

2022

Corporate Sustainability Highlights

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CEO Letter

To Our Valued Customers, Partners, Shareholders, and Employees —

At Fossil Group, 2022 was a year of transformation. And while we endured uncertainties in the global economy and social unrest, one thing remained constant: our commitment to purpose. Our commitment to purpose is an integral part of our heritage and continues to shape who we are as a company.

2021 Materiality Assessment

Understanding What Matters

In 2021, we embarked on a journey to understand the issues that mattered most by conducting our first materiality assessment. This critical step allowed us to identify and prioritize the issues that resonate most with stakeholders. We call our corporate responsibility framework, which guides our environmental, social, and governance (ESG) initiatives, “Make Time for Good.”

2022 Corporate Sustainability Highlights

As we present our 2022 Corporate Sustainability Highlights report, we proudly affirm our alignment with the UN Global Compact (UNGC). This report serves as our communication on progress towards its 10 principles. This report is not just a summary of our actions; it's a testament to our enduring pursuit of positive global change.

Planet—Our ongoing commitment to the Science Based Targets initiative (SBTi) exemplifies our commitment to the planet. This collaboration has led to a significant 19% reduction in our Scope 1 & 2 absolute emissions and a remarkable 20% increase in global clean energy usage. These are not more than numbers; they are milestones in our journey toward environmental stewardship.

People—Diversity, Equity, and Inclusion (DE&I) is one of the cornerstones of our company values and was demonstrated through:

- The launch of our W!NGEd Leadership Development Program. A program that supports the development of female leaders early in their careers.
- Our dedication to hiring and developing female talent, and resulting in a 5% growth in Female Leadership.
- The achievement of a 100% score on the Human Rights Campaign Corporate Equality Index and a 74% score on the Women’s Empowerment Principles assessment.
- Our employees active participation in over 70 global Diversity, Equity, and Inclusion events.

Community—This was also a milestone year for our Fossil Foundation as it celebrated its 10th anniversary. Along with its anniversary, I am proud to say that alongside our partners, we impacted 6.5 million young lives, which exceeded our original ambitious goal of 5 million, a testament to our commitment to future generations.

Looking Ahead with Our Core Values

As we look to the future, we are guided by our unwavering values. I am immensely proud of the Fossil Group team for their extraordinary commitment to each other and our collective achievements under the “Make Time for Good” initiative.

I extend my deepest gratitude to everyone who has been part of this journey. Your dedication and hard work have been the driving force behind our achievements.



Kosta N. Kartsotis, CEO of Fossil Group

Our Company

We're on a mission to connect people to what matters most: time.



2022 Highlights



Good for the Planet

- Reduced **19%** of absolute emissions of Scope 1 & 2 (2021 baseline).
- Increased clean energy usage to **20.2%** of the global energy consumption.



Good for Communities

- Exceeded Fossil Foundation goal of positively impacting **5M** young lives by 2025 nearly three years early.
- Increased our Women's Empowerment Principles Assessment Score to **74%** with our target of reaching the top quartile (75%) by 2025.



Good for our People

- Increased female leadership to **42.9%** (5.6% increase over the prior year).
- Grew ERG membership to nearly **300** employees, participating in over **70** diversity and inclusion-focused events

Our Footprint

3

global regions

12

world-class brands

40

global offices

140+

countries of business and operation

1000s

of talented employees

6.5M+

Young lives impacted, which exceeded Fossil Foundation goal of 5M

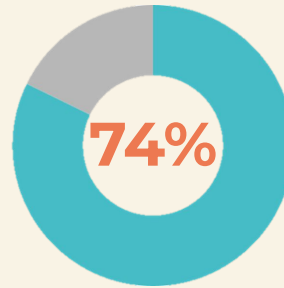
5.6%
Increased female leadership representation

100%

Score on the Human Rights Campaign Corporate Equality Index

19%

Reduction of Scope 1 & 2 absolute emissions



Score on Women's Empowerment Principles Assessment

300

ERG members onboarded

70+

Diversity, Equity and Inclusion-focused global events

20%

Increased global clean energy usage



About Fossil Group

In 1984, we set out to be a different kind of company.

Fossil Group was founded on the belief that we can do greater things together. This belief, ignited by our five core values, transformed a humble watchmaking business into a customer-first digital and design powerhouse with a global footprint (and unmatched culture).

The rest? History. We made our mark on the accessory world one collectible at a time, launching the iconic Fossil tin in 1989 and introducing our first leather goods shortly thereafter. We grew our portfolio, our reach, our categories, and ultimately expanded our capabilities to bring world-changing smart technology to our current consumers.

**Our goal is to
make the
world greater,
together.**

Today, we are home to a collection of world-class owned and licensed brands that share our passion for design, innovation, and doing good. Together, we make distinctive watches, smartwatches, and lifestyle accessories like no one else, and bring each brand and product story to life through an extensive channel and distribution network.

We've made it our goal to create lasting change at the intersection of fashion and technology. Change is the smallest shifts towards one's personal bests, change is at the forefront of a digital frontier at which we connect and shop, and change that scales the globe for the health of our planet. The way we use our time matters; and to us, it's a matter of making time to transform watches and accessories for the better.

SPOTLIGHT

The Iconic Fossil Tin

What if a package could communicate the soul of a brand? That's just what our designers set out to prove back when they designed the very first watch tin in 1989. Taking a cue from the colorful packaging of the '40s and '50s, Fossil's unique packaging came to embody our young, fun, authentic brand and creative culture.

More than 35 years and thousands of designs later, our famous tins are as much a part of our product as the watches themselves. Today, we continue to create iconic designs for these little boxes that have come to embody our DNA. And our customers have become as creative as us in the ways they choose to both collect and "re-use" their tins. Whether it continues to serve as the watch's home, a place for all those little things that we store in our pockets, or the perfect planting spot for desktop greenery, since day one we have always made our tins with the intent to repurpose and reuse.

SPOTLIGHT

We are Fossil Group because of our values, but more so, because of the people who keep them.

Authenticity

We go all in as we are.

Grit

We push through, set our sights, and go for it.

Curiosity

We ask, 'What if? What's next?'

Humor

We don't take ourselves too seriously.

Making an Impact

We go big, perform, and strive to make a difference.

OUR BRANDS

FOSSIL


MICHELE

SKAGEN

A | X
ARMANI EXCHANGE

DIESEL

DKNY

EMPORIO  ARMANI

kate spade
NEW YORK

MICHAEL KORS

TORY  BURCH

WATCH 
STATION


Zodiac

OUR CORPORATE RESPONSIBILITY STRATEGY

**make
time
FOR
good**

Our Corporate Responsibility Strategy

Making a positive impact has always been central to who we are. Our employees are change-makers who make time to support the causes that matter to them. Through Make Time for Good, our corporate responsibility framework for managing environmental, social, and governance (ESG), we are on our journey to reducing our products' environmental impact while supporting our communities and employees. Our strategy is made up of three drivers — Good for the Planet, Good for Communities, and Good for Our People. The relevant topics included in this report were determined through our 2021 Materiality Assessment and ongoing engagement with our stakeholders. Updates on our progress and highlighted are based on year-over-year changes, unless otherwise specified.

