

2018

EUROPEAN OUTDOOR GROUP ANNUAL REPORT & ACCOUNTS



EUROPEAN
OUTDOOR
GROUP



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EOG PRESIDENT'S INTRODUCTION AND EXECUTIVE SUMMARY



IT IS VERY DIFFICULT TO COMPOSE AN INTRODUCTION LIKE THIS AT THE MOMENT WITHOUT MAKING REFERENCE TO BREXIT, BUT ALL I CAN REALLY DO IS ACKNOWLEDGE THAT THE UNCERTAINTY REMAINS ABOUT THE FUTURE RELATIONSHIP BETWEEN EUROPE AND THE UNITED KINGDOM (AS I WRITE THIS), WHICH IS NOT HELPFUL. IT IS ONE EXAMPLE OF THE CHALLENGES THAT WE ALL FACE ON AN ONGOING BASIS IN AN EVER-CHANGING WORLD. DURING THE LAST 12 MONTHS, THE EUROPEAN OUTDOOR GROUP – THROUGH ITS BOARD, EXECUTIVE TEAM AND MEMBERS – HAS CARRIED ON MAKING SIGNIFICANT ACHIEVEMENTS THANKS TO OUR OWN STRONG BELIEF IN THE BENEFIT OF CLOSE COOPERATION ON KEY OVERARCHING ISSUES. THAT WAS WHY THE EOG WAS FOUNDED IN THE FIRST PLACE AND THE APPROACH WILL CONTINUE TO UNDERPIN ALL THAT WE DO, WHATEVER HAPPENS DURING THE COMING MONTHS. WE BELIEVE THAT STICKING TOGETHER IN THESE TURBULENT TIMES IS ESSENTIAL.

The last year has seen some very significant changes for our association. 2018 began with a major step in the Vision 2020 project and, following an extremely comprehensive, robust and transparent process, a decision made by our members to pursue a new direction with OutDoor. As I outlined in this report last year, our objective has always been to allow OutDoor to continue to be successful and become a focus point for thought leadership in our industry in the long term. Working with our partners at Messe München, we are building a dynamic year-round trade platform, with a modern and attractive trade show at its heart. Of course, this change does signal the end of an era, and we must put on record our thanks to the team at Messe Friedrichshafen for their central role in the success of OutDoor over two decades.

In many other ways too, the EOG is evolving in a manner that reflects wider changes and challenges in our sector and in business and society as a whole. As we consider our priorities and build our plans, we now do so in the context of three essential pillars that underpin our decisions: 'Doing Business Right' – our sector enshrines the principles of the UN Global Compact and, in addition, supports the achievement of the UN Social Development Goals; 'Conserving Nature' – we will take action to conserve nature and preserve its many habitats for all future generations;

and 'Active Outdoor Citizens' – we will inspire and actively support citizens to get active outdoors, promoting good physical and mental health.

As you read this Annual Report, you will find that all of the activities that we undertake are related to these pillars. They are of course also inter-connected and they support each other, and meanwhile everything that the EOG does is designed to benefit our members. The fact that our membership continues to grow is, I hope, a sign that our work is both effective and deemed to be of significant value to the industry. The outdoor sector itself continues to grow in size, reach, significance and appeal. There are already adjacent sectors that we work with closely and we were very pleased to welcome our first dedicated snowboard brands as members in 2018, a clear reflection of the fact that, in the eyes of consumers at least, there is no clear separation from traditional outdoor brands.

Once again, our executive team worked extremely hard during 2018, resulting in some excellent outcomes. You can read a summary of the key elements of that work in this report. What really strikes me is how our team is very switched on to changes that affect our industry, both within the sector, and from outside. You can look at any area of EOG activity – from the single use

plastics project to the ongoing support for the #itsgreatoutthere campaign and the efforts of EOCA – and the work that we are doing is relevant to the whole industry now, and in many cases is ahead of the curve relative to other sectors. Our market research continues to produce absolutely vital and invaluable data and insights, while our retail programme is now much better integrated with the rest of our activities. I am excited to see how this area develops in the future – it really reflects the EOG's increasing capacity to work on behalf of the whole outdoor sector, in every corner of Europe. That was also reflected at this year's European Outdoor Summit. Malmö proved to be an excellent location, but more importantly, the summit delivered two days of outstanding content that explored the theme of digitalisation in a way that was highly relevant, appropriately challenging and very thought provoking. EOS was also a very valuable opportunity to network with colleagues and there was an excellent atmosphere throughout.

As an organisation, the EOG has been undergoing some significant change over the last 12 months. In 2017, Mark Held announced his intention to step down as General Secretary and we started a long and thorough process to recruit his successor. I was delighted that we were able to appoint from within the team, with Arne Strate stepping up to the role at the start of 2019. During 2018, Pamela Ravasio decided to leave the EOG and in another internal appointment, Dr Katy Stevens took on the role of Head of CSR and Sustainability. Pamela was a passionate champion for responsibility and sustainability – we thank her for all that she did and wish her the best for the future. In line with our increased focus on that aspect of our work, we also appointed Dr Jane Turnbull to the position of CSR and Sustainability Project Manager, while at the end of the year we welcomed Scott Nelson to the retail team as SUP Project Manager. Everyone on our executive team has continued to work extremely hard to deliver the key objectives of the EOG, and the results have been excellent.

