

**FOX FACTORY**

**2022**  
**SUSTAINABILITY**  
**REPORT**





# ADVENTURE IS NEVER DONE

We believe progress happens when we challenge frontiers. So we commit to the adventure of a better world. To bend and break frontiers in relentless pursuit of a future where people and the planet come first. And where adventure is never done.

# 1 // INTRODUCTION



# SUSTAINABILITY AT FOX FACTORY

## WE'RE NEVER DONE.

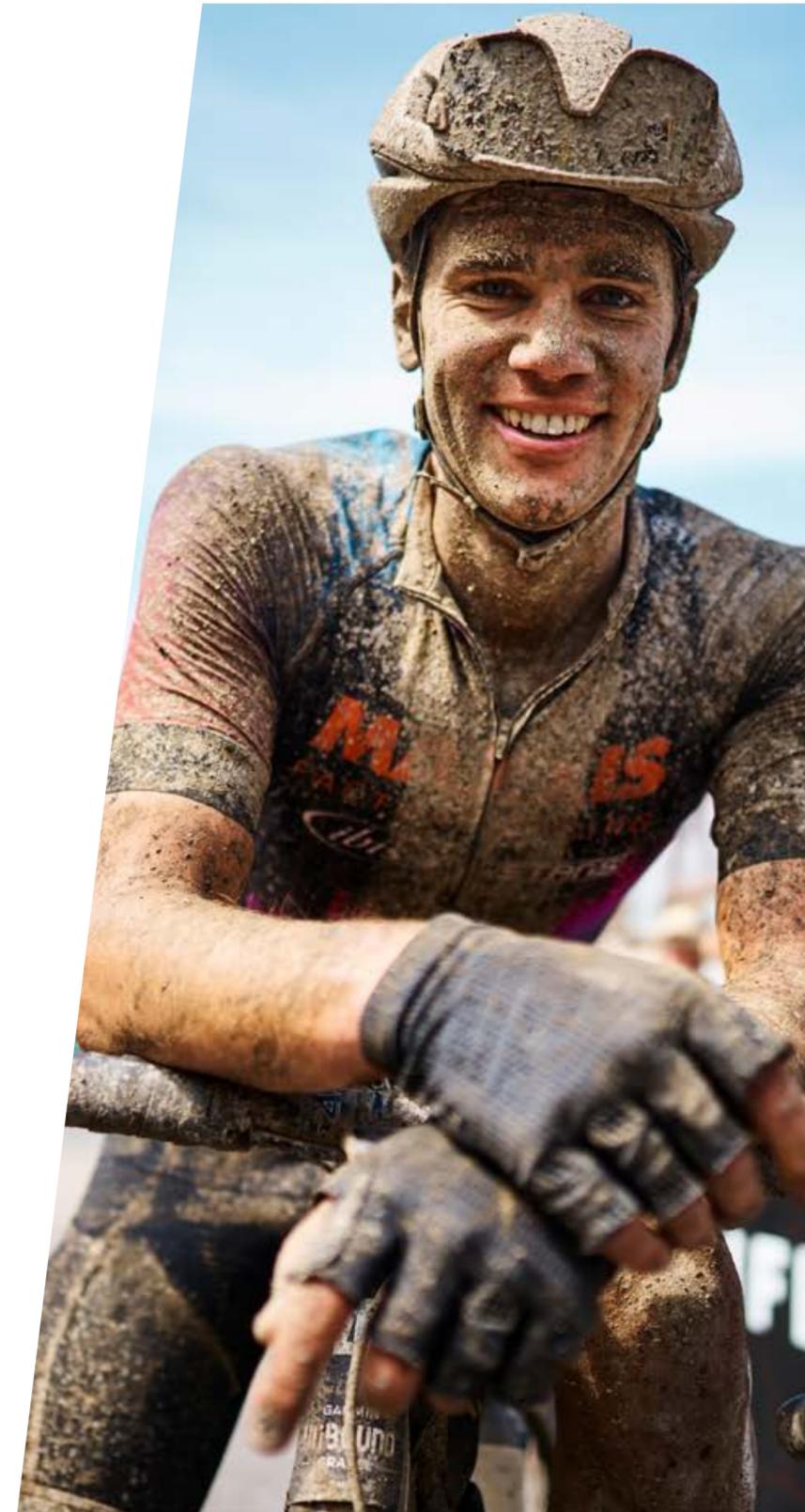
We infuse passion, courage, and drive into every product. Our purpose is to challenge the impossible and lead in the never-ending pursuit of maximum performance. With our world-class team, groundbreaking technology, and state-of-the-art manufacturing facilities, we deliver confidence and performance to customers, athletes, and adventurers. As a leader in the performance and adventure communities, we have a responsibility to help preserve the places we play. Through performance, we make the impossible happen, and we intend to bring the same determination to push the boundaries of sustainability.

We believe progress happens when we challenge frontiers. Building a race-winning legacy means prioritizing product integrity, design, and innovation while ensuring we manage our social and environmental impacts.

To stay at the forefront of the industry, we must do things right across the frontiers that encompass the four pillars of our sustainability strategy—Planet, People, Product, and Business Fundamentals. We're at the beginning of this journey and understand that it will take time, but we endeavor to make progress and move the needle in a positive direction every day.

Our sustainability report highlights our approach, showcasing achievements to date and providing data-driven insights into what we do and what we're working on. It is our way of being accountable and transparent to those who trust us with their talent, investment, and outdoor adventuring. Pursuing a more sustainable future opens new paths for innovation and performance, unlocking new opportunities for our business and the communities we serve.

A summary of our 2022 sustainability highlights and achievements is also available in our [2022 Highlights Report](#).



## FOX FACTORY FRONTIERS



### PLANET

Protecting Our Global Playground



### PEOPLE

United in Shared Wellbeing and Adventure



### PRODUCT

Redefining Sustainable Performance



### BUSINESS FUNDAMENTALS

Driving High Standards

# TALKING SUSTAINABILITY WITH OUR LEADERS

GRI 2-22

Last year, we launched our 2021 Sustainability Report—our very first one. We set a high standard for how we address sustainability in our organization and how to be transparent about our performance. At the launch of our 2022 Sustainability Report, Mike Dennison, our CEO, and Jackie Martin, our Chief Purpose and Inclusion Officer, reflect on our progress since and what lies ahead.

// MIKE //

It's a thrill to share more about the sustainability adventure we've been enjoying. My responsibility is to ensure this company operates in the best possible way and creates excellent technology for our pros, ultra enthusiasts, and weekend warriors, a positive environment for our employees to enjoy their work and find opportunities to grow, and recurring value for those that invest in us. So far, I've found that sustainability is an incredible tool that is helping us achieve these objectives.

// JACKIE //

Absolutely! We started our sustainability journey in 2021. And throughout 2022, we began the work to embed it in our core business operations to set up our company for long-term success. To keep up with our overall ambitions, we have created '2030 Sustainability Aspirations,' which act as clear focal points on the horizon to determine how we grow and where our performance can increase. The way we're intertwining sustainability with our business strategy sets a strong foundation for our ambitious vision, fueled by our 'never done' mindset.

// MIKE //

We have set aspirations in Inclusion, Diversity, and Engagement, Carbon Emissions, Social Impact, Sustainable Product Mindset, and Supply Chain. That's a broad range! I am excited about the aspirations all being win-win visions. We found the sweet spot of creating better outcomes for people and the environment while increasing our performance.

But let's not forget all the work we have already done in 2022. For example, we celebrated one year of Trail Trust. With it, we've created a global outreach initiative, which has forged stronger bonds with stakeholders and fostered significant community benefit. A testament to this success is the US\$1.2 million in grants awarded to date. We have already facilitated outdoor adventure experiences for over 10,000 individuals

from underrepresented communities. And our long-term ambition is to invest US\$10 million by 2030, to broaden access even further.

// JACKIE //

It's an excellent example of how our products, influence, and collaboration with others can help us double-down to create enjoyment for all. It's been vital in setting us apart in the market.

Speaking of collaboration: Where would we be without our business partners? Those relationships are vitally important, so we want to be clear about our mutual expectations. Our Supplier Code of Conduct, introduced in 2022, shows how serious we are about sustainable, responsible operations. We are working toward getting at least 90% of our Tier 1 suppliers on board by 2030, a big win for our Fox Factory Frontiers' sustainability strategy.

// MIKE //

It's through these business partnerships that we can influence better environmental and social outcomes. Our employees contribute to better social outcomes as well. BOOST, our employee match giving and volunteer program, has led to significant donations of money and time to nonprofits across the globe, all while fostering a spirit of camaraderie within the company. It's our ambition that by 2030 we have 35% of our colleagues participate in BOOST to maximize the impact they're having in their communities.

// JACKIE //

And equally, we invest back in our people, too. We'd be nothing without our incredible team. A big learning from our 2021 employee survey was the need to recognize and celebrate each other's wins more effectively. In response, we enhanced benefits, compensation programs, and put the wheels in motion for the 2023 launch of our global employee recognition platform, GAME CHANGERS.

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By 2030, we want to achieve a top-quartile Employee Engagement score in our annual global survey. This score expresses whether our people feel like they belong and would recommend Fox Factory as a place of employment. We'll continue to nurture talent through our leadership development programs, many of which launched in 2022. These programs, EMBARK, EMERGE, NAVIGATE, ACCELERATE, and PINNACLE, demonstrate that we're not just interested in what our employees can do now, but what they can become in the future. We've seen an incredible response to these programs and are excited about fostering a culture of continuous growth.

### // MIKE //

How much we've achieved with our employee engagement in the past year is incredible. We're cultivating future leaders and building a culture of continuous learning. The introduction of Workday's Learning Management System has provided access to Fox-specific and external training programs. Our goal is to invest in our people because they are the heart of our success.

Our people will play a fundamental role in helping us achieve our environmental aspirations. We have a clear vision for our future—achieving a 25% reduction of our Scope 1 and Scope 2 emissions by 2030, compared to our 2022 baseline. This aspiration emphasizes our commitment to reducing our greenhouse gas (GHG) emissions from direct operations (Scope 1) and indirect emissions from purchased electricity, heat, and steam (Scope 2). Additionally, we're dedicated to offsetting any remaining emissions.

### // JACKIE //

We also wanted to understand which risks we would face in a changing climate. We started our climate risk assessment in 2022 to gain an understanding of the transition and physical risks we may face and any potential opportunities.

Our focus on climate risk and sustainable business practices shows that we plan for more than the next quarter or year. We're thinking decades ahead, and how our actions today will echo in the future.

One of my favorite highlights from 2022 is the start of our partnership with Extreme E, the world's most sustainable extreme racing series. It illustrates our commitment to innovation and sustainable growth in a very tangible way. As the official Suspension Partner, we've helped elevate the performance of electric vehicles in this international off-road racing championship series. It's an excellent example of how we strive for success within our organization and impact the industry. This collaboration is driving standards and pushing boundaries.

### // MIKE //

It's incredible to see how far we've come, yet it feels like we're just getting started. Our work with Extreme E, our climate action strategy, and our commitment to our employees and communities—it's all part of a larger vision for a sustainable and inclusive future. This holistic approach, which considers our economic performance, environmental impact, social responsibility, and, importantly, our people, makes me optimistic about our future. I'm excited to see where this adventure takes us next!

### // JACKIE //

So am I! And knowing the passion, dedication, and innovation we all bring to our work, I'm confident our future is brighter than ever. Let's continue to drive innovation and make a positive impact, staying true to our 'never done' mindset.



# WE ARE FOX FACTORY

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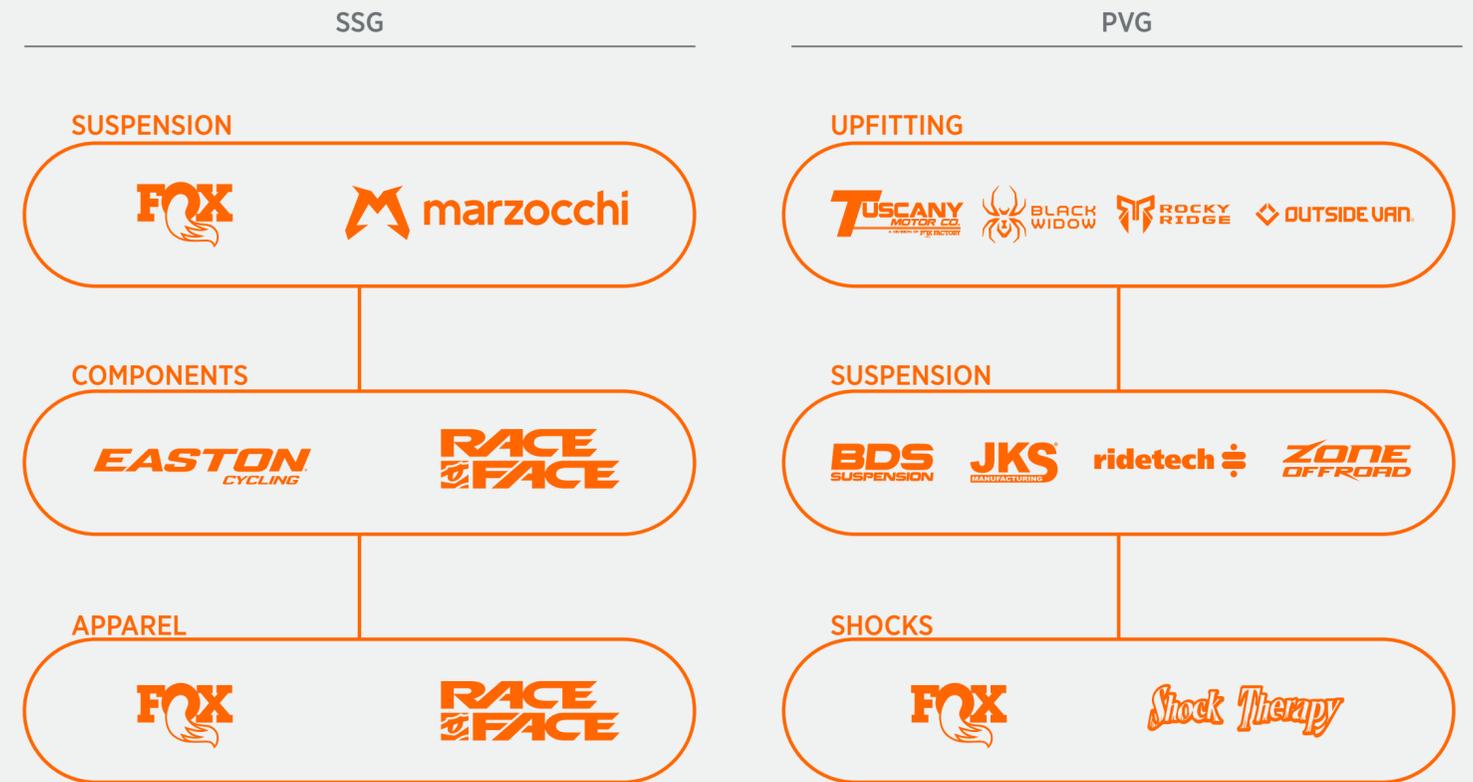
GRI 2-2

We take pride in our heritage of innovation and dedication. Our journey began with Bob Fox's groundbreaking air shock absorber for professional motocross racing in the 1970s. Today, we craft performance-enhancing technology for mountain bikes and vehicles, ensuring our offerings are consistently at the cutting edge of performance and ingenuity.

