People Officer and a member of the Fiskars Group Leadership Team. She will report to President and CEO Nathalie Ahlström and start in her position on March 1, 2022. Niklas Lindholm, currently Chief People Officer, has decided to leave the company, but will continue in his role until the arrival of Anna.

Other significant events during the reporting period

Fiskars Group provided new long-term financial targets on November 8, 2021

The Board of Directors of Fiskars Group decided on new long-term financial targets for the next four-year period. The new financial targets replaced the previous financial targets, which were issued in February 2017 and updated in November 2018.

The new financial targets cover five areas: growth, profitability, cash flow, balance sheet and dividend:

- Annual, FX neutral organic net sales growth: approximately 5% (mid-single digit)
- Comparable EBIT margin: approximately 15% (mid-teen) by the end of 2025
- Cash conversion (Free Cash Flow / Net Profit): At least 80%
- Net debt / LTM (last twelve month) EBITDA: At or below 2.5x
- Dividend (unchanged): Aim to distribute a stable, over time increasing dividend, to be paid biannually

Update on the Transformation and Restructuring programs provided on October 27, 2021

On October 27, Fiskars Group provided an update on its ongoing programs, the Transformation and Restructuring programs. Both programs will be completed by the end of 2021. The expected benefits from the programs will be realized, with total annual cost savings amounting to approximately EUR 37 million. A majority of these benefits were already visible by the end of 2021.

The total costs of both programs were originally estimated to be approximately EUR 70 million. Fiskars Group now expects the total costs of the programs to be approximately EUR 45 million by the end of 2021. By the end of the third quarter, a total of EUR 34.2 million in costs had been recorded. The costs have been recorded as items affecting comparability (IAC). The update does not have an impact on the company's outlook for 2021.

Outlook for 2021 upgraded on October 13, 2021

On October 13, 2021, Fiskars upgraded its outlook for 2021. The company expects the comparable EBITA for 2021 to be in the range of EUR 160-170 million. According to the previous outlook issued on June 23, 2021, the comparable EBITA in 2021 was expected to be in the range of EUR 140-160 million.

The upgrade was based on the company's better than expected financial performance during the third quarter, in particular towards the end of the quarter. A central factor was that Fiskars has so far successfully mitigated the global supply chain challenges, which have previously been highlighted as a material risk for the full-year financial performance.

Record date and payment date of the second dividend installment

The Board of Directors of Fiskars Corporation has on September 9, 2021, resolved in accordance with the resolution of the Annual General Meeting that the dividend payment date for the second dividend installment of EUR 0.30 per share was to be September 20, 2021. The ex-dividend date for the dividend installment was September 10, 2021, and the record date September 13, 2021.

Outlook upgraded on June 23, 2021

On June 23, 2021, Fiskars upgraded its outlook for 2021, as the company's financial performance in the second quarter had been better than previously expected. The company then expected the comparable EBITA for 2021 to be in the range of EUR 140–160 million.

Outlook upgraded on April 19, 2021

On April 19, 2021, Fiskars upgraded its outlook for 2021. The company then expected the comparable EBITA for 2021 to be in the range of EUR 130-145 million.

Outlook upgraded on March 24, 2021

On March 24, 2021, Fiskars upgraded its outlook for 2021. The company then expected the comparable EBITA for 2021 to be lower than in 2020, but above EUR 120 million.

Fiskars Corporation was not granted a leave to appeal in relation to the tax re-assessment case by the Supreme Administrative Court

On March 19, 2021, Fiskars Corporation announced that the Supreme Administrative Court did not grant a leave to appeal to Fiskars Corporation in relation to the decision made by the Administrative Court of Helsinki in April 2020, which relates to the tax re-assessment decision from the tax audit carried out in 2014. The decision obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases. The tax re-assessment concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars recorded the EUR 22.1 million in additional tax, EUR 6.2 million in interest and EUR 0.1 million in punitive increases as tax and interest costs during the first quarter of 2021. This did not have a cash flow effect during the first quarter of 2021, as the company paid the additional tax, interest and punitive increases during the third quarter of 2016.

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 2021.

Shares and shareholders

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. The number of shares in the Corporation totals 81,905,242. Fiskars Corporation held 433,677 of its own shares at the end of the quarter. 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 18.13 in 2021 (2020: 10.88). At the end of December, the closing price was EUR 23.00 (EUR 14.98) per share and Fiskars had a market capitalization of EUR 1,873.8 million (1220.4). The number of shares traded on Nasdaq Helsinki and in alternative marketplaces in 2021 was 8.0 million (11.1), which represents 9.8% (13.6%) of the total number of shares. The total number of shareholders was 30,080 (25,968) at the end of 2021.

Flagging notifications

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

Board authorizations

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

The AGM decided to authorize the Board to decide on the acquisition of a maximum of 4,000,000 own shares, in one or several installments, 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, 2022, and cancels the corresponding authorization granted to the Board by the AGM on March 11, 2020.

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

The AGM decided to authorize the Board to decide on the transfer of own shares (share issue) held as treasury shares of a maximum of 4,000,000 shares, in one or several installments, either against or without consideration. The company's own shares held as treasury shares may, for example, 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 own shares held as treasury shares. The transfer of 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, 2022, and cancels the corresponding authorization granted to the Board by the AGM on March 11, 2020.

Board and board committees

The Annual General Meeting decided that the Board of Directors shall consist of eight (8) members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Jyri Luomakoski, Inka Mero, Fabian Månsson, Peter Sjölander and Ritva Sotamaa were all re-elected to the Board of Directors. The term of the Board members will expire at the end of the AGM in 2022.

Convening after the Annual General Meeting held on March 11, 2021, the Board of Directors elected Paul Ehrnrooth as its Chairman and Jyri Luomakoski as the Vice Chairman. The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chairman), Louise Fromond and Jyri Luomakoski as the members and Alexander Ehrnrooth as an external member to the Nomination Committee and 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 and a Human Resources and Compensation Committee and appointed Paul Ehrnrooth (Chairman), Inka Mero, Fabian Månsson and Peter Sjölander as the members of the committee.

Risks and business uncertainties

Fiskars Group has identified several uncertainties that may have an adverse impact on the business and financial performance of the company. Sustainability-related uncertainties are described earlier within the reporting of non-financial information. Risk management practices are explained in the Corporate Governance Statement.

CONSUMER BEHAVIOR AND COMPETITION

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. In addition, the fast pace of change in consumer trends puts pressure on new product development and speed-to-market processes.

Failure to respond to changing consumer behavior 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, and on sustainability by innovating new business models to address the needs of the modern consumer.

More time spent at home during the COVID-19 pandemic has led to an increased demand for certain Fiskars Group product categories. Once the pandemic eases and people spend less time at home, the demand for those product categories may be negatively impacted.

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 webstores. 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.

Failure to meet customer demands may result in Fiskars Group losing customers or 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.

Fiskars Group maintains excellent relationships and trade relations with a diverse customer base. The core competence of Fiskars Group lies in its strong and desired brands, as well as in constantly developing its sales organization and supply chain operations to meet the changes in customer demand.

SUPPLY CHAIN AND SUPPLIERS

Fiskars Group's production strategy is based on a combination of its own manufacturing and carefully selected supply partners. Own manufacturing takes place in the United States, Europe and Asia, and most of the suppliers are located in Asia.

Fiskars Group is exposed to rapid changes in quality, price and the availability of suppliers' products. The company and its suppliers are exposed to changes in the legal, economic, political and regulatory landscape in the operating countries.

A strong dependency on a single source of supply, either a supply partner or own supply, can cause business interruptions. The inability to trade with a single-source supplier can result in the lack of a product supply for several months. Fiskars Group mitigates this risk by constantly seeking alternative suppliers and by taking out extensive business interruption insurance.

Failing to meet consumer expectations with regard to sustainability requirements or a lack of transparency in the supply chain may have a negative impact on 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, and the company regularly audits its finished goods suppliers. Currently, transparency is mainly limited to Fiskars Group's direct suppliers, and the challenge is to manage the risks beyond our direct suppliers.

IT SYSTEMS AND CYBER SECURITY

Fiskars Group is increasingly dependent on centralized information technology systems that hold critical business information. Breaches, malfunctions, cyber attacks and fraud attempts may have a material adverse effect on the net sales, profit and reputation of Fiskars Group, and may cause business interruptions on either a regional or global level.

Fiskars Group mitigates IT-related risks by applying high-quality IT solutions and by maintaining, developing and testing their function and integrity with leading service and technology providers. Training is organized on core competencies which are required for maintaining the functionality and security of the IT solutions. Changes to new and existing IT systems are made according to standard processes and procedures.

MACROECONOMIC AND POLITICAL RISKS

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 which slows down the world economy may directly impact the operations of the company. In addition, negative consumer reactions towards a political situation can be harmful to business.

These risks are mitigated by diversifying the commercial footprint, both in terms of geography and product portfolio. The strong brands and product categories of Fiskars Group are relatively resilient to a moderate decline in consumer confidence.

TAXATION

An 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. Perceived non-compliance 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 dialog with tax authorities and may seek for advance tax rulings to secure its tax positions beforehand where deemed necessary.

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, climate change, environment and health and safety-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 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.

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.

PRODUCT LIABILITY

Fiskars Group is committed to offering high-quality and functional products that are safe to use and fit for purpose. Failure to meet safety, quality and legal requirements may lead to a delivery stop or product recall, reputation loss and indemnities. These costs can be substantial, and in some jurisdictions may include punitive elements.

A product recall gives rise to costs that may be material. 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.

PEOPLE AND PROCESSES

An inability to attract and retain talented and committed professionals 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.

People are at the core of Fiskars Group's strategy and the most important asset and enabler. Employee engagement is promoted by providing opportunities to grow, leadership training and by committing to an inclusive culture. The "Our voice" employee surveys are carried out regularly to monitor the engagement and well-being of the company's employees.

Fiskars Group has set a Group-level target of achieving zero lost time incidents, as occupational health and safety risks may cause severe harm to employees and endanger the continuity of operations. Fiskars Group is committed to sustainability, ethical business practices and to respecting human rights and anti-corruption activities, which is also expected of different stakeholders. Failure to keep these commitments can lead to a decrease in employee motivation as well as reputational and financial damage.

Fiskars Group maintains policies and fosters a strong corporate culture to manage the matters mentioned above. Furthermore, staff training is organized to support the corporate culture. 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. Risks pertaining to inadequate or missing process descriptions, process disobedience, and deficiencies in the implementation and control of processes may cause inefficiencies and non-compliance with applicable regulations as well as otherwise unintended outcomes.

WEATHER AND SEASONALITY

Demand for some of Fiskars Group's products is dependent on the weather, particularly garden tools during the spring and snow tools during the winter. Unfavorable weather conditions, such as a cold and rainy spring and summer or no snow in winter may have a negative impact on the sale of these products, whereas favorable conditions may boost their sales. Extreme weather conditions are expected to increase in the future due to climate change.

The back-to-school and holiday seasons are important for the sales performance during the second half of the year. The last quarter of the year is the most important season for the sale of homeware products.

Any challenges related to product availability or demand during the important seasons for each of the businesses may affect the full-year net sales and profit significantly. Fiskars Group's strategy is to balance seasonality and the impact of changing weather conditions by diversifying and developing its product portfolio.

INTELLECTUAL PROPERTY RIGHTS

The well-known and strong Fiskars Group brands are exposed to infringement of intellectual property rights (IPR). Counterfeit products may present quality and safety risks to consumers and may damage consumer confidence in Fiskars Group 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.