As ever, I have been fortunate to have been supported throughout the year by my Vice President Jean-Marc Pambet and a group of very committed colleagues on the EOG Board. They have helped the association navigate its way through some major decisions and changes, and have done so in addition to their responsibilities in the organisations where they are remunerated for their work! I must pay particular tribute to Martin Axelhed, Richard Leedham and Stefan Merkt, who have come to the end of their current terms on the Board or have decided to step down. Each has made many and significant contributions to the

work of the EOG, and they have become trusted and valued colleagues to their fellow Board members, and to me.

Finally, I have to return to Mark Held. Mark co-founded our association in 2003 and has been our General Secretary since 2005. I cannot overstate the importance of his contribution to the EOG's development, growth and successes over the years. In my time on the Board and as President, Mark has been a wise counsellor, forward looking leader and passionate advocate for the core principles of cross-industry cooperation that are the foundations of our organisation. In characteristic style, Mark has been preparing for his departure from the role of General Secretary for some time, and has provided great support to Arne as he gets ready to step up to the position. And indeed, Mark will not disappear from the scene and I hope that he will continue to be an active member of the EOG team. However, it is entirely appropriate at this moment to acknowledge the huge role he has played in our association, since day one, and thank him wholeheartedly for what he himself has done, and for what he has helped us all to achieve together.



JOHN JANSEN
EOG President

MANAGING COMMITTEE, REGISTERED OFFICE & MEMBERSHIP

MANAGING COMMITTEE & REGISTERED OFFICE

The Managing Committee for 2018 was comprised as follows:

John Jansen (NL)	President Elected July 2015
Jean-Marc Pambet (FR)	Vice President Elected January 2016
Eddy Codega (IT)	Treasurer Elected January 2016
Martin Axelhed (SE)	Member Elected January 2016
Richard Leedham (UK)	Member Elected January 2016
Rainer Angstl (DE)	Member Elected July 2015
Antje von Dewitz (DE)	Member Elected July 2015
Stefan Merkt (CH)	Member Elected July 2015

In line with Article 12 of the bylaws, the term of office is two years.

The registered address of the European Outdoor Group remains as follows:

*Gartenstrasse 2, Postfach 7142,
6302 Zug, Switzerland*

The domicile address is provided for the EOG by AFL Treuhand und Revisions AG, and is a registered address only.

MEMBERSHIP

By the end of 2018 the membership of the EOG numbered 103 companies and 10 national associations.

The following companies joined the EOG in 2018:

Company	Headquarters / EU Headquarters
bluesign Technologies	Switzerland
Lundhags	Norway
Altis Zenus (Motorola two-way radios)	Belgium
DAC Dongah Aluminum Corporation	Netherlands
Helinox	Netherlands
BERG Outdoor	Portugal
Sympatex	Germany
Burton	Austria
Nitro	Switzerland
Elkline	Germany
Source Vagabond Systems	Israel
ECCO	Denmark
DMM	Wales (UK)

The following companies left the EOG in 2018:

Dosenbach Ochsner	Switzerland
Intersport Schweiz	Switzerland
Yeah! AG	Germany.

MEMBERSHIP FEES

The bylaws state that the annual fees are determined at the Annual General Assembly.

During the January Annual General Assembly, the Board proposed to maintain the membership fees at the following bands:

Turnover	Membership Fee
Up to €15 million	€2,000
€15 – 40 million	€3,750
€40 million plus	€5,000

The proposal was agreed by the meeting.

BUDGET

The budget for 2018 was presented to the membership at the Annual General Assembly and approved.



OUTLINE RESULTS FOR 2017

	2018	2017
	€	€
Income	1,141,507	1,205,114
Total Expenses Represent	1,137,370	1,161,408
Operating Surplus	<u>4,137</u>	<u>43,706</u>
Other Receipts (& Expenses)	0	0
Taxation	351	1,155
Total surplus for the year	<u>3,786</u>	<u>42,551</u>

MARKETING AND DEVELOPMENT COSTS:

	2018	2017
	€	€
PR & Marketing Services	20,937	19,926
Market Research	125,143	103,808
Website	18,631	22,848
Events	87,706	31,093
European Outdoor Summit	100,471	68,188
Project	18,814	137,639
Publications & Graphics	0	4,760
Promotion of Outdoor Participation	25,152	90,791
CSR / Sustainability	100,825	77,774
Travel	22,717	19,726
	<u>520,396</u>	<u>576,553</u>

SUMMARY

From a financial point of view, 2018 was a challenging year for the EOG. Ending our contract with Messe Friedrichshafen at the end of July 2018, meant that we lost part of the second half of our usual income from the OutDoor trade show (€100k). However, despite this loss, we increased income in other areas and therefore overall income was only €60k below that of 2017. Given the challenges with income, we reduced expenditure to cope with this, but that was done within reason and without impacting the association's ongoing work more than necessary.