Our Specialty Sports Group (SSG) delivers state-of-the-art cycling and mountain biking components, suspension, apparel, and maintenance services. Our Powered Vehicles Group (PVG) designs, tests, and manufactures exceptional shocks and suspension systems for numerous vehicles, with some brands specializing in customizing OEM vehicles.



## OUR COLLECTIVE OF ELITE BRANDS



Our legal name is Fox Factory Holding Corp. We are publicly listed on the NASDAQ Global Select Market under the symbol FOXF. Our principal executive office is in Duluth, Georgia.

### FY22 COMPANY OVERVIEW HIGHLIGHTS

REVENUE	SALES GROWTH			ADJUSTED EBITDA*	ADJUSTED EBITDA GROWTH (YOY)
	OVERALL	SSG	PVG		
US\$1.6MM	23.4%	17.6%	28.0%	US\$321.8MM	21.9%

Note: We have taken these figures from the latest Proxy Statement, which you can access via our [investor relations website](#). The Proxy Statement provides the full context of these figures. We have provided these KPIs here for ease of access, but in case of any errors, the Proxy Statement is the leading document.

\*Reconciliations of non-GAAP measures are provided in Annex A of the Proxy Statement referred to above.

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Being part of the Fox Family means collaborating as a team and working together to bring the best ideas forward. Our continued success is what happens when more than 4,000 individuals work as one, embodying the Fox Factory values.

We are a global family, with operations at more than 20 locations spanning four continents, and we continue to expand our horizons with new facilities in various stages of development. Fox Factory sites encompass advanced manufacturing facilities, warehouses, research and development technology centers, and offices.

We provide unrivaled performance and ensure safety for those who rely on our products to enjoy their time on and off the trails, from professional athletes to passionate enthusiasts. We are committed to empowering our business partners, suppliers, and customers who utilize our innovations to enhance the value of their offerings. And we consistently deliver high-quality results for those who invest their trust, capital, and belief in us.

It is our aim to make our employees feel like they belong no matter where they work, whether it's our offices, labs, or manufacturing facilities. In return for their valuable time and talent, we provide them with income, benefits, development, and opportunities that enable them to thrive.



## CREATING VALUE

When we talk about creating value, we look beyond just monetary gains. We strive to find the balance between driving financial results, managing our impacts, and understanding how to maximize performance while ensuring safety and quality are never compromised. When we achieve this balance, we increase the value of our brands and our company's reputation as a market leader.

### CAPITAL

The finances we use to invest in our operations, create organic growth, and acquire other businesses

### NATURAL RESOURCES

The natural resources we need to build and produce our products and services, like materials, energy, and water

### RESEARCH AND DEVELOPMENT

Our ability to develop innovative solutions that help us create high-performing and technologically-advanced products and services

### MANUFACTURING

Our facilities, machinery, and talent we use to manufacture and assemble our products

### PEOPLE AND COMMUNITIES

The people we employ, their passion, commitment, skills, knowledge, and expertise we rely on, the work environment we create for them, and the communities we invest in

### RELATIONSHIPS

Our network of business partners upstream and downstream in the value chain, our customers who enjoy our products, our employees and their communities, and potential new employees

## INPUTS



## OUTPUTS

### FINANCIAL RESULTS

Stock value for investors, salaries paid to employees, profits generated for our supply chain, and our OEMs, resellers, and aftermarket business partners generating revenue using our products and innovations

### WINNING TECHNOLOGY

Championship-winning technology, expanding our portfolio of intellectual property, and contributing to advancement in the overall performance and safety of equipment and vehicles

### EMISSIONS AND WASTE

The impact of us taking from and emitting to the environment through our manufacturing processes and the other stages in our products' life cycles

### THE JOY OF OUR PRODUCTS

Consistently producing high-quality and safe products and services for athletes and enthusiasts to use and experience the joy of exercising their sports at the cutting edge, and for our business partners to push new boundaries with their own products by using our innovative solutions

### CAPABILITIES AND COMMUNITY GROWTH

The growth of the people we employ, their increased passion, skills, knowledge, and expertise, their enjoyment of working in a safe, inclusive, diverse, and equitable environment, and the economic development, trail preservation, and access opportunities we create for our communities

### BRAND AND REPUTATION

The recognition of our high-performance brands and our reputation as an employer and business partner

# 2 // CHALLENGING FRONTIERS – SUSTAINABILITY STRATEGY AND ASPIRATIONS



In this report, we share with you how we determined what sustainability impacts we focus on and our strategic approach to addressing them. On our website, you can read about how we are set up to successfully manage these impacts from a sustainability governance perspective.

# SUSTAINABILITY STRATEGY

GRI 3-1, 3-2

We conducted a stakeholder-led materiality assessment in 2021 to understand our sustainability context and identify and prioritize our sustainability issues. We engaged with company leaders, employees, investors, athletes, and consumers to better understand their needs and expectations.

Our analysis delivered a comprehensive view of where our business is today and where we want to be in the future. We identified and prioritized material sustainability topics where we cause actual and potential impacts, both positive and negative. Our most pressing sustainability challenges include talent, inclusion, and diversity; climate change and greenhouse gas (GHG) emissions; sustainable products and materials; trail access and conservation; and community impact.

## MATERIALITY ASSESSMENT & MATRIX

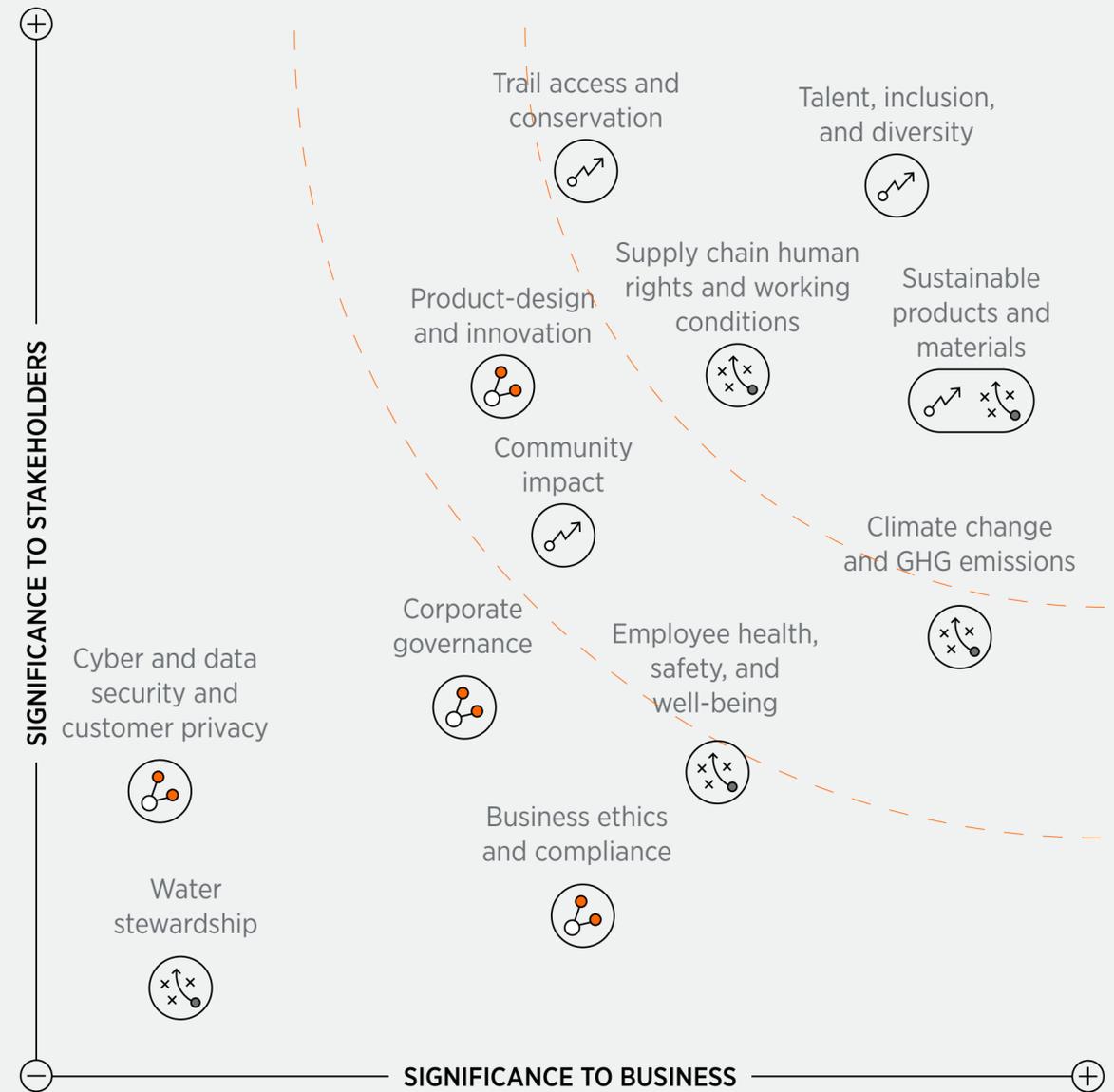
Topics in the top right of the matrix represent the largest opportunities to enhance Fox Factory's brand through sustainable performance.

Stakeholders include Fox Factory customers, investors, board members and company leaders, employees, and core/growing consumer base.

Importance ratings are relative, not absolute—all of these topics are important and considered material to the company.

Topics look to the future, where expectations are rising and estimate the potential importance of these topics in the next five years.

The matrix does not factor in Fox Factory's performance on these topics; it captures priorities regardless of our performance on the issue.



**LEAD**  
Potential leadership opportunities

**SOLIDIFY**  
Programmatic gaps that may be addressed

**MAINTAIN**  
Continue building program foundations and increase disclosure

## STAKEHOLDER LIST & ENGAGEMENT METHODS

OUR STAKEHOLDERS	ENGAGEMENT	THEIR TOP 5 MATERIAL TOPICS	THEIR KEY TRENDS
<b>B2B Customers</b>	Day-to-day Customer Relationship Management Requests for Proposal Stakeholder Inquiries Channel Partners Supplier Surveys Materiality Assessment	<ol style="list-style-type: none"> <li>1. Climate change and GHG emissions</li> <li>2. Employee health, safety, and well-being</li> <li>3. Sustainable products and materials</li> <li>4. Community impact</li> <li>5. Business ethics and compliance</li> </ol>	Baseline sustainability programs rose in priority, including those focused on business ethics and compliance, employee health, safety and well-being, climate change and GHG emissions.
<b>Investors</b>	Annual General Meetings Quarterly Investor Calls Individual Meetings Investor Days Materiality Assessment	<ol style="list-style-type: none"> <li>1. Climate change and GHG emissions</li> <li>2. Corporate governance</li> <li>3. Talent, inclusion, and diversity</li> <li>4. Employee health, safety, and well-being</li> <li>5. Supply chain human rights and working conditions</li> </ol>	Corporate governance is a foundational priority, as well as harmonized needs for performance and disclosure across topics, with less emphasis on industry specifics.
<b>Board of Directors and Company Leaders</b>	Quarterly Board Meetings Day-to-Day Leadership Interactions Internal Reporting Structures Materiality Assessment	<ol style="list-style-type: none"> <li>1. Talent, inclusion, and diversity</li> <li>2. Sustainable products and materials</li> <li>3. Climate change and GHG emissions</li> <li>4. Trail access and conservation</li> <li>5. Supply chain human rights and working conditions</li> </ol>	Talent and Diversity and Inclusion (D&I) are a top priority, while sustainability topics for leadership are primarily driven by direct exposure in their area of the business.
<b>Fox Employees</b>	Global Annual Employee Survey Internal Reporting Structures Town Halls Leadership Site Visits Trail Trust Partnerships Community Outreach Social Media Internal Digital Newsletter Materiality Assessment	<ol style="list-style-type: none"> <li>1. Sustainable products and materials</li> <li>2. Supply chain human rights and working conditions</li> <li>3. Trail access and conservation</li> <li>4. Talent, inclusion, and diversity</li> <li>5. Community impact</li> </ol>	There is a strong positive response to internal D&I efforts, along with a desire to focus on topics related to products and the supply chain.
<b>Core and Growing Consumer Base</b>	Athlete Outreach Trail Trust Partnerships Community Outreach Racing Events Expos Social Media Digital Newsletters Materiality Assessment	<ol style="list-style-type: none"> <li>1. Talent, inclusion, and diversity</li> <li>2. Community impact</li> <li>3. Trail access and conservation</li> <li>4. Sustainable products and materials</li> <li>5. Climate change and GHG emissions</li> </ol>	Significant movement on community impact efforts, including D&I and trail access and conservation.

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# OUR SUSTAINABILITY STRATEGIC FRONTIERS

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## FOX FACTORY FRONTIERS

**THE PLANET FRONTIER**  
To enjoy, protect, and renew our global playground

- / Trail access and conservation
- / Climate change and GHG emissions

Our solutions are an integral part of outdoor adventuring—whether mountain biking, motorcycling, off-roading, snowmobiling, overlanding, or beyond. With that comes the responsibility to promote the conscientious use of land amongst outdoor enthusiasts and protect our shared playground. We want to expand access to outdoor sports, acknowledging the importance of providing underrepresented groups with opportunities to participate in activities that have historically engaged a fairly homogeneous population. We are exploring ways to reduce our impact on the environment, such as minimizing our GHG emissions.

**THE PEOPLE FRONTIER**  
To unite our communities in shared well-being and adventure

- / Talent, inclusion, and diversity
- / Community impact
- / Employee health, safety, and well-being

We aim to protect and promote our talent and communities and harness the power of diverse experiences. Just as we push our customers to be their best, we are pushing our talent and influencing our communities to go further and explore more opportunities for all. We know the best ideas come from a well-trained workforce with diverse backgrounds and experiences. We also partner with nonprofit organizations to help make the world a better place to live, learn, work, and, of course, ride.