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 on renewable energy, energy efficiency and emissions as well as potential new taxes 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 may interrupt and impact the operations of Fiskars Group.

Fiskars 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. Business interruptions caused by natural hazards are mitigated by insurance.

CURRENCY RATES

A significant part of Fiskars Group's operations is located outside the eurozone. Changes in foreign exchange rates may have an adverse impact on the reported net sales, profit, balance sheet and cash flow of the company. Changes in foreign exchange rates may also negatively impact the local competitiveness of Fiskars Group. Less than 20% of the commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant transaction risks relate to the appreciation of IDR, THB and USD and the depreciation of AUD, JPY 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 cashflows 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.

RAW MATERIALS, COMPONENTS AND LOGISTICS

Sudden fluctuations in the price or availability of the most important raw materials, components and energy can have a negative impact on the profitability of Fiskars Group. Examples include steel, water, sand, wood, certain chemicals and renewable raw materials. Continuous global logistic challenges and increases in shipping costs can have a negative impact on profitability. Also, regulatory actions may have a negative impact on Fiskars Group's operations.

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.

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

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

Changes in the Fiskars Group Leadership Team

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. As a result, James Brouillard, previous Executive Vice President, Business Area Terra, decided to leave the company, effective immediately.

Additionally, the Consumer Experience and Communications function is planned to be split and merged into the Business Areas and other functions. Consequently, Chief Consumer and Communication Officer Tina Andersson will be leaving the company once the process has been finalized.

On January 31, 2022, Fiskars Group appointed Anna Mindelöf as Chief People Officer and a member of the Fiskars Group Leadership Team. She will report to President and CEO Nathalie Ahlström and start in her position on March 1, 2022. Niklas Lindholm, currently Chief People Officer, has decided to leave the company, but will continue in his role until the arrival of Anna.

Outlook for 2021

In 2022, Fiskars expects the comparable EBIT to increase from 2021 (2021: EUR 154.2 million).

There are ongoing challenges in global supply chains as well as raw material and energy price inflation. While the company has managed to mitigate these factors, they continue to pose a risk for 2022 performance.

Proposal for 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 2021, the distributable equity of the parent company was EUR 315.8 million (2020: EUR 389.4 million).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.76 per share shall be paid for the financial period that ended on December 31, 2021. The dividend shall be paid in two installments. The ex-dividend date for the first installment of EUR 0.38 per share shall be on March 17, 2022. 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 18, 2022. The payment date proposed by the Board of Directors for this installment is March 25, 2022.

The second installment of EUR 0.38 per share shall be paid in September 2022. 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, 2022. The ex-dividend date for the second installment would then be September 8, 2022, the dividend record date September 9, 2022, and the dividend payment date September 16, 2022, at the latest.

On the date of this financial statement release, the number of shares entitling their holders to a dividend was 81,471,565. The proposed distribution of dividends would thus be EUR 61.9 million (EUR 48.9 million). This would leave EUR 253.8 million (EUR 340.5) 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.

Helsinki, Finland, February 3, 2022

FISKARS CORPORATION

Board of Directors

Consolidated Financial Statements, IFRS

Consolidated income statement

EUR million	Note	2021		2020	
Net sales	2.1	**1,254.3**		1,116.2	
Cost of goods sold	2.3	**-714.6**		-664.1	
Gross profit		**539.8**	**43%**	452.0	40%
Other operating income	2.2	**4.1**		6.5	
Sales and marketing expenses	2.3	**-267.5**		-241.5	
Administration expenses	2.3	**-116.9**		-90.4	
Research and development expenses	2.3	**-15.5**		-16.5	
Goodwill and trademark impairment	2.3, 3.2	**0.0**		-11.4	
Other operating expenses	2.3	**-1.1**		-0.8	
Operating profit (EBIT)		**142.8**	**11%**	98.0	9%
Change in fair value of biological assets	3.5	**1.3**		0.7	
Other financial income and expenses	2.6	**-0.0**		-8.9	
Profit before taxes		**144.1**	**11%**	89.8	8%
Income taxes	2.7	**-56.5**		-21.3	
Profit for the period		**87.5**	**7%**	68.5	6%
Attributable to:					
Equity holders of the parent company		**86.6**		67.6	
Non-controlling interest		**0.9**		0.8	
		87.5		68.5	
Earnings for equity holders of the parent company per share, euro (basic and diluted)	2.8	**1.06**		0.83	

Consolidated statement of comprehensive income

EUR million	Note	2021	2020
Profit for the period		**87.5**	68.5
Other comprehensive income for the period:			
Items that may be reclassified subsequently to profit or loss:			
Translation differences		**13.6**	-25.3
Cash flow hedges		**-0.1**	0.3
Items that will not be reclassified to profit or loss:			
Defined benefit plans, actuarial gains (losses), net of tax	4.4	**0.3**	0.2
Other comprehensive income for the period, net of tax		**13.9**	-24.8
Total comprehensive income for the period		**101.4**	43.6
Attributable to:			
Equity holders of the parent company		**100.6**	43.5
Non-controlling interest		**0.9**	0.1
Total comprehensive income for the period		**101.4**	43.6

Consolidated balance sheet

EUR million	Note	31.12.2021		31.12.2020	
ASSETS					
NON-CURRENT ASSETS					
Goodwill	3.2	**219.1**		213.7	
Other intangible assets	3.2	**270.2**		268.2	
Property, plant and equipment	3.3	**144.9**		149.2	
Right-of-use assets	3.4	**106.8**		90.2	
Biological assets	3.5	**45.4**		44.1	
Investment property	3.6	**3.6**		4.0	
Financial assets at fair value through profit or loss	5.3	**32.0**		24.4	
Other investments	5.3	**3.7**		0.8	
Deferred tax assets	2.7	**27.5**		27.4	
Other non-current assets	5.3	**6.9**		7.3	
Non-current assets total		**860.0**	**60%**	829.1	62%
CURRENT ASSETS					
Inventories	4.1	**272.9**		207.4	
Trade and other receivables	4.2, 5.3	**230.0**		213.8	
Income tax receivables		**2.6**		29.2	
Interest-bearing receivables		**0.0**		0.0	
Cash and cash equivalents	5.3	**31.5**		62.5	
Current assets total		**537.0**	**37%**	512.8	38%
Assets held for sale	3.1	**38.4**	**3%**		
Assets total		**1,435.5**	**100%**	1,342.0	100%

EUR million	Note	31.12.2021		31.12.2020	
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to the equity holders of the parent company		**812.1**		757.8	
Non-controlling interest		**4.2**		3.8	
Equity total	5.1	**816.3**	**57%**	761.6	57%
NON-CURRENT LIABILITIES					
Interest-bearing liabilities	5.4	**0.7**		51.2	
Lease liabilities	5.5	**88.9**		71.8	
Other liabilities		**6.0**		4.5	
Deferred tax liabilities	2.7	**32.1**		31.2	
Employee defined benefit obligations	4.4	**12.8**		13.1	
Provisions	4.5	**3.4**		3.6	
Non-current liabilities total		**143.9**	**10%**	175.4	13%
CURRENT LIABILITIES					
Interest-bearing liabilities	5.4	**64.4**		61.2	
Lease liabilities	5.5	**22.6**		22.7	
Trade and other payables	4.3	**370.4**		309.8	
Income tax liabilities		**3.2**		5.5	
Provisions	4.5	**14.7**		5.7	
Current liabilities total		**475.4**	**33%**	404.9	30%
Equity and liabilities total		**1,435.5**	**100%**	1,342.0	100%

Consolidated statement of cash flows

EUR million	2021	2020
Cash flow from operating activities		
Profit before taxes	144.1	89.8
Adjustments for		
Depreciation, amortization and impairment	61.6	76.1
Gain/loss on sale and loss on scrap of non-current assets	-0.9	-0.1
Other financial items	-0.2	8.6
Change in fair value of biological assets	-1.3	-0.7
Change in provisions and other non-cash items	17.7	3.9
Cash flow before changes in working capital	**221.1**	177.6
Changes in working capital		
Change in current assets, non-interest bearing	-7.4	-25.6
Change in inventories	-96.0	15.9
Change in current liabilities, non-interest-bearing	46.5	55.8
Cash flow from operating activities before financial items and taxes	**164.2**	223.8
Financial income received and costs paid	-5.0	-1.8
Taxes paid	-36.4	-20.3
Cash flow from operating activities (A)	**122.9**	201.6

EUR million	2021	2020
Cash flow from investing activities		
Investments in financial assets	-3.8	-1.9
Capital expenditure on fixed assets	-34.4	-30.0
Proceeds from sale of fixed assets	1.8	1.2
Proceeds from sales of subsidiary shares	0.9	0.0
Cash flow from other investments	1.6	1.3
Cash flow from investing activities (B)	**-33.7**	-29.4
Cash flow from financing activities		
Purchase of treasury shares		-0.3
Change in current receivables		0.0
Proceeds from non-current debt		40.0
Repayments of non-current debt	-60.5	-80.0
Change in current debt	12.8	-4.6
Payment of lease liabilities	-26.4	-26.4
Cash flow from other financing items	0.0	-1.9
Dividends paid	-49.2	-45.7
Cash flow from financing activities (C)	**-123.3**	-118.9
Change in cash and cash equivalents (A+B+C)	**-34.2**	53.3
Cash and cash equivalents at beginning of period	62.5	9.4
Translation differences	3.3	-0.2
Cash and cash equivalents at end of period	31.5	62.5

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, 2020	**77.5**	**-7.1**	**20.1**	**-0.2**	**-1.9**	**0.0**	**672.5**	**3.6**	**764.5**
Translation differences			-24.6					-0.7	-25.3
Cash flow hedges				0.3					0.3
Defined benefit plan, actuarial gains (losses), net of tax					0.2				0.2
Other comprehensive income for the period, net of tax, total	0.0	0.0	-24.6	0.3	0.2	0.0	0.0	-0.7	-24.8
Profit for the period							67.6	0.8	68.5
Total comprehensive income for the period	0.0	0.0	-24.6	0.3	0.2	0.0	67.6	0.1	43.6
Purchase and issue of treasury shares		-0.3					0.0		-0.3
Share-based payments							0.4		0.4
Dividends paid							-45.7		-45.7
Other changes		0.3					-1.2		-0.9
Balance at Dec 31, 2020	**77.5**	**-7.2**	**-4.5**	**0.1**	**-1.7**	**0.0**	**693.7**	**3.8**	**761.6**
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**

Dividends
The Board of Directors has proposed a total dividend of EUR 0.76 per share to be paid for the 2021 result. A cash dividend of EUR 0.60 per share was paid for the 2020 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 Hämeentie 135 A, Helsinki, 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 3, 2022. 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, 2021.

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 COVID-19 related matters

Financial position (Note 5.2)

The liquidity of Fiskars Group has remained strong during 2021. Actions to secure liquidity with short term borrowing were promptly taken during the first quarter of 2020. Driven by the strong cash flow, the remainder of these loans were repaid during the second quarter of 2021.

Credit risk of trade receivables (Notes 4.2 and 5.3)

Throughout the COVID-19 pandemic, Fiskars Group has intensely followed up on and assessed the credit risks of trade receivables. The existing bad debt provision model for expected credit losses is based on the age of the trade receivables. Bad debt provision increases in line with the age of the trade receivables, so as the model is followed, the increased credit risk in the form of more mature trade receivables results in a higher bad debt provision. The model is adjusted for forward-looking information. Credit losses have remained at a historically normal level during 2021.

