

2023

# Corporate Sustainability Highlights



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# CEO Letter

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

I am pleased to present the Corporate Sustainability Highlights Report for 2023. This report underscores our continued commitment to sustainable and responsible business practices that create long-term value for our stakeholders and the communities we serve.

While ongoing transformation efforts and economic headwinds marked the past year, we have made significant strides in advancing our corporate social responsibility initiatives. Our efforts reflect our dedication to minimizing environmental impact, fostering inclusive and equitable workplaces, and upholding the highest standards of corporate governance. These accomplishments are a testament to our unwavering commitment to purpose, which remains both a core part of our heritage and a guiding light for our future.

## 2023 Corporate Sustainability Highlights

Our Highlights Report is not just a summary of our actions but a testament to our enduring pursuit of positive global change for our planet, communities, and people.

**Planet**—Our pledge to the Science Based Targets initiative (SBTi) steers our commitment to decarbonization and is motivated by our dedication to the environment. We recognize that data is crucial in identifying impacts, opportunities, and risks to help us achieve our goals.

- We achieved a 35.2% reduction in Scope 3 emissions due to decreased contributions from purchased goods, services, and the smart watches category compared to the prior year.
- We achieved a 48% increase in clean energy usage in our operations.

These data points represent countless hours spent by teams working to enhance data granularity and identify opportunities to drive progress on our short—and long-term goals.

**Community**—Fossil Group achieved its goal of scoring in the top quartile (75%) of the Women’s Empowerment Principles (WEP) Assessment in 2023.

- This accomplishment (two years early) reflects our ongoing commitment to supporting organizations that uplift women and girls, highlighting the power of partnerships. We recognize the broader opportunity to provide equitable access and empower young women globally.
- Additionally, Fossil Foundation continued to drive significant impact, reaching over 9 million young people globally, including 3 million in 2023, thanks to the exceptional work of anchor partners like Glasswing International, Big Picture Learning, and Educate Girls!

**People**—The heart of our culture and commitment to inclusivity begins with our people. Diversity, Equity, and Inclusion (DE&I) is a cornerstone of our company values and was demonstrated through:

- Our commitment to recruiting and nurturing female talent has led to approximately 5% growth, resulting in over 48% female representation in leadership roles at Fossil Group.
- Attaining a 90% score on the Human Rights Campaign Corporate Equality Index.

## Looking Ahead

With our Make Time for Good commitments and the efforts of Fossil Foundation, we're not just talking about change – we're making it happen on a global scale. I am proud of Fossil Group’s collective efforts to create a more sustainable and equitable future.

Jeff Boyer  
Interim CEO



# Our Company

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

## 2023 Highlights



### Good for the Planet

- Reduced **44.7%** in absolute emissions of Scope 3 (2021 baseline).
- Increased clean energy usage to **42%** of the global energy consumption.



### Good for Communities

- **9.8M** young lives impacted through Fossil Foundation
- Increased our Women's Empowerment Principles Assessment Score to **75%**, reaching the top quartile two years ahead of schedule.
- **\$1.5M** in Social Impact contributions provided to our global communities



### Good for our People

- Increased female leadership to **47.8%** (4.9% increase over the prior year).
- Achieved a **90%** score on the Human Rights Campaign Foundation's Corporate Equality Index

#### BY THE NUMBERS

**5000+**

Corporate, DC, and Stores employees

**40+**

Corporate offices in 140 countries

**61%**

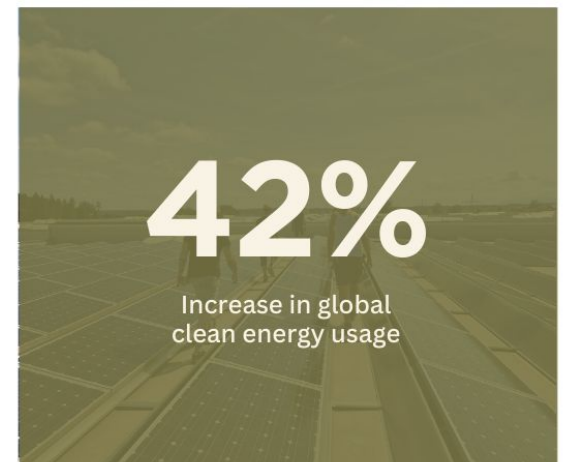
BIPOC representation across the organization

**60%**

Female representation across the organization

**100%**

3 time perfect score on the HRC Corporate Equality Index and named *Best Place to work for LGBTQIA+*





## 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. With authenticity, grit, and the same spirit of optimism with which **Fossil Group** began, we have grown our portfolio, reach, and capabilities for forty years. And we've done it our way.

Today our legacy continues to reach customers globally through the product stories we meaningfully craft season after season. Our owned and licensed brands share our passions for design, innovation, and making an impact. Together, we bring each brand and product to life through an extensive channel and distribution network.