**THE PRODUCT FRONTIER**  
To redefine performance through sustainable innovation

- / Sustainable products and materials
- / Product integrity, design, and innovation
- / Supply chain social and environmental impact

We are relentless in our pursuit of excellence in everything we do. And we are taking steps to reduce the negative impact of our products. We live for the challenge, that's why we are forging a path where we keep maximum performance as our goal while discovering processes and innovation that aligns with our sustainability objectives. This includes leading the way in product integrity, design, and innovation, and making sure our supply chain's social and environmental impacts are well managed.

**BUSINESS FUNDAMENTALS**  
To drive the highest standards of ethics, controls, and governance

- / Corporate governance
- / Business ethics and compliance
- / Data security and customer privacy
- / Transparency and disclosure

Doing things the right way is foundational to continuing our robust business growth responsibly. When we race, we race to win. The same goes for the processes and policies needed for a successful business. We are fine-tuning our business so our experts can focus on making the best products. We want to be successful. We want to win. That's who we are.

We are in a never-ending pursuit of progress, plotting our path through uncharted terrain. In 2021, we conducted extensive research, assessed the challenges ahead, and developed our global sustainability strategy, Fox Factory Frontiers, which outlines how we're evolving our operations and business practices to meet the environmental, social, and governance expectations of our stakeholders.

Another year in, our strategy continues to resonate with everyone from our customers and investors to athletes and community nonprofits. It reflects our values and organizes material topics, charting a course that focuses our actions and integrates our efforts across the business, reinforcing our foundational commitment to sustainability.

Success only happens when pursued with unrelenting energy. After we created, shared, and began to implement our sustainability strategy, we looked ahead to set clear aspirations. By 2030, we aim to make significant positive impacts in the areas of Inclusion, Diversity, and Engagement; Carbon Emissions; Social Impact; Sustainable Product Mindset; and Supply Chain.



## SUSTAINABILITY ASPIRATIONS

### INCLUSION, DIVERSITY, AND ENGAGEMENT



- / CONSISTENTLY ACHIEVE TOP QUARTILE EMPLOYEE ENGAGEMENT SCORES
- / ATTAIN INCREASED REPRESENTATION INTERNALLY AND EXTERNALLY

### SUSTAINABLE PRODUCT MINDSET



- INTRODUCE COST-EFFECTIVE SUSTAINABLE THINKING IN:
- / 100% OF NEW DEVELOPMENT PROJECTS
  - / PACKAGING MATERIAL USAGE & DESIGN

### SOCIAL IMPACT



- / GLOBALLY GRANT US\$10MM, AND EXPAND ACCESS TO 100K UNDERREPRESENTED ADVENTURERS THROUGH TRAIL TRUST
- / ACHIEVE 35% EMPLOYEE GIVING PARTICIPATION IN BOOST PROGRAM

### CARBON EMISSIONS



- / ACHIEVE 25% REDUCTION IN OPERATIONAL EMISSIONS (SCOPE 1 & 2) BY 2030, FROM 2022 BASELINE

### SUPPLY CHAIN



- / ENSURE THAT AT LEAST 90% OF OUR TIER 1 SUPPLY CHAIN PARTNERS HAVE SIGNED OUR SUPPLIER CODE OF CONDUCT

# 3 // THE PLANET FRONTIER – PROTECTING OUR PLAYGROUND



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To minimize adverse environmental impacts at every turn, we are working to account for the environment in the entire product lifecycle as we consider how to evolve our design, construction, packaging, and reuse practices. We're also embarking on a journey to reduce our environmental impact by minimizing the GHG emissions from our operations, where possible, and offsetting, where needed. Through our Trail Trust program, we promote responsible land use among outdoor enthusiasts to help protect our shared playground.

We are beginning to develop our climate strategy as we gain a deeper understanding of our impact on climate-related issues, such as GHG emissions, climate-related business risks, our water and electricity usage, and waste management. We have started to launch initiatives to reduce our environmental footprint in these areas. We are developing governance and management systems for ongoing monitoring. And we are exploring ways to make our products more sustainable.

Our data availability, collection practices, and calculation methodologies have advanced considerably in 2022. In light of these advancements, we are reevaluating our 2021 data and expect to see an increase in the previously reported totals as a result. Therefore, we did not include 2021 metrics in our report this year. We plan to publish updated, historical environmental data showing year-over-year trends in future reporting.

Please see the [2022 Data Annex](#) for additional details and updates for specific environmental metrics.



# CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

GRI 305, 3-3

We endeavor to transform our facilities into environmentally conscious innovation and production hubs. As part of our 2030 Aspirations, we aim to reduce our operational emissions (Scope 1 & 2) by 25% from our 2022 baseline.

## 2030 SUSTAINABILITY ASPIRATION

### CARBON EMISSIONS



/ ACHIEVE 25% REDUCTION IN OPERATIONAL EMISSIONS (SCOPE 1 & 2) BY 2030, FROM 2022 BASELINE



GRI 305-1, 305-2, 305-3

GHG EMISSIONS	UNITS	2022
Gross direct (Scope 1) GHG emissions <sup>1,2</sup>	tCO <sub>2</sub> e	36,953
Gross energy indirect (Scope 2) GHG emissions <sup>3,4</sup>	Location-based	20,240
	Market-based	21,601
Other indirect (Scope 3) GHG emissions	tCO <sub>2</sub> e	501,199
<b>Total</b> (using location-based Scope 2)	<b>tCO<sub>2</sub>e</b>	<b>558,392</b>
<b>Total</b> (using market-based Scope 2)	<b>tCO<sub>2</sub>e</b>	<b>559,753</b>

1. Our calculation included all gases identified in GRI 305-1. We do not currently have any biogenic CO<sub>2</sub> emissions to report. 2. The consolidation approach was chosen as “Operational Control” to reflect Fox’s alignment with the GHG Protocol. 3. Our calculation considered all gases identified in GRI 305-2, though some were not explicitly stated in this assessment. 4. The consolidation approach was chosen as “Operational Control” to reflect Fox’s alignment with the GHG Protocol.

GRI 305-5

We are in the process of developing the tactical approach to achieve our Carbon Emissions 2030 Aspiration. Our immediate efforts will include energy efficiency upgrades with a high ROI to reduce our Scope 1 emissions, with more long-term Scope 2 reduction efforts focused on the procurement of renewable energy.

GRI 305-4

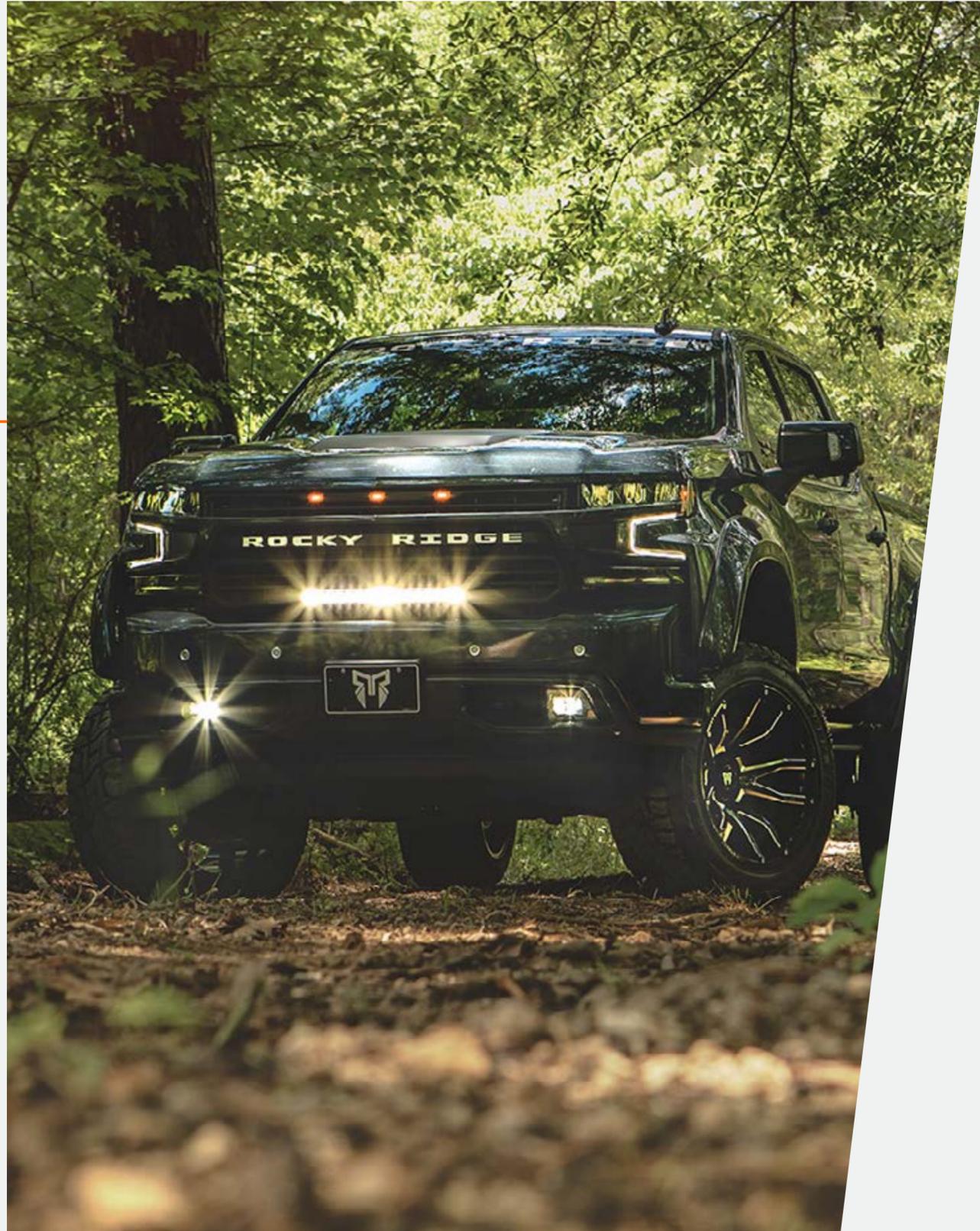
**2022** GHG EMISSIONS INTENSITY RATIO BY REVENUE (MARKET-BASED)<sup>1,2,3</sup>  
tCO<sub>2</sub>e /USD\$ Million Revenue

**349.3**

**2022** GHG EMISSIONS INTENSITY RATIO BY REVENUE (LOCATION-BASED)<sup>1,2,3</sup>  
tCO<sub>2</sub>e /USD\$ Million Revenue

**348.5**

1. The denominator for the emissions intensity ratio is US\$1602 million 2. Intensity ratio includes direct (Scope 1), energy indirect (Scope 2), and other indirect (Scope 3) emissions. 3. Our calculation considered all gases identified in GRI 305-2, though some were not explicitly stated in this assessment.



We're already taking meaningful steps to make our buildings more energy-efficient by incorporating smart lighting systems, LED bulbs, controlled ventilation, and seeking ISO certifications to align with best practices in environmental management. Our factories are embracing intelligent control systems that conserve energy by placing idle equipment in low-power mode and upgrading outdated machinery.

GRI 302-1, 302-2

ENERGY CONSUMPTION WITHIN THE ORGANIZATION		2022
Total fuel consumption from non-renewable sources, onsite, and mobile fuels		727,481,790 MJ
Total fuel consumption from renewable sources		Not available
Energy consumed <sup>1</sup> , by use	Electricity	183,029,787
	Heating	0
	Cooling	0
	Steam	0
<b>Total</b>		<b>910,511,578 MJ</b>

1. We do not currently have any records of energy sold.

We intend for our sustainable product design mindset to further contribute to reduced impacts in production, logistics, and use of materials for products and packaging. This mindset is a new aspiration for us, which we share more about in the sections [Reducing Our Energy, Water, and Waste Related Impacts](#) and [Product Integrity and Sustainable Design](#).

## ASSESSING CLIMATE-RELATED RISKS

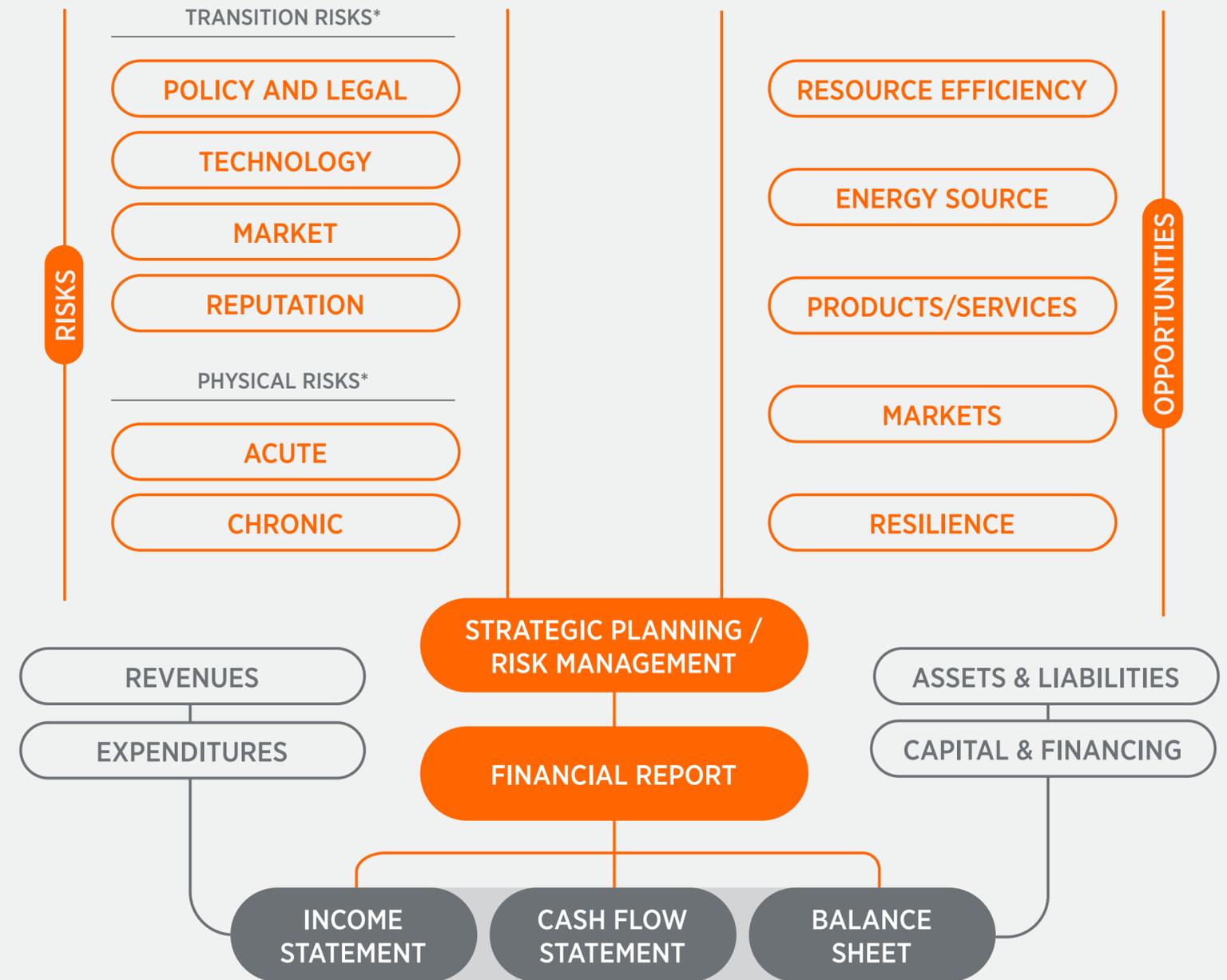
In 2022, we started a comprehensive climate risk assessment, delving deep into the business challenges associated with climate change. We want to thoroughly understand the potential transition and physical risks we face and uncover opportunities that will enable us to thrive in the future. By doing so, we also seek to meet the growing demand for transparent reporting from investors and anticipate future reporting requirements set by the Securities and Exchange Commission (SEC).