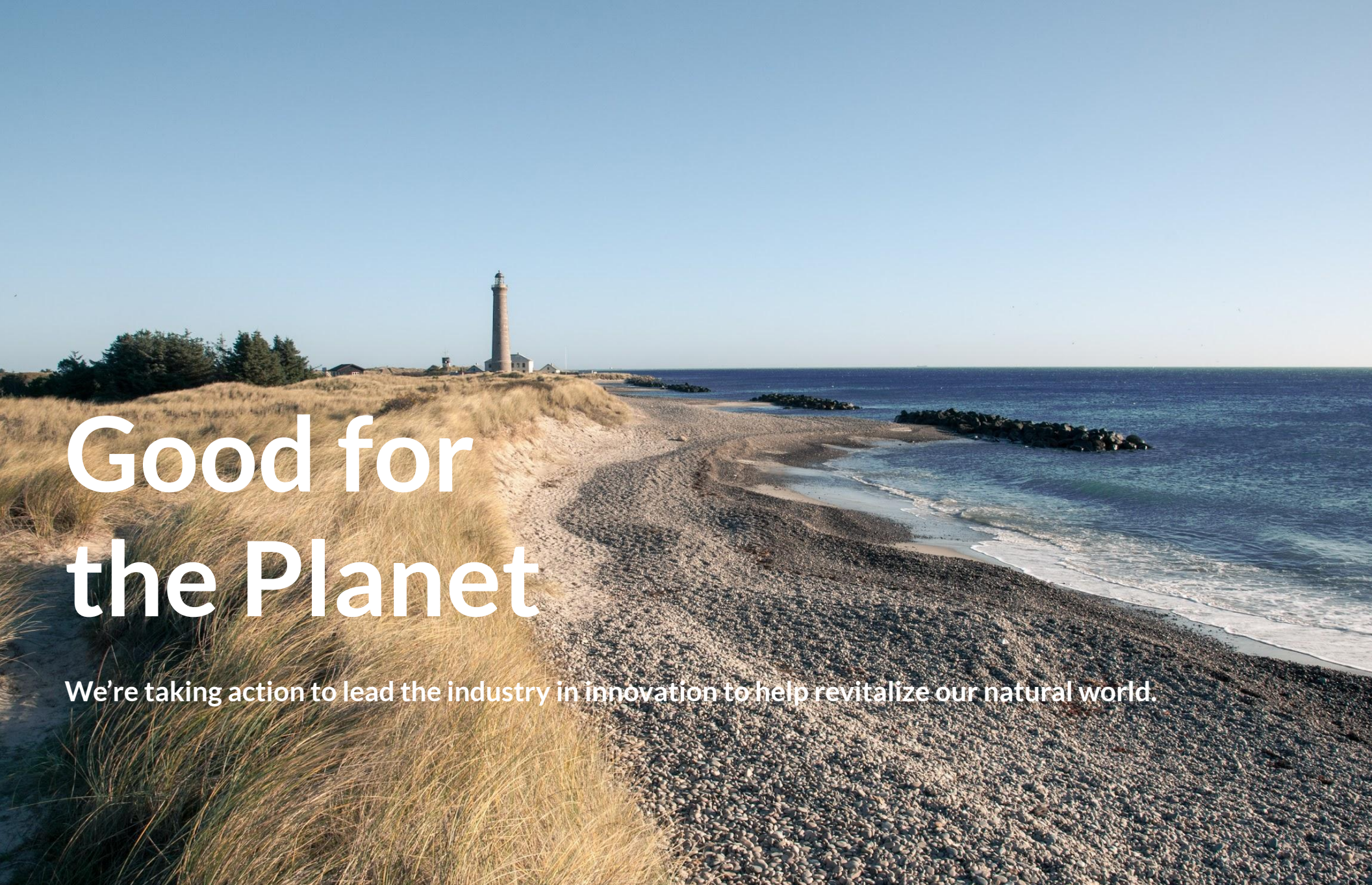
Making a positive impact has always been central to who we are at Fossil Group.



SOURCE: Resonate

Our industry intersects with many material topics. We carefully examine how our products use resources and how our business affects people and communities around the world so that we can explore ways to transform our industry for the better. We embrace our employees' backgrounds, experiences and perspectives. We also aspire to be a leader in the community by empowering women and girls, supporting human rights, and addressing challenges with sourcing, design, and transparency.

For more information about Make Time for Good, including recent news and program highlights, please see our corporate [website](#).

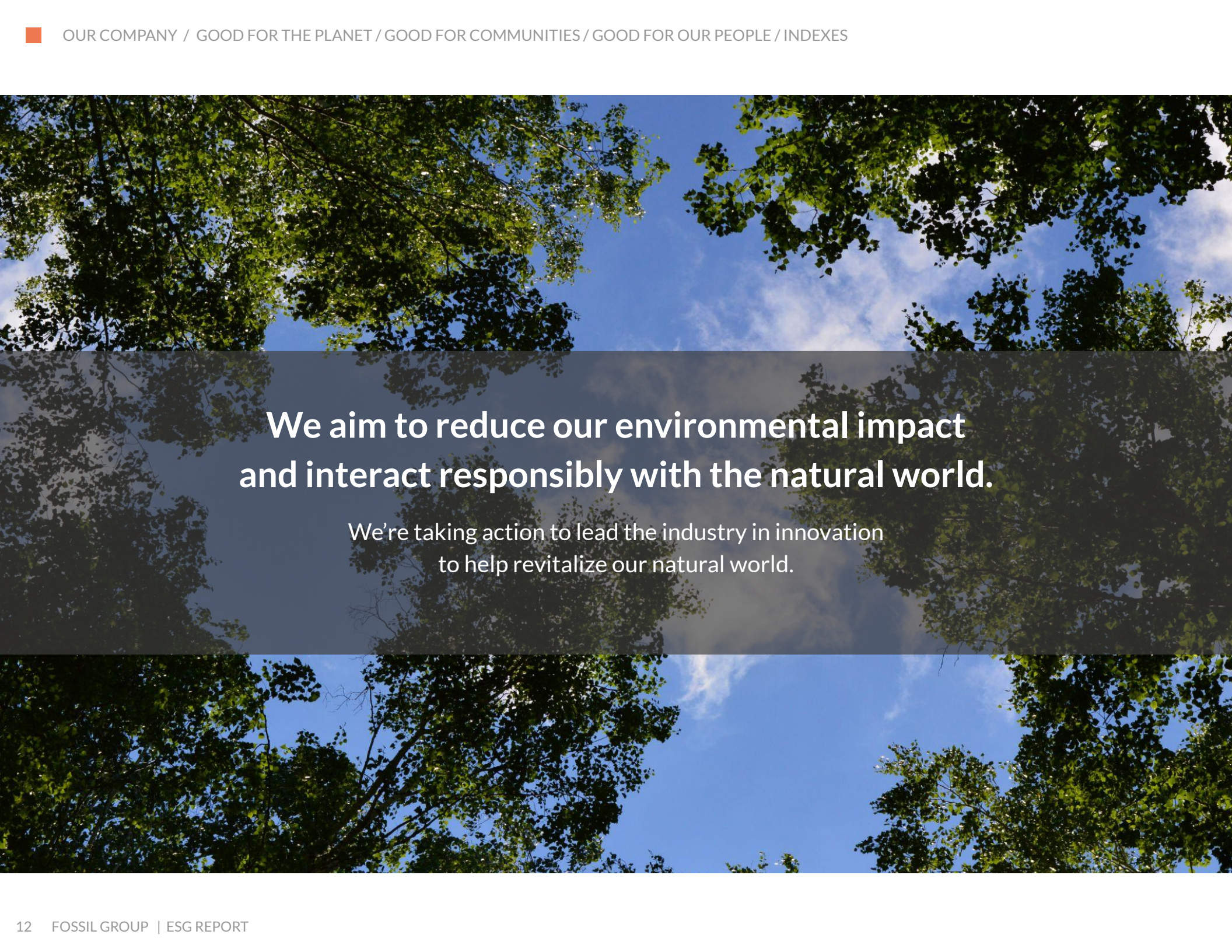


Good for the Planet

We're taking action to lead the industry in innovation to help revitalize our natural world.

Our Good for the Planet strategic drive is informed by the United Nations Sustainable Development Goals (SDGs).





**We aim to reduce our environmental impact
and interact responsibly with the natural world.**

We're taking action to lead the industry in innovation
to help revitalize our natural world.

Design for the Future

We aspire to be part of leading industry-wide change by working towards a circular business model for watches and packaging materials. Our goal is to source and utilize materials that are less resource-intensive as an integral part of our product design process. By doing this, we are creating products with reduced environmental impact.



Leather Working Group: The global multi-stakeholder, Leather Working Group (LWG), is a member-led nonprofit organization that is dedicated to driving excellence in the leather industry, minimizing the environmental impact of leather production, and challenging industry perceptions through a suite of tools and LWG audit standards..

