

CLIMATE REPORT 2022



ARC'TERYX



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Arc'teryx recognizes climate change as our most urgent environmental concern. Guided by science-based targets, we are making the necessary adjustments to our operations to ensure we stay on track to meet our climate commitments. Throughout the past year, we heightened our focus on governance, including supply chain management, while continuing to scale circularity as a fundamental part of our business model. These actions will help us meet the growing consumer demand for Arc'teryx gear with a responsible climate footprint.

This is our fourth annual climate report, which covers the 2022 calendar year and relates to all our global operations and activities. We continue to take steps to improve the quality of our data, and our brand-level carbon footprint has received limited external assurance from PwC (full statement on page 20). Our emissions data is also included in the annual emissions reports and disclosures of our parent company Amer Sports, including [CDP responses](#). We welcome your questions and feedback at media@arcteryx.com.

Land acknowledgement

Arc'teryx acknowledges that our Headquarters, and Design Centre are located on the unceded shared territories of the xʷməθkʷə́yəm, Skwxwú7mesh and sə́lilwətaʔ Peoples. ARC'One, our local manufacturing facility, is located within the territories of the Qayqayt, kʷikʷə́łəm, Katzie, Kwantlen, xʷməθkʷə́yəm, Skwxwú7mesh, sə́lilwətaʔ and Sto:lo Nations who have called this place their homeland since time immemorial. We acknowledge with humility the role that Indigenous, Inuit and Métis peoples have in the stewardship and protection of the lands and waters on which we gather, and support Indigenous Knowledge systems, approaches and ways of knowing as we face a rapidly changing climate and landscape.





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Actions we are taking

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About us

Arc'teryx is a Canadian global design company based in the Coast Mountain Range in British Columbia (BC) – on the xʷməθkʷəy̓əm, Skwxwú7mesh, sə́lilwətaʔt and Lílwat7úl Territory – that specializes in technical high-performance apparel and equipment.

LEADERSHIP MESSAGE

At Arc'teryx, our work has always been a direct response to the mountains around us. From our start in 1989, we have looked to the Coast Mountains for inspiration: designing equipment that enables users to maximize time, adventures and life-affirming experiences in the outdoors.

Today, when we look up at those towering peaks, we see a changed view. The green forests bear scars from wildfires, familiar rock faces have slipped in storms and the snowpack is shrinking. The impacts of climate change are apparent, and the places and communities we love depend on our ability to adapt and change.

In 2020, we declared our science-based targets, committing to significantly reduce our emissions intensity by 2030. Our progress has been steady, and faster than expected, but there is plenty more for us to do. One of our biggest increases in emissions this year came from transport – due, in large part, to supply chain challenges which changed the way we move our product. In response, we hired our first-ever Chief Supply Chain Officer to lead us through these complex supply chain issues, toward a lower-carbon way of working. Similarly, we see that the growth in our global retail footprint has increased our direct carbon emissions. However, our community is invested in sustainability and circularity, so we're ensuring that every new store is a hub for care and repair – helping our guests to keep their gear in play, out of landfill, and reducing emissions at the product level. We've grown our ReBIRD™ Service Centres globally, moving from a singular site in New York City to six locations across the world, maximizing our repair capabilities and reducing emissions impacts from shipping products for repairs.

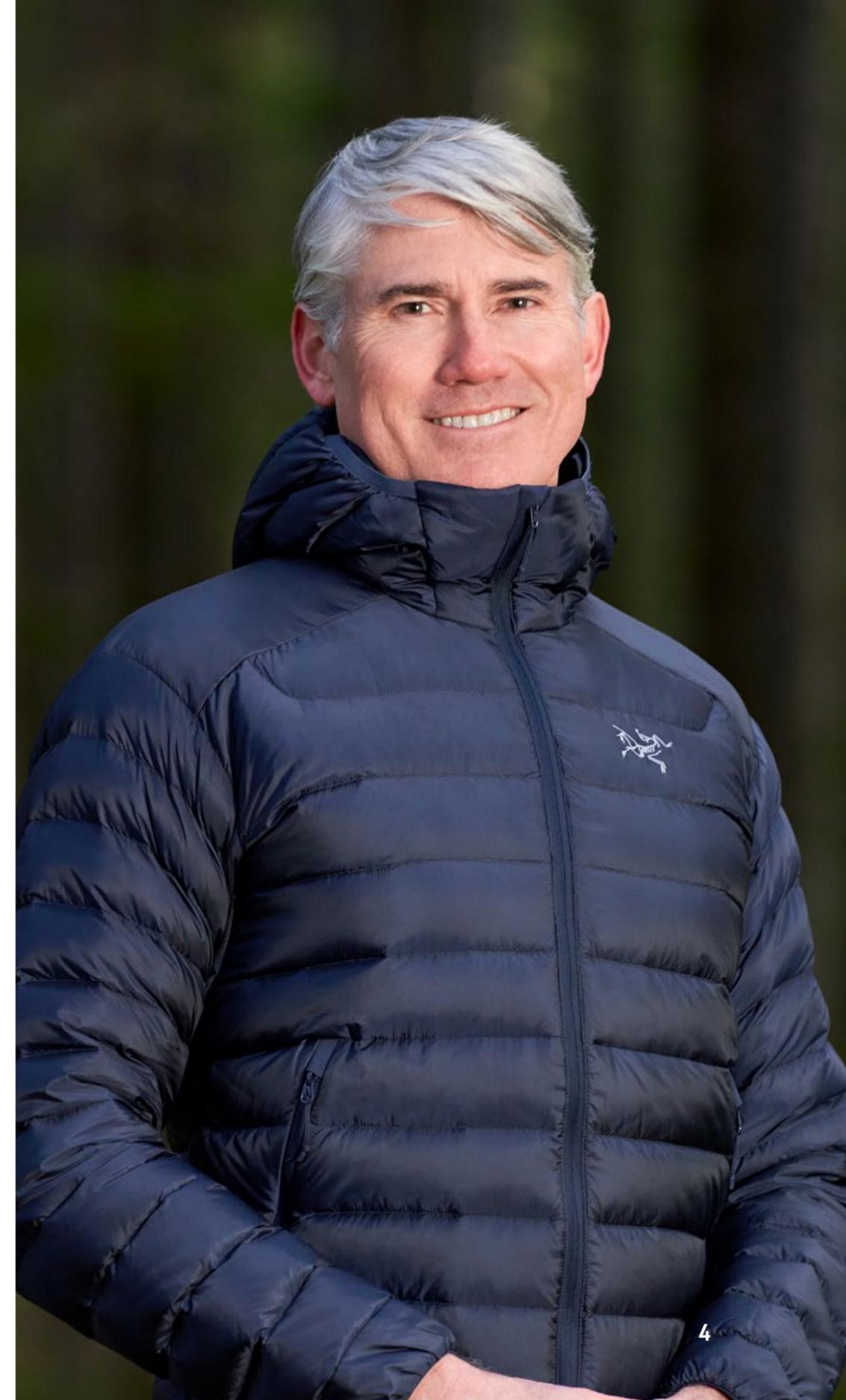
As the world becomes ever more aware of the urgency of the climate crisis, we are committed to maximizing impact through collaboration. We are working with our ownership and partner companies in the Amer Sports Sustainability Committee to identify key areas of impact, leverage shared expertise and act decisively on issues of sustainability and impact.