We will be integrating our climate risk assessment into our enterprise risk management (ERM) initiatives. Starting with an educational session, we engaged key stakeholders across Fox Factory's SSG, PVG, and corporate teams. Subsequent collaborative workshops provided valuable insights into their perspectives, allowing us to thoroughly evaluate and prioritize the risks unveiled. For additional information, please refer to our [2022 TCFD Report](#).

Our climate risk assessment is aligned with the Task Force on Climate-Related Financial Disclosures (TCFD), the internationally recognized framework for integrating climate risk into strategic and financial planning. The assessment includes three stages:

1. Stakeholder education
2. Climate screening
3. Reporting

## TCFD APPROACH TO CLIMATE RISK



\*Climate risks are divided into physical risks and risks resulting from the transition to a low-carbon economy.

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# FOX AND EXTREME E - AN ELECTRIFYING PARTNERSHIP

In 2022, Fox Factory proudly became the official Suspension Partner of Extreme E, an exceptional international off-road racing championship series using cutting-edge electric SUVs. Extreme E embodies their mission of electrification, environment, equality, and entertainment, organizing thrilling races in the world's most remote locations, such as the Saudi Arabian desert, the Arctic, the island of Sardinia, and Dakar in Senegal. The strategic choice of these locations highlights the pressing issue of climate change.

Thanks to our partnership, we supplied suspension solutions boasting race-tested stability and performance control to ten teams competing in the Extreme E X Prix off-road racing series. The innovative FOX shocks provide greater durability, resulting in less equipment failures and enabling drivers to push their vehicles to the limit with unwavering confidence and control. As part of our multi-year partnership, we will continue providing onsite support at all future X Prix events, offering the teams shock repairs, diagnostics, and course-specific setup guidance.

In 2022, Extreme E achieved the lowest carbon footprint in international motorsports, emitting a mere 9,045 tons of carbon dioxide (tCO<sub>2</sub>) during the season. The entire infrastructure for the event, including teams' equipment, paddock, race control, and support vehicles, was transported by the ocean freight on the X Prix series ship, the St. Helena. The limited allotment of space on the ship resulted in a reduced logistics footprint for every team and support function—setting a new benchmark for sustainable and responsible racing.

Beyond raising environmental awareness, Extreme E champions gender equality in motorsports, requiring each team to include both a female and a male driver who equally share driving responsibilities.

Furthermore, Extreme E's groundbreaking web broadcast platform showcases the most sustainable approach to running motorsport events, encouraging the adoption of electric vehicles, avoiding emissions related to fans traveling, and collaborating with partners to reduce carbon emissions. The organization has teamed up with major vehicle manufacturers, like General Motors, to develop advanced EV technology, such as zero-emission power generation using hydrogen fuel cells powered by water and solar energy. Extreme E hosted races in locations most exposed to the impacts of climate change where communities have the fewest resources to respond to these impacts, with the goal of using its platform to raise awareness of the challenges these communities and ecosystems face while working to improve outcomes.

As we embrace this exciting partnership, we remain committed to our mission of innovation, excellence, and growth. We are proud to support the incredible feats of both male and female drivers, racing side-by-side in identical electric SUVs, shattering stereotypes and setting new standards in the motorsport world. We are paving the way for a sustainable future in motorsports, seizing opportunities to drive innovation, and leaving a positive impact on the communities we serve.



# REDUCING OUR ENERGY, WATER, AND WASTE IMPACTS

Our largest manufacturing facilities are located in Georgia (PVG) and Taiwan (SSG). These sites have by far the most significant impact on our carbon footprint and employ nearly half of our workforce.

Our facility in Gainesville, Georgia has successfully achieved the ISO 14001 certification for environmental management systems (EMS). This accomplishment underscores our commitment to sustainability in our decision-making processes and operations. The ISO 14001 standard provides a valuable framework for enhancing our environmental performance. In this report, we further cover the ISO 14001 certification within the section, **Employee Health, Safety, and Well-being: A Top Priority**.

Our Gainesville facility is working towards the ISO 50001 certification for energy audits. These audits will allow us to evaluate energy consumption and efficiency, identify areas for improvement, and guide the development of strategic plans. These certifications demonstrate our dedication to sustainability and our responsibility towards the environment, our business, and the communities we serve.

GRI 302-4

In 2022, we implemented green energy initiatives using Taiwan Renewable Energy Certificates (T-RECs) in Fox facilities in Taiwan. T-RECs are a market-based instrument that certifies we own electricity generated from a renewable energy resource. Today, 20% of the energy consumed by two of our four Taiwanese manufacturing facilities is derived

from the renewable power of wind and solar. In 2023, we aim to elevate this dedication by increasing the green energy use in the two other facilities to 20% each. Additional energy-saving measures in Taiwan include the implementation of energy-efficient lighting with motion sensors.

Our Gainesville facility is also on a path to embrace green energy by implementing a REC program, aiming to obtain 764 MWh per year of electricity from renewable sources through Green Power Jackson Electric Membership Corporation (EMC), a Georgia-based electric cooperative. We are considering expanding the use of RECs at other facilities and we are exploring options for generating our own renewable power.



GRI 303, 3-3

Water is an important input in select manufacturing locations. The majority of our facilities use dry processes, with the exception of the high-water-volume anodizing process at Gainesville and the washout process for carbon crank production in Taiwan. Where applicable, we have adopted more sustainable water management practices, focusing on reducing consumption and improving recycling processes. We recently implemented water-saving initiatives in Taiwan to enhance operational efficiency and decrease usage, and introduced production processes that require less water. In April 2022, we installed a water recovery system, resulting in a 60% reduction in water use.

GRI 303-1

Our locations receive water from the local cities or counties. Water is not withdrawn directly from any catchment or water bodies. We assess our water-related impacts through stakeholder engagement and water footprint assessments. We also perform annual reviews of suppliers of water-intensive commodities or services and those located in areas

GRI 303-2

with water stress that may cause significant impacts on the local water environment and the related local communities.

Our wastewater is discharged to Publicly Owned Treatment Works (POTW) for proper treatment before being released to waterways. No illegal discharge is allowed in any of our owned or leased facilities. We work in accordance with locally applicable regulations and determine minimum standards for facilities with no requirements through local POTW limitations.

GRI 306, 3-3, 306-1

Managing our waste also plays a crucial role in preserving our planet for future generations. We work to be compliant with all local, state, federal, and international environmental laws, regulations, and standards that relate to our operations.



## WATER PERFORMANCE

GRI 303-3, 303-4, 303-5

WATER PERFORMANCE	UNITS	2022
Third-party water withdrawal	Megaliter (ML) freshwater	217
Third-party water discharge	ML	34
Total water consumption	ML	183

Note: These metrics include all Fox Factory sites except for Portland, Braselton, Sparks, and sites with fewer than 15 employees, which were not included due to lack of available data. Fox Factory feels these metrics still accurately represent material water consumption, as the omitted sites have primarily dry processes and water usage is for sanitation purposes only.

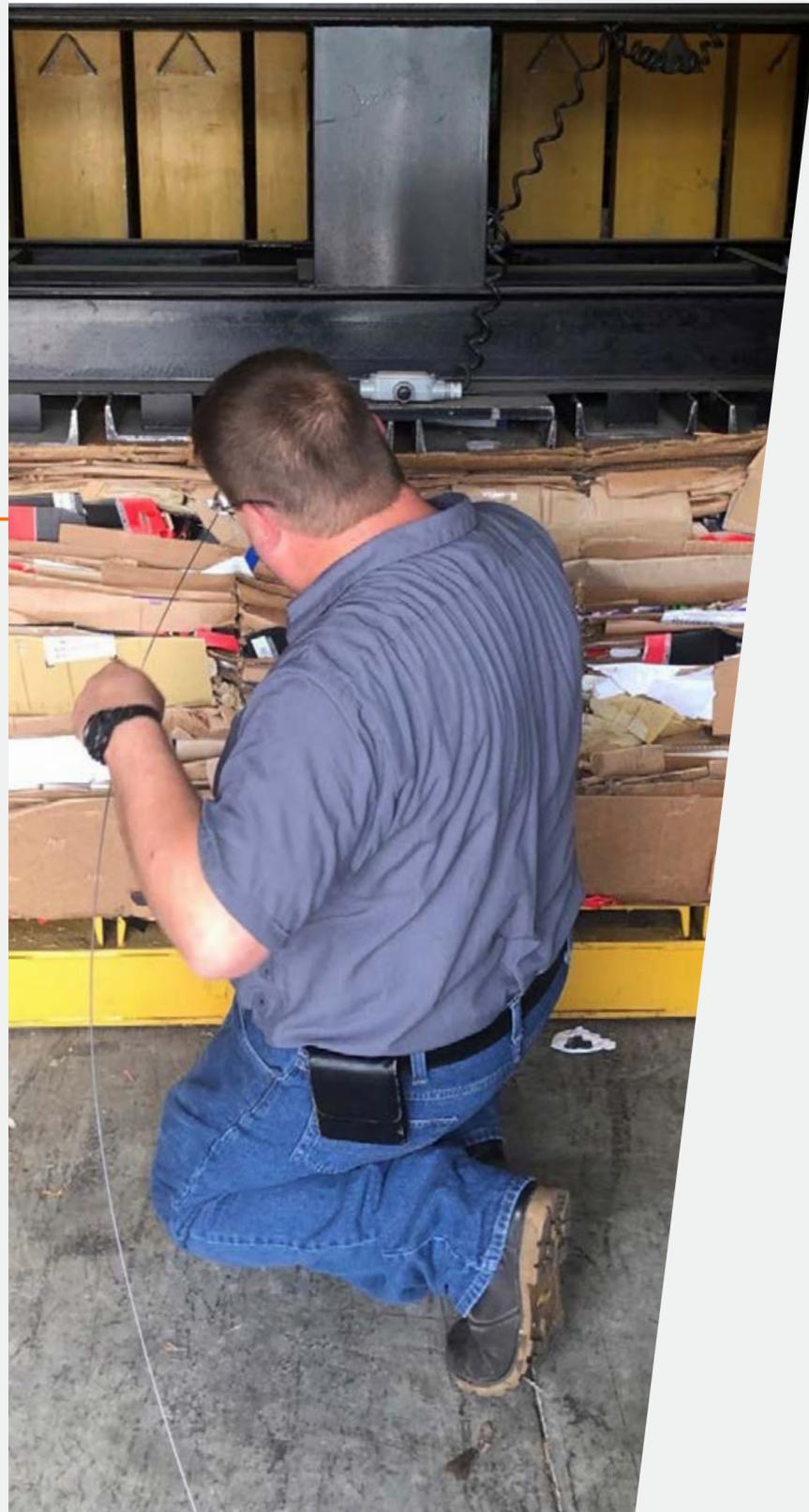
## WASTE OUTCOMES

GRI 306-3, 306-4, 306-5

OUTCOMES	UNITS	2022
Waste generated	Weight in Metric Tons	8,347
Waste diverted from disposal	Weight in Metric Tons	2,755
Waste directed to disposal	Weight in Metric Tons	5,592

Note: These metrics include all Fox Factory sites except for Portland, Braselton, Sparks, and sites with fewer than 15 employees, which were not included due to lack of available data.

Additional water and waste metrics can be found in our [2022 Data Annex](#).



**WASTE AND ENERGY REDUCTION INITIATIVES**

GRI 306, 3-3

As part of our Sustainable Product Mindset 2030 Aspiration, we will endeavor to reduce the total waste associated with our packaging material usage and design by accomplishing the following:



**INCREASE**

our use of recycled and sustainable materials in our packaging



**REDUCE**

unnecessary product packaging



**INCREASE**

marketing of reusable, recyclable, or compostable materials



**DECREASE**

internal waste of product and consumer packaging materials

GRI 302-4, 306-2

We made significant progress in our upfitting locations, taking major steps to advance the sustainability of their operations with a focus on new environmental processes and improved waste management. By the end of 2022, our upfitting facilities in Alabama, Indiana, Colorado, and Georgia had achieved significant improvements in those areas. Some of the highlights include:

**/ Franklin Springs, Georgia**

Slashed waste by 5% and diverted fifteen tons of waste, thanks to an added compactor to help expand cardboard recycling by 50%. Increased efforts to recycle 300 wooden pallets every month.

**/ Fort Collins, Colorado**

Initiated cardboard recycling, processing over four tons monthly. The facility began recycling wooden pallets and invested in energy-efficient LED lights and an upgraded air compressor.

**/ Trussville, Alabama**

Started recycling four tons of cardboard and 40-60 pallets monthly, cutting landfill waste by 50%. LED lights decreased energy costs by an estimated US\$168K year-over-year.

**/ Elkhart, Indiana**

Increased recycling by 10% with an added bailer, transitioning from recycling less than 100 kilograms of cardboard in 2021 to hundreds of thousands of kilograms in 2022. Pallet recycling increased from 57 pallets to over 600. LED lights generated energy and cost savings of US\$83K year-over-year.