The credit risk of trade receivables and the amount of bad debt provision was analyzed at the end of the reporting period, with the conclusion being that sufficient provisions have been made.

1.7 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, 2021. These amendments and interpretations did not have a material impact on the results, financial position of Fiskars Group, or presentation of financial statements.

IFRS 16 amendment – COVID-19 Related Rent Concessions

On May 2020, the IASB issued COVID-19 Related Rent Concessions amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification. The amendment was intended to apply until June 30, 2021, but as the impact of the COVID-19 pandemic is continuing, on March 2021, the IASB extended the period of application of the practical expedient until June 2022.

Fiskars Group has continued to apply the practical expedient provided by COVID-19 Related Rent Concessions – amendment to IFRS 16 Leases for financial year ended 2021.

1.8 Adoption of new and amended standards January 1, 2022

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, 2022, 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. EBITA is calculated from EBIT by adding back amortization. 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

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
EBITA excl. Items affecting comparability in operating profit	86.7	57.0	38.0	-12.9		168.8
Items affecting comparability in EBITA[1]	-9.8	-0.7	-0.2	-0.7		-11.5
EBITA	76.8	56.3	37.8	-13.6		157.4
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.

Operating segments

2020

EUR million	Vita	Terra	Crea	Other	Unallocated and Eliminations	Group total
Net sales	456.6	493.8	162.0	3.8		**1,116.2**
EBITA excl. Items affecting comparability in operating profit	41.0	67.5	41.1	-12.8		**136.8**
Items affecting comparability in EBITA[1]	-6.9	-3.3	-0.5	-0.4		**-11.0**
EBITA	34.1	64.3	40.6	-13.2		**125.8**
Amortization					-16.3	**-16.3**
Impairment					-11.4	**-11.4**
Change in fair value of biological assets				0.7		**0.7**
Financial income and expenses					-8.8	**-8.8**
Profit before taxes						**89.8**
Income taxes					-21.3	**-21.3**
Profit for the period						**68.5**
Capital expenditure	16.3	9.9	1.8	2.2		**30.0**
Depreciations, amortizations and impairment	50.4	17.9	4.4	3.3		**76.1**

[1] Includes EUR 8.1 million related to the Restructuring program, EUR 3.0 million related to the Transformation program, EUR 0.2 million costs related to the divestment of the Leborgne business and as well as some other adjustments.

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	2021	2020
Europe	**592.2**	495.9
Americas	**475.9**	471.6
Asia-Pacific	**187.7**	154.1
Unallocated[1]	**-1.4**	-5.4
Total	**1,254.3**	1,116.2

[1] Geographically unallocated exchange rate differences

Net sales by destination

EUR million	2021	2020
Net sales in Finland	**112.3**	94.3
Net sales in the U.S.	**455.7**	455.5
Net sales in other countries	**686.4**	566.3
Total	**1,254.3**	1,116.2

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

EUR million	2021	2020
Assets in Finland	**300.8**	262.6
Assets in the U.S.	**54.0**	61.8
Assets in other countries	**477.8**	477.4
Total	**832.6**	801.8

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	2021	2020
Gain on disposal of fixed assets	**1.3**	0.7
Compensations from insurance company	**0.0**	4.6
Rental income	**0.3**	0.3
Other income	**2.5**	0.9
Total	**4.1**	6.5

2.3 Total expenses

Total expenses by nature

EUR million	2021	2020
Materials and supplies	**548.9**	439.1
Change in inventory	**-89.1**	16.7
External services	**74.2**	57.5
Employee benefits	**293.7**	264.4
Depreciation and amortization	**61.6**	64.7
Impairments	**0.0**	11.4
Other expenses	**226.3**	170.9
Total	**1,115.6**	1,024.7

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 2021, expenses related to short-term leases amounted to EUR 0.2 million (2020: 0.3) and leases of low-value assets EUR 0.2 million (2020: 0.2). In 2021, total cash outflow impact of leases was EUR -26.4 million (2020: -26.4). The Group has recognized EUR -0.1 million (2020: -1.0) of cash outflows in the Consolidated Income Statement that arise from lease payments effected by COVID-19 related concessions. 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	2021	2020
Loss on sale of fixed assets	**0.0**	0.0
Loss on scrap of fixed assets	**0.5**	0.6
Other operating costs	**0.6**	0.1
Total	**1.1**	0.8

Depreciation, amortization and impairment by asset class

EUR million	2021	2020
Buildings, tangible assets	**5.2**	5.1
Machinery and equipment, tangible assets	**16.9**	17.2
Real estate, right-of-use assets	**23.0**	22.6
Other leases, right-of use assets	**2.1**	2.0
Intangible assets	**14.0**	17.3
Investment property	**0.4**	0.4
Goodwill and trademark impairment	**0.0**	11.4
Total	**61.6**	76.1

Fees paid to Group auditors

EUR million	2021	2020
Audit fees	**1.3**	1.3
Tax consultation	**0.1**	0.1
Other non-audit fees	**0.0**	0.0
Total	**1.4**	1.4

Annual General Meeting has selected Ernst & Young as the Group auditor for the financial year 2021 and 2020. Ernst & Young Oy has provided non-audit services to the entities of Fiskars Group in total of EUR 0.1 million (2020: 0.1) during the financial year 2021.

2.4 Employee benefits and number of personnel

Employee benefits

EUR million	2021	2020
Wages and salaries	240.0	214.2
Other compulsory personnel costs	29.5	27.6
Pension costs, defined contribution plans	18.0	14.5
Pension costs, defined benefit plans	0.9	1.3
Other post-employment benefits	0.7	1.3
Termination benefits	1.6	4.9
Share-based payments	2.9	0.6
Total	293.7	264.4

Personnel at the end of period

EUR million	2021	2020
Finland	1,111	1,062
Slovenia	792	659
Poland	390	417
UK	306	334
Other Europe	846	781
Indonesia	867	734
U.S.	786	840
Thailand	727	627
Other	865	957
Total	6,690	6,411

Personnel (FTE) in average

EUR million	2021	2020
Direct	2,369	2,213
Indirect	3,712	3,891
Total	6,081	6,104

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 plan has two remaining performance periods of three calendar years each; 2019–2021 and 2020–2022. 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 two latest performance periods 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 2021, 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 commenced 2021–2023 performance period the performance targets relate to the company's absolute total shareholder return and Group EBITA.

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. First commenced plan is for years 2021–2023.

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.

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	
		2021–2023 Performance period	2021–2023 Retention period	2020–2022 Performance period	2019–2021 Performance period
Maximum number of shares granted, at the end the year		484,320	63,000	420,080	334,820
Grant date share price, EUR		17.20	17.20	10.28	16.73
Estimated realization of share price after vesting and restriction period, EUR	23.00				
Expense recorded during the financial year, EUR million	2.9				
Cumulative expense recorded to equity at the end of the financial year, EUR million	2.4				
Vesting period starts		Jan 1, 2021	Jan 1, 2021	Jan 1, 2020	Jan 1, 2019
Vesting period ends		Dec 31, 2023	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Number of participants		47	30	36	32

2.6 Financial income and expenses

EUR million	2021	2020
Interest income	**0.0**	0.0
Net change in fair value of other investments at fair value through profit or loss	**6.4**	-0.1
Foreign exchange gain on commercial hedges	**3.7**	
Other foreign exchange gains	**0.6**	0.0
Financial income total	**10.6**	-0.1
Interest expenses on debt at amortized cost	**-1.5**	-2.9
Penalty interests (Note 6.4)	**-6.3**	
Interest cost on lease liabilities at amortized cost	**-1.9**	-2.4
Foreign exchange losses on commercial hedges		-1.7
Other foreign exchange losses	**-0.2**	-0.6
Other financial expenses	**-0.8**	-1.2
Financial expenses total	**-10.6**	-8.8
Financial income and expenses total	**0.0**	-8.9

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	2021	2020
Current taxes[1]	**-54.2**	-24.2
Deferred taxes	**-2.3**	2.9
Total income tax expense	**-56.5**	-21.3

[1] Current taxes excluding the reassessment relating to intra group loan forgiveness case from 2016 amount to EUR 30.9 million.

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	2021	2020
Profit before taxes	**144.1**	89.8
Income taxes at Finnish statutory tax rate	**-28.8**	-18.0
Difference between Finnish and foreign tax rates	**-2.7**	-2.8
Effect of deferred taxes not recognized	**-3.8**	-4.8
Benefit arising from previously unrecognized deferred tax asset	**2.4**	0.0
Prior year income taxes[1]	**-23.1**	1.5
Effect of changes of tax rates	**-0.5**	-0.6
Income taxes on undistributed earnings	**1.2**	3.6
Other items[2]	**-1.2**	-0.2
Total income tax expense	**-56.5**	-21.3

[1] Prior year taxes include EUR 22.1 million tax cost relating to intra group loan forgiveness case from 2016 (Note 6.4).

[2] Other items 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 (Note 6.4).

Deferred taxes

Deferred tax assets

EUR million	2021	2020
Intangible assets and property, plant and equipment	**11.0**	12.3
Inventories	**6.2**	3.1
Post-employment liabilities	**2.9**	2.8
Tax losses recognized	**10.0**	10.4
Other temporary differences	**19.2**	16.9
Total	**49.3**	45.4
Offset against deferred tax liabilities	**-21.8**	-18.0
Total deferred tax assets	**27.5**	27.4

Deferred tax liabilities

EUR million	2021	2020
Intangible assets and property, plant and equipment	**39.7**	34.9
Investments at fair value	**6.6**	4.7
Undistributed earnings	**2.3**	3.6
Other temporary differences	**5.3**	6.0
Total	**53.9**	49.2
Offset against deferred tax assets	**-21.8**	-18.0
Total deferred tax liabilities	**32.1**	-31.2
Net deferred tax assets (+) and liabilities (-)	**-4.6**	-3.8

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	2021	2020
Net deferred tax asset (+) / liability (-) at January 1	**-3.8**	-4.9
Recognized in income statement	**-2.3**	2.9
Recognized in other comprehensive income	**-0.2**	0.3
Recognized in equity	**0.5**	-1.3
Translation differences	**1.1**	-0.8
Net deferred tax asset (+) / liability (-) at December 31	**-4.6**	-3.8

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	2021	2020
Expiring within 10 years	**3.0**	0.4
No expiry	**183.9**	163.1
Total	**186.9**	163.6

Tax credits

EUR million	2021	2020
Expiring within 10 years	**0.6**	0.5
Temporary differences	**0.3**	0.0

Taxes in other comprehensive income

2021

EUR million	Gross	Tax	Net
Translation differences	**13.6**	0.0	13.6
Cash flow hedges	**-0.1**	0.0	-0.1
Defined benefit plans, actuarial gains (losses)	**0.5**	-0.2	0.3
Fair value measurement	**0.0**	0.0	0.0
Other comprehensive income for the period, total	**14.0**	-0.2	13.9

2020

EUR million	Gross	Tax	Net
Translation differences	**-25.3**	0.0	-25.3
Cash flow hedges	**0.3**	0.0	0.3
Defined benefit plans, actuarial gains (losses)	**-0.2**	0.3	0.2
Fair value measurement	**0.0**	0.0	0.0
Other comprehensive income for the period, total	**-25.2**	0.3	-24.8

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.