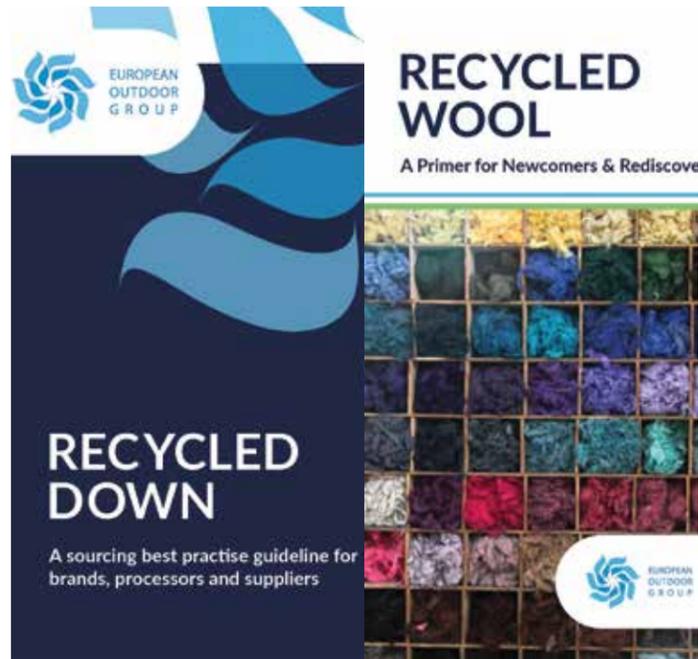
The strong ongoing push to further improve our market research programme continued, as did focus from the sustainability perspective on the project to find a solution for single use plastics in the value creation chain of the outdoor sector. For the latter, Scott Nelson was hired as a project manager and he is coordinating and driving the group's efforts in this truly global challenge. As in previous years, the European Outdoor Summit was once again a successful event.

In conclusion, we ended 2018 without adding much to reserves, but on a positive financial note.



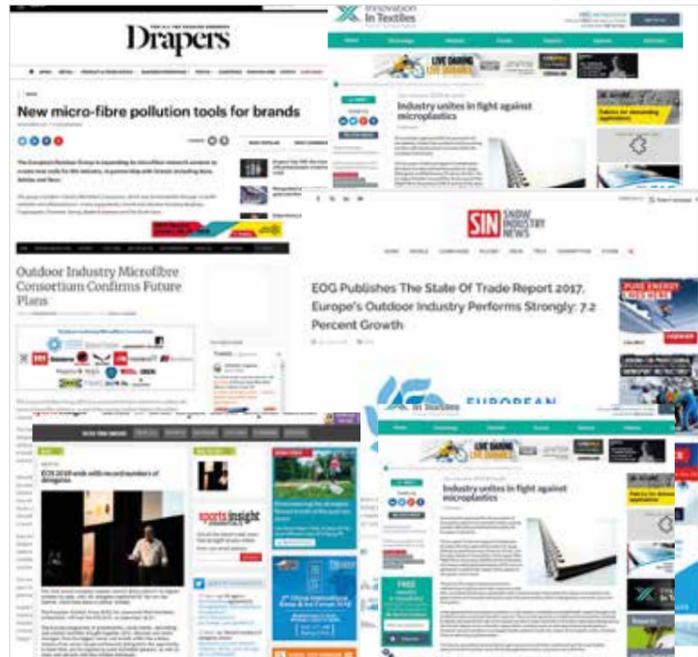


An EOCA-supported project – photo by Steven Wassenaar.



RECYCLED DOWN

A sourcing best practise guideline for brands, processors and suppliers



ACTIVITIES IN 2018

CSR AND SUSTAINABILITY

The CSR and Sustainability team underwent some personnel changes during the second half of 2018. In early November, team leader Pamela Ravasio stepped down as our Head of CSR & Sustainability and Katy Stevens took over the role. In addition, Dr Jane Turnbull joined the EOG in the position of CSR and Sustainability Project Manager. Jane has 15 years' experience in the outdoor industry and brings a rich experience in manufacturing, academia and retail.

Pamela and Katy had a clear vision for the department's future direction and we have continued to focus our resources on these key areas of concern and interest for both the outdoor sector directly and our adjacent industries.

SUSTAINABILITY CHARTER

The voluntary EOG Sustainability Charter aspires to offer support and guidance for any such decisions. It is intended to help organisations make the voluntary journey towards sustainable development that we encourage our members, and the outdoor industry at large, to undertake.

At the most basic level, we encourage:

- Implementation of the 10 UN Global Compact Principles
- Demonstrable recognition that social, societal and ecological well-being are essential; and
- Ask for conflicts to be resolved fairly and with mutual respect.