**2030 SUSTAINABILITY ASPIRATION**

**SUSTAINABLE PRODUCT MINDSET**



INTRODUCE COST-EFFECTIVE SUSTAINABLE THINKING IN:

- / 100% OF NEW DEVELOPMENT PROJECTS
- / PACKAGING MATERIAL USAGE & DESIGN

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GRI 306-2

Although we are just at the beginning of this journey, there were numerous waste reduction initiatives underway in 2022, with most of them planned to be implemented in 2023:

- / PVG has been working on plans to reduce the amount of foam and plastic bubble wrap used to ship our shocks;
- / We updated our Packaging Supplier Manual to improve incoming packaging from our PVG part and component suppliers. The intention is to reduce packaging waste, eliminate dead space and shipping “air,” and encourage returnable packaging;
- / SSG introduced changes to their component packaging to eliminate ink and UV spot gloss that prohibit recycling, and is actively working to eliminate single-use plastics;
- / Our Coldwater, Michigan facility purchased a Box-On-Demand (BOD) machine to reduce the amount of corrugated cardboard by optimizing the box size-per-part or -package. The process also reduces the amount of paper or foam required to internally support the parts in the box;
- / We signed the Cycling Industry’s Sustainable Packaging Pledge, a shared vision for more circular and sustainable packaging solutions.



# TRAIL TRUST – SUSTAINABLE ADVENTURE FOR ALL. FOREVER.

Our Trail Trust initiative embodies our passion for trails—advocating for them and their preservation, and expanding access to the great outdoors for people from all backgrounds. The initiative highlights our commitment to balancing the joy our products bring with the need to respect and protect the places where we play.

Trail Trust was designed to offer grants to nonprofit organizations across the globe championing sustainable adventure to all. For further information on Trail Trust and the grant application, visit the [Trail Trust website](#).

## TRAIL TRUST: THREE FOUNDATIONAL PILLARS



### TRAIL BUILDING & MAINTENANCE

Actively support trail building and land maintenance for both bikes and powered vehicles



### RESPONSIBLE RECREATION

Advocate for the safe and responsible use of trails and land while educating the public on minimizing environmental impacts



### EXPANDED OPPORTUNITIES

Seek to diversify the population that participates in the bike and powered vehicle industries



## TRAIL TRUST CELEBRATES ONE YEAR ANNIVERSARY

As of December 2022, Trail Trust awarded over US\$1.2 million in grants to more than 85 nonprofit organizations across seven countries. To celebrate the initiative's first anniversary, we announced our aspiration to invest US\$10 million in Trail Trust by 2030, with the goal of expanding access for over 100,000 adventurers from underrepresented communities. We're excited to share that in just one year of Trail Trust, more than 10,000 underrepresented individuals have already experienced the thrill of outdoor adventure.

Our employees have rallied around Trail Trust with passion, eagerly contributing their own time and resources to support our partners. In 2022, Fox Factory employees participated in more than 20 Trail Trust events, including Dig Days, facility tours, and ride clinics.

### 2030 SUSTAINABILITY ASPIRATION

#### SOCIAL IMPACT



- / GLOBALLY GRANT US\$10MM, AND EXPAND ACCESS TO 100K UNDERREPRESENTED ADVENTURERS THROUGH TRAIL TRUST
- / ACHIEVE 35% EMPLOYEE GIVING PARTICIPATION IN BOOST PROGRAM



Stay updated on our journey to deliver sustainable adventure to all by exploring [The Journal](#), filled with inspiring Trail Trust stories, and by following us on Instagram [@trailtrust](#).

# TRAIL TRUST PARTNERSHIPS & 2022 CONTRIBUTIONS

## 1 // INTRODUCTION

Trail Trust grants have supported a diverse array of organizations and projects, including:

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### Trail building and land maintenance

- / Sierra Buttes Trail Stewardship's Connected Communities Project, a visionary initiative to connect 15 mountain towns in northern California and western Nevada for economic prosperity through outdoor recreation
- / Clean-Dezert's land stewardship and desert clean up events in off-road recreation areas in California
- / Taiwan Mountain Biking Association's efforts to build and maintain local mountain bike trails and host educational cycling workshops

### Responsible recreation

- / 775 Offroad & Recovery's outreach initiatives to train and educate off-road enthusiasts about vehicle recovery and leaving no trace on the trails
- / Nevada Outdoor School's OHV Ride Safe, Ride Smart Program, which teaches youth across the state about safe and responsible OHV use
- / Stay The Trail's creation of maps and informational kiosks on public lands in Colorado to educate trail users about minimizing resource damage and prioritizing safety

### Expanding opportunities for underrepresented communities

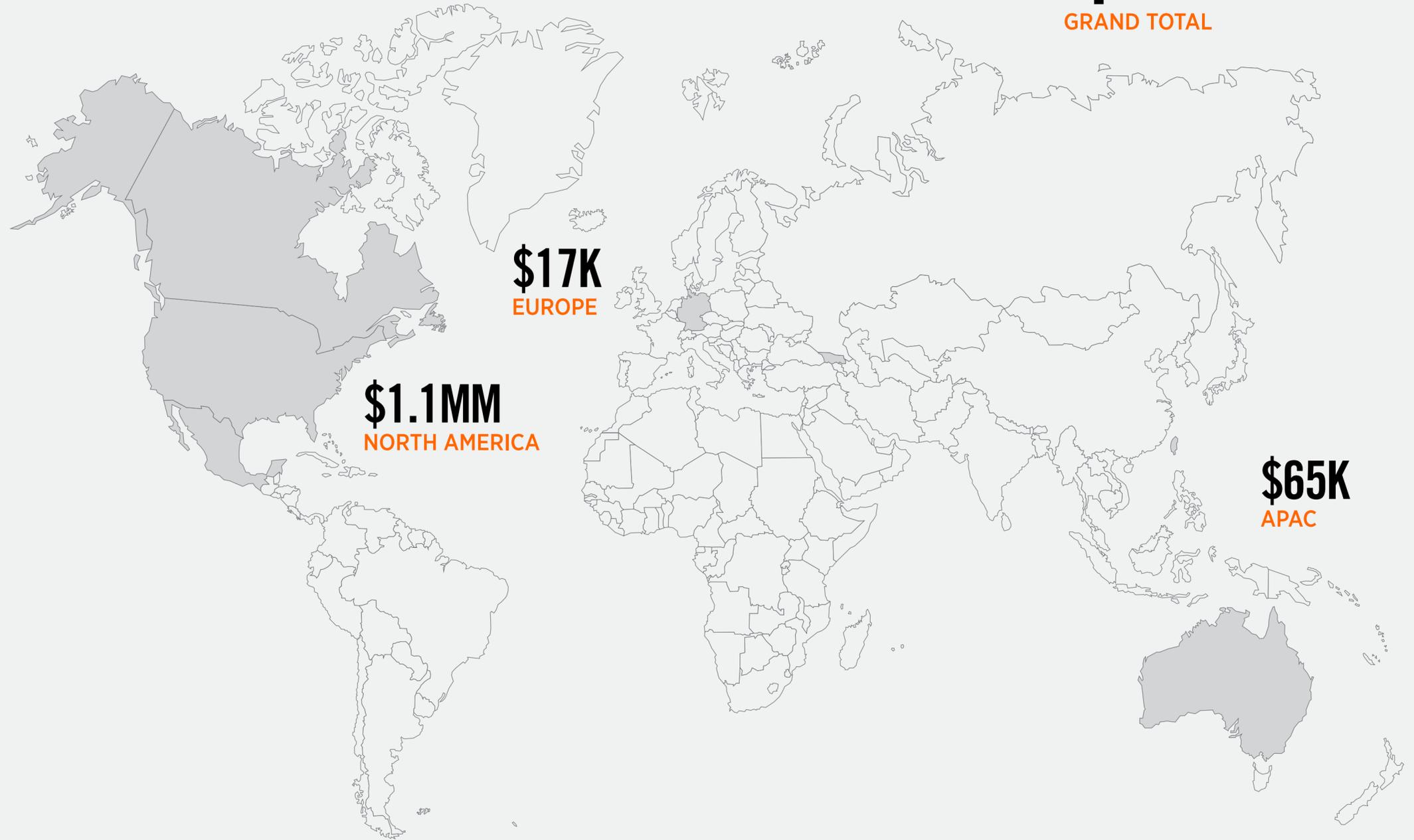
- / Wild Diversity's new mountain bike program specifically for the Black, Indigenous and People of Color (BIPOC) and LGBTQ+ communities
- / Kootenay Adaptive Sports Association's development of new adaptive trail building guidelines and hosting of demo days to provide free recreation opportunities for people with disabilities
- / Warfighter Made's youth development program for children of veterans to learn about motorsports, land stewardship, and responsible off-road recreation



TRAIL TRUST GRANTS AS OF DECEMBER 31, 2022\*

**\$1.2MM**

GRAND TOTAL

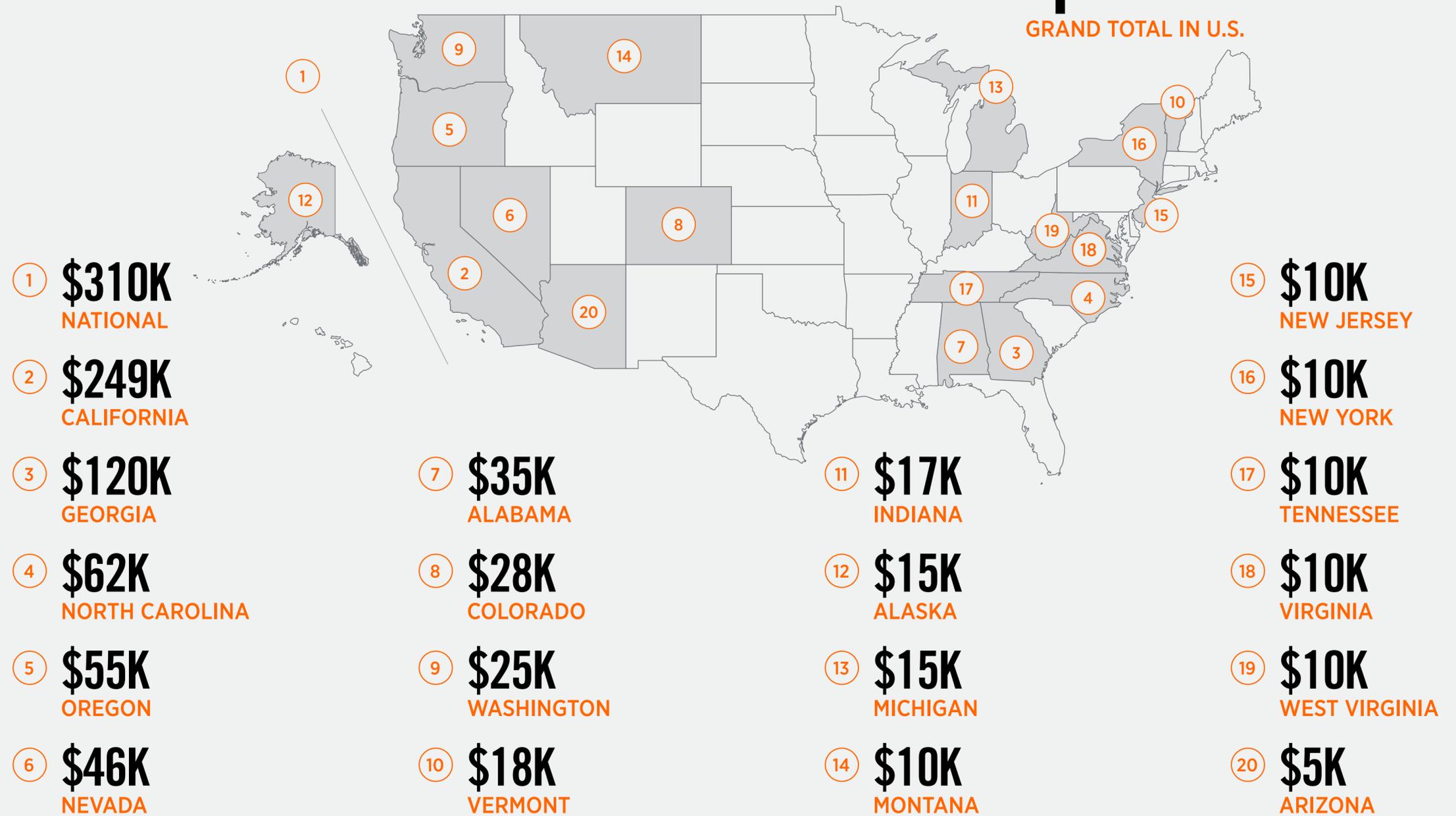


\*All listed amounts are in USD.

TRAIL TRUST GRANTS AS OF DECEMBER 31, 2022\*

**\$1MM+**

GRAND TOTAL IN U.S.



\*All listed amounts are in USD.

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Trail Trust is a true team effort that involves collaboration between Fox Factory, our employees, and our valued partners. In 2022, we rode the extra mile with North Shore Mountain Bike Association and Staples InTents.

North Shore Mountain Bike Association (NSMBA) is a volunteer-driven nonprofit organization that cares for and maintains the trails of Vancouver's North Shore. Most of our employees in Canada are avid mountain bikers and frequent these trail systems often, so they were eager to donate their time and energy in support of NSMBA's mission.

We formally joined NSMBA's Trail Adoption Program in 2022, adopting three trails on Cypress Mountain. Due to the nature of these trails (downhill) and volume of riders, they require significant maintenance work. Part of our commitment involves hosting Dig Days to complete maintenance work on the trails. Our employees enthusiastically participated in these

trail days and have planned collaborations with athlete ambassadors and other nonprofit partners.

Staples InTents is dedicated to increasing diversity in outdoor adventure by educating and inspiring others to explore nature with confidence and curiosity—particularly through off-roading and overlanding.

Recognizing the barriers that exist for members of the BIPOC community to take part in outdoor adventuring, Staples InTents launched The Gathering in 2022, their signature event series where a diverse group of people from all corners of the U.S. gather for a weekend of adventure. The event featured workshops by outdoor experts, group hikes, trail rides, and evening bonfires. Participants were invited to immerse themselves in the great outdoors, fostering a sense of camaraderie and shared passion for adventure. For those looking to develop their technical

off-roading skills, there were marshaling, overlanding, self-recovery, and winching courses taught by outdoor experts. At The Gathering in North Carolina, Fox team members hosted an introductory mountain biking clinic to help attendees get more comfortable on the trails.