EUR million	2021	2020
Profit for the period attributable to equity holders of the parent company, EUR million	**86.6**	67.6
Number of shares	**81,905,242**	81,905,242
Weighted average number of shares outstanding	**81,538,066**	81,560,233
Earnings per share, EUR (basic and diluted)	**1.06**	0.83

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 continued 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 the 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.

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 will be 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 on February 1, 2022. The sale is not expected to 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	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 2021, research and development expenses amounted to EUR 15.5 million (2020: 16.5).

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.

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

2020

EUR million	Goodwill	Trademarks, patents and domain names	Software	Other intangible assets	Construction in progress	Total
Historical cost, Jan 1	232.1	250.9	103.0	59.2	10.5	655.7
Translation differences	-5.1	-4.2	-2.5	-1.4	-0.3	-13.5
Additions		0.7	10.8	0.0	0.1	11.6
Decreases		0.0	-0.7	-1.9	-0.2	-2.8
Transfers between asset groups			1.0	0.2	-1.2	-0.1
Other changes		-1.4	12.2	-16.2		-5.4
Historical cost, Dec 31	226.9	246.0	123.8	39.8	8.9	645.4
Accumulated amortization and impairment, Jan 1	12.5	12.3	76.9	45.8	0.0	147.6
Translation differences	0.7	-1.2	-2.3	-0.8		-3.7
Amortization		1.0	11.3	3.9		16.3
Impairment	0.0	11.4	0.0	0.0		11.4
Decreases	0.0	0.0	-0.7	-1.9		-2.6
Other changes		-1.4	12.2	-16.2		-5.4
Accumulated amortization and impairment, Dec 31	13.2	22.2	97.4	30.8	0.0	163.6
Net book value, Dec 31	213.7	223.8	26.4	9.0	8.9	481.9

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 of 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, 2021 and 2020 as follows:

EUR million	2021	2020
Vita	**216.6**	209.7
Terra		
Crea	**2.5**	4.0
Total	**219.1**	213.7

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 2022–2024, 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. As a result of the annual impairment tests, no impairment was recognized on goodwill in 2021, or in 2020.

Fiskars Group has nine trademarks whose aggregate carrying amount is EUR 203.7 million (2020: 202.8).

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 of 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 2021. For the period ended December 31, 2020, on the basis of the impairment calculations made, Waterford trademark was impaired with EUR 10.4 million and Gingher trademark with EUR 1.0 million.

Key parameters applied in impairment testing

	2021		2020	
%	Goodwill	Trademarks[1]	Goodwill	Trademarks[1]
Increase in net sales on average	**5.3**	**6.6**	3.1	2.5
Steady growth rate in projecting terminal value	**1.0**	**1.0**	1.0	1.0
Discount rate, pre-tax, average	**7.3**	**9.1**	7.4	9.4

[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.

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

2020

EUR million	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	22.4	92.0	125.7	10.7	250.8
Translation differences	-0.5	-3.9	-7.5	-1.7	-13.5
Additions		0.8	5.3	12.1	18.3
Decreases	-0.9	-6.8	-42.0	-0.4	-50.0
Transfers between asset groups		3.4	9.8	-13.9	-0.7
Other changes		3.6	20.2		23.8
Historical cost, Dec 31	21.0	89.2	111.6	6.8	228.6
Accumulated depreciation and amortization, Jan 1	0.8	26.4	62.7	-1.2	88.6
Translation differences		-0.7	-6.2	0.7	-6.3
Depreciation		5.1	17.3		22.4
Impairment			0.0		0.0
Decreases	-0.8	-6.8	-41.4		-49.0
Transfers between asset groups			0.1	-0.1	0.0
Other changes		3.6	20.2		23.8
Accumulated depreciation and impairment, Dec 31	0.0	27.5	52.7	-0.7	79.5
Net book value, Dec 31	21.1	61.7	58.9	7.5	149.2

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.

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**

2020

EUR million	Real estate	Other	Total
Book value, Jan 1	104.7	4.0	108.6
Translation differences	-2.5	-0.2	-2.7
Additions	17.1	1.6	18.7
Depreciations	-22.6	-2.0	-24.7
Decreases	-9.6	-0.1	-9.8
Book value, Dec 31	86.9	3.3	90.2

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 a 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	2021	2020
Fair value, Jan 1	**44.1**	43.4
Increase due to growth	**1.9**	2.1
Decrease due to harvested timber	**-1.1**	-1.7
Change in fair value	**0.5**	0.3
Fair value, Dec 31	**45.4**	44.1

Fiskars Group has around 11,000 hectares of productive forest land in Finland. Biological assets consist of growing stock. The harvested amount in 2021 was approximately 37.000 m^3 (2020: 56.000 m^3).

3.6 Investment property

Accounting principles

The properties that are not used in the Goup'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	2021	2020
Historical cost, Jan 1	**11.7**	11.1
Translation differences	**0.0**	0.0
Additions	**0.0**	0.1
Decreases	**0.0**	-0.1
Transfers from tangible assets		0.7
Historical cost, Dec 31	**11.7**	11.7
Accumulated depreciation, Jan 1	**7.8**	7.5
Translation differences	**0.0**	0.0
Depreciation and impairment	**0.4**	0.4
Decreases	**0.0**	-0.1
Accumulated depreciation and impairment, Dec 31	**8.1**	7.8
Net book value, Dec 31	**3.6**	4.0

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 3.6 million in 2021 (2020: 4.0).

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	2021	2020
Raw materials and consumables	**31.8**	24.3
Work in progress	**18.2**	15.6
Finished goods	**286.0**	189.4
Advance payments	**0.3**	0.1
Transfer to assets held for sale	**-35.0**	
Gross value of inventories	**301.3**	229.4
The amount of write-down of inventories	**-29.9**	-22.0
Transfer to assets held for sale	**1.6**	
Total, Dec 31	**272.9**	207.4

Change in write-down for obsolete and slow-moving inventories of EUR 8.0 (2020: 0.1) million was recognised during financial period.

4.2 Trade and other receivables

Accounting principles

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	2021	2020
Trade receivables	**206.3**	183.7
Derivatives	**0.6**	0.0
Other receivables	**4.0**	6.9
Prepaid expenses and accrued income	**19.0**	23.2
Total, Dec 31	**230.0**	213.8

Aging of trade receivables

EUR million	2021	2020
Not fallen due	**179.0**	158.0
1-30 days past due	**17.3**	20.4
31-60 days past due	**5.7**	3.1
61-90 days past due	**2.4**	1.9
91-120 days past due	**1.3**	1.4
Over 120 days past due	**6.5**	4.4
Allowance for expected credit losses, Dec 31	**-5.9**	-5.5
Total, Dec 31	**206.3**	183.7

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

Trade receivables in currencies

EUR million	2021	2020
US Dollars (USD)	**86.8**	72.5
Euros (EUR)	**34.8**	32.8
Danish Krones (DKK)	**24.8**	22.9
Swedish Kronas (SEK)	**10.4**	12.8
Japanese Yens (JPY)	**8.2**	7.6
Poland Zlotys (PLN)	**7.7**	5.9
Norwegian Krones (NOK)	**7.2**	5.8
Australian Dollars (AUD)	**5.8**	8.8
Other currencies	**20.6**	14.8
Total, Dec 31	**206.3**	183.7

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	2021	2020
Allowance for expected credit losses, Jan 1	**-5.5**	-4.4
Additions	**-3.2**	-3.0
Deductions	**2.7**	1.6
Recognised impairment losses	**0.2**	0.3
Recovery of doubtful receivables	**-0.1**	-0.1
Allowance for expected credit losses, Dec 31	**-5.9**	-5.5

4.3 Trade and other payables

EUR million	2021	2020
Trade payables	**139.3**	100.2
Other non-interest-bearing payables	**31.0**	38.2
Accrued expenses and deferred income		
Interests	**0.9**	1.9
Wages, salaries and social costs	**48.3**	48.0
Contract liabilities	**72.8**	62.1
Other	**78.2**	59.4
Total, Dec 31	**370.4**	309.8

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 criteria above 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 2022 to be EUR 0.9 (2021: 1.0) million.

Characteristics of the defined benefit plans and risks associated with them

	Net liability		
EUR million	2021	2020	Description and risks
Finland	0.1	0.1	There are 28 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	1.0	1.0	There are 73 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	0.9	There are 699 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 2.3 million at end of 2021 (2020: 2.7), 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.	5.0	4.9	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	3.5	3.8	There are 716 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	0.7	0.8	There are 77 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	1.5	1.6	There are 845 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	12.8	13.1	

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			0.0	-0.5	-0.5
Remeasurement gains (-) and losses (+) included in OCI	-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	0.0		0.0
Other changes			0.0		0.0
Dec 31, 2021	30.7	-20.6	10.0	2.7	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, 2020	31.8	-22.0	9.8	3.4	13.2
Current service cost	0.7		0.7		0.7
Interest expense (+) or income (-)	0.7	-0.3	0.4	-0.3	0.1
Administration expenses		0.2	0.2		0.2
Past service cost and gains and losses from settlements		0.0	0.0		0.0
Total included in personnel expenses (Note 2.4)	1.3	-0.1	1.3	-0.3	0.9
Return on plan assets, excluding amounts included in interest, (gain -) and (loss +)		-0.8	-0.8		-0.8
Actuarial gains (-) and losses (+) arising from changes in demographic assumptions	0.0		0.0		0.0
Actuarial gains (-) and losses (+) arising from changes in financial assumptions	1.3		1.3		1.3
Experience adjustment gains (-) and losses (+)	0.3		0.3		0.3
Changes in asset ceiling, excluding amounts included in interest				-0.2	-0.2
Remeasurement gains (-) and losses (+) included in OCI	1.5	-0.8	0.6	-0.2	0.4
Translation differences	-1.8	1.1	-0.7	0.2	-0.5
Employer contributions		-0.9	-0.9		-0.9
Benefits paid	-1.8	1.8			
Other changes	0.0	0.0	0.0		0.0
Dec 31, 2020	31.1	-21.0	10.1	3.0	13.1

Plan assets by asset category

	2021		2020	
EUR million	Quoted	Unquoted	Quoted	Unquoted
Equity instruments				
Bonds	**0.7**		0.7	
Property				
Insurance contracts		**17.5**		17.7
Cash and cash equivalents	**2.4**		2.7	
Total	**3.1**	**17.5**	3.3	17.7

Principal actuarial assumptions at the balance sheet date

%	2021	2020
Discount rate		
UK	**1.80**	1.65
U.S.	**2.20**	1.90
Indonesia	**6.70**	7.02
Slovenia	**0.90**	0.80
Other countries	**0.30–2.15**	0.30–2.10
Future salary increases		
UK	**n/a**	n/a
U.S.	**n/a**	n/a
Indonesia	**5.00**	5.00
Slovenia	**3.35**	2.50
Other countries	**n/a / 0.0–4.0**	n/a / 0.0–4.0
Future pension increases		
UK	**3.25**	2.9
U.S.	**0.0**	0.0
Indonesia	**5.0**	5.0
Slovenia	**0.00**	n/a
Other countries	**n/a / 0.0–2.35**	n/a / 0.0–1.35

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.