LWG represents over 25% of the world's total production of finished leather in over 60 countries and has a diverse community of over 2,000 members from across the leather supply chain.

Launched in 2005, the group offers the LWG Leather Manufacturer Audit Protocol as a means of assessing the environmental performance and related business practices of leather manufacturers. Developed by industry experts, audit protocols allow the assessment and certification of best practice in leather manufacturing facilities, ensuring brands and retailers can make responsible sourcing decisions.

Science Based Targets initiative: In 2022, one of our biggest milestones was committing to science-based targets, which aligns to the 1.5° Celsius scenario with the Paris Agreement. We committed to set both near and long-term company-wide emission reduction targets through the [Science-Based Targets initiative](#).



GOOD FOR THE PLANET

DESIGNING FOR THE FUTURE GOALS AND PROGRESS

BY 2030

2022 PROGRESS

Achieve 90% traceability of our raw materials to ensure transparency and responsibility within design and supply chains. →

We achieved traceability in our leather handbags and small leather goods categories. This represents 10% of our total vendor base and we plan to expand traceability across our remaining product categories.

Roll out our global take-back program. →

We rolled out our take-back program in 94% of our full-price Fossil retail stores in our European region. We are using these stores to test and refine practices which will help to inform our global approach.

Use 90% circular packaging (e.g., recyclable and/or reusable) materials. →

20% of our packaging is recyclable and/or reusable due to less material and the use of FSC-certified materials.

BY 2040

Design our owned brand products with recycling in mind. Our teams will continue designing to eliminate waste, using materials that are regenerative, recycled, or sourced sustainably, to create products that are more durable, easily repaired, or recyclable. →

30% of our owned brand products and packaging utilize less resource-intensive (FSC-certified) materials.

Leaving a Light Footprint

Nations around the world are increasingly working to address climate change through international agreements, from the Kyoto Protocol to the Paris Agreement, and they have been vital in emphasizing the enormity of the issue as well as the importance of collaborations. We delivered millions of fashion products around the world. The watches along with jewelry, leather goods, and accessories, used a wide range of natural resources — resources that we must use responsibly. Our current goals focus on driving better efficiency in resource consumption, minimizing waste, and providing greater transparency around product stewardship.



We are also focused on driving significant water and waste reductions, and providing transparency around chemicals. In 2022, one of our biggest milestones was committing to the science-based targets, which aligns to the 1.5° Celsius scenario with the Paris Agreement. We committed to set near and long-term company-wide emission reductions in line with science-based net-zero with the SBTi. Collaboration with the industry and supply chain partners is important to realize such an ambitious goal. Our teams work hand in hand with our partners not only in decarbonization, but also minimizing the impact to water quality and chemical usage.

GOOD FOR THE PLANET

LEAVE A LIGHTER FOOTPRINT GOALS AND PROGRESS

BY 2025

2022 PROGRESS

Reduce 30% of Scope 1 & 2 absolute emissions (2021 baseline) →

Absolute emissions of the Scope 1 & 2 dropped 19.7% from the 2021 baseline.*

Double the adoption % of clean energy of the facilities operated by the Fossil and Tier 1 suppliers (2021 baseline) →

The usage of clean energy was increased to 20.2% of the total consumption in 2022. We are on track to meet our 2025 goal.*

Engage 100% of our direct suppliers to meet the water stewardship policy set by Fossil Group. →

>81% of direct suppliers were engaged through our online workshops in 2022.

BY 2030

Reduce 85% of the Scope 1 & 2 absolute emissions (2021 baseline) →

Implemented digital platform to improve the efficiency of energy data monitoring.*

Reduce 30% of the product-related carbon intensity (2021 baseline)

Identified the opportunities of decarbonizing the product footprint based on segmenting materials and lines of business.*

Reduce 20% of water intensity of key products (2021 baseline)

Studied the water footprint of watches.

BY 2040

Achieve Net-Zero GHG emissions by 2040 →

Drafting the near-term and long-term goals to be validated by the Science-Based Targets initiative.*

Reduce 50% of water intensity of key products (2021 baseline)

On track with the near-term milestones.

*Please refer to the 2022 Fossil Group Carbon Accounting Brief for additional information.

Good for Communities

We champion our employees to be a force for good in and alongside the communities we belong to globally.

Our Good for Communities strategic drive is informed by the United Nations Sustainable Development Goals (SDGs).

1 NO POVERTY



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



17 PARTNERSHIPS FOR THE GOALS



We champion our employees to be a force for good in and alongside the communities we belong to globally.

Enhancing Communities

We encourage employees to share their time and voice to be change makers within their local communities.

Enhancing communities is a team effort, which is why we are committed to providing opportunities for all employees to engage their local communities and for Fossil customers to contribute towards the mission of Fossil Foundation.

GOOD FOR COMMUNITIES

ENHANCING COMMUNITIES GOALS AND PROGRESS

BY 2023

All employees have access to community engagement programs and opportunities



2022 PROGRESS

All regional offices support community engagement efforts and 28% of employees are registered on our Make Time for Good engagement platform.

BY 2025

Positively impact 5 million young lives through Fossil Foundation.



Over 6.5 million young lives have been impacted globally.



Empowering Women and Girls

We are proud that women make up over 60% of our global workforce. Their strength and passion to make a difference inspire us to do even more to empower women and girls. We seek to amplify the power and impact of women inside and outside of our four walls. When we constructed the Make Time for Good strategy, we wanted to formalize our commitment to being a leader in women’s empowerment. Our efforts focus on strategic partnerships with organizations that provide mentorship and engagement opportunities to empower more women and girls.



EMPOWERING WOMEN AND GIRLS GOALS AND PROGRESS

BY 2023

2022 PROGRESS

Over 50% of Fossil Group and Fossil Foundation investments support women and girls.



We continue to partner with organizations that serve women, girls, and gender-expansive youth. 59% of Fossil Foundation beneficiaries identify as women, girls, or gender-expansive youth.

BY 2025

Be among the Women’s Empowerment Principles (WEP)’s top 25% for women’s empowerment and score 75% or above on the WEP’s Gender Gap Analysis Tool.



We scored 74% on the Women’s Empowerment Principles Gender Gap Analysis Tool.

Engage employees in global and local mentorship opportunities for women and girls.



We expanded our global partnerships to allow employees to virtually mentor and encourage women around the world. We continue to offer ongoing regional opportunities as well.



Unlocking the Power of the Rising Generation

In a world faced with unprecedented economic, environmental and social challenges, one generation has the power to effect real, lasting change.

Fossil Foundation is a global 501c3 nonprofit invested in helping young people ages 12-24 do just that. By partnering with and supporting visionary organizations, we're equipping the rising generation with the critical life skills they need to thrive in a rapidly evolving world.





Good for Our People

Our belief that, together, we are capable of even greater innovation, collaboration, creativity, and growth drives our commitment to creating an environment where everyone is welcome and given the tools to learn, lead, and succeed.

Our Good for our People strategic drive is informed by the United Nations Sustainable Development Goals (SDGs). Leaders from DE&I, Supplier Compliance and Global People & Development Engagement; and Communications teams help drive the programs, progress and initiatives within these commitments.

1 NO POVERTY 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION 	5 GENDER EQUALITY 	8 DECENT WORK AND ECONOMIC GROWTH 	10 REDUCED INEQUALITIES
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We are committed to fostering a culture of inclusivity and collaboration.

Our belief that, together, we are capable of even greater innovation, collaboration, creativity, and growth drives our commitment to creating an environment where everyone is welcome and given the tools to learn, lead and succeed.



Driving Diversity, Equity & Inclusion

We aspire to be a company that reflects the diversity of our communities. In pursuit of this aspiration, we created a DE&I strategy to formalize our commitment to not only create a diverse workplace but also foster an inclusive culture where people feel a sense of belonging and have access to opportunities for development, advancement, and recognition. Our DE&I strategy is rooted in five pillars: Knowledge, Diversity, Inclusion, Accountability, and External Awareness.



