

ARC'TERYX

BC PAY TRANSPARENCY REPORT

For Period: January 1, 2023 - December 31, 2023

EMPLOYER DETAILS

Employer: Arc'teryx Equipment, a Division of Amer Sports Canada Inc.

Address: 2220 Dollarton Hwy #110, North Vancouver, BC V7H 1A8

Time Period: January 1, 2023 - December 31, 2023

NAICS Code: 31-33 - Manufacturing

Number of Employees: 1,000+





LAND ACKNOWLEDGEMENT

Arc'teryx acknowledges that our Headquarters and Design Centre are located on the unceded shared territories of the xʷməθkʷəy̓əm, Sḵwx̱wú7mesh, and səl̓ilwətaʔɬ peoples. ARC'One, our local manufacturing facility, is located within the territories of the Qayqayt, kʷikʷəƛ̓əm, Katzie, Kwantlen, xʷməθkʷəy̓əm, Sḵwx̱wú7mesh, səl̓ilwətaʔɬ, and Sto:lo Nations, who have called this place their homeland since time immemorial.

We honour 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.

ABOUT ARC'TERYX

Arc'teryx is a Canadian design company specializing in building technical high-performance outerwear and equipment to serve the mountain athlete. Arc'teryx is owned by the parent company Amer Sports. Amer Sports is a global group of sports and outdoor brands, with the central purpose of elevating the world through sport.

Leading the world in snow, trail and climb products for the mountain athlete everywhere – reaching guests directly and disrupting the vertical outdoor industry's standard approach. With a mission to build access and connection to the outdoors and focus long-term on circularity and heritage of innovation to push the industry to redefine the boundaries of responsible design.



AS OF DECEMBER 31, 2023:

160+ More than 160 stores.

2,400+ Operates with over 2,400 wholesale partners.

50+ Operates in more than 50 countries.

3,000+ Is supported by a team of over 3,000 employees.

INTRODUCTION

The Pay Transparency Act (May 11, 2023) requires B.C. employers to publish a pay transparency report by November 1 of each year, starting in 2024. This report covers our BC-based workforce from January 1 to December 31, 2023, and includes components such as hourly pay, overtime pay, and bonus pay.

OUR B.C. WORKFORCE CONSISTS OF THE FOLLOWING GENDER CATEGORIES:

Male: 42.3%	Female: 57.5%	Non-binary: 0.2%

Arc'teryx has created space for our employees to self-identify their gender. In accordance with the Pay Transparency Act and reporting rules designed to protect anonymity and privacy of individuals, our non-binary employees' data did not meet the reporting threshold and have been excluded in our reporting. We will strive to report on our non-binary employee population when more data becomes available.