At the more advanced level we encourage:

- Effective management of the most material sustainability aspects
- Effective self-monitoring and management
- Constructive and collaborative participation in industry initiatives.

And finally, at the most advanced level, we encourage:

- A holistic and integrated uptake of sustainability into management and business procedures and processes, including the innovation process and product life-cycle management, and
- We further encourage the measurement of progress and wide-reaching communication and transparency efforts.

We are now proud to say that over 70% of our members have signed up to the Sustainability Charter and we are confident that more will follow.

AN INTRODUCTION TO WASTE WATER TREATMENT

In 2018, we authored the report 'Waste Water Treatment'. The purpose of this report was to detail the content of textile processing effluent and address its management. The waste water from textile plants is classified as one of the most polluting of many industry sectors and the increase in demand for textile products has seen textile waste water become one of the substantial sources of severe pollution in current times. The report details effluent content and then goes on to explain

the role and function of an effluent treatment plant (ETP) in the textile production process. The report's aim is to create awareness of textile production processes and address requirements for sustainable and safe production.

RECYCLED WOOL REPORT

This report was designed to outline and summarise relevant information, which may be usable and useful for brands that want to consider integrating recycled wool into their materials portfolio. In short, it is intended to foster the dialogue and relationship building between brands and the recycled wool supply chain. Wool is slowly recovering some of its former popularity. New generations of users might consider wool as one option to improve a brand's materials options. Wool also opens up opportunities for product innovation, as well as for learning afresh about the challenges and benefits related to using this animal-originated fibre.

In recent years, the apparel industry has increasingly looked for recycled materials. The questions that have been worked on for materials such as cotton, polyester, nylon and even down, are now also being asked for wool: Is recycled, rather than virgin wool, a viable and desirable ingredient, both from a product as well as sustainability point of view? This report endeavours to address these questions and allow for brands to make informed choices regarding this enduring fibre.

MICROFIBRE INITIATIVES

Microfibre pollution and its sources, fates, and effects are an ongoing challenge for the textile and garment industries and the EOG continues to be a leader in addressing the questions that remain. It is our aim to ensure that the outdoor industry is in the best possible position to make the right changes to reduce the impacts of this problem, and progress is being achieved by working across multiple platforms.

The Outdoor Microfibre Consortium continues to grow in both size and output. One recent output has been the development of a reliable test method to quantify fibre loss, which is being verified across the industry, while other investigatory projects relating to fibre and fabric parameters, and manufacturing practices, continue.

The Cross Industry Agreement (CIA), a joint initiative endorsed by the European Commission and realised as a result of proposed legislative action, continues to work towards its three common objectives: Define a test method; share knowledge; and support industrial research. One year after the industry associations announced the joint action, a community of world researchers and scientists have emerged from leading institutes. They met twice in Brussels during 2018 to present progress of their own research in understanding causes and features of the release of microplastics.

The physical meetings and follow up discussions have been instrumental to assess results and learn from peers, as well as to pave the way for a single harmonised test method for which core features have now been defined. In 2019, we will continue to promote the project, and the main objective is for more retailers to join the study to improve the coverage of the report

ACTIVITIES IN 2018 (CONTINUED)

POLYESTER RECYCLING INITIATIVE

The EOG is continuing its involvement with the DEMETO project funded by the European Commission under the Horizon 2020 framework. The project – ‘Modular, Scalable and High-Performance De-polymerization by Microwave Technology’ (DEMETO) – aims to build a full and industrial grade pilot plant using its innovative technology. The project is now beginning the process of scaling up from a lab-based pilot plant into a fully operational industrial pilot plant and work continues at pace.

The ambition to develop the first feasible and sustainable (economically, environmentally and socially) industrial application of chemical treatment for reuse of PET/polyester waste streams is continuing at pace, with the timetable focused on ensuring that the project arrives in the market place in good time. In its role of intermediary between project team and brands, the EOG continues to contribute to an advisory board, conveying opinions and brand requirements to help shape the technology and its performance into a viable technology as a step towards a more circular economy for polyester, a fibre widely used in the outdoor industry.

ENGAGEMENT WITH THIRD PARTY ORGANISATIONS

The EOG has continued to represent the European outdoor sector, as well as small-and-medium sized enterprises, as part of its output with several partner organisations:

- Sustainable Apparel Coalition
- Aluminium Stewardship Initiative
- ResponsibleSteel
- Fair Wear Foundation
- Federation of European Sporting Goods Industry
- Social Labour Convergence Project
- Textile Exchange.

The information outlined above is a snapshot of some of the key work that the EOG has undertaken during 2018 in CSR and sustainability. For information on other ongoing projects, get in touch with Katy (katy.stevens@europeanoutdoorgroup.com) and Jane (jane.turnbull@europeanoutdoorgroup.com).

MARKET RESEARCH

OVERVIEW

With an everchanging consumer market, the EOG market research programme, led by Pauline Shepherd, plays a key part in providing robust and timely insight from across a number of key topics that are relevant to our sector. This is delivered by way of a number of different projects and partnerships, and without these metrics and research, we would be operating blind.