We've made it our goal to inspire authenticity, individuality, and positive change through lifestyle accessories. We are products of our time, and believe that how we use it - and what matters most - will always drive us forward (for the better).

Our goal is to  
make the  
world greater,  
together.

### 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.

Forty 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  
SWISS MADE - 1882



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. This step allowed us to identify and prioritize the issues that resonate most with stakeholders. In-depth assessments are reviewed every 3-5 years and we will reassess our materiality in the next year. 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.

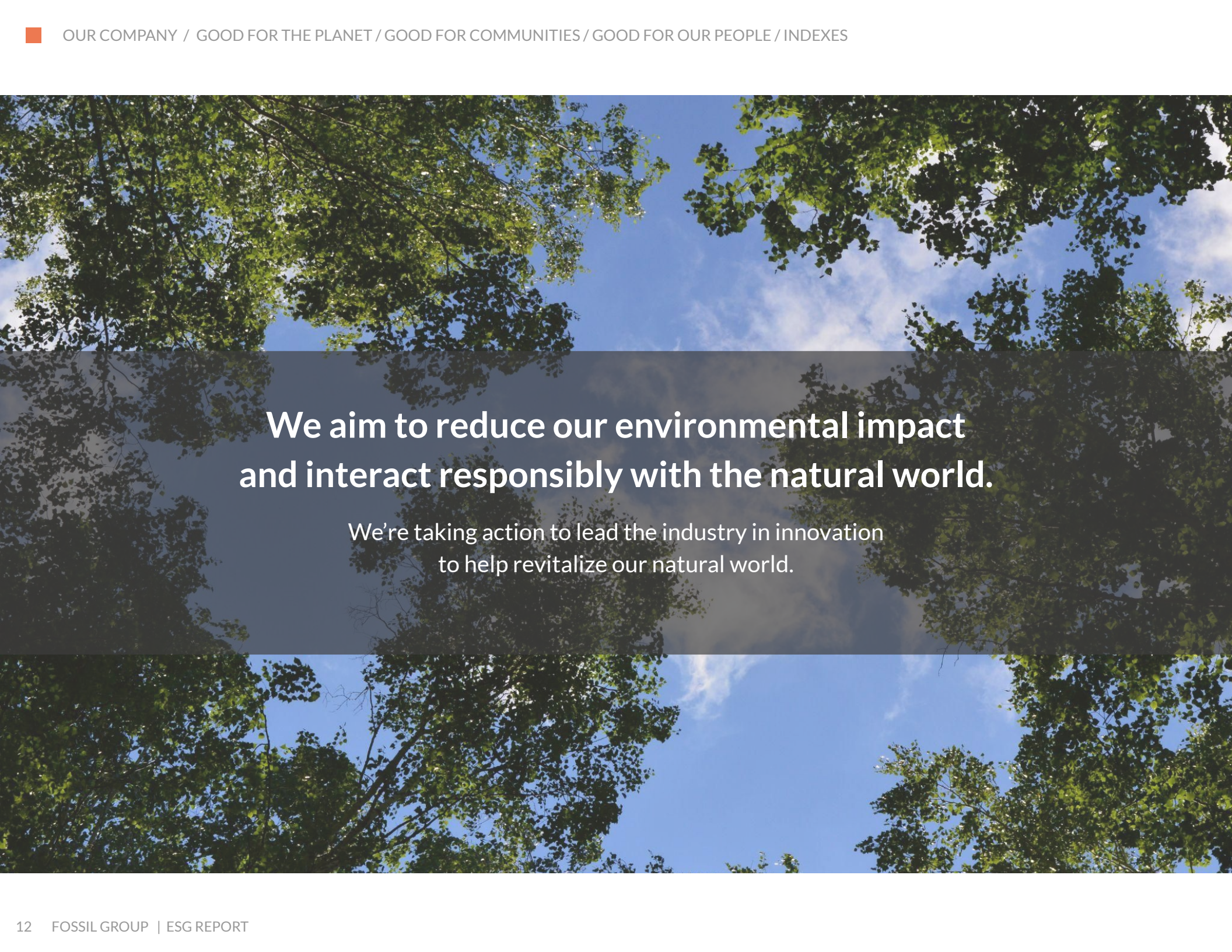
For more information about Make Time for Good, including recent news and program highlights, please see our corporate [website](#).