Looking ahead, 2023 will see the launch of new and more ambitious climate targets. Leaning into circularity, we're opening new ReBIRD™ Service Centres, increasing global repair capabilities and educating our guests on how to care for their gear. We'll continue working closely with factories on worker wellbeing, making strides toward our goal of producing 80% of our products in a Fair Trade certified facility. It's a big mountain to climb, but we're not shying away from the challenge.

With the support of our community, we're committed to Leave it Better – working together to create a better world for both people and planet.

STUART HASELDEN

CHIEF EXECUTIVE OFFICER



PERFORMANCE VS. OUR SCIENCE-BASED TARGETS

In 2020, we declared science-based targets (SBTs).¹ While we are slightly further from our 2030 targets compared to 2021, our overall progress remains significantly ahead of schedule. We have expressed our commitment to revise our targets to be more ambitious in driving the necessary change our planet requires. For more information on the status of our target update, please see page 16.

Scope 1 & 2

In 2022, our business experienced notable growth, accompanied by the expansion of our portfolio through the addition of over 20 new brand store locations and increased office space. This growth has resulted in a 10% year-on-year increase in emissions under our direct control (Scope 1 & 2), primarily due to the increased demand for heating energy.

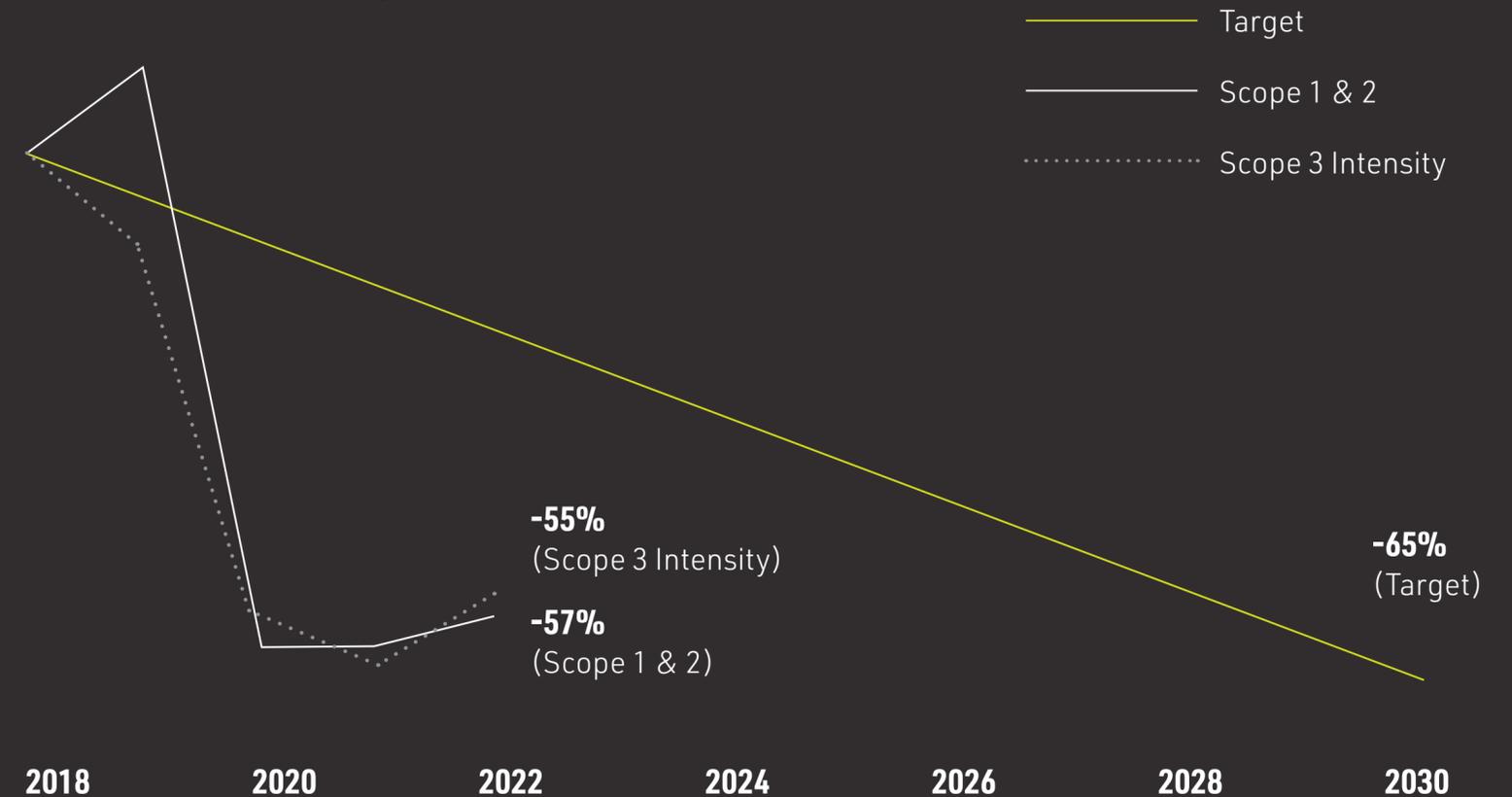
We remain committed to sourcing 100% of our purchased electricity from renewable sources, achieved through the utilization of unbundled Energy Attribute Certificates, also known as Renewable Energy Certificates (RECs), effectively reducing our market-based Scope 2 emissions to zero. As a result, our overall Scope 1 & 2 emissions have decreased by 57% compared to our 2018 baseline and contributed less than 2% to our overall impact.

Scope 3

In 2022, consumers' passion for the outdoors continued to grow, and the demand for Arc'teryx gear along with it. In response, increased production volumes led to an upsurge in Scope 3 emissions associated with textile production, manufacturing and air freight. Transportation and distribution accounted for 34% of our total footprint in 2022, compared to 19% in 2021, which was the biggest proportional increase of all emissions categories.

Overall, our Scope 3 emissions intensity (emissions per dollar of profit) has increased compared to the previous year; however, it remains 55% below our 2018 baseline and beyond the reductions necessary to meet our target by 2030.

2022 Performance vs. Target



Classification of GHG emissions²

Scope 1: Direct emissions from owned or controlled sources.

Scope 2: Indirect emissions from the generation of purchased energy.

Scope 3: All indirect emissions (not included in Scope 1 & 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Arc'teryx recognizes the importance of striking a balance between expanding business and taking effective measures to control emissions. We are committed to strengthening our governance practices, improving supply chain efficiency, actively engaging with our partners and fostering innovation to improve our performance moving forward.