Key subject areas include:

- Market sales data – brand and retail sales
- Consumer research, e.g.:
 - Outdoor participation and consumer engagement in outdoor activities

- Retail dynamics and shopping behaviour
- Trends in related sectors – such as leisure, travel and tourism, health and wellbeing
- Product development and innovation.

MARKET SALES DATA

Data and industry statistics are important, allowing us to tell our story and build strategic plans, and this is the key driver for our brand sell-in and retail sell-out research.

State of Trade (SoT) – brand sales (sell-in) report

This is the main industry report for Europe, measuring the brands’ sales of outdoor products. The report measures wholesale value and units by season for seven product categories, which are split into 48 product sub-categories.

The project continues to be well supported by EOG members and we also provide regular market updates to the wider industry and national association members.

Working with our data partner infacta, which manages the State of Trade system, we were able to incorporate new data quality checks in 2018. This was particularly beneficial in checking the growth in the market that we saw in the 2017 figures, when compared to 2016 and 2015. Other potential initiatives we started exploring include how we could automate data collection, which would provide an opportunity to report additional product information.

Also, during 2018, the EOG widened its membership to include snowboarding brands and we have been assessing how we develop the SoT report to incorporate these product lines. Further details will follow early 2019, in terms of automation and snowboard category reporting.

Retail barometer – retail sell out report

The retail barometer is a measure of retail sales provided by EOG retail members. It is confidential data and our chosen data partner is Hachmeister & Partner. This exclusive benchmark for EOG retail members includes turnover data of international sports specialists.

Working with Anny Cardinahl (EOG retail consultant), we have made good progress with the pilot study during 2018. Similar to the State of Trade research, the report measures the outdoor sector and product sub-categories. In addition, we are also able to collect the sell-out of other sport sectors at a category level – apparel, footwear and hardware for: winter sports, fitness/workout/multi-sports, funwheel sports, football, golf, racket sports, cycling, running/walking, sports fashions, team sports, water sports.

In 2019, we will continue to promote the project, and the main objective is for more retailers to join the study to improve the coverage of the report (see the retail section for a further update on all EOG retail work).

STATE OF TRADE OUTDOOR MARKET 2017



CONSUMER RESEARCH

During 2018, we continued our research partnership with the Foresight Factory, a consumer analytics company that specialises in global consumer trends. This allows the EOG to share insights on a range of important topics for our sector, in a cost-effective way, via our research library resource, newsletters, webinars and conference presentations.

In addition, it allows us to have access to the latest information and developments in real time. For example, in 2018, the Foresight Factory started to track a sector trend where consumers are combining sport and volunteering to maximise leisure time, coined as “ethically conscious exercise and workouts that help the world”. This is an important trend for us to understand as we focus on increasing participation in the outdoor sector.

PRODUCT DEVELOPMENT & INNOVATION

To help support our members with new information about products, fabric, insulation and technologies, we share information from our partnership with Textiles Intelligence, and this includes the Performance Apparel Markets monthly e-bulletin. This way, EOG members can receive concise updates to keep informed about innovations in the market place, and we are pleased that we will continue this through 2019.

MARKET RESEARCH ADVISORY GROUP (MRAG)

The MRAG meets once a month, via conference call and in person at the main trade shows. The objective of the group is to provide information to the board that helps facilitate decisions about the development of the market research services offered by the EOG. We have good country/regional representation with eight member companies being part of this, along with board support from Eddy Codega (President / CEO of C.A.M.P). We are grateful for the time and support that these colleagues give to this group.

PUBLIC AFFAIRS

Public Affairs have continued to be a vital part of the EOG’s activities and, in particular, our work with the Federation of European Sporting Goods Industries (FESI) has been quite intense. In part, this was as a result of a complete revision of how FESI is structured and its governance systems, and in part as a result of the key issues that we are engaged with the European Commission on, such as regulations over geo-blocking and the ratification of the Vietnam Free Trade agreement, both of which have considerable impact on outdoor companies.

In addition to this, we continue to contribute enthusiastically to FESI’s work on product safety and on sustainability issues and in general consider our efforts in this area to be the key link with both the wider sports industry and the legislators and politicians of the European Community.

The EOG currently has the following representatives on FESI committees:

- Product Compliance Steering Committee – Dr Jane Turnbull
- Corporate Responsibility Steering Committee – Dr Jane Turnbull
- Digital Steering Committee – Arne Strate
- Trade Steering Committee – Arne Strate
- Sport Steering Committee – Arne Strate.

In a similar way, we have also continued to contribute strongly to the work of the Fair Wear Foundation (FWF) and over the last eight months Mark Held has been acting Chairman of the FWF Board. There continues to be a pressure group spotlight on the garment industry in particular and it is important that we do not let up on our efforts to ensure that the outdoor sector is leading the way in social responsibility.