# 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

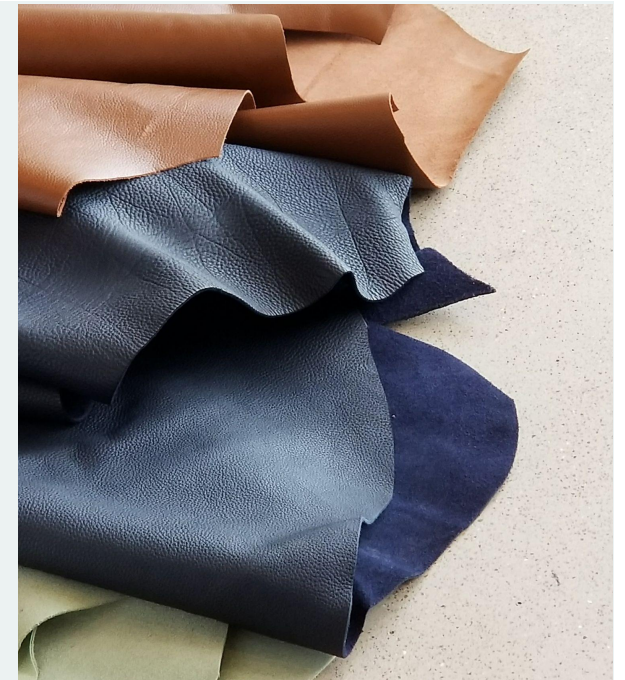
We aspire to be part of leading industry-wide change by working towards a circular business model for watches and packaging materials. Our goal is to source and utilize materials that are less resource-intensive as an integral part of our product design process. By doing this, we are creating products 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 2023, we continue to move towards committing to science-based targets, which aligns to the 1.5° Celsius scenario with the Paris Agreement. We are committed to set both near and long-term company-wide emission reduction targets through the Science-Based Targets initiative, which is due for approval in early 2024.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**GOOD FOR THE PLANET**

**DESIGNING FOR THE FUTURE GOALS AND PROGRESS**

**BY 2030**

**2023 PROGRESS**

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

We are implementing traceability for our leather goods categories and have achieved traceability to the tanneries. Over the next two years, we will extend this traceability further through our supply chain for leathers and also into other categories.

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

20% of our packaging is recyclable and/or reusable as they are made from cardboard and other paper based material. This is strengthened by continual adoption of FSC Certified materials. In conjunction with our material selection we strive to continually design packaging that results in less material requirements.

**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. →

We are currently revising our future sustainability objectives under the 'Good for Planet Goals' subject to the ongoing Net Zero target setting and validation exercise with SBTi.

## 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. We remain committed to enhancing biodiversity, conserving water resources and providing greater transparency in product stewardship efforts.



We are also focused on driving significant water and waste reductions, and providing transparency around chemicals. Since 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**

**2023 PROGRESS**

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

Absolute emissions of the Scope 1 & 2 dropped 2.1% from the 2021 baseline.\*

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

Clean energy usage increased to 42.3% of the total consumption in 2021. We are on track to meet our 2025 goal.\*

**BY 2030**

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

Absolute emissions of the Scope 1 & 2 dropped 0.1% from the 2021 baseline.\*

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

47.2% of product-related carbon emissions were reduced from the 2021 baseline\*

**BY 2040**

Achieve Net-Zero GHG emissions by 2040 →

In 2023, we continue to move towards committing to science-based targets, which aligns to the 1.5° Celsius scenario with the Paris Agreement. SBTi will be validating the Net-Zero GHG emission and Fossil’s Short and Long-term emission reduction targets in June 2024.\*

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

On track with the near-term milestones.

\*Please refer to the [2023 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 to create positive change and support our young people globally through Fossil Foundation.

### GOOD FOR COMMUNITIES

#### ENHANCING COMMUNITIES GOALS AND PROGRESS

##### BY 2023

All employees have access to community engagement programs and opportunities.



##### 2023 PROGRESS

All regional offices support community engagement efforts and 26% of employees are registered on our Make Time for Good engagement platform.

##### BY 2030

Positively impact 10 million young lives through Fossil Group and Fossil Foundation.



Over 9.8 million young lives have been impacted globally.



## Empowering Women and Girls

With women comprising over 60% of our global workforce, their strength and passion fuel our commitment to further empower women and girls worldwide. We seek to harness the power and impact of our female employees, leveraging their talents and perspectives to drive meaningful change both within our four walls and in communities around the globe. Our "Make Time for Good" strategy formalizes this commitment through partnerships providing mentorship and platforms to uplift women and girls toward building a more equitable and inclusive world.



### EMPOWERING WOMEN AND GIRLS GOALS AND PROGRESS

#### BY 2023

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



#### 2023 PROGRESS

We continue to partner with organizations that serve women, girls, and gender-expansive youth. 60% 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 75% 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.

<b>1</b> NO POVERTY 	<b>3</b> GOOD HEALTH AND WELL-BEING 	<b>4</b> QUALITY EDUCATION 	<b>5</b> GENDER EQUALITY 	<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>10</b> 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 2025

2023 PROGRESS

Connect leaders more closely to Employee Resource Groups (ERGs) and DE&I initiatives across the organization with a greater emphasis on retention and engagement in 2024/2025.



Ongoing - We continue to sustain and improve leadership involvement in DEI initiatives (details in notes below)

Provide recognition to ERG members and employees who actively engage in community partnerships aligned with ERGs' priorities and/or DE&I principles and practices.



