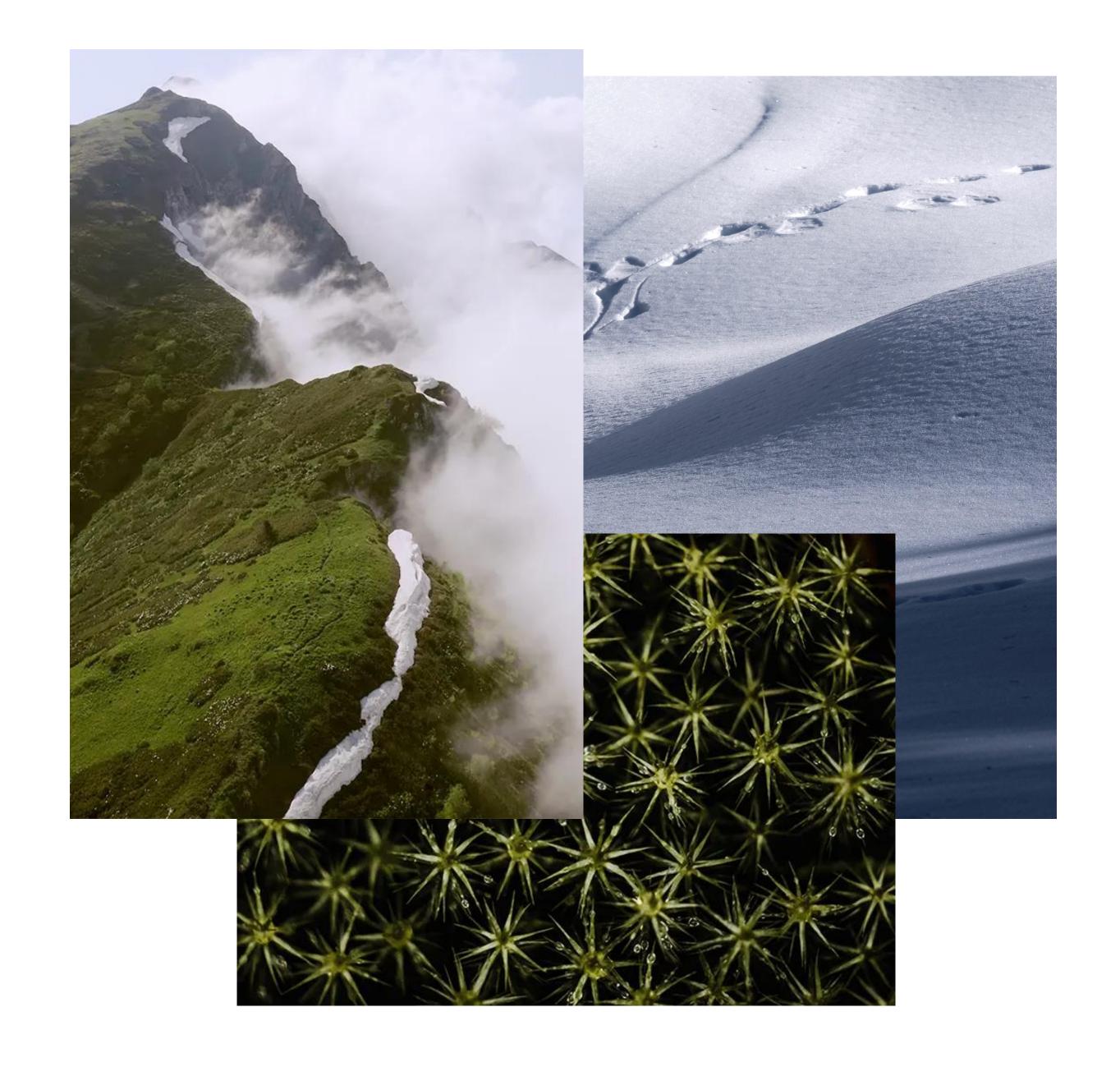
2022 IMPACT REPORT





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A WORD FROM FRANCO, OUR PRESIDENT & CEO



"2022 is a special year for Salomon: we celebrated our 75th anniversary, redefined our brand, our mission and set a powerful new ground as Salomon One Global Brand. We elevated our sustainability ambitions with our new program "Change our Tomorrow".

In the past, Salomon has not been very vocal about its commitments, but this has never prevented us from being a responsible company. Being 100% connected to mountain sports since the first day of our existence in 1947, in Annecy, the French Alps has made us very respectful of our playground — nature - and our communities.

We are leading the industry with our "Change our Tomorrow" program. Through it, we are forging our own path to improve people's lives by acting for a better planet and for the common good, together with our communities.

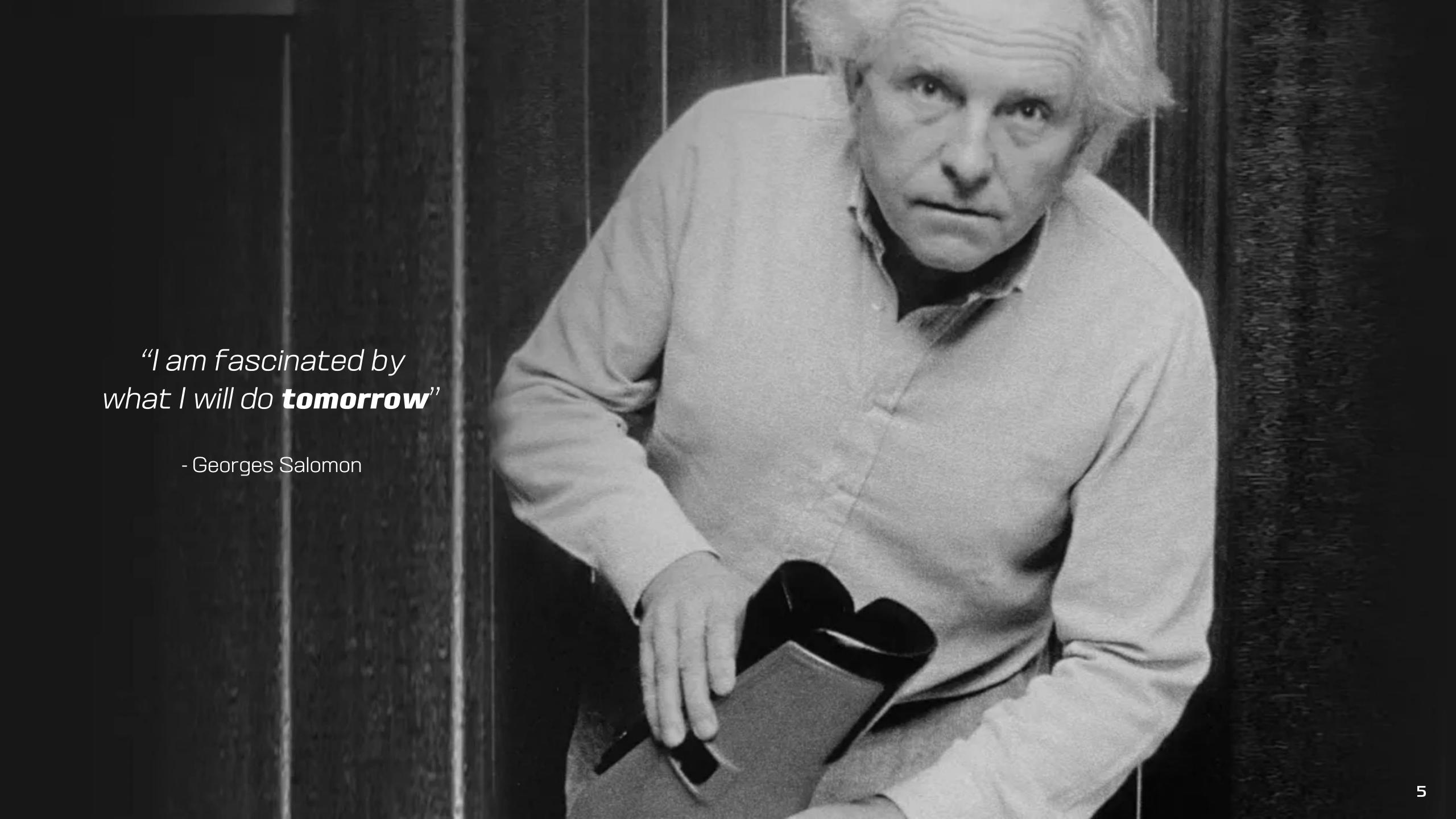
Salomon's purpose is to help people unleash the best version of themselves through fulfilling outdoor sports experiences. We aim to transform people into agents of positive change. We can only drive this change together, united: our employees, our athletes, our customers, our consumers, our business operations and partners, our sporting events and all the communities that love our sports and support us.

Today I am thrilled to share with you our first Salomon Impact Report, showing our steps towards a better future. This is just the start of our journey. Please join us."

- Franco FOGLIATO, Salomon President & CEO



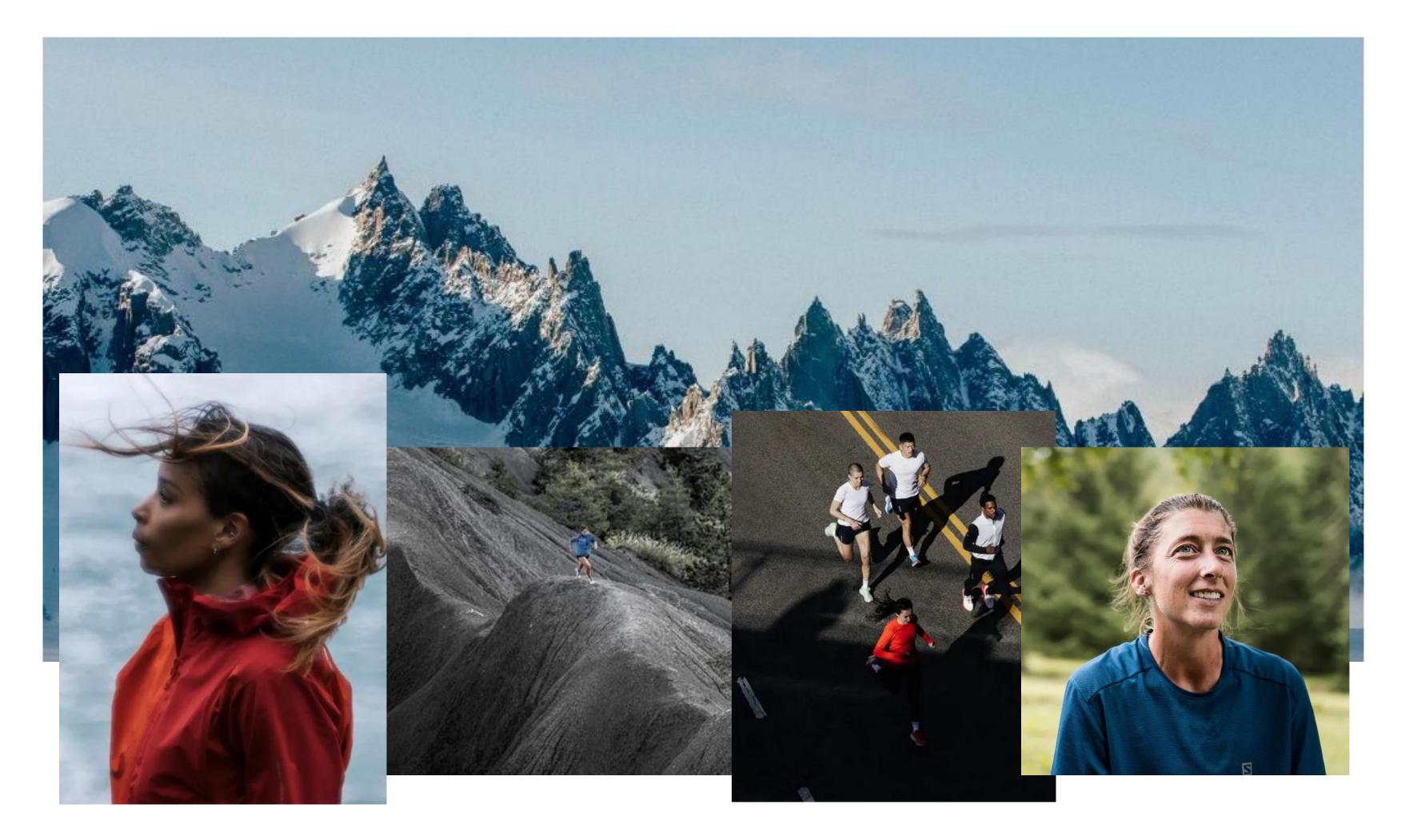
1 WHERE WE COME FROM



WHO WE ARE

Born in Annecy, French Alps in 1947, Salomon creates premium footwear, apparel, gear and winter sports equipment that is superior in function, radical in design and obsessive in style.

At the Annecy Design Center, engineers, designers and athletes collaborate to write the future of sports by creating products that transform outdoor sports experiences and enable a deeper connection with nature, allowing people to unleash the best version of themselves so that they might positively impact the world.



IMAGINATION | FAMILY SPIRIT | COMMITMENT | SIMPLICITY | DIVERSITY

1. WHERE WE COME FROM

OUR MISSION STATEMENT

OUR BRAND PURPOSE: TOMORROW IS YOURS

Based on the belief that a deeper connection with nature and people makes us all better, Salomon's mission is to **Enable people to unleash** the best version of themselves through fulfilling outdoor sports experiences.

OUR SUSTAINABILITY VISION: CHANGE OUR TOMORROW

We know that the best way to create a better tomorrow is to be enthusiastic about what is coming next and prepared for what has yet to be done.

We want to **drive change with our communities** by creating more inclusive outdoor experiences. We are also committed to **driving change through innovation** as a collective, by designing the most responsible high-performance products and businesses.

This is how we will collectively become agents of positive change.

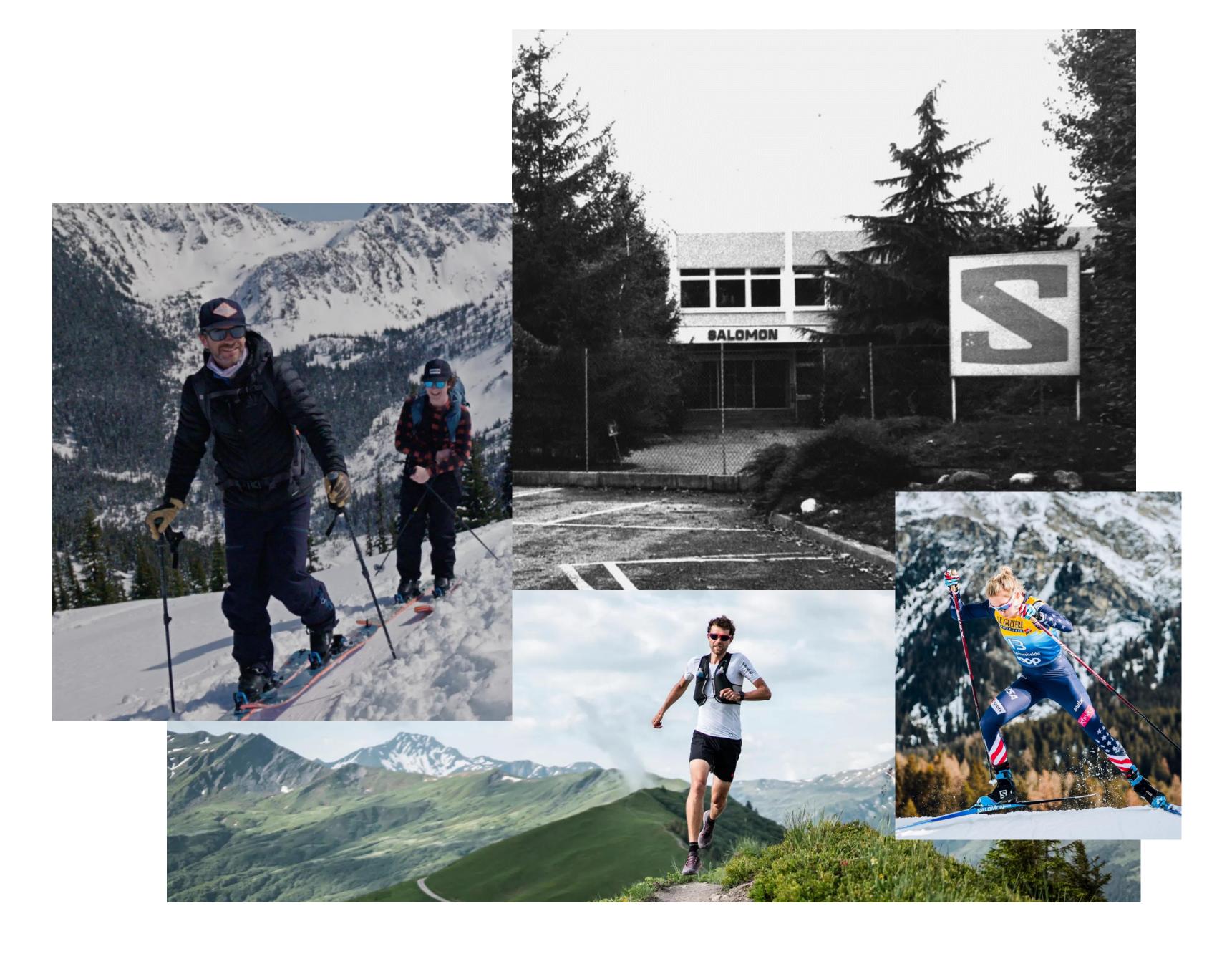


WHAT WE DO

Salomon creates **premium footwear**, **apparel**, **gear and winter sports equipment** that is superior in function, radical in design and obsessive in style.

SALOMON'S ID CARD 2021

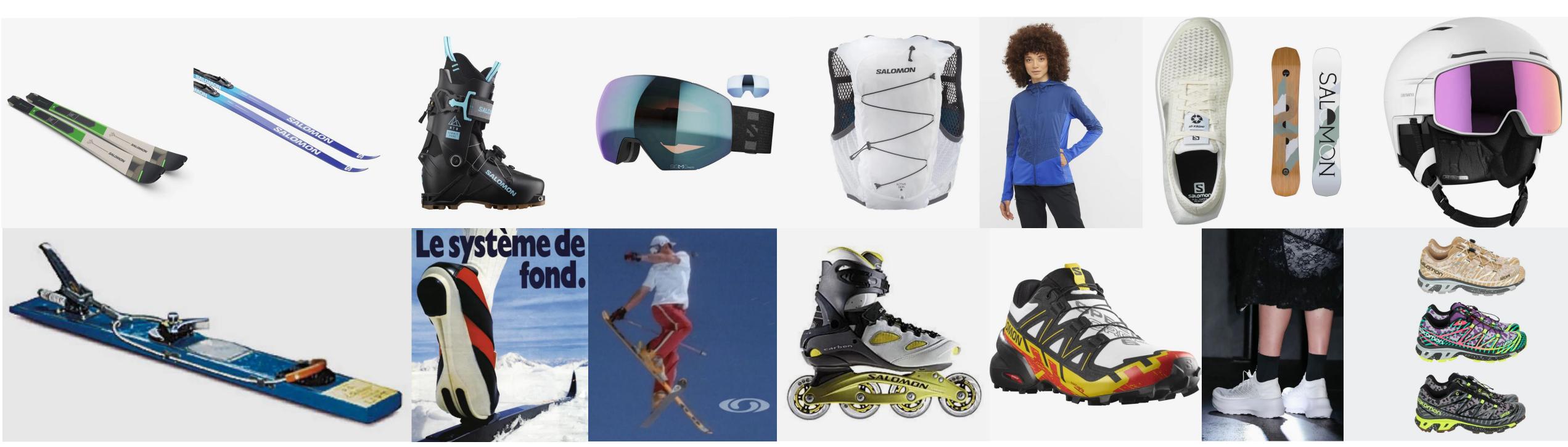
- Our headquarters: Salomon Annecy Design Center, Annecy, the French Alps.
- Our Salomon family: 1,650 employees.
- Our main channels:
 Wholesale = 78%.
 D2C = 22% inc. 11% on own e-commerce.
 More than 180 stores worldwide.
- Salomon brand is distributed in more than 100 countries globally.
- Our key markets: Europe, North America, China.







SUPERIOR IN FUNCTION. RADICAL IN DESIGN. OBSESSIVE IN STYLE.



lmage credits: **Dover Street Market**

lmage credits: Palace

OUR JOURNEY SO FAR

Our journey started back in 1947 with the values of the Salomon family. It has developed over the years through the Salomon Foundation, created in 1999, and our first sustainability program in 2016, paving the way to Salomon's today's responsible vision "Change our Tomorrow".