EUR million	2021 Defined benefit obligation Increase	2021 Defined benefit obligation Decrease	2020 Defined benefit obligation Increase	2020 Defined benefit obligation Decrease
UK				
Discount rate (0.5% change)	**-1.0**	**1.2**	-1.0	1.2
Future salary (0.5% change)	**n/a**	**n/a**	n/a	n/a
Future pension (0.25% change)	**0.1**	**-0.1**	0.1	-0.2
Other Group companies, total				
Discount rate (0.5% change)	**-0.7**	**0.7**	-0.7	0.7
Future salary (0.5% change)	**0.4**	**-0.4**	0.5	-0.4
Future pension (0.25% change)	**0.0**	**-0.0**	0.0	-0.0

The weighted average of the duration of the defined benefit obligation: 12.2 (2020: 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 to 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 a 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.

2021

Non-current provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and 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	Onerous contracts and 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

2020

Non-current provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	0.4	0.1	3.7	4.1
Translation differences		0.0	-0.1	-0.1
Additions	0.2		0.0	0.2
Used provisions			-0.0	-0.0
Change in estimates			0.0	0.0
Reversals			-0.6	-0.6
Provisions, Dec 31	0.5	0.1	3.0	3.6

Current provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	2.5	0.0	1.7	4.1
Translation differences	-0.1		-0.0	-0.2
Additions	0.0	0.6	1.6	2.2
Used provisions	-0.0	-0.1	-0.3	-0.5
Change in estimates	0.0	0.2		0.2
Reversals	-0.1	-0.1		-0.2
Provisions, Dec 31	2.2	0.6	2.9	5.7

5

CAPITAL STRUCTURE AND FINANCIAL INSTRUMENTS

5.1 Share capital

EUR million	2021 pcs 1,000	2020 pcs 1,000	2021 EUR million	2020 EUR million
Share capital				
Jan 1	**81,905.2**	81,905.2	**77.5**	77.5
Share capital, Dec 31	**81,905.2**	81,905.2	**77.5**	77.5
Treasury shares				
Jan 1	**433.7**	408.7	**7.2**	6.9
Change		25.0		0.3
Treasury shares, Dec 31	**433.7**	433.7	**7.2**	7.2

Number of shares and votes

	Dec 31, 2021			Dec 31, 2020		
	Number of shares	Number of votes	Share capital EUR	Number of shares	Number of votes	Share capital EUR
Shares (1 vote/share)	**81,905,242**	**81,905,242**	**77,510,200**	81,905,242	81,905,242	77,510,200
Total	**81,905,242**	**81,905,242**	**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.

5.2 Financial risk management

Financial risks are managed by the Group Treasury in accordance with the risk management principles approved by the Board of Directors.

Currency risk

Currency risk refers to changes in the value of result, 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.

Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant risks relate to appreciation of IDR, THB and USD, and to depreciation of AUD, JPY, and SEK. 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 2021 would have been EUR 3.2 million lower (1.0 million higher in 2020).

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 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 on interest derivatives is applied. 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, 2021 the Group did not have any interest rate derivatives outstanding (2020: EUR 0 million). The Group's interest-bearing net debt (excl. lease liabilities) as of December 31, 2021 was EUR 32.9 million (2020: 49.6). Of the total debt 23% (55%) was linked to variable interest rates. The average interest rate reset period of interest-bearing debt was 8 months (2020: 11).

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 0 million (2021: 0 million) in 2022.

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.

The Group has extensive unused credit facilities at its disposal to guarantee its liquidity. As of the end of the year, the unutilized committed revolving credit facilities totalled EUR 280 million (2020: 300) and overdraft facilities EUR 32 million (2020: 45). In addition, the Group has a commercial paper program amounting to EUR 400 million, of which none was utilized as of the end of the year.

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 206.3 million (2020: 183.7). The financial statements include provisions for bad debt related to trade receivables totaling EUR 5.9 million (2020: 5.5).

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%

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	**2021**	**2020**
Book value, Jan 1	**24.4**	28.9
Additions	**0.3**	1.9
Decreases	**-1.5**	-4.1
Change in fair value	**8.8**	-2.3
Book value, Dec 31	**32.0**	24.4

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	**2021**	**2020**	**2021**	**2020**
Book value, Jan 1	**0.2**	0.3	**7.9**	7.6
Addition			**2.9**	
Decreases			**-0.4**	
Change in fair value	**0.1**	-0.1	**0.0**	0.3
Book value, Dec 31	**0.2**	0.2	**10.4**	7.9

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	2021	2020
Cash and cash equivalents	**31.5**	62.5
Other current investments	**0.0**	0.0
Total, Dec 31	**31.5**	62.5

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 loan commitments are treated as transaction costs to the extent it is likely that the loans will not be drawn down. Remaining arrangement fees are amortized over the expected loan term.

Non-current interest-bearing debt

EUR million	2021 Fair value	2021 Carrying amount	2020 Fair value	2020 Carrying amount
Loans from credit institutions			50.0	50.0
Other non-current debt	**0.7**	**0.7**	1.2	1.2
Total, Dec 31	**0.7**	**0.7**	51.2	51.2

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	2021 Fair value	2021 Carrying amount	2020 Fair value	2020 Carrying amount
Bank overdrafts	**14.2**	**14.2**	0.9	0.9
Loans from credit institutions	**50.0**	**50.0**	60.0	60.0
Other	**0.2**	**0.2**	0.3	0.3
Total, Dec 31	**64.4**	**64.4**	61.2	61.2

Reconciliation of net debt

EUR million	2021	2020
Loans from credit institutions	**65.1**	112.4
Lease liabilities	**111.5**	94.5
Cash and cash equivalents	**31.5**	62.5
Other interest-bearing receivables	**0.6**	0.7
Net debt	**144.4**	143.7

Changes in liabilities arising from financing activities

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

2020

EUR million	Jan 1	Lease changes	Cash flows	Fx difference	Other	Dec 31
Non-current loans and borrowings	51.4		39.9		-40.1	51.2
Non-current lease liabilities (Note 5.5)	88.4	0.0	0.0	-2.4	-14.2	71.8
Current loans and borrowings	108.7		-84.5	-3.0	40.0	61.2
Current lease liabilities (Note 5.5)	22.9	10.2	-26.4	-0.4	16.5	22.7
Total	271.4	10.2	-71.0	-5.8	2.1	206.9

Maturity of liabilities

As of December 31, 2021 the Group had unused credit facilities EUR 280 million (2020: 300) at its disposal to guarantee its liquidity. The average maturity of the credit limit agreements as of December 31, 2021 was 3.9 years (2020: 3.4). 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.

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							**0.0**
Total, Dec 31	**226.3**	**18.0**	**13.6**	**11.9**	**10.5**	**35.5**	**315.9**

2020

EUR million	2022	2023	2024	2025	2026	Later years	Total
Bank overdrafts	0.9						0.9
Other debt	0.3	0.4	0.4	0.4			1.5
Loans from credit institutions	60.0	50.0					110.0
interests	0.9	0.3					1.2
Lease liabilities (Note 5.5)	21.0	16.7	12.8	7.7	7.3	21.6	87.1
interests	1.8	1.4	1.1	0.8	0.7	1.7	7.4
Trade payables	100.2						100.2
Derivative liabilities	0.4						0.4
Total, Dec 31	185.4	68.8	14.2	8.9	8.0	23.3	308.7

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.

	2021				2020			
	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**	**2.2**	**-0.3**	**-1.7**	-1.1	0.8	0.4	-1.4
CAD	**-1.3**	**1.3**	**0.0**	**-1.0**	-1.0	0.9	0.1	-0.5
GBP	**-0.9**	**6.3**	**-5.4**	**-3.6**	-0.8	6.7	-5.9	-3.4
IDR	**1.2**	**-1.2**	**0.0**	**0.0**	1.1	-1.2		0.0
JPY	**-1.4**	**2.1**	**-0.7**	**-2.1**	-1.0	2.3	-1.2	-2.0
SEK	**-2.3**	**1.1**	**1.2**	**-0.6**	-2.0	1.1	0.9	-0.6
THB	**3.2**	**-2.4**	**-0.8**	**-1.5**	3.3	-2.5	-0.8	-1.5
USD	**2.8**	**8.8**	**-11.6**	**-14.5**	2.4	-1.6	-0.8	-19.1

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 raise in interest rates at the end of the reporting year. The Group's net interest bearing debt excluding lease liabilities as of December 31, 2021 was EUR 32.9 million (2020: 49.6) and the average interest reset period of interest-bearing debt was 8 months (2020: 11). A permanent one percentage point raise in all interest rates would increase the corporation's annual interest costs by EUR 0.0 million (2020: 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.

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

2020

EUR million	EUR	USD	GBP	PLN	Other	Total
Loans and deposits	84.1	-9.2	1.1	-2.7	-23.7	49.6
Currency derivatives	-53.2	-16.3	66.7	-27.4	30.6	0.4
Net debt and currency derivatives	30.9	-25.5	67.9	-30.2	6.9	49.9
Average interest rate on loans (p.a.)	0.9%					
Interest rate sensitivity	-0.2	-0.3	0.7	-0.3	0.1	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.

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				

2020

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss			24.4	24.4
Other investments	0.2		7.9	8.1
Derivative assets				
Total assets	0.2		32.2	32.4
Derivative liabilities		0.4		0.4
Total liabilities		0.4		0.4

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 updaid 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	2021	2020
Book value, Jan 1	**94.5**	111.3
Translation differences	**2.2**	-2.9
Additions	**44.0**	19.7
Accretion of interest	**1.9**	2.4
Payments	**-26.7**	-26.1
Decreases	**-4.5**	-9.9
Book value, Dec 31	**111.5**	94.5
Current lease liabilities	**22.6**	22.7
Non-current lease liabilities	**88.9**	71.8

Maturity of lease liabilities

EUR million	2021	2020
Less than one year	**24.4**	24.5
Between one and five years	**65.6**	60.0
More than five years	**29.5**	17.4
Minimum lease payments, total	**119.4**	101.9

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. There were no such derivatives outstanding on balance sheet date.

Nominal amounts of derivatives

EUR million	2021	2020
Derivatives, hedge accounting not applied:		
Foreign exchange forwards and swaps	**338.3**	223.6

Fair value of derivatives

EUR million	2021	2020
Derivatives, hedge accounting not applied:		
Foreign exchange forwards and swaps	**0.6**	-0.4

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	2021	2020
Foreign exchange forwards and swaps		
Assets	**0.7**	0.6
Liabilities	**-0.2**	-1.0
Net	**0.6**	-0.4

Maturity of derivatives

2021

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

2020

EUR million	2022	2023	Later years	Total
Foreign exchange forwards and swaps	223.6			223.6
Total, Dec 31	223.6			223.6

6

OTHER NOTES

6.1 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 Brands Rus JSC	St. Petersburg	RU	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	S
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
RC Heritage Center Ltd	Saraburi	TH	99.0	99.0	D
Fiskars Hong Kong Limited	Hong Kong	HK	100.0	100.0	S

	Domicile		% of share capital	% of voting power	Nature of main activities
Fiskars Deutschland GmbH	Herford	DE	100.0	100.0	D
Fiskars France S.A.S.	Ivry sur Seine	FR	100.0	100.0	P
Fiskars France Sucursal en España	Madrid	ES	100.0	100.0	S
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	P
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

	Domicile		% of share capital	% of voting power	Nature of main activities
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
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 2021.