Advancing Equality in the Supply Chain

We go beyond aspiring to create a diverse and inclusive workplace for our employees. We also remain firmly committed to human rights and fair, equitable, and safe environments for factory workers in our supply chain with special consideration for empowering women. We continue to report our annual supply chain data.



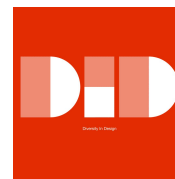
GOOD FOR OUR PEOPLE

DRIVING DIVERSITY, EQUITY & INCLUSION GOALS AND PROGRESS

BY 2023

2022 PROGRESS

<p>Grow our individual and collective knowledge of diversity, equity, and inclusion principles and practices.</p>	<p>→</p>	<p>We created Fossil Group Gatherings for DEI-related discussion and implemented Creating Inclusive Environments workshops.</p>
<p>Increase the promotion, hiring and development of female talent.</p>	<p>→</p>	<p>We increased female leadership to 42.9%, a 5.6% increase over the prior year.</p>
<p>Create an inclusive experience that engages, retains, and provides opportunities for all employees.</p>	<p>→</p>	<p>We earned 100% on the Human Rights Campaign Corporate Equality Index and launched six Employee Resource Groups (ERGs) in the Americas.</p>
<p>Drive accountability, results, and transparency across the organization.</p>	<p>→</p>	<p>DE&I goals were added to the Executive Leadership Team’s performance reviews and compensation. We also shared diversity metrics and goals internally with employees.</p>
<p>Leverage our diversity to benefit our external stakeholders and achieve our society and strategic business goals.</p>	<p>→</p>	<p>We became a founding member of the Miller Knoll Diversity in Design Collaborative.</p>



GOOD FOR OUR PEOPLE

ADVANCING EQUALITY IN THE SUPPLY CHAIN GOALS AND PROGRESS

BY 2030

2022 PROGRESS

Through complete mapping of the Fossil supply chain, gain visibility to human rights practices in order to align to the commitments in Fossil's Human Rights Policy (2030).

This is a new goal.

BY 2025

Raise health education awareness of over 15,000 women by partnering with factories who educate their workers via the HER/SHE program. →

13,000 women have been educated via the HER/SHE program, and we have a roadmap to educate the remaining 2,000.



Indexes

GLOBAL REPORTING INITIATIVE (GRI) INDEX

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Organizational Profile		
GRI 2-1	Organizational details	Fossil Group, Inc.
GRI 2-2	Entities included in the organization's sustainability reporting	We own the FOSSIL, MICHELE, SKAGEN, RELIC, and ZODIAC brands, and market a variety of goods under these and other nationally and internationally known and licensed brands. More information is available at www.fossilgroup.com , www.fossil.com , www.michele.com , www.skagen.com , www.relic.com , www.zodiacwatches.com .
GRI 2-3	Reporting period, frequency, and contact point	Reporting period: January 1, 2022 to December 31, 2022 Frequency: Annual Contacts: <ul style="list-style-type: none"> • Media inquiries media@fossil.com • Investor inquiries ir@fossil.com • Sustainability lead Kara DeVita, Senior Director - Corporate Sustainability, kdevita@fossil.com
GRI 2-4	Restatement of information	No restatements have been made.
GRI 2-5	External assurance	This report is not externally assured. Our 2022 greenhouse gas (GHG) emissions data has limited assurance.
GR 2-6	Activities, value chain, and other business relationships	2022 Annual Report: Form 10-K

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2022 RESPONSE

Organizational Profile

Global Employee Count

Region	Full Time	Part Time	Temporary	Total
Americas	1,506	958	651	3,115
Asia Pacific (APAC)	2,227	44	98	2,369
Europe, Middle East, and Africa (EMEA)	1,220	864	264	2,48
Total	4,953	1,866	1,013	7,832

2022 Annual Report: [Form 10-K](#)

GRI 2-7

Employees

GRI 2-8

Workers who are not employees

While Fossil Group chooses to outsource some areas of the business where it makes sense, those are partnerships where we do not directly control the work of others. When it comes to controlling the work of non-employees, this is only done through contracts with temporary agencies. In the U.S., as of December 31, 2022, we had approximately 25 temporary workers employed through various agencies across our corporate functions. This is a fairly typical number for our corporate functions. Additionally, our U.S. distribution center in Dallas, Texas will utilize temporary agency workers throughout the year to augment staffing levels during peak seasons or for special assignments. The number of temporary workers brought in for the peak (holiday) season in November and December can grow to roughly 200 workers. Fossil U.S. retail stores do not utilize agencies and directly employ all temporary/seasonal workers. Fossil Group is working to track all global temporary workers more accurately for future reporting.

GRI 2-9

Governance structure and composition

2022 Annual Report: [Form 10-K](#)

GRI 2-10

Nomination and selection of the highest governance body

The Nominating and Corporate Governance Committee is responsible for recommending candidates for nomination and election to the Board director. The Nominating and Corporate Governance Committee annually reviews with the Board the applicable skills and characteristics required of Board nominees in the context of the size, composition, and needs of the Board and Company circumstances. ** continued on the next page*

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Organizational Profile		
GRI 2-10 <i>(continued)</i>	Nomination and selection of the highest governance body	Upon the recommendation of the Nominating and Corporate Governance Committee, the Board may appoint a director to the Board during the course of the year to fill vacancies on the Board and newly created directorships to serve until the next annual meeting of stockholders.
GRI 2-11	Chair of the highest governance body	The chair of the highest governance body is Fossil Group's Board of Directors Chairman.
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	<p>The business of Fossil Group is managed under the direction of the Board, the primary responsibility of which is to provide oversight, counseling, and direction to the Company's management team in the long-term interests of the Company and its stockholders.</p> <p>Responsibility for everyday affairs lies with the CEO and other members of management. The CEO and management are responsible for seeking advice and, in appropriate situations, the approval of the Board with respect to certain extraordinary corporate actions. Directors should exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders and to conduct themselves in accordance with their duties of care and loyalty.</p>
GRI 2-13	Delegation of responsibility for managing impacts	<p>Fossil Group's Board of Directors' Nominating and Corporate Governance Committee has oversight and responsibility for ESG issues. Members of the Nominating and Corporate Governance Committee are independent directors and provide an unbiased judgment. Fossil Group's corporate management provides regular periodic ESG reports and updates to this committee.</p> <p>The Board committees also oversee the management of company risks, including climate-related risks. As part of its oversight, the Board receives and reviews regular reports on an annual basis from members of senior management, including our Chief Compliance Officer, who oversees our Enterprise Risk Management program. When we detect significant risks, Fossil Group's management team develops and monitors risk assessment results and mitigation plans, and assigns "risk owners" who are responsible for further assessment or mitigation based on the risk assessment findings.</p>

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Organizational Profile		
GRI 2-13 <i>(continued)</i>	Delegation of responsibility for managing impacts	<p>Our Executive Risk Committee reviews all enterprise risk and mitigation plans to ensure we address these risks in a timely and ethical manner. Our full Board reviews information concerning enterprise risks through regular reports of each Board committee.</p> <p>In addition, our Audit, Compensation, and Nominating and Corporate Governance Committees are comprised solely of independent directors and have responsibility for the review of certain risks as defined in their governing documents, which are available on our website.</p>
GRI 2-14	Role of the highest governance body in sustainability reporting	<p>Fossil Group’s Board of Directors’ Nominating and Corporate Governance Committee has oversight and responsibility for ESG issues. Members of the Nominating and Corporate Governance Committee are independent directors and provide unbiased judgment. Fossil Group’s corporate management provides regular periodic ESG reports and updates to this committee. Our full Board reviews information annually pertaining to sustainability reporting.</p>
GRI 2-15	Conflicts of interest	<p>See our Code of Conduct and our Code of Ethics.</p>
GRI 2-16	Communication of critical concerns	<p>The Board receives and reviews regular reports on an annual basis from members of senior management, including our Chief Audit Executive, who oversees our Enterprise Risk Management program. When we detect significant risks, Fossil Group’s management team develops and monitors risk assessment results and mitigation plans, and assigns “risk owners” who are responsible for further assessment or mitigation based on the risk assessment findings.</p> <p>Our Executive Risk Committee reviews all enterprise risk and mitigation plans to ensure we address these risks in a timely and ethical manner. Our full Board reviews information concerning enterprise risks through regular reports of each Board committee.</p> <p>Fossil also provides fossilsafeworkplace.com to report an incident about workplace issues like financial and auditing concerns, harassment, theft, substance abuse, and unsafe conditions.</p>
GRI 2-17	Collective knowledge of the highest governance body	<p>Fossil Group’s Board of Directors’ Nominating and Corporate Governance Committee has oversight and responsibility for ESG issues. Members of the Nominating and Corporate Governance Committee are independent directors and provide unbiased judgment. Fossil Group’s corporate management provides regular periodic ESG reports and updates to this committee. Our full Board reviews information annually pertaining to sustainability reporting.</p>