RETAIL

#FOR – FUTURE OF RETAIL MEETINGS

Based on the belief that there are many areas in our industry which can benefit from pre-competitive networking, we provide the Future of Retail (#FOR) meetings for the EOG’s retail members. #FOR offers the opportunity to meet peers from other companies regularly and debate the topics from a retail perspective. We meet twice per year in-person, at ISPO Munich and at OutDoor, where we, among other discussions, invite guests to speak, helping us to increase our knowledge and get inspiration from outside the EOG.

#RB 2.0 – RETAIL BAROMETER 2.0

The Retail Barometer 2.0 is turning into a routine. Of our 16 retail members, nine (up from five in 2017) contribute to the barometer now. Supported by Hachmeister & Partner (H&P), we are still trying to find technical solutions that will help more of our members to contribute. We have also started working on a map of the European market in order to sketch out turnover per country, along with market shares, key market developments and other metrics. Our aim is to stay ahead of the curve and turn the current present-to-past perspective into a future-to-present point of view.

#RMB – RETAIL MEETS BRAND

Retail meets Brand is the title for a project series that the EOG facilitates, in which retailers and brands are the driving force. We invite brands to discuss pre-competitive market challenges with the aim of getting support and to boost the strengths of the outdoor industry. The implementation of the topics within the projects offers the members the opportunity to choose and spend time on their preferred focus area. The current live projects are #RMB Single Use Plastics and #RMB DATA.

RETAIL ON THE SUSTAINABILITY COUNCIL

Unfortunately, we have not yet recruited a replacement retail representative for the council.

RETAIL ON THE EOG WEBSITE

There is now a dedicated retail section on the website, to inform all EOG members and non-members about our work in this area. It can be found at www.europeanoutdoorgroup.com/retail.

CONTRIBUTION

Alongside the above activities, we encouraged retail members to delegate tasks internally to increase the engagement of each company. We will continue to actively encourage European retailers to join the EOG.

EUROPEAN OUTDOOR SUMMIT

The sixth annual European Outdoor Summit, held in Malmö, pulled in the event’s highest numbers to date, with 305 delegates coming together for this extremely popular, inspiring and informative gathering for senior executives within the European outdoor industry. The two-day programme of social events, networking and outdoor activities were built around presentations that focused on the ‘Next Age of Digitalisation’, exploring the latest (and future) developments in the specific context of the outdoor industry.

Setting the scene was technology entrepreneur John Straw, who shared his insights on the converging technologies, which are creating, and will continue to create, a wave of change for consumers and businesses. There were three very well received industry case studies: Markus Rech (CEO, SportScheck) on why retailers and brands must reinvent themselves; Magnus Welander (CEO & President, Thule Group) revealed how the group has transformed into a company that helps consumers enjoy active lives; and Dr. Oliver Pabst (CEO, Mammut) explored how digitalisation is providing new opportunities to interact with partners and consumers.



ACTIVITIES IN 2018 (CONTINUED)

Challenging everyone was Liselotte Engstam, advisor to the European Commission on Digitalisation of Corporate Governance. In a very well received interactive session, she explained why and how leadership needed to change into the Digital Age. A very memorable talk from Paralympian David Lega left many delegates wiping away a tear or two! David's incredibly funny, motivational and inspiring presentation showcased how people can develop and achieve more than they ever thought possible.

The weather in Malmö was kind as Light My Fire hosted an 'outnic' lunch by the river on the first day. Yoga and running with a local before breakfast and plogging the streets of Malmö with Erik Ahlström, before an evening of Swedish fare, made for the other elements of a great conference.

At the end of the event, we confirmed that the 2019 European Outdoor Summit will be held in Interlaken, Switzerland, and will run from 26th – 27th September.

EOCA

The work of EOCA continued to go from strength to strength in 2018. During the year, EOCA and its members committed €330,000 to projects. This was given to 14 projects in 11 different countries and was, or is being, used to conserve mountainous alpine environments, threatened wetlands and rare species, as well as ocean environments, all making a real difference on the ground.

As in previous years, EOCA held two public votes during 2018, to enable outdoor enthusiasts and nature lovers to help the association select which projects to support (all of which had already been thoroughly assessed through the EOCA criteria for funding and reviewed by scientific advisors). The two rounds in total attracted over 86,000 votes and EOCA conservatively estimated the reach at over 48 million people. Feedback received from the organisations included in the votes indicates that all of the projects benefited in some way from being involved.

The two outdoor trade shows that EOCA attended proved to be very productive. As well as signing up new members and working with existing members, the events were an opportunity to raise more money for conservation and to celebrate successes. Around €40,000 was raised during ISPO Munich and OutDoor, thanks to the generous donations of members, and the support of visitors to the shows via the various fundraising activities – 100% of this money will be spent on EOCA's conservation projects in the year to come.