EUR million	2021	2020
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	2021 Own holdings	2021 Holdings of controlled corporations	2021 Total	2020 Own holdings	2020 Holdings of controlled corporations	2020 Total
Ehrnrooth Paul		11,430,961	11,430,961		10,930,961	10,930,961
Fromond Louise	601,135	10,567,417	11,168,552	601,135	10,567,417	11,168,552
Luomakoski Jyri	3,000		3,000	1,500		1,500
Mero Inka	700		700	700		700
Månsson Fabian		3,000	3,000		2,000	2,000
Sjölander Peter						
Sotamaa Ritva	3,000		3,000	3,000		3,000
Ehrnrooth Albert	855,372	13,051,880	13,907,252	855,372	13,051,880	13,907,252
Ahlström Nathalie[1]	14,000		14,000	5000		5000
Andersson Tina[2]						
Bachler Christian						
Brouillard James[3]						
Gaggl Risto						
Hedberg, Johan						
Holmberg Peter[4]						
Hyyryläinen Tuomas						
Lindholm Niklas						
Siitonen Jussi[5]	15,000		15,000			
Timonen Päivi						
Pohjonen Sari[6]				170		170
Taimi Maija[7]				400		400
Tuominen Jaana[8]						

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 44.0% of the outstanding shares of the company.

The President & CEO of the company has been Jaana Tuominen until April 21,2020, interim President & CEO Sari Pohjonen as of April 21, 2020, to November 29, 2020 and President & CEO Nathalie Ahlström as of November 30, 2020.

[1] Member of the Board of Directors as of March 11, 2020 until November 29, 2020. Member of the Fiskars Group Leadership team as of November 30, 2020.

[2] Member of the Fiskars Group Leadership Team as of March 17, 2020

[3] Member of the Fiskars Group Leadership Team as of April 20, 2020

[4] Member of the Fiskars Group Leadership Team as of March 15, 2021

[5] Member of the Fiskars Group Leadership Team as of August 16, 2021

[6] Member of the Fiskars Group Leadership Team until August 13, 2021

[7] Member of the Fiskars Group Leadership Team until February 28, 2021

[8] Member of the Fiskars Group Leadership Team until April 21, 2020

Remuneration of the Board and key management

EUR thousand	2021 Salaries and fees	2021 Statutory pension	2021 Supplementary pension	2020 Salaries and fees	2020 Statutory pension	2020 Supplementary pension
Ehrnrooth Paul	123.0			138.8		
Luomakoski Jyri	86.0			89.1		
Fromond Louise	62.3			65.0		
Mero Inka	57.0			66.4		
Månsson Fabian	61.8			80.6		
Sjölander Peter	63.3			83.3		
Sotamaa Ritva	57.3			83.7		
Ehrnrooth Albert	57.3			65.0		
Ehrnrooth Alexander	5.3			3.0		
Ahlström Nathalie[1]				45.5		
Ahlström Nathalie[1]	1,251.2	213.1	104.1	41.3	10.0	
Tuominen Jaana[2]	0.0	0.0	0.0	394.4	95.4	84.3
Pohjonen Sari[3]	0.0	0.0	0.0	565.8	136.9	45.9
Fiskars Group Leadership Team, excluding CEO and President	5,607.9	596.9	217.4	3,400.5	414.3	183.0
Total	7,432.1	810.0	321.5	5,122.1	656.6	313.2

[1] Member of the Board of Directors as of March 11, 2020, until November 29, 2020. President and CEO of Fiskars Group as of November 30, 2020.

[2] The President & CEO of the company until April 21, 2020.

[3] Interim President & CEO as of April 21, 2020, to November 29, 2020.

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 2020 there is one plan in place for years 2018–2022, which includes two on-going performance periods 2019–2021 and 2020–2022 and a new share-based Long-term incentive plan with one on-going performance period 2021–2023. 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 periods 2019–2021 and 2020–2022) and total shareholder return and cumulative comparable EBITA (performance period 2021–2023) 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, an annual short-term incentive plan and a share-based long-term incentive plan. The President and CEO participates on a pro rata basis (according to time) in the ongoing performance periods 2019–2021, 2020–2022 and 2021–2023 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

2021
On December 21, 2021, Fiskars Oyj Abp announced that it has signed an agreement to sell Fiskars' North American Watering business to Lawn & Garden LLC, a holding company owned by affiliates of Centre Lane Partners (CLP). The transaction was completed on February 1, 2022. The sale is not expected to have a significant impact on Fiskars Corporation's EBIT or financial position in 2022.

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.

2020
There were no acquisitions or divestments in 2020.

6.4 Commitments and contingencies

EUR million	2021	2020
Guarantees	**6.7**	11.5
Commitments on intangible and tangible assets	**3.2**	2.2
Other contingencies[1]	**2.4**	1.9
Total, Dec 31	**12.3**	15.5

[1] Other contingencies include a commitment of USD 1.7 million (2020: 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. In 2016 the Finnish Large Taxpayers' office raised a tax reassessment claim, which obliged the company to pay a total of EUR 28.3 million in additional tax, interest expenses and punitive tax increases. The administrative court of Helsinki upheld the Large Taxpayers' Offices decision and Fiskars sought to continue the appeal process in the Supreme Administrative Court. The Supreme Administrative Court did not grant a leave to appeal and, therefore, Fiskars recorded the EUR 28.3 million in additional tax, interests and punitive increases as costs during the first quarter of 2021. The dispute concerned intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

6.5 Subsequent events after the reporting period

There have been no subsequent events after the reporting period that required recognition or disclosure.

Parent company financial statements, FAS

Parent company income statement

EUR	Note	2021		2020	
Net sales	2	**84,197,538.87**		77,675,276.92	
Cost of goods sold	4	**-2,628,604.92**		-2,794,053.85	
Gross profit		**81,568,933.95**	**97%**	74,881,223.07	96%
Administration expenses	4, 6	**-81,137,229.26**		-58,138,623.47	
Other operating income	3	**1,239,544.85**		650,506.58	
Other operating expenses	4	**-94,764.86**		-87,447.46	
Operating profit (loss)		**1,576,484.68**	**2%**	17,305,658.72	22%
Financial income and expenses	7	**-6,959,675.83**		563,983.45	
Profit (loss) before appropriations and taxes		**-5,383,191.15**		17,869,642.17	
Change in appropriations	8	**-88,175.33**			
Group contribution		**3,049,090.97**		-9,147,159.00	
Income taxes	9	**-22,327,432.79**		-1,991,345.09	
Profit for the period		**-24,749,708.30**		6,731,138.08	

Parent company balance sheet

EUR	Note	Dec 31, 2021		Dec 31, 2020	
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	10	**36,089,537.39**		35,119,455.24	
Tangible assets	11				
Land and water		**35,822,984.23**		35,856,295.59	
Buildings		**13,968,732.38**		14,377,181.38	
Machinery and equipment		**2,073,697.49**		2,374,287.71	
Construction in progress		**2,709,000.93**		1,175,757.55	
Tangible assets total		**54,574,415.03**		53,783,522.23	
Investments	12				
Holdings in subsidiaries		**640,174,887.25**		639,943,547.27	
Other shares		**24,415,184.28**		22,117,604.35	
Investments total		**664,590,071.53**		662,061,151.62	
Non-current assets total		**755,254,023.95**	**71%**	750,964,129.09	74%
CURRENT ASSETS					
Non-current loan receivables		**33,438.66**		38,706.18	
Current receivables					
Trade receivables		**50,882.89**		4,561.76	
Receivables from subsidiaries	13	**301,786,028.71**		207,180,197.19	
Other receivables		**1,792,511.84**		28,585,784.03	
Prepayments and accrued income	14	**3,801,729.55**		6,327,498.49	
Current receivables total		**307,431,152.99**		242,098,041.47	
Cash and cash equivalents	15	**4,616,853.14**		27,929,098.03	
Current assets total		**312,081,444.79**	**29%**	270,065,845.68	26%
Assets total		**1,067,335,468.74**	**100%**	1,021,029,974.77	100%

EUR	Note	Dec 31, 2021		Dec 31, 2020	
SHAREHOLDERS' EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY	16				
Share capital		**77,510,200.00**		77,510,200.00	
Revaluation reserve		**3,731,821.72**		3,737,397.19	
Treasury shares		**-7,181,414.46**		-7,181,414.46	
Other reserves		**3,204,313.18**		3,204,313.18	
Retained earnings		**347,698,899.91**		389,823,227.03	
Profit for the period		**-24,749,708.30**		6,731,138.08	
Shareholders' equity total		**400,214,112.05**	**37%**	473,824,861.02	46%
Appropriations		**88,175.33**			
LIABILITIES					
Non-current liabilities	17				
Loans from credit institutions		**334,375.53**		50,685,342.45	
Liabilities to subsidiaries		**2,398.36**		2,398.36	
Non-current liabilities total		**336,773.89**		50,687,740.81	
Current liabilities					
Loans from credit institutions		**63,423,888.80**		60,868,395.10	
Trade payables		**17,557,260.90**		5,692,686.95	
Liabilities to subsidiaries	18	**562,953,729.64**		404,796,108.26	
Income tax payable				1,881,183.48	
Other payables		**12,147,074.12**		14,482,674.45	
Accruals and deferred income	19	**10,614,454.01**		8,796,324.70	
Current liabilities total		**666,696,407.47**		496,517,372.94	
Liabilities total		**667,033,181.36**	**62%**	547,205,113.75	54%
Shareholders' equity and liabilities total		**1,067,335,468.74**	**100%**	1,021,029,974.77	100%

Parent company statement of cash flows

EUR million	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before appropriations and taxes	**-2,334,100.18**	8,722,483.17
Adjustments for		
Depreciation, amortization and impairment	**13,489,359.41**	14,218,651.79
Investment income	**-1,109,422.79**	-451,320.38
Interest income and dividends	**-3,584,547.24**	-5,860,662.24
Unrealized exchange gains and losses	**2,497,047.14**	1,040,591.93
Interest expenses and other financial costs	**8,047,175.93**	4,256,086.86
Group contributions	**-3,049,090.97**	9,147,159.00
Change in provisions and other non-cash items	**-34,345.64**	189,790.08
Cash flow before changes in working capital	**13,922,075.66**	31,262,780.21
Changes in working capital		
Change in current assets, non-interest bearing	**-38,968,310.24**	-16,339,614.68
Change in current liabilities, non-interest bearing	**12,668,711.52**	4,308,009.47
Cash flow from operating activities before financial items and taxes	**-12,377,523.06**	19,231,175.00
Financial income received	**4,660,955.66**	5,851,805.46
Financial expenses paid	**-1,822,080.54**	-5,296,120.81
Taxes paid	**-3,859,354.35**	-1,755,518.80
Cash flow from operating activities (A)	**-13,398,002.29**	18,031,340.85

EUR million	2021	2020
CASH FLOW FROM INVESTING ACTIVITIES		
Investments in other subsidiaries	**-231,339.98**	
Liquidation loss from subsidiaries	**0.00**	-50,519.66
Investments in financial assets	**-3,807,852.16**	-1,893,517.26
Investments in intangible assets and property, plant & equipment	**-15,439,188.66**	-12,730,935.91
Proceeds from sale of property, plant & equipment and other investments	**1,358,818.34**	632,143.21
Sale of other holdings	**1,528,494.77**	1,129,157.15
Change in non-current loan receivables	**0.00**	-95,415.00
Cash flow from investing activities (B)	**-16,591,067.69**	-13,009,087.47
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	**0.00**	-304,084.17
Change of non-current debt	**-50,431,359.89**	140,002.30
Change in current debt	**166,569,294.02**	58,661,852.39
Change in current receivables	**-51,458,484.84**	17,155,412.78
Dividends paid	**-48,855,465.20**	-45,651,850.11
Group contribution received/paid	**-9,147,159.00**	-7,267,259.67
Cash flow from financing activities (C)	**6,676,825.09**	22,734,073.52
Change in cash and cash equivalents (A+B+C)	**-23,312,244.89**	27,756,326.90
Cash and cash equivalents at beginning of period	**27,929,098.03**	172,771.13
Cash and cash equivalents at end of period	**4,616,853.14**	27,929,098.03

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	2021	2020
Inter-company service fee	**52,965,600.76**	47,001,882.92
Royalties	**25,565,906.30**	24,925,625.80
Lease income	**1,909,094.52**	1,894,521.72
Other	**3,756,937.29**	3,853,246.48
Total	**84,197,538.87**	77,675,276.92

3. Other operating income

EUR	2021	2020
Gain on sale of property, plant and equipment	**1,204,187.65**	538,767.84
Other income	**35,357.20**	111,738.74
Total	**1,239,544.85**	650,506.58

4. Total expenses

Total expenses by nature

EUR	2021	2020
Materials and supplies	**-5,906.70**	-8,502.93
Employee benefits	**-18,193,156.05**	-17,001,540.05
Depreciation, amortization and impairment	**-15,100,188.74**	-14,218,651.79
IT expenses	**-23,403,297.72**	-17,903,148.10
Consulting fees	**-20,659,731.87**	-4,539,897.98
External services	**-1,750,748.62**	-1,857,831.10
Other	**-4,652,804.48**	-5,403,105.37
Total	**-83,765,834.18**	-60,932,677.32

Other operating expenses

EUR	2021	2020
Scrapping of fixed assets	**-94,764.86**	-36,927.80
Liquidation of subsidiary shares		-50,519.66
Total	**-94,764.86**	-87,447.46

5. Fees paid to company's auditors

EUR	2021	2020
Audit fees	**-222,300.00**	-299,012.00
Other	**-14,687.00**	-66,709.00
Total	**-236,987.00**	-365,721.00

6. Personnel costs and number of employees

Personnel costs

EUR	2021	2020
Wages and salaries	-15,297,133.16	-14,410,521.18
Pension costs	-2,379,234.77	-1,993,758.21
Other personnel costs	-516,788.12	-597,260.66
Total	-18,193,156.05	-17,001,540.05

Remuneration to management

EUR thousand	2021	2020
Chief Executive Officer	1,568.4	1,374.1
Members of the Board	573.0	720.2
Total	2,141.4	2,094.3

Number of employees

	2021	2020
Average (FTE)	164	170
End of period	156	171

7. Financial income and expenses

EUR	2021	2020
Interest and financial income from non-current investments		
From group companies	2,222,184.43	3,024,801.32
Interest and financial income from non-current investments, total	2,222,184.43	3,024,801.32
Other interest and financial income		
From third parties	1,362,362.81	6,658,140.06
Other interest and financial income, total	1,362,362.81	6,658,140.06
Interest and financial income, total	3,584,547.24	9,682,941.38
Interest and other financial expenses		
To subsidiaries		
Interest expenses	-93,435.49	-463,108.70
Loss on disposal of financial assets		
Interest and other financial expenses to other parties	-10,450,787.58	-8,655,849.23
Interest and other financial expenses, total	-10,544,223.07	-9,118,957.93
Total financial income and expenses	-6,959,675.83	563,983.45
Net exchange gains and losses included in financial items	2,497,047.14	1,040,591.93

8. Appropriations

EUR	2021	2020
Change in cumulative accelerated depreciation	-88,175.33	
Group contribution received	3,049,090.97	
Group contribution paid		-9,147,159.00
Total	2,960,915.64	-9,147,159.00

9. Income taxes

EUR	2021	2020
Current year taxes for profit before appropriations	-196,489.23	-1,987,893.36
Income tax for previous periods	-22,130,943.56	-3,451.73
Income taxes in Income Statement	-22,327,432.79	-1,991,345.09

10. Intangible assets

EUR	2021	2020
Historical cost, Jan 1	108,916,461.17	98,660,218.04
Additions	12,667,983.54	10,620,035.31
Decrease	-22,179.07	
Transfers	-17,300.00	-363,792.18
Historical cost, Dec 31	121,544,965.64	108,916,461.17
Accumulated amortization according to plan, Jan 1	73,797,005.93	61,435,043.32
Amortization for the period	11,679,161.39	12,361,962.61
Decrease	-20,739.07	
Accumulated amortization and impairment, Dec 31	85,455,428.25	73,797,005.93
Net book value, Dec 31	36,089,537.39	35,119,455.24

11. Tangible assets

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		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

2020

EUR	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	26,216,240.57	35,047,058.44	7,379,267.65	3,528,612.06	72,171,178.72
Additions		624,124.53	386,862.18	1,099,913.89	2,110,900.60
Decreases	-24,081.17	-36,664.96	-449,759.85		-510,505.98
Transfers		3,317,948.40	498,612.18	-3,452,768.40	363,792.18
Historical cost, Dec 31	26,192,159.40	38,952,466.41	7,814,982.16	1,175,757.55	74,135,365.52
Accumulated depreciation and impairment, Jan 1		23,312,767.34	5,229,687.69		28,542,455.03
Depreciation for the period		1,299,182.65	557,506.53		1,856,689.18
Decreases		-36,664.96	-346,499.77		-383,164.73
Accumulated depreciation and impairment, Dec 31		24,575,285.03	5,440,694.45		30,015,979.48
Revaluation, Jan 1	9,665,246.26				9,665,246.26
Decreases	-1,110.07				-1,110.07
Revaluation, Dec 31	9,664,136.19				9,664,136.19
Book value Dec 31	35,856,295.59	14,377,181.38	2,374,287.71	1,175,757.55	53,783,522.23

12. Investments

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

2020

EUR	Holdings in subsidiaries	Receivables from subsidiaries	Other shares	Total
Historical cost, Jan 1	913,794,066.93		22,157,965.70	935,952,032.63
Additions			1,893,517.26	1,893,517.26
Decreases	-92,850,519.66		-1,129,157.15	-93,979,676.81
Historical cost, Dec 31	820,943,547.27		22,922,325.81	843,865,873.08
Write-downs, Jan 1	-273,800,000.00		-804,721.46	-274,604,721.46
Reversal	92,800,000.00			
Write-downs, Dec 31	-181,000,000.00		-804,721.46	-181,804,721.46
Book value Dec 31	639,943,547.27		22,117,604.35	662,061,151.62

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	11,000	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, 2021						**640,174,887.25**

13. Receivables from subsidiaries

EUR	2021	2020
Trade receivables	**81,672,972.45**	41,831,293.82
Loan receivables	**87,725,444.12**	107,768,321.69
Other receivables	**128,866,393.73**	53,673,223.48
Prepayments and accrued income	**3,521,218.41**	3,907,358.20
Total, Dec 31	**301,786,028.71**	207,180,197.19

14. Prepayments and accrued income

EUR	2021	2020
Prepaid and accrued interest	**908,931.28**	1,905,102.16
Other prepayments and accruals	**2,892,798.27**	4,422,396.33
Total, Dec 31	**3,801,729.55**	6,327,498.49

15. Cash and cash equivalents

EUR	2021	2020
Cash and cash equivalents	**4,616,853.14**	27,929,098.03
Total, Dec 31	**4,616,853.14**	27,929,098.03

16. Shareholders' equity

EUR	2021	2020
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	**3,737,397.19**	3,738,507.26
Decrease	**-5,575.47**	-1,110.07
Revaluation reserve, Dec 31	**3,731,821.72**	3,737,397.19
Fair value reserve		
Jan 1		-285,017.25
Decrease		285,017.25
Fair value reserve, Dec 31		0.00
Treasury shares		
Jan 1	**-7,181,414.46**	-6,877,330.29
Increase		-304,084.17
Treasury shares, Dec 31	**-7,181,414.46**	-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	**396,554,365.11**	435,475,077.14
Dividends	**-48,855,465.20**	-45,651,850.11
Net profit	**-24,749,708.30**	6,731,138.08
Retained earnings, Dec 31	**322,949,191.61**	396,554,365.11
Distributable earnings, Dec 31	**315,767,777.15**	389,372,950.65
Shareholders' equity total, Dec 31	**400,214,112.05**	473,824,861.02

17. Non-current liabilities

EUR	2021	2020
Loans from credit institutions payable		
between one and five years	**334,375.53**	50,685,342.45
Loans from credit institutions, total	**334,375.53**	50,685,342.45
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	**336,773.89**	50,687,740.81

18. Liabilities to subsidiaries

EUR	2021	2020
Trade payables	**99,058.22**	-220,599.05
Other liabilities	**562,296,819.60**	405,013,524.11
Accruals and deferred income	**557,851.82**	3,183.20
Total, Dec 31	**562,953,729.64**	404,796,108.26

19. Accruals and deferred income

EUR	2021	2020
Interests	**692,960.60**	662,481.22
Wages, salaries and social costs	**5,816,138.26**	5,646,113.41
Other	**4,105,355.15**	2,487,730.07
Total, Dec 31	**10,614,454.01**	8,796,324.70

20. Lease obligations

EUR	2021	2020
Payments next year	**2,867,053.99**	1,917,097.00
Payments later	**28,018,283.37**	30,355,509.00
Total, Dec 31	**30,885,337.36**	32,272,606.00

21. Contingencies and pledged assets

EUR	2021	2020
As security for own commitments	**1,471,194.00**	1,358,000.00
Guarantees as security for subsidiaries' commitments	**6,718,000.00**	11,516,000.00
Total, Dec 31	**8,189,194.00**	12,874,000.00

VAT liability for real estate investments

The company is obligated to review the VAT deductions made on real estate investments completed during 2012–2021 if the taxable use of the property has changed during the review period.

EUR	2021	2020
Obligation, Dec 31	**2,174,582.00**	2,258,285.00

22. Derivative contracts

Nominal value, EUR	2021	2020
Foreign exchange forwards and swaps	**512,634,844.10**	388,659,837.70
Total, Dec 31	**512,634,844.10**	388,659,837.70

Fair value, EUR	2021	2020
Foreign exchange forwards and swaps	**-329,807.65**	745,738.81
Total, Dec 31	**-329,807.65**	745,738.81

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 2021, the distributable equity of the parent company was EUR 315.8 million (2020: EUR 389.4 million)

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.76 per share shall be paid for the financial period that ended on December 31, 2021. The dividend shall be paid in two installments. The ex-dividend date for the first installment of EUR 0.38 per share shall be on March 17, 2022. The first installment shall be paid to a shareholder who is registered in the shareholder register of the company maintained by Euroclear Finland Oy on the dividend record date March 18, 2022. The payment date proposed by the Board of Directors for this installment is March 25, 2022.

The second installment of EUR 0.38 per share shall be paid in September 2022. 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, 2022. The ex-dividend date for the second installment would then be September 8, 2022, the dividend record date September 9, 2022 and the dividend payment date September 16, 2022, at the latest.

On the date of this financial statement release, the number of shares entitling their holders to a dividend was 81,471,565. The proposed distribution of dividends would thus be EUR 61.9 million (2020: EUR 48,9 million). This would leave EUR 253.8 million (2020: EUR 340.5 million) 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

Helsinki, February 3, 2022

Albert Ehrnrooth

Paul Ehrnrooth

Louise Fromond

Jyri Luomakoski

Inka Mero

Fabian Månsson

Peter Sjölander

Ritva Sotamaa

Nathalie Ahlström
President and CEO

The Auditor's Note

Our auditor's report has been issued today.