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Organizational Profile		
GRI 2-18	Evaluation of the performance of the highest governance body	<p>The Board and each committee perform annual self-evaluations. The Nominating and Corporate Governance Committee develops and recommends to the Board an annual performance evaluation process for the Board and its committees. The Nominating and Corporate Governance Committee oversees the process that the Board and its committees use to conduct annual performance evaluations.</p> <p>The Chairman of the Board, if the Chairman is a non-management director, or otherwise the Lead Independent Director of the Board, conducts a review of the performance of the CEO at least annually and communicates the results of the review to the CEO. The Compensation Committee establishes the evaluation process and determines the specific criteria on which the performance of the CEO is evaluated.</p>
GRI 2-19	Remuneration policies	See our Corporate Governance Guidelines and Proxy Statement .
GRI 2-20	Process to determine remuneration	See our Corporate Governance Guidelines and Proxy Statement .
GRI 2-21	Annual total compensation ratio	See our Proxy Statement .
GRI 2-22	Statement on sustainable development strategy	Our Make Time for Good framework has policies and procedures in place to ensure our strategy is ethically implemented, safeguards sensitive information about our people and our communities, and makes a positive impact. Our governance policies are a core part of our corporate responsibility strategy, and they are applicable to our employees and the partners we work with to produce our products. We believe that everyone plays a critical role in maintaining strong governance, including our Board of Directors.
GRI 2-23	Policy commitments	See our Governance Policies , Code of Conduct , Code of Conduct for Manufacturers , Human Rights Policy , Social Compliance Statement , Fossil Group California Transparency in Supply Chains Act and U.K. Modern Slavery Act Statement .
GRI 2-24	Embedding policy commitments	The Audit, Compensation, and Nominating and Corporate Governance Committees are comprised solely of independent directors and have responsibility for the review of certain risks as defined in their governing documents, which are available on our website .

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Organizational Profile		
GRI 2-25	Processes to remediate negative impacts	<p>The Board committees also oversee the management of company risks. As part of its oversight, the Board receives and reviews regular reports on an annual basis from members of senior management, including our Chief Compliance Officer, who oversees our Enterprise Risk Management program. When we detect significant risks, Fossil Group’s management team develops and monitors risk assessment results and mitigation plans, and assigns “risk owners” who are responsible for further assessment or mitigation based on the risk assessment findings.</p> <p>Our Executive Risk Committee reviews all enterprise risk and mitigation plans to ensure we address these risks in a timely and ethical manner. Our full Board reviews information concerning enterprise risks through regular reports of each Board committee.</p> <p>In addition, Fossil Group maintains an open door policy, HR policies and procedures, as well as anonymous reporting hotline so employees can bring forward any concerns they may have regarding Fossil Group or their managers, co-workers or vendors.</p> <p>See also our Governance Policies</p>
GRI 2-26	Mechanisms for seeking advice and raising concerns	<p>Our Executive Risk Committee reviews all enterprise risk and mitigation plans to ensure we address these risks in a timely and ethical manner. Our full Board reviews information concerning enterprise risks through regular reports of each Board committee.</p> <p>In addition, Fossil Group maintains an open door policy, HR policies and procedures, as well as anonymous reporting hotline so employees can bring forward any concerns they may have regarding Fossil Group or their managers, co-workers or vendors.</p> <p>See also our Governance Policies</p>
GRI 2-27	Compliance with laws and regulations	2022 Annual Report: Form 10-K .
GRI 2-28	Membership associations	<ul style="list-style-type: none"> ● Black in Fashion Council ● Business Coalition for Equality Act ● Business for Social Responsibility ● CEO Action for DEI ● Diversity in Design ● Human Rights Campaign ● Leather Working Group ● LiteHide™ ● Open to All ● Sustainable Packaging Coalition ● United Nations Global Compact ● Valuable 500 ● Women’s Empowerment Principles

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Organizational Profile		
GRI 2-29	Approach to stakeholder engagement	We identify our stakeholders as those groups or individuals who are impacted, and influenced by, or who can impact, our company. They are a diverse group, each with specific needs. We work hard to engage all of our stakeholders in sincere and honest dialogue, and when requested and if feasible, to provide accurate and actionable information through public channels in a timely fashion. We engage with each of our stakeholders as often as required by the relationship.
GRI 2-30	Collective bargaining agreements	Fossil Group has no collective bargaining agreements in the U.S. 100% of employees in Italy, France, and FAST Europe, Spain, and Portugal are covered by collective bargaining agreements. For employees not subject to collective bargaining agreements, the terms and conditions of employment are determined by a variety of factors, including, without exclusion, local laws, local market conditions, and local customs.
Material Topics		
GRI 3-1	Process to determine materials topics	See our Materiality Assessment .
GRI 3-2	List of material topics	<ul style="list-style-type: none"> Water Pollution Ethical & Transparent Business Practices Living Wages in the Supply Chain Human Rights Employee Engagement & Well-Being Air Pollution Health & Safety in Supply Chain Equal Compensation Environmental Impacts in the Supply Chain Management of Chemicals in Products Communicating Core Purpose

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Ethical & Transparent Business		
GRI 205: Anti-Corruption		
GRI 3-3	Management of material topics	See our Code of Conduct , our Code of Conduct for Manufacturers . All employees are expected to uphold and comply with the Code, and we encourage employees to speak up if there are any known or suspected Code violations through the reporting hotline listed in the Code. Our Code covers our commitment to addressing issues such as anti-bribery and anti-corruption. The Audit Committee of the Board of Directors reviews the Code annually to identify and add any necessary changes to the policy and reviews adherence to the Code.
GRI 205-1	Operations assessed for risks related to corruption	We ensure compliance with the policies through annual audits, training, and communicating our policies annually and during the onboarding process. In 2022, we had zero business ethics audit findings.
GRI 205-2	Communication and training about anti-corruption policies and procedures	The Audit Committee reviews annually the Company’s Code of Conduct and Anti-Corruption Policy (FCPA). Fossil Group sends an annual email to all employees regarding the Code of Conduct and other governing policies.
GRI 205-3	Confirmed incidents of corruption and actions taken	There were no confirmed incidents in 2022.
GRI 206: Anti-Competitive Behavior		
GRI 3-3	Management of material topics	Our Code of Conduct (Code) outlines our shared ethical principles and standards for how we conduct business and treat each other. All employees are expected to uphold and comply with the Code, and we encourage employees to speak up if there are any known or suspected Code violations. Our Code covers our commitment to addressing issues such as anti-bribery and anti-corruption. The Audit Committee of the Board of Directors reviews the Code annually to identify and add any necessary changes to the policy and reviews adherence to the Code.
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no legal actions for anti-competitive behavior, anti-trust, or monopoly practices.