This is a new goal.

Deliver inclusive experiences through ERGs and Fossil Group Gatherings that engages, retains, embraces, and leverages similarities and differences for all employees.

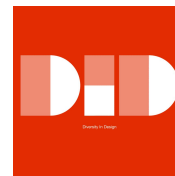


We had over 70 ERG events, nearly 11,000 total attendance for all events combined, with 292 unique ERG members, and almost 50% of our members are in 2+ employee resource groups.

Grow our individual and collective knowledge of diversity, equity, and inclusion principles and practices.



Launched our first issue of the *Diversity Matters* newsletter—a quarterly publication with news about our D&I activities, goals, and progress, Organized our first global Fossil Group Gathering: “World Day for Cultural Diversity and Dialogue” with speakers from all regions





**GOOD FOR OUR PEOPLE**

**ADVANCING EQUALITY IN THE SUPPLY CHAIN GOALS AND PROGRESS**

**BY 2030**

**2023 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



# Indexes

## GLOBAL REPORTING INITIATIVE (GRI) INDEX

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 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 <a href="http://www.fossilgroup.com">www.fossilgroup.com</a> , <a href="http://www.fossil.com">www.fossil.com</a> , <a href="http://www.michele.com">www.michele.com</a> , <a href="http://www.skagen.com">www.skagen.com</a> , <a href="http://www.relic.com">www.relic.com</a> , <a href="http://www.zodiacwatches.com">www.zodiacwatches.com</a> .
GRI 2-3	Reporting period, frequency, and contact point	Reporting period: January 1, 2023 to December 31, 2023 Frequency: Annual Contacts: <ul style="list-style-type: none"> <li>• Media inquiries   <a href="mailto:media@fossil.com">media@fossil.com</a></li> <li>• Investor inquiries   <a href="mailto:ir@fossil.com">ir@fossil.com</a></li> <li>• Sustainability lead   Kara DeVita, Senior Director - Corporate Sustainability, <a href="mailto:kdevita@fossil.com">kdevita@fossil.com</a></li> </ul>
GRI 2-4	Restatement of information	No restatements have been made.
GRI 2-5	External assurance	This report is not externally assured. Our 2023 greenhouse gas (GHG) emissions data has limited assurance.
GR 2-6	Activities, value chain, and other business relationships	2023 Annual Report: <a href="#">Form 10-K</a>

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2023 RESPONSE

Organizational Profile

Global Employee Count

Region	Full Time	Part Time	Temporary	Total
Americas	1,301	999	625	2,925
Asia Pacific (APAC)	1,958	29	179	2,166
Europe, Middle East, and Africa (EMEA)	1,033	827	124	1,984
Total	4,292	1,855	928	7,075

2023 Annual Report: [Form 10-K](#)

GRI 2-7

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, 2023, we had approximately 9 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 2-8

Workers who are not employees

2023 Annual Report: [Form 10-K](#)

GRI 2-9

Governance structure and composition

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

GRI 2-10

Nomination and selection of the highest governance body

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 RESPONSE
<b>Organizational Profile</b>		
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 2023 RESPONSE
<b>Organizational Profile</b>		
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 <a href="#">Code of Conduct</a> and our <a href="#">Code of Ethics</a>.</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 <a href="https://fossilsafeworkplace.com">fossilsafeworkplace.com</a> 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 2023 RESPONSE
<b>Organizational Profile</b>		
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 <a href="#">Corporate Governance Guidelines</a> and <a href="#">Proxy Statement</a> .
GRI 2-20	Process to determine remuneration	See our <a href="#">Corporate Governance Guidelines</a> and <a href="#">Proxy Statement</a> .
GRI 2-21	Annual total compensation ratio	See our <a href="#">Proxy Statement</a> .
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 <a href="#">Governance Policies</a> , <a href="#">Code of Conduct</a> , <a href="#">Code of Conduct for Manufacturers</a> , <a href="#">Human Rights Policy</a> , <a href="#">Social Compliance Statement</a> , <a href="#">Fossil Group California Transparency in Supply Chains Act</a> and <a href="#">U.K. Modern Slavery Act Statement</a> .
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 <a href="#">website</a> .