2018 2020 2021 2017 2019 2016



Play-Minded Program launch



Annecy Design Center ISO certification



Climate charter signature at the United Nations



Cross amphibian swift 2: our 1st ecodesigned shoe



Recyclable shoe concept launch + unveiling of our Play-Minded 2025 goals



Salomon Winter Sports first sustainability ambitions



Footwear & snowboard boots 100% PFC- or PFCec-free



Apparel sustainable sportswear collection



ASF4.0 launch in France



Index.01 recyclable shoe launch



Nordic ski S/max eSkin with a 45% rPET core



ASF4.0 factory opening



Bags & hydration gear 100% PFC-free



20 years of the Salomon Foundation



First WMN campaign



Salomon is a participating company of the Fair Labor Association



First Sustainability Week for employees



Disability day for employees



Alpina x Salomon Foundation « Community watch »



5th WMN campaign



Launch of Hopper prosthetics project



Launch of our Salomon Sports Pledge for responsible events & athletes



campaign

Launch of our Sustainable Stories webseries



1st Sustainability Talk for our communities



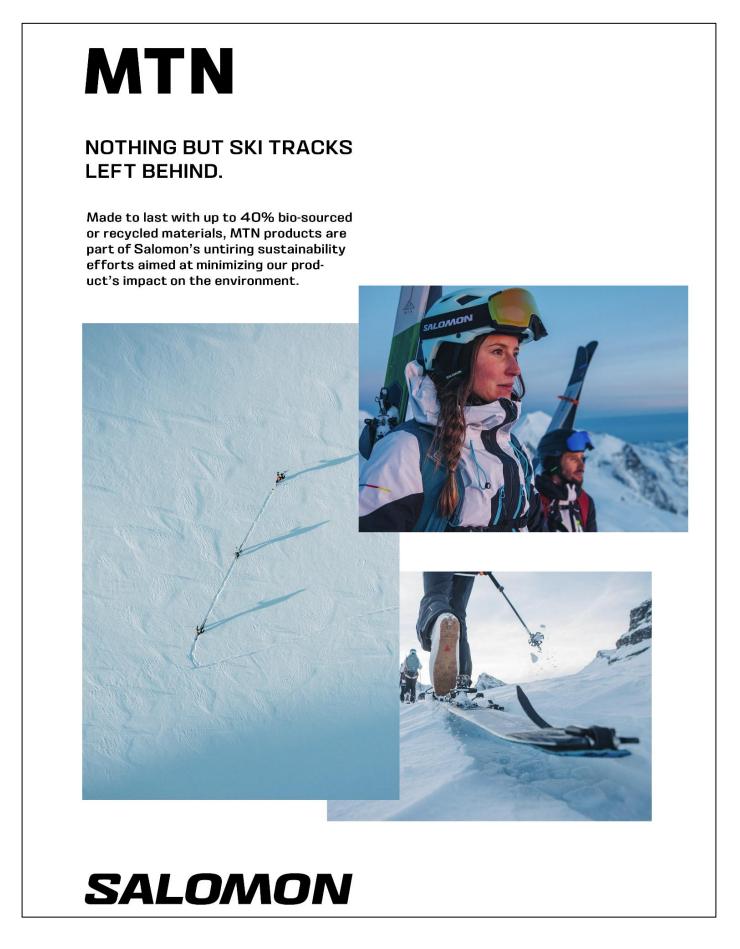
Annecy Design Center offsets 100% of its carbon emissions and is 100% renewable electricity supplied



2022 HIGHLIGHTS



Salomon's 75th anniversary: let's celebrate responsible outdoors together!



Salomon totally renewed it MTN touring range into a fully eco-designed collection, made with up to 40% more responsible materials.

Salomon commits to a 50% absolute reduction of GHG emissions for scopes 1 and 2, and a 30% absolute reduction for scope 3 by 2030 from a 2019 baseline, and to becoming Net-Zero by 2050.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Salomon Science-Based Target was officially approved by the SBTi in August 2022.

OUR PATH TO A RESPONSIBLE TOMORROW





WHAT MATTERS MOST

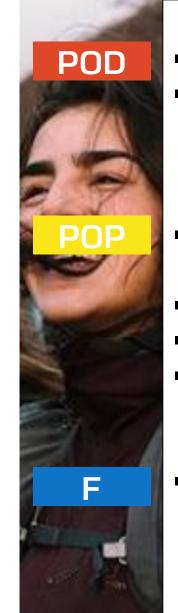
In 2021 we ran **OUR MATERIALITY ASSESSMENT** to understand our priorities from our company's as well as our communities' stand points.

This assessment gathers combined outcomes from 2 focus groups supported by third-party experts in sustainability (Air Coop) and brand strategy (DDB):

- A brand positioning working group in charge of defining Salomon's new purpose: Salomon Executive Committee and key brand leaders
- The Sustainability Leadership Team representing Salomon's sustainability expertise

We have reconfirmed these priorities in 2022 through an extensive survey on our sustainability priorities and ambitions sent out to our consumers worldwide and all our employees and international athletes. These learnings will be integrated into our new sustainability strategy to be released in 2023.

OUR PRIORITY ACTIONS WITH COMMUNITIES



- Champion elevation through sports
- Salomon Foundation
- Diversity and Inclusion commitment (internal & external)
- Sustainable Sports Marketing
- Best Place to Work
- Changemakers: Team development
 & sustainability expertise
- Fair Trade & Ethics

OUR PRIORITY ACTIONS WITH INNOVATION



- 100% of new products to be circular
- Maximal durability & regenerative designs
- Local sourcing



- Carbon reduction & neutrality
- Environmental & chemical compliance
- Commitment to biodiversity, clean water
- Alternative business models
- Transparency & labelling

POD-Point of Differentiation

Where we need to be to make a difference

POP-Point of Parity

F - Fundamentals

What we need to do to be leaitimate

SALOMON

CHANGE OUR TOMORROW: OUR SUSTAINABLE TRANSFORMATION

Our sustainability strategy is embedded as a strategic enabler of the Salomon brand strategy to drive sustainable transition.

Defining what matters most has helped us shape our new sustainability framework.

Building on our past Play-Minded Program, we have structured our path to a responsible tomorrow into a twofold ambition, bringing our sustainable vision to life that people are central to changing our tomorrow.

We believe that this cannot happen without 3 enablers around changing our processes and ways of working, equipping ourselves with science-based tools, and ultimately transforming our culture.

OUR VISION

TRANSFORMING PEOPLE INTO AGENTS OF POSITIVE CHANGE

OUR AMBITIONS





OUR COMPANY's TRANSFORMATION









OUR 2025 COMMITMENTS

CHANGE OUR TOMORROW

Transforming people into agents of positive change



CHANGE WITH COMMUNITIES

O1 ACT FOR MORE INCLUSIVE PARTICIPATION

• Invest 1% of our turnover to inform our communities

O2 ACT FOR THE FUTURE OF SPORTS

Achieve the goals set in our Salomon Sports Pledge for responsible events and athletes

O3 ACT FOR A POSITIVE WORKPLACE

- Be ranked among the top 25% of companies for employee engagement
- Dedicate 2.5% of payroll spent on learning & development

O4 ACT FOR FAIR PRACTICES

- 100% social compliance from our suppliers
- Fair Labor Association accreditation by 2024

O5 TRANSFORM OUR CULTURE

- 100% of our teams are trained in sustainable development issues and challenges
- 100% of our sustainability commitments and advancements are visible on Salomon's own channels (website, shops, social networks)



CHANGE WITH INNOVATION

06 DRIVE RESPONSIBLE PERFORMANCE & INNOVATION

• 100% of new products designed according to one or more circular economy principles

O7 DRIVE BUSINESSES WITH A POSITIVE IMPACT

(Our circular business goals are under definition)

O8 DRIVE A CLIMATE-COMPLIANT PATH Science-Based Target: 50% absolute reduction of our scope 1 & 2 carbon emissions and 30% absolute reduction of our scope 3 carbon emissions by 2030 from a 2019 baseline, net zero by 2050

O9 DRIVE CHEMICAL & WASTE REDUCTION

- 100% chemical and environmental compliance of our suppliers
- 100% PFC-free products
- 100% PVC-free products
- 70% of waste recycled or re-used in our operations

10 DRIVE TRANSPARENCY

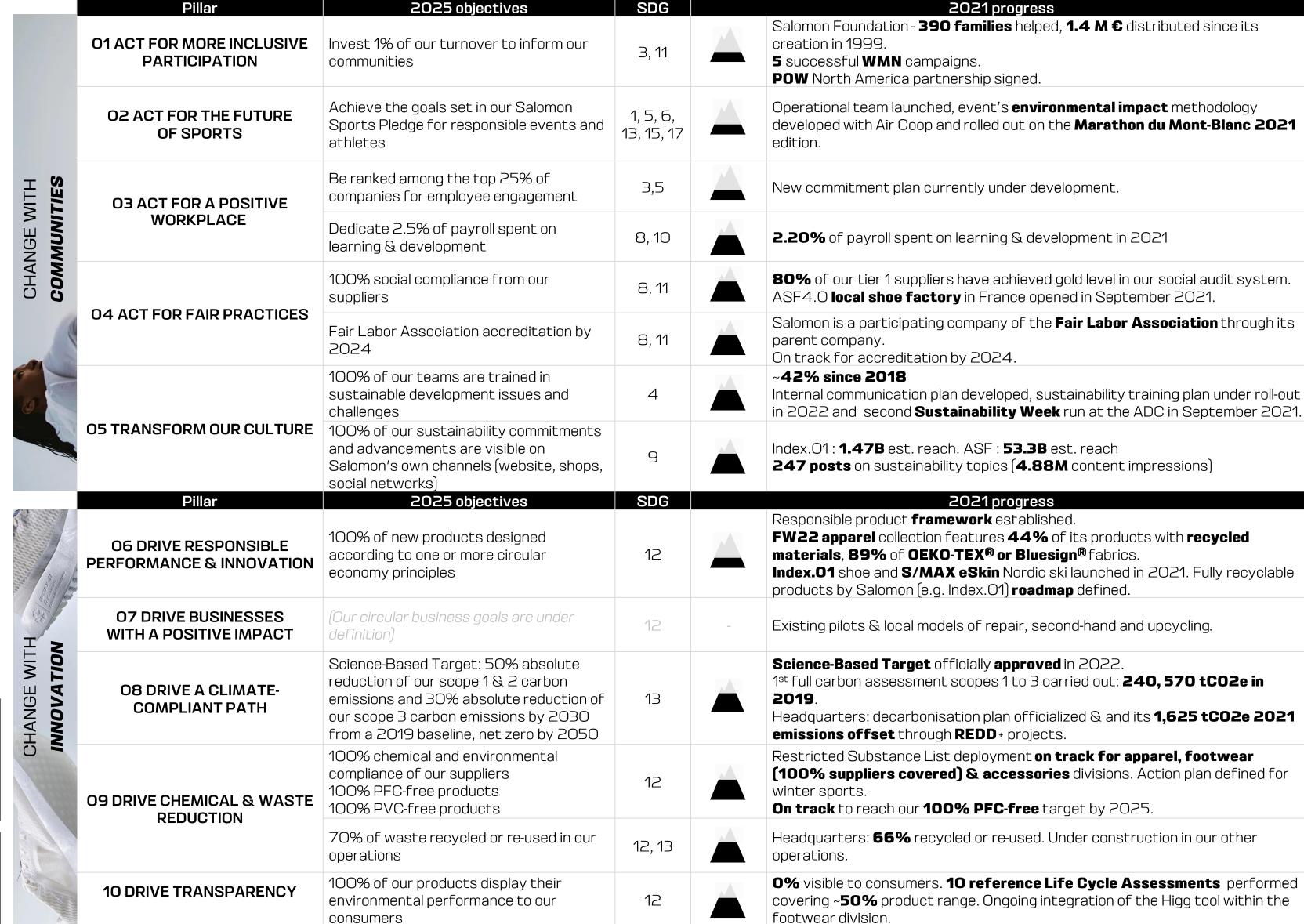
• 100% of our products display their environmental performance to our consumers



WHERE WE STAND

Only a massive collective effort will enable us to face the major challenges of our time. In this context, we need a clear focus and mutually agreed principles through the 17 Sustainable Development Goals (SDGs).

As a responsible brand, we know that we can have a positive impact on some of the objectives set by the United Nations. Here are the objectives that we are tackling with our sustainability strategy, and the progress we have made so far.





HOW WE RUN OUR EFFORTS

This report will show through multiple examples that Salomon relies on a dynamic, passionate and creative community made up of athletes, customers and employees. They are our boldest ambassadors to inspire people and foster new habits within the sports community.

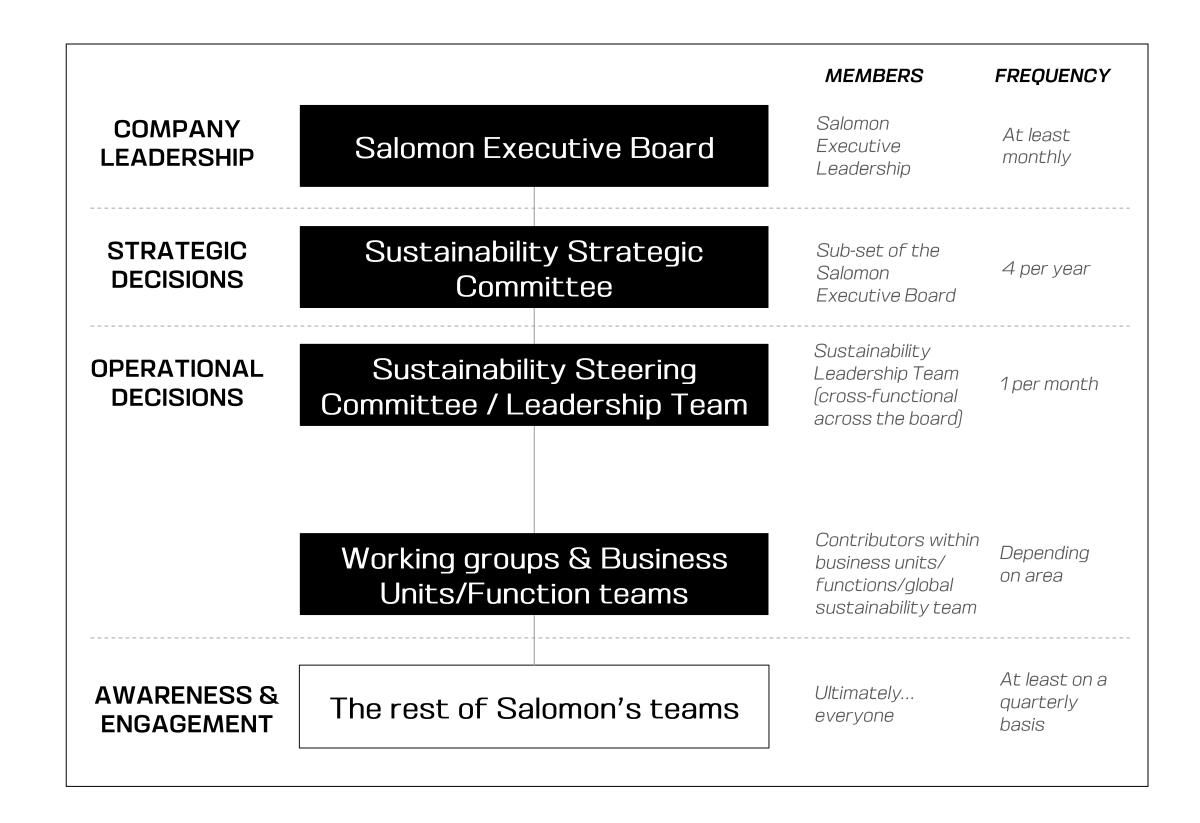
We are happy to promote a **shared culture of responsibility and transparency**. Our aim is to constantly move forward and improve our ways. That's why we think that adequate and regular training for our employees is an essential part of what we do. 42% of our teams in the Annecy Design Center as well as our retailers have been trained in sustainable development issues and challenges.

Our internal communication plan includes highlights such as Sustainability Week, Climate Week, and regular program updates through live events. The progress of our sustainability program is also monitored via our internal social network.

Sustainability has now become a central element of our organization and our way of thinking. **Our governance** matches this transformation: our Global Sustainability Team works hand in hand with the Sustainability Leadership team, composed of 18 people (Human Resources, Legal, BUs, Health & Safety, Brand & Marketing strategy, Communications, Packaging, Salomon Foundation...) across our organization in order to transversally oversee the sustainable transition of Salomon.

Sustainability steering committees are held once a month, a **progress report** is presented to the Salomon Executive Board (S/EB) every month, and a **Sustainability strategic committee** at Executive Board level is held on a quarterly basis. An Advisory Board will be created in 2023.

The program is led by our Global Sustainability & Impact Director and **sponsored by our Salomon Executive Board**.

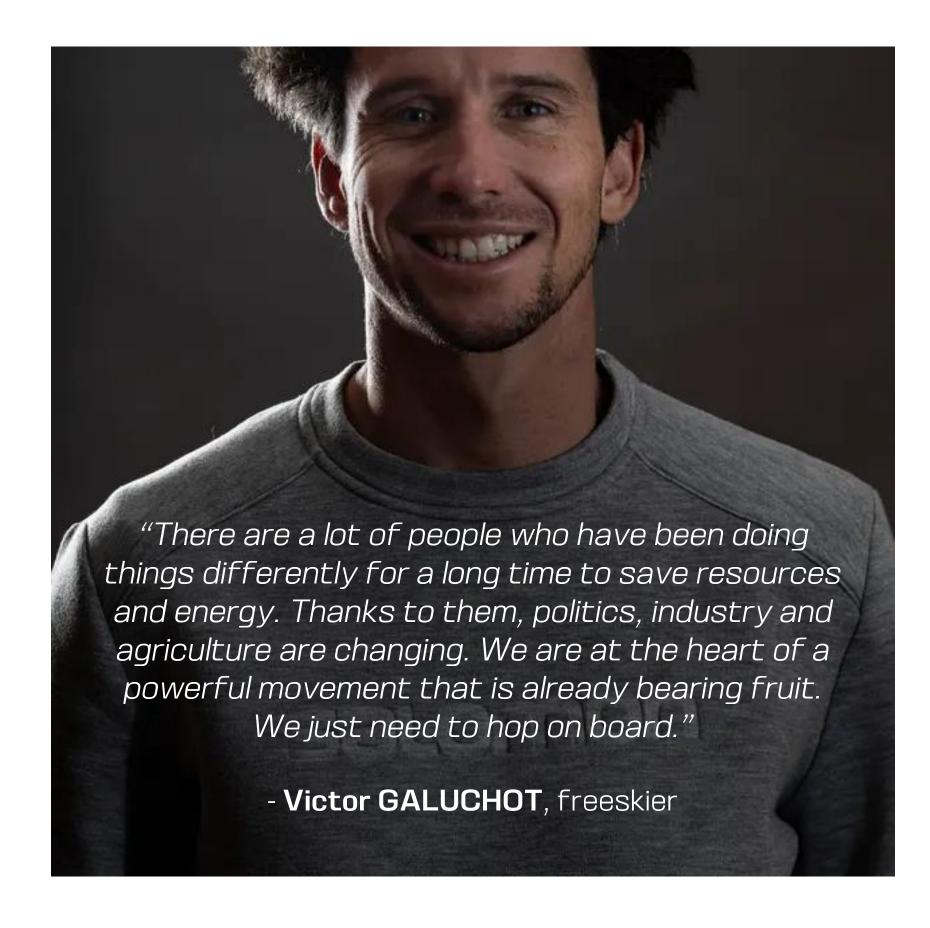


"Our Sustainability Leadership Team represents our critical points of contact within Salomon to bring momentum across the board and address our sustainability challenges as a **collective of changemakers**."

- Marie-Laure PIEDNOIR, Global Sustainability & Impact Director

WHO WE RUN WITH

In 2021 we mapped our stakeholders to identify their expectations, how we can address them and work together for a better tomorrow.



IDENTIFIED EXPECTATIONS PER STAKEHOLDER

ATHLETES	 Meaningful support of our athletes' career paths and aspirations, both in terms of sports expertise, high-performance equipment and support of their values and commitments
EMPLOYEES AND EMPLOYEE REPRESENTATIVE BODIES	 Respect for fundamental rights, diversity, equity and inclusion, work/life balance, and social dialogue Empowering work organization through attractive brand values, development plans and career paths Attractive remuneration and benefits
CONSUMERS, CUSTOMERS AND DISTRIBUTORS	 Authentic and customized consumer experience offering privileged dialogue with Salomon outdoor communities Best-in-class consumer journey in line with outdoor industry standards, including consumer data privacy and information reliability Transparency about practices & products
SHAREHOLDERS AND FINANCIAL COMMUNITY	 Relevance and consistency of strategy Financial performance, value creation and return on investment Equal access to information, accurate, precise and fair financial disclosure
COMPETITORS, PEERS AND PROFESSIONAL ASSOCIATIONS	 Constructive dialogue and collaboration on matters of general interest Raise awareness on sustainability challenges to private sector actors Contribution to moving the outdoor industry towards better practices
SUPPLIERS AND BUSINESS PARTNERS	 Value-based business relationship Support and guidance Respect for payment deadlines and fair-trade conditions
COLLABORATING PARTNERS (INCLUDING SCHOOLS AND UNIVERSITIES, INNOVATION ACTORS)	 Professional integration, mentoring, coaching, feedback Support the development of outdoor-related expertise Transparent participation in public debate Support research, innovation and start-up ecosystems
CIVIL SOCIETY, LOCAL COMMUNITIES AND NGOS	 Participation to local economic & public life through local anchorage and proximity Positive impact on individuals and society Reduction of Salomon's environmental footprint Transparency and reliability of information
PUBLIC AUTHORITIES AND REGULATORS	 Compliance and respect of regulations Transparent participation in public debate

ACTING WITH OUR INDUSTRY

Salomon is one of the founding members and a board member of <u>Outdoor Sports</u>

<u>Valley</u> (OSV) - the French Outdoor Industry organization that was created in 2009

- actively cooperating together with other outdoor brands for several environmental initiatives such as setting up a common repair center for apparel and seeking alternatives to PFC for DWR treatments.

In 2020, Salomon contributed to the Outdoor Sports Valley Vision Working Group to the **OSV Sustainable Development Strategy 2030**, and in 2021 to the <u>French outdoor sector carbon footprint and guide</u> deliver developed by OSV with Utopies and sponsored by ADEME.

Salomon sits at the board of the <u>European Outdoor Group</u>.

Salomon actively participates in the conversations and development of the European outdoor industry. In particular, the company contributes to the group's Sustainability working group as well as its Sustainability Advisory Council and sits at the EOG Board.

Salomon USA is located in Ogden, Utah, and is a member of the <u>Outdoor Industry Association</u> (OIA), a trade association for companies in the outdoor recreation business that provides services for manufacturers, distributors, suppliers, sales representatives and retailers in the outdoor industry. In addition, Salomon, together with Arc'teryx, is a voting member of the OIA's sustainability working group and continues to sit on the steering committee of its chemicals management working group.

Salomon is also an active member of the <u>Federation of the European Sporting</u> <u>Goods Industry</u> (FESI), the <u>Sustainable Apparel Coalition</u> (SAC) and the French <u>Union Sport & Cycle</u> (USC).



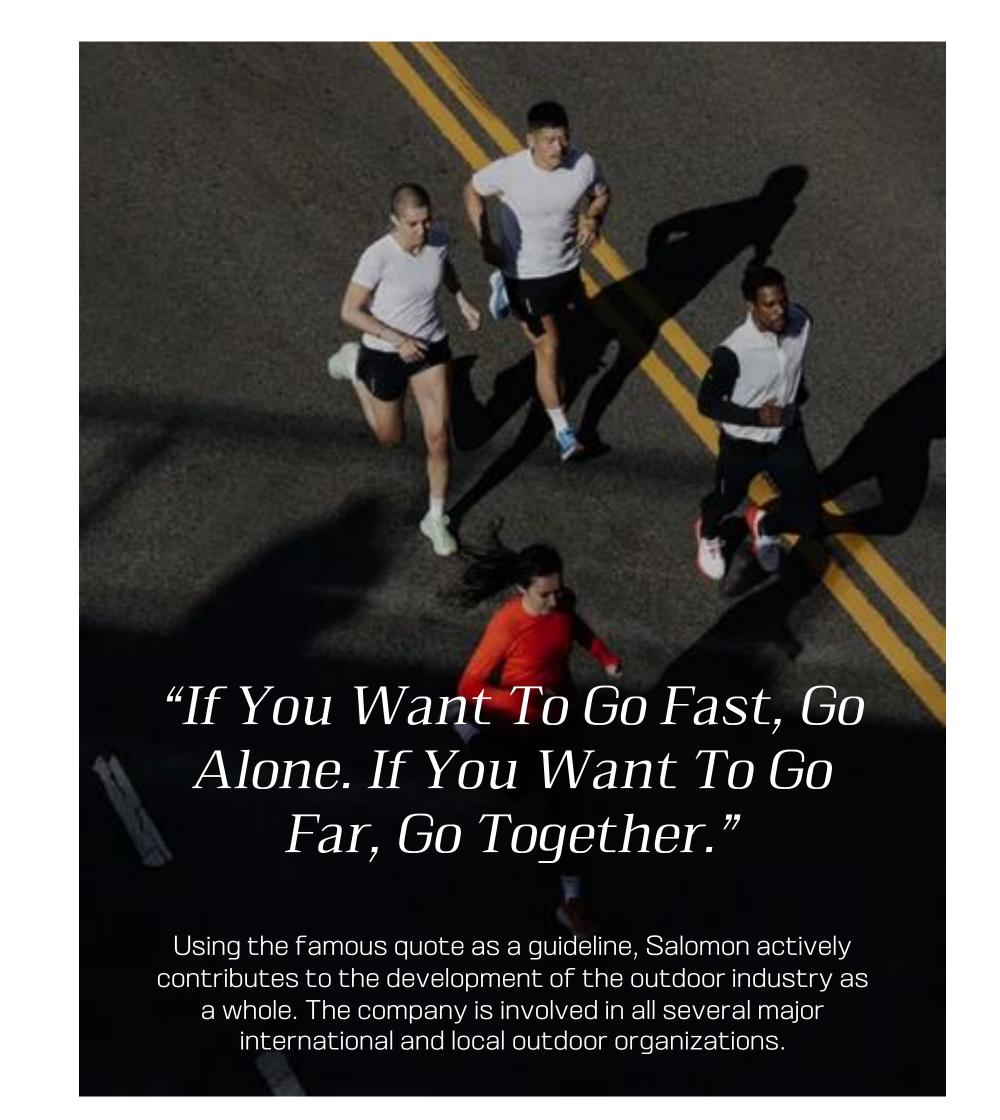












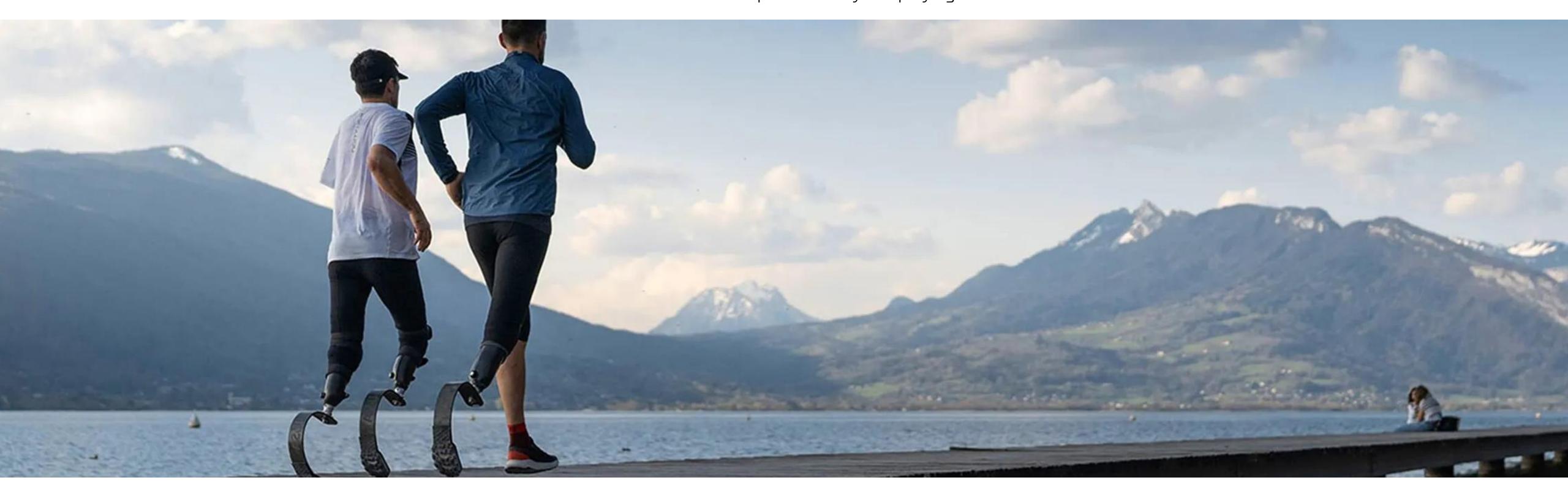


3 CHANGE WITH COMMUNITIES



We want to empower our communities to reshape what outdoor sports experiences will become for the greater good, taking a leap ahead in terms of inclusivity and sustainable practices.

Through education, we provide people with knowledge, inspiration and solutions for more responsible ways of playing outside.



OUR 2025 OBJECTIVES

• invest 1% of our turnover to inform our communities

OUR PROGRESS SO FAR

- Salomon Foundation 390 families helped, 1.4 M € distributed since its creation in 1999
- 5 successful WMN campaigns
- POW North America partnership signed

SALOMON

OUR FRAMEWORK FOR MAKING AN IMPACT

We believe that a deeper connection with nature and people makes us all better, and that outdoor sports experiences have the power of transforming people into agents of positive change.

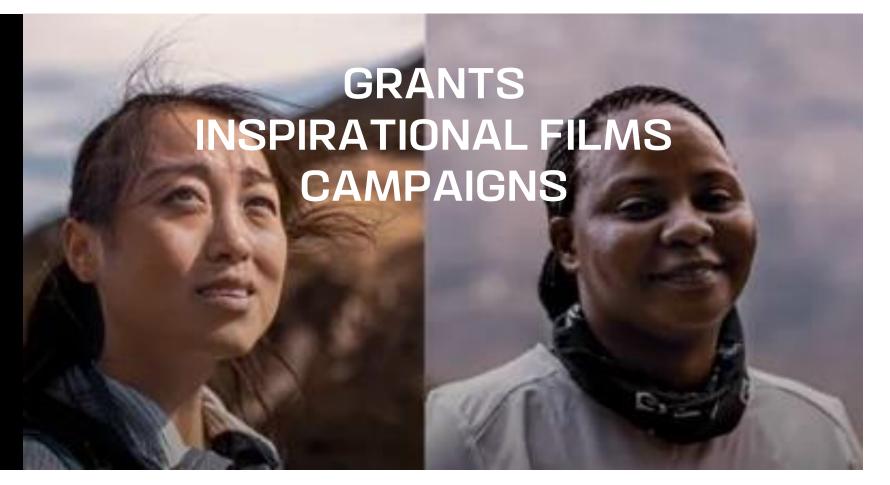
This is why we want to drive change together with our communities for more inclusivity in outdoor sports experiences. The more people become empowered, the more we can change our tomorrow.

Focusing on education, we have developed an impact framework around 2 key action levers.





KNOWLEDGE & EDUCATION





A SPIRIT OF SOLIDARITY

Since the beginning, the Salomon brand has shared its values with those who have dedicated their lives to playing in the mountains. Often synonymous with fun moments and achievements in the sun and snow, the mountains can also be dangerous and unpredictable, surprising even the best mountain professionals.

Each year, a number of professionals are victims of serious accidents that prevent them from dedicating their lives to the mountains. In other cases, they suffer such injuries that they are unable to continue their profession.

The Salomon Foundation was created in March of 1999 in a spirit of reciprocity and solidarity, under the guidance of the Foundation de France, the Salomon family and the Salomon Society. The goal is to help mountain professionals and competitors in need.

Its mission is to facilitate the daily life and help the social and professional reintegration of riders and mountain professionals who are physically disabled as a result of an accident or a disease. The Salomon Foundation also provides support to the families of those who have passed away.



"For Salomon, supporting the Salomon Foundation is a way of affirming its solidarity with the environment and the mountain community by providing financial assistance and moral support to the victims."

- Marie ACCAMBRAY - Salomon Foundation Director











390 people helped since 1999

1.4 M€

Distributed to families and associations

WHERE DOES THE MONEY COME FROM? The Salomon Foundation is mainly financed thanks to donations of the Salomon society, ski schools and guide companies, but also donations made by private individuals.









CARING ABOUT MOUNTAIN SAFETY

The health and safety of everyone who ventures outdoors is something we care strongly about, which is demonstrated by the Salomon Mountain Academy programs or by some of the events we support, such as the Safety Shred Days.

Backcountry skiing is one of the last bastions of true freedom, where the decisions made and the risks accepted are mostly up to the individual group. With that, however, comes a large responsibility. The consequences of those risks—whether it is a life-changing untouched powder run, or a potentially deadly avalanche—are also born exclusively by you. Avoiding dangerous situations, or surviving them should the worst happen, requires knowledge and experience.

This is the thinking behind Salomon's snow safety course, **Mountain Academy On Snow**, a unique program that helps you obtain the safety skills you need for autonomous backcountry-skiing in the mountains.



HELPING IN TIMES OF EMERGENCY

In a fast-moving environmental and social context of recurring crises, we have a responsibility to support our communities facing emergency situations.

IN 2020

We helped individuals affected by the pandemic by donating 50% of the profits from our new limited-edition summer 2020 Golden Trail Series running footwear, apparel and gear to a COVID-19 emergency appeal operated by the International Committee of the Red Cross.

Salomon, through its parent company, also endorsed the ILO (International Labour Organisation) Call To Action. The objective was to protect garment workers' income, health and employment and to support manufacturers to survive the economic disruption caused by the COVID-19 pandemic.

Lastly, Salomon designed 90,000 masks at the request of its distribution partner, Chamatex. The masks were mainly used by local municipalities and industries with high-risk work environments.

IN 2021

We supported 2 non-profit organizations that help empower Afghan women through sports: Free to Run and Ascend.

IN 2022

We organized a sports gear and clothing donation from Salomon employees to the Ukrainian border thanks to Baud Industries, and we made a financial donation to the French non-profit <u>Corridor Citoyen</u> helping people fleeing Ukraine.

We also supported <u>Snowboarders of Solidarity</u>, an association created by Victor Daviet to help refugee | displaced | persecuted snowboarders keep their dream alive, starting with the Afghan Snowboard Team.







"We are very thankful to have the support of Salomon in these difficult times to help counter the effects of COVID-19 in the most vulnerable communities affected by war and violence."

- Adib NAHAS, Head of Resource Mobilization Division at the ICRC

SALOMON

28

NURTURING LOCAL AND GLOBAL ORGANIZATIONS FOR OUR PLANET

Since 1947, Salomon's headquarters have been located in the area of Annecy, a picturesque lakeside town in the French Alps, where many of the company's employees come from.

As one of the world's great outdoor meccas, the company has always believed in supporting the local eco-system, including local associations and events run by schools and universities.

With its global footprint and communities across the world, Salomon is also committed to supporting global and local associations that are aligned with Salomon's values. Every year, Salomon helps more than 50 non-profit organizations by donating products and financial support.



The <u>Conservation Alliance</u>, located in the USA, is an organization dedicated to supporting grassroots citizen-action groups and their efforts to protect outdoor areas. Salomon continues to donate to the alliance every year.



Salomon is a member of the It's Great

Out There Coalition, whose mission is to
get Europe active in the outdoors and
we work with people and organizations
at the grass roots of society to achieve
that, together delivering positive
experiences that transform lives.



Salomon is an historical partner of the

FONDATION

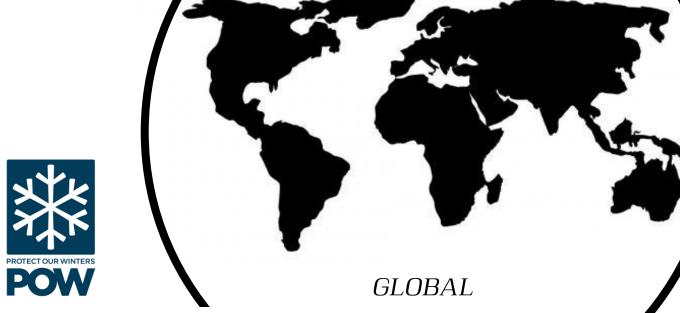
Fondation Université Savoie-MontBlanc, where we support several educational programs, involving Salomon leadership as sponsors. In 2021, Salomon became a founding member of the CLEE academic program to develop environmental economics.



Salomon has been supporting the Outdoor Sports Valley philanthropy program <u>We ACT</u> since 2018.

⊗iDÉE

Salomon is a founding member of IDEE, a local nonprofit based in the Auvergne-Rhône-Alpes region which joins forces with several other local businesses aiming to promote innovation and action towards environmental economics.



Salomon is a member of Protect Our Winters USA & Canada. Protect Our Winters is a passionate community of enthusiasts, professional athletes and industry brands uniting the outdoor community to advocate for policy solutions to climate change. Many of Salomon athletes are advocates of POW, such as Mike Douglas (chair of POW Canada) or Jessie Diggins (board member of POW USA).

Like many outdoor companies, Salomon is a member of the European Outdoor Conservation Association (EOCA) and donates to the organization every year. EOCA is a group of businesses in the European outdoor industry that have come together to invest directly into conservation projects around the world in an effort to give back to the great

outdoors.

european outdoor

SALOMON

OUTDOORS FOR ALL

As a leader in our sports, we want to drive change with our communities for more inclusivity in outdoor sports experiences.

Our teams in the USA are very involved in inclusion matters. For instance, we co-hosted a webinar on diversity, equality and inclusion with the <u>Running Industry Diversity</u> <u>coalition</u>. We also support a number of non-profits that help causes for women and minorities to have more access to our sports, such as <u>Hike Clerb</u>, <u>&Mother</u>, <u>Share</u> Winter, Trail Sisters, Colour the Trails, and Shejumps.

In Europe, our Spanish teams supported Skyrunners Kenya with a donation of 1,000 pairs of shoes and sponsored mental and physical condition causes through a donation to <u>ELA – España - Asociación Europea contra la Leucodistrofia</u>, and a Strava contest for <u>Institut Guttmann</u>. Our German teams contributed to Run For Hope, a running event for mentally challenged people.



Image credits: Hike Cleri



OUTDOOR CEO DIVERSITY PLEDGE

Salomon is a signatory of the <u>Outdoor</u> <u>CEO Diversity Pledge</u>, which connects leading outdoor brands with inclusion advocates to advance representation for people of color across the industry.



Her Way film

WMN CAMPAIGNS

With our 5 Salomon WMN campaigns run from 2019 to 2021, we aimed to promote women's freedom and challenge stereotypes of women in the outdoors. With over 3.4 million views, the WMN Campaign is, to date, the most watched campaign we have produced. We will continue to stand against gender biases.

OUTDOORS FOR ALL

Our sport accessibility project with the French start-up Hopper aims at making running accessible to as many lower limb amputees as possible. The project is the brainchild of Jérôme Bernard, a disabled athlete, and engineering students from the IMT School of Mines in Albi, who have manufactured blades using aircraft carbon offcuts from Airbus A350s.

Teams from Salomon's footwear division put their expertise to good use for this project by developing innovative soles to equip these prosthetic running blades, the price of which should not cost more than 2,000 euros (as opposed to more than 5,000 today).

'On My Own Two Feet', is the story of Sarah, Luca, Christophe, Boris, Jérôme and Michel, 6 amputees aged from 19 to 64 that ascended a 3,000-meter peak in the Alps using Hopper prostethic blades.

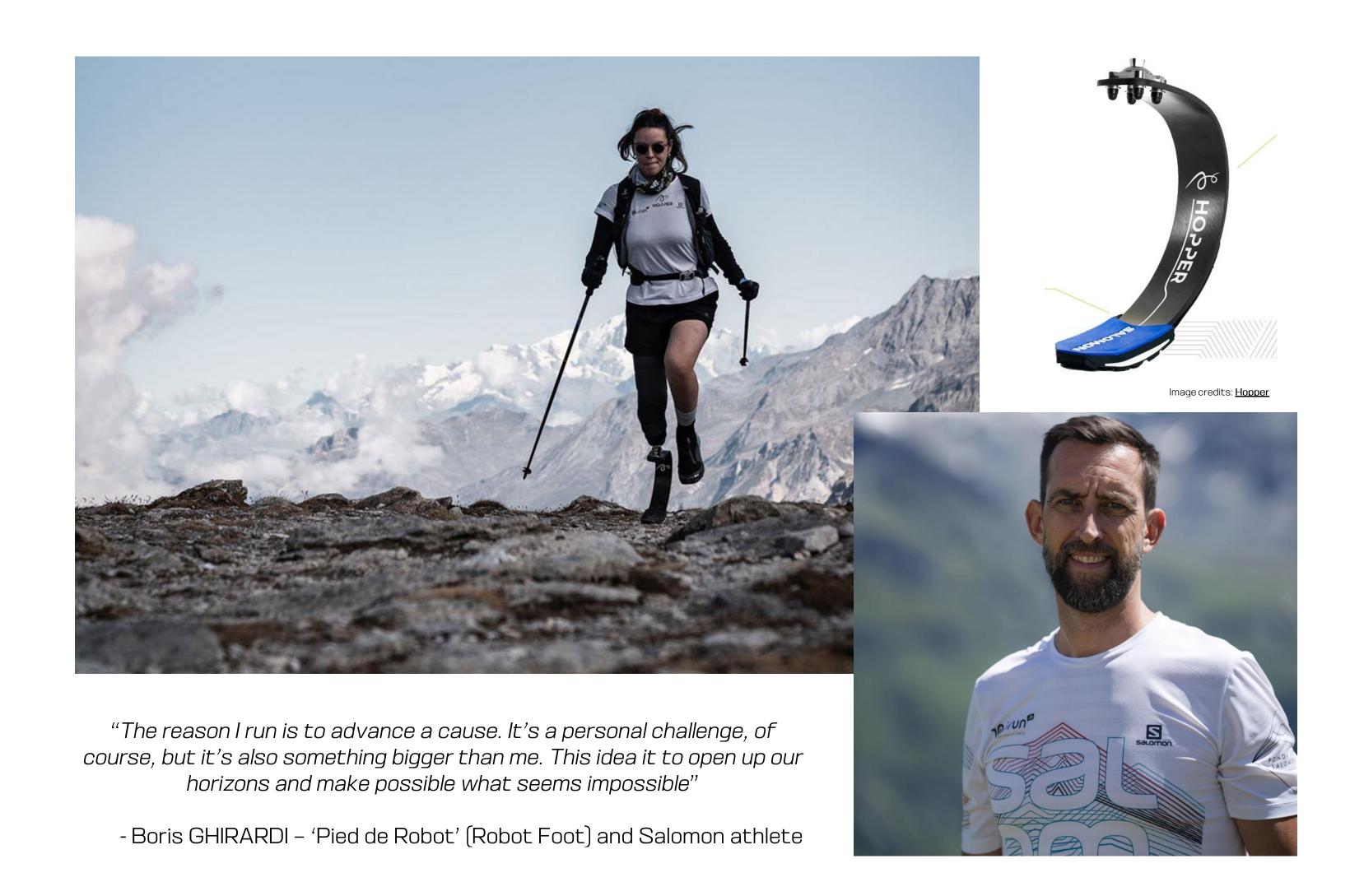


Image credits: Riders for refugees

OUTDOORS FOR ALL

Salomon supports 2 Annecy-based nonprofit organizations:

Riders for refugees created by international Snowboard athletes to gather resources from the outdoor industry and its community to help refugees by collecting and donating warm clothes, and Yambi which helps refugees integrate through mountaineering sports.





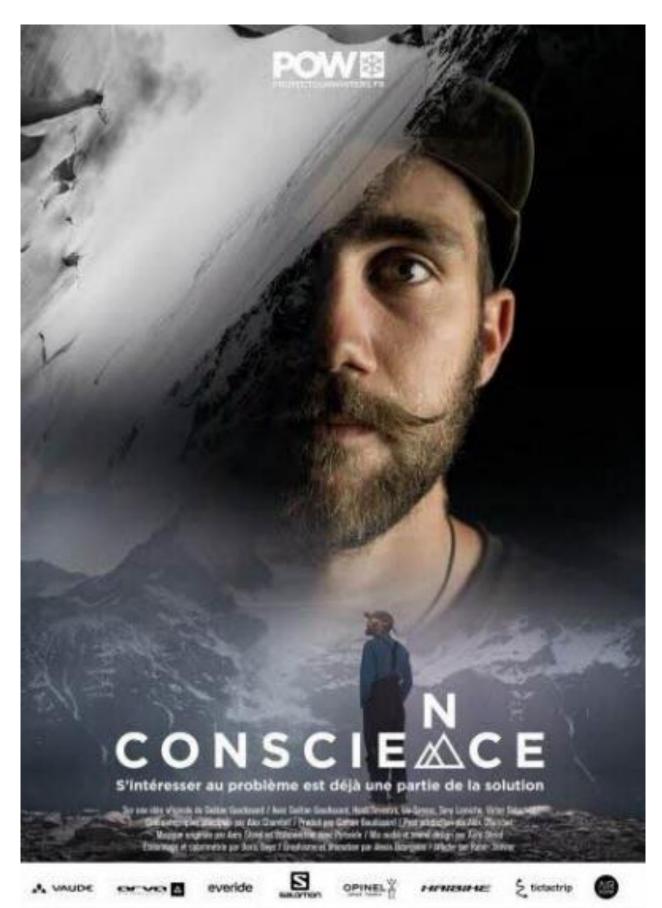
lmage credits: <u>Yambi</u>

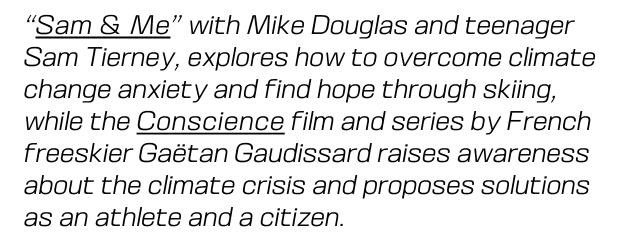
INSPIRE

We are lucky to sponsor some of the most committed athletes, who can use their voice to inspire more responsible ways of practicing outdoor sports and influence the broader community on environmental and social issues. We support them in their creative projects, like with Salomon TV, as well as personal aspirations.

"My goal to summit 100 mountains over three years without the use of fossil fuels, instead powered only by electricity, my legs and my lungs, will hopefully show people that different approaches are possible."

- Greg HILL (backcountry legend)













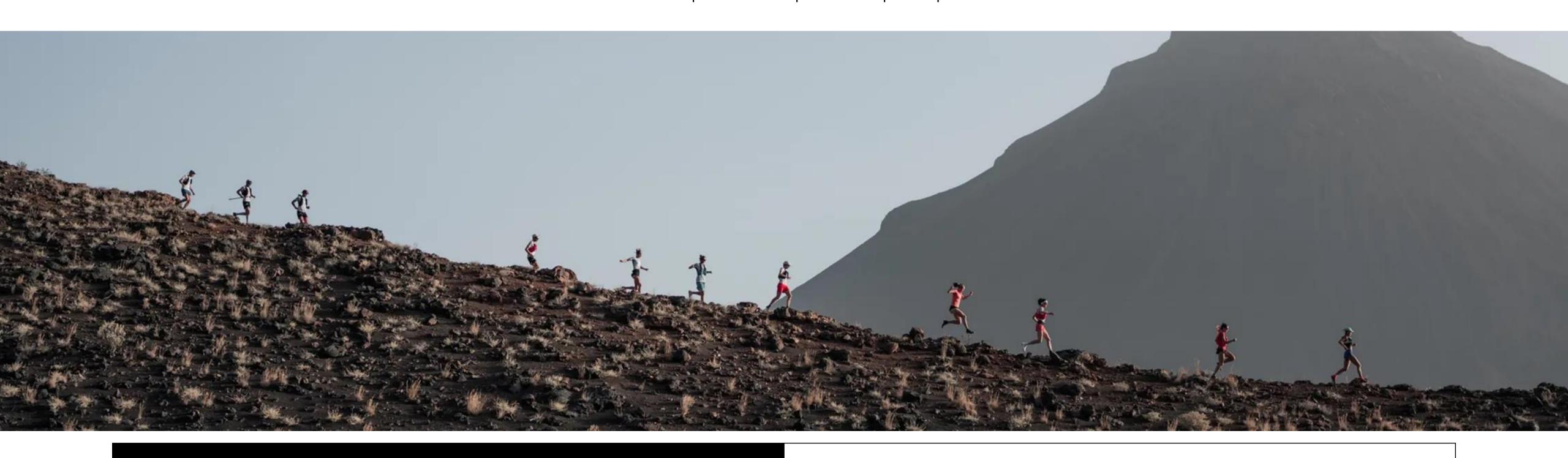
"Gijima" tells the story of Sinovuyo Ngcobo, a South African athlete who found a way to pursue his passion thanks to LIV2Run, an NGO that empowers people as athletes through running.

In "<u>Ups and downs</u>" freeskier Drew Petersen opens up on how mental health issues have challenged his skiing practice and how skiing has helped him overcome tough times.



02 - ACT FOR THE FUTURE OF SPORTS

We are committed to supporting our athletes and events in their efforts to adopt more responsible sports practices.



OUR 2025 OBJECTIVES

Achieve our Salomon Sports Pledge goals

OUR PROGRESS SO FAR

• Operational team launched, event's environmental impact methodology developed with Air Coop and rolled out on the Marathon du Mont-Blanc 2021 edition.



02 - ACT FOR THE FUTURE OF SPORTS

OUR SALOMON SPORTS PLEDGE

One of Salomon's strengths is its genuine connection to a loyal base of outdoor enthusiasts who practice our sports and share our love for nature. But this also means that we leave a footprint through the practices we promote. Acknowledging this, we have committed to our Salomon Sports Pledge, our 2025 goals aiming to promote sustainable sport development through protecting the planet, supporting our athletes & communities of practitioners to adopt more responsible practices and lifestyles, while supporting the communities that welcome our events and practices.

To develop the pledge, we were supported by a team of athlete ambassadors led by **MIKE DOUGLAS** and an operational team of Salomon employee ambassadors.

SUPPORTING THE KILIAN JORNET FOUNDATION'S OUTDOOR-FRIENDLY PLEDGE



EVENTS



what we commit to as community event organizers & what we support as event coordinators & sponsors

ATHLETES

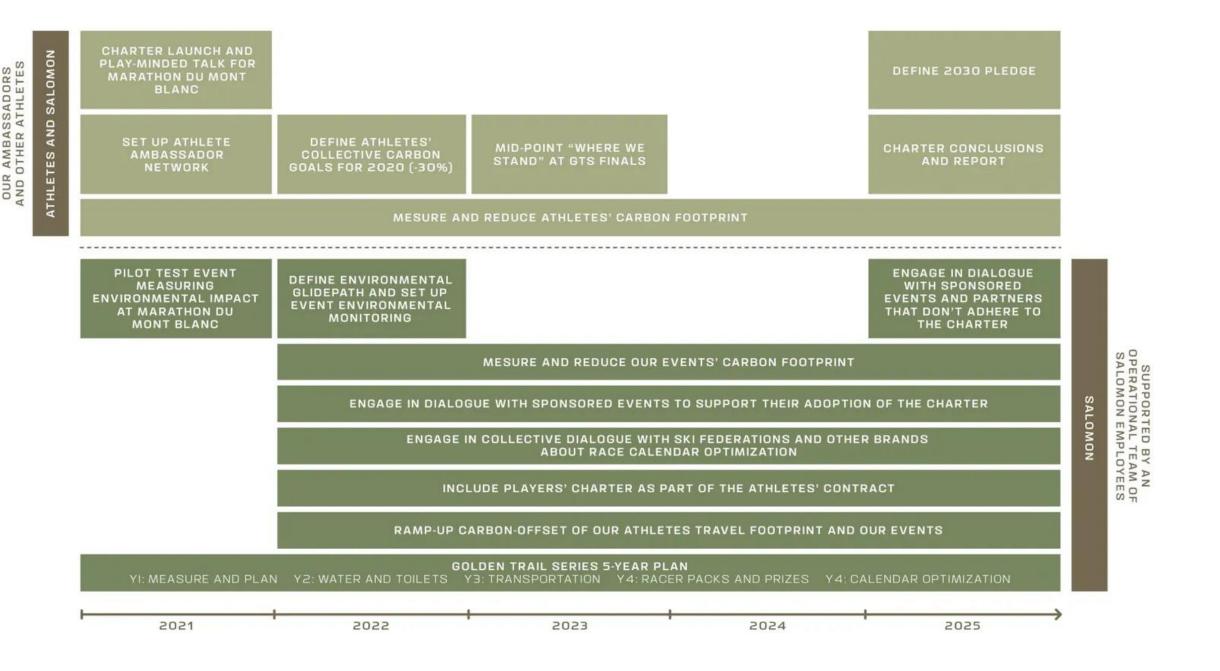


what we support for our athletes, and recommend for our communities of practitioners



02 - ACT FOR THE FUTURE OF SPORTS

SALOMON SPORTS PLEDGE: OUR WAY FORWARD



"Salomon athletes have always pushed their sports in new directions and, when it comes to sustainability, many of them have been instrumental to the overall commitments the brand has made in recent years. They have reduced their personal carbon footprints by altering their means of transportation and even dedicated their time to educating the next generation on climate issues. It makes perfect sense for us to partner with them so that we are all being more mindful of the environment in the work we do together."



Julia REZZI, Salomon Key Accounts Manager
 Member of the 'Change our Sports' Salomon operational team and trail runner

02 - ACT FOR THE FUTURE OF SPORTS

OUR PROGRESS SO FAR

2021

July: Salomon Sports Pledge launch

August: Operational team is born!



AIR COOP

Fall: events' environmental impact methodology developed with Air Coop and rolled out on the Marathon du Mont-Blanc 2021 edition

2022

March: Workshop with IBU on responsible events



August: <u>Talk @ UTMB with</u> <u>François D'Haene</u>

SALOMON

Engagés pour un trail responsable

25/08/2022

11H00 - 12H00 CINÉMA LE VOX CHAMONIX

SPEAKERS

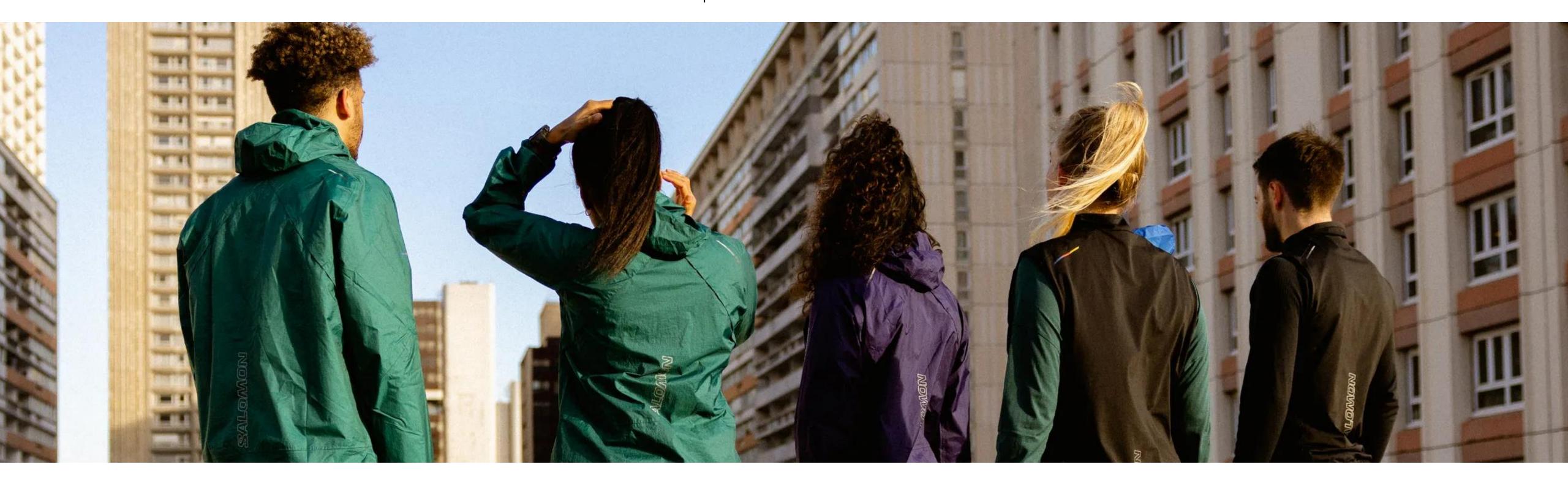




October: Mike Douglas becomes our Pledge ambassador



We are committed to promoting the well-being and empowerment of our teams.



OUR 2025 OBJECTIVES

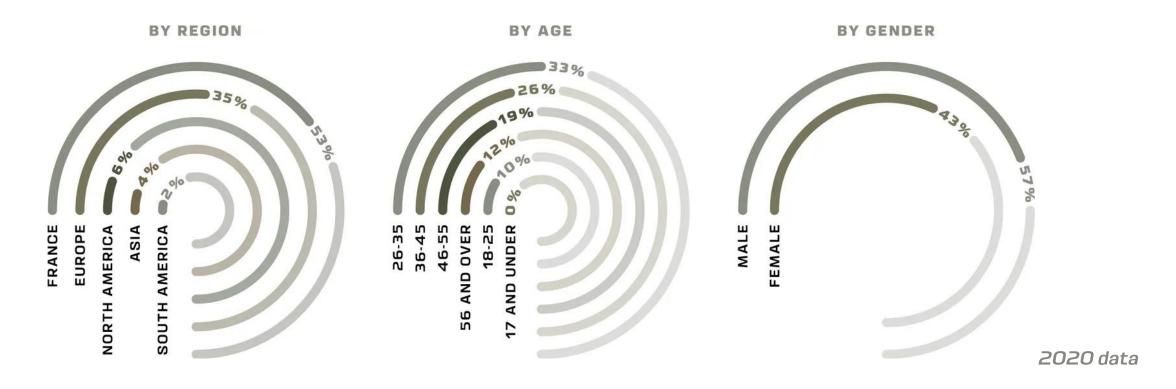
- Be ranked among the top 25% of companies in employee engagement
- Dedicate 2.5% of payroll spent on learning & development

OUR PROGRESS SO FAR

- New commitment plan currently under development
- 2.20% of payroll spent on learning & development in 2021

OUR SALOMON FAMILY

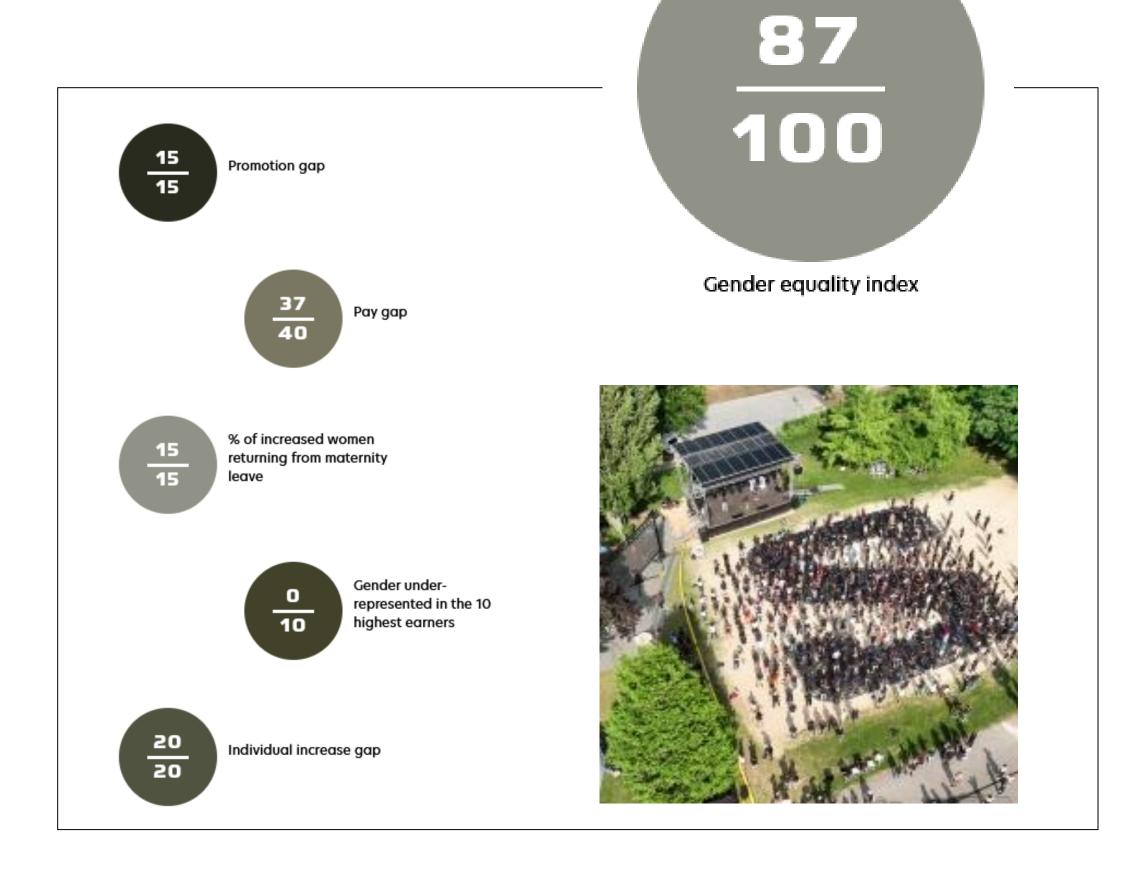
We are a team of 1650 outdoor sports lovers around the world, half of them based at the Salomon Annecy Design Center, our basecamp in the French Alps.



Salomon is committed to providing opportunities for continuous development and training opportunities for all its employees around the world. At the Annecy Design Center, for example, 10,000 hours of training have been provided to 700 employees, and approximately 1,000 training programs have been completed.

Salomon is an equal opportunity employer, scoring 87/100 on the French Gender equality index score in 2021.

In North America, Salomon is partnering with Broadbean, expanding and ensuring a diverse pool of candidates in every step of the hiring process. In 2021, our Australian management team attended a workshop hosted by the **Koorie Heritage Trust**, a First Nations nonprofit that provides further understanding of the country's history, culture and systemic racism.



"As an outdoor-loving family, our crew is passionate about sustainability. Sustainability has been identified as a strategic pillar of our renewed triennial training plan, and a dedicated sustainability training plan has been created to both align with the company's strategy and respond to employees' demands."

- Anna GARCIA, Employee Experience Project Manager & HR Sustainability Lead



HEALTH & WELL-BEING A permanent nurse's office is available on-site, and regular events around well-being are offered to employees (sophrology, mental health advice, etc.).

WORK COUNCIL The ADC regroups 37 sports and cultural clubs with around 900 members.

FITNESS ROOM & SPORTS CLASSES The ADC has a 110-square meter fitness area where 1/3 of the employees exercise on a regular basis (before work, during lunch, or at the end of the day). There is also a studio where employees can attend yoga, pilates or qigong classes led by an instructor 4 days a week.

TRANSPORTATION A secured bike parking area with 136 spaces and 10 electric vehicles charging stations are available for employees.

RESPONSIBLE CATERING Every day, more than 600 meals are served in the employee restaurant with vegetarian options and 25% of the food is organic..

LOCAL OUTDOOR EVENTS Salomon employees frequently take part in local sports events in Salomon's hometown of Annecy, France. In 2019, the Salomon Foundation's sponsored team of 140 employees ran the Salomon GORE-TEX® Maxi Race. In 2021 a canoe-rafting session around water pollution in the local Fier river was run with Surfrider Foundation, and in 2022, the teams participated in the Martin Fourcade Nordic Festival and the Company Cup.



Life at the Annecy Design Center



We are committed to making a positive impact on our local communities and partners.



OUR 2025 OBJECTIVES

- Ensure that 100% of suppliers meet or exceed the minimum level of our social compliance standard
- Become Fair Labor Association accredited by 2024

OUR PROGRESS SO FAR

- 80% of our tier 1 suppliers have achieved gold level in our social audit system
- Salomon is a participating company of the Fair Labor Association through its parent company. On track for accreditation by 2024
- ASF4.0 local shoe factory in France opened in September 2021

SALOMON

OUR SOCIAL COMPLIANCE MONITORING PROGRAM

We are conscious that factories belonging to our supply chain must constantly improve in terms of social rights and environmental impact. Therefore, we have a responsibility to support our partners and focus on protecting human rights, improving labor conditions and transparency in our supply chain. This is why we have set up an extensive social compliance monitoring and improvement plan to meet the highest environmental and social standards.

To support and ensure that our business partners and manufacturing facilities are in compliance with our standards, a Social Compliance Monitoring Program has been implemented, under which new and existing Salomon suppliers (as well as our own manufacturing facilities) are audited through a third-party audit program. This is steered by our sourcing office in Hong Kong, whose team has been trained on a social and environmental management system program (SA8000). The company reviews and analyzes the audit findings to identify capacity-building training opportunities. Suppliers that receive "full compliance" status

Through its parent company, Salomon also cooperates with various NGOs such as Better Work for the Better Factories Cambodia program and regularly attends the ILO's Better Work workshops.

In case of an Ethical Policy violation, our employees at Salomon and partners in our supply chain can raise concerns and issues through our confidential, anonymous and third-party operated reporting channel, **WhistleB**.



lmage credits: arc'teryx

OUR STANDARDS

Our standards have been developed to guide our ethical business through a set of group-wide reference documents:

Code of Conduct, Ethical Policy,
Social and Environmental Compliance
Benchmarks, Slavery and Human
Trafficking Statement, and Material
Compliance Policy.

FAIR LABOR ASSOCIATION

Through our parent company, we have been a member of the internationally recognized Fair Labor Association (FLA) as a Participating Company since June 2020 and plan to be accredited by 2024.



SALOMON

are presented with a trophy.

KNOWING OUR SUPPLY CHAIN

Our global supply chain is a complex network with proprietary operations, supplier partners and employees in different countries who all work diligently on the company's products.

TRANSPARENCY

To ensure robust knowledge and traceability of our supply chain, we developed our transparency map based on Sourcemap's solution. Our map of owned sites and Tier 1 suppliers will be released early 2023.

Our suppliers' list is available through our parent company here: <u>Finished Goods Suppliers List</u> and on <u>Open Apparel Registry</u>.

SALOMON PRODUCTS ARE MANUFACTURED ACCORDING TO THE FOLLOWING SCHEME:

OUTSOURCED by EXTERNAL SUPPLIERS,

mainly Asia:

80%

of the Salomon brand's global revenues generated from footwear, apparel, gear, snowboard, etc. product lines In European facilities

OWNED OR OPERATED BY AFFILIATED AMER SPORTS group

companies:

20%

of the Salomon brand's global revenues generated from ski, alpine boot, pole, etc. product lines







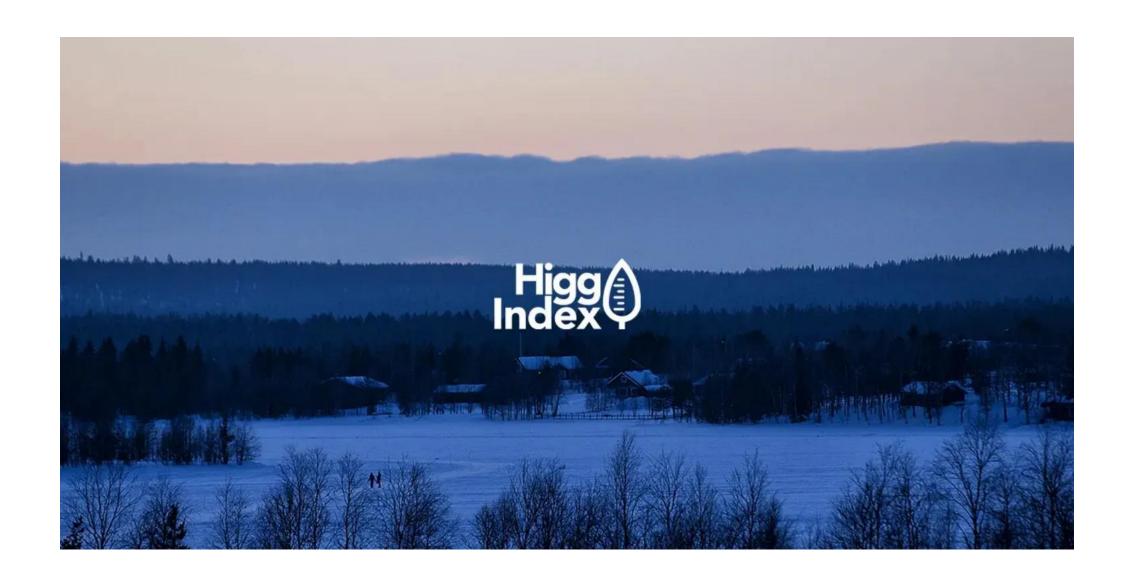
MONITORING OUR SUPPLIERS' SOCIAL AND ENVIRONMENTAL PERFORMANCE THROUGH HIGG

The Sustainable Apparel Coalition (SAC) is the apparel, footwear and home textile industry's foremost alliance for sustainable production. In 2015, Salomon made a commitment to join the SAC and to use the Higg Index to measure progress on environmental and social impacts within the brands and its supply chains. The goal is to fully integrate these world-recognized tools into our everyday business practices.

Manufacturers use the Higg Facility Modules to measure the social and environmental performance of their individual facilities at least once each year, with the option of a verification by SAC-approved on-site assessors. Facility managers can compare their performance against their peers. The module's aspirational-level questions give manufacturers clear guidance on hotspots for improvement and outline current best practices. The Facility Environmental Module measures environmental management systems, energy use and greenhouse gas emissions, water use, wastewater/effluent, air emissions (if applicable), waste management and chemical use and management.

Softgoods: 99%

of our T1 apparel, gear and footwear factories are using the Higg index facility module





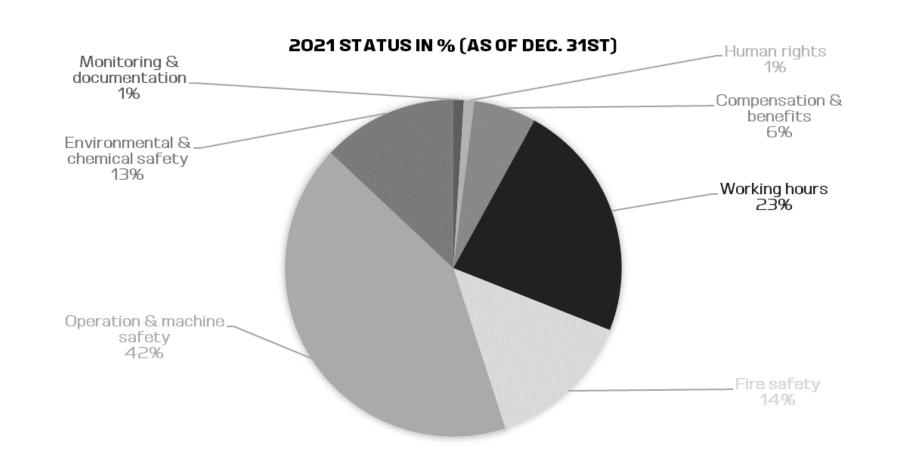
SOCIAL & ENVIRONMENTAL COMPLIANCE MONITORING KPIS

SOCIAL COMPLIANCE AUDIT RESULTS

All partner factories annually audited since 2007

80% of our factories score above 75% in our audit framework

SALOMON'S BREAKDOWN OF AUDIT FINDINGS



HIGG FEM/FSLM ADOPTION STATUS IN 2021

APPAREL, GEAR & FOOTWEAR - TIER 1

Salomon	T1 FEM	T1 vFEM	T1FSLM	T1 vFSLM
Apparel & Gear	99%	73%	61%	35%
Footwear	100%	65%	20%	20%
Sub-total	99.8%	67%	28%	23%

APPAREL, GEAR & FOOTWEAR - TIER 2

Salomon	T2 FEM	T2 vFEM	T2 FSLM	T2 vFSLM
Apparel & Gear	84%	76%	69%	63%
Footwear	83%	73%	53%	51%
Sub-total	84%	74%	56%	54%

WINTER SPORTS - TIER 1

Compo & Longway EON T1 suppliers completed the HIGG FEM self-assessment as a pilot.



LOCALIZING OUR PRODUCTION: THE ASF4.0 NEW PARADIGM

Salomon teamed up with Chamatex, a long-time local textile production partner, to develop ASF 4.0, a smart factory dedicated to the automated production of sports shoes in Ardoix, France.

> "Being as close as possible to our consumers and having the capacity to respond to their demands more quickly aligns with Salomon's vision of responsible innovation. This is the perfect opportunity to bring some of our production closer to home and transfer shoemaking skills to France, while lessening our carbon footprint during the development and transportation processes."

- Guillaume MEYZENQ, Senior Vice-President SALOMON Running, Outdoor & Sportstyle



















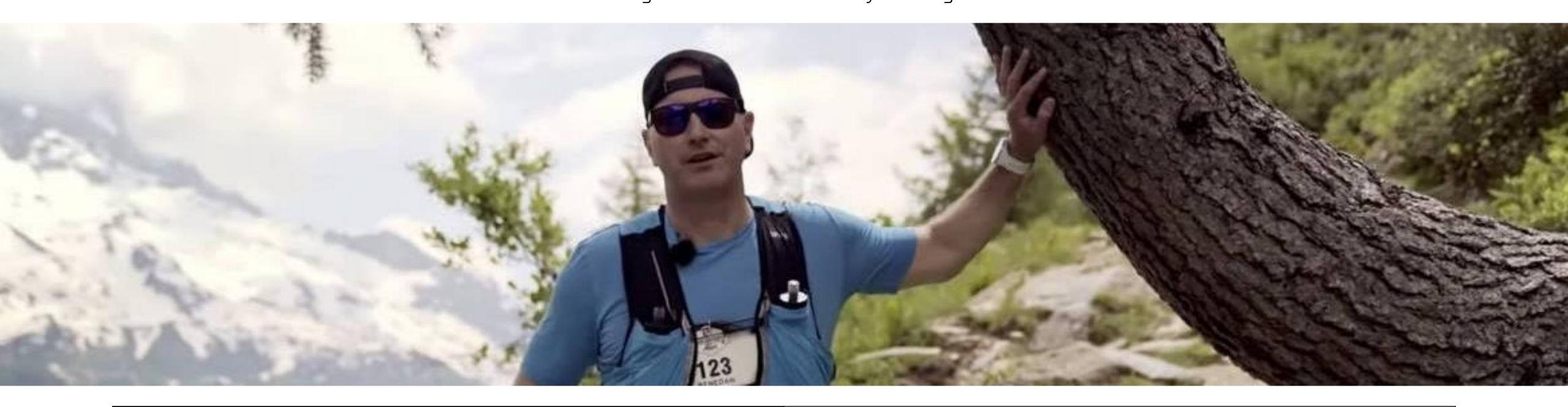






05 - TRANSFORM OUR CULTURE

We are committed to building a culture of responsibility and sharing around our sustainability challenges and actions.



OUR 2025 OBJECTIVES

- 100% of our teams are trained in sustainable development issues and challenges
- 100% of our sustainability commitments and advancements are visible on Salomon's own channels (website, shops, social networks)

OUR PROGRESS SO FAR

- 42% employees trained since 2018. Internal communication plan developed, sustainability training plan under roll-out in 2022 and second Sustainability Week run at the ADC in September 2021.
- Index.01: 1.47B est. reach. ASF: 53.3B est. reach
- 247 posts on sustainability topics (4.88M content impressions)



05 - TRANSFORM OUR CULTURE

We believe proper communication can go a long way in establishing authentic and credible dialogue with our communities. Our communication approach around sustainability started with the intention of communicating the small steps we take to achieve bigger things and has now evolved into a more structured way of sharing our progress.

Sharing with media, press relations and social media



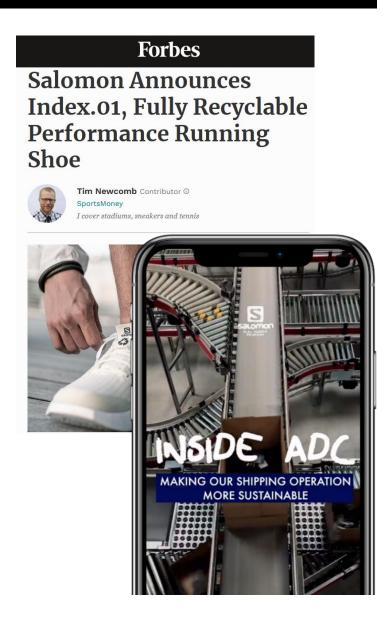






We have developed 8 episodes of our <u>Sustainable Stories</u>, a YouTube series hosted by Tim Sweeney, Head of Global Communications and Brand Narrative, showing our sustainability progress with the help of our employees, athletes and partners. Tim shared his experience of crafting genuine dialogue around sustainability during the SIA Climate United Week in 2021 and the Mountain Travel Symposium in 2022.

As part of our influence and social media strategies, we have set up targets for the amount of sustainability-related posts per year and have defined sustainability-related criteria to select influencers we want to work with.



Sharing with the Salomon family

Since 2020, we have set up an internal sustainability communication plan with regular live events such as Climate Week, Sustainability Week, Earth Week or Waste Week, combined with a dedicated community on our internal Yammer network.





Sharing with our professionnal communities

As part of our various industry memberships, we are maintaining continuous dialogue with our professional communities to share and develop a collective culture around sustainability in the outdoors.



1 CHANGE WITH INNOVATION



We are committed to reducing the environmental impact of all our products by reconciling responsible innovation and performance.



OUR 2025 OBJECTIVES

 100% of new Salomon products will be designed according to one or more of our circular economy principles

OUR PROGRESS SO FAR

- Responsible product framework established
- FW22 apparel collection features 44% of its products with recycled materials, 89% OEKO-TEX® or Bluesign® fabrics
- Index.01 shoe and S/MAX eSkin Nordic ski launched in 2021
- Fully recyclable products by Salomon (e.g. Index.O1) roadmap defined



OUR VISION

In order to drive our circular ambitions, since 2020, we have developed a comprehensive 3-level responsible product framework, based on the Ellen Mac Arthur Foundation principles for circular fashion. In this vision, products are:



made from safe & recycled or renewable inputs, used more, and made to be made again.

A SCIENCE-BASED ECO-DESIGN APPROACH

To inform our design decisions, we rely on 2 principles:

- **1. Know where to act**, by evaluating our environmental impact through a science-based approach of lifecycle assessment, as described in section '10 Drive transparency'.
- 2. Apply circular design solutions through:
- a. Product eco-design: see Progress & Champions examples in section
- b. Preferred material strategy: see pages 'Shift to low-impact materials' in section '06 Drive responsible performance & innovation' and see section '09 Drive chemical & waste reduction'
- c. Recyclability solutions: see section '06 Drive responsible performance & innovation'
- d. Collaborative innovation: see pages 'Collaborating together' in section 'O6 Drive responsible performance & innovation'
- e. Circular business models: see section '07 Drive businesses with a positive impact'



BASICS FOR ALL

Incremental improvements applicable to all our products: more sustainable materials, chemicals and packaging, etc.

SALOMON

ECO-DESIGNING AN ALPINE BOOT: THE MTN SUMMIT PURE

In FW22, Salomon totally renewed its MTN ski touring range with a comprehensive eco-design approach.

Notably, the ski bases are made with 100% recycled materials, while the top sheets are made with 30%.

The ski boot soles are made with 50% recycled materials and the shell and cuff are made with 46% bio-sourced materials.

Overall, the collection is made with up to 40% more sustainable materials (recycled or biobased).

Also, 100% of the skis are manufactured in Europe, at our Altenmarkt factory in Austria, and 90% of the ski materials are sourced in Europe.



46 TO 48% OF THE POLYAMID IS COMPOSED WITH ORGANIC CASTOR OIL ON S/LAB AND PRO MODELS

100% OF INDEX O1 RUNNING SHOES RETURNED WILL BE RECYCLED INTO THE PURE MODEL

SHELL 46 TO 48% OF THE POLYAMID IS COMPOSED WITH ORGANIC CASTOR OIL "The highly technical nature of winter sports equipment leaves little room for design variability, where space is often made to implement sustainable elements in products. Despite this challenge, our winter sports teams are now working to develop sustainability excellence that does not compromise performance."

- Gilles RENAUD-GOUD – Salomon Winter Sports Quality Director and Winter Sports Sustainability Manager



CUFF'S EXTERNAL SLAP FABRIC IS USING 100% BIOSOURCED POLYAMID FIBERS

TEXTILE FOOTBOARD GETS 40% OF RECYCLED CORDURA®

PVC FREE

STRAP
100% PVC FREE

·----

SOLE

USING 30% OF RECYCLED RUBBER



BRINGING SUSTAINABILITY & PERFORMANCE TOGETHER: THE S-CORE 45 NORDIC SKI INNOVATION

The <u>S/MAX ESKIN NORDIC SKI</u> is the company's first ski designed with sustainability in mind. The ski's core construction utilizes recycled plastic bottles. 45% of the core weight of this Nordic ski is made with recycled polyethylene terephthalate (PET) foam from plastic bottles.

Salomon promises performance with the S/MAX eSkin Nordic ski, which has the same thickness and sidecut as Salomon's World Cup racing ski. The ski also boasts eSKIN technology that provides a waxless grip and silent glide. The SHIFT-IN binding allows you to adjust your skis' performance depending on snow conditions, the type of piste or your body morphology. Performance and sustainability are not incompatible!



"The S/MAX eSKIN ski is the result of three years of research and development to find the best combination of reducing the footprint of our raw materials, maintaining our high durability standards and delivering the performance skiers expect—all at a competitive price"

- Aloïs VACELET, Salomon's Cross-Country Skiing Product Line Manager



OUR SNOWBOARD RANGE: SUSTAINABLE AT THE CORE

Over the years, Salomon snowboards have become sustainability-centric, making strides in the use of responsible materials, packaging waste reduction and repairability.

BOARDS

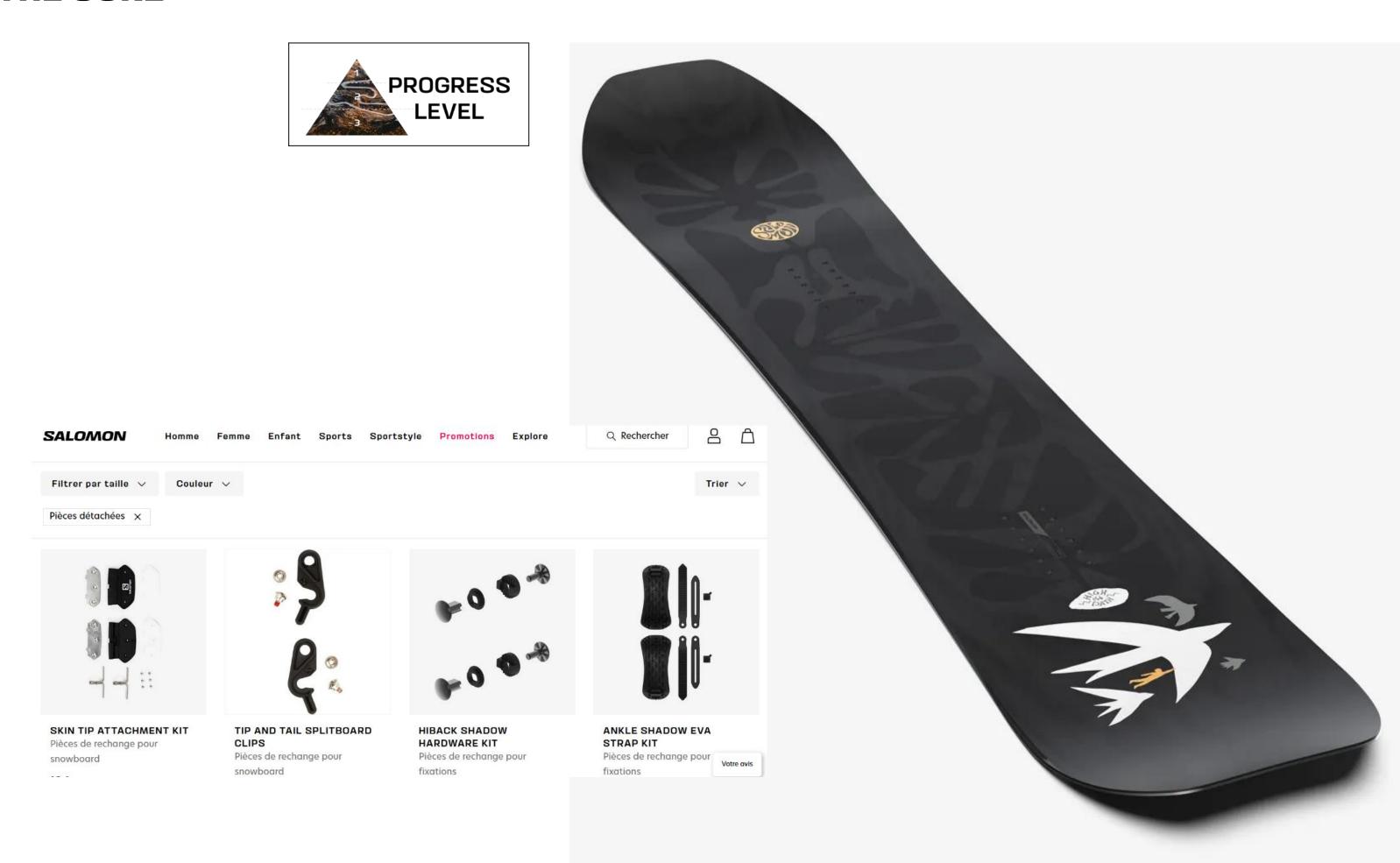
Our snowboard boards feature:

- 100% sustainably-sourced wood cores
- 100% PVC-free materials
- 50% biobased resin

BINDINGS

Our snowboard bindings feature:

- A lifetime warranty on base plate & high back
- 100% PVC-free materials
- Bindings 100% dismountable & repairable





SHIFTING TO LOW-IMPACT MATERIALS

In line with the commitments of the renewed United Nations Fashion Industry Charter for Climate Action, Salomon has been using more and more preferred materials in its collections.

BY PREFERRED MATERIALS, WE MEAN:

- As minimum requirements in our **Material Compliance Policy**:
 - o Responsible down: no live plucking, no force-feeding
 - o Responsible wool: no mulesing
 - Fur-free
 - o Exotic leather-free
 - o Animal-based materials should respect our animal welfare policy
- As guidelines:
 - Leather Working Group certified leather (mandatory for footwear products)
 - Recycled materials
 - o Organic cotton
 - o Biobased materials
 - Natural alternatives
 - Bluesign[®] or OEKO-TEX[®] fabrics



To support our efforts towards shifting to more responsible materials, TextileExchange we joined Textile Exchange in 2022.

LEATHER WORKING GROUP

Leather manufacturing can be an environmentally impactful process, with key potential impacts including deforestation and the use of hazardous chemicals in leather tanneries. That is why Salomon has chosen to source certified leather from the Leather Working Group. 100% of the leather used

for Salomon shoes comes from LWG certified suppliers (gold and silver rated).







In FW22, our key apparel franchises feature >90% recycled materials (main) in our Essential range, > 75% recycled materials (main) in our Wayfarer family, and 100% organic cotton in our Outlife sweats & tees.

FW22	SEASON	SUSTAINABLE MATERIALS	CHEMICALS	PACKAGING
	FOOTWEAR	100% LWG-certified (gold or silver) leather LEATHER WORKINGGROUP Internalial Environmental Stewardship	100% PFC-free (non-GTX) or PFCec-free (GTX)	100% responsibly-sourced boxes O stuffing paper on rigid shoes
	APPAREL	44% products with recycled materials 89% oeko-tex or bluesign fabrics OEKO-TEX® INSPIRING CONFIDENCE Dluesign* APPROVED FABRIC	70% PFC-free	100% recycled polybags
	GEAR	-	100% PFC-free bags	100% recycled polybags
	WINTER SPORTS	30% products using recycled materials Snowboard: new 30% bio-based resin Snowboard: 90% responsibly- sourced woodcores	Nordic boots: 61% PVC-free Snowboard Boots: PFC- & PVC-free	80% responsibly-sourced boxes 80% recycled polybags O single use plastic on snowboard boots



MADE TO BE MADE AGAIN

INDEX FAMILY

Launched in SS21, the Index.O1 is the first road running shoe ever that can be fully recycled in a closed loop inside Salomon, its bottom unit turning into the Salomon MNT Summit Pure ski boot (in EMEA). Following its success, Salomon launched the Index Break, the flip flop version, expanding the concept into a full range over the coming years, aiming to build a new paradigm for the running industry.

SUPPORTING RECYCLING SOLUTIONS

Salomon directly contributes to the development of state-based Extended Producer Responsibility (EPR) schemes in France, as a member of the strategic committee of Ecologic organism, since the creation of the Sports and Leisure Articles EPR scheme of the French Anti-Waste and Circular Economy law (loi AGEC).

Salomon is also a member of the steering committee of the <u>Game On Recycling</u> program in Australia, a pilot program supported by the Australian-New Zealand Recycling Platform that aims to provide recommendations to the Australian government to create a national recycling scheme for sports equipment.





MADE TO BE MADE AGAIN: HOW TO MAKE A RECYCLABLE SHOE

Footwear is a very complex product to recycle because it usually mixes many materials: leather, EVA, rubber, TPU, polyester, polyamide. As there is no real way to separate all these materials at the end of the shoe's life, it often ends up in a landfill or being burnt.

Hence, to create the Index.O1, we had to build a shoe using only two materials that could later be separated and recycled. And, just as importantly, we had to make sure that these materials would allow us to build a shoe that would meet our standards for everyday road racing in terms of fit, performance and durability.

To start the recycling process, the recycled insole is removed and the upper and lower units are separated. Once separated, the two pieces are shredded separately into tiny pieces. The sole block materials that will be recycled in Europe is combined with virgin TPU to make Salomon alpine ski boots for the 2022 winter collection in Europe. The polyester upper will also be shredded, turned into yarn and used to weave a textile.

The shoes collected in other parts of the world will be recycled locally to avoid transport and will be used to create other products.

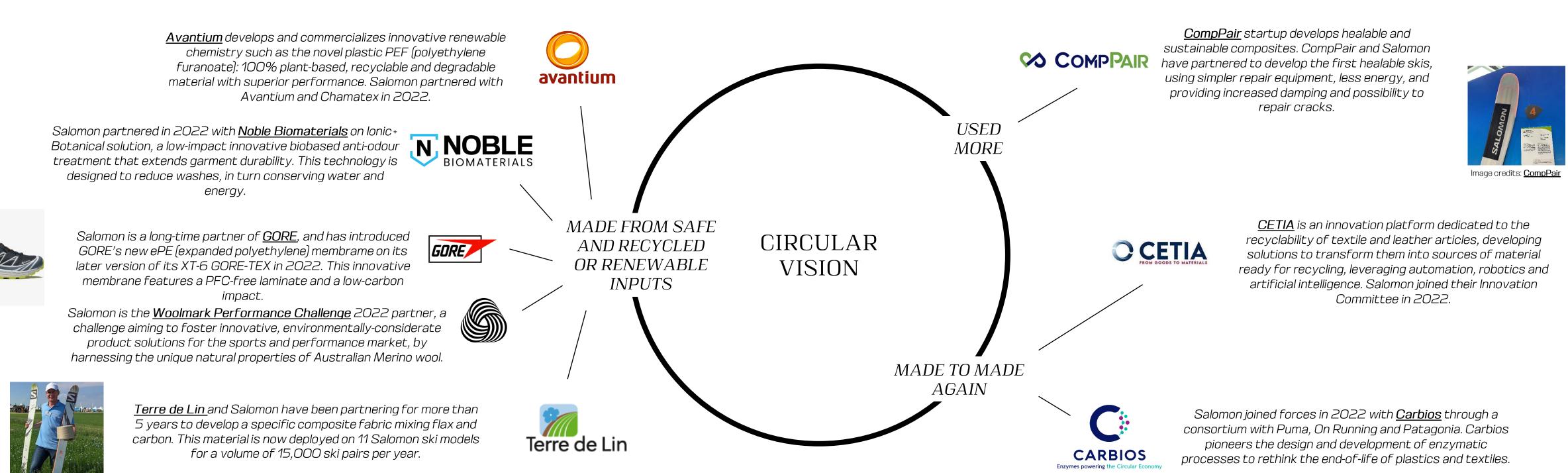
In line with the circular economy principles, collection centers are set up per region (Europe, North America and Asia) and local partners identified accordingly.





COLLABORATING TOGETHER

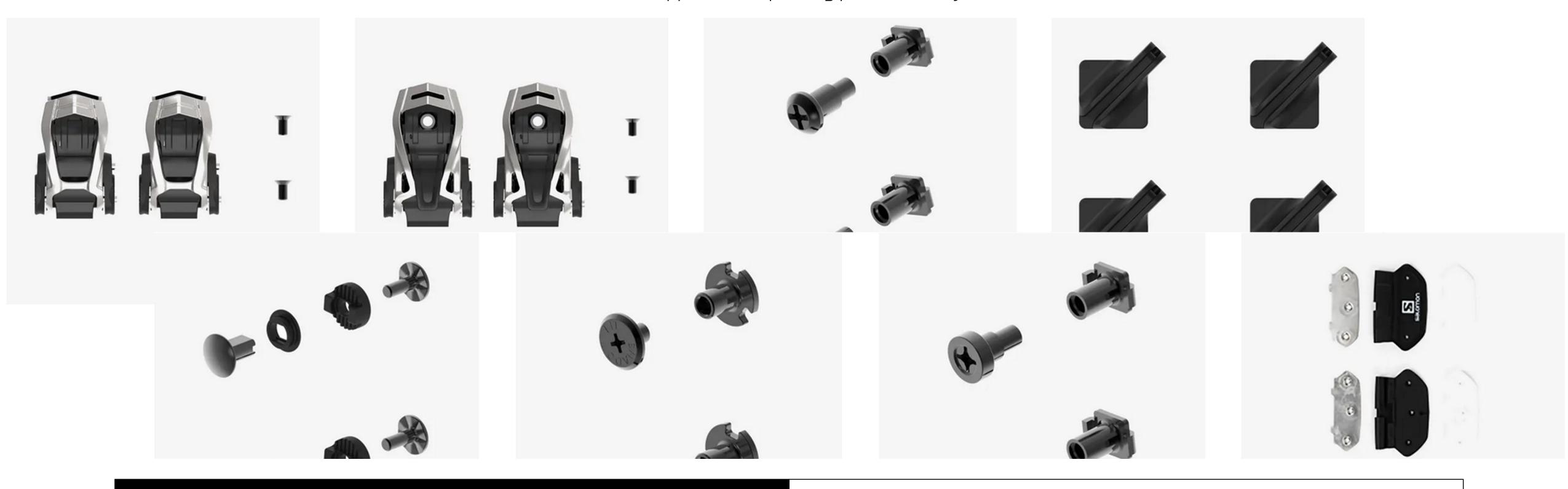
We believe that sustainable solutions to our industry will be created by connecting the innovative power of people, and that collaborative partnerships are key to cocreate the most responsible high-performing products & businesses. Here are some examples of the key partnerships we have developed with several companies and startups offering breakthrough solutions in the field of biobased materials, lowimpact chemicals and recycling.





07 - DRIVE BUSINESSES WITH A POSITIVE IMPACT

We are committed to developing new business models with a circular approach to prolong product lifecycle.



OUR 2025 OBJECTIVES

(under definition)

OUR PROGRESS SO FAR

Existing pilots & local models of repair, second-hand and upcycling



07 - DRIVE BUSINESSES WITH A POSITIVE IMPACT

USED MORE

MAKE IT LAST: TAKE CARE AND REPAIR

Salomon offers a range of solutions to take care and repair some of its products:

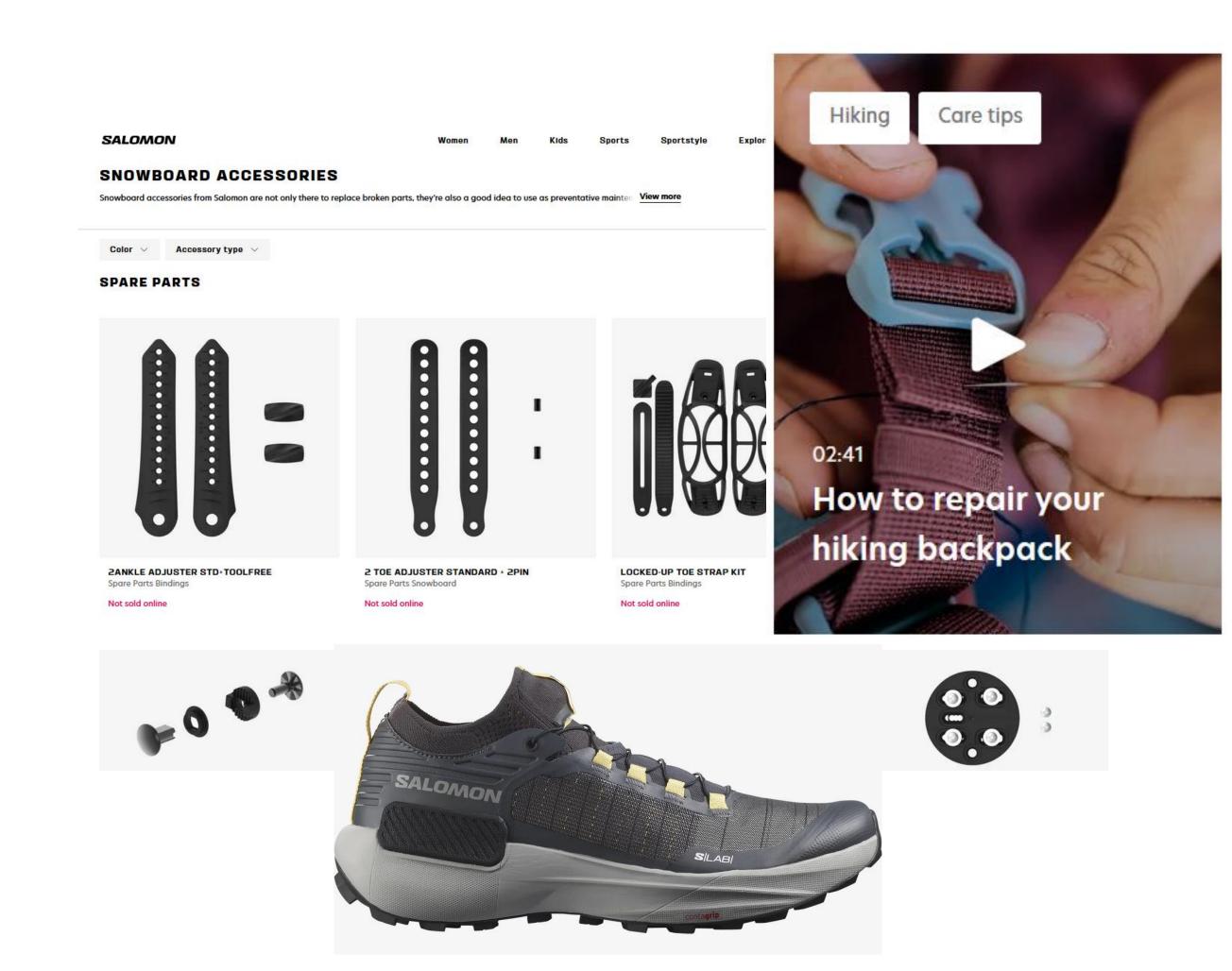
- Spare parts on Salomon.com for skis, snowboards, shoe quicklaces, etc.
- Care products in Salomon stores
- Care & repair advice on Salomon.com through the "How To" tutorials
- Local repair initiatives such as partnering with <u>Green Wolf</u> for some our French Salomon stores. Salomon is a founding member of Green Wolf company, created in 2005 with the Outdoors Sports Valley

DESIGN FOR DURABILITY

By essence, most of Salomon products are made to last. For the others, like the trail running shoes having a limited life span, Salomon has explored durability concepts giving life to the S/Lab GENESIS launched in 2022. This shoes boasts a 1200+km mileage durability and has been worn by our elite trail running athletes Marianne Hogan and Mathieu Blanchard at the UTMB® 2022.

RE-USE

Salomon continues to develop its winter sports second-hand market through its outlets, where Salomon sells second-hand ski gear taken back from its retailers at the end of each ski season.



SALOMON

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07 - DRIVE BUSINESSES WITH A POSITIVE IMPACT

UPCYCLING AS A NEW PARADIGM OF "DESIGN FROM RECYCLED"

Salomon explores solutions to upcycle product and material leftovers from pre-consumer or post-consumer streams, as open paths for looking at waste in a different way, opening opportunities for rethinking design and its central responsibility in circular models. Our prerequisite is to develop local upcycling projects as part of an industrial ecology approach.

PRE-CONSUMER

MATERIALS OUTPUT OF OUR DEVELOPMENT PROCESS AT THE ANNECY DESIGN CENTER

Donations to local schools (design, material engineering, etc.)



SOFTGOODS MATERIALS OUTPUT OF OUR PRODUCTION PROCESS

Design of specific product models for our outlet stores

Local donations around our production facilities

POST-CONSUMER

FINISHED GOODS

Snowboards upcycled by <u>NOK</u> <u>boards</u>



Creative exploration by designer <u>Nicole</u> <u>MacLaughlin</u>



MARKETING & SELLING GEAR: LOCAL UPCYCLING OF OLD FLAGS



French flags: Local Alps-based partnership with <u>Redeem</u>
<u>Equipment</u>





Austrian & german flags: local German partnership supporting people with disabilities

We are committed to driving a climate-compliant path and lessening the environmental footprint of our sites.



OUR 2025 OBJECTIVES

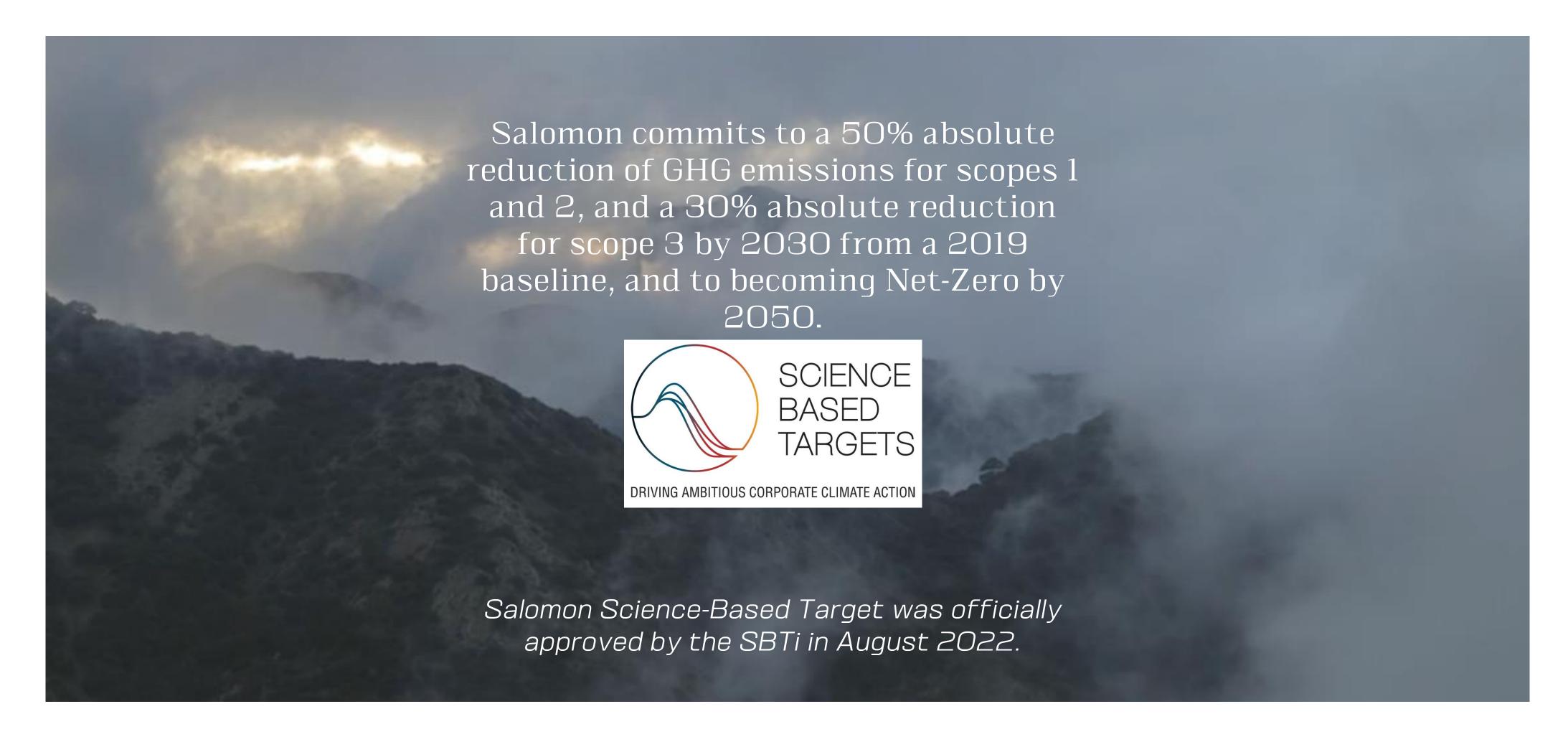
 Salomon is committed to a Science-Based Target: 50% absolute reduction of our GHG emissions for scopes 1 & 2, 30% absolute reduction for scope 3 by 2030 from a 2019 baseline, and Net Zero by 2050

OUR PROGRESS SO FAR

- Science-Based Target officially approved in 2022.
- 1st full carbon assessment scopes 1 to 3 carried out: 240, 570 tCO2e in 2019. Headquarters: decarbonization plan officialized & and its 1,625 tCO2e 2021 emissions offset through REDD+ projects.



OUR COMMITMENT





OUR SIDE COMMITMENTS

UNITED NATIONS FASHION INDUSTRY CHARTER FOR CLIMATE ACTION (UNFICCA)



In December 2018, Salomon signed the <u>United Nations Fashion Industry</u> <u>Charter for Climate Action</u>, committing to a 30% reduction in aggregate greenhouse gas emissions by 2030 (scopes 1, 2, 3), with a vision to achieve net-zero emissions by 2050.

To address climate change, a number of countries adopted the Paris Agreement at the COP21 in Paris on December, 12th 2015. In the agreement, all countries agreed to work to limit global temperature rise to well below 2 degrees Celsius, and given the grave risks, to strive for 1.5 degrees Celsius.

Signatories of this charter commit to decarbonization of the production phase, the selection of climate friendly and sustainable materials, low-carbon transport, improve consumer dialogue and awareness, work with the financing community and policymakers to catalyze scalable solutions.

• FRET21



In 2020, Salomon committed to the French initiative <u>FRET21</u> for decarbonization of logistics. Through this, Salomon committed to reducing its French transportation emissions by 15% by 2022.

CLIMATE UNITED PACT



Salomon is a member of the Snowsports Industry Association (SIA) Climate United coalition and signed SIA's Climate Pact in 2021.

• ATHLETES & EVENTS CLIMATE COMMITMENTS

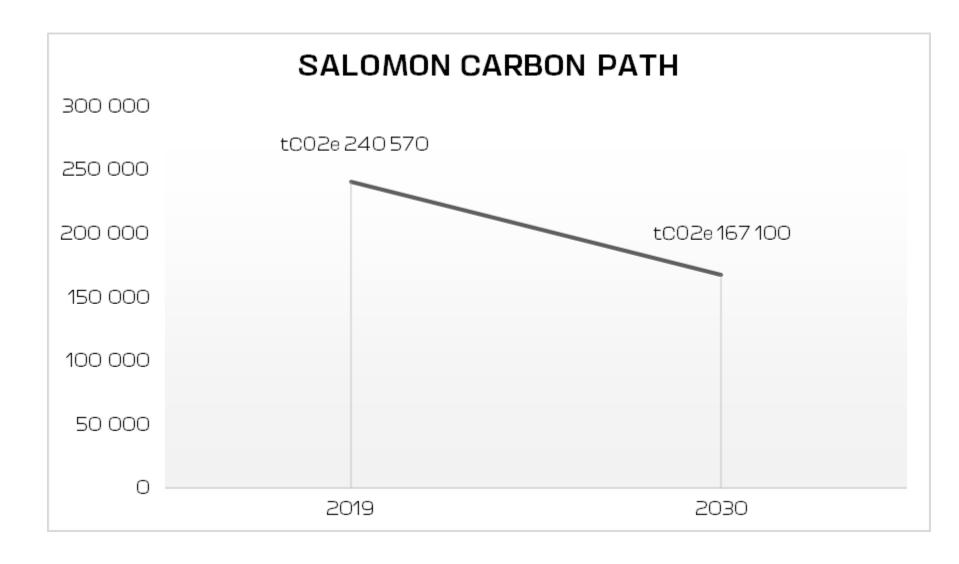


In 2021, Salomon unveiled a set of ambitious sports marketing commitments for more responsible events and athletes. Through this, Salomon committed to measuring, reducing (by 30%), and offsetting the remaining carbon travel emissions of its international athletes by 2025.

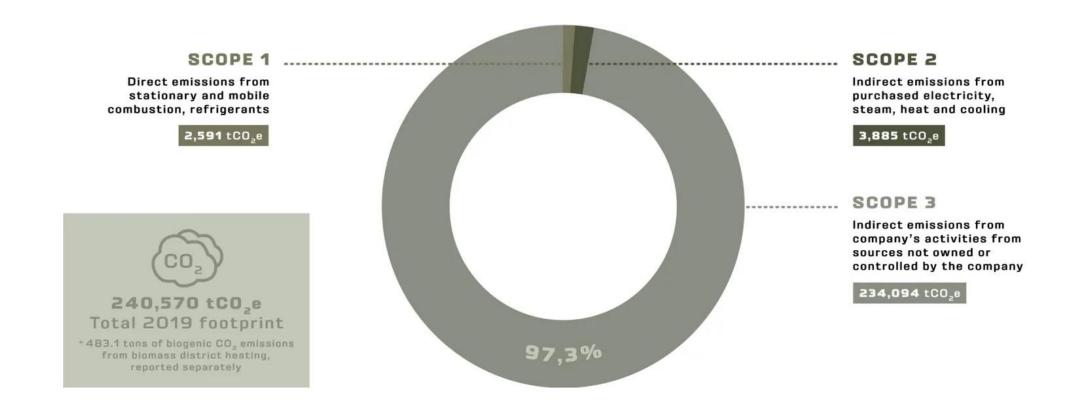
SALOMON

OUR FOOTPRINT

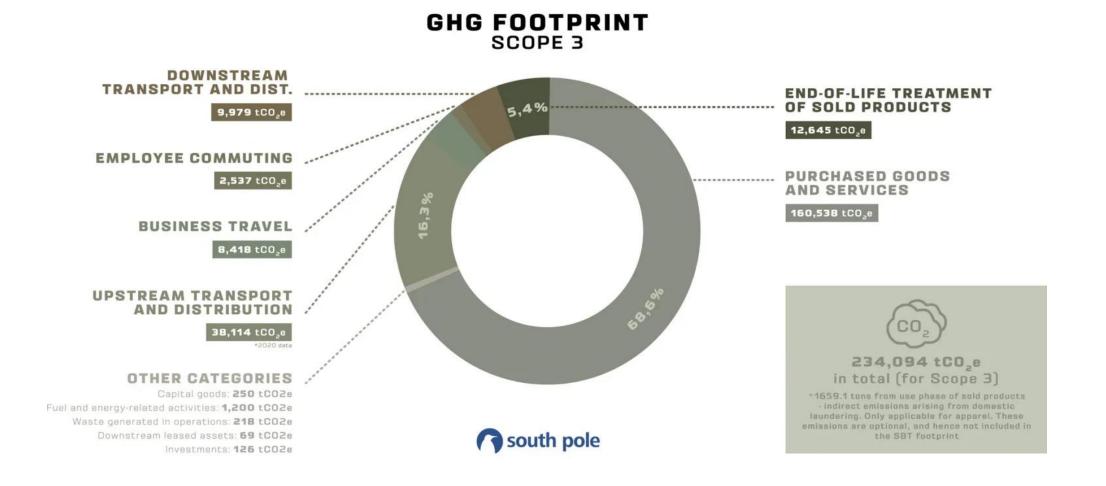
In 2021, we mapped our full carbon footprint throughout the scopes 1, 2 and 3 of the GHG protocol for the first time, which provided us with a baseline to define a projection for our 2030 target and inform our climate strategy. We have been assessing annually our scope 1 & 2 emissions for 10 years.



Salomon, through its parent company, annually participates in the <u>Carbon</u> <u>Disclosure Project</u>. In 2022, Amer Sports achieved a B score in Climate Change.



OUR 2019 BASELINE





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OUR STRATEGY

Our climate strategy is based on the strategic levers of the UNFICCA, and focuses on the priorities drawn by our carbon assessment i.e. our highest impacts: raw materials, manufacturing footprint, transportation, and exemplarity of our own sites.

PILLAR	ACTION	DETAILED PLAN & PROGRESS
	ACCOUNTABILITY & TRACKING Annual footprinting & dedicated governance	In place since 2021
AVOID & REDUCE	SCOPE 1 & 2 ADC decarbonization plan 100% renewable energy in own sites	See sections 'Lessening the impacts of our sites' See sections 'Lessening the impacts of our sites'
	SCOPE 3 Preferred materials strategy Suppliers' energy efficiency & transition Low-impact transportation limiting air freight Extending product & materials life	See section 'Shifting to low impact materials' See section 'Supporting our suppliers' energy efficiency & transition' Plan under definition See section 'O7 Drive businesses with a positive impact'
SUPPORT NEUTRALITY	ADC emissions offset International athletes' travel offset Full neutrality plan by 2050	1,615 tCO2e 2021 emissions offset through REDD+ credits 4,756 tCO2e 2021 emissions offset through REDD+ credits Plan under definition
INFLUENCE	Communicate Advocate through our athletes	See section 'Influence towards climate action' See section 'Influence towards climate action'

SUPPORTING OUR SUPPLIERS' ENERGY EFFICIENCY & TRANSITION

DRIVING OUR SUPPLIERS' CLIMATE IMPACT

Salomon has been a member of the <u>Sustainable Apparel</u> <u>Coalition</u> for 6 years. Salomon rolled-out FEM tool at his apparel & footwear suppliers and set up score targets for his footwear suppliers (see section 'Higg FEM/FSLM adoption status in 2021'); through this monitoring Salomon is able to track the emissions of his suppliers and encourage them towards energy transition action.

Through the 2022 revised UNFICCA, Salomon committed to the following supplier-related goals by 2030:

- 90% of T1 suppliers have an energy efficiency plan
- 90% T1 & 50% T2 have a Science-Based Target by 2025
- 100% T1 & T2 suppliers have no new coal installations by 2023 and no goal consumption by 2030

We are working towards an action plan to achieve these goals, initiated this year with a mapping of our suppliers' coal use and Science-Based Target commitments.





SUPPLY CHAIN DECARBONISATION PROJECT

In 2021, Salomon joined the <u>Supply Chain Decarbonisation Project</u> (SCDP), which is a pre-competitive collaborative initiative among ten major brands to reduce greenhouse gas emissions and increase renewable energy usage within the outdoor industry supply chain. SCDP is facilitated by the European Outdoor Group (EOG).

Launched in early 2021, the project is following a three-stage process. The first was a mapping exercise of the brands' top tier 1 and 2 supplier networks, which confirmed that there is a degree of crossover in the facilities used by those companies involved. The second stage involves the engagement of an external partner to conduct facility audits and identify greenhouse gas (GHG) emission hotspots. The final stage will see the participating organizations jointly supporting and financing facility improvements.

LESSENING THE IMPACT OF OUR SITES: OUR STEPS TOWARDS A MORE RESPONSIBLE ANNECY DESIGN CENTER HEADQUARTER

The Annecy Design center (ADC) has a surface of 33,500 square meters and each day hosts more than 800 people.

In 2020, we officialized our **ADC DECARBONIZATION** plan by 2025:

ACTION

- 30% of carbon emissions for the ADC

Reduce business travel

Switch to electric and hybrid vehicle fleet

100% renewable electricity by 2021

Offset ADC's carbon emissions starting 2021

Solar panel installation (92 MWh) by 2022

PROGRESS

On track

Individual employee goals to define

New policy under validation

Complete

Complete

Postponed to 2023

We also worked on the following actions:

- 1000 garbage bins were collected and removed from the ADC and replaced with 100 garbage recycling bins, allowing employees to separate and recycle paper, plastic, coffee capsules, glass, cans and organic waste
- Roll-out of video conference rooms and software solutions to support air travel reduction
- Installation of motion sensors and LED for the lighting systems
- Since 2022, we have set up a dedicated recycling scheme for plastics with our long-term recycling partner, as our winter sports prototype center generate large quantities of plastics that can be re-used by other industries.



IN NUMBERS

33,500 square meters 850 people on site 1,847 tCO2e in 2021

163.7 tons of waste in 2021



Certified since 2017, renewed in 2020



"To improve the environmental impact of Salomon's ADC industrial site, we rolled-out very technical and field-based actions, such as changing the cooling system, changing a boiler system, but also raising awareness among employees on waste sorting and recycling."

Emmanuel MÉDALY, Health, Safety & Environment Manager
 of the Annecy Design Center

SALOMON

LESSENING THE IMPACT OF OUR SITES: ALTENMARKT, THE MOST ADVANCED SKI FACTORY IN THE WORLD



Image credits: Lumi Experiences

Created in 1971, our ski factory in Altenmarkt produces around 400,000 pairs of skis yearly for Salomon and sister brand Atomic and employs more than 750 people.

Altenmarkt factory is considered the most environmentally efficient ski factory in the world, thanks to an ambitious environmental impact reduction plan rolled-out since 2010:

- 100% renewable electricity due to Austria's nationwide energy strategy relying mainly on hydraulic energy
- 100% biomass heating energy coming from the re-use of production woodchips, delivering 6 GWh/year through a shared power plant with the town of Altenmarkt
- 50% heating energy reduction thanks to a new building insulation plan and a new heat recovery system
- Awarded Austrian Phönix 2014 waste management prize for the factory's extensive recycling management system set up in cooperation with a recycler company, AlzChem AG, directing factory waste as resources for other industries

IN NUMBERS

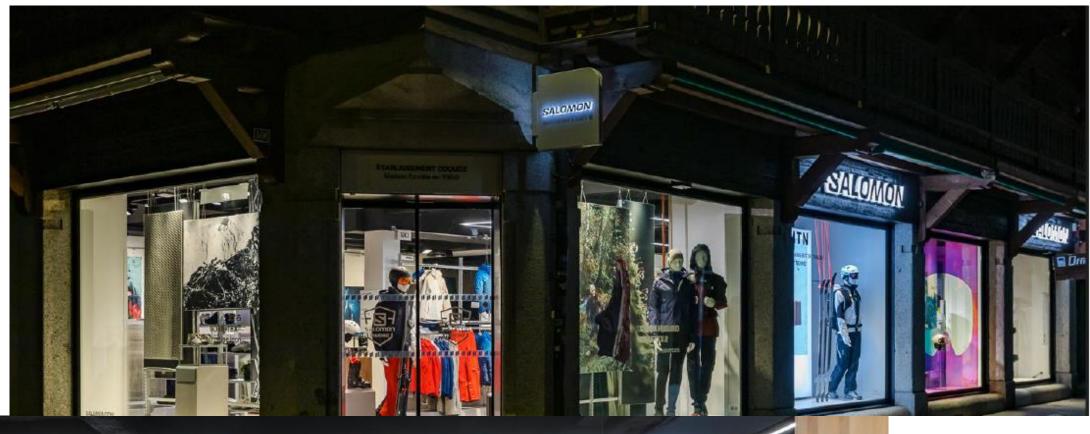
750 people on site
400,000 pairs of skis per year
Woodchip heating: 6 GWh/year
Electricity from renewables: 6 GWh/year



Certified since 2022

08 - DRIVE A CLIMATE-COMPLIANT PATH

LESSENING THE IMPACT OF OUR SITES: OUR STORES





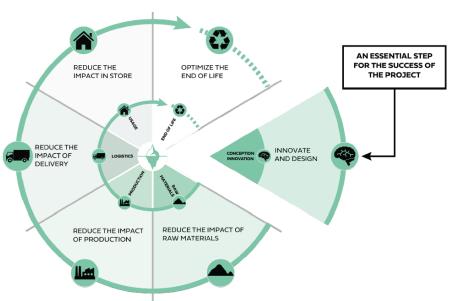
We pay particular attention to what our brand store networks are doing, which is why we have developed 2 sets of guidelines to lessen the impact of our retail activities:

- Sustainable retail store guidelines for development: a guide intended specifically for the teams to develop a new store,
- Sustainable retail store guidelines and for staff: a guide intended specifically for the teams in the running phase of the stores, to drive responsible daily activities and store operation.

For instance, we have banned single use plastics to promote reusable shopping bags, and we source local food and reusable cups during store events. All store supplies have to comply with our Restricted Substance List to guarantee non-toxicity for humans and the environment. We favor long-lasting and reparable solutions for shop furniture with sustainable and local sourcing.

In 2021, we have performed an environmental survey within all our stores to map our impacts and best practices.

In 2022, we started launching stores with our new concept store, putting sustainabability at heart of the development. For instance, our new Chamonix store features furniture produced in Spain, mannequins from recycled plastics, and hangers from protected forests, and offers repair services with our partner Green Wolf.



SALOMON

08 - DRIVE A CLIMATE-COMPLIANT PATH

INFLUENCE TOWARDS CLIMATE ACTION

One important part of any climate strategy, as recommended by the guidelines of the UNFICCA, is to communicate about climate and advocate for action, in order to influence our society, starting with our employees, athletes, suppliers, and extending to our shareholders, governments, NGOs, etc. in order to accelerate climate action.

OUR INDUSTRY

In 2021, Salomon joined Textile Exchange's <u>call for trade policy for eco-friendly</u> <u>fibers</u> at the occasion of the COP26. In 2022, Salomon joined Protect Our Winters' open letter '<u>The Outdoor industry demands climate policy</u>' at the occasion of the COP27.

AT SALOMON

To raise awareness among all our business areas, we are deploying the climate educational tool <u>Climate Fresk</u>, thanks to a collective of committed employees volunteering to train the teams. To date, almost **10%** of our headquarters employees have been trained to the Climate Fresk.

SALOMON

CLIMATE TALK

CLIMATE WEEK 2022

November, 8th

We also address climate stakes through live events once or twice a year:

- Last year, a Climate talk was organized with the Sustainability team, South Pole and Time For the Planet organizations.
- This year, 2 Climate talks were organized, one during the Earth Week, one during the COP27 week, focusing on strategy update and concrete solutions from footwear division.

ATHLETES COMMITTED TO CLIMATE ACTION

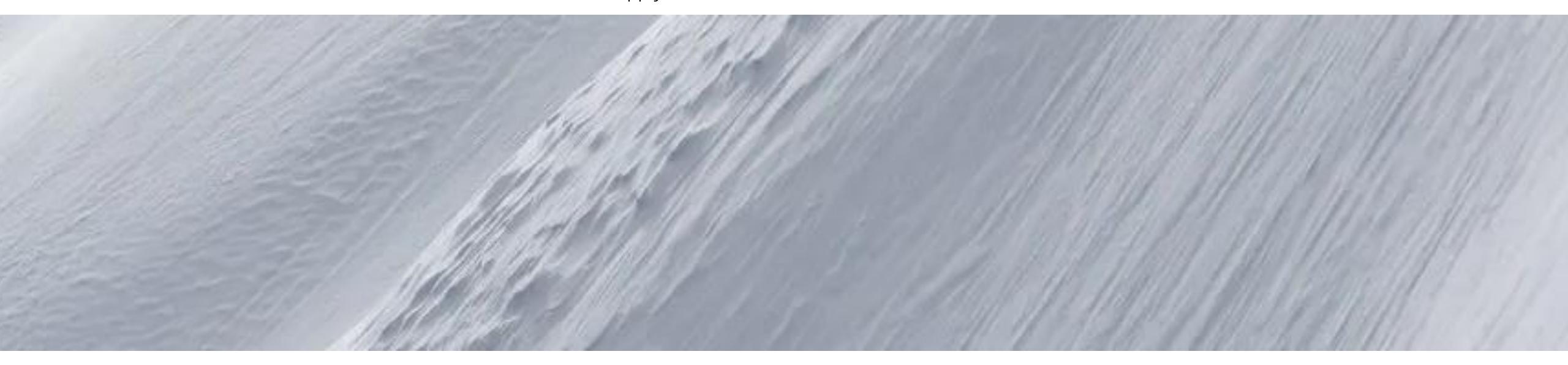
Some of our athletes, such as Mike Douglas, Stan Rey or Jessie Diggins, are involved into climate education and action to the broader community through their implication in Protect Our Winters non-profit organization.

"Doing volunteer work with Protect Our Winters is a way to raise awareness about climate change in the younger generation"

- Stan Rey, Freeskier



We are committed to eliminating harmful chemicals from our products and processes, and reducing our waste in our operations, supply chains and for our consumers.



OUR 2025 OBJECTIVES

- 100% chemical and environmental compliance of our suppliers
- 100% PFC-free products
- 100% PVC-free products
- 70% of the waste recycled or re-used in our operations

OUR PROGRESS SO FAR

- Restricted Substance List deployment on track for apparel, footwear (100% suppliers covered) & accessories divisions. Action plan defined for winter sports division
- On track to reach our 100% PFC-free target by 2025
- Waste: 66% recycled or re-used (headquarters). Under construction in our other operations



CHEMICAL COMPLIANCE AND MATERIALS OF CONCERN

OUR CHEMICAL GUIDELINES

Our category-based RSL (Restricted Substance List) defines Salomon guidelines to control and monitor the hazardous substances in its products. The purpose of these guidelines is to ensure that the materials, components and finished products supplied to Salomon or for its business comply with local laws and regulations regarding toxicology, the environment, and product safety. Salomon has developed specific RSL guidelines to the Footwear, Apparel & Gears and Winter Sports Equipments category to control and monitor the hazardous substances in our products, which are updated on an annual basis in order to include new requirements and regulations.

Our category-based RSL is included in our **Material Compliance Policy**.

PFCs

PFC is an abbreviation for fluorinated chemicals that are used in the production of Durable Water Repellent (DWR) finishes and waterproof membranes in outdoor apparel. Some substances used have been named by a recent report by Greenpeace, highlighting a high concentration of hazardous compounds in a large number of outdoor jacket and shoe samples.

There are potential health and safety concerns with both PFOS and PFOA substances that comes from fluorinated solutions. The European Union has banned PFOS and is considering similar action with PFOA.

Most water repellents on the market today are PFOS-free. Long chain solutions (C8) are still the most performing and durable water repellent on the market, especially for oil and grease, but are at risk for their PFOA content. To reduce the risk of finding PFOA in these treatments, Salomon decided in 2017 to move from a long chain solution (C8) to a short chain solution (C6) that is PFOA-free.

While C6 DWR treatments still have a degree of ecotoxicity concerns, these are at a vastly lower scale than their C8 predecessors. Salomon continues to test and research a range of non-fluorinated, non-PFC DWR treatments, with the ultimate goal of continually reducing its environmental impact across the full product lifecycle, while delivering the performance and product lifespan that meet our brand standards.

Salomon is committed to removing PFCs from its entire supply chain according to the to the following timeline:

- FOOTWEAR = PFC FREE AND PFC EC FREE IN 2020
 - BAGS = PFC FREE IN 2020
- APPAREL & WINTER SPORTS = PFC FREE IN 2025



CHEMICAL COMPLIANCE AND MATERIALS OF CONCERN

BLUESIGN® SYSTEM PARTNER

45% OF OUR SOFTGOODS SUPPLIERS ARE BLUESIGN® PARTNERS



Salomon Apparel & Gear joined the bluesign® system partner network in July 2013.

The bluesign[®] system is a solution for a sustainable textile production and it eliminates harmful substances from the beginning of the manufacturing process.

It also sets and controls standards for more environmentally friendly and safer production. This not only ensures that the finished textile products meet very stringent consumer safety requirements worldwide but also acts as a source of trust for our consumers.

MICROPLASTICS AND FIBERS

The textile industry is considered as one of the sources of microplastic and microfiber pollution. Synthetic textiles, such as fleece jackets, send tiny plastic fibers into wastewater after washing. Due to their size, microfibers can easily move through sewage treatment plants. These bits eventually make their way into rivers, lakes and our oceans, where they pose health threats to plants and living organisms.

Natural fibers, such as cotton or wool, biodegrade over time. But synthetic fibers are problematic because they do not biodegrade and tend to bind with molecules of harmful chemical pollutants found in wastewater, such as pesticides or flame retardants.

There is no easy solution to avoid this pollution happening and we are working actively to solve it at our level. In 2021, we started assessing our microplastics impact and identified solutions to be rolled out in 2023.

The first step will be to encourage our consumers to wash their synthetic garments with a mesh laundry bag that captures shedding fibers as clothes are tossed and spun, limiting the fibers from escaping.



WASTE MANAGEMENT

ANNECY DESIGN CENTER

• 66% of our waste is either re-used or recycled.

ALTENMARKT SKI FACTORY

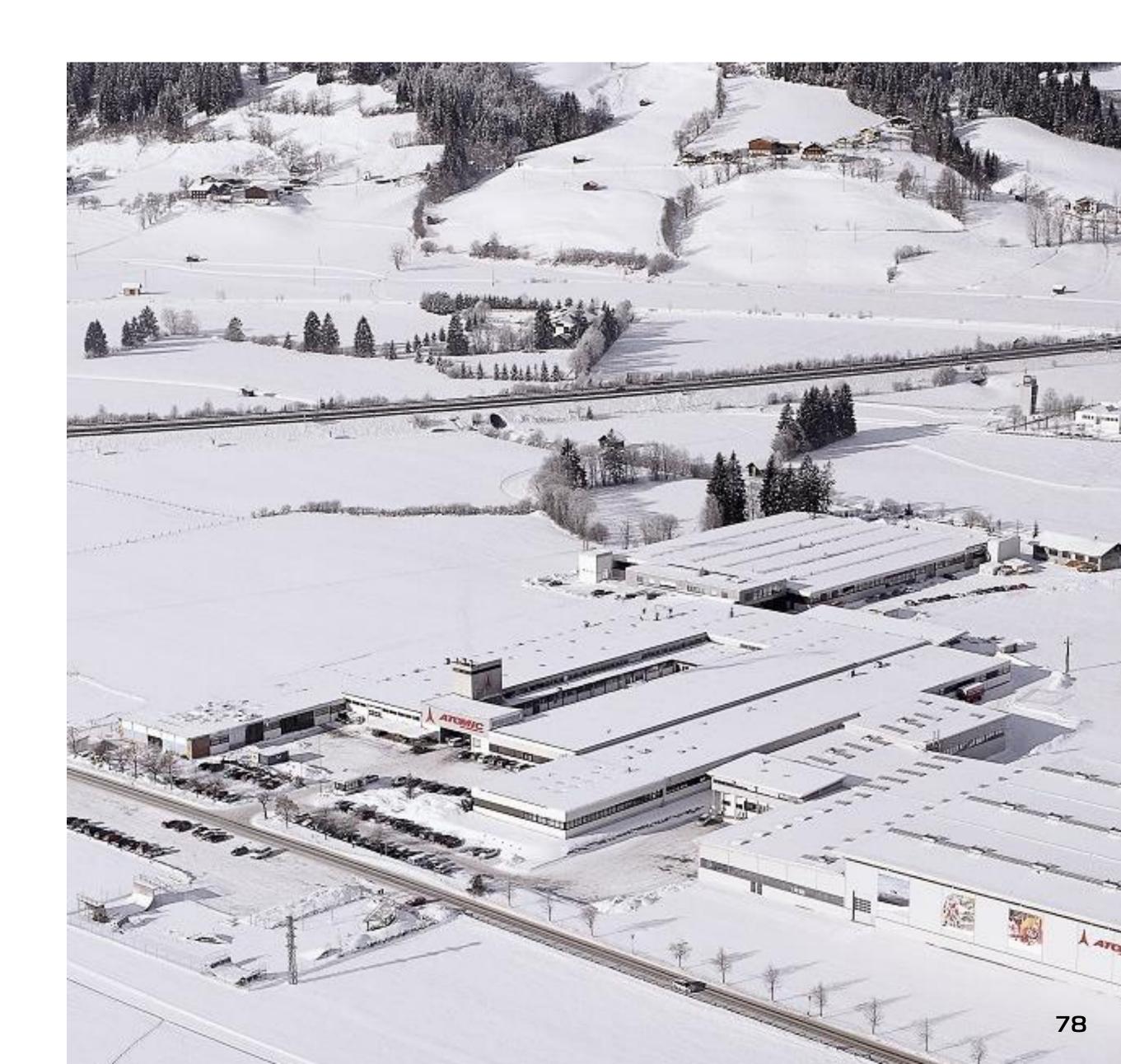
- Wood chips from ski production are used to heat the building, therefore delivering 6 GWh/year from biomass, a renewable energy.
- Awarded the Austrian Phönix 2014 waste management award.

FOOTWEAR AND APPAREL FACTORIES

- We monitor the cutting efficiency of our products at our suppliers' factories in order to limit waste.
- On apparel, in order to avoid scrapping unused or end-of-roll fabrics, leftovers are used to create specific collections that then are sold in our outlet stores.

AVOIDING SAMPLES THROUGH DIGITALIZATION

- Apparel and footwear departments have been developing extensive product digitalization programs to reduce sample use, such as <u>Salomon Footwear partnership with Keonys</u> using Abaqus solution.
- Apparel is the first category going 100% digital samples for SS22, creating 140 models, 400+ articles using Clo3D and generating 4000+ photo realistic images. This allowed for the reduction of physical samples order by over 60%.



PACKAGING

We developed our **Sustainable Packaging Guidelines**, applying and testing these reduction & removal principles throughout our supply chain, in strong collaboration with our design and development teams, sourcing teams, logistics teams and our suppliers.



PARTNERING WITH THE INDUSTRY

In 2022, we joined <u>Prana's Responsible Packaging Movement</u>, a collective journey toward eliminating excess packaging waste from our supply chains in a responsible, long-lasting way.



THE STEPS WE ARE TAKING TOWARDS PACKAGING IMPACT REDUCTION

Our entire footwear, snowboard boots and alpine boot cardboard boxes are from responsibly-sourced cardboard.

On our apparel & gear ranges:

- Starting SS22 all the polybags from our apparel & bags categories are made of 100% recycled materials
- We are now pilot-testing polybag removal on socks and bags, aiming to gradually cover all products in the coming years

On our winter sports equipment range:

- Starting FW22, all packaging from snowboard products is plastic-free
- On ski poles, we removed all individual polybags, saving 200,000 bags –
 the equivalent of 5.4 tons of plastics and 12.6 tons of CO2e per year

On our footwear and alpine range:

• We removed stuffing paper in our rigid shoe footwear ranges and alpine boot ranges. For the alpine range, this saves 40 tons of paper per year.

SALOMON

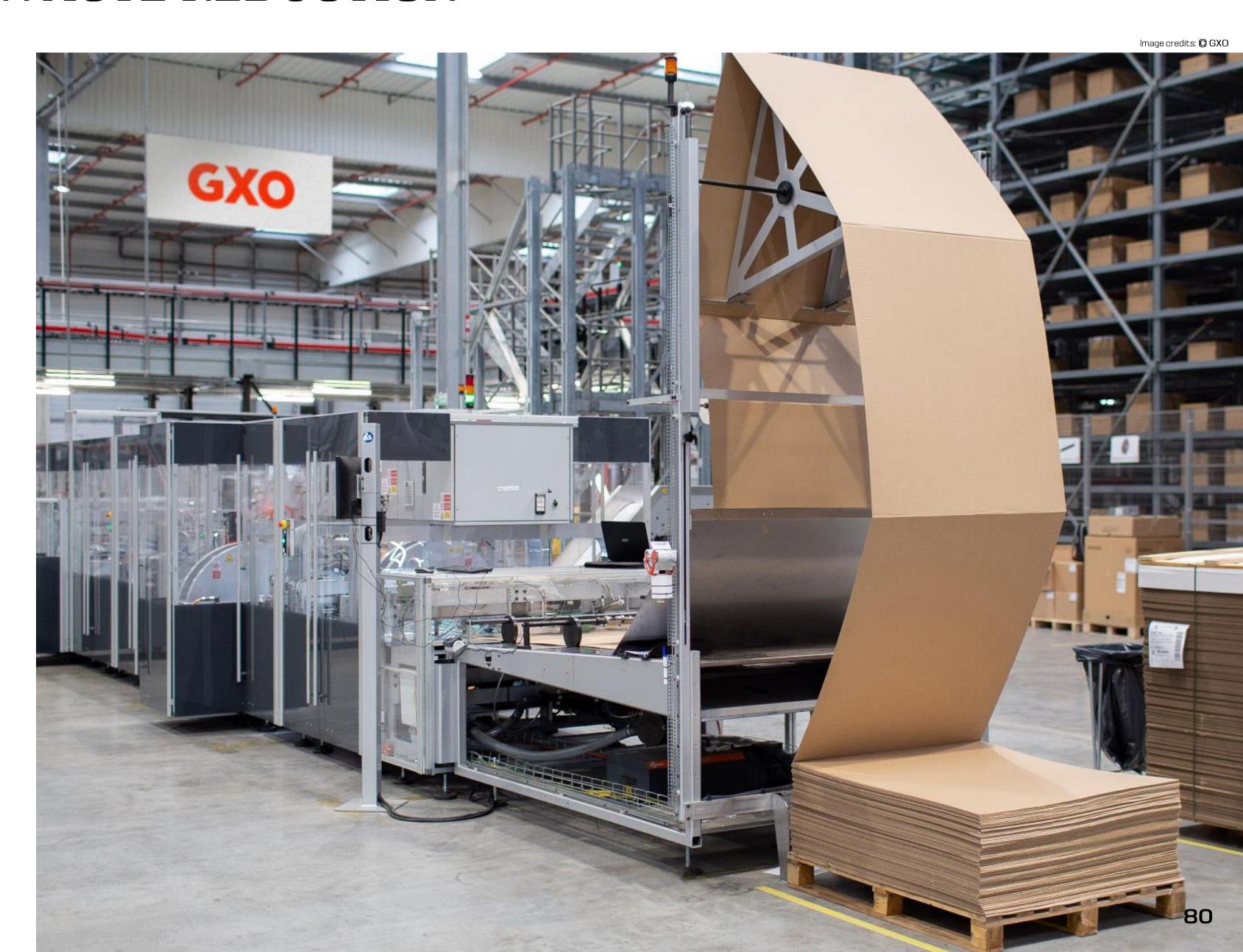
PACKAGING

In our EMEA softgoods warehouse in Saint-Vulbas, starting 2022, half of the parcels shipped from the distribution center rely on our new right-size packaging process, our Small Order Automatic Packaging process. That percentage will increase in the future.

The environmental impact of more precise packaging is considerable, saving 47 tons CO2e per year, thanks to the following environmental improvements:

- The process delivers smaller parcels using less cardboard, which results into the saving of 40% of the volume of delivery trucks, i.e. the saving fo 30 tons CO2e per year
- No plastic envelops are needed anymore, resulting into 200,000 plastic envelops saved per year
- No tape is needed anymore

This solution will be rolled-out in 2022 as well in our North American logistics platform in Ogden, USA.



10 - DRIVE TRANSPARENCY

We are committed to sharing our impact and progress to our stakeholders through verified and science-based data.



OUR 2025 OBJECTIVES

 100% of our products display their environmental performance to our consumers

OUR PROGRESS SO FAR

• 0% visible to consumers. 10 reference life cycle assessments performed covering ~50% product range. Ongoing integration of the Higg tool within the footwear division.

10 - DRIVE TRANSPARENCY

MEASURING OUR IMPACT WITH SCIENCE

The first step to transparency is to be able to map impact and progress data in a verified and science-based way.

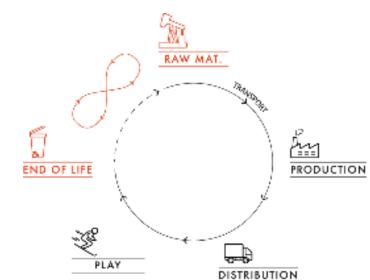
This is why since 2020, Salomon has conducted an extensive program to map its strategic product line impacts through 10 reference life-cycle assessments (LCA), driving our product sustainability strategy decisions. These reference LCAs have been conducted with a third-party based on the European Product Environmental Footprint methodology.

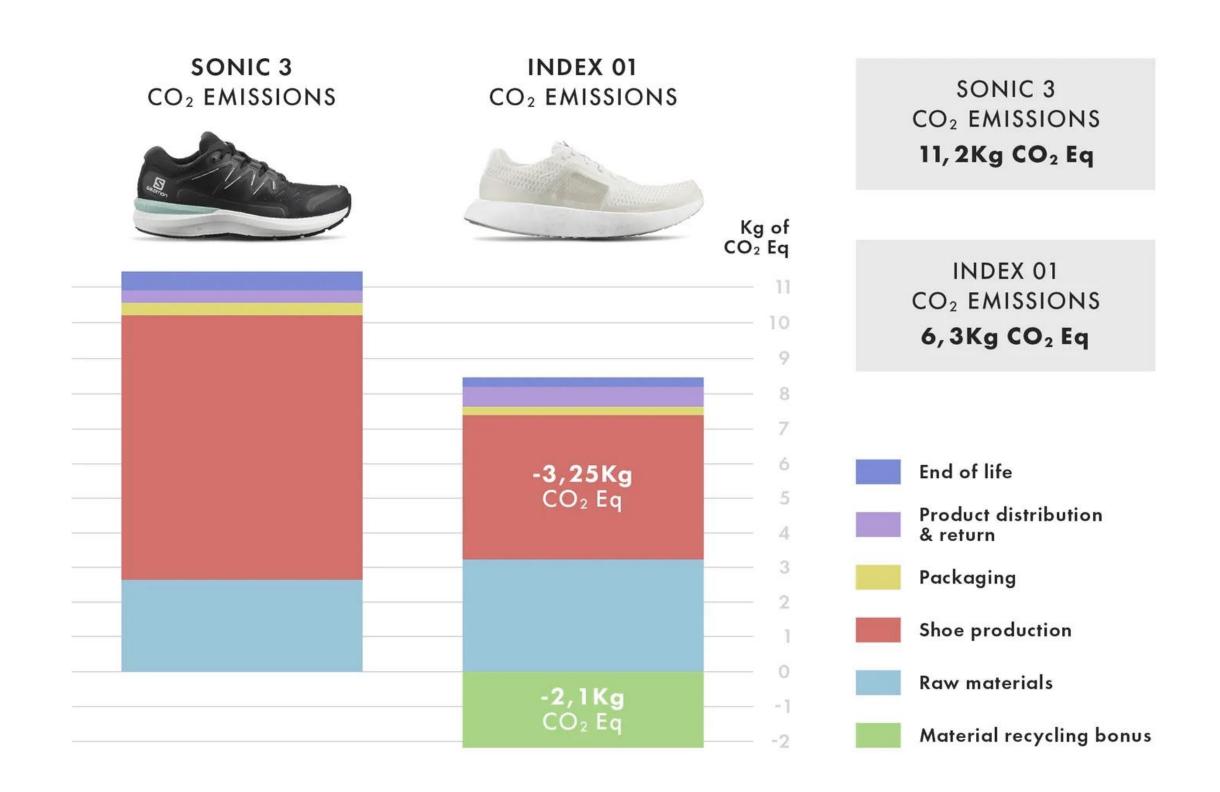
To date we have mapped 50% of our products through:

- 4 reference LCAs of our main footwear categories, including the circular innovation Index.O1
- 6 reference LCAs of our main winter sports categories

Salomon has been a <u>Sustainable Apparel Coalition</u> (SAC) member since 2016 and is an active participant in the Higg Index roll out. We are currently piloting the <u>Higg Index</u> Product Module (PM) and Material Sustainability Index (MSI) to mass-scale the environmental impact calculation of our products through their lifecycle. It will help us to improve our products, compare them across the industry and also share the environmental performance of all our products with our consumers by 2025.

Since 2016, we have also been using the Higg Index Brand Retail Module to measure and improve the global environmental and social footprint of our activities.







"To improve our product environmental footprint, we need to know it. This is why we are taking a science-based approach to identify the most material environmental impacts"

- Alix POITOU – Salomon Environmental & Social Impact Performance Lead

TOMORROW

TOMORROW: WHAT IS NEXT?

We know that we are only at the beginning of our journey. Our mid-term and long-term sustainability objectives will be elevated in 2023 and we will make sure they remain relevant and that we are doing everything we can to meet them.

Our focus for the coming year:

- Commit to our new sustainability goals and roadmap by 2030 through our new 'CHANGE OUR TOMORROW' program
- Reinforce our internal culture, commitment and shared knowledge
- Deepen links and collaboration with our communities, especially with our athletes
- Reinforce our transparency through open dialogue with all our stakeholders
- Quantify and strengthen our social and environmental performance through processes and science-based tools
- Consolidate our climate strategy
- Develop our circularity approach with new principles, new business models & scale-up of circular products



WANT TO KNOW MORE?

WANT TO KNOW MORE?

OUR REFERENCE DATABASE

Salomon Annecy Design Center ISO 14001 certification Salomon Annecy Design Center ISO 50001 certification Salomon Sports Pledge Our Sustainable Stories

Code of Conduct

Ethical Policy

Slavery and Human Trafficking Statement

Material Compliance Policy and Restricted Substance List

Finished Goods Suppliers List

METHODOLOGICAL NOTES

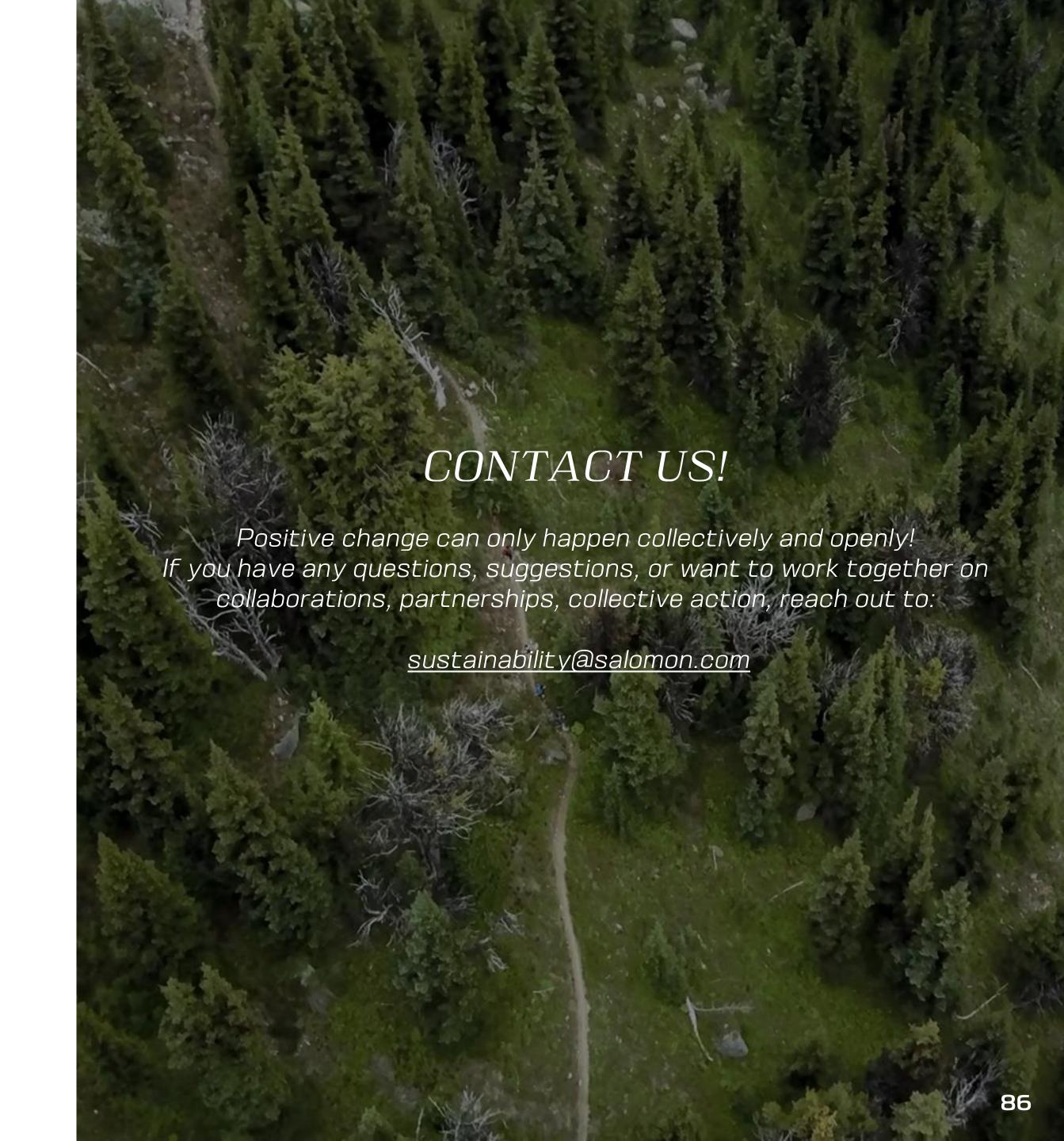
Our carbon footprint was calculated:

- using the "Greenhouse Gas Protocol: A Corporate Accounting and Reporting, a Standard (Revised edition, 2004) and ISO 14064-1 (2006)",
- and reviewed by the third-party South Pole Carbon Asset Management Ltd.

Our reporting boundaries:

- Reported indicators track Salomon activities for FY2021, from January 1st to December 31st 2021.
- When 2021 data is not available, 2020 or 2019 data may be referred to.
- Due to publication date, events and data covering FY2022 have been added where relevant for forward-looking perspective.

Sustainable Development Goals (SDG) framework from the United Nations has been used to assess and map our goals against the 17 SDGs.



Published in December 2022

SALOMON S.A.S.

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