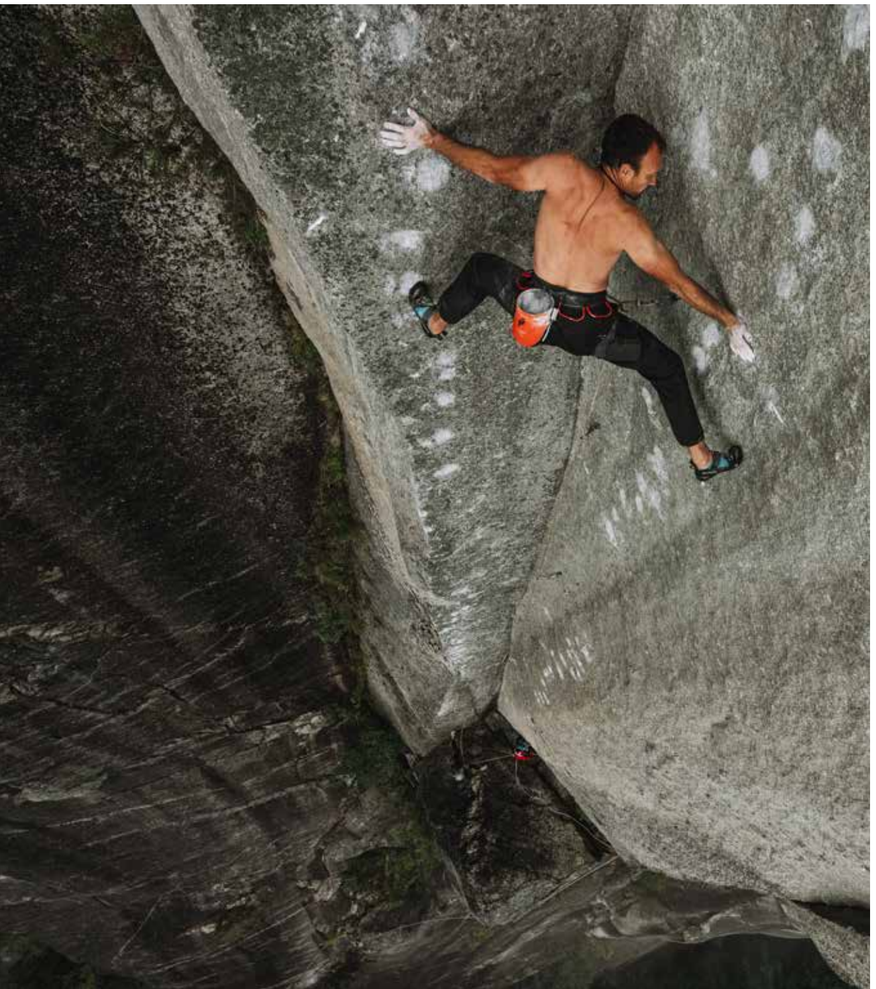


UNADJUSTED VS ADJUSTED PAY GAPS

The Act requires employers to report unadjusted pay gaps, which reflect the average difference in pay by gender without accounting for factors that influence pay such as job level, function, or performance. To provide a more comprehensive view, we will also report the adjusted pay gap—also known as the equal pay gap—which accounts for these factors and offers a clearer picture of gender pay differences for similar or equivalent work.



OVERVIEW



Our analysis of total pay, including regular, overtime, and bonus pay, reveals an unadjusted gender pay gap of $0.10 (10%) per $1.00/hour for both mean and median earnings. This gap arises primarily from the over-representation of women in lower-paying roles, where they make up 66% of our lowest-paying quartile compared to 34% of men. These positions often include a higher percentage of hourly-based and overtime-eligible roles. While we're committed to closing this gap, we recognize that pay gaps can still exist from socio-economic dynamics and other factors, that can influence designated groups to pursue certain roles or careers, which are not fully within Arc'teryx's control.

When we calculate the adjusted pay gap, we find a difference of $0.02 (2%), indicating that women earn 98 cents in total pay for every dollar earned by men. This reflects a strong level of pay equity within the organization for comparable roles and underscores our commitment to ensuring equitable pay for all employees, regardless of gender.

TOTAL CASH PAY GAP

Male	$1.00
Female - Adjusted	$0.98
Female - Unadjusted Mean	$0.90
Female - Unadjusted Median	$0.90



OUR COMMITMENT TO PAY EQUITY

Arc'teryx is committed to achieving and maintaining pay equity, recognizing that pay gaps can arise from factors such as gender bias and representation within the organization. Understanding that pay equity is an ongoing journey, we are committed to continuously assessing and addressing pay disparities to ensure equitable pay for all employees.

Since 2022, we have allocated an annual budget specifically for equity adjustments to address identified pay gaps. In 2024, we strengthened our commitment to internal pay equity by uplifting and aligning bonus targets across the organization, ensuring that employees in similar roles are rewarded consistently and equitably. We also invested in a global pay equity analytics platform. This data-driven tool allows us to precisely identify and analyze pay gaps, enabling us to allocate resources effectively and make necessary adjustments where they are most needed.

As part of our ongoing commitment to pay equity, we are implementing a range of initiatives aimed at fostering a diverse, equitable, and inclusive workplace. Here are additional key actions we are taking to support these goals:

- **Exceeding regulatory standards** in pay transparency by publishing pay ranges in job postings across North America
- **Promoting career development** through education, mentorship, and professional growth programs
- **Launching a cross-functional People Council** to address women's workplace equity
- **Monitoring representation** across all business areas and implementing strategies to meet our gender targets
- **Providing ongoing training** for employees on inclusivity and gender awareness
- **Delivering inclusive leadership sessions** to help leaders build diverse and inclusive teams
- **Establishing Employee Belonging Councils (EBCs)** to foster a sense of belonging and provide networking and development opportunities for underrepresented groups
- **Offering flexible work hours** and remote and hybrid-working opportunities
- **Providing generous maternity and parental leave benefits**
- **Engaging with community partners** to promote career opportunities for underrepresented groups
- **Regularly gathering employee feedback** through channels like quarterly engagement surveys to inform our equity, diversity, and inclusion initiatives

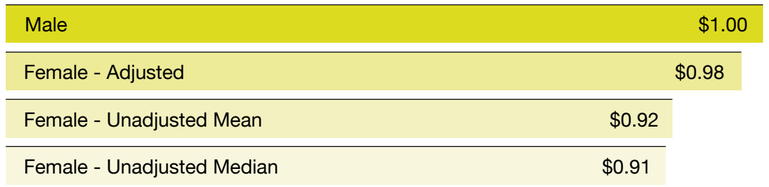
HOURLY PAY

Arc'teryx has implemented clear and consistent pay structures in support of pay equity and transparency. All roles are grouped by job size with defined pay ranges, ensuring employees in comparable positions are paid equitably, regardless of gender, race, or other characteristics.

Our analysis of hourly pay shows an unadjusted gender pay gap of $0.08 (8%) in mean hourly earnings, indicating women earn 92 cents for every dollar earned by men. For median hourly pay, the unadjusted gap is $0.09 (9%), indicating women earn 91 cents for every dollar earned by men.

The adjusted pay gap is $0.02 (2%), indicating women earn 98 cents in hourly pay for every dollar earned by men for similar or equivalent work.