During the summer of 2018, EOCA and its members were able to celebrate having planted 2,516,276 trees in only two years. This was well above the publicly promoted target of 2,000,000. Following this success, EOCA has been working on its next focus area. Based on feedback from its members, and discussions at board level, it has been decided that although EOCA will continue to put funding into a broad range of projects worldwide, it will also have a particular focus on plastic clean ups and reduction during the next two years. This is an important issue around the world and as an industry with a global outlook, it is

felt important that the European outdoor sector works on this issue through EOCA. More details will be shared about this work early in 2019.

In December 2018, EOCA was honoured to be invited to endorse and attend the launch of the Hague Principles, recognising the importance of human rights underpinned by humankind's responsibility to nature and the earth. The December meeting was significant because the date also marked the 70th anniversary of the Universal Declaration of Human Rights (UDHR), which was adopted and proclaimed by the UN General Assembly in December 1948.

To find out more about the work of EOCA, visit www.outdoorconservation.eu, or email Tanya Bascombe on tanya@outdoorconservation.eu or Catherine Savidge on catherine@outdoorconservation.eu.

#ITSGREATOUTTHERE

Throughout 2018, the It's Great Out There Coalition continued to make good progress with the #itsgreatoutthere campaign.

GRANTS

During the year, a series of grants were awarded to projects that were designed to take new people into the outdoors, particularly young people. In 2018, the grants helped enable extremely positive interventions in the lives of those involved. By the end of the year, seven #itsgreatoutthere grants had been awarded since the coalition's foundation, supporting a range of very different projects across Europe and benefiting thousands of individuals. The #itsgreatoutthere team has been able to use the resulting case studies in communications to promote outdoor participation, and in wider public affairs work that demonstrates to policymakers how the outdoor sector can contribute with great effectiveness in the fight against the inactivity epidemic.

ADJACENT CAMPAIGNS

Once again, the #itsgreatoutthere team took the lead on behalf of the industry in activities relating to the European Week of Sport (EWoS) in September. The coalition team worked closely with the European Commission to ensure that the outdoors was a core theme of the week, and this was reflected in some of the marketing communications material that was widely circulated around Europe to promote EWoS and #BeActive.

Soon after EWoS, #itsgreatoutthere teamed up with Ordnance Survey in the UK to promote #GetOutsideDay, through widespread marketing communications and a series of big events that were arranged to take place on the same day at the end of September.

AMBASSADORS AND COLLABORATIONS

The coalition signed up a second ambassador in 2018, when professional snowboarder Aline Bock agreed to spread the word about #itsgreatoutthere, joining adventurer Alastair Humphreys, who continued to promote the campaign.

Meanwhile, the #itsgreatoutthere team rolled out some high-profile collaborations during the year, with global photography platform Unsplash and online adventure TV platform Horizonsports.tv. Both initiatives helped the campaign reach many thousands more citizens throughout Europe. Combined with direct campaign activity through the website and social media, this work helped #itsgreatoutthere to engage with 286,000 citizens every month by the second half of the year.

PUBLIC AFFAIRS

From the coalition's base in Brussels, the core team of Andrew Denton and Arne Strate were able to continue working closely with EU policymakers to direct attention and funding towards the promotion of participation in outdoor activities. During 2018, the #itsgreatoutthere team explored a range of funding options, individually and in partnership with other organisations. They submitted an application for our EOAS (European Outdoor Activity Standard) project, which was aimed at developing a toolbox for municipalities across Europe to pick the right outdoor activities for their situation (elderly, children, migrants, forest, mountains, water, city), for €250,000 from the Erasmus+ scheme. Unfortunately, EOAS was not selected by the European Commission, but the coalition is making amendments in order to re-apply in 2019.

COALITION BOARD

During 2018, Kath Smith stepped down as President of the It's Great Out There Coalition, following her decision to leave The North Face. At the coalition's Annual General Assembly in September, Jan Van Leeuwen, Kath's successor at The North Face, was confirmed as the new President, and Andrew Denton, Arne Strate, Andy Schimeck and Michel Gogniat were re-confirmed as board members.

MEMBERSHIP

From its foundation, the work of the It's Great Out There Coalition has been sustained by the support of its members, made up of outdoor companies from throughout Europe. During 2018, membership remained unchanged. The coalition team will continue to work proactively to recruit new members and also pursue appropriate sponsorship and other funding opportunities, in order to continue and enhance the activities and profile of the #itsgreatoutthere campaign.

To find out more about the campaign, visit www.itsgreatoutthere.com and if your organisation would like to get more involved in the work of the It's Great Out There Coalition, email info@itsgreatoutthere.com.