Helsinki, February 3, 2022
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, 2021. 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 and testing controls 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 31.12.2021 amounted to 219,1 million euro representing 15 % of total assets and 27 % 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 31.12.2021 amounted to 203,7 million euro representing 14 % of total assets and 25 % 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	
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 302,8 million euro and 29,9 million euro, respectively (net 272,9 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 three 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.

Helsinki, February 3, 2022

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 Consolidated 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.

Transformation and Restructuring programs

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

Both programs were completed by 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, respectively. These benefits were realized, and a majority were already 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 EUR 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).

Other items affecting comparability in 2021

Other adjustments to operating profit totaled EUR 0,0 million (2020: -0.3).

EUR million	2021	2020
Operating profit (EBIT)	**142.8**	98.0
Amortization	**-14.6**	-27.8
EBITA	**157.4**	125.8
Items affecting comparability in EBITA		
Restructuring Program	**7.6**	8.1
Transformation program	**3.9**	3.0
Leborgne divestment		0.2
Other adjustments to operating profit	**0.0**	-0.3
Total items affecting comparability in EBITA	**11.5**	11.0
Comparable EBITA	**168.8**	136.8
Amortization	**-14.6**	-27.8
Comparable EBIT	**154.2**	109.0

Financial indicators

Five years in figures

		2021	2020	2019	2018	2017
Net sales	EUR million	**1,254.3**	1,116.2	1,090.4	1,118.5	1,185.5
of which outside Finland	EUR million	**1,142.0**	1,021.9	977.5	1,006.6	1,073.1
% of net sales	%	**91.0**	91.5	89.6	90.0	90.5
export from Finland	EUR million	**24.2**	20.1	20.2	19.5	22.8
Change in net sales, %	%	**12.4**	2.4	-2.5	-5.6	-1.6
Gross profit	EUR million	**539.8**	452.0	447.3	485.1	512.2
% of net sales	%	**43.0**	40.5	41.0	43.4	43.2
EBITA	EUR million	**157.4**	125.8	72.9	112.5	113.2
% of net sales	%	**12.5**	11.3	6.7	10.1	9.5
Comparable EBITA	EUR million	**168.8**	136.8	90.6	121.7	119.0
Change in fair value of biological assets	EUR million	**1.3**	0.7	-0.2	2.0	0.7
Financial items net	EUR million	**0.0**	-8.9	3.4	9.4	119.3
% of net sales	%	**0.0**	-0.8	0.3	0.8	10.1
Profit before taxes	EUR million	**144.1**	89.8	63.2	103.0	217.8
% of net sales	%	**11.5**	8.0	5.8	9.2	18.4
Income taxes	EUR million	**-56.5**	-21.3	-10.8	-21.1	-50.8
Profit for the period attributable to the equity holders of the parent company	EUR million	**86.6**	67.6	51.7	81.6	166.4
% of net sales	%	**6.9**	6.1	4.7	7.3	14.0
Non-controlling interest	EUR million	**0.9**	0.8	0.7	0.2	0.7
Employee benefits	EUR million	**293.7**	262.9	311.9	307.9	315.3
Depreciation, amortization and impairment	EUR million	**61.6**	76.1	59.6	43.8	38.8
% of net sales	%	**4.9**	6.8	5.5	3.9	3.3

		2021	2020	2019	2018	2017
Cash flow from operating activities	EUR million	**122.9**	199.2	96.5	105.9	103.8
Capital expenditure	EUR million	**34.4**	30.0	40.0	46.2	32.8
% of net sales	%	**2.7**	2.7	3.7	4.1	2.8
Research and development expenses in income statement	EUR million	**15.5**	16.5	18.4	18.4	18.8
% of net sales	%	**1.2**	1.5	1.7	1.6	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	**812.1**	757.8	760.9	1,207.0	1,269.4
Non-controlling interest	EUR million	**4.2**	3.8	3.6	2.7	2.8
Equity total	EUR million	**816.3**	761.6	764.5	1,209.7	1,272.1
Net interest-bearing debt	EUR million	**144.4**	143.7	261.1	135.4	147.7
Working capital	EUR million	**164.5**	134.2	194.4	197.0	195.9
Balance sheet total	EUR million	**1,435.5**	1,342.0	1,364.3	1,719.2	1,837.9
Return on investment	%	**15.3**	9.9	6.0	7.9	15.4
Return on equity	%	**11.1**	9.0	5.3	6.6	13.4
Equity ratio	%	**56.9**	56.8	56.0	70.4	69.2
Net gearing	%	**17.7**	18.9	34.2	11.2	11.6
Personnel (FTE), average		**6,081**	6,104	6,840	7,219	7,709
Personnel, end of period		**6,690**	6,411	6,984	7,615	7,932
of which outside Finland		**5,579**	5,348	5,852	6,581	6,806

Share related figures

		2021	2020	2019	2018	2017
Share capital	EUR million	**77.5**	77.5	77.5	77.5	77.5
Earnings per share (basic and diluted)	EUR/share	**1.06**	0.83	0.63	1.00	2,04[1]
Dividend per share	EUR/share	**0,76**[2]	0.60	0.56	0.54+5.31[3]	0.72
Dividend	EUR million	**61,9**[2]	48.9	45.6	44.0	58.8
Equity per share	€	**9.97**	9.30	9.34	14.80	15.53
Average price	EUR/share	**18.55**	11.47	15.40	19.37	20.84
Lowest price per share	EUR/share	**14.46**	7.80	11.16	14.48	17.67
Highest price per share	EUR/share	**23.40**	15.02	20.60	25.00	24.00
Price per share, Dec 31	EUR/share	**23.00**	14.98	11.26	15.04	23.96
Market value of shares	EUR million	**1,873.8**	1,220.4	917.7	1,226.9	1,954.5
Number of shares, 1,000 pcs		**81,905.2**	81,905.2	81,905.2	81,905.2	81,905.2
Number of treasury shares, 1,000 pcs		**433.7**	433.7	408.7	332.6	191.5
Number of shares traded, 1,000 pcs		**8,016.4**	11,112.7	9,148.1	3,149.5	5,217.9
Price per earnings		**21.7**	18.1	17.8	15.1	11.7
Dividend per earnings in percent	%	**71,5**[2]	72.3	88.4	54.1	35.4
Dividend yield in percent	%	**3,3**[2]	4.0	5.0	3.6	3.0
Number of shareholders, Dec 31		**30,080**	25,968	23,495	20,013	19,536

[1] Reported earnings per share figures for fiscal year 2017 include net changes in the fair value of the investment portfolio.

[2] Board's proposal.

[3] 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

EBITA = Operating profit (EBIT) + amortization + impairment

EBITDA = Operating profit (EBIT) + depreciation + amortization + impairment

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

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

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

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

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

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

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

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.

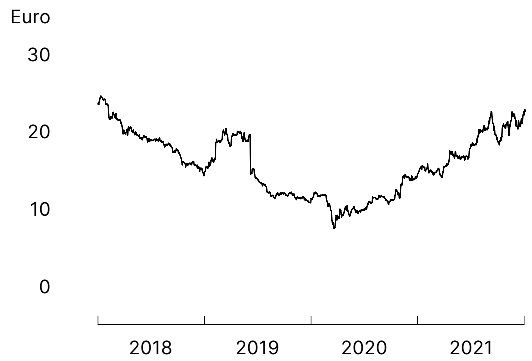
The total number of shares at the end of 2021 81,905,242 (2020: 81,905,242). The share capital remained unchanged in 2021 at EUR 77,510,200.

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, 2021	81,905,242

Fiskars share price development

EUR, Jan 1, 2018–Dec 31, 2021



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 433,677 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 2021 decided to authorize the Board to acquire and convey a maximum 4,000,000 of Fiskars' own shares.

Changes in the number of shares, 2017–2021

	Total
Total shares, Dec 31, 2017	81,905,242
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
Treasury shares Dec 31, 2021	433,677

Shareholders

Fiskars Corporation had 30,080 (2020: 25,968) shareholders as of the end of the year. Approximately 2.4% (2020: 5.4) of the share capital was owned by shareholders outside Finland and 5.0% (2020: 4.0) by nominee-registered shareholders.

Management shareholding

On December 31 2021, 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 36,045,465 (2020: 35,821,015) shares corresponding to 44.0% (2020: 43.7) of the Company's shares and votes. The Company did not have any share option programs.

Share ownership, December 31, 2021

	Number of shareholders	%	Number of Shares and Votes	%
Financial and insurance institutions	44	0.15	14,620,386	17.85
Households	28,930	96.18	27,057,739	33.04
Private companies	724	2.41	28,373,256	34.64
Non-profit organizations	216	0.72	5,815,827	7.10
General government	7	0.02	4,059,117	4.96
Rest of the world	159	0.53	1,978,917	2.42
Total	30,080	100.00	81,905,242	100.00
Of which nominee registered	11	0.04	4,059,748	4.96

Distribution of shares, December 31, 2021

Number of shares	Number of shareholders	%	Number of shares and votes	%
1–100	16,553	55.03	683,363	0.83
101–500	9,182	30.53	2,350,537	2.87
501–1,000	2,123	7.06	1,621,893	1.98
1,001–10,000	1,979	6.58	5,260,435	6.42
10,001–100,000	182	0.61	5,096,358	6.22
100,001–1,000,000	51	0.17	18,438,008	22.51
1,000,001–	10	0.03	48,454,648	59.16
Total	30,080	100.00	81,905,242	100.00

Major shareholders, December 31, 2021

		Total shares	% of shares and votes
1	Virala Oy Ab	12,650,000	15.44
2	Turret Oy Ab	10,885,961	13.29
3	Holdix Oy Ab	10,165,537	12.41
4	Sophie Von Julins Stiftelse	2,556,000	3.12
5	Julius Tallberg Corp.	2,554,350	3.12
6	Gripenberg Gerda Margareta Lindsay Db	1,982,000	2.42
7	Ilmarinen Mutual Pension Insurance Company	1,747,400	2.13
8	Varma Mutual Pension Insurance Company	1,719,326	2.10
9	The estate of Greta Von Julin	1,560,000	1.90
10	Ehrnrooth Albert Carl Göran	855,372	1.04
11	Lindsay von Julin & Co Ab	750,000	0.92
12	Hartwall Peter Johan	748,450	0.91
13	Therman Anna Maria Elisabeth	722,436	0.88
14	Åberg Karin Margareta Albertina	700,880	0.86
15	Fromond Lilli Sophie Louise	601,135	0.73
16	Fromond Anna Gabriell	600,518	0.73
17	von Limburg Stirum Mariana	596,298	0.73
18	Elo Mutual Pension Insurance Company	575,591	0.70
19	Nordea Nordic Small Cap Fund	547,130	0.67
20	Savox SA	545,000	0.67
20 major shareholders		53,063,384	64.79

Making the everyday extraordinary

Fiskars Group's vision is to create a positive, lasting impact on our quality of life. Our brands Fiskars, Gerber, Iittala, Royal Copenhagen, Waterford, and Wedgwood are present in people's everyday lives – at home, in the garden, and outdoors. This gives us an opportunity to make the everyday extraordinary today, and for future generations.

We have a presence in 30 countries, and our products are available in more than 100 countries. Our shares are listed on the Nasdaq Helsinki (FSKRS). Please visit us at www.fiskarsgroup.com for more information and follow us on Twitter, @fiskarsgroup