Collaborations like these with the North Shore Mountain Bike Association and Staples InTents exemplify our commitment to Trail Trust's mission. By fostering sustainable adventure, expanding access, and promoting responsible recreation, we aim to create a lasting impact on communities worldwide. As we continue to partner with organizations dedicated to trail building, maintenance, and education, we remain focused on bridging the gap between diverse communities and the outdoor experiences they deserve to experience. Together, we can ensure the future of outdoor adventure is accessible, sustainable, and inclusive for all.



# 4 // THE PEOPLE FRONTIER — UNITED IN SHARED WELL-BEING & ADVENTURE



Through our People Frontier, we seek to unite our communities in shared well-being and adventure, harnessing the power of diverse experiences to open opportunities for all and build a more resilient, sustainable, and successful company that positively impacts the communities we serve.

GRI 202, 3-3

Our company's success depends on the talent and diverse perspectives of our employees, who bring their unique experiences and skills to fuel our passion for innovation and outperforming the competition. Our approach to building the most talented force of people is rooted in our commitment to our core values of leadership, trust, collaboration, agility, service, and ingenuity, which guide how we interact with each other, our customers, and our community of adventurers.

We focus on three key areas:

- / Talent, inclusion, and diversity
- / Employee health, safety, and well-being
- / Community impact

Embracing a "One Fox" culture, we seek to foster a sense of belonging across locations, countries, and continents, ensuring everyone feels valued, appreciated, and motivated to achieve their full potential. We consistently strive to maintain a work environment that inspires excellence and nurtures individual growth.



## OUR ONE FOX CORE VALUES



### LEADERSHIP

Do the right thing, act respectfully, value others, and hold each other accountable



### TRUST

Foster openness, communicate authentically, and deliver on commitments



### COLLABORATION

Empower all to effectively communicate and work together across teams



### SERVICE

Take pride in humbly and consistently delivering quality experiences & results



### AGILITY

Embrace change as an opportunity for growth with ambition and readiness



### INGENUITY

Innovate continuously with a "never done" mindset, because good is never enough

# TALENT, INCLUSION, AND DIVERSITY

Harnessing the power of a world-class team, progress is born and passion is unleashed when we embrace differences and diverse perspectives—setting us apart.

Our conviction in these areas lies in a desire to mirror the vibrant variety of the communities we serve and encouraging the customers we engage with to unleash their full potential. We endeavor to foster an environment that values inclusivity, diversity, and equity. It is our belief that our workforce should reflect this vision, and we support our employees by offering fair opportunities for growth and career advancement. This way, we contribute to their success just as much as they contribute to the success of Fox Factory.

Our vision of being the ‘best employer we can be’ is clear. That does not mean we are there yet. We see areas of challenge and opportunities for improvement before we are at our best. Every year, we engage with our people to understand how we are doing and what we can do better. We must create a foundation for them to thrive in a vibrant, respectful atmosphere where they are empowered to excel within an inclusive, equitable environment. We are proud of the progress we’ve made over the last year in providing ample opportunities for skills enhancement and career advancement. We will continue engaging with and listening to our people, working tirelessly to earn their loyalty and dedication and drive exceptional outcomes for both our employees and our business.

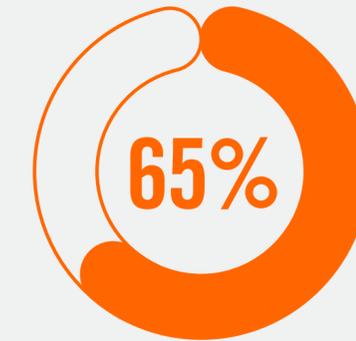
## ENGAGING OUR TALENT

Our people’s experiences and perspectives matter to us. We launched an anonymous global employee engagement survey to give every Fox Factory team member a voice and saw an increase in participation rate, from 63% in 2021 to 65% in 2022. This feedback provides valuable insights and fosters a transparent and accountable culture while driving continuous improvement in employee experience. The survey included quantitative and qualitative questions, giving us a comprehensive view of our employees’ perspectives.

In 2022, the engagement score reached 69%, reflecting the number of employees endorsing Fox as an exceptional workplace, which represents a 5% increase from our 2021 score. Some of the highest marks globally came from people being proud to work at Fox, knowing what’s expected of them, and having a supportive direct manager who is available to help and encourages employee feedback. Some primary areas of improvement include enhancing activities related to transparency and communications, compensation and benefits, and retaining highly-qualified employees.

Embracing a continuous improvement mindset, we conduct regular management and annual performance reviews to assess our progress and learn from the outcomes. We value our employees’ input and actively seek their feedback as our most important stakeholder.

## COMPREHENSIVE GLOBAL SURVEY RESULTS & HIGHLIGHTS



employee participation rate  
+2% vs 2021



overall engagement score  
+5% vs 2021

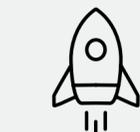
## TOP PERFORMING AREAS



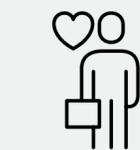
**JOB/ROLE CLARITY**  
I know what is expected of me at work



**DIRECT MANAGER**  
My direct manager is available when I have questions or need help and encourages feedback

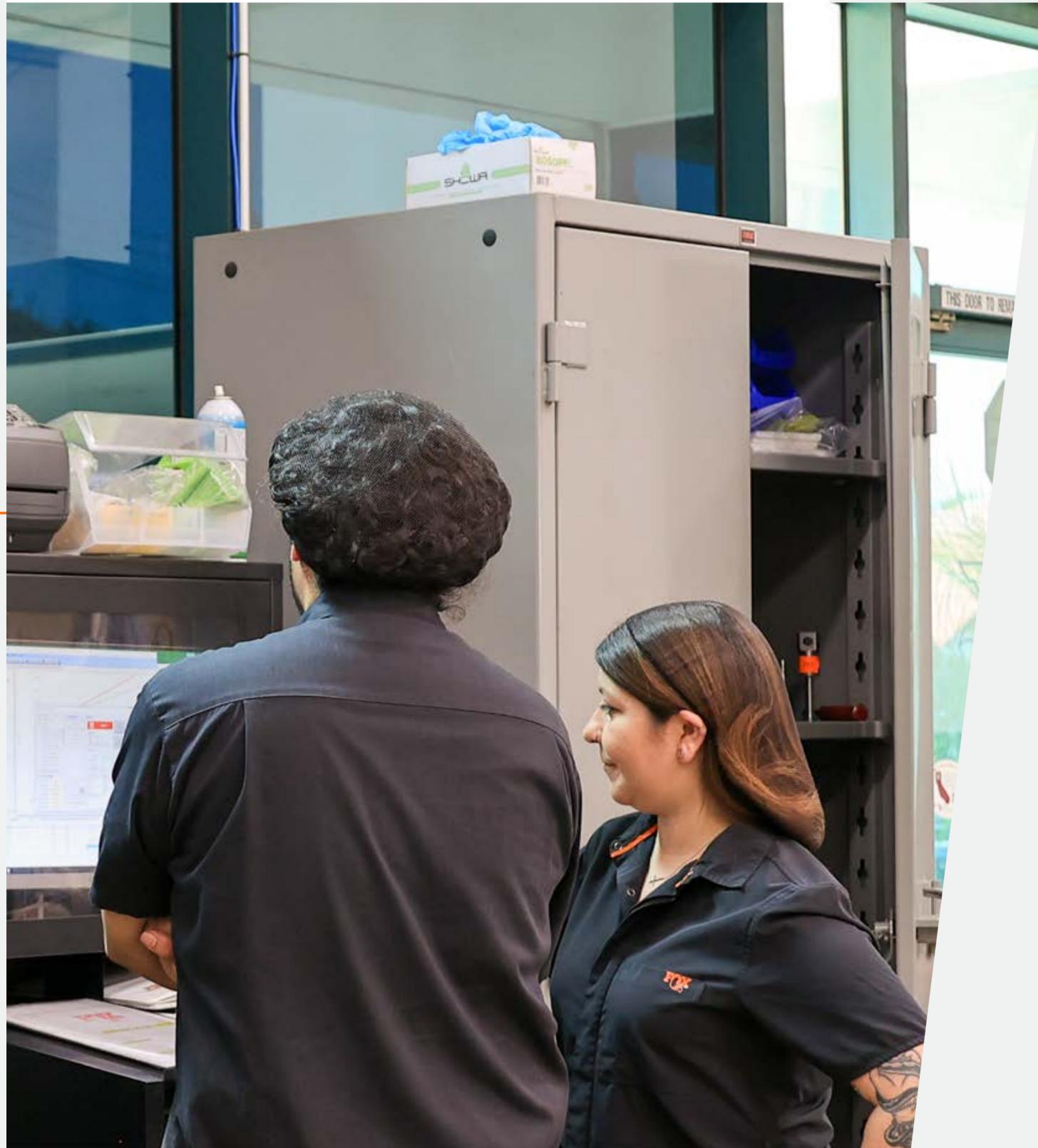


**JOB COMMITMENT**  
I plan on continuing my career with Fox for at least 1 more year



**WORKSPACE SATISFACTION**  
I am proud to work at Fox

Note: We conducted this global employee survey in partnership with Flex Surveys.



## 2030 SUSTAINABILITY ASPIRATION

### INCLUSION, DIVERSITY, AND ENGAGEMENT



/ TOP QUARTILE EMPLOYEE ENGAGEMENT SCORES

In 2022, senior leaders were charged with implementing action plans specific to their teams' feedback in the 2021 survey. At the corporate level, we implemented global initiatives to address broader areas. This included conducting a pay equity analysis, expanding leadership development programs and launching a Learning Management System (LMS), increasing communications through leadership town halls and a weekly news digest, initiating a global recognition platform, and creating an inclusive recruiting program, to be piloted in 2023. It is these efforts that helped positively move the needle on every KPI in the 2022 survey (including the participation rate and overall engagement score).

### PURSUING EQUITY

Employee compensation should be fair and equitable, regardless of gender, race, ethnicity, or similar characteristics. This applies to all forms of pay, including base salary, bonuses, and other forms of compensation. In 2022, we worked with a credible external partner to conduct a pay equity audit in order to identify and address any potential pay gaps by gender and race/ethnicity when comparing "similarly situated" employees (a) company-wide and (b) within a country/business unit/role. In the U.S., we audited pay rates by gender, role, experience, and race or ethnicity. Internationally, the audit assessed gender, years of experience, job role, and performance. Going forward, we're implementing a technology-enabled solution to employ real-time audits in lock-step with our annual merit and performance management process.

GRI 401, 3-3

## DIVERSIFYING THE TALENT POOL

Inclusion and diversity are part of our mindset and values—they are at the core of who we want to be. After carefully gathering and analyzing employee data, we recognize there is work to be done to bolster diversity and increase the number of women and members of underrepresented groups, particularly in leadership and engineering roles.

It is not a secret that the outdoor industry can be homogenous in appearance, experience, and more. Our focus on diversity and inclusion will allow us to create a healthier and more resilient organization, and one of the most effective ways to do that is to design our hiring process to support our ambitions. Our vision is to have a hiring process imbued with bias interrupters to ensure a positive, equitable experience resulting in acquiring and retaining a best-in-class, diverse population that enables our growth strategy.

To get there, we are making targeted efforts in our employer branding, job descriptions, and recruiting to increase candidate attraction. We're standardizing our processes, including our hiring and onboarding routines and trainings for hiring managers, to systemically promote objective decision making.

Finally, we are measuring effectiveness through KPIs and metrics that inform us of our progress.

In 2022, we deployed a number of initiatives that promote our ability to diversify our talent pool.

## STRATEGIC PARTNERSHIPS, CONFERENCES, AND UNIVERSITY COLLABORATIONS

We have forged new alliances with organizations such as the Society of Women Engineers (SWE), InRoads, and the Society of Hispanic Professional Engineers (SHPE). These partnerships promote collaboration, knowledge-sharing, and provide access to a broader talent pool. In 2022, we led multiple professional development sessions and shared industry insights with members from chapters near Fox sites, fostering connections with talented individuals from diverse backgrounds. We also became a SWE national sponsoring partner, attending the national conference for the first time to not only recruit talent but to also recognize and invest in the development of some of our most talented female engineers.

## RECOGNIZING OUR EMPLOYEES

In 2022, work began on a global platform which will enable Fox employees to recognize one another for a job well done, celebrate birthdays and work anniversaries, and more. This inclusive system will be launched in 2023 and will be available in multiple languages to all full-time employees. We hope the system will encourage recognition across all levels, fostering a supportive and collaborative environment.



## PRIORITIZING INCLUSION AND DIVERSITY

GRI 405, 3-3

To make our Inclusion and Diversity vision a reality we have established clear objectives and procedures that foster diversity and equal opportunity. Our policies, including the **Health, Safety, and Employment Policy** and the **Board Inclusion and Diversity Policy**, champion equal opportunities for all employees and applicants, irrespective of race, color, ancestry, national origin, gender, gender identity, gender expression, sexual orientation, marital status, religion, age, physical disability (including HIV and AIDS), neurodiversity and mental ability, genetic testing results, military service, or any other legally protected characteristic.

In 2022, we further captured our commitment to these ideals in our **Inclusion, Diversity & Engagement Statement**. It applies to all Fox employees, consultants, agents, representatives, ambassadors, athletes, contractors, and contract workers when they collaborate or interact on behalf of, or with, Fox. This global commitment extends to all our people practices and policies, including—but not limited to—recruitment, compensation and benefits, professional development and training, promotions, transfers, project assignments, social impact programs, layoffs, terminations, leave, performance management, employee rewards, succession planning, and the continuous cultivation of an equitable work environment.

Our Inclusion, Diversity, and Engagement 2030 Aspiration is built with the purpose of cultivating a culture of belonging. As part of that aspiration, we hope to enable greater diversity throughout the stakeholders who touch our business by 2030, including our valued talent network of employees, suppliers, and athletes/ambassadors.

This table highlights our employee diversity metrics for 2022. Additional detailed metrics, including year-over-year comparisons, can be found in our **2022 Data Annex**.

## 2030 SUSTAINABILITY ASPIRATION

### INCLUSION, DIVERSITY, AND ENGAGEMENT



/ ATTAIN INCREASED REPRESENTATION INTERNALLY AND EXTERNALLY

GRI 406, 3-3

To protect our people and support our values, we maintain a zero-tolerance stance on discrimination, and any substantiated finding of improper interference with employees' ability to fulfill their job duties results in disciplinary action, up to and including dismissal for cause. We strive to create a workplace where everyone can unleash their full potential, driving innovation and excellence.