APPENDIX 1: ACCOUNTS FOR 2018

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	2018		2017	
	€	€	€	€
Subscriptions	416,250		378,750	
Commission from Shows	537,298		663,391	
European Outdoor Summit	149,695		128,252	
Microfibre seed pot	31,899		33,491	
Misc Income	3,865		1,230	
Single use plastic project	2,500		0	
		1,141,507		1,205,114
Less: Expenditure				
Subscriptions	40,328		31,251	
Payroll	79,093		71,300	
Travel and Accommodation	23,503		23,485	
Bank Charges	1,964		1,795	
Exchange rate differences	0		0	
White Moss Consultancy	457,674		442,666	
Sundry expenses	858		2,255	
HR expenses	3,159		437	
Legal and Professional Fees	5,996		6,519	
Accountancy	4,399		5,147	
Marketing and Development	275,614		257,332	
CSR	100,825		77,774	
Market Research	125,143		103,808	
Projects	18,814		137,639	
		1,137,370		1,161,408
OPERATING SURPLUS FOR THE YEAR		4,137		43,706
Other Receipts and (Expenses)				
Bank Interest Received	0		0	
		0		0
Taxation				
Revise tax provision	351		1,155	
		351		1,155
TOTAL SURPLUS FOR THE YEAR		3,786		42,551

BALANCE SHEET AT 31 DECEMBER 2018

	2018		2017	
	€	€	€	€
CURRENT ASSETS				
Debtors	69,735		61,342	
Prepaid expenses	90,042		67,648	
EOCA	0		14,328	
Cash	0		0	
Bank	525,172		522,844	
		684,948		666,162
Creditors – amount falling due within one year				
Accrued expenses	1,000		1,000	
Other creditors	17,500		2,500	
Taxation provision	0		0	
		18,500		3,500
NET CURRENT ASSETS		666,448		662,662
TOTAL ASSETS LESS CURRENT LIABILITIES		666,448		662,662
RESERVES				
Surplus brought forward		662,662		620,111
Surplus for the year		3,786		42,551
Cumulative surplus		666,448		662,662

APPENDIX 2: AUDIT REPORT

BASED ON ARTICLE 17 OF THE BYLAWS OF THE EUROPEAN OUTDOOR GROUP



MINUTES

The Audit meeting for the year end accounts of the European Outdoor Group (EOG) for the year 2018.

Participants:

Karl-Heinz Maurer

Auditor

Mark Held

EOG General Manager 2018

Arne Strate

EOG General Manager 2019

The audit took place on January 21 and 22, 2019 in the office accommodation of White Moss Consulting in Kendal UK. The balance sheet and the profit and loss account with the explanatory notes for the year 2018 were submitted with the ACTUAL figures and the BUDGET estimate for the year 2018, including the revised one as well as the bank and accounting records for the audit year.

The explanatory notes to the annual financial statement 2018 included the profit and loss account in an accounting form, i.e. the operating costs and the taxes in addition to the determination of earnings. The BUDGET figures were compared to the ACTUAL figures.

The accounting company Marion Green Accountancy Ltd in Kendal, UK prepared the accounts. The budget overview was prepared in the form of a profit and loss account, which is produced directly from the accounting records.

As has been the case since 2010, all the services for the EOG members in 2018 were fulfilled by White Moss Consultancy Ltd (WMC) and therefore all the administration expenses fall to WMC and WMC invoices its service fee and corresponding expenses to the EOG.

The following audits were carried out with the result shown below:

The bank balances as of 31.12.2018 were checked with the reported positions of the bank credits in the explanatory notes to the annual financial statement. They match the account balances shown there.

An audit of the cash in hand as of 31.12.2018 was superfluous, as no cash is kept, but cash expenditure is initially disbursed privately by the general manager / WMC and then charged to EOG.

The expenses were retraced at random by means of the original documents and payment records and the correct accounting treatment was checked at random. The audit resulted in no exceptions at all.

Payment dues were audited and comprised 103 members (13 of them retailers), where of 13 joined and three left in 2018. Eight of the invoiced membership fees were still outstanding at year end and are reminded. The income from the fairs was also audited and both ISPO and OutDoor payments comply with the contracts.

A revised budget had to be set up in June as the contract with Messe Friedrichshafen for OutDoor was finished and additional personnel was hired for new projects. So the revised forecast 2018 was compared with the actual expenditure according to the 2018 accounting and explained in an extra Budget Variance Report.

The differences were accounted for on the revenue and expenditure side.

The total surplus was T€ 29 ahead forecast mainly due to lower expenses.

Higher membership fees from new members and a profitable EOS plus additional income from a chargeable sustainability project could compensate the lost commission from OutDoor Fair for the second half year.

On the expenditure side the costs for WMC, whose service is invoiced in GBP, were T€ 47 lower, as the average exchange rate to EUR during the year was at 1.13, but calculated with 1.25.

Administration, Development, Marketing and CSR costs were in total within budget.

So overall it should be stated that the budget estimate was adhered to in the main due to consciously thrifty financial management with the various items, and results in a total profit of T€ 4 for the year 2018.

On the basis of the result of my audit, I find that the accounts give a true and fair view, in accordance with general accounting practice, of the state of the organisation's finances as at 31st December 2018. Furthermore I declare that the General Manager, the Treasurer and the Managing Committee of the EOG have managed the financial affairs of the organisation in accordance with the relevant bylaws and with financial prudence.

Munich, 22.01.2019

Karl-Heinz Maurer
Auditor



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G R O U P

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