¹ Arc'teryx commits to reduce absolute Scope 1 and 2 GHG emissions 65% by 2030 from a 2018 base year and reduce Scope 3 GHG emissions 65% per unit of value added by 2030 from a 2018 base year.

² https://ghgprotocol.org/sites/default/files/standards_supporting/FAQ.pdf

ENHANCED GOVERNANCE AND NEW LEADERSHIP

As a result of several factors, including changing regulations in the EU, stakeholders' growing expectations to implement sound sustainability practices, and an appetite within each brand to operate more sustainably, Amer Sports established a more rigorous approach to sustainability governance.

In 2022, the Amer Sports' Board of Directors approved a sustainability strategy, a clear governance structure, and appointed a Sustainability Committee to oversee and ensure implementation. The result was updated targets, greater transparency and the creation of working groups that focus on key topics such as climate, circular economy and responsible procurement.

These working groups, consisting of brand directors and other subject matter experts from Arc'teryx, Atomic, Wilson, Salomon and Peak Performance, defined appropriate levels of ambition and targets for each company within the portfolio and developed action plans and key performance indicators (KPIs) to measure progress. This type of collaboration and sharing of expertise is driving progress in an integrated way and is aligned with Amer Sports' recently enhanced approach to sustainability.

"Building a resilient supply chain is by no means the only solution to manage our climate-related impacts. All the work we are currently doing in sustainability – from design to supply chain to sales and customer education – will build a sustainability culture that will encourage us all to Leave it Better."

– CHIP GRAY, CHIEF SUPPLY CHAIN OFFICER

In addition to our involvement in Amer Sports' working groups, Arc'teryx strengthened sustainability governance within our brand. In 2022, we established a Sustainability Steering Committee, comprised of our CEO and executive leadership, which meets every two months to prioritize and share accountability on key sustainability topics. In early 2023, three working groups were established with executive sponsorship to clarify ambition and accelerate action to support climate, circular economy and responsible procurement.

The hiring of our first Chief Supply Chain Officer (CSCO) in 2022 is another measure taken to strengthen our governance structure. This was a significant step in understanding the challenges we are facing across the supply chain, adding one more tool to help manage our climate-related impacts.

Q&A with Chip Gray, Chief Supply Chain Officer

Q. How will the Chief Supply Chain Officer role support Arc'teryx's climate-related goals?

A. One of the largest areas of opportunity for Arc'teryx's climate goals lies in supply chain. In the wake of COVID-19, complex challenges across the supply chain ultimately led to compensating for inventory delays by using air freight, greatly increasing our emissions. In a business that is growing as fast as Arc'teryx, the CSCO role will help us to understand the challenges we're facing and their relationship to our climate impact, from sourcing raw materials to the delivery of a less carbon-intensive product around the world.

Q. What are your top priorities in your first year as CSCO?

A. I think to get this right, we need to ensure we have the systems and tools in place to have enough visibility that we can effectively manage our supply chain operations and their environmental and social impacts, and to identify where we need greater governance and oversight to ensure we achieve our climate and worker wellbeing targets and support business growth.

Q. What are the long-term goals related to Arc'teryx's supply chain?

A. Four big goals that will support Arc'teryx's long-term success are: (1) building a strong, resilient and efficient supply chain; (2) maximizing local for local manufacturing opportunities; (3) working closely with the sustainability team to improve worker wellbeing among our supply chain partners; and (4) optimizing our distribution and logistics footprint to better service our guest and reduce our environmental impact.



CHIP GRAY

CHIEF SUPPLY CHAIN OFFICER



WORKING CLOSELY WITH OUR SUPPLIERS

Measuring supplier impact

Arc'teryx utilizes the Higg Facility Environmental Module (FEM) to understand the environmental impacts of our supply chain. The Higg FEM is an industry-standardized environmental measurement tool for apparel, footwear and textile manufacturing suppliers. It captures information on topics such as environmental management systems, energy and water consumption, wastewater, air emissions, waste and chemical management.

In 2022, the environmental impact of over 99% of our finished goods production volume was captured in the Higg FEM giving us greater clarity of our supply chain impacts. Combined with our dedicated team that works in partnership with suppliers, Higg FEM provides us with a science-based foundation to accelerate emissions-reduction actions through data-driven decisions.

Energy efficiency

We are working closely with strategic vendors to collaborate and co-fund emissions reduction activities such as those offered by the Apparel Impact Institute (Aii). With multiple programs for Tier 1 (finished goods manufacturers) and Tier 2 (material suppliers) apparel and footwear manufacturers, Aii offers technical solutions to reduce environmental impacts.

A key program in which we actively participate with a selection of our strategic vendors is the Carbon Tech Assessment Plus (CTA+) program. This program assesses Tier 1 manufacturers' performance on energy management to identify scalable reduction opportunities and offer better practices and approaches on energy savings. To support our vendors, our dedicated team is engaging in the whole process from data collection to project closing meetings.

Coal phase-out

As a signatory to the UN Fashion Industry Charter for Climate Action (Fashion Charter), Arc'teryx is committed to urgently phasing out coal as an on-site energy feedstock in our supplier partner facilities.

In 2022, our team assessed which of our partner facilities were using coal on-site and found that none of our Tier 1 suppliers and six of our Tier 2 suppliers were using coal (one of which was already phasing out their usage). Since then, the remaining suppliers have established a specific phase-out plan and we are closely monitoring and supporting the execution of the plans to ensure they are on track to meet our target completion year of 2025.

Renewable energy

We believe that renewable energy is a critical part of the solution to climate change. By collaborating with our suppliers to support their adoption of renewable energy, we are committed to reducing our collective environmental impact and we made significant progress in 2022:

- Using the Higg FEM data as a starting point, we worked with our suppliers to map out their current energy use and identify opportunities for renewable energy adoption. We also continued to partner with industry initiatives and expertise to unlock supplier's potential. As a result of these efforts, we now have nine Tier 1 suppliers and 22 Tier 2 suppliers that are using renewable energy as a proportion of their energy mix in their production facilities.
- In 2022, 5% of our final products and 14% of our raw materials were produced with renewable energy.
- We aim to increase the uptake of renewables in our supply chain and have set a target of at least 50% of our final products and raw materials to be produced with renewable energy by 2030.

CIRCULARITY

In May 2021, we declared that “waste is a problem we must solve collectively.” ReBIRD™ is the home for our circular initiatives: reducing waste and keeping gear in play through care and repair, recommerce and upcycling.

REBIRD™

THE FIRST REBIRD™ SERVICE CENTRE - IN NEW YORK CITY - WAS JOINED IN 2022 BY FIVE NEW LOCATIONS ACROSS THE US, CANADA, CHINA AND JAPAN.

ADVANCING CIRCULARITY: PRINCIPLES, PROGRESS & FUTURE PRIORITIES

Circular Design Principles

2022 saw the announcement of our Circular Design Principles, created to embed circularity within our design process from start to finish. The Sustainability and Advanced Concepts teams worked together to identify key challenges and waste streams, and craft design guidelines to ensure all products are designed with their end-of-life in mind.

- **Considered Inputs:** The design process prioritizes the use of low impact, recycled and/or regenerative materials and minimizes waste.
- **Durable Life:** Products are designed with longevity in mind, keeping gear out of landfill through offering the highest level of durability, repairability and functionality possible.
- **Responsible End:** Products are designed with their end-of-life in mind, whether recycling or repurposing.

Customer education: Simple solutions to extend wear

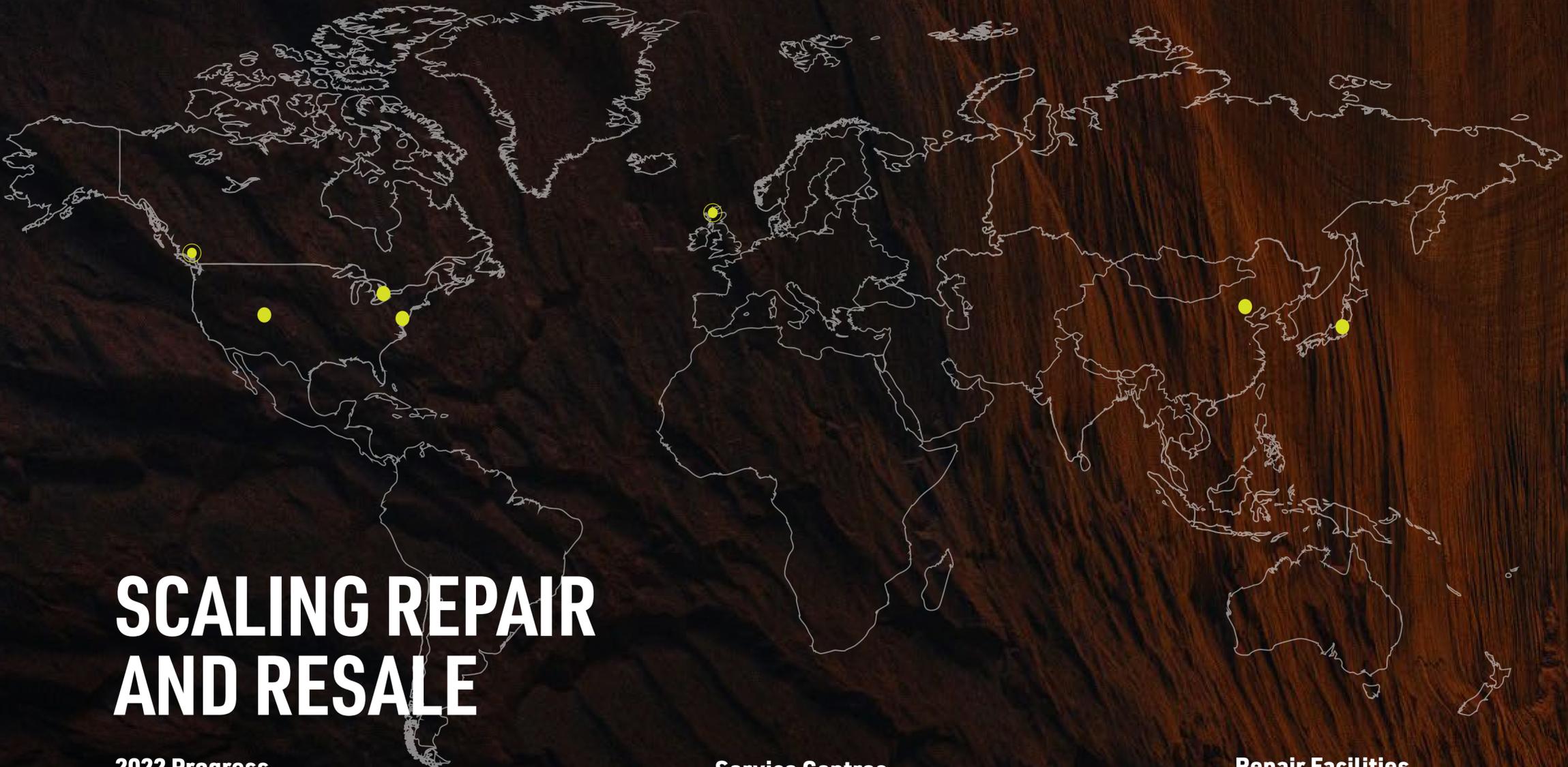
The first ReBIRD™ Service Centre – in New York City – was joined in 2022 by five new locations across the US, Canada, China and Japan. Our Boulder and Vancouver Kitsilano locations offered technical wash and Durable Water Repellent (DWR) reapplications to guests for the first time, and we saw guest engagement skyrocket in response. The number one search term for Arc'teryx currently is, "How do I wash an Arc'teryx jacket?", so we understand the importance of educating our guests about basic product care. We know that through correct product care and repair – such as regular washing and re-waterproofing as required – we can extend garment life by 32%.¹ This understanding is at the heart of our commitment to ensure product durability for climate impact.

¹ <https://grangers.co.uk/pages/wear-and-care-survey-results>

DURABLE LIFE

PRODUCTS ARE DESIGNED WITH LONGEVITY IN MIND, KEEPING GEAR OUT OF LANDFILL THROUGH OFFERING THE HIGHEST LEVEL OF DURABILITY, REPAIRABILITY AND FUNCTIONALITY POSSIBLE.





SCALING REPAIR AND RESALE

2022 Progress

- OPENED 5 NEW REBIRD™ SERVICE CENTRES
- BROUGHT ON A NEW REPAIR FACILITY IN MUSSELBURGH, SCOTLAND TO FACILITATE FASTER AND MORE EFFICIENT WARRANTY REPAIRS FOR UK GUESTS, AND TO REDUCE EMISSIONS RELATED TO SHIPPING GOODS TO THE EU
- EXPANDED OUR REGEAR™ RECOMMERCE PLATFORM FROM US-ONLY TO ALSO INCLUDE CANADA

Service Centres

- KITSILANO (VANCOUVER, CANADA)
- BOULDER (COLORADO, US)
- TORONTO EATON CENTRE (CANADA)
- NEW YORK CITY (US) - ORIGINAL LOCATION
- BEIJING (CHINA)
- TOKYO MARUNOUCHI (JAPAN)

Repair Facilities

- MUSSELBURGH (UK)
- ARC'ONE (CANADA) - ORIGINAL LOCATION



ReBIRD™ Service Centres: Scaling circular

ReBIRD™ Service Centres are the frontline for guest education on correct product care and repair. Offering light-touch repairs, product assessment and trade-in – as well as technical washing facilities at select locations – these centres bring our commitment to circularity to life for guests. Our largest ReBIRD™ service centres to date opened in 2022, and the learnings from these new spaces will inform our plans for future locations across the globe.

Recognizing that the growth of our retail store footprint also fuelled an increase in our Scope1 emissions (see page 17), we are working diligently to ensure all retail locations can act as hubs for guest education on key topics such as product care, repair, custodianship and the importance of circularity. This keeps gear in play through local servicing and alleviates the need to ship product across the country for repairs, reducing emissions in the repair process.

Circularity and recommerce

ReGEAR™ continued to grow in 2022, reflecting increasing public interest in purchasing secondhand as a more sustainable option. While Arc'teryx's approach to circularity is rooted in product durability, care and repair, we recognize the appetite for new styles and colours in our community. Recommerce through ReGEAR™ satisfies this sense of newness, but with a smaller climate impact. We brought ReGEAR™ to Canada for the first time in 2022 and it was extremely well received by our community, especially within the younger, more female demographic. This launch was bolstered with multiple ReCUT™ product drops, utilizing excess raw materials to create new, limited-edition pieces such as chalk bags and down blankets. Recommerce increased in growth by 30% in 2022 compared to 2021, and we're committed to growing our recommerce capabilities globally, creating a thriving ReGEAR™ marketplace for conscious consumption.

¹ <https://textileexchange.org/app/uploads/2023/02/Preferred-Fibers-and-Materials-Definitions-Guidance-Jan-2023.pdf>

The future is circular: ReBIRD™ priorities

- 2023 will see further expansion of ReBIRD™ Service Centres, including our most recent opening at the Chicago Oakbrook location.
- Globally, we're looking to build on our repair capability to enable greater capacity and more efficient turnaround. We'll achieve this through onboarding new repair partners in key regions (such as the US and EU).
- Guest education remains a significant priority for us, continually empowering guests to keep their gear in play through correct care and repair processes. This starts with simple steps such as updating our ReCARE™ website portal with educational videos to show how to properly wash GORE-TEX jackets.
- Scaling recommerce globally is an ongoing priority. We launched Canadian recommerce in March 2022, and it's steadily growing in popularity. Looking further ahead, we're focusing on bringing recommerce capabilities to other regions including Europe and Australia.

Preferred materials

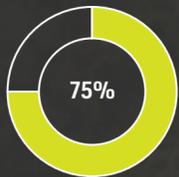
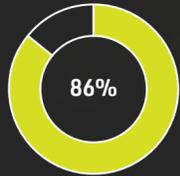
Along with all other brands within the Amer Sports Group, we have gone beyond our UN Fashion Charter commitments and pledged that "By 2030, 100% of our materials will be low-impact, traceable preferred materials". To ensure transparent and accountable progress that is in line with our peers and the industry, we submit to the Textile Exchange's Materials Benchmark program, a voluntary reporting framework which helps companies systematically measure, manage and integrate a strategy for preferred fibres into mainstream business operations.

Preferred materials: The UN Fashion Charter, aligned with the Textile Exchange, defines "Preferred" as "A fiber or raw material that delivers consistently reduced impacts and increased benefits for climate, nature, and people against the conventional equivalent, through a holistic approach to transforming production systems."¹

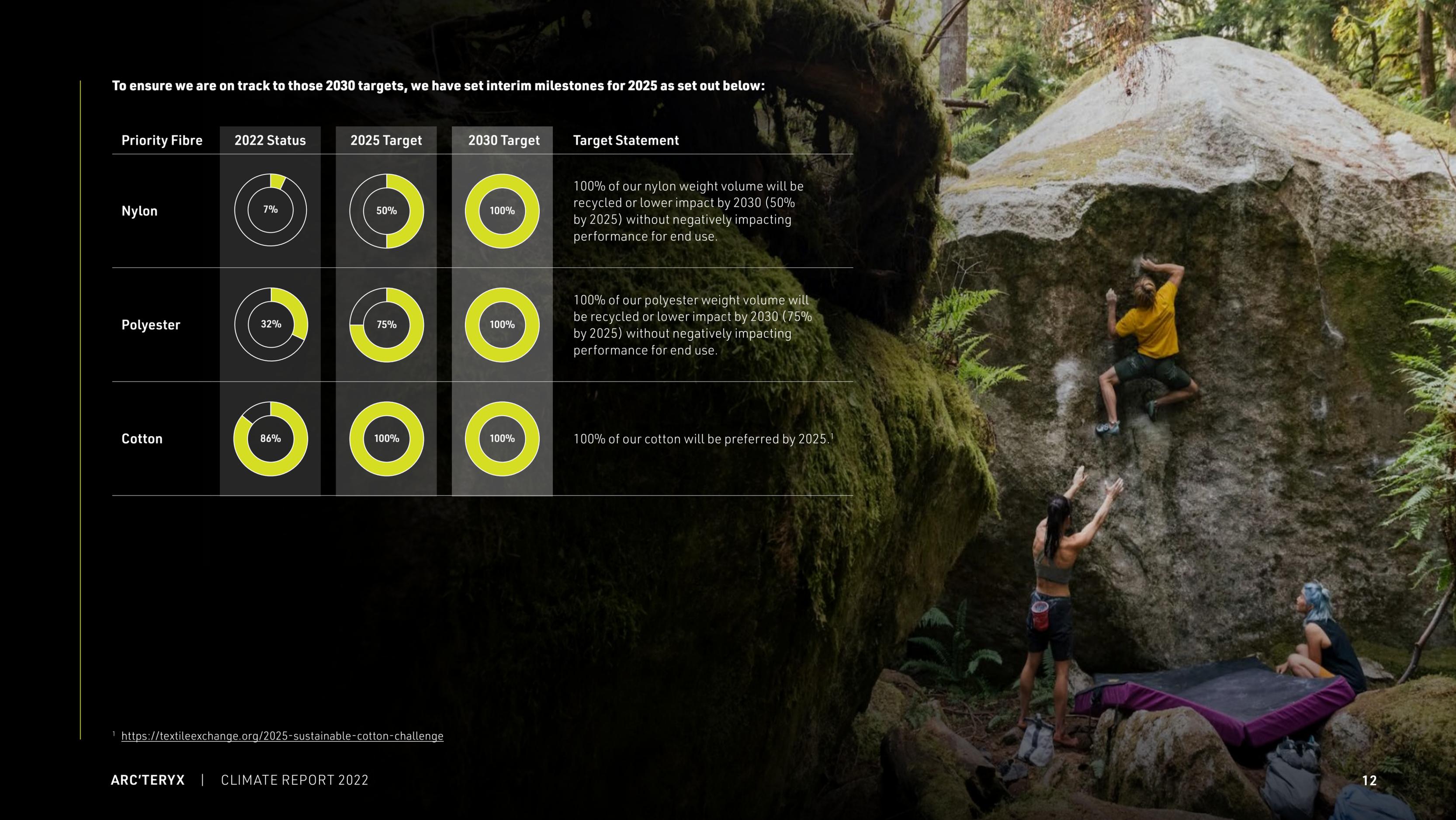


On Earth Day 2022, the Arc'teryx EMEA team held an upcycling workshop in partnership with Redeem Equipment and Snell Sports in Chamonix. Giving a second life to excess raw materials, guests created bespoke multi-use pouches and put our circular design principles to the test.

To ensure we are on track to those 2030 targets, we have set interim milestones for 2025 as set out below:

Priority Fibre	2022 Status	2025 Target	2030 Target	Target Statement
Nylon	 7%	 50%	 100%	100% of our nylon weight volume will be recycled or lower impact by 2030 (50% by 2025) without negatively impacting performance for end use.
Polyester	 32%	 75%	 100%	100% of our polyester weight volume will be recycled or lower impact by 2030 (75% by 2025) without negatively impacting performance for end use.
Cotton	 86%	 100%	 100%	100% of our cotton will be preferred by 2025. ¹

¹ <https://textileexchange.org/2025-sustainable-cotton-challenge>



COMMUNITY IMPACT

"At Arc'teryx, we believe that the mountains are transformative – offering new experiences, perspectives and ideas – and we're passionate about enabling greater access to these places we love. We're committed to Truth and Reconciliation: guided by the First Nations, Métis, Inuit and Tribal communities who have lived on and protected this land for millennia. We know that climate does not exist in isolation: those who visit the outdoors can see firsthand the impact of our changing climate. We're proud to support and learn from an incredible array of grassroots community organizations and leaders working to advocate, enable access and increase representation in the outdoors. Together, we can create a more equitable outdoor industry, stand up for the places we love, and co-create a better future."

– DAN WALKER, MANAGER, COMMUNITY IMPACT



INVESTING IN COMMUNITIES

We firmly believe a resilient climate future cannot be achieved in isolation. It necessitates the development of deep and trusting relationships with community leaders, Indigenous Knowledge Holders and other partners who have worked to preserve the land for generations. We are honoured to work in partnership with these groups, to listen to their needs, and in response, align our strategy and resources so that our work together can advance equitable access, Truth and Reconciliation, and build a resilient climate future.

Delivering on our commitments is possible through two key programs.

- Through the annual Arc'teryx **Community Grant Program**, we seek to identify and partner with talented community leaders who are advancing this work. This program provides an opportunity to connect with important voices in community and has led to a number of our grant recipients becoming Strategic Partners.
- Our **Strategic Partnerships** enable us to deepen our commitment through financial investments and support organizations that are leading movements which are closely aligned to our strategy.

2022 STRATEGIC PARTNERS

41
PARTNERS

16
REGIONS

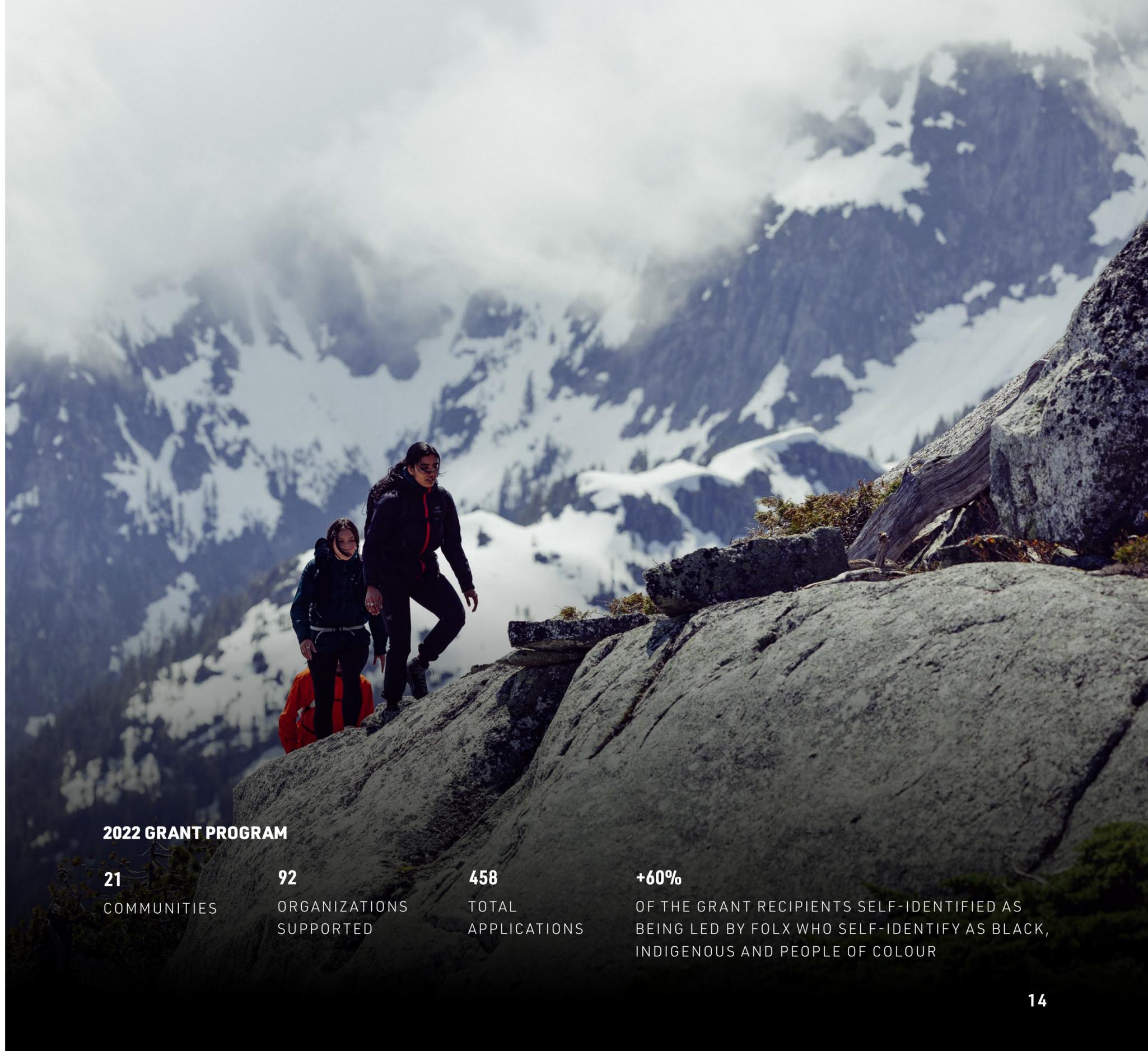
2022 GRANT PROGRAM

21
COMMUNITIES

92
ORGANIZATIONS
SUPPORTED

458
TOTAL
APPLICATIONS

+60%
OF THE GRANT RECIPIENTS SELF-IDENTIFIED AS
BEING LED BY FOLX WHO SELF-IDENTIFY AS BLACK,
INDIGENOUS AND PEOPLE OF COLOUR



Empowering young leaders for a sustainable future

The Starfish Environmental Society (The Starfish) is a pan-Canadian charity that believes that young people aren't just the leaders of tomorrow – they're already the leaders of today. Since 2010, The Starfish has been cultivating a national community of diverse youth changemakers, empowering them to voice their experiences and take action in climate change and social justice, and providing inclusive safe spaces for their voices to be heard by decision-makers.

Over the past three years, Arc'teryx has partnered with The Starfish, supporting them through grant funding, mentorship and gear donations. In 2022, our collaboration expanded in three key focus areas at The Starfish:

Learning and Development Programs:

A unique sustainability champions training program was successfully piloted in 2022 with a national corporation, focusing on food security and waste reduction. It illustrated how young employees can be a driving force for change within an organization when equipped with the education, space and encouragement to collaborate intergenerationally and contribute environmental impact reduction ideas to a company's leadership.



Celebrating Young Canadians Inspiring the Environmental Movement:

The 2022 finalists of the Top 25 Environmentalists Under 25 showcased diverse backgrounds, including artists, environmental educators, Indigenous governance advocates, researchers, and community organizers. Winners of the annual program gain access to resources such as mentorship and participation in the Speakers Bureau, refining their public speaking skills and spreading hope and action in environmentalism to diverse audiences.

Platform for Unique Voices and Stories:

Since its launch in 2010, the online Youth Journal offers young individuals a supportive editorial space to share their climate change experiences, actions and priorities, to connect with a community of like-minded peers, and to find inspiration as environmental leaders. In 2022, the journal was expanded to allow for more creative forms of expression like poetry, photojournalism and short fiction, as well as expanding its reach and inclusion with the introduction of French content.

Arc'teryx is proud to support the work of The Starfish, enabling a generation of environmentalists to create and steward a more equitable, just and sustainable future.



AISHWARIYA RAVI SHANKAR

EDITORIAL AND TOP 25
PROGRAM MANAGER





SCIENCE-BASED TARGETS UPDATE

We are much closer to our 2030 targets than expected, which prompted the announcement in last year's leadership message that we would revise our targets to be more ambitious and drive the change that our planet needs.

Our business growth is a factor in how we have progressed so quickly toward our Scope 3 intensity targets; however, conservative estimates on our 2018 baseline and improvements in data quality have also contributed.

Factors such as the COVID-19 pandemic and subsequent supply chain issues have made it more difficult to assess our true progress while reinforcing the importance of ensuring we maintain alignment with the ambition of our longer-term net-zero goal.

As signatories to the UN Fashion Charter, our brand is developing decarbonization roadmaps and action plans in line with keeping global warming below 1.5 degrees Celsius and achieving net-zero emissions by 2050.

Due to these considerations, we are engaging with third-party consultants and following the latest SBTi guidelines to update our targets. Along with ensuring that we have the most detailed and robust baseline to track our progress, we are conducting a full review of our boundary, data sources and calculation methodologies.

We anticipate that these actions to support our increased ambitions in meeting our net-zero commitment will conclude before the next annual reporting cycle begins in the new year.

GHG REPORT

This greenhouse gas (GHG) emissions summary is prepared in accordance with the principles and requirements of the Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition) for the year ending December 31, 2022.

An operational control approach has been used to determine the scope of reporting. Scope 1 and 2 include emissions from carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) within all owned operations, including heat and electricity consumption at Vancouver headquarters, Canadian production facility and global retail stores, as well as owned and leased vehicles and refrigeration.

Scope 1 and 2 emissions are calculated and reported using both the location-based and market-based approach.

Scope 3 emission categories included in the boundary are:

- Purchased Goods and Services (including finished goods and raw materials)
- Capital Goods (machinery and IT equipment)
- Fuel and Energy-Related Activities Not Included in Scope 1 or 2
- Upstream Transportation and Distribution
- Waste Generated in Operations
- Business Travel and Employee Commuting

¹ 2022 assurance provided by PricewaterhouseCoopers. See page 20 for independent practitioner's report.

² 2018 & 2019 Scope 2 location-based emissions have been restated with specific location-based emissions factors applied.

³ 2018 Scope 3 emissions updated with the same source of emissions factors (BEIS) applied for inbound freight calculations as subsequent years.

GHG Emissions Summary (tCO₂e)

	2018	2019	2020	2021	2022
Scope 1 (tCO ₂ e)	1,189.6	1,105.4	1,066.0	1,073.4	1,177.4 ¹
Scope 2 location-based (tCO ₂ e)	1,919.7 ²	2,284.8 ²	2,671.7	3,128.4	4,108.4 ¹
Scope 2 market-based (tCO ₂ e)	1,577.3	1,933.0	0.0	0.0	0.0
Scope 3 (tCO ₂ e)	65,832.9 ³	72,284.0	38,403.6	46,063.9	82,280.8 ¹
Total (market-based)	68,599.8	75,322.4	39,469.6	47,137.3	83,458.2

2022 Emissions by Category

Scope 1 and 2

1.4%

Other Scope 3

2.1%

Business Travel
and Employee
Commuting

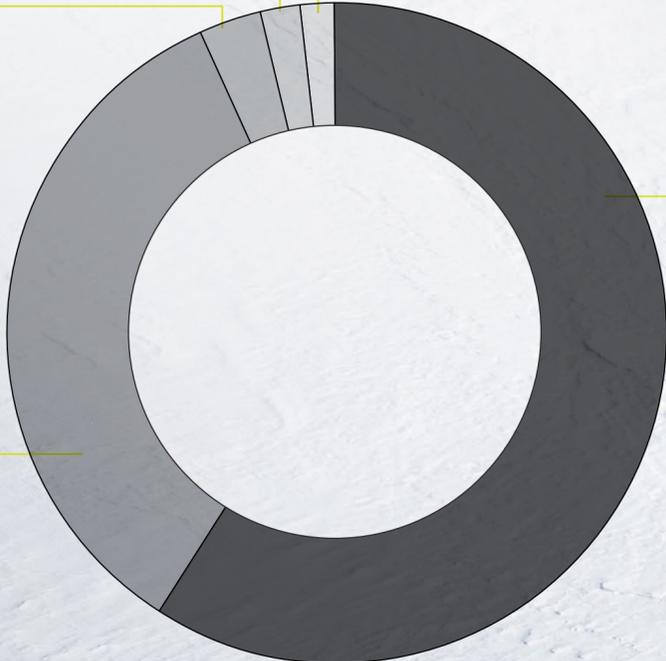
3.1%

Upstream
Transportation and
Distribution

34.1%

Purchased Goods
and Services

59.2%



	Aspect	Methodology and Assumptions
Scope 1	Vehicle Fuel	Expenditure data is used to calculate fuel consumption based on monthly average prices in Vancouver, Canada. Leased vehicle mileage is estimated with average distance driven by BC residents.
	Refrigerants	Maintenance service providers issue reports of callouts for leakage repairs for our main Canada operations, and estimates are calculated for retail stores with conservative assumptions made on the type of units and a leakage rate of 10% in alignment with IPCC guidelines.
	Natural Gas	Electricity and natural gas consumption is captured from invoices, except for some retail stores. In this case, estimates are made using floor area and intensity measures are applied through an external sustainability software provider.
Scope 2 Electricity		
Scope 3	Purchased Goods and Services (finished goods)	Tier 1 suppliers' emissions are accessed via the Higg Facility Environmental Module (FEM) database and proportioned based on the amount of product attributed to Arc'teryx. Reporting year product and material volumes are applied to emissions intensities from previous year FEM responses, due to availability of responses at the time of calculation.
	Purchased Goods and Services (materials)	Tier 2, 3 and 4 emissions are estimated by calculating the total weight of materials and applying relevant global warming potential (GWP) midpoints from the Higg Materials Sustainability Index (MSI). Footwear is excluded from Tier 2 -4 calculations due to lack of available data. The Tier 2 proportion of the materials footprint is calculated using Higg FEM data.
	Capital Goods (machinery and IT equipment)	Expenditure data is used to calculate emissions by applying industry average conversion factors obtained from the UK Department for Business, Energy and Industrial Strategy (BEIS).
	Fuel and Energy-Related Activities Not Included in Scope 1 or 2	Upstream emissions are calculated by applying appropriate emissions factors to Scope 1 and 2 emissions through an external sustainability software provider.
	Upstream Transportation and Distribution (Inbound Freight)	Purchase order data is used to determine the weight of products and the route and mode of transport between production facilities and distribution centers. Google API is used to estimate road distances, and a third-party logistics service provider reports actual distances for specific routes between sea and air ports. Conversion factors from BEIS are applied to the tonne-km figure to calculate sea and air emissions, and the third-party provider details the emissions factors for the specific road vehicles used.
	Upstream Transportation and Distribution (Outbound Freight)	Emissions reports are received from the majority of carrier and courier service providers, which account for the weight, distance (tonne.km) and mode of transport. Where this data was not available from service providers, estimations were made using purchase order data and BEIS emissions factors.
	Upstream Transportation & Distribution (Distribution Centres excluding ARC'One)	Percentage of emissions calculated by Amer Sports for shared warehouses and distribution centres that are not under Arc'teryx direct control.
	Waste Generated in Operations	Waste service providers produce weight reports and emissions factors from BEIS are applied. For retail stores waste is estimated using number of people (FTE) and waste intensity factors from an external sustainability software provider.
	Business Travel and Employee Commuting	Business Travel is partly arranged through an external software company who provides an annual emissions report and partly through internal expense reports where emissions factors are applied through an external sustainability software provider. A commuter survey was conducted to establish a dataset on modes of travel and distances traveled that was extrapolated to all employees.

Independent practitioner's limited assurance report on GHG emissions Scope 1, GHG emissions Scope 2 and GHG emissions Scope 3

To the Directors of Arc'teryx Equipment, a Division of Amer Sports Canada Inc.

We have undertaken a limited assurance engagement of the following metrics (the subject matter) of Arc'teryx Equipment, a Division of Amer Sports Canada Inc. (Arc'teryx) during the year ended December 31, 2022, as presented within Arc'teryx's 2022 climate report, hosted on Arc'teryx's website¹:

GHG emissions – Direct (Scope 1) (tCO ₂ e) for the year ended December 31, 2022	1,177.4
GHG emissions – Indirect (Scope 2) (tCO ₂ e) for the year ended December 31, 2022	4,108.4
GHG emissions – Indirect (Scope 3) (tCO ₂ e) for the year ended December 31, 2022	82,280.8

Management's responsibility

Management is responsible for the preparation of the subject matter in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (The GHG Protocol) and Management's internally generated criteria (the applicable criteria). Management is also responsible for such internal control as management determines necessary to enable the preparation of the subject matter that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the subject matter based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3410, *Assurance Engagements on Greenhouse Gas Statements (CSAE 3410)*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the subject matter is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the subject matter in accordance with the applicable criteria are likely to arise.

Our engagement included, among others, the following procedures performed:

- Making enquiries of management to obtain an understanding of the overall governance and internal control processes relevant to the identification, management and reporting of the subject matter;
- Analytical reviews and trend analysis of the subject matter; and
- Performed testing on a limited sample of the underlying data of the subject matter.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements*, and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Significant inherent limitations

Greenhouse Gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The precision of different measurement techniques may also vary.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Arc'teryx's subject matter during the year ended December 31, 2022 is not prepared, in all material respects, in accordance with the applicable criteria.

Purpose of statement and restriction on distribution and use of our report

The subject matter has been prepared in accordance with the applicable criteria to report and assist management of Arc'teryx in assessing their GHG emissions Scope 1, GHG emissions Scope 2 and GHG emissions Scope 3 performance. As a result, the subject matter may not be suitable for another purpose. Our report is intended solely for Arc'teryx Equipment, a Division of Amer Sports Canada Inc.

We acknowledge the disclosure of our report, in full only, by Arc'teryx Equipment, a Division of Amer Sports Canada Inc. at its discretion, in Arc'teryx's 2022 climate report without assuming or accepting any responsibility or liability to any other third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, BC

09/20/2023

PricewaterhouseCoopers LLP

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Truth and Reconciliation commitments

Arc'teryx is committed to the implementation of the Truth and Reconciliation Commission (TRC) Calls to Action and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). Being guided by First Nation, Indigenous, Inuit, Métis and Tribal communities, we use a lens of Truth and Reconciliation throughout our business as we strive to support the preservation and protection of the air, lands and waters of the places we love.

Arc'teryx is also committed to learning from Indigenous Knowledge Holders, ways of knowing and oral histories in evaluating carbon emissions, waste management, land and resource use, and preservation of biodiversity. We will strive to do this by developing meaningful relationships and sharing resources. Arc'teryx also supports and will advocate for education, collaboration, representation, and environmental stewardship and guardianship by Indigenous-led organizations and representatives.

PHOTOGRAPHY AND LAND ACKNOWLEDGEMENT

PAGE

FC *From left to right:*

Japan

x^wməθk^wəyəm | sə́lilwətaʔt | Skwxwú7mesh | Liłwat7úl Territory
Liłwat7úl Territory

2 Shoshone | Arapaho Territory

3 Southern Sierra Miwuk Territory

7 Qayqayt | k^wik^wəłəm | Katzie | Kwantlen | Sto:lo Territory

8 Lenape Territory

9 Skwxwú7mesh | sə́lilwətaʔt Territory

10 Ute | Dine' | Paiute | Goshute | Shoshone Territory

11 Lenape Territory

12 Skwxwú7mesh Territory

13 Skwxwú7mesh Territory

14 Skwxwú7mesh Territory

15 Anishinaabe | Haudenosaunee Territory

16 Iceland

17 Gwa'sala-'Nakwaxda'xw Territory

18 Iñupiat | Yupik | Aleut | Eyak | Tlingit Territory

21 Skwxwú7mesh Territory

BC Liłwat7úl Territory

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