FAIRPHONE'S IMPACT 2022 HIGHLIGHTS

FAIRPHONE

Our world faces many increasingly urgent social and environmental challenges that must be addressed to safeguard our future. Yet the electronics industry rarely takes responsibility for the role we play in those challenges. In 2022, Fairphone continued working to prove that a more circular, sustainable and fair electronics industry is possible. Last year we made progress that is worth celebrating - and which we hope inspires you to join us in making a fairer future a reality. We have all the facts and figures in our <u>full report</u>.

First company to pilot Fairmined gold credits

In 2022, we became the first company to pilot Fairmined gold credits with the Alliance for Responsible Mining, compensating for the gold in our Fairphone 4 and True Wireless Stereo Earbuds which has not (vet!) been sourced from certified sources. Each Fairmined credit represents one gram of Fairmined-standard gold. The credits Fairphone purchased in 2022 paid a premium to the miners' cooperative at the Fairminedcertified La Gabriela mine in Colombia, directly benefiting the miners and incentivizing the supply of Fairmined gold brought to market.



Fairphone Easy subscription service launch

In June, we launched Fairphone Easy, a smartphone subscription service in the Netherlands. In this circular business model, we take care of the repairs, refurbishment and responsible recycling, and the user is never without a phone. For every year the phone stays damage free, we'll apply an increasing monthly discount, rewarding users for taking part in our mission for smartphone longevity.



Seven years of support for the Fairphone 2

The Fairphone 2 hit an unprecedented seven years of software support in 2022, with an update to Android 10. This far surpassed our initial hopes to offer three to five years support! This makes it clear just how far we have come – and how much further our industry still needs to go.

UNLAUNCHING Fairphone 2



21.12.15 - 07.03.23 FOREVER IN OUR HEARTS

A climate conscious proposition

In 2022, we developed a "climate conscious" product proposition that will be central to our products and impact moving forward. The proposition solidifies Fairphone's approach to CO2 avoidance (mainly through stretching the usertime of the phone) and reduction throughout the lifecycle of our products – and for the emissions that can't be avoided or reduced we invest in carbon reduction projects that lower CO2 emissions while benefiting people.

100% E-waste neutral earbuds

After having developed a unique electronic waste neutral proposition with our Fairphone 4, this year we also applied this to our True Wireless Stereo Earbuds who made their debut in 2021, delivering great sound quality and designed with fair and recycled materials. Best of all? They're 100% e-waste neutral! This means for every pair of earbuds sold, Fairphone reuses or recycles the same amount of electronic waste in weight.

In the case of Fairphone 4 we compensate by taking back one phone for one phone sold. For both products being e-waste neutral, we removed 9.6 tons of electronic waste through various take-back and collection programs in combination with reuse and responsible recycling.

Living wage bonuses for 1,926 workers

We believe a living wage is a human right - and we put our money where our mouth is. Last year, Fairphone paid a living wage bonus totaling 305,000 USD to 1,926 factory workers at three factories. We also became the first electronics company to support workers with a living wage bonus at an indirect (tier two) supplier of a Fairphone component. In May we initiated an advocacy campaign calling on the EU to include living wages and income as a human right in the EU Corporate Sustainability Directive. Our call was joined by 64 companies, investors and NGOs, and our Change.org petition on the issue was signed by over 9,500 people.



Better working conditions at seven suppliers

Seven strategic Fairphone suppliers have made improvements in worker representation, worker satisfaction and environment, health and safety in 2022. Two factories held democratic elections for worker representatives, two suppliers improved workers' wages, and there have been overall improvements in protective equipment, waste reduction, recruitment policies, communication, and canteen food.

100% emission reduction scope 1 and 2, and committing to net zero

Recognizing the urgency of the climate crisis and reaching net zero greenhouse gas emissions by 2050 globally, Fairphone has committed to reach net zero by 2045 - five years ahead of the suggested timeframe. We also achieved our target of reducing our Scope 1 (direct) and Scope 2 (indirect) greenhouse gas emissions by 100% by the end of 2022.

40% Fair materials target achieved

In 2022, we achieved our target of 40% fair materials in our Fairphone 4, increasing from 31% in 2021. We integrated more recycled materials , offset our % gold material footprint which is not yet sourced fair with fairmined credits, and enabled fairer sourcing of cobalt in the future.

Benefiting 54,625 people

nto: In the year 2022 54,625 people benefitted from Fairphone's, of which28,926 were new beneficiaries. This brings us to a total cummulative number of 83,803 people that have benefitted from Fairphone's improvement programs and interventions since 2017. These numbers represent real change: children that aren't working in mines; workers who have more money in their pockets and more say over their working conditions; better nutrition, sleeping quarters and training, and safer workplaces.