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE														
Fossil Material Topic: Water Pollution																
GRI 303: Water & Effluents																
GRI 3-3	Management of material topics	We manage wastewater discharge and supplier compliance with wastewater regulations by requiring all of our suppliers to comply with local regulations and country-specific environmental laws, as well as assessing several selected suppliers regarding their wastewater treatment process. We are continuing the preparation of a Water Stewardship Policy to outline our expectations for responsible water management and plan to require all direct suppliers to adhere to this policy.														
GRI 303-1	Interactions with water as a shared resource	Water is a critical resource for our operations and products. Our direct operations include offices, warehouses, retail stores, and two production facilities where we assemble our watches. We have been collecting water withdrawal and discharge data from our own facilities to estimate our water footprint. These data have been disclosed through our CDP disclosure. In 2022, we have reached out to our key Tier 1 and Tier 2 suppliers to understand their water consumption behavior and water management initiatives. We have estimated our suppliers' total water consumption based on the spend data, market, and geographic location.														
GRI 303-2	Management of water discharge-related impact	All Fossil Group Tier 1 suppliers were compliant with wastewater discharge rules and regulations. 10 packaging factories were audited last year. There were no non-compliant issues for wastewater discharge permits.														
GRI 303-3	Water withdrawal	<table border="1"> <thead> <tr> <th></th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Total Water Withdrawn (megaliters)</td> <td>134</td> </tr> <tr> <td>Surface Water (megaliters)</td> <td>n/a</td> </tr> <tr> <td>Ground Water (megaliters)</td> <td>n/a</td> </tr> <tr> <td>Seawater (megaliters)</td> <td>n/a</td> </tr> <tr> <td>Produced Water</td> <td>n/a</td> </tr> <tr> <td>Third-Party Water</td> <td>n/a</td> </tr> </tbody> </table>		2022	Total Water Withdrawn (megaliters)	134	Surface Water (megaliters)	n/a	Ground Water (megaliters)	n/a	Seawater (megaliters)	n/a	Produced Water	n/a	Third-Party Water	n/a
	2022															
Total Water Withdrawn (megaliters)	134															
Surface Water (megaliters)	n/a															
Ground Water (megaliters)	n/a															
Seawater (megaliters)	n/a															
Produced Water	n/a															
Third-Party Water	n/a															

STANDARD DISCLOSURE GRI DISCLOSURE TITLE FOSSIL 2022 RESPONSE

Fossil Material Topic: Water Pollution

GRI 303: Water & Effluents

GRI 303-4

Water discharge

2022	
Total Water Discharge (megaliters)	119
Surface Water (megaliters)	n/a
Ground Water (megaliters)	n/a
Seawater (megaliters)	n/a
Produced Water	n/a
Third-Party Water	119

GRI 303-5

Water consumption

2022	
Total Water Consumption (megaliters)	134
Surface Water (megaliters)	n/a
Ground Water (megaliters)	n/a
Seawater (megaliters)	n/a
Produced Water	n/a
Third-Party Water	134

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Environmental Impacts in the Supply Chain		
GRI 308: Supplier Environmental Assessment		
GRI 3-3	Management of material topics	See our Social Compliance Statement .
GRI 308-1	New suppliers that were screened using environmental criteria	100% of new Tier 1 and Tier 2 suppliers are required to fill out a self-assessment form, which includes environmental criteria.
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	<p>All Fossil Group Tier 1 suppliers and key packaging facilities are assessed for environmental compliance through our auditing process. Fossil Group requires all suppliers to be compliant with local environmental rules and regulations. Any supplier that is found to be noncompliant with local rules and regulations are considered as having significant potential negative environmental impacts. Fossil Group provides noncompliant suppliers with a corrective action plan and works with our suppliers until the corrective action plan is completed. Since we work with our suppliers until the corrective action plan is completed, all suppliers will be compliant with local environmental rules and regulations. In 2022, 30 factories were found to be noncompliant upon the initial audit. We continue working with these suppliers to address noncompliant issues.</p> <p>In 2022, we selected our top 85% of Tier 1 suppliers to distribute a self-assessment survey to understand their environmental performance KPIs, and to keep track of their environmental-related initiatives. Regular supplier training and onsite visits were conducted to increase the awareness to manage any negative environmental impacts, and encourage the implementation of best practices and initiatives to minimize the environmental impacts.</p>
Fossil Material Topic: Health & Safety in Supply Chain		
GRI 403: Occupational Health and Safety		
GRI 3-3	Management of material topics	Please see our Social Compliance Statement . Additionally, Fossil engages women in our supply chain with education and training on health-related topics. We have empowered over 13,000 women in this training since its inception. Finally, Fossil partners with a nonprofit organization to offer a 3rd party worker hotline that can be used to confidentially and anonymously report any health and safety concerns in the factories. This year, Fossil paid for all significant Tier 1 factories to implement the hotline.

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Health & Safety in Supply Chain		
GRI 403: Occupational Health and Safety		
GRI 403-1	Occupational health and safety management system	See our Social Compliance Statement and Code of Conduct for Manufacturers .
GRI 403-2	Hazard identification, risk assessment, and incident investigation	All Tier 1 finished good factories receive an annual audit to verify that they comply to the requirements outlined in the Manufacturer's Code of Conduct . In 2022, all Tier 1 suppliers were audited to this Code. New Tier 1 suppliers additionally require an audit before any production purchase orders are placed. All data and information gathered during an audit informs a factory's final risk ranking. Factories ranking with high and moderate-high risk must attend supplier compliance training, resolve the noncompliant issues, and pass the reaudit.
GRI 403-3	Occupational health services	See our Social Compliance Statement and Code of Conduct for Manufacturers .
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	See our Social Compliance Statement .
GRI 403-5	Worker training on occupational health and safety	All Tier 1 and Tier 2 suppliers will receive annual social compliance training. See the Training section of our Social Compliance Statement .
GRI 403-6	Promotion of worker health	See our Social Compliance Statement . Additionally, Fossil engages women in our supply chain with education and training on health-related topics. We have empowered over 13,000 women in this training since its inception.
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	All Tier 1 and Tier 2 suppliers will receive annual social compliance training. See our Social Compliance Statement
GRI 403-8	Workers covered by an occupational health and safety management system	See our Social Compliance Statement .

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Health & Safety in Supply Chain		
GRI 403: Occupational Health and Safety		
GRI 403-9	Work-related injuries	40 work-related injuries occurred and were reported in FY2022 in the U.S. We had 0 work related injuries in Hong Kong, Ireland, Macau, Malaysia, Singapore, and U.K. We have local workers compensation policies issued in these countries. Fossil Group does not have visibility into work-related injuries in other countries where we operate due to work related claims being handled by their respective governmental plans.
GRI 403-10	Work-related ill health	No work-related ill-health reports were made. For the U.S., we use our insurance carrier's claim system to compile this data. For other countries, we compile claims information from our broker.
Fossil Material Topic: Equal Compensation		
GRI 405: Diversity and Equal Opportunity		
GRI 3-3	Management of material topics	<p>Fossil Group uses a standardized compensation system that is designed to be competitive and equitable. We have a global process to define, document, and benchmark jobs to each local market using third-party, industry-leading salary surveys to determine the appropriate pay range. Each individual's compensation within that range is determined by a number of factors such as any other unique skill sets, added experience and/or education beyond the basic requirements, geographic location, outstanding performance history, etc. We regularly review our benchmarks and pay ranges to ensure we stay consistent with local markets to provide our employees with competitive compensation packages.</p> <p>In addition to calibrating salary annually during our Performance Review process, Fossil also completes external pay parity reviews, with specific focuses on both Gender and Ethnicity in the United States. Fossil is a pay-for-performance environment, so individual performance will impact annual merit increases, bonus payments (if applicable), and eligibility for promotions into roles with larger scope and responsibility. All managerial and above pay increases and job offers include a review of internal pay equity to ensure we maintain appropriate parity among employees in equal job roles.</p> <p>See also the Compensation Committee Charter.</p>

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2022 RESPONSE

Fossil Material Topic: Equal Compensation

GRI 405: Diversity and Equal Opportunity

Fossil Group uses a standardized compensation system that is designed to be competitive and equitable. We have a global process to define, document, and benchmark jobs to each local market using third-party, industry-leading salary surveys to determine the appropriate pay range. Each individual’s compensation within that range is determined by a number of factors such as any other unique skill sets, added experience and/or education beyond the basic requirements, geographic location, outstanding performance history, etc. We regularly review our benchmarks and pay ranges to ensure we stay consistent with local markets to provide our employees with competitive compensation packages.