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 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 <a href="#">Governance Policies</a></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 <a href="#">Governance Policies</a></p>
GRI 2-27	Compliance with laws and regulations	2023 Annual Report: <a href="#">Form 10-K</a> .
GRI 2-28	Membership associations	<ul style="list-style-type: none"> <li>● Black in Fashion Council</li> <li>● Business Coalition for Equality Act</li> <li>● Business for Social Responsibility</li> <li>● CEO Action for DEI</li> <li>● Diversity in Design</li> <li>● Human Rights Campaign</li> <li>● Leather Working Group</li> <li>● LiteHide™</li> <li>● Open to All</li> <li>● Sustainable Packaging Coalition</li> <li>● United Nations Global Compact (Through 8/24)</li> <li>● Valuable 500</li> <li>● Women’s Empowerment Principles</li> </ul>



STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 RESPONSE
<b>Organizational Profile</b>		
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.
<b>Material Topics</b>		
GRI 3-1	Process to determine materials topics	See our <a href="#">Materiality Assessment</a> .
GRI 3-2	List of material topics	<ul style="list-style-type: none"> <li>Water Pollution</li> <li>Ethical &amp; Transparent Business Practices</li> <li>Living Wages in the Supply Chain</li> <li>Human Rights</li> <li>Employee Engagement &amp; Well-Being</li> <li>Air Pollution</li> <li>Health &amp; Safety in Supply Chain</li> <li>Equal Compensation</li> <li>Environmental Impacts in the Supply Chain</li> <li>Management of Chemicals in Products</li> <li>Communicating Core Purpose</li> </ul>

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 RESPONSE
<b>Fossil Material Topic: Ethical &amp; Transparent Business</b>		
<b>GRI 205: Anti-Corruption</b>		
GRI 3-3	Management of material topics	See our <a href="#">Code of Conduct</a> , our <a href="#">Code of Conduct for Manufacturers</a> . 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 2023, 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 2023.
<b>GRI 206: Anti-Competitive Behavior</b>		
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 2023 RESPONSE														
<b>Fossil Material Topic: Water Pollution</b>																
<b>GRI 303: Water &amp; Effluents</b>																
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 actively engaging with our direct supplier outlining our expectations for responsible water management and intend to assess their treatment processes in the future.														
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 facilities to estimate our water footprint. These data have been disclosed through our CDP disclosure. In 2023, we have reached out to our key Tier 1 suppliers to understand their water consumption behavior and water management initiatives.														
GRI 303-2	Management of water discharge-related impact	All Fossil Group Tier 1 suppliers were compliant with wastewater discharge rules and regulations.														
GRI 303-3	Water withdrawal	<table border="1"> <thead> <tr> <th colspan="2">2023</th> </tr> </thead> <tbody> <tr> <td>Total Water Withdrawn (megaliters)</td> <td>106.13</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>	2023		Total Water Withdrawn (megaliters)	106.13	Surface Water (megaliters)	n/a	Ground Water (megaliters)	n/a	Seawater (megaliters)	n/a	Produced Water	n/a	Third-Party Water	n/a
2023																
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Seawater (megaliters)	n/a															
Produced Water	n/a															
Third-Party Water	n/a															

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2023 RESPONSE

Fossil Material Topic: Water Pollution

GRI 303: Water & Effluents

GRI 303-4

Water discharge

2023	
Total Water Discharge (megaliters)	95.38
Surface Water (megaliters)	n/a
Ground Water (megaliters)	n/a
Seawater (megaliters)	n/a
Produced Water	n/a
Third-Party Water	95.38

GRI 303-5

Water consumption

2023	
Total Water Consumption (megaliters)	10.75
Surface Water (megaliters)	n/a
Ground Water (megaliters)	n/a
Seawater (megaliters)	n/a
Produced Water	n/a
Third-Party Water	10.75

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 RESPONSE
<b>Fossil Material Topic: Environmental Impacts in the Supply Chain</b>		
<b>GRI 308: Supplier Environmental Assessment</b>		
GRI 3-3	Management of material topics	See our <a href="#">Social Compliance Statement</a> .
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 2023, 30 factories were found to be noncompliant upon the initial audit. We continue working with these suppliers to address noncompliant issues.</p> <p>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>
<b>Fossil Material Topic: Health &amp; Safety in Supply Chain</b>		
<b>GRI 403: Occupational Health and Safety</b>		
GRI 3-3	Management of material topics	Please see our <a href="#">Social Compliance Statement</a> . 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 2023 RESPONSE
<b>Fossil Material Topic: Health &amp; Safety in Supply Chain</b>		
<b>GRI 403: Occupational Health and Safety</b>		
GRI 403-1	Occupational health and safety management system	See our <a href="#">Social Compliance Statement</a> and <a href="#">Code of Conduct for Manufacturers</a> .
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 <a href="#">Manufacturer's Code of Conduct</a> . In 2023, 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 re-audit.
GRI 403-3	Occupational health services	See our <a href="#">Social Compliance Statement</a> and <a href="#">Code of Conduct for Manufacturers</a> .
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	See our <a href="#">Social Compliance Statement</a> .
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 <a href="#">Social Compliance Statement</a> .
GRI 403-6	Promotion of worker health	See our <a href="#">Social Compliance Statement</a> . 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 <a href="#">Social Compliance Statement</a>
GRI 403-8	Workers covered by an occupational health and safety management system	See our <a href="#">Social Compliance Statement</a> .