## DIVERSITY OF EMPLOYEES

GRI 405-1

BY GENDER	MALE	FEMALE	NOT DISCLOSED
% Executive Management	87%	13%	-
% Senior Management	82%	18%	-
% Employees	66%	33%	1%

BY AGE GROUP	< 30	30 - 50	> 50	NOT DISCLOSED
% Executive Management	-	37%	63%	-
% Senior Management	1%	64%	35%	-
% Employees	31%	47%	15%	7%

OTHER INDICATORS OF DIVERSITY*	UNDERREPRESENTED GROUPS				
Description	American Indian, Native Alaskan, Native Hawaiian, Pacific Islander, or Other*	Asian	Black or African American	Hispanic or Latino	Two or More Races
% Executive Management	-	-	13%	-	-
% Senior Management	-	11%	4%	7%	-
% Employees	0.5%	3%	9%	34%	3%

\*The scope of "Other" under "Underrepresented Groups" is limited to U.S. operations and to only those who disclosed. Note: The metrics above are based on headcount on December 31, 2022.

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## UNLEASHING INCLUSIVE SYNERGY: THE R.I.D.E. @ FOX INITIATIVE

Our groundbreaking Realizing Inclusion, Diversity, and Engagement (R.I.D.E.) @ Fox initiative aims to harness the transformative power of our diverse communities, cultures, and experiences. Anchored by three strategic pillars, R.I.D.E. @ Fox strives to:

- / Attract and retain a globally diverse, high-performing workforce
- / Foster a “One Fox” inclusive workplace culture
- / Create sustainable connections across our diverse communities

The R.I.D.E. @ Fox initiative encompasses a comprehensive learning series, an engaged employee council, and dynamic cultural awareness campaigns. Through these workshops and training sessions, employees can discover how to individually spark positive change and drive progress. Our dedicated employee council champions purpose and inclusion within local environments by hosting informative Lunch and Learns and conducting community outreach.

### Our achievements include:

# 1K

participants in immersive virtual R.I.D.E. workshops

# 55

dedicated employees serving on the R.I.D.E. Council

The 2022 R.I.D.E. theme was Trailblazers: Allyship in Action. The series started with a fireside chat with three Trail Trust partners entitled, “Trailblazers: Expanding Opportunities,” to help raise awareness around how to be an ally in outdoor adventuring. It culminated in a three-part Allyship training to equip our employees with the necessary skills to support, collaborate, and advocate for others, both within and beyond our workplace.

We made our certified Allyship training globally accessible, offering engaging webinars and live sessions for employees. The results were inspiring: 274 dedicated Fox Factory team members completed at least one session, while 149 employees completed the full training and proudly earned their Allyship @ Work digital certification badges.





## EMPOWERING WOMEN: THE WOMEN'S INTERACTIVE NETWORK (W.I.N.) EMPLOYEE RESOURCE GROUP

An Employee Resource Group (ERG) is a global community of employees created to foster awareness, respect, and inclusion in the workplace. These groups help raise awareness about various challenges faced by employees from diverse backgrounds and experiences and advocate for policies that support inclusion. Anyone can join any ERG, including people who self-identify as members, allies, supporters, or learners of the mission's targeted group.

We launched our first ERG at Fox in 2022: Women's Interactive Network (W.I.N.). W.I.N.'s mission is to amplify the voices of women at Fox by fostering a space to be courageous and an environment that creates opportunities through awareness, engagement, and professional development. W.I.N. has ignited inspiration through a virtual speaker series, including an interview with a senior female leader discussing mentorship and her path to success, and a captivating conversation with Candace Shadley, a high-profile mountain biking coach. W.I.N. currently has over 75 members.

"The bike, automotive, and power sports industries are all very clearly male-dominated. When you see the passion that women have, it feels like a crime that more hasn't been done in the past to encourage that enthusiasm and passion. Genuine advocacy will help bring more women into the industry. It will help them feel welcome, supported, and encouraged, which can only deliver more positivity and openness for all."

**JAMES ALLODI,**  
Senior Sales Manager  
and Co-Chair of W.I.N.

"It is important to me to promote women in all areas—to drive change and do my part to make it more interesting for them. I think everyone should have the opportunity to develop as it seems right for them, and we have the power to nurture that."

**PATRICIA ZELLER,**  
Manager, HR Business Partner  
Europe and W.I.N. Member



GRI 404, 3-3; 404-2

## INVESTING IN OUR EMPLOYEES: LEARNING & DEVELOPMENT

We believe in the power of continuous growth and fostering a culture that promotes learning, innovation, and excellence. We are committed to nurturing our employees’ talents and equipping them with the skills needed to succeed. Our partnerships, programs, and initiatives demonstrate our dedication to employee development and talent management.

Our leadership development programs—EMBARK, EMERGE, NAVIGATE, ACCELERATE, AND PINNACLE—aim to unleash the potential of leaders across our organization. These programs offer a structured approach to identifying and developing the necessary competencies for success.

Our internship program, EMBARK, running for three years now, began as a North American engineering-focused initiative. It is now an international program, extending to our European and Asian teams. This 10-week program delivers a structured learning and development experience, complete with goal-setting, content delivery, and an intern summit, where participants meet our executive leaders, tour our manufacturing facilities, and engage in team-building activities.

Implementing a learning management system (LMS) signaled our commitment to creating a single Fox professional development culture across all locations and businesses. This centralized LMS allows us to deliver Fox-specific and external training programs and supports localization and translation of content, catering to our diverse workforce’s learning needs. By partnering with LinkedIn Learning, we also provide access to over 16,000 courses. We rolled out the LMS in the second half of 2022. By year end, we had over 3,000 enrollments in e-learning courses and over 2,000 course completions by over 1,100 employees.

We’ve also implemented the DiSC® assessment internally at Fox to bring structure to how we look at ourselves as a team

and as a company. Developed by psychologist William Moulton Marston, the DiSC® assessment examines how an individual ranks in four primary personality types—Dominance, Influence, Steadiness, and Conscientiousness (DiSC®). It enables teams to understand and appreciate the behavioral styles of their members, promoting collaboration, understanding, and harmony within our organization. After an overwhelmingly positive response to DiSC® in the leadership development programs, over 40 leaders requested to sponsor DiSC® assessment-based workshops for their teams to begin rolling out in 2023.

### FOX FACTORY LEADERSHIP DEVELOPMENT PROGRAMS

**EMBARK:** Provides unparalleled early career opportunities for college students, often leading to full-time positions (22 participants in 2022).

**EMERGE:** Empowers individual contributors to discover their strengths, embrace feedback, and take ownership of their career paths (launched in 2023).

**NAVIGATE:** Assists new and middle managers in understanding diverse perspectives and developing their team’s strengths (109 participants in 2022).

**ACCELERATE:** Supports directors and senior managers in setting up teams for success through coaching and feedback (29 participants in 2022).

**PINNACLE:** Provides executive coaching for senior leaders to shape the culture and future leadership of our organization (launched in 2023).



# EMPLOYEE HEALTH, SAFETY, AND WELL-BEING: A TOP PRIORITY

We live to push performance past the limits, yet we always keep the driver's or rider's safety as a top priority. That same mindset is what we must have in-house to deliver quality results. We need to keep safety and well-being top-of-mind as our teams work to deliver race-proven performance products.

## HEALTH AND SAFETY

GRI 403, 3-3

To safeguard our employees, we have policies and management systems in place to prevent the potential impacts of injuries or illnesses that result in lost time, complaints, non-compliance risks, decreased productivity, absenteeism, and low morale in both routine and non-routine activities within our facilities.

GRI 403-1, 403-8

We are committed to complying with operational health and safety legal requirements such as OSHA (US), OSHA (Taiwan), CCOHS (Canada), and EU-OSHA, applying to all employees and contracted workers from their date of hire. To ensure consistency and quality in our approach, we have implemented ISO 45001 and ISO 14001 management systems within our organization. Our Gainesville operation recently obtained both these certifications. Additionally, one of our Taiwan sites earned the ISO 45001 certification, and El Cajon has an ISO 14001 certification.

GRI 403-2, 403-4, 403-5

To proactively address potential safety issues, we assess risks through job hazard, or job safety analysis. The quality of these processes is ensured through comprehensive training and skill testing. Results are shared on the work floor, through email communications, and in management reviews to foster continuous improvement in our OHS management system. Workers can report hazards directly to supervisors, managers, EHS, or HR, and in some locations, through anonymous reporting collection boxes.



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GRI 403-2

In 2022, we introduced a mobile application for reporting incidents and made significant progress in its implementation to ensure accessibility. The rollout of this mobile app is accessible at sites across United States. We also implemented other initiatives, such as new trainings, awareness programs, safety-specific events, and new or updated policies.

GRI 403-2, 403-3, 403-5

Should an incident occur in our facilities, we conduct thorough investigations through root cause analysis and layered audits to develop corrective and preventive action plans. Our employee health and safety team possesses recognized qualifications and accreditations, enabling them to identify and eliminate risks on the work floor. General safety training and job-specific safety training, followed by tests, provide us with information to track the effectiveness of our actions.

GRI 403-2, 403-7

Policies such as our Health, Safety and Employment Policy protect employees against intimidation, threats, or acts that could negatively impact their employment or work engagement. This includes termination, demotion, loss of compensation, discipline, and other unfavorable treatment. The policy also covers workers' rights to refuse or stop unsafe or unhealthy work, empowering them to remove themselves from situations that could reasonably cause injury or ill health to themselves or others.

This report highlights our employee safety metrics for 2022. Additional detailed metrics, including year-over-year comparisons, can be found in our [2022 Data Annex](#).



**SAFETY STAR PROGRAM**

In Scotts Valley, California, our Safety Star program recognizes employees who suggest a new or improved safety process, eliminate a potential hazard, or who are observed by a manager eliminating an existing hazard. Site safety representatives review all nominations each month and select an award recipient who receives a gift card and is featured in employee communications. The program is designed to increase safety awareness and safe work practices.

GRI 403-9

**WORK-RELATED INJURIES**

**For All Employees**

	#	RATE
Fatalities as result of work-related injury	0	0
High-consequence work-related injuries (ex. fatalities)	0	0
Recordable work injuries	79	2.72

**For All Controlled Workers**

	#	RATE
Fatalities as result of work-related injury	0	0
High-consequence work-related injuries (ex. fatalities)	0	0
Recordable work injuries	0	0

## WELL-BEING

Our vision of employee well-being extends beyond a safe workplace. Our colleagues indicated in our employee survey over the past couple of years that they see value in Fox Factory further supporting their overall well-being. In 2023, we will launch a new framework called Peak Performance, to enhance the overall health and well-being of our teams. In alignment with the Surgeon General's Framework for Workplace Mental Health and Well-Being, we have organized our efforts in areas of Mental and Physical Strength; Team and Fellowship; Rest and Recovery; Recognition and Reward; and Career Gains and Growth.

To support colleagues who are dealing with financial distress resulting from natural disasters or personal hardships, we continue to invest in our employee relief fund. In 2022, we awarded 14 grants to employees in need.

Our Taiwan operation prioritized employee well-being through comprehensive training programs and initiatives. A key achievement was the annual health check, which saw 100% participation from all employees. To further enhance employee safety and wellness, a diverse range of training sessions were conducted, covering topics such as pregnancy and lactation, workplace safety, emergency response drills for night shifts, healthy diet, vaccinations for COVID-19 and other illnesses, heart attack prevention, and first aid.

In 2022, we offered free flu shots to all employees in the U.S. and hired an on-site nurse at our Gainesville, Georgia facility, to provide immediate healthcare services to over 1,000 employees working there.

## FOX FACTORY TAIWAN 10 YEARS

We celebrated our 10-year anniversary in Taiwan in October 2022 with a party, a barbecue, and made-to-order Fox Factory jackets for all employees. Fox Factory Taiwan has become widely known as a great place to work and we highly value the happiness, health, and safety of our employees.

In Taiwan we've also won various awards, including Best Place to Work, a Golden Merchant Award from the Taiwan government, a 5-Star Award for our creative workplace, and an award for our training and community engagement activities.



# PARTNERING FOR COMMUNITY IMPACT

We are immensely proud of our employees for fostering strong connections within our communities, just as we support one another within the company. Our community impact program is our pathway to cultivating sustainable, thriving relationships with a diverse range of stakeholders, and an avenue toward promoting inclusion and equity beyond our organization.

Our community impact grant program focuses on three main areas:

- / STEM (Science, Technology, Engineering, and Math) education
- / Workforce development
- / Socio-economic equity in the communities where we live, work, and play

Examples of community initiatives we supported in 2022 include:

- / Society of Automotive Engineers International Foundation's in-school curriculum to inspire students early in STEM and build a diverse workforce pipeline
- / Downtown Streets' environmental stewardship program with the homeless population in Santa Cruz, California
- / International Committee of the Red Cross and World Central Kitchen's humanitarian assistance efforts in Ukraine

- / One-Forty's mission to provide education and connections for Southeast Asian migrant workers in Taiwan, equipping them with practical knowledge, skills, and adaptation strategies
- / United Way of Hall County's efforts to build and distribute hygiene kits to homeless people in the Gainesville, Georgia area
- / Promises2Kids Foundation's Guardian Scholars program which offers mentors and resources for current and former foster youth around San Diego, California

In total, we donated approximately US\$104K to nonprofit organizations through our community grant program in 2022.

The BOOST Program, launched globally across Fox Factory in 2022, is our employee charitable match giving program that reflects our core values of Leadership and Service. It not only maximizes the impact of employees' donations to qualified non-profit organizations, but also rewards employees for volunteering their time. The program is open to all full-time Fox employees worldwide, and the BOOST portal lists nearly two million global nonprofits.

In 2022, we featured several special BOOST campaigns in response to natural disasters and other tragedies. We also ran a special 2:1 matching donation campaign in support of nonprofits fighting for equal rights during Pride Month in June.



November 2022 marked Fox Factory’s inaugural Giving Month, which included a spirited competition between sites to achieve the highest employee participation rate in BOOST. In a thrilling tie, six sites reached 100% participation. Another competition during Giving Month featured a bike sweepstakes in BOOST. Employees donated US\$36K towards the sweepstakes, with the proceeds evenly distributed among selected nonprofits near Fox Factory sites. One fortunate winner among the 715 participants received a Pivot Switchblade Mountain Bike.