GRI 3-3 Management of material topics

In addition to calibrating salary annually during our Performance Review process, Fossil also completes external pay parity reviews, with specific focuses on both Gender and Ethnicity in the United States. Fossil is a pay-for-performance environment, so individual performance will impact annual merit increases, bonus payments (if applicable), and eligibility for promotions into roles with larger scope and responsibility. All managerial and above pay increases and job offers include a review of internal pay equity to ensure we maintain appropriate parity among employees in equal job roles.

See also the [Compensation Committee Charter](#).

Global Gender Breakouts

GRI 405-1 Diversity of governance bodies and employees

	Female	Male	Did Not Disclose
Corporate	57.3%	42.3%	0.4%
Individual Contributor	61.0%	38.5%	0.5%
Manager	49.4%	50.5%	0.1%
Senior Executive	42.9%	57.1%	0.0%

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2022 RESPONSE

Fossil Material Topic: Equal Compensation

GRI 405: Diversity and Equal Opportunity

Global Gender Breakouts (continued)

	Female	Male	Did Not Disclose
Factory	65.4%	34.6%	0.0%
Individual Contributor	67.2%	32.8%	0.0%
Manager	31.3%	68.8%	0.0%
Senior Executive	0.0%	100%	0.0%
Retail	65.1%	34.4%	0.6%
Individual Contributor	65.5%	33.8%	0.6%
Manager	61.6%	38.1%	0.3%
TOTAL	61.9%	37.7%	0.4%

*These calculations exclude temporary workers

Global Age Breakouts

	Under 30	30-50	Over 50
Corporate	21%	67.1%	11.9%
Individual Contributor	29.8%	67.1%	7.7%
Manager	1.4%	80.6%	18.1%
Senior Executive	0.0%	36.5%	63.5%
Factory	11.8%	56.2%	32.0%
Individual Contributor	12.4%	56.2%	31.3%
Manager	0.0%	58.3%	41.7%
Senior Executive	0.0%	0.0%	100%
Retail	52.3%	41.6%	6.1%
Individual Contributor	57.7%	36.5%	5.8%
Manager	13.7%	78.4%	7.9%
TOTAL	33.3%	54.4%	12.3%

GRI 405-1
(continued)

Diversity of governance bodies and employees

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2022 RESPONSE

Fossil Material Topic: Equal Compensation

GRI 405: Diversity and Equal Opportunity

U.S. Race Breakouts

	American Indian or Alaskan Native	Asian	Black or African American	Hispanic or Latino	Native Hawaiian or other Pacific Islander	Two or More Races	White	Did Not Disclose
Corporate	0.7%	12/1%	7.3%	15.4%	0.0%	2.3%	62.1%	0.0%
Individual Contributor	0.4%	13.3%	8.6%	19.0%	0.0%	3.3%	55.3%	0.0%
Manager	0.9%	11.4%	6.2%	11.1%	0.0%	1.2%	69.1%	0.0%
Senior Executive	2.4%	4.8%	2.4%	9.5%	0.0%	0.0%	81.0%	0.0%
Factory	0.9%	7.3%	5.5%	75.7%	1.4%	0.5%	8.7%	0.0%
Individual Contributor	0.5%	7.4%	4.0%	80.2%	1.5%	0.0%	6.4%	0.0%
Manager	6.7%	6.7%	26.7%	20.0%	0.0%	6.7%	33.3%	0.0%
Senior Executive	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%
Retail	0.1%	8.8%	12.1%	43.0%	0.5%	3.6%	30.1%	1.8%
Individual Contributor	0.1%	9.1%	12.8%	45.1%	0.6%	3.5%	26.7%	2.0%
Manager	0.0%	6.6%	7.4%	29.8%	0.0%	4.1%	52.1%	0.0%
TOTAL	0.5%	10.0%	9.3%	35.1%	0.4%	2.7%	41.4%	0.8%

GRI 405-1
(continued)

Diversity of governance bodies and employees

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Equal Compensation		
GRI 405: Diversity and Equal Opportunity		
GRI 405-2	Ratio of basic salary and remuneration of women to men	<p>Fossil Group utilizes a standardized compensation system that is designed to be competitive and equitable. We have a global process to define, document, and benchmark jobs to each local market using third-party, industry-leading salary surveys to determine the appropriate pay range. Each individual’s compensation within that range is determined by a number of factors such as any other unique skill sets, added experience and/or education beyond the basic requirements, geographic location, outstanding performance history, etc. We regularly review our benchmarks and pay ranges to ensure we stay consistent with local markets to provide our employees with competitive compensation packages.</p> <p>In addition to calibrating salary annually during our Performance Review process, Fossil Group also completes external pay parity reviews , with specific focuses on both Gender and Ethnicity in the U.S. Fossil Group is a pay-for-performance environment, so individual performance will impact annual merit increases, bonus payment (if applicable) and eligibility for promotions into roles with larger scope and responsibility. All managerial and above pay increases and job offers include a review of internal pay equity to ensure we maintain appropriate parity among employees in equal job roles.</p>
Fossil Material Topic: Human Rights		
GRI 408: Child Labor		
GRI 3-3	Management of material topics	<p>See our Human Rights Policy, Social Compliance Statement, Fossil Group California Transparency in Supply Chains Act and U.K. Modern Slavery Act Statement and Code of Conduct for Manufacturers. Fossil Group ensures that suppliers follow all local laws and regulations related to human rights via our onboarding process, annual audits, and training. Additionally, Fossil partners with a non-profit organization to provide a worker hotline program to all significant Tier 1 factories. It is a confidential and anonymous channel for workers to report concerns or violations of ethical behavior. This year, Fossil paid for all significant Tier 1 factories to implement the hotline.</p>

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Human Rights		
GRI 408: Child Labor		
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Our Human Rights Policy includes child labor restrictions and covers all suppliers. All Tier 1 finished goods factories receive annual audits against the Code of Conduct for Manufacturers . We found 0 child labor and/or forced labor in our supply chain.
GRI 409: Forced or Compulsory Labor		
GRI 3-3	Management of material topics	See our Human Rights Policy , Social Compliance Statement , Fossil Group California Transparency in Supply Chains Act and U.K. Modern Slavery Act Statement and Code of Conduct for Manufacturers . Fossil Group ensures that suppliers follow all local laws and regulations related to human rights via our onboarding process, annual audits, and training. Additionally, Fossil partners with a non-profit organization to provide a worker hotline program to all significant Tier 1 factories. It is a confidential and anonymous channel for workers to report concerns or violations of ethical behavior. This year, Fossil paid for all significant Tier 1 factories to implement the hotline.
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Our Human Rights Policy includes forced labor restrictions and covers all suppliers. All Tier 1 finished goods factories receive annual audits against our Code of Conduct for Manufacturers . We found 0 child labor and/or forced labor in our supply chain.
GRI 410: Security Practices		
GRI 3-3	Management of material topics	See our Human Rights Policy . Fossil ensures that suppliers follow all local laws and regulations related to human rights via our onboarding process, annual audits, and training.
GRI 410-1	Security personnel trained in human rights policies or procedures	Fossil's Loss Prevention Team is trained on our policies, including Human Rights. All Fossil Group employees and management who have direct responsibility for Supplier Compliance take annual human rights training, including Fossil's Loss Prevention team. Tier 1 finished good factories receive annual audits against our Human Rights Policy. We found 0 child labor and/or forced labor in our supply chain.