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 RESPONSE
<b>Fossil Material Topic: Health &amp; Safety in Supply Chain</b>		
<b>GRI 403: Occupational Health and Safety</b>		
GRI 403-9	Work-related injuries	24 - Work-related injuries occurred and were reported in 2023 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 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	3 - Work-related ill-health claims were reported in the U.S in 2023. All three claims were denied due to no evidence of them being work-related - (2 - COVID and 1 - fainting due to Dehydration). We had 0 work-related ill health cases in Hong Kong, Ireland, Macau, Malaysia, Singapore, and U.K.
<b>Fossil Material Topic: Equal Compensation</b>		
<b>GRI 405: Diversity and Equal Opportunity</b>		
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 <a href="#">Compensation Committee Charter</a>.</p>

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2023 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	59.67%	39.79%	0.54%
Individual Contributor	62.82%	36.64%	0.54%
Manager	52.92%	46.50%	0.57%
Senior Executive	47.83%	52.17%	0.0%



STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2023 RESPONSE

Fossil Material Topic: Equal Compensation

GRI 405: Diversity and Equal Opportunity

Global Gender Breakouts (continued)

	Female	Male	Did Not Disclose
<b>Factory</b>	<b>65.20%</b>	<b>34.57%</b>	<b>0.23%</b>
Individual Contributor	67.18%	32.58%	0.24%
Manager	28.57%	71.43%	0.0%
Senior Executive	0.0%	100%	0.0%
<b>Retail</b>	<b>63.50%</b>	<b>35.98%</b>	<b>0.53%</b>
Individual Contributor	63.95%	35.50%	0.55%
Manager	59.87%	39.81%	0.32%
<b>TOTAL</b>	<b>0.00%</b>	<b>37.29%</b>	<b>0.49%</b>

\*These calculations exclude temporary workers

Global Age Breakouts

	Under 30	30-50	Over 50
<b>Corporate</b>	<b>20.60%</b>	<b>65.04%</b>	<b>14.36%</b>
Individual Contributor	29.22%	60.72%	10.06%
Manager	1.43%	77.60%	20.97%
Senior Executive	0.0%	30.43%	69.57%
<b>Factory</b>	<b>10.47%</b>	<b>52.36%</b>	<b>37.16%</b>
Individual Contributor	11.02%	52.25%	36.73%
Manager	0.0%	57.14%	42.86%
Senior Executive	0.0%	0.0%	100%
<b>Retail</b>	<b>51.20%</b>	<b>41.28%</b>	<b>7.52%</b>
Individual Contributor	55.83%	36.94%	7.22%
Manager	14.01%	76.11%	9.87%
<b>TOTAL</b>	<b>33.26%</b>	<b>52.24%</b>	<b>14.50%</b>

GRI 405-1  
(continued)

Diversity of governance bodies and employees

STANDARD DISCLOSURE    GRI DISCLOSURE TITLE    FOSSIL 2023 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
<b>Corporate</b>	0.59%	10.40%	7.47%	16.98%	0.0%	2.64%	61.64%	0.29%
Individual Contributor	0.54%	10.99%	9.12%	20.64%	0.0%	3.49%	54.96%	0.27%
Manager	0.36%	10.11%	5.78%	12.64%	0.0%	1.81%	68.95%	0.36%
Senior Executive	3.03%	6.06%	3.03%	12.12%	0.0%	0.0%	75.76%	0.0%
<b>Factory</b>	1.06%	5.82%	5.82%	76.19%	1.59%	1.06%	8.47%	0.0%
Individual Contributor	0.57%	6.29%	4.0%	80.57%	1.71%	0.57%	6.29%	0.0%
Manager	7.69%	0.0%	30.77%	23.08%	0.0%	7.69%	30.77%	0.0%
Senior Executive	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%	0.0%
<b>Retail</b>	0.11%	8.15%	13.11%	41.96%	0.33%	4.19%	29.85%	2.31%
Individual Contributor	0.12%	8.68%	13.52%	43.42%	0.37%	4.34%	27.05%	2.48%
Manager	0.0%	3.92%	9.80%	30.39%	0.0%	2.94%	51.96%	0.98%
<b>TOTAL</b>	0.39%	8.76%	10.17%	36.01%	0.34%	3.26%	39.78%	1.29%

GRI 405-1  
(continued)