HOURLY PAY GAP



OVERTIME PAY

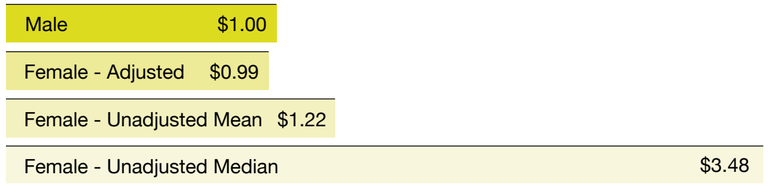
Overtime eligibility varies by role, with retail, manufacturing, and distribution centre employees primarily in overtime-eligible roles. Both men and women receive the same overtime rates, as set by the B.C. Employment Standards Act.

These roles have a higher representation of women, particularly in manufacturing, where overtime work is most common. On average, women worked 15 overtime hours for each overtime hour men worked. As a result, a larger percentage of women receive overtime pay, leading to women earning more total overtime pay than men.

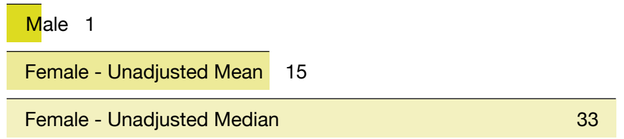
Our analysis of overtime pay shows an unadjusted pay gap of -$0.22 (-22%) in mean overtime earnings, indicating women earn 22 cents more for every dollar earned by men. For median overtime pay, the unadjusted gap is -$2.48 (-248%), indicating women earn $2.48 more for every dollar earned by men.

The adjusted pay gap is $0.01 (1%), meaning women earn 99 cents in overtime pay for every dollar earned by men for similar or equivalent work.

OVERTIME PAY GAP



OVERTIME HOURS WORKED



% EMPLOYEES RECEIVING OVERTIME PAY



BONUS PAY



Bonus pay is an important part of Arc'teryx's total rewards program. All regular employees are eligible for bonus, based on their hire date within the performance year and active employment status at the time of payout.

Our structured bonus plans use standardized criteria, such as company performance, to determine awards. Bonus targets are also based on job level, ensuring that employees in similar roles have the same targets. This standardization promotes pay equity across the organization.

Our analysis of bonus pay shows an unadjusted pay gap of $0.32 (32%) in mean bonus earnings, indicating women earn 32 cents less for every dollar earned by men. For median bonus pay, the unadjusted gap is $0.34 (34%), indicating women earn 34 cents less for every dollar earned by men. These gaps are primarily due to the over-representation of women in job levels with lower bonus targets, resulting in lower average bonus pay compared to men.

The adjusted pay gap is $0.02 (2%), indicating women earn 98 cents for every dollar earned by men for similar or equivalent work.

BONUS PAY GAP

Male	$1.00
Female - Adjusted	$0.98
Female - Unadjusted Mean	$0.68
Female - Unadjusted Median	$0.66

% EMPLOYEES RECEIVING BONUS PAY

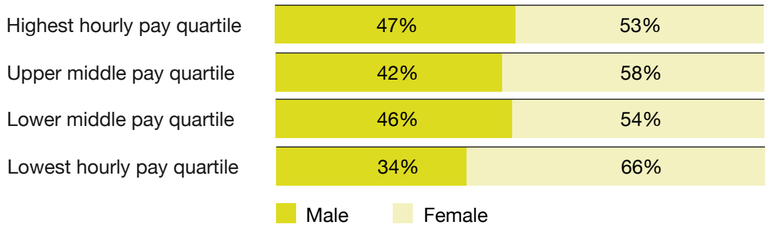
Male	74%
Female	76%



PERCENTAGE OF EACH GENDER IN EACH PAY QUARTILE

The overall gender distribution for this reporting period and population is 57.5% women and 42.3% men. As a result, the gender distribution is skewed towards female for each hourly pay quartile. In the lowest hourly pay quartile, we have the highest female representation (66% female vs. 34% male), with the majority in hourly-based and overtime-eligible roles.

% GENDER BY HOURLY PAY QUARTILE





FOOTNOTES & DISCLAIMERS

GENDER REPORTING

Arc'teryx collects employee gender information that is voluntarily reported, using the following classifications: Male, Female, Non-binary, and Prefer not to say/unknown.

PAY COMPONENTS

Hourly pay includes ordinary pay from salaries, wages, and premiums earned for regular work hours.

Overtime pay includes only those employees who worked and received overtime pay within the fiscal year reporting period. Employees who had no overtime pay are excluded from the mean and median calculations.

Bonus pay calculations include only those employees who received bonus pay within the fiscal year reporting period. Employees who had no bonus pay are excluded from the mean and median calculations.

STATISTICAL TERMS

Mean is defined as the average, calculated by adding all the numbers together and then dividing by the count of numbers.

Median is defined as the middle point in a set of numbers when they are arranged in ascending order.

Quartile here refers to the percentage of each gender within four equal sized groups based on their hourly pay.


ARC'TERYX