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Living Wages in the Supply Chain		
GRI 414: Supplier Social Assessment		
GRI 3-3	Management of material topics	See our Code of Conduct for Manufacturers and our Social Compliance Statement .
GRI 414-1	New suppliers that were screened using social criteria	For new Tier 1 and Tier 2 suppliers a self-assessment form is required. Fossil Group's Supplier Compliance team provides onboarding training. To be approved as a Fossil Group Tier 1 supplier, an on-site social compliance audit is required, the initial audit risk rating should be moderate or below and all critical issues should be corrected. If the initial audit risk rating of a new supplier is moderately high or above, Fossil Group will arrange a follow-up audit within one month according to the supplier's remediation.
GRI 414-2	Negative social impacts in the supply chain and actions taken	See our Code of Conduct for Manufacturers and our Social Compliance Statement .
Fossil Material Topic: Air Pollution		
GRI: N/A		
GRI 3-3	Management of material topics	See our 2022 Fossil Group Carbon Accounting Brief .
N/A	Air pollution	See our 2022 Fossil Group Carbon Accounting Brief .
Fossil Material Topic: Employee Engagement & Well-Being		
GRI: N/A		
GRI 3-3	Management of material topics	See our Engagement, Growth, & Well-being section. At Fossil Group, we are always trying to build relationships across our company, within our industry, and in our communities to help employees feel empowered and encouraged in the workplace.

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2022 RESPONSE

Fossil Material Topic: Employee Engagement & Well-Being

GRI: N/A

Learning & Development

We believe that if you invest in your employees, great things can happen. It's one of the many reasons we promote a culture of continuous learning & professional development, beginning with our new employees' onboarding journey that extends through every step of their career. We also know that our employees are the key to our success, which is why we designed Fossil Group Academy for our corporate employees and Gearing Up! for retail partners. Through these development programs, we open up opportunities for employees to own their growth, build confidence, and gain a competitive advantage.

We know the value of leaders, and to further foster our commitment and engagement to this group of employees, we streamlined the onboarding process by adding a new learning path specific to leadership and the following online experiences: Leading at Fossil Group, Onboarding New Employees, and Navigating the Learning Portal. With over 95% of all new managers completing the required curriculum in 2022, it was needle-moving. In addition to an enhanced Welcome Home experience, we introduced new modules to drive our hybrid approach to work: Hybrid at Fossil and Leading in a Hybrid Environment.

We continuously upskill our organization not only to keep pace with our business goals but to attract and retain great talent.

- In 2022, we launched Digital U, a proprietary program developed in partnership with Accenture to accelerate our transformation journey to become a Digital-First Organization. In this fast-paced and highly interactive program, our learners gained skills around digital fluency, growth mindset, data-driven decisions, and digital ethics.
- We invested in A Seat at the Table workshops focusing on today's seven most significant Diversity, Equity, and Inclusion issues. The unscripted format of these courses shows you can have honest conversations that still respect and celebrate differences. Courses discussed topics such as Anti-Semitism, Asian Stereotypes, Disabilities, Pronouns, and more.
- One of our commitments is to increase female leadership representation at Fossil Group. To support this critical goal, we created WingEd! - a three-month, immersive program to equip our female managers and directors with new and imperative skills to lead us into the future. In 2022, over 10% of our global female managers completed the program.

N/A

Employee engagement and well-being

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Employee Engagement & Well-Being		
N/A	Employee engagement and well-being (<i>continued</i>)	<p style="text-align: center;">GRI: N/A</p> <ul style="list-style-type: none"> ● As part of our focus to turbocharge the digital experience, we adopted Agile Pods supported by a SCRUM Master certification process. In 2022, we improved our agile ways of working by increasing our AB testing by 36% (year over year), while also increasing our success and scale rate by 107%. ● We know that skills act as a currency in today’s job market. As one way to surface our team’s talent and recognize their efforts, we created a program with Credly. It awards digital credentials that can be shared on social media platforms upon the completion of one of our 19 premier programs. Through our partnership with Credly, we are able to track our progress to upskill the organization and reward our people for their accomplishments, with almost 3,100 Credly badges awarded in 2022. ● In addition to our extensive online course catalog, the Learning and Development Team hosted 230 Instructor-led workshops with 2,300 employees in attendance in 2022. ● To remain competitive in the marketplace, we dedicated resources to improve the user experience on our external careers site. Today is a one-stop shop for all of our open roles around the world and brings our business, people, and culture to life. We also refreshed our employer branding materials to turbocharge our greatest ambassadors and asset - our people. <p>Employee Engagement</p> <p>Fossil Group remains committed to a culture of excellence by fostering collaboration, engagement, and a sense of belonging. We aim to create an environment where employees can thrive and contribute to our 3x3 Growth Plan and the future of Fossil Group.</p> <ul style="list-style-type: none"> ● We continued to host and offer our key culture-keeping moments in 2022: Spooktoberfest, Starfest, Focus Fridays, and Summer Fridays. ● Giving every employee a voice is extremely important to us. We continue to perform employee surveys and a Culture Team. Our 2022 Culture Team was a group of individuals who have at least ten years of tenure with the company and have been identified as high-potential and highly engaged leaders. They provide feedback about our culture, employee sentiment, and events and help pressure employee readiness for new programs and initiatives.

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Employee Engagement & Well-Being		
N/A	Employee engagement and well-being (<i>continued</i>)	<p style="text-align: center;">GRI: N/A</p> <ul style="list-style-type: none"> ● In addition, we launched Collaboration Days to make our corporate office a destination of choice for employees, which provided a buzz of excitement, along with networking and collaboration opportunities. Events included a Spring BBQ, Fall Tailgate, Tiff’s Treats Truck, and breakfast tacos before every Quarterly Huddle. Collaboration Days have the highest attendance office levels, with almost 95% of employees attending vs. an average office attendance rate of about 70%. ● We thoughtfully supported Heritage months and days, including Black History Month, International Women’s Day, Women’s History Month, Asian American and Pacific Islander Heritage Month, Juneteenth, Pride Month, Hispanic Heritage Month, and International Day of the Girl. ● Our employee resource group, launched in 2021, expanded its membership to over 300 employees. Together, our ERGs presented over 70 Diversity, Equity, and Inclusion events for our global employees. <p>Benefits and Well-being</p> <p>Fossil continued support for employee well-being by incorporating the following benefits in 2022, including*:</p> <ul style="list-style-type: none"> ● the addition of integrated fertility benefits in the Health Plan for fertility services up to a lifetime of \$15K. This includes AI, In-vitro, GIFT, and ZIFT. ● introduced Maven Family Planning, a digital health platform to support eligible employees and their partners as they pursue parenthood and family planning. ● Implemented an Adoption Reimbursement Program providing eligible employees with a qualified adoption and financial assistance of up to \$5K. ● Launched monthly Wellness Wednesdays at the Headquarters and Warehouse which include healthy snacks, meditation, virtual meditation, onsite EAP Therapist, and B-12 shots. Additionally, Fossil launched a mental health resource guide, Mental Health Know Where to Go, online for employees. ● Globally, Fossil maximized mental health resources (WPO - EAP benefit), shared wellness initiatives, and best practices across the regions. <p><i>*United States</i></p>

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2022 RESPONSE
Fossil Material Topic: Management of Chemicals in Products		
GRI: N/A		
GRI 3-3	Management of material topics	We communicate our chemical management expectations through our Product Guidelines and Restricted and Declarable Substance List (RDSL). This guideline lists potentially harmful chemicals and specific safe limits of each substance in our products. We continually update these guidelines based on global laws and regulations as well as industry best practices. Also, see our Chemical Statement .
N/A	Management of chemicals in products	See our Chemical Statement .
Fossil Material Topic: Communicating Core Purpose		
		See our CEO Letter, Our Company
GRI 3-3	Management of material topics	Our corporate responsibility strategy, Make Time for Good, provides the framework for how we manage environmental, social, and governance (ESG) initiatives at Fossil Group and establishes a path forward to be a purpose-driven leader for our planet, communities, and people. Our strategy is made up of three drivers – Good for the Planet, Good for Communities, and Good for Our People.
		The disclosures are aligned with the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) frameworks. We have also used the Task Force on Climate-related Financial Disclosure (TCFD) recommendations to inform our disclosures on climate-related risks and the United Nations Sustainable Development Goals (SDGs) to inform our programmatic initiatives.
		See our CEO Letter, Our Company
N/A	Communicating Core Purpose	Fossil Group provides information about Make Time for Good, including recent news and program highlights on our corporate website . We communicate with employees as well through internal initiatives, activations, and engagements regarding Make Time for Good.