Diversity of governance bodies and employees

STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 RESPONSE
<b>Fossil Material Topic: Equal Compensation</b>		
<b>GRI 405: Diversity and Equal Opportunity</b>		
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>
<b>Fossil Material Topic: Human Rights</b>		
<b>GRI 408: Child Labor</b>		
GRI 3-3	Management of material topics	<p>See our <a href="#">Human Rights Policy</a>, <a href="#">Social Compliance Statement</a>, <a href="#">Fossil Group California Transparency in Supply Chains Act and U.K. Modern Slavery Act Statement</a> and <a href="#">Code of Conduct for Manufacturers</a>. 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 2023 RESPONSE
<b>Fossil Material Topic: Human Rights</b>		
<b>GRI 408: Child Labor</b>		
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 <a href="#">Code of Conduct for Manufacturers</a> . We found 0 child labor and/or forced labor in our supply chain.
<b>GRI 409: Forced or Compulsory Labor</b>		
GRI 3-3	Management of material topics	See our <a href="#">Human Rights Policy</a> , <a href="#">Social Compliance Statement</a> , <a href="#">Fossil Group California Transparency in Supply Chains Act and U.K. Modern Slavery Act Statement</a> and <a href="#">Code of Conduct for Manufacturers</a> . 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 <a href="#">Human Rights Policy</a> includes forced labor restrictions and covers all suppliers. All Tier 1 finished goods factories receive annual audits against our <a href="#">Code of Conduct for Manufacturers</a> . We found 0 child labor and/or forced labor in our supply chain.
<b>GRI 410: Security Practices</b>		
GRI 3-3	Management of material topics	See our <a href="#">Human Rights Policy</a> . 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 2023 RESPONSE
<b>Fossil Material Topic: Living Wages in the Supply Chain</b>		
<b>GRI 414: Supplier Social Assessment</b>		
GRI 3-3	Management of material topics	See our <a href="#">Code of Conduct for Manufacturers</a> and our <a href="#">Social Compliance Statement</a> .
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 <a href="#">Code of Conduct for Manufacturers</a> and our <a href="#">Social Compliance Statement</a> .
<b>Fossil Material Topic: Air Pollution</b>		
<b>GRI: N/A</b>		
GRI 3-3	Management of material topics	See our <a href="#">2023 Fossil Group Carbon Accounting Brief</a> .
N/A	Air pollution	See our <a href="#">2023 Fossil Group Carbon Accounting Brief</a> .
<b>Fossil Material Topic: Employee Engagement &amp; Well-Being</b>		
<b>GRI: N/A</b>		
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 2023 RESPONSE
<b>Fossil Material Topic: Employee Engagement &amp; Well-Being</b>		
N/A	Employee engagement and well-being ( <i>continued</i> )	<p style="text-align: center;"><b>GRI: N/A</b></p> <ul style="list-style-type: none"> <li>● As part of our focus to turbocharge the digital experience, we adopted Agile Pods supported by a SCRUM Master certification process. In 2023, we improved our agile ways of working by increasing our number of AB tests by 170% (year over year), while also increasing our success and scale rate by 80%.</li> <li>● 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 2,364 Credly badges awarded in 2023.</li> <li>● In addition to our extensive online course catalog, the Learning and Development Team hosted 64 Instructor-led workshops with 479 employees in attendance in 2023.</li> </ul> <p><b>Employee Engagement</b></p> <p>At Fossil Group, we're on a mission to ignite a culture of excellence that pulses with collaboration, engagement, and a deep sense of belonging. We're working to create an electrifying environment where our team members can not only thrive but also turbocharge our 3x3 Growth Plan. Together, we're shaping the future of Fossil Group!</p> <ul style="list-style-type: none"> <li>● Last year we continued to host and offer our key culture-keeping moments: Spooktoberfest, Starfest, Focus Fridays, and Summer Fridays.</li> <li>● Giving every employee a voice is extremely important to us, and we lean into a group of highly engaged, high-flyers with at least 10 years’ tenure: The Culture Team. They provide feedback about our culture, employee sentiment, and events and help pressure-test employee readiness for new programs and initiatives.</li> </ul>

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2023 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 primary reasons we advocate for a culture of continuous learning and professional development. Our goal is to ensure employees' growth from the onset of their onboarding journey and throughout their entire career trajectory. Recognizing that our employees are integral to our success, we have established the Fossil Group Academy for our corporate staff and the Gearing Up! program for our retail partners. These development initiatives provide our employees with opportunities to take ownership of their professional growth, enhance their confidence, and achieve a competitive edge.

Recognizing the significance of leadership, we have reinforced our dedication to this key group of employees by optimizing the onboarding process. This includes the introduction of a specialized learning path focused on leadership, encompassing online experiences such as "Leading at Fossil Group," "Onboarding New Employees," and "Navigating the Learning Portal." We onboarded 49 new managers using the new curriculum in 2023, demonstrating a substantial impact.

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

- In 2023, we continued to provide access to 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 in 2022 - a three-month, immersive program to equip our female managers and directors with new and imperative skills to lead us into the future. In 2023, 27 of our global female managers completed the program.

N/A

Employee engagement and well-being

STANDARD DISCLOSURE

GRI DISCLOSURE TITLE

FOSSIL 2023 RESPONSE

Fossil Material Topic: Employee Engagement & Well-Being

GRI: N/A

- 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 six employee resource group presented over 70 Diversity, Equity, and Inclusion events for our global employees, with nearly 11,000 attendees across all combined events. In addition, we have 292 unique ERG members, and almost 50% of our members are in 2+ employee resource groups.

**Benefits and Well-being**

Fossil continued support for employee well-being by incorporating the following benefits in 2023, including\*:

- Improved benefit access to new employees joining Fossil upon hire date.
  - Removed PTO accrual schedule for first year of employment. Employees now have access to their full PTO balance upon hire.
  - Removed the 1-year waiting period for parental leave policy and increased time employees can use the benefit up to 12 months.
  - Removed the 30 day waiting period for disability benefits and increased our short term disability weekly max amount.
- Launched SHINE switchboard page and re-branded our Employee Benefits switchboard page as well as created a Life-Cycle Roadmap and Checklist Hub to enhance our employee experience.
- Implemented Group Whole Life + Long Term Care benefits.
- Mental Health Focus - In addition to prior year efforts we promoted our mental health resources via ERG Lunch & Learns, email and home mailer communications.
- Developed a Workplace Gender Transition Plan Document to help those transitioning at Fossil understand how they can build a timeline, knowledge on system updates, and provide resources available through their Medical Plan, EAP, Leave Programs and ERGs.
- Acquired the Best Places for Working Parents and the Cigna Healthy Workforce Silver Level designation.

\*United States

N/A

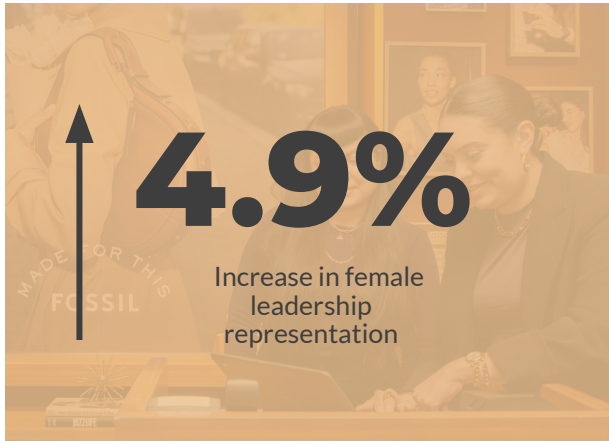
Employee engagement and well-being (continued)



STANDARD DISCLOSURE	GRI DISCLOSURE TITLE	FOSSIL 2023 RESPONSE
<b>Fossil Material Topic: Management of Chemicals in Products</b>		
<b>GRI: N/A</b>		
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 <a href="#">Chemical Statement</a> .
N/A	Management of chemicals in products	See our <a href="#">Chemical Statement</a> .
<b>Fossil Material Topic: Communicating Core Purpose</b>		
		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 <a href="#">website</a> . We communicate with employees as well through internal initiatives, activations, and engagements regarding Make Time for Good.



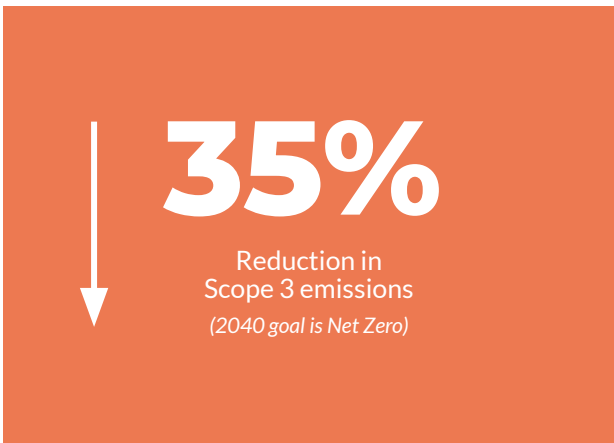
**9.8M**  
Young lives impacted through Fossil Foundation




**4.9%**  
Increase in female leadership representation



**90%**  
Score on the Human Rights Campaign Corporate Equality Index



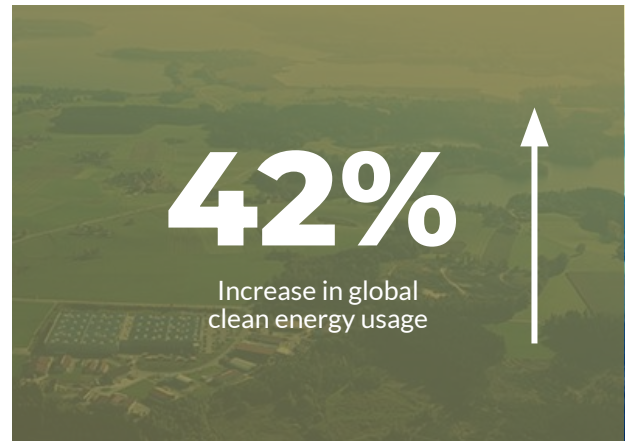
**35%**  
Reduction in Scope 3 emissions  
(2040 goal is Net Zero)



**75%**  
Score on Women's Empowerment Principles Assessment



**\$1.5M**  
in Social Impact contributions



**42%**  
Increase in global clean energy usage