Globally, we collectively donated US\$100K and logged over 1,000 volunteer hours in November alone. We organized canned food drives, packed toiletry kits for the homeless, maintained trails in Sparks, Nevada, and Burnaby, Vancouver, and planted trees in Taiwan. Our Giving Month activities exemplified our commitment to giving back to the communities where we serve and highlighted the joy of volunteering.



**2030 SUSTAINABILITY ASPIRATION**

**SOCIAL IMPACT**



**/ ACHIEVE 35% EMPLOYEE GIVING PARTICIPATION IN BOOST PROGRAM**

To help increase the positive impact in our communities, we included an employee giving goal as part of our Social Impact 2030 Aspiration, where we hope to achieve 35% employee giving participation in our BOOST program.

**TOTAL BOOST PROGRAM IMPACT IN 2022**

**US\$180K+**

in BOOST donations and corporate matches

**2K**

volunteer hours logged

**100%**

employee participation rate at six sites (31% participation company-wide)

**550+**

nonprofits supported



# 5 // THE PRODUCT FRONTIER — REDEFINING SUSTAINABLE PERFORMANCE



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A spark of ingenuity ignited the vision of Bob Fox, a physicist with a fervent passion for motocross racing. He started revolutionizing the motocross world in the 1970s with groundbreaking suspension and air shock absorber designs. Transforming these ideas into reality, Bob established a legacy of performance-defining products, services, and technological innovations that would shape the future of Fox Factory.

Fast forward to this decade, and you can find our cutting-edge solutions as integral components in renowned brands like Giant, Orbea, Canyon Bicycles, Santa Cruz Bicycles, Specialized, Trek, and Yeti Cycles in the Specialty Sports Group (SSG), and BRP, Ford, Polaris, Jeep, Toyota, 4 Wheel Parts, Kawasaki, Yamaha, and Honda in the Powered Vehicles Group (PVG).

Our dedicated team members play an instrumental role in bringing sustainable, trailblazing innovations to life. We see a world of possibilities and opportunities to create a lasting, positive impact through our products, and with our valued business partners by our side, we can keep pushing the boundaries of technology, including those that promote sustainability.

**CELEBRATING INNOVATION**

Our "One Fox" culture fosters, recognizes, and rewards innovation.

We developed IDEAHUB in 2022, a centralized platform where anybody in the organization can submit ideas, improvements, and innovations. Our goal is to empower everyone to solve problems and make improvements at any level. We are piloting IDEAHUB in 2023, starting with SSG North America, and will evaluate a wider roll out across all divisions. The idea categories will include process, product, and business/organization. Once submitted, ideas will be regularly reviewed, prioritized, and further developed (if applicable) with subject matter experts.

To further encourage ingenuity, our Patent Award Program celebrates Fox Factory employees who contribute significantly to our industry-leading innovations. This program provides financial rewards to employees who create intellectual property, for every patent application submitted and every patent granted. In 2022, 36 innovators were recognized as part of Fox's Patent Award Program.

# PRODUCT INTEGRITY AND SUSTAINABLE DESIGN

Our high-performance product philosophy naturally embodies sustainability. We strive to create robust, durable, long-lasting, and easily repairable products. Fox Factory components are carefully made to withstand immense force and strain, serving athletes, enthusiasts, and high-end users in the most challenging environments.

We promise next-level confidence and race-proven performance. For our riders and drivers to aspire higher and achieve more, we create long-lasting parts that accompany a bike or vehicle for its entire lifespan. Our commitment to serviceability manifests in designing components that can be rebuilt and refurbished, empowering our users to refresh products with minimal material. This approach extends the products' life, minimizes waste, and the need for new replacement parts, while enabling customization.

Once the products are in the hands of our users, we do everything we can to maximize safety, lifespan, and enjoyment. We guide customers to maximize the durability and performance of select products through our Fox Academy. Our aftermarket expert tuning services further extend the best use of our products. We have bolstered our capabilities with the acquisition of Shock Therapy, the premier suspension tuning company in the off-road industry.

Our approach to sustainable products goes beyond designing and producing durable and repairable products—we also need to know what happens on the emissions impacts front so we can build a strategy around that. Understanding the impacts of products, from raw material extraction to end-of-life, is crucial to developing a plan of attack. This knowledge can inform major design decisions,

GRI 301, 3-3

empowering designers to minimize environmental impacts and trade-offs. By identifying unsustainable aspects of our environmental footprint, we can compare different material options and support environmental claims with data.

In 2021 and 2022, we conducted Life Cycle Assessments (LCAs) to evaluate the cradle-to-gate carbon footprints of four of our core products, and to identify hotspots and opportunities for improvement. Our assessment was based on the ISO 14040/44 standards and focused on the IPCC 2013 Global Warming calculation method.



Our findings showed that material production is the main hotspot across all four Fox Factory products, contributing between 61-98% of the carbon emissions associated with the cradle-to-gate lifecycle. Additionally, for our PVG products, energy at Fox factories is a significant hotspot, while transportation between suppliers and our manufacturing site makes a very small contribution to the overall carbon footprint.

We recognize our products are carbon-intensive which contributes to their strength, durability, and performance. That being said, we have several opportunities to address these hotspots and reduce our carbon footprint. First, we can engage with our suppliers to explore opportunities to eliminate environmental hotspots of their production. This could, for example, include increasing circular inputs, shifting to renewable energy sources, or exploring alternative materials.

We also have an opportunity to shift to greener electricity suppliers for our own manufacturing sites to reduce our energy footprint—an option we are currently taking action on, as you can read in our [Reducing Our Energy, Water, and Waste Related Impacts](#) section.

We have used this information to develop our Sustainable Product Mindset aspiration. Through this aspiration, we will strive to integrate cost-effective sustainable thinking into new development projects and our package material usage and design. You can read more about the latter in the [Reducing Our Energy, Water, and Waste Related Impacts](#) section.

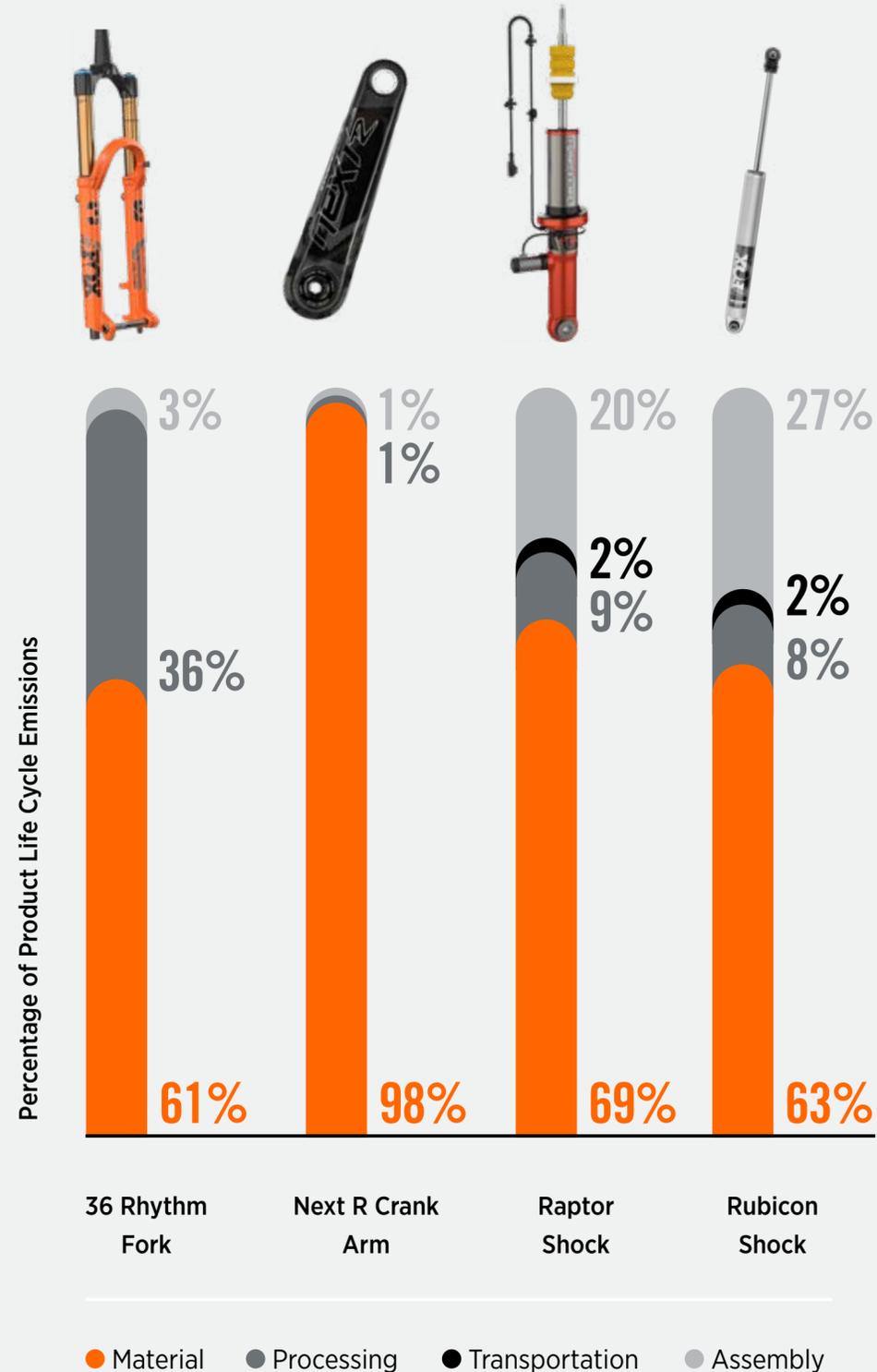
### 2030 SUSTAINABILITY ASPIRATION

**SUSTAINABLE PRODUCT MINDSET**



INTRODUCE COST-EFFECTIVE SUSTAINABLE THINKING IN:  
/ 100% OF NEW DEVELOPMENT PROJECTS

### CARBON FOOTPRINT OF FOX FACTORY'S FOUR CORE PRODUCTS



The athlete in us is obsessed with performance and data—we need to know our efforts yield results, and if not, adapt our tactics. It's our ambition to track material volume, recycled inputs, and reclaimed products across our vast SKU range in the coming years. We aim to establish a baseline and report on goals and metrics related to these materials and products.

Note: This LCA screening was based on the ISO 14040/44 standards. The purpose was to evaluate the cradle-to-gate carbon footprints of four core products to identify hotspots and opportunities for improvement.

# TESTING FOR A SAFE AND DURABLE PRODUCT

GRI 416, 3-3

We're on a mission to redefine the best and prove it in the toughest conditions in the most extreme races. Rigorous testing is a natural step in our approach to creating high-quality, safe, and durable products. So we invest in state-of-the-art equipment and dedicated professionals to enhance our capacity and rigor. By performing nearly all our testing internally, we bolster transparency, gain valuable insights, and promote continuous improvement in our processes. Embracing a data-driven mindset, we meticulously measure and analyze meaningful testing metrics that enable improvement.

GRI 416-1

Our product testing approach involves virtual testing before production, which reduces waste and increases efficiency by identifying potential failures before constructing physical prototypes. Non-destructive testing technologies like CT scanners and X-rays also help detect potential flaws and other issues. In 2022, SSG invested in additional equipment and resources, increasing test volume by 40% over 2021.

With QR codes, we track materials and validate safety and quality control steps, while digital twin technology enables us to follow performance data even after products leave our production facilities, through shipping, purchase, and warranty registration with end-users. As a result of these practices, our warranty returns on the SSG side reached an all-time low of 0.7% in 2022, surpassing industry standards and showcasing our dedication to quality and sustainability.

On the PVG side, we also invested significantly in equipment and talent to bolster our testing capacity. This included upgrading our lab in Scotts Valley, California, reducing our reliance on outsourced testing, and optimizing material usage in our designs. Our PVG testing volume in 2022 increased by over 100% compared to 2021. Our updates to the PVG lab included workspace reconfiguration to minimize employee exposure to oil and noise, an eco-friendly cooling system for hydraulic equipment, energy-

efficient run-on-demand systems, and enhanced safety features on test machines. These significant improvements are already reducing waste, energy usage, and safety and environmental risks.

Across all our product divisions, our passionate product testers are exploring innovative digital controls and software to elevate product safety and fine-tuning in line with the industry's growing trends. We recognize the immense potential of digital control over shocks, leading to enhanced safety, customer confidence, and an unparalleled user experience.

Ultimately, our testing approach enhances durability, safety, resource conservation, and waste reduction while exceeding any specifications mandated by our business partners.



# CHAMPIONING SUSTAINABILITY IN THE SUPPLY CHAIN

GRI 308, 3-3; 414, 3-3

Our products take a long journey before they enter the tracks and trails, beginning with our supply chain. Our suppliers are not just transactional partners, but vital collaborators in our mission to create exceptional equipment. By forging alliances based on shared values, we can focus together on developing world-class products in a sustainable manner.

GRI 308-1, 414-1

Our Supplier Code of Conduct (SCoC), which we rolled out in 2022, is a testament to this vision. We expect all our suppliers, their employees, and associated third parties to act responsibly, embracing the principles and guidelines of our SCoC and its four key areas: Labor, Health & Safety, Environment, and Ethics. We have defined success on this front in our Supply Chain 2030 Aspiration, as we want at least 90% of our Tier 1 suppliers committed to our SCoC.

## 2030 SUSTAINABILITY ASPIRATION

### SUPPLY CHAIN



/ ENSURE THAT AT LEAST 90% OF OUR TIER 1 SUPPLY CHAIN PARTNERS HAVE SIGNED OUR SUPPLIER CODE OF CONDUCT

We are all about results, so we will measure and evaluate the commitment of our suppliers to the SCoC through an annual Environmental, Social, and Governance (ESG) survey. The survey covers four key areas and assesses suppliers on their policies and practices, including Environmental Management Systems (EMS), Human Rights Policies, grievance mechanisms, Occupational Health and Safety Management Systems (OHSMS), and their Supplier Code of Conduct.

## OUR SUPPLIER CODE OF CONDUCT

GRI 407-1, 408-1, 409-1



### LABOR

We prioritize workers' rights, prohibiting forced labor, child labor, and human trafficking. Suppliers must comply with local laws and international labor standards, providing fair wages, reasonable working hours, and ensuring a discrimination-free environment. We respect workers' rights to form and join trade unions and bargain collectively.



### HEALTH & SAFETY

Suppliers must identify and mitigate potential risks to workers' health and safety, providing necessary training and maintaining safe working conditions. Emergency situations and fire safety measