



# WELCOME

Our sixth annual climate report is the account of the Arc'teryx journey so far as we navigate toward our net-zero summit.



Stuart Haselden
Chief Executive Officer

## LEADERSHIP MESSAGE

In 2024, it became ever clearer that climate change is not a distant threat. Arc'teryx is located at the foot of the Coast Mountains of British Columbia, and our work is deeply rooted in the fragile alpine environments and temperate forests around us. We see the impact of extreme weather all around us, altering mountain landscapes and affecting communities and ecosystems around the world. We recognize the effects we feel now pale in comparison to the potential impacts to come. This drives our commitment to act now and with urgency to help fight climate change.

Our purpose is to Leave it Better. We have both a responsibility and a calling to reduce the impact our business has on the environment by transitioning from a traditional "take-make-waste" approach by decarbonizing and moving toward more circular business models.

In 2020, we set our first science-based targets to reduce our emissions intensity by 2030. We made demonstrable progress toward these initial goals, but we knew we could do more. In 2023, we went back to the drawing board and set bolder, more

ambitious science-based targets focused on reducing absolute emissions rather than emissions intensity. Our ultimate ambition as a business is to reach net-zero by reducing our greenhouse gas (GHG) emissions by at least 90% by 2050 from a 2022 base year. These updated targets were submitted and verified by the Science Based Targets initiative in 2024, pushing us to climb farther than ever before on our route to reach net-zero.

We know that setting targets is only the first step on a long journey. In 2024, we developed a comprehensive roadmap to guide our journey toward net-zero and continued to make tangible forward progress. We made progress toward decoupling GHG emissions from our business growth—while our absolute emissions did grow in 2024, our emissions intensity has continued to decrease, and our emissions grew at a slower rate than our revenue growth.

As we look ahead to 2025, we will continue to act with urgency to climb toward net-zero, reduce our emissions, and deliver on our promise to Leave it Better.

### **ABOUT THIS REPORT**

Arc'teryx recognizes climate change as our most urgent environmental concern. Guided by science-based targets that aim to achieve net-zero by 2050, we have already begun the transition to make our business to be less carbon intensive and more circular, to ensure we do our part to combat climate change. This is our sixth annual Climate Report — it covers our 2024 fiscal year and encompasses our global operations and activities.

In this report, we occasionally use climbing and industry-specific terminology. Definitions for these terms are provided in our glossary.

### LAND ACKNOWLEDGEMENT

Arc'teryx acknowledges that our Headquarters and Design Centre are located on the unceded shared territories of the x<sup>w</sup>məθk<sup>w</sup>əy'əm, Skwxwú7mesh, and səlilwəta? peoples. ARC'One, our local manufacturing facility, is located within the territories of the Qayqayt, k<sup>w</sup>ik<sup>w</sup>əλ'əm, Katzie, Kwantlen, x<sup>w</sup>məθk<sup>w</sup>əy'əm, Skwxwú7mesh, səlilwəta? and Sto:lo Nations, who have called this place their homeland since time immemorial.

We humbly acknowledge the role that Indigenous, Inuit, and Métis peoples have in the stewardship and protection of the lands and waters on which we gather, and we support Indigenous knowledge systems, approaches, and ways of knowing as we face a rapidly changing climate and landscape.



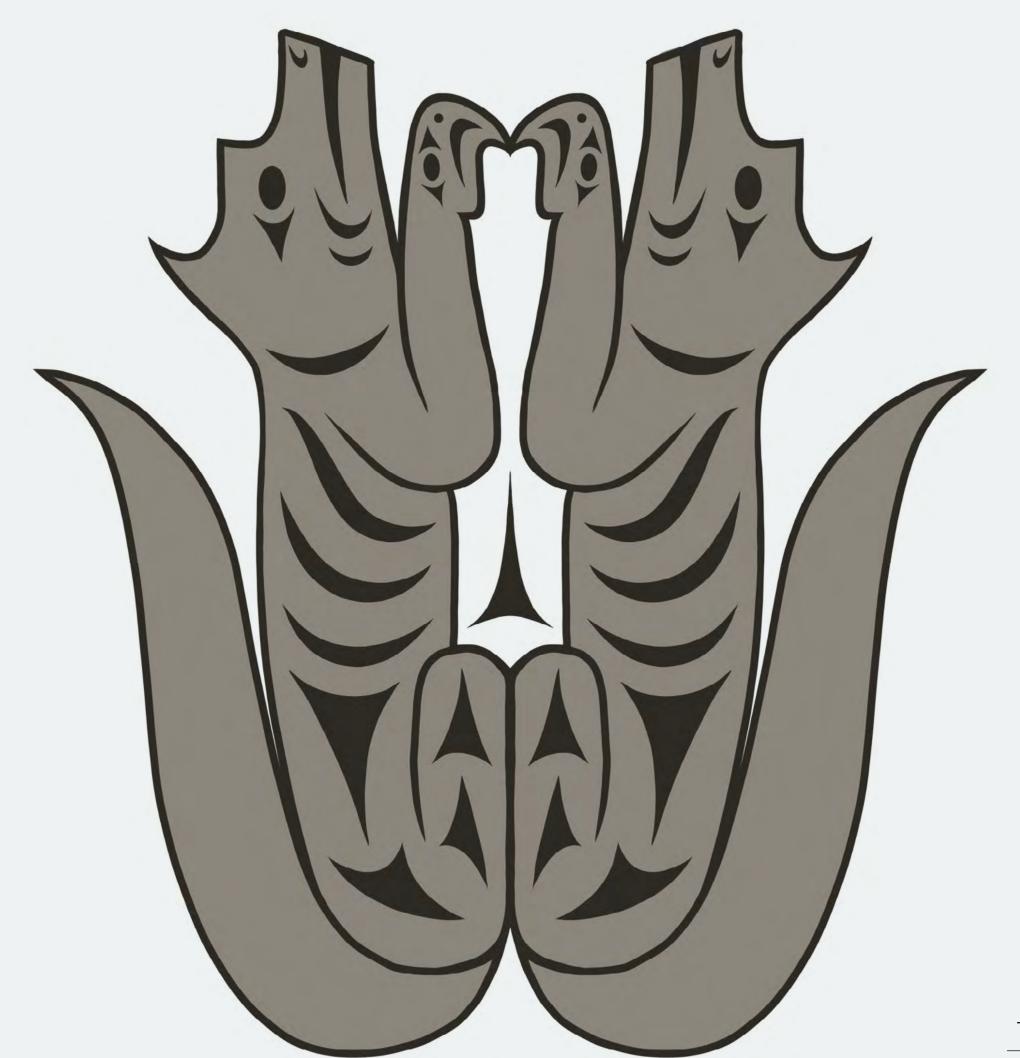
### **TRUTH & RECONCILIATION**

Arc'teryx is committed to the implementation of the Truth & Reconciliation Commission's Calls to Action and the United Nations Declaration on the Rights of Indigenous Peoples. Our commitment to Leave it Better is rooted in a responsibility to care for the places where we live, work, and recreate, ensuring we apply knowledge systems that promote balance, sustainability, and reciprocity with the natural world. Sustainability is not just about innovation — it is about responsibility, relationship, and ensuring that future generations can continue to experience the beauty of the landscapes we cherish today.

As we advance our climate commitments, we acknowledge the leadership of Indigenous communities in conservation and environmental stewardship. While we have not yet fully integrated reconciliation principles into our climate and sustainability strategies, we recognize the importance of building relationships, supporting Indigenous-led initiatives, and creating ways to align how we connect with the land with Indigenous stewardship values. We remain committed to listening, learning, and finding ways to support Indigenous-led stewardship in a respectful and collaborative way.

### **ARTIST SPOTLIGHT**

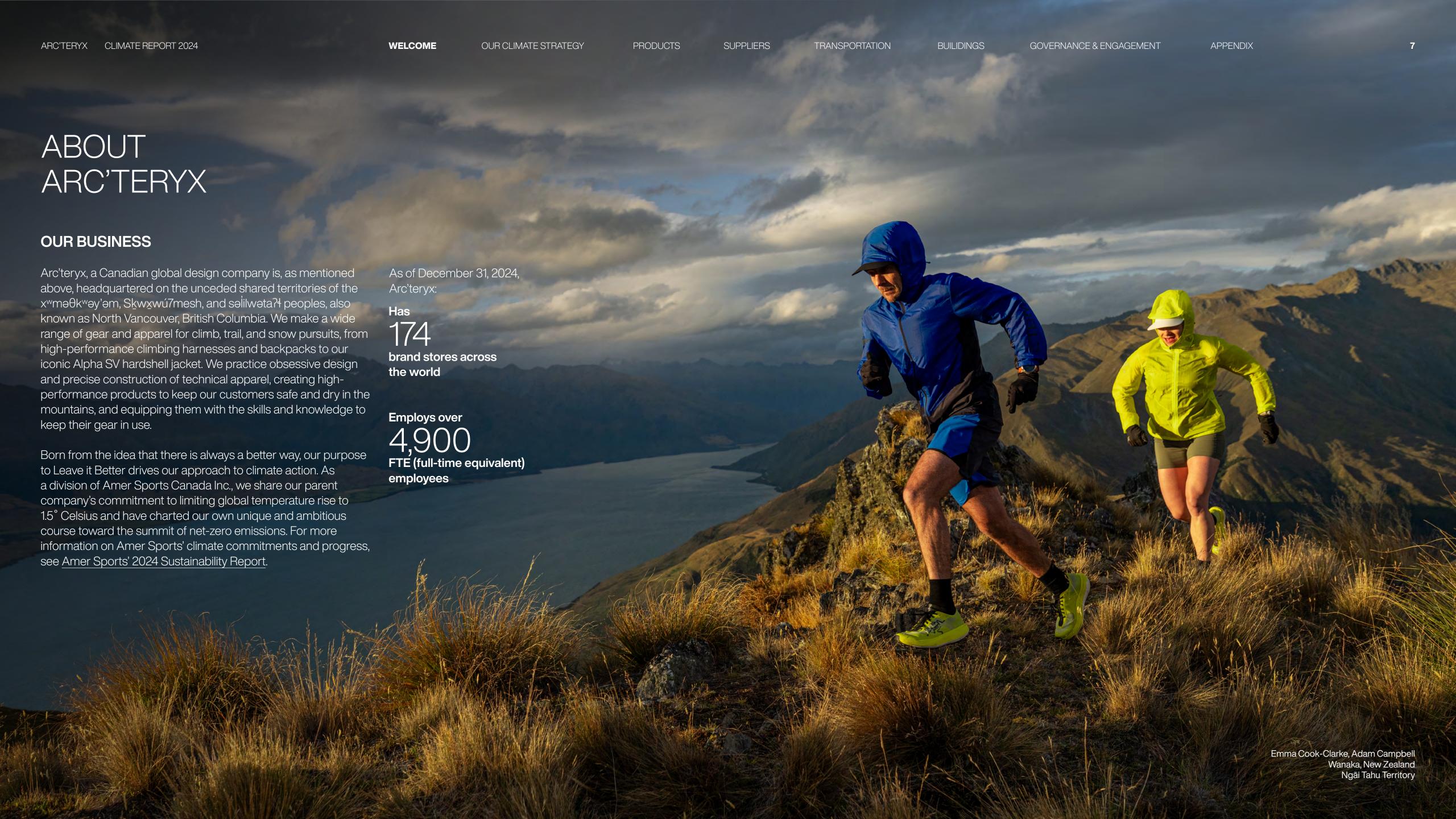
Ocean Hyland is a Tsleil-Waututh Artist who has been practicing Coast Salish art since 2017. Ocean's ancestral name is ts;simtelot, and she is from the village that sits between the mountains and the bay. Ocean has explored and gained technical experience in carving, engraving, painting and weaving, and has showcased her art in various art shows, public art installations, and private commissions. Ocean has studied Indigenous art and language at both Native Education College and Simon Fraser University's Squamish Language Immersion Program. She credits the many generous artists who have mentored and helped grow her skill as a multidisciplinary Coast Salish artist. Alongside her artistic endeavors, Ocean is an advocate for Indigenous language revitalization work in her communities.



Takaya (wolf)

Ocean Hyland Artist





### 2024 HIGHLIGHTS

## SET BOLD GOALS AND A PATH TO ACHIEVE THEM



Verified the bold sciencebased targets we set in 2023 that are based on reducing absolute emissions rather than emissions intensity



Developed and started to roll out a detailed plan called our Emissions Reduction Roadmap to achieve our net-zero goal

## ADVANCED PRODUCT CIRCULARITY AND INNOVATION



Increased the year-overyear uptake of preferred inputs used in our products – 15% for nylon, and 7% for polyester – moving us closer to our 2030 targets



Opened 12 new ReBIRD™
Service Centres globally and
expanded our trade-in and
resale program by 41% yearover-year

## PARTNERED WITH SUPPLIERS ON FAIR TRADE AND SUSTAINABILITY



Delivered facility
environmental training to
39 of our suppliers
and hosted our first
Supplier Summit



Supported 8 manufacturing facilities in achieving Fair Trade certification

## PURSUED DECARBONIZATION OF OUR BUILDINGS AND TRANSPORTATION



Reduced our absolute inbound freight emissions by 16% year-over-year



Continued procuring unbundled Energy Attribute Certificates (EACs) to match our buildings' energy use with renewable energy generation

9

# OUR CLIMATE STRATEGY

We have planned the route for our climate journey — from base to peak — as we move toward our net-zero summit.

## OUR AMBITION: NET ZERO' BY 2050

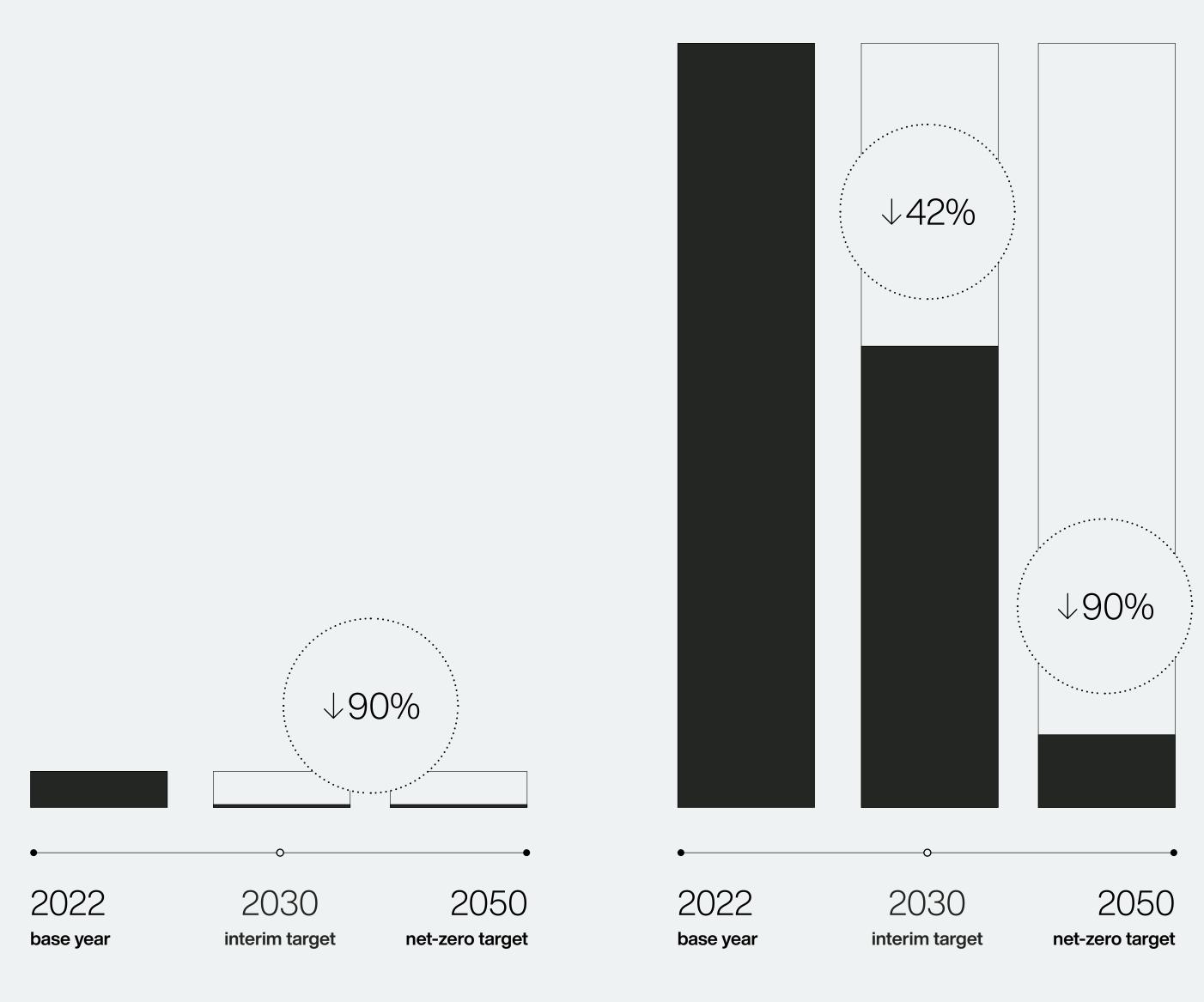
Our net-zero targets are 1.5C aligned, have been validated by the Science Based Targets initiative (SBTi)<sup>2</sup> and are as follows:

Reach net-zero GHG emissions across the value chain by 2050 by reducing Scope 1, 2, and 3 GHG emissions by 90% from a 2022 base year.

On our journey to net-zero by 2050, our interim targets are to:

Reduce absolute Scope 1 and 2 GHG emissions by 90% and Scope 3 by 42% by 2030 from a 2022 base year.

SCOPE 1 AND 2 EMISSIONS



**SCOPE 3 EMISSIONS** 

<sup>1</sup> Net-zero means to reduce 90% of our absolute emissions and neutralize the remaining 10%.
2 Our SBTs are set with market-based Scope 2 emissions, where we use unbundled RECs to source renewable electricity. We include location-based Scope 2 emissions in our roadmap to drive best practice in energy procurement and energy efficiency within our own operations.

### OUR PROGRESS

Achieving our net-zero target is the summit we are striving toward, and our route to get there represents a challenging but rewarding and critically important climb. Getting there will require technological innovation, collaboration with suppliers and other partners, and a global transformation to a lower-carbon economy. Luckily, getting out of our comfort zone has been part of our DNA since day one, and we are ready to face the challenge.

### 2018-2020:

# THE APPROACH Setting our sights on net-zero

- Set our first science-based targets, including an absolute reduction target for Scope 1 & 2 and an intensity-based target for Scope 3
- Launched ReBIRD™, our platform for circular services, to keep gear in use
- Set and achieved our goal to source 100% renewable energy through the purchase of EACs by year-end 2020
- Committed to producing 80% of our products in Fair
   Trade Certified™ factories by 2025

### 2021-2023:

# PLANNING OUR ROUTE TO NET-ZERO Getting our climate strategy off the ground

- Set bolder science-based targets for absolute Scope 1,
   2, and 3 emissions reductions
- Grew our ReBIRD™ services to include Wash and Care to improve gear longevity
- Pledged that 100% of our materials will be low-impact, traceable, and preferred by 2030
- Supported 11 manufacturing facilities to achieve
   Fair Trade certification, including the first Fair Trade
   Certified™ footwear factory in Bangladesh

### C

2025:

# CLIMBING ON Advancing to net-zero

- Continue to implement our Emissions Reduction
   Roadmap, focusing on the highest-impact opportunities
   for emissions reduction
- Increase data quality and frequency of data collection to support decision-making and tracking progress toward our goals

### 2024:

# THE FIRST FEW PITCHES Starting our climb to net-zero

- Received validation from the Science Based
   Target initiative of the new emissions reductions
   targets we set in 2023
- Developed and began to roll out our Emissions Reduction Roadmap, outlining actions needed to reach net-zero by 2050
- Signed partnerships with the Ellen MacArthur Foundation and Ambercycle to transition to more circular business practices
- Increased the percentage of funding granted to organizations led by Black, Indigenous, and People of Color to 79% in 2024



## OUR 2024 EMISSIONS

In 2024, our total carbon footprint was 195,483.3 tCO2e,3 which reflects a 7% increase in total emissions from 2023. However, we reduced our emissions intensity — or emissions per unit revenue — from our 2022 base year by approximately 29% in 2024, reflecting our efforts to reduce emissions while growing our business. Based on our current modeling, we anticipate that our total emissions will peak in 2025 and then begin to flatten in 2026.

Emissions from the buildings we operate (Scope 1 & 2 emissions) made up 4% of our total emissions, while the remaining 96% came from our wider supply chain (Scope 3 emissions) — mainly from transporting products, manufacturing of textiles and finished goods, and raw materials.

<sup>20%</sup> SUPPLIERS 35% TRANSPORTATION 10% PURCHASED SERVICES 18% 4% PRODUCTS<sup>4</sup> PARTNER **STORES** < 3% OTHER SCOPE 3 **7**% CAPITAL **EXPENSES** BUILDINGS

**<sup>3</sup>** In this total emissions figure, Scope 2 emissions are calculated using "location-based emissions" or emissions from electricity use based on where it's generated, which aligns with our plan to focus on advancing our use of cleaner energy generated in the locations where we operate. This figure also does not include emissions we have offset through the purchase of renewable energy credits (RECS).

**<sup>4</sup>** This category includes end of life, repair, and resale emissions, and aligns with the decarbonization actions in our Emissions Reduction Roadmap.

### OUR STRATEGY

As part of our strategy to reach net-zero, we identify and prioritize emissions reductions where we have the greatest opportunities for impact across our business: the products we make, suppliers we work with, transportation of our products, and the buildings where we work and sell our products. As illustrated in the 2024 emissions graphic (right), products and suppliers represent approximately 38% of our total emissison footprint. This is why our emissions strategy is strongly focused on shifting to preferred materials and working with suppliers to reduce emissions. Transportation of products represents approximately 31% of our emissions footprint, and we have made reducing these emissions another key focus of our strategy. Emissions from buildings — our stores, distribution centres, offices and other buildings account for approximately 4% of our total footprint. While this is not our highest emissions hotspot, our near-term goals for reducing these emissions are our most ambitious, reinforcing our commitment to lead with action where we can make the most immediate impact.

In 2024, we completed a detailed plan for meeting our targets, our Emissions Reduction Roadmap, which includes both shortand long-term actions to address our priority impact areas and other emissions hotspots. We are continuing to refine and begin implementing our roadmap in 2025, to reduce other emissions categories that make up the remainder of our emissions profile.<sup>5</sup> As we improved how we track emissions, we identified additional emissions hotspots in 2024, which we will begin addressing in 2025.

### **OUR CLIMATE STRATEGY HIGHLIGHTS**

2050 TARGET		NET-ZERO GHG EMISSIONS				
PRIORITY IMPACT AREAS	TRANSPORTATION	SUPPLIERS	PRODUCTS	BUILDINGS	O O O + OTHER	
% OF 2024 FOOTPRINT	35%	20%	18%	4%	23%	
DESCRIPTION	How we move our products and our people	Where and how we make our products	How we design our products and keep our gear in use	Where we design and sell our products	How we innovate and address our remaining emissions sources	
2024 APPROACH	Optimize our supply chain and transition to less carbonintensive modes of travel.	Partner with our suppliers to reduce emissions in their facilities and manufacturing processes.	Increase the percentage of preferred materials in our products and support our customers to keep their gear in use longer.	Reduce our own emissions in Arc'teryx offices, distribution centres, and stores.	Explore opportunities to reduce other emissions categories.	
FOUNDATIONS			Governance and Culture			

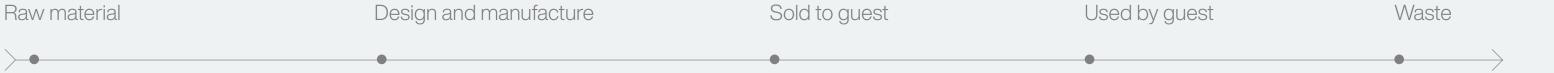
**<sup>5</sup>** In 2024, we greatly improved the quality of our data, which increased the accuracy of our greenhouse gas inventory results. This also meant that the emissions in some categories increased substantially year over year. We are assessing and the key drivers of these emissions sources and are working on updating our emissions road map to address higher emission categories.

# PRODUCTS

We are committed to embedding circularity across our product lifecycle to keep our gear in use for longer.

Breaking away from this business model and moving toward circular methods of serving our guests is a crux that Arc'teryx, along with the rest of the fashion industry, must overcome to reach the net-zero summit. We share challenges across our industry to changing this model, including a need for additional technology and infrastructure for textile recycling, reliance on energy-intensive production, and a culture of consumption where frequent novelty has become the norm. We know we cannot reach net-zero alone and are working with suppliers, industry partners, nonprofit organizations and others to advance more circular business models.

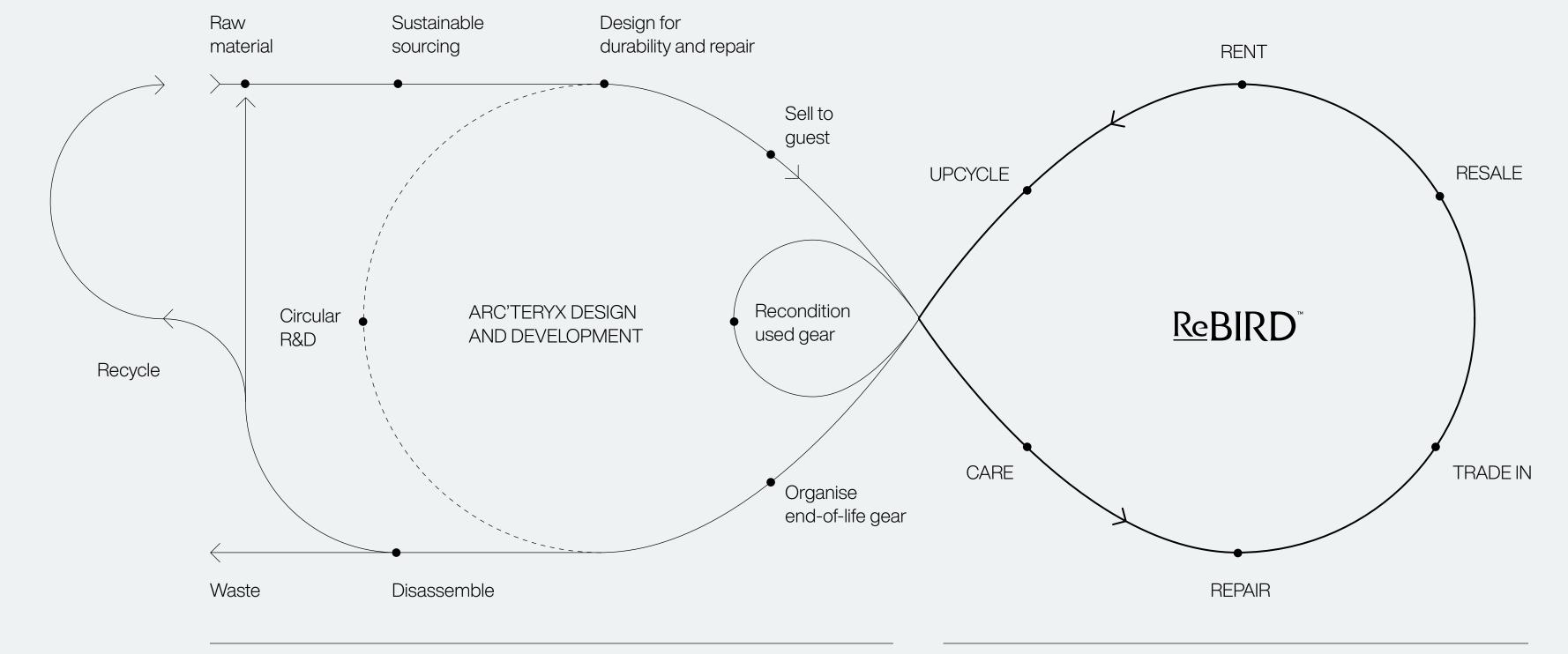
### TRADITIONAL JOURNEY



**GOVERNANCE & ENGAGEMENT** 

BUILIDINGS

### **CIRCULAR JOURNEY AT ARC'TERYX**



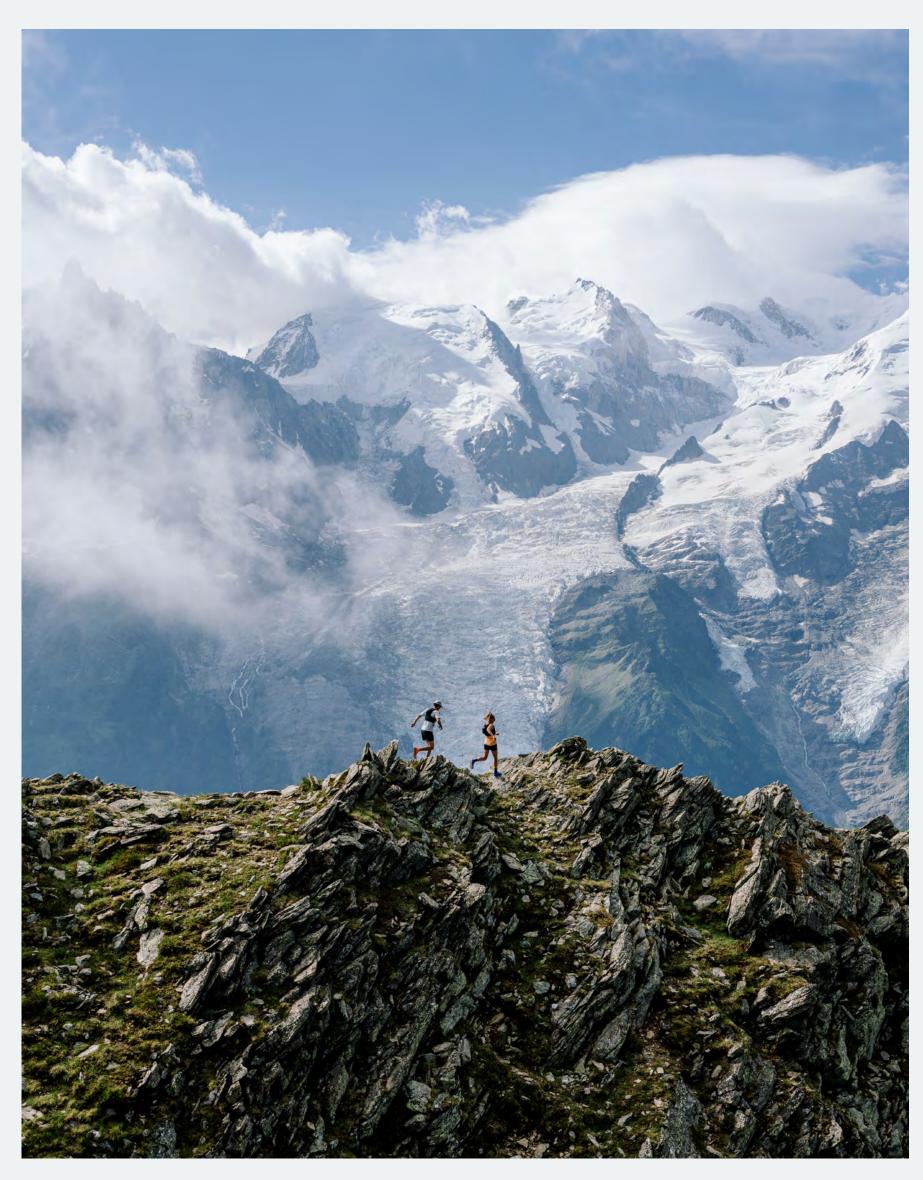
Arc'teryx is continuously evolving to become more circular

ReBIRD<sup>™</sup> is how Arc'teryx collaborates with guests and our community to extend the life of gear

**<sup>6</sup>** Ellen MacArthur Foundation, <u>Fashion and the circular economy — deep dive.</u>

<sup>7</sup> Sustainable fashion to take centre stage on Zero Waste Day.

<sup>8</sup> Roadmap to Net Zero: Delivering Science-Based Targets in the Apparel Sector.



# EMISSIONS REDUCTION ROADMAP: PRODUCTS

Circular design principles are embedded in our Emissions Reduction Roadmap to address emissions throughout our products' lifecycle, including:



Shifting to preferred <sup>9</sup> inputs - including recycled, regenerative or other lower environmental impact fibres - with a particular focus on the inputs we use most: nylon, polyester, and cotton



Developing durable, longlasting products and keeping our existing gear in use through new, circular business models

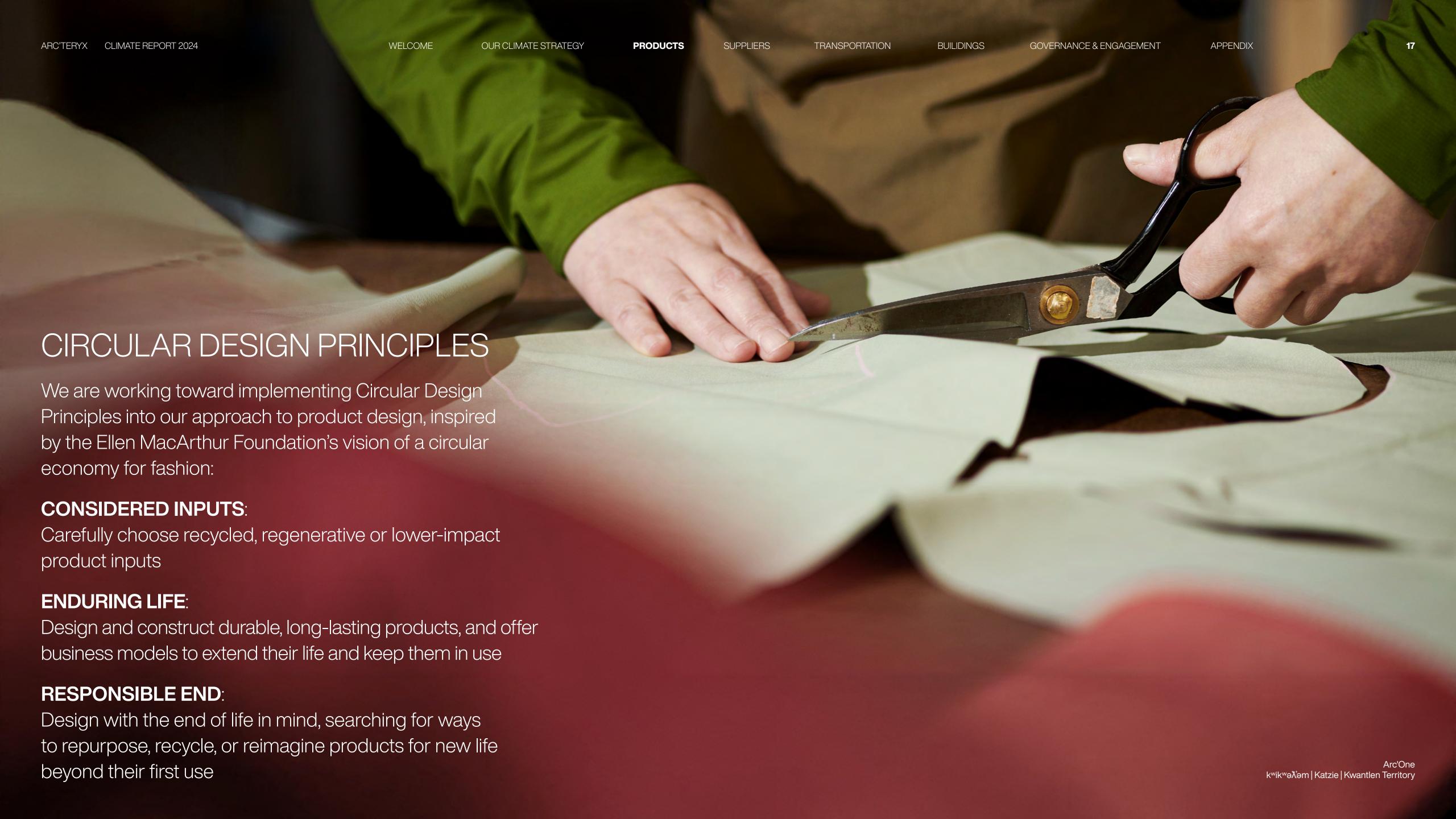


Reducing waste in our design, development, manufacturing processes, and in our product packaging



Designing with end of life in mind, including planning for deconstruction and material recycling

At Arc'teryx, 17% of our total emissions in 2024 came from the textiles and trims required to make our gear. We are committed to working toward a new, more circular, route forward, where materials and finished products have less environmental impact and can be reused and recirculated.



# SHIFTING TO PREFERRED INPUTS IN OUR MATERIALS

At Arc'teryx, we rely heavily on inputs like nylon and polyester to create the durable and long-lasting materials that our guests need. To reduce the emissions associated with making our products, we are shifting to materials made from preferred fibres (for example, recycled, renewable, or regenerative fibres). We have set ambitious short- and long-term goals to source preferred inputs for our materials, focused on the three fibres we use most, which that total approximately 90% of our total fibre volume: nylon, polyester, and cotton.

In 2024, we made progress on our nylon and polyester goals by increasing our use of recycled materials in our products, including scaling up the amount of recycled nylon used in the face fabrics of our GORE-TEX™ products. However, we encountered unexpected cruxes on our climb toward our preferred input goals. These include changes in US customs regulations that affected our cotton sourcing, and the longer-than-expected lead times required to change our material sourcing for future products. Despite these setbacks, we are actively pursuing new options for sourcing preferred inputs. We anticipate this will cause a delay in achieving all of our 2025 targets but are on route to meet our 2030 targets.

**NYLON** 

31%

+15%

from

2023

2022

**7**%

2023

16%

31% of our nylon weight volume was recycled or lower impact in 2024.

Our goal is for 100% of our nylon weight volume to be preferred by 2030 (50% by 2025) without negatively impacting performance and durability.

**POLYESTER** 

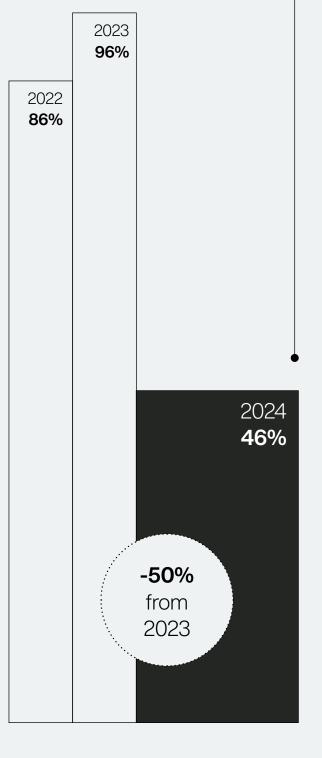
47% of our polyester weight volume was recycled or lower impact in 2024.

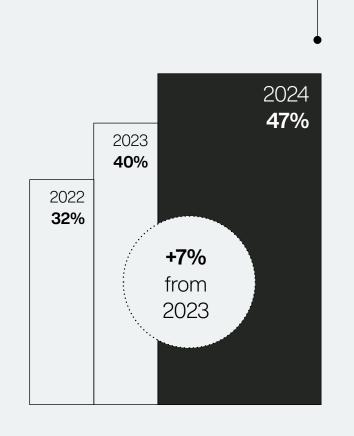
Our goal is for 100% of our polyester weight volume to be preferred by 2030 (75% by 2025) without negatively impacting performance and durability.

COTTON

of our cotton was preferred in 2024.

Our goal is for 100% of our cotton weight volume to be preferred by 2025 without negatively impacting performance and durability.





## IMPROVING PRODUCT PERFORMANCE AND SUSTAINABILITY

Guided by science, we've spent years working with our partners at GORE-TEX™ to create ePE, a next-generation breathable waterproof membrane that has both a high strength-to-weight ratio and a lower carbon footprint, based on the Higg Materials Sustainability Index.¹¹ Our design team has spent over two years re-engineering, testing, and re-testing new membranes, textiles, trims, and durable water repellent (DWR) coatings to create products that balance durability and high-performance with decarbonization. For our legacy products made with GORE-TEX™ membranes and/or C6 DWR, we are committed to extending the life of our gear through our ReBIRD™ program.

**10** GORE-TEX PRO Products with the ePE Membrane.

# EXTENDING THE LIFE OF OUR GEAR

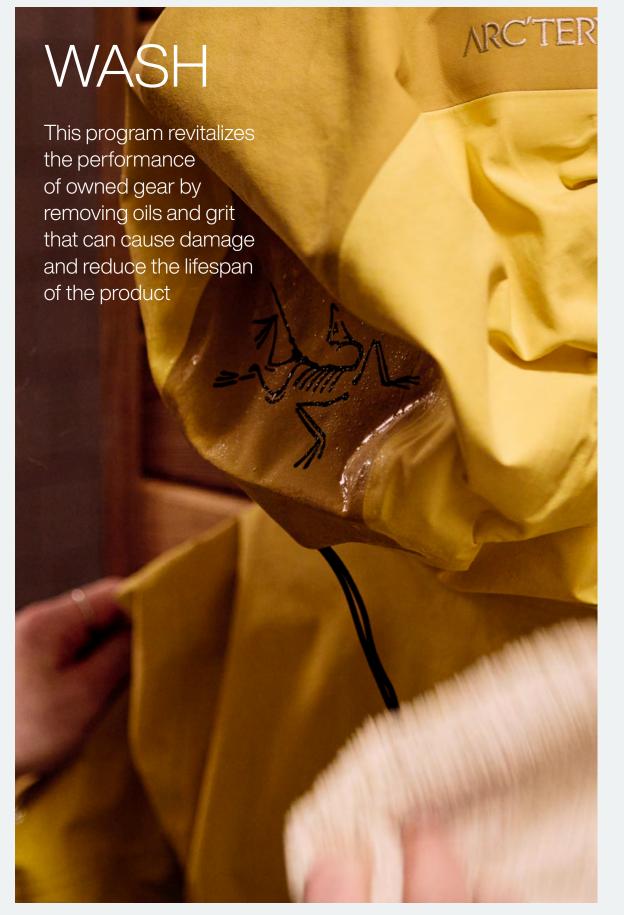
By continuing our heritage of making durable and long-lasting products that hold up in challenging mountain environments, we can reduce our products' associated environmental impacts. Arc'teryx continues to explore new routes to keep past-season gear in use by offering services that extend product life. While implementing these circular services may increase our direct operational emissions in the short term, due to the energy use associated with washing and repairing garments, we know that extending a garment's life by just nine months can reduce its lifetime emissions, water, and waste footprint by up to 20%.<sup>11</sup>

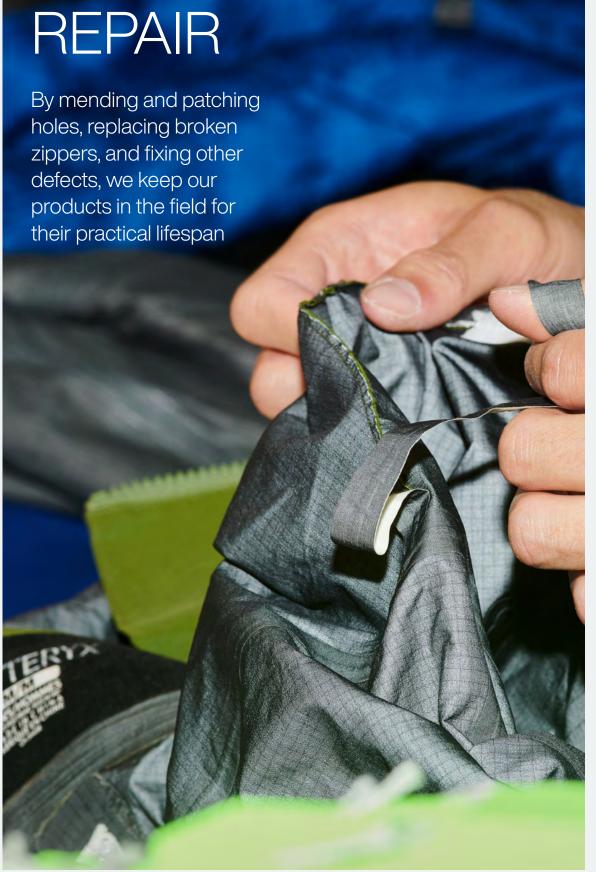
In 2024, we became a founding signatory to the Ellen MacArthur Foundation's Fashion ReModel commitment to grow the share of our revenue which comes from circular business models.

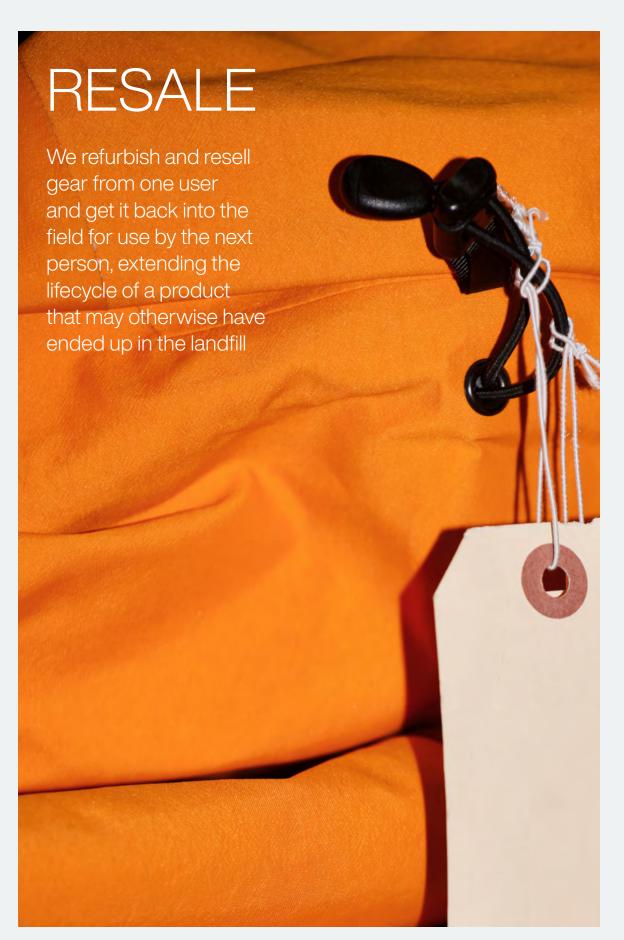
### <u>ReBIRD</u>™

Through ReBIRD™ we service, care for, and give our gear multiple lives, so performance stays at its peak beyond a single climb, season, or individual. These efforts keep Arc'teryx products cycling through the system, avoiding the more energy-intensive option of recycling, which we use as a last resort.

Key services within our ReBIRD™ program include:







### 2024 ReBIRD™ Program Highlights



2

New ReBIRD™ Service Centre locations opened, with full-time, highly skilled repair operators equipped to handle complex repairs on-site (50% by 2025) without negatively impacting performance for end use



12

New ReBIRD™ centres
globally, including our
first locations in Europe,
expanding our wider fleet of
in-store WASH, REPAIR, and
RESALE services



39%

globally in 2024

Increase in our repairs from 2023 to 2024, repairing a total of 28,147 garments



26%

Increase in total number of complex repairs from 2023 to 2024 in North America



49%

Increase in total number of complex repairs from 2023 to 2024 in Europe



Launched the SV Insert Patch,

a proprietary new repair solution that allows us to punch out damage and seamlessly repair small holes or tears in hardshell fabrics in less than 10 minutes



## END OF LIFE

In addition to sourcing more sustainable materials for our products, keeping them in use for longer and reducing the waste associated with them, Arc'teryx is working to minimize the number of our products that are discarded. We design our products with the end in mind, which means we strive to predict and design a plan for the end of a product's life before it is manufactured.

By partnering with athletes, guides, and search-and-rescue teams, Arc'teryx aims to make gear that is ready for anything and can be used, and reused, for as long as possible. When we receive products through our warranty and repair program, each product is closely inspected and reasons for the warranty claim or repair recorded and tracked. As insights are gained, they are shared with our design, materials, and development teams to empower them to identify, make design solutions, develop more efficient repair solutions, and inform future design to reduce repairs.

Once a product's use phase is complete, meaning it can no longer be used or repaired, we work to find it a responsible end. Arc'teryx partners with Debrand, a next-life logistics company, to give garments deemed unrepairable a new life. Debrand removes non-recyclable components — like zippers and buttons — then establishes next-life logistics processes to give old products a responsible disposal. In 2024, Debrand helped Arc'teryx to divert over 20 metric tonnes of product from landfill in North America, and we are working to expand this partnership in 2025.

In 2024, we also launched a strategic partnership with a textile-to-textile recycling innovator, Ambercycle. While our partnership is still in its early days, beginning in 2026, Arc'teryx has committed to start utilizing Ambercycle's cycora® regenerated materials in some of our products. This will contribute to our circularity efforts to reduce our reliance on virgin materials.



## REDUCING WASTE

As Arc'teryx moves toward more circular business models, we are focused on identifying opportunities to minimize waste across our value chain.

The waste generated in our offices, stores, and distribution centres is estimated to account for less than 1% of our total emissions, and the waste-related emissions from our packaging is estimated to account for 1%. While these are relatively small percentages of our total emissions footprint, addressing them will help us reach our net-zero summit, while reducing other environmental impacts of our products and operations.

In 2025, we are committed to building out a comprehensive waste strategy to identify additional actions to reduce emissions associated with our waste and our packaging.

Our initial progress includes:



14%

Increase in waste diversion from our RESALE program in our stores, online, and at in-person events



>90%

Waste diversion achieved at our Squamish Climb Academy, earning our second year in a row of "Zero Waste" status



65%

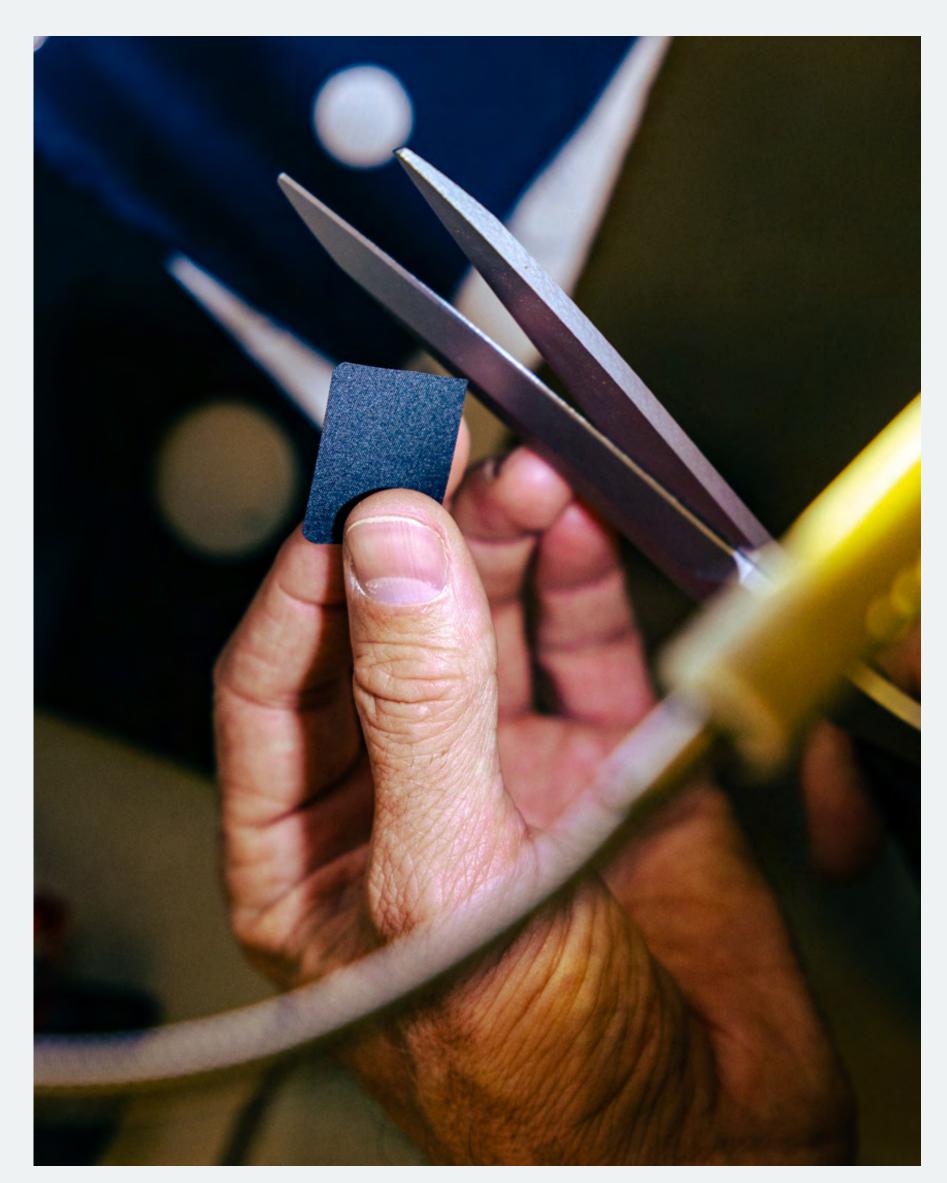
Reduction in the number of sales rep samples created in 2024, due to using 3D renders for 100% of Arc'teryx products (excluding footwear)

Mark Popovich, Emi Matsushima, Renee Lusano New Jack City, California Chemehuevi | Serrano | Cahuilla Territory



# SUPPLIERS

Our suppliers are critical partners on our route toward net-zero.



### Chamonix, France

# EMISSIONS REDUCTION ROADMAP: SUPPLIERS

At Arc'teryx, we view our suppliers as craftspeople and key partners in producing our gear — our partnership is essential to reaching our climate goals and supporting workers that make our product. In 2024, our GHG emissions associated with our suppliers' manufacturing processes accounted for approximately 20% of our total emissions footprint.

Reducing these emissions is a critical part of our climb toward net-zero, and we intentionally engage with suppliers at both a finished goods (Tier 1) and textile production (Tier 2) levels to address emissions in the area of our supply chain. Looking ahead, we are also working to map all tiers of our supply chain to deepen visibility and drive further impact.

To extend our climate impact beyond our direct operations, our Emissions Reduction Roadmap includes targeted actions that foster long-term support and collaboration with suppliers, including:



Aligning on climate goals and plans to achieve those goals



Increasing the use of renewable energy at supplier facilities



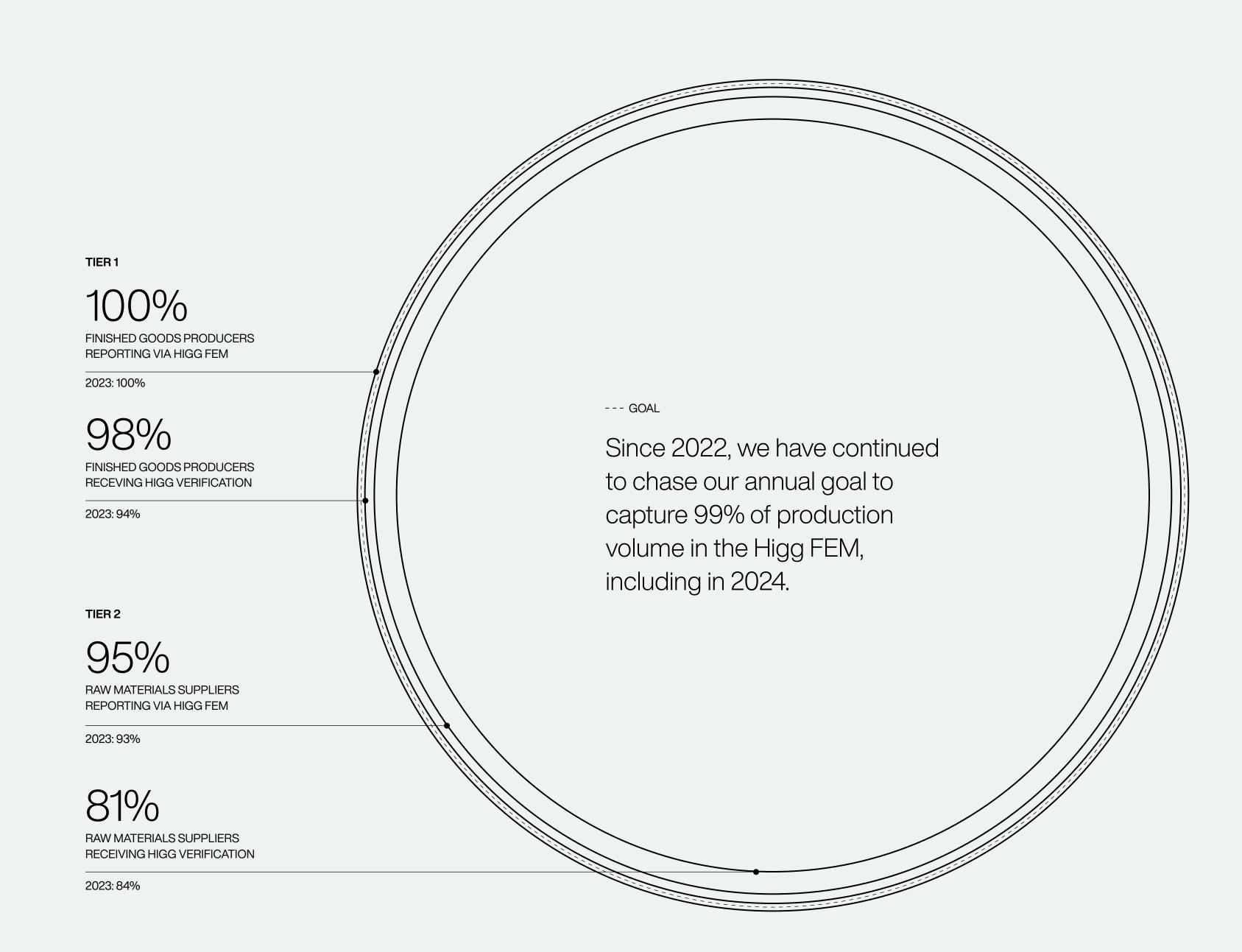
Phasing out on-site coal use in our supply chain



Improving supplier energy efficiency

## MEASURING AND REPORTING SUPPLIER EMISSIONS

To help our suppliers find their route toward actioning emissions reduction opportunities, we track emissions using the Higg Facility Environmental Module (FEM), an industry standard environmental measurement and data verification tool. In 2024, we delivered Higg FEM training to 39 of our suppliers, which helps strengthen the accuracy and consistency of our emissions reporting.



## INCREASING SUPPLIER ENERGY EFFICIENCY

Energy efficiency remains a critical element of our route toward our net-zero summit. In 2024, we partnered with Amer Sports to identify suppliers at earlier stages of developing their energy management capabilities, who could benefit from additional support. Through financial support and partnership with Amer Sports and the Apparel Impact Institute (Aii), we facilitated comprehensive on-site energy efficiency assessments for three suppliers: two in Vietnam and one in China. These assessments identified specific areas of improvement, and each supplier has begun implementing tailored recommendations in a phased approach.



# SUPPORTING OUR SUPPLIERS' TRANSITION TO RENEWABLE ENERGY

Arc'teryx is actively supporting suppliers find their own routes toward using more renewable energy, including through technical and financial support to help assess and implement renewable energy solutions. We are working to build supplier capacity, remove barriers to adoption, and align our efforts with industry best practices to accelerate decarbonization across our supply chain. We are particularly focused on our top 10% highestemitting partners, which account for approximately 80% of our supplier Scope 3 emissions.

In 2024, in partnership with Amer Sports, we sponsored three suppliers in Vietnam to conduct on-site rooftop solar photovoltaic feasibility studies, to evaluate the potential to generate renewable energy at their facilities. Additionally, we supported suppliers in adopting Energy Attribute Certificates aligned with the <u>RE100</u> framework and the GHG Protocol.

We also track our textile producers' and finished goods suppliers' use of renewable energy. From 2022 to 2023 — the most recent data available — our textile producers increased their use of renewable energy by 17.5%, and our finished goods suppliers increased their use of renewable energy by 6.3%.

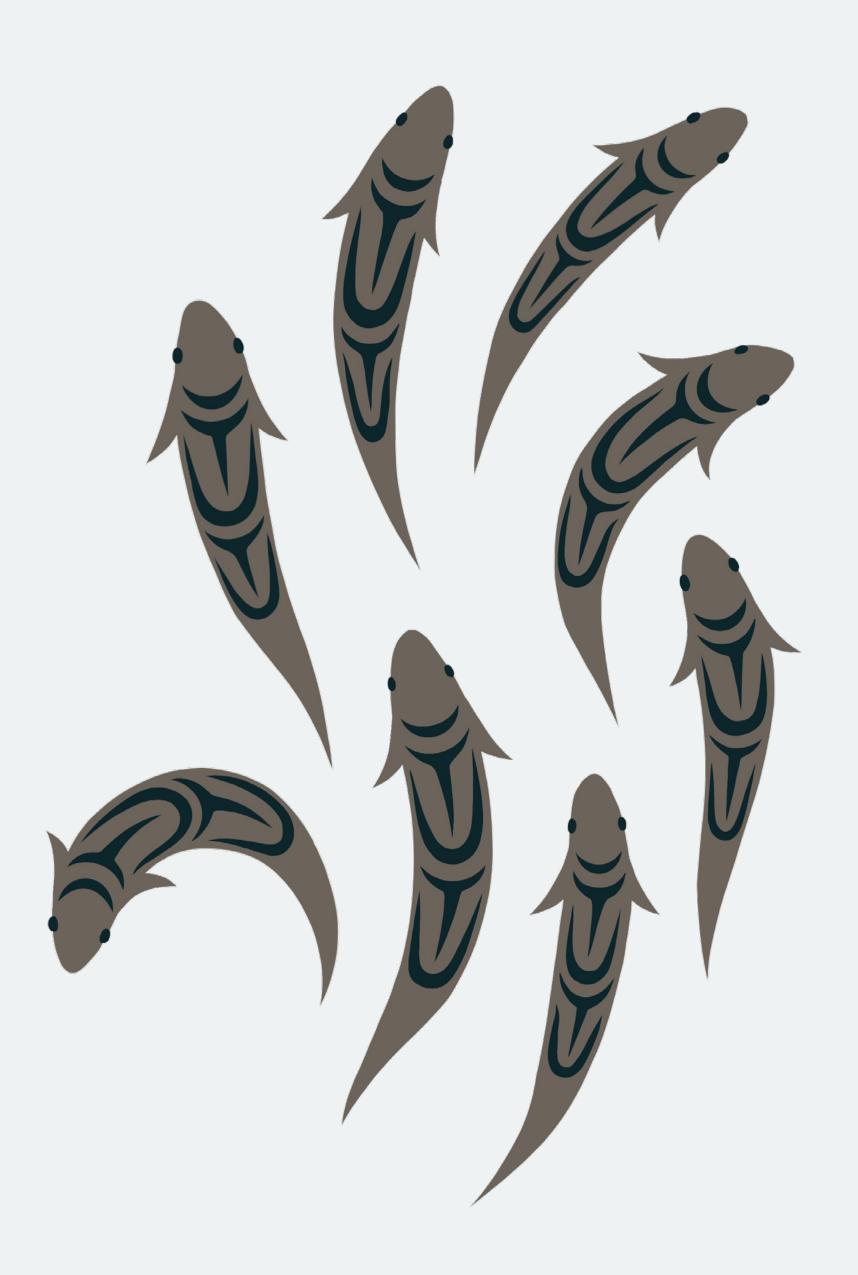
### PERCENTAGE OF FINISHED GOODS AND TEXTILES PRODUCED WITH RENEWABLE ENERGY

	2022	2023
Tier 1: Finished Goods	3.8%	10.1%
Tier 2: Textile Producers	21.6%	39.1%

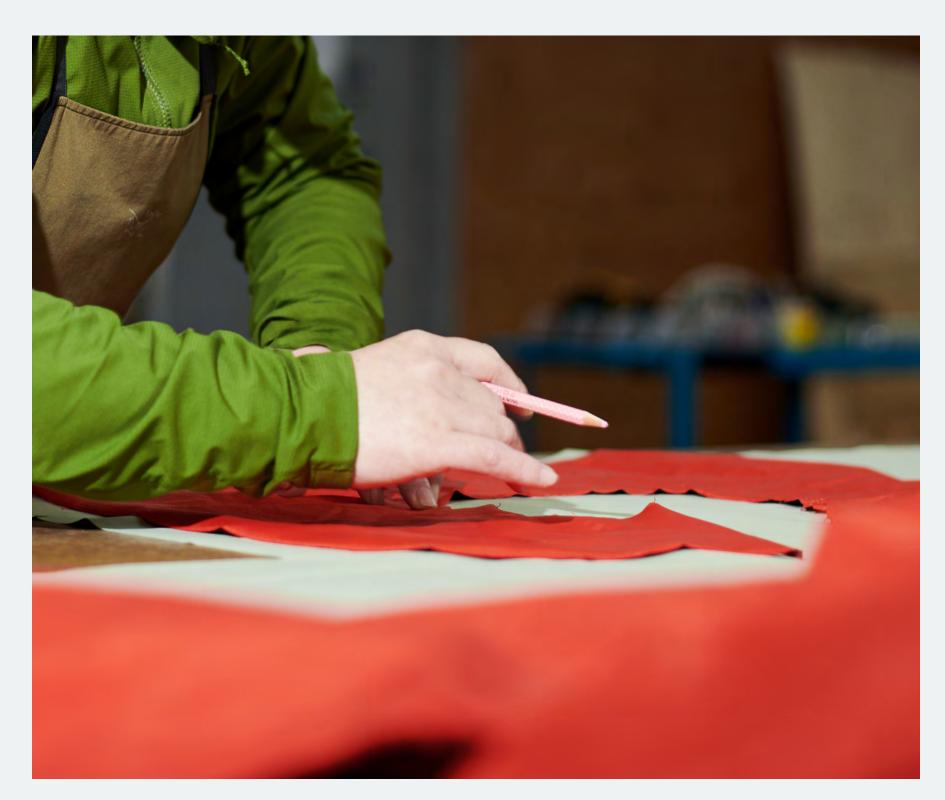
### **ON-SITE COAL PHASE-OUT**

Arc'teryx is aiming to phase out on-site coal use in our supply chain by the end of 2025. This aligns with our public commitments, including our pledge under the UN Fashion Industry Charter for Climate Action to phase out coal by 2030 and our own more ambitious goal to achieve this by 2025.

As of 2024, none of our finished goods producer factories were using on-site coal. Among our raw materials suppliers, only 7 out of our over 100 raw materials supplier factories were still burning coal on-site. Two of our raw materials supplier factories successfully completed their coal phase-out in 2024, while the five facilities still using coal are actively progressing toward full phase-out.



# SUPPORTING OUR SUPPLY CHAIN WORKERS



Arc'One kwikwəð'əm | Katzie | Kwantlen Territory

At Arc'teryx, we believe that the people behind our products, our supply chain workers, are essential partners in delivering innovation, quality, and purpose. As the climate crisis intensifies, we recognize that its impacts extend beyond the environment — affecting the health, safety, and livelihoods of workers across our global supply chain. We are committed to advancing worker well-being and promoting fair labor practices as a core part of our supply chain strategy.

### **ADVANCING WORKER WELL-BEING**

We are committed to supporting the safety and well-being of our supply chain workers as we journey toward our net-zero summit.

To uphold high standards for health, safety, and human rights, we conduct annual on-site, third-party audits of our Finished Goods suppliers. For our Textile Producers, we use a different approach, collecting self-reported data using the Higg Facility Social & Labor Module, an industry-recognized framework for assessing and verifying working conditions and social impacts. These assessments help us monitor progress and identify opportunities for improvements across our supply chain.

Our <u>Supplier Code of Conduct</u>, developed by our parent company, Amer Sports, serves as the foundation of our supply chain social compliance program. The Supplier Code of Conduct, which is aligned with the Fair Labour Association Code of Conduct, International Labour Organization and United Nations Global Compact standards, is translated into measurable indicators, which we use in supplier audits. It sets clear expectations forworker rights, health, and safety across our supply chain. Our supply chain team receives annual training on this policy.

### **EXPANDING FAIR TRADE**

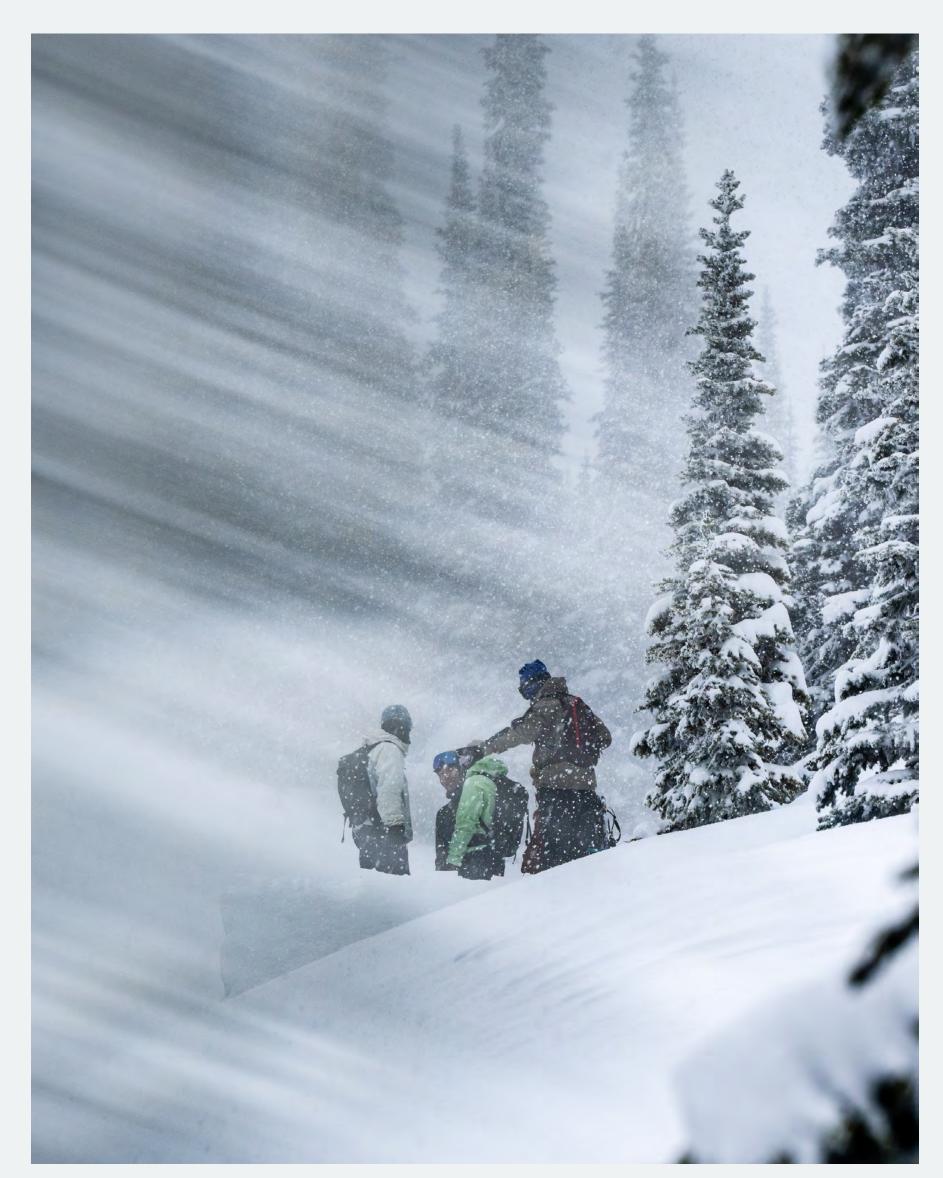
Arc'teryx is ascending toward stronger fair labor practices across our supply chain through our partnership with Fair Trade USA, where we support our manufacturing partners to achieve Fair Trade Certified™ status. This collaboration helps ensure safe working conditions, fair wages, and empowers workers at the factory level. Each year, we have increased the percentage of our products made in Fair Trade Certified™ facilities. As part of this effort, Arc'teryx has committed to certifying 80% of our products as Fair Trade Certified™ by the end of 2025 — a goal that reflects our belief in ethical production, the dignity of work, and the importance of shared value across our supply chain.

Fair Trade certification requires factories to meet rigorous standards for safe working conditions, and respect for worker rights. Arc'teryx pays a premium for every product made in a Fair Trade Certified™ facility. These funds go directly to workers, who collectively decide how to use them — whether to meet immediate needs like food and healthcare or to invest in longterm community resilience.

Since beginning our Fair Trade journey in 2020, we have supported 22 manufacturing facilities in achieving certification, with 8 facilities achieving certification in 2024. In 2024, Arc'teryx certified our first footwear factory making Arc'teryx one of the first brands to offer fair-trade certified footwear, a significant milestone in expanding certification across product categories.

# TRANSPORTATION

As our gear traverses the world, we remain focused on reducing the environmental impact of transporting it.



NST, Revelstoke, BC. Sinixt | Secwépemc | Ktunaxa | Syilx Territory

# EMISSIONS REDUCTION ROADMAP: TRANSPORTATION

Emissions from the transportation and distribution of people and products accounted for approximately 35% of our total footprint in 2024, making this a critical focus area of our climate strategy.

Inbound freight — the transportation of goods and services from finished goods suppliers to distribution centres — represents approximately two-thirds of our transportation-related emissions. In 2024, we achieved a 16% year-over-year reduction in absolute inbound freight emissions. This progress was driven by an intentional shift away from air freight toward lower-carbon modes of transportation such as ocean and road transport. We are taking a phased, multi-pronged approach to transitioning to lower-carbon modes of transportation, prioritizing efficiency, resilience, and long-term impact across our logistics network.

Our Emissions Reduction Roadmap outlines immediate and long-term actions across logistics and transportation, to cut emissions while supporting operational efficiency and growth, including:



Optimizing logistics and shipping routes to improve efficiency and reduce unnecessary emissions



Shifting to lower-carbon transportation modes, such as ocean, rail, and road where feasible



Collaborating with logistics providers to increase the use of low-emissions vehicles for outbound deliveries



Exploring alternative transportation fuels for both air and ocean freight



Updating business travel guidelines to reduce emissions from employee movement



Expanding employee commuting programs that incentivize low-emission travel options, such as public transit, cycling, and carpooling

vehicle charging stations at our office and distribution centre located at our ARC'One facility in Vancouver. In 2024, we added 16 electric vehicle parking spots across these facilities.

# BULDINGS

We are laying the foundation to reduce emissions from our buildings.



# EMISSIONS REDUCTION ROADMAP: BUILDINGS

Our Emissions Reduction Roadmap includes high-impact opportunities to reduce emissions from our buildings, including:



Expanding energy audits to uncover efficiency opportunities



Implementing advanced smart energy management systems



Exploring on-site renewable energy generation projects



Collaborating with partners to drive operational emissions reductions



Exploring virtual power purchase agreements

## REDUCING IMPACT

At Arc'teryx, addressing the emissions from our offices, distribution centres, and stores — or Scope 1 and 2 emissions — is an important part of our climate strategy.

Our buildings' emissions accounted for 4% of our total emissions footprint in 2024. Although this is a relatively small share of our emissions, it is where we have set our most ambitious nearterm targets, recognizing that we have more control over these emissions than our indirect, Scope 3 emissions.

Reducing emissions in our buildings presents unique cruxes. We are continuing our work to reduce on-site emissions in partnership with our landlords, and currently lease all of our building locations, which limits our ability to implement solutions for specific locations. We are simultaneously exploring practical solutions to reduce emissions across our physical footprint.

In 2024, we continued procuring unbundled EACs, such as Renewable Energy Certificates, to match our buildings' energy use with renewable energy generation. These certificates help mitigate our current impact and support the broader transition to clean energy. To ensure our renewable energy procurement is credible and impactful, we align our approach with global best practices from RE100 and the GHG Protocol.



# GOVERNANCE & ENGAGEMENT

We recognize that effective governance and a strong culture helps share the weight on our journey toward our net-zero summit.

# BOARD AND EXECUTIVE MANAGEMENT OVERSIGHT

Arc'teryx's climate program is supported by a multi-tiered structure that ensures strategic oversight, cross-functional collaboration, and company-wide engagement, including:

#### **ESG STEERING COMMITTEE:**

Comprised of our CEO and executive team, this committee provides high-level oversight of our climate strategy and ensures alignment with our broader business objectives. Our Chief Supply Chain Officer serves as the Climate Program Sponsor and signs off on all strategic decisions, along with the Executive Team.

### **CLIMATE TEAM:**

A dedicated team, within the Sustainability Team, is responsible for leading our climate strategy, including design, support, monitoring, communications, and reporting. This team partners with functional leaders on key initiatives across the organization, runs the Climate Working Group, and provides thought leadership and support, while holding leaders accountable for progress.

#### **CLIMATE WORKING GROUP:**

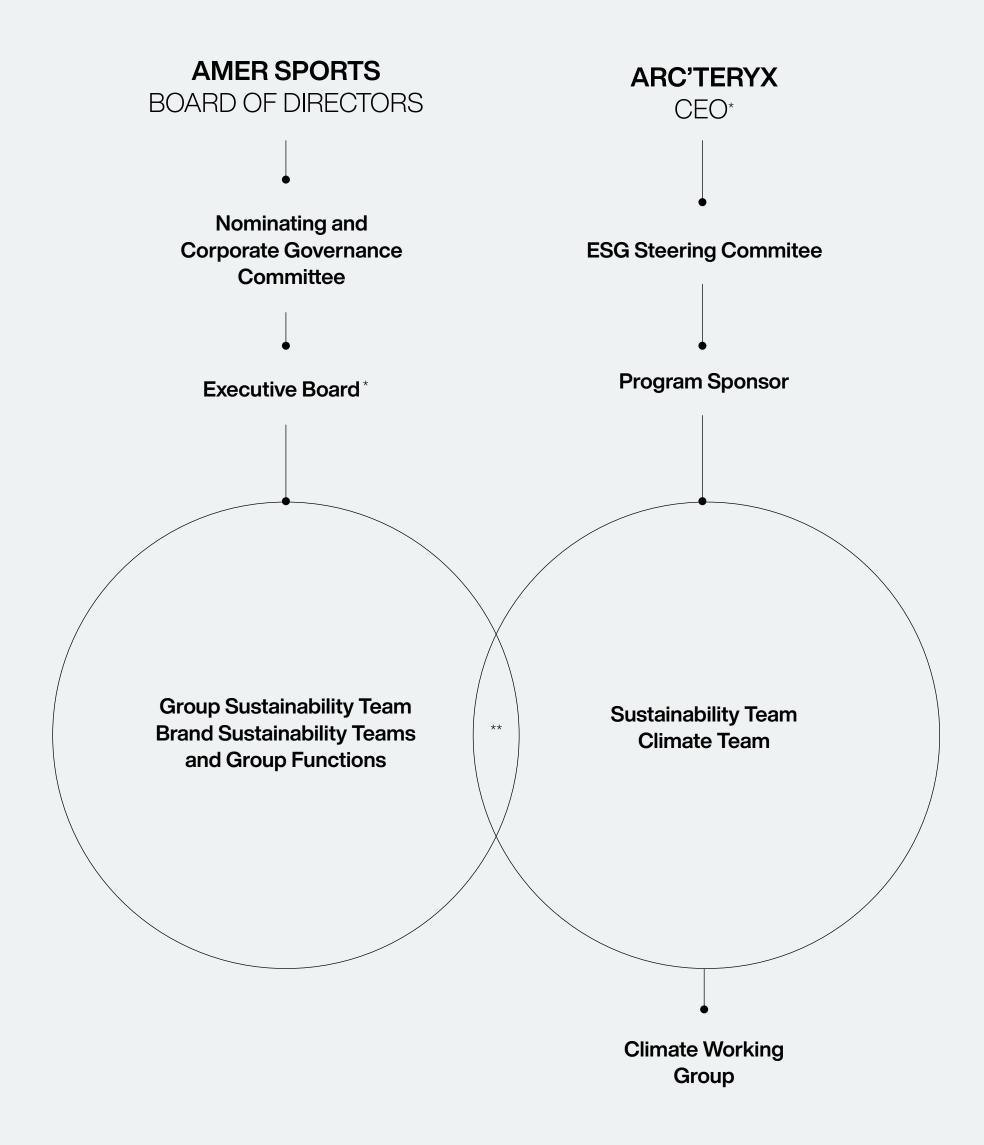
A cross-functional group of leaders from across the business, led by the Climate Team, is directly responsible for implementing climate-related initiatives and addressing emissions hotspots.

Together, these teams foster accountability, drive action, and ensure that our Emissions Reduction Roadmap is understood and activated at all levels of the company throughout our net-zero ascent.

In addition to working within our own brand, we contribute to the climate efforts of our parent company, **Amer Sports**, and collaborate with other sustainability teams in the Amer Sports' brand portfolio to share expertise and drive impact.

Arc'teryx's climate governance is closely aligned with Amer Sports. Our CEO is part of the Amer Sports Executive Committee and Executive Board,\* which oversees the Group sustainability strategy direction, implementation, performance, reporting, and resource allocation. We also work closely with the **Amer Sports Group Sustainability Team**, which is responsible for developing and implementing the Amer Sports sustainability strategy, including reporting, tracking progress, and fostering collaboration across all brands.

We recognize that investments are needed to meet our sciencebased targets and have integrated these costs into our financial planning and decision-making.



<sup>\*</sup> As of January 2025, this group has expanded membership and has been renamed the Global Leadership Team.

<sup>\*\*</sup> Arc'teryx sustainability and climate teams collaborate with Amer Sports Group sustainability team and Group functions.



# CLIMATE RISK

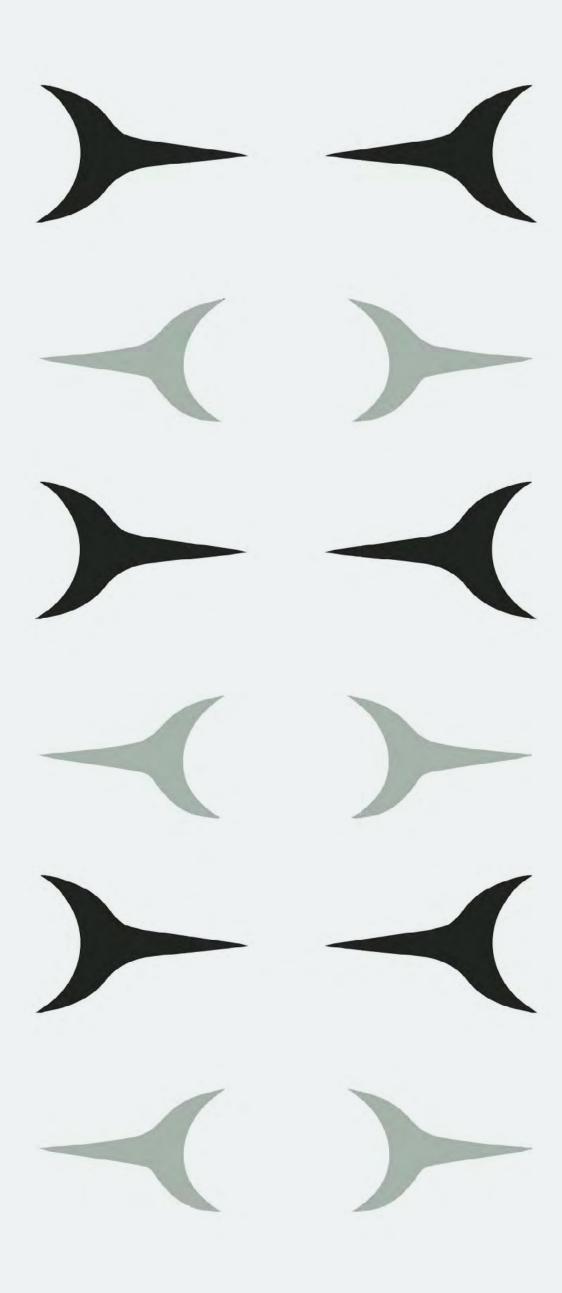
We take action to address climate change because it's the right thing to do — for the communities we are a part of, the outdoor spaces we love, and for our business. Climate change presents both physical and transition risks, and opportunities for our business. Increasing temperatures and shifting weather patterns directly impact the mountain environments that influence our community's needs and the products we design. Taking meaningful climate action allows us to build resilience and meet the growing expectations of our guests, who care deeply about sustainability.

Climate-related risks and opportunities are identified, assessed, and managed in collaboration with Arc'teryx and other Amer Sports owned brands in alignment with the Task Force on Climate-related Financial Disclosures framework. For more information about how Amer Sports Group identifies, assesses, and manages these issues, please see the Amer Sports TCFD Report.

Robin Van Gyn Mt Baker, Washington Nooksack | Lummi | Upper Skagit Territory

# INTERNAL ENGAGEMENT

We know that the responsibility for and ownership of our climate program cannot only exist at the top of the organization. To embed our climate commitments into our culture and the work our people do every day, we engage and educate employees through targeted training sessions during onboarding and through ongoing employee engagement initiatives. In 2024, we focused on rolling out our net-zero targets to all employees, enrolling the entire organization on our Emissions Reduction Roadmap, and integrating our roadmap targets into workplans across the organization.



# COMMUNITY IMPACT & PARTNERSHIPS

As a member of the outdoor community, we believe in the transformative power of nature and mountain sports. We recognize that not everyone has had equal access to these spaces or experiences. Systemic barriers have historically limited who feels welcome, safe, and able to access outdoor spaces. These inequities are not accidental — the outdoor industry, including Arc'teryx, has played a role in shaping these patterns of exclusion through the erasure of Indigenous People, the underrepresentation of marginalized communities, and the reinforcement of narrow definitions of who belongs outside. We are committed to creating more inclusive routes into the mountains and know growth can only happen when we step beyond our comfort zone.

We know that we cannot solve the climate crisis without the leadership, knowledge, and perspectives of those who have long stewarded the land and the communities who are often on the frontlines of environmental change. Supporting these communities not only helps expand access to outdoor recreation, but it also helps to elevate underrepresented voices and work in partnership to drive systemic change.

As we continue to build relationships with Indigenous partners at Arc'teryx, we are committed to learning from and incorporating the principles of Indigenous-led conservation into our climate strategy, recognizing the deep connection between cultural knowledge, land stewardship, and climate resilience.

In 2024, Arc'teryx supported 85 organizations through our Community Grant program. These grants spanned 20 communities across 4 countries and funded projects led by community champions and grassroots organizations focused on increasing access to the outdoors. We increased the percentage of funding granted to organizations led by Black, Indigenous, and People of Color from 73% in 2023 to 79% in 2024.

Through our Strategic Partnerships program, we offer multi-year funding to most of our partners and work to move beyond the cheque, building meaningful, long-term relationships. In 2024, we continued to fund over 50 multi-year partnerships across NorthAmerica as well as Europe, the Middle East and Asia, deepening our commitment to organizations that share our values and vision for a more inclusive and sustainable outdoor community.



# INDUSTRY COLLABORATION

Reaching net-zero is not something that we can take on alone. It requires us to work collectively to make meaningful industry-wide emissions reductions. We partner with organizations across the outdoor and apparel industries to drive collective impact and more rapidly move the industry forward.

## GLOBAL COLLABORATIONS AND INITIATIVES

Cascale

Ellen MacArthur Foundation

Fashion Industry Charter for Climate Action (FICCA) ("UN Fashion Charter")

Science Based Targets initiative (SBTi)

Textile Exchange

UN Global Compact 13

# REGIONAL COLLABORATIONS AND INITIATIVES

American Apparel & Footwear Association (AAFA) 13

Canadian Circular Textiles
Consortium (CCTC)

Embedding Project

Environment Funders Canada

European Outdoor Group (EOG)

Greening Youth Foundation

Protect Our Winters (POW)

<u>Canada</u>

The Conservation Alliance

The Starfish

































APPENDIX

# **GLOSSARY**

#### **Carbon Footprint**

The total amount of GHGs emitted directly or indirectly by an individual, organization, event, or product

#### Climbing On

A casual phrase to indicate that a climber is beginning or continuing a climb.

#### Circular

A business model focused on designing out waste and keeping products and materials in use through reuse, repair, and recycling

#### **Complex Repairs**

These are repairs that Arc'teryx must conduct at specialized facilities, including full panel replacements, complete zipper replacements, or major component swaps

#### Crux

The most difficult section of a climb, requiring technical skill, strength, or problem-solving to overcome.

#### Decarbonization

The process of reducing carbon emissions from operations, supply chains, and products

### **Energy Attribute Certificates**

A category of energy certificates (including RECs) used globally to verify renewable energy generation and consumption, which certifies the origin and environmental attributes of energy

#### **Emissions Reduction Roadmap**

Arc'teryx's strategic plan outlining how our organization will reduce its GHG emissions and adapt its operations to align with climate goals

#### **GHG** Accounting

The process of measuring and tracking greenhouse gas emissions

#### Greenhouse Gas (GHG) Emissions

Gases that trap heat into the atmosphere categorized into:

#### Scope 1

Direct emissions from owned or controlled sources

#### Scope 2

Indirect emissions from purchased electricity, steam, heating, and cooling

#### Scope 3

All other indirect emissions from the value chain

#### Inputs

The resources, such as textiles, zippers, buttons, etc, that are used to create our finished goods

#### Linear

A description of the traditional take-make-waste production and consumption model

#### **Materials**

The physical substances or components used to produce products

#### **Net-zero Emissions**

Based on the Science Based Targets initiative (SBTi) definition, net-zero emissions are achieved when human-caused GHG emissions are balanced by removing the same quantity of emissions from the atmosphere over a specified period of time.

#### Net-zero Science-based Target

A net-zero science-based target is a GHG mitigation target that implies:

- Reducing Scope 1, 2, and 3 emissions to zero or a residual level consistent with reaching global net-zero emissions or at a sector level in eligible 1.5°C-aligned pathways; and
- Permanently neutralizing any residual emissions at the netzero target year and any GHG emissions released into the atmosphere thereafter.

#### Photovoltaic

A technology that converts sunlight directly into electricity using solar cells, commonly used in solar panels

#### Physical Risk

Climate-related risks resulting from physical impacts of climate change, such as extreme weather events, rising temperatures, or sea-level risk, which can disrupt supply chains or infrastructure

#### Projecting

The process of working on a challenging route or problem over multiple attempts, with the goal of eventually completing it.

#### **Pitches**

Sections of a climb between two belay points

#### Renewable Energy Certificates (RECs)

Certificates that represent proof that a certain amount of electricity was generated from a renewable energy source and fed into the grid

### Science-Based Targets (SBTs)

Emissions reduction targets aligned with climate science to limit global warming to well below 2°C, preferably 1.5°C

#### Sustainable Inputs

Materials sourced and produced in ways that minimize environmental impact

#### **Transition Risks**

Risks associated with the shift to a low-carbon economy, including changes in regulations, market preferences, technologies, and reputational pressures that may affect business operations or asset values

#### Trim

Components of the product, other than the main fabric, used in the making of each product, including zippers, buttons, elastic bands, buckles, etc.

# GHG ACCOUNTING DETAILS

# GHG EMISSIONS DATA SUMMARY

We approach climate accounting with the same level of obsession we bring to our technical gear design.

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), Scope 2 Guidance and Corporate Value Chain (Scope 3) Standard for the year ending December 31, 2024.

An operational control approach has been used to define the organizational boundary of reporting. Arc'teryx has established 2022 as the base year for its greenhouse gas emissions inventory. This year serves as the reference point against which future emissions performance will be measured and tracked, in alignment with the GHG Protocol. Arc'teryx calculates and discloses direct (Scope 1) and indirect (Scope 2) GHG emissions associated with activities over which it exercises operational control, including the following:

- Energy consumption (electricity and heating) across global corporate offices and retail locations
- Energy consumption (electricity and heating) at our Canadian production and distribution facility
- Combustion of fuels from owned and leased vehicle fleets
- Refrigerant losses from facility-based cooling systems

Scope 2 emissions are calculated and disclosed utilizing both the location-based and market-based methodologies. Arc'teryx sources renewable market-based electricity through unbundled EACs relevant to the geographic locations of buildings under our operational control, including:

- Renewable energy certificates (RECs) (Green-e certified)
- Guarantees of origin (GOs) (EKOenergy certified)
- Renewable energy GOs (REGOs) (EKOenergy certified)
- International RECs (I-RECs) (EKOenergy certified)
- Large-scale generation certificates (LGCs) (EKOenergy certified)
- Non-fossil fuel certificates (NFCs)

Arc'teryx calculates and discloses Scope 3 emissions (inclusive of CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, and SF<sub>6</sub> where present) from all relevant categories associated with our global operations, which include:

- Purchased goods and services (including finished goods and raw materials)
- Capital goods
- Fuel- and energy-related activities not included in Scope 1 or 2
- Upstream transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Downstream transportation and distribution
- End-of-life treatment of sold products
- Franchises (partner stores)

#### EMISSIONS (tCO2e)

	2022	2023	2024	YoY Change (2023-2024)
Scope 1	1,300.0	1,468.9	1,867.3	+27%
Scope 2 Location-Based	3,846.5	4,234.4	6,434.0	+52%
Scope 2 Market-Based	0.0	0.0	0.0	0%
Scope 3	122,229.2	177,069.3	187,182.0	+6%
Total GHG Emissions Scope 1 + 2 (Market-Based) +3	123,529.2	178,538.2	189,049.2	+6%
Change in Emissions Intensity (tCO2e/revenue) vs. 2022	_	-5.8%	-28.9%	-
Total GHG Emissions Scope 1 + 2 (Location-Based) +3	127,375.7	182,772.6	195,483.3	+7%

°2024 limited assurance provided by KPMG. See page 51-52 for the Independent Practitioner's Limited Assurance Report.

Data for 2022 and 2023 has been adjusted to incorporate updated methodologies and improvements in data quality per our recalculation policy. 2022 and 2023 limited assurance provided by PricewaterhouseCoopers on unadjusted figures. See our 2023 Climate Report for the Independent Practitioner's Limited Assurance Report.

Total GHG Emissions for our 2022 base year and subsequent annual tracking represents Scope 1, Scope 2 market-based and Scope 3

Change in Emissions Intensity is calculated using Total GHG Emissions (Scope 1 + 2 (market-based) + 3) and Arc'teryx global revenue (not disclosed)

Total emissions may not sum precisely due to rounding; values are calculated before rounding to the nearest 0.1 tCO₂e.

# 2024 GHG EMISSIONS DATA BREAKOUT

## 2024 Operational Emissions

•													
Emission Type	GHG Emissions (tCO₂e)	CO2 (tCO2e)	CH4 (tCO2e)	N₂O (tCO₂e)	SF <sub>6</sub> (tCO <sub>2</sub> e)	HFCs (tCO₂e)	PFCs (tCO2e)	CO2 in metric tonnes	CH4 in metric tonnes	N₂O in metric tonnes	SF6 in metric tonnes	HFC in metric tonnes	PFC in metric tonnes
Scope 1	1,867.3	1,656.0	2.5	1.0	0.0	207.7	0.0	1,656.0	0.1	0.0	0.0	0.1	0.0
Scope 2 (market-based)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Scope 2 (location-based)	6434.0	6,400.1	7.2	26.8	0.0	0.0	0.0	6,400.1	0.2	0.1	0.0	0.0	0.0

Scope 3 Category	2024 Scope 3 Emissions (tCO <sub>2</sub> e)	% of 2024 Scope 3 Emissions
Purchased Goods and Services	94,263.4	50.4%
Capital Goods	12,808.4	6.8%
Fuel and Energy (not included in Scope 1 and 2)	1,662.6	0.9%
Upstream Transportation and Distribution	60,180.5	32.2%
Waste Generated in Operations	1,176.7	0.6%
Business Travel	6,169.7	3.3%
Employee Commuting	2,010.4	1.1%
Downstream Transportation and Distribution	82.8	0.0%
End-of-Life Treatment of Sold Products	1,488.3	0.8%
Franchises	7,339.1	3.9%
Total Scope 3 Emissions	187,182.0	

# GHG ACCOUNTING METHODOLOGY

## SCOPE 1 AND 2 METHODOLOGY

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Vehicle Fuel (owned)	Internal Financial Data	Secondary: spend-based	Fuel usage estimated from fuel spend using monthly average fuel prices from Natural Resources Canada. <sup>1</sup>	DESNZ <sup>2</sup>
Vehicle Fuel (leased)	Internal Financial Data	Secondary: industry-average	Inventory of vehicle lease agreements is used alongside industry-average distance estimates from Natural Resources Canada <sup>3</sup> and fuel consumption rates (i.e., mpg) from the U.S. Department of Energy <sup>4</sup> to estimate fuel usage.	DESNZ <sup>2</sup>
Refrigerants (buildings, excluding retail stores)	Service Provider Reports	Primary: fuel-based	Maintenance service providers issue reports of installation and leakage repairs.	IPCC 5AR <sup>5</sup>
Refrigerants (retail stores)	Facility List	Secondary: industry-average	Estimates are calculated for retail stores, with conservative assumptions made on the type of units and a leakage rate of 10%.	IPCC 5AR <sup>5</sup>
Natural Gas and Purchased Electricity	Utility Provider	Primary: fuel-based	Actual consumption is captured from invoices from utility providers, either through a self-service online portal or copies of invoices stored by accounts payable. Approximately 5% (natural gas) and 35% (electricity) of operational buildings are accounted for with primary data in 2024.	Natural gas: DESNZ <sup>2</sup>
	est		Energy expenditure is captured within data stored by accounts payable. A location-specific average price per kWh is applied to estimate consumption. <sup>6,7</sup> Approximately 40% (electricity) of operational buildings are accounted for with spend-based estimates in 2024.	Location-based electricity: International Energy Agency (IEA) <sup>8</sup> Environment and Climate Change
	Facility List	Secondary: industry-average	Where consumption or spend-based data is not available, regional energy intensity (kWh/m²) averages — calculated by Amer Sports from facilities with actual data — are combined with floor area data for each building to estimate the consumption.  Assumption: No natural gas usage is estimated for our retail stores in China and Australia; internal sources validated the assumption that our stores utilize electricity for heating in those locations.	Canada [Canadian Sites] <sup>9</sup> Market-based electricity:

## SCOPE 3 METHODOLOGY

CATEGORY 1: PURCHASED GOODS AND SERVICES AND CATEGORY 2: CAPITAL GOODS

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Finished Product Assembly (Tier 1) and Materials Production (Tier 2)	Higg Facility Environmenta Module (FEM) <sup>10</sup>	al Supplier-specific	Scope 1 and 2 emissions for our Tier 1 and Tier 2 suppliers are accessed via the Higg Facility Environmental Module (FEM) database and proportioned based on the amount of finished products (Tier 1) and material production (Tier 2) attributed to Arc'teryx at each facility. This supplier data is used to calculate 100% of finished goods and 95% of our material volume purchases.	e Higg FEM <sup>10</sup>
			Data limitations: Prior year emissions data is used as a proxy for calculating reporting year emissions, as annual Higg FEM data is submitted throughout the calendar year for the previous year and is incomplete at the time of reporting (e.g. 2023 supplier emissions are used to calculate our 2024 emissions); seasonal material purchase volumes are used as a proxy for the calendar/reporting year (e.g., 2024 = Spring/Summer (SS) 24+ Fall/Winter (FW)24)	
			Emissions are extrapolated based on average production intensity in the case of suppliers for whom we cannot access emissions data. A separate process is used to calculate the Tier 2-4 emissions from footwear materials.	
Material Input Formation (Tier 3) & Raw Material Extraction (Tier 4)	Third-party Product Lifecycle Management software (PLM system)	Industry-average	Tier 3 and 4 emissions are estimated by calculating the total weight of materials and applying a global warming potential (GWP) midpoint from materials modelled in the Higg Materials Sustainability Index (MSI). Emissions are extrapolated based on average GWP for materials that are not modelled in Higg MSI. In 2024, less than 2% of material weight is calculated by extrapolation.	Higg MSI <sup>11</sup>
			Main materials only are in scope. Small additional trims, threads and zippers are excluded as de minimis and given the current lack of data for effective estimates.	
			Seasonal material purchase volumes are used as a proxy for the calendar/reporting year (e.g., 2024 = SS24+FW24).	
Electronic Components	PLM system	Spend-based	Expenditure data is used to estimate emissions for these materials, which are not modelled in the Higg MSI.	U.S. EPA <sup>12</sup>
Footwear Materials (Tier 2, 3 and 4)	PLM system	Spend-based	Tier 2, 3 and 4 emissions for footwear products are estimated by calculating the weight of component materials used in a product from spend data in the PLM system and applying relevant global warming potential (GWP) midpoints from the Higg MSI, then multiplying the estimated emissions by the total number of finished goods by model category.	Higg MSI <sup>11</sup>
			Note that Tier 1 emissions for footwear are calculated in the same way as other finished goods.	
			Assumption: A representative size is used for modelling product weights.	
Packaging Materials	PLM System	Industry-average	Cradle-to-gate emissions for packaging materials are estimated by calculating the total weight of materials and applying relevant GWP midpoints from the Higg MSI.	Higg MSI <sup>11</sup>
Software and Data Services	Third-party service providers (online portals)	Supplier-specific	Emissions are calculated by the two main third-party software service providers and accessed via an online portal dashboard.	Supplier-provided
	Internal Financial Data	Spend-based	Expenditure data is used to estimate emissions for all other service providers in this sub-category.	U.S. EPA <sup>12</sup>

ARC'TERYX CLIMATE REPORT 2024	MEI COME	OUR OUMATE STRATEGY	DRANI ICTS	SI IDDI IERS	TRANSPORTATION	RI III IDINGS	GOVERNANCE & ENGAGEMENT	APPENDIX	47
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Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Third-party Repair Services	Supplier reported	Fuel-/consumption-based	Scope 1 and 2 emissions from third-party repair centres are calculated from energy (electricity + heating) usage data disclosed by service providers. Emissions are extrapolated to estimate for repair centres that do not provide primary data, based on the number of repairs reported by Arc'teryx for the year.	DESNZ <sup>2</sup>
Capital Goods and Other Indirect Procurement	Internal Financial Data	Spend-based	Expenditure data is used to estimate emissions related to these spend categories.	U.S. EPA <sup>12</sup>
Water Usage	Utility Provider; Property Management Records	Primary: consumption-based	Consumption from utility invoices and property management records is used to calculate emissions for our office and production/distribution facilities.	DESNZ <sup>2</sup>
	Internal Human Resource Data	s Secondary: industry-average	Primary data is not currently available for our retail stores. Water usage is estimated using an average intensity per person derived from the Real Estate Environmental Benchmark. <sup>13</sup>	DESNZ <sup>2</sup>
Water Discharge	Water Usage	Calculation	Water discharge is estimated as 90% of water usage.	DESNZ <sup>2</sup>

## CATEGORY 3: FUEL AND ENERGY-RELATED ACTIVITIES NOT INCLUDED IN SCOPE 1 OR 2

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Fuel- and Energy-Related Activities (not Included in Scope 1 or 2)	See Scope 1 and 2	Industry-average	Emissions are calculated by applying appropriate upstream emission factors to Scope 1 and 2 energy usage.	Multiple (see Scope 1 and 2)

# CATEGORY 4: UPSTREAM TRANSPORTATION AND DISTRIBUTION

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Tier 2 to Tier 1 Freight	PLM System	Distance-based	Distances are estimated based on origin and destination information in our PLM system. Weights are calculated as part of purchased goods and services calculations and assumptions made on mode of transport based on region and distance.	DESNZ <sup>2</sup>
Inbound Freight			Emissions are calculated from shipped weights, distances, and modes of transport provided by third-party logistics consolidation	DESNZ <sup>2</sup>
(From Tier 1 suppliers to Distribution Centres +	Service Provider	rovider services that align with the GLEC Framework.	+	
Warehouse Transfers)				GLEC Framework <sup>14</sup>
Outbound Freight	Report from service	Distance-based	Third-party services are used for deliveries, and data is either provided to us in reports from them or estimated using the	Supplier-calculated
(between Distribution Centres	provider		information in purchase orders and distance calculations.	+
and final destination)	Template filled out by service provider			GLEC Framework <sup>14</sup>
	SAP (purchase orders used to estimate)	d		

ARC'TERYX CLIMATE REPORT 2024	WELCOME	OUR CLIMATE STRATEGY	PRODUCTS	SUPPLIERS	TRANSPORTATION	BUILIDINGS	GOVERNANCE & ENGAGEMENT	APPENDIX	48

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Warehousing (Distribution Centres excluding	Utility invoices	Primary: Fuel-/consumption- based	Scope 1 and 2 data for distribution centres is collected and the percentage attributable to Arc'teryx is calculated based on criteria related to product volumes.	IEA <sup>8</sup>
Arc'teryx-operated facility)	x-operated facility) Note: Under the operational control approach, Arc'teryx's proportion of emissions at distribution centres that are operated by Ame Sports are reported under Scope 3 for Arc'teryx and under Scope 1 and 2 for Amer Sports.		Environment and Climate Change Canada <sup>9</sup>	
				+
				DESNZ <sup>2</sup>
Resale Transport & Warehousing	Third-party resale service provider	e Distance-based	Our resale partner calculates and provides an emissions summary for warehousing and transporting.	Supplier-provided

## CATEGORY 5: WASTE GENERATED IN OPERATIONS

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Building Waste (buildings, excluding retail stores)	Third-party service providers	Waste-type-specific	Waste service providers produce weight reports for different waste streams and destinations.	DESNZ <sup>2</sup>
Building Waste (retail stores)	Internal human resources data	Industry-average	Waste types and weights are estimated for retail stores using number of full-time employees (FTE) and industry average waste intensity factors. 15,16,17	DESNZ <sup>2</sup>

# CATEGORY 6: BUSINESS TRAVEL AND CATEGORY 7: EMPLOYEE COMMUTING

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Business Travel	Third-party service provider	Distance-based	Business travel is mostly arranged through an external party, which provides an annual emissions report that utilizes the distance-based method.	Supplier-provided (DESNZ²)
			Calculations do not include the emissions from the sub-category of Hotel Nights, which is defined as optional in the GHG Protocol.	
	Internal expense reports	Spend-based	Some business travel expenses are captured through internal expense reports, where spend-based emissions factors are applied.	DESNZ <sup>2</sup>
Employee Commuting	Internal Survey	Distance-based	A commuter survey is conducted to establish a dataset on modes of travel and distances traveled. Data is extrapolated from survey responses to estimate for the total number of employees.	DESNZ <sup>2</sup>

### CATEGORY 9: DOWNSTREAM TRANSPORTATION AND DISTRIBUTION

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Outbound (returns)	Internal Financial Data	Spend-based	Downstream is defined as shipping that is not paid for by Arc'teryx, which includes some guest returns. The associated financial data is used to apportion outbound data between upstream and downstream based on that definition.	Reference Outbound Freight
Outbound (repairs)	Internal database	Extrapolation	A per unit intensity measure of total outbound emissions is applied to the total quantity of repairs reported for the year to estimate this sub-category of emissions related to shipping to/from repair centres, which is not captured in the Outbound Freight data.	Reference Outbound Freight
Third-party retail	N/A	Excluded	Scope 1 and 2 emissions from third-party retail were estimated to be approximately 0.9% of total emissions, but were excluded from our SBTi and GHG boundary due to data.	٦

## CATEGORY 12: END-OF-LIFE TREATMENT OF SOLD PRODUCTS

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Unrepairable product	Third-party reports	Waste-type-specific	Debrand is a third-party textile recycler that provides a report on the weight and disposal method of different types of materials collected from Arc'teryx locations.	DESNZ <sup>2</sup>
Product and Packaging EOL	PLM System	Industry-average	The total weight of products sold during the reporting year is divided into different disposal routes using an European Union averag for waste treatment methods for textiles. 18	e DESNZ <sup>2</sup>

## CATEGORY 14: FRANCHISES

Activity	Data Source	Data Type	Calculation Methodology	Emissions Factor Source
Partner Stores	Internal Financial Data	Secondary: industry-average	Scope 1 and 2 emissions are estimated for retail locations that operate under a contractual agreement with Arc'teryx, but for which Arc'teryx does not maintain operational control.	Reference Scope 1 and 2
			Estimates are calculated in the same way as for retail stores, using floor area and intensity measures.	
			An average floor area is used as a proxy for stores where the information is currently unavailable.	

## **CATEGORIES NOT RELEVANT TO OPERATIONS:**

CATEGORY 8: UPSTREAM LEASED ASSETS

CATEGORY 10: PROCESSING OF SOLD PRODUCTS

CATEGORY 11: USE OF SOLD PRODUCTS (EXCLUDED)

Arc'teryx estimated indirect use phase emissions to be less than 2% of total emissions in our base year assessment, and chose not to include this optional category in our emissions inventory due to low relevance and low material impact.

CATEGORY 13: DOWNSTREAM LEASED ASSETS

CATEGORY 15: INVESTMENTS (EXCLUDED)

Based on a high-level assessment of Arc'teryx's investment activity in 2022, this category was deemed to be immaterial and irrelevant and is not included in our inventory.

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- 5. IPCC Fifth Assessment Report (2014), accessed via: Greenhouse Gas Protocol. (2016). Global Warming Potential Values (Feb 16, 2016). World Resources Institute and World Business Council for Sustainable Development.
- 6. GlobalPetrolPrices.com. (2024). China electricity prices.
- 7. GlobalPetrolPrices.com. (2024). Japan natural gas prices.
- 8. International Energy Agency (IEA). (2024). Emission

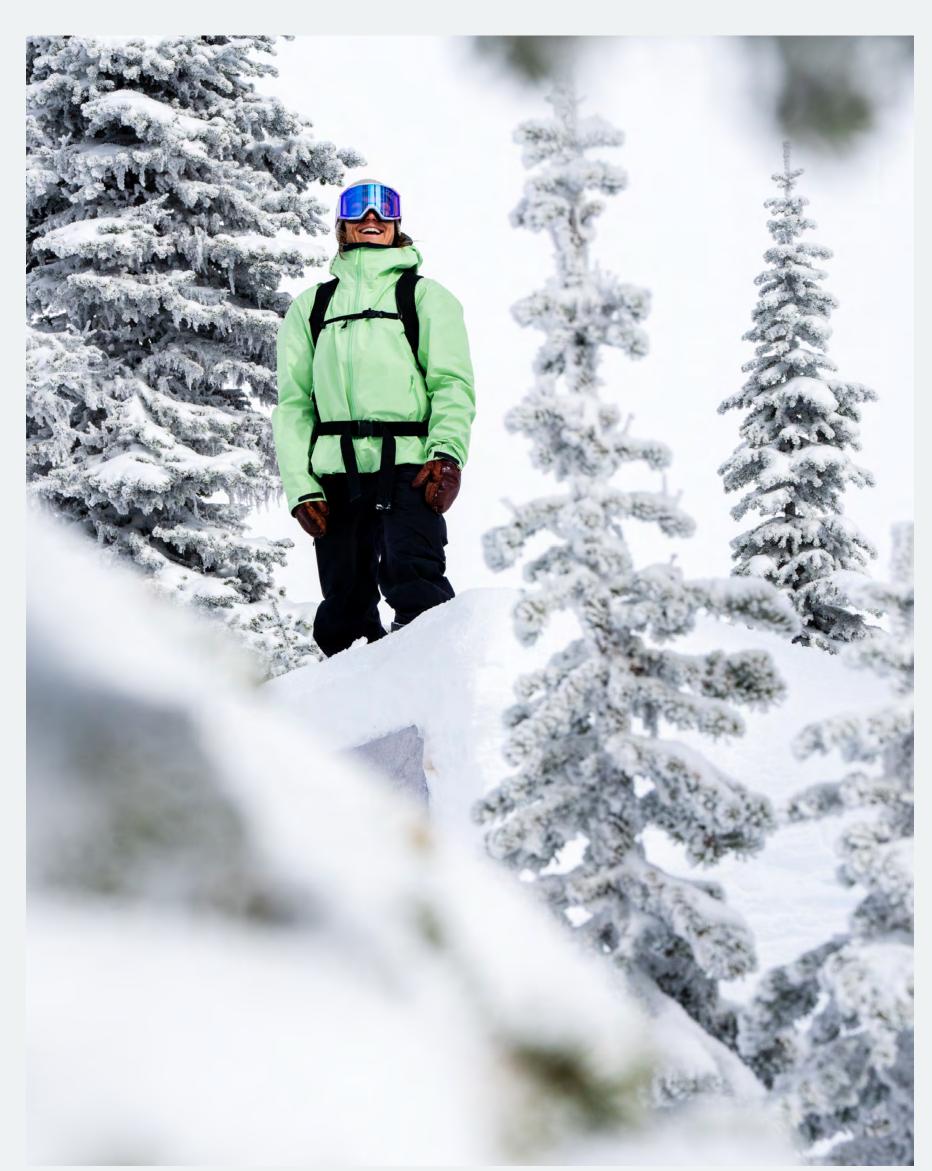
  Factors 2024: Annual GHG emission factors for world

  countries from electricity and heat generation.

  (Note that the CO<sub>2</sub>e is not provided by IEA, and is calculated as the sum of: kg CO<sub>2</sub>, CH<sub>4</sub> in kg CO<sub>2</sub>e and, N<sub>2</sub>O in kg CO<sub>2</sub>e)
- 9. Environment and Climate Change Canada. (2024).

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  Sinks in Canada 1990–2022 Part 3.

- 10. Worldly. (2025). Higg Facility Environmental Module (FEM) 4.0.
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- 12. **U.S. Environmental Protection Agency. (2024).** Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6. U.S. EPA Office of Research and Development.
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- 15. Office for National Statistics. (2019). *Employees in the UK by industry: 2018.*
- 16. **Department for Environment, Food and Rural Affairs** (**Defra**). (2022). *UK Statistics on Waste: Total generation of waste, split by NACE economic activity and EWC-STAT waste material, 2010–2018, UK.*
- 17. California Department of Resources Recycling and Recovery (CalRecycle) (2015). 2014 Generator-Based Characterization of Commercial Sector Disposal and Diversion in California.
- 18. Beton, A., Dias, D., Farrant, L., Gibon, T., Le Guern, Y., Desaxce, M., Perwueltz, A., Boufateh, I., Wolf, O., Kougoulis, I., Cordella, M., & Dodd, N. (2014). Environmental Improvement Potential of Textiles (IMPRO Textiles). EUR 26316. Luxembourg: Publications Office of the European Union. JRC85895.



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# INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT

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

We have undertaken a limited assurance engagement on certain performance metrics of Arc'teryx Equipment, a Division of Amer Sports Canada Inc. (the "Entity"), included in the accompanying 2024 Climate Report (the "Report"), for the year ended December 31, 2024.

The scope of our limited assurance engagement, as agreed with management, comprises the following performance metrics (collectively, the "subject matter information") and criteria:

Subject matter information	Reported amount and units	Page number in the Report	Criteria
Scope 1 GHG emissions	1,867 tCO2e	Page 43	<ul> <li>Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard (Revised Edition) ("GHG Protocol")</li> </ul>
Scope 2 location-based GHG emissions	6,434 tCO2e		<ul> <li>GHG Protocol; and,</li> <li>GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard.</li> </ul>
Scope 2 market-based GHG emissions	0 tCO <sub>2</sub> e		ariar rotocor corporate otaridara.
Scope 3 GHG emissions	187,182 tCO <sub>2</sub> e		- GHG Protocol;
			<ul> <li>The Corporate Value Chain (Scope 3) Accounting and Reporting Standard as applicable to Scope 3 emissions, excluding categories 8 (upstream leased assets), 10 (processing of sold products), 11 (use of sold products), 13 (downstream leased assets) and 15 (investments); and,</li> </ul>
			<ul> <li>Internally developed guidelines.</li> </ul>

The subject matter information is denoted by the symbol ◊ in the Report.

Other than as described in the preceding table, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

There are no mandatory requirements for the preparation or presentation of the subject matter information. As such, the Entity has applied the criteria described under the criteria in the table above, in calculating the reported amounts including their own internal reporting guidelines and definitions which can be found on pages 43-49 of the Report (collectively the "applicable criteria").



#### MANAGEMENT'S RESPONSIBILITY

Management is responsible for the preparation and presentation of the subject matter information in accordance with the applicable criteria.

Management is also responsible for such internal control as management determines necessary to enable the preparation and presentation of the subject matter information that is free from material misstatement, whether due to fraud or error. This responsibility includes determining the Entity's objectives in respect of sustainability performance and reporting, identifying stakeholders and material issues, and selecting or developing appropriate criteria.

#### **OUR RESPONSIBILITY**

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

A limited assurance engagement involves assessing the suitability of the criteria used by the Entity in preparing the subject matter information in the circumstances of the engagement, assessing the risks of material misstatement, whether due to fraud or error, and responding to the assessed risks as necessary in the circumstances.

We exercised professional judgment and maintained professional skepticism throughout the engagement. Our procedures were designed and performed to obtain evidence that is sufficient and appropriate to provide a basis for our conclusion. In carrying out our engagement, we:

- Evaluated the suitability of the Entity's use of the criteria, as the basis for preparing the subject matter information in the circumstances;
- Through inquiries, obtained an understanding of the Entity's control environment, processes and systems relevant to the preparation of the subject matter information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- Inquired with relevant staff at the corporate and site level to understand the data collection and reporting processes for the subject matter information;
- Evaluated whether the Entity's methods for developing estimates are appropriate and had been consistently applied, but our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Entity's estimates;
- Inquired of management regarding key assumptions and, where relevant, the re-performance of calculations on a sample basis;
- Performed analytical procedures by comparing the expected GHGs emitted, based on the calorific value of fuel combusted during the period, to actual GHGs emitted and made inquiries of management to obtain explanations for any significant differences we identified:
- Inspected a limited number of items to or from supporting records, as appropriate; and,
- Considered the presentation and disclosure of the subject matter information.

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. Consequently, the level of assurance obtained in a limited assurance engagement is

substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

# OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants and the independence and other ethical requirements of relevant rules of professional conduct/code of ethics in Canada applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies.

The firm applies Canadian Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

#### SIGNIFICANT INHERENT LIMITATIONS

Historical non-financial information, such as that contained in the Report, is subject to more inherent limitations than historical financial information, given the qualitative characteristics of the underlying subject matter and methods used for determining this information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques, which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as described in the applicable criteria, may change over time. It is important to read the Entity's reporting methodology disclosed the 2024 Climate Report.

### CONCLUSION

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, no matters have come to our attention to cause us to believe that the Entity's subject matter information for the year ended December 31, 2024, is not prepared, in all material respects, in accordance with the applicable criteria.

Our conclusion on the subject matter information does not extend to any other information, reports or documents that accompany, are presented with, or contain the subject matter information and our assurance report.

#### **RESTRICTION ON USE**

Our report is intended solely for use by Arc'teryx Equipment, a Division of Amer Sports Canada Inc., for the purpose set out in our engagement agreement. Our report may not be suitable for any other purpose and is not intended for use or reliance by any third parties. While KPMG LLP acknowledges that disclosure of our report may be made, in full, by Arc'teryx Equipment, a Division of Amer Sports Canada Inc., in the 2024 Climate Report, KPMG LLP does not assume or accept any responsibility or liability to any third party in connection with the disclosure of our report.

KPMG LLP

September 2, 2025

# TRANSITION PLAN TASKFORCE INDEX

In 2024, for the first time, we began aligning our Climate Report with the Transition Plan Taskforce's (TPT) Disclosure Framework, which sets out best practices for robust and credible transition plan disclosures. The TPT is now overseen by the International Financial Reporting Standards (IFRS) Foundation, which governs global reporting frameworks for both financial and sustainability reporting. We partnered with a third-party sustainability and reporting agency to develop our report and advise on our alignment with the TPT for this index. The index reflects publicly available information for Arc'teryx and our parent company, Amer Sports, where it is also relevant for our business. We are committed to improving our public disclosures and TPT alignment in years to come.

• FULLY ALIGNED

PARTIALLY ALIGNED

O NOT YET ALIGNED

Disclosure Elements	Disclosure Sub-Elements	References/Company Response	Alignment
1. Foundation	1.1 Strategic Ambition	Our Climate Strategy	•
		<u>Products</u>	
	1.2 Business model and value chain	Our Strategy	•
		<u>Products</u>	
		<u>Suppliers</u>	
	1.3 Key assumptions and external factors	<u>Products</u>	•
		<u>Climate Risk</u>	
		Climate risks and opportunities are assessed by our parent company. See <u>Amer Sports' TCFD Report</u> for more detail on assumptions and external factors considered in that analysis.	
2. Implementation Strategy	2.1 Business operations	Our Strategy	•
		<u>Products</u>	
		<u>Suppliers</u>	
		Transportation	
		Buildings	
	2.2 Products and services	<u>Products</u>	
	2.3 Policies and conditions	Advancing Worker Well-being	
		Recalculation Policy	
		See Amer Sports' Material Compliance Policy and Responsible Procurement.	

Disclosure Elements	Disclosure Sub-Elements	References/Company Response	Alignment
	2.4 Financial planning	Governance: Executive and Management Oversight	
		Potential financial impacts of climate-related risks and opportunities are assessed by our parent company. See Amer Sports' TCFD Report for more detail on potential financial impacts based on scenario analyses.	
3. Engagement Strategy	3.1 Engagement with value chain	<u>Suppliers</u>	
		Engagement	
		See Amer Responsible Procurement.	
	3.2 Engagement with industry	End of Life	
		Industry Collaboration	
		Global Collaborations and Initiatives	
	3.3 Engagement with government, public sector, and civil society		0
4. Metrics and Targets	4.1 Governance, business, and operational metrics and targets	Our Climate Strategy	•
		Our Progress	
		Governance and Engagement	
		Industry Collaboration	
	4.2 Financial metrics and targets		0
	4.3 GHG metrics and targets	Our Climate Strategy	•
	4.4 Carbon credits	Our Climate Strategy	
		<u>Buildings</u>	
5. Governance	5.1 Board Oversight	Board Oversight	
		Board-level governance for Arc'teryx is described in more detail in the TCFD Report of our parent company, Amer Sports'.	
	5.2 Role, responsibility and accountability	Executive and Management Oversight	
	5.3 Culture	Engagement	
	5.4 Incentives and remuneration		0
	5.5 Skills, competencies and training	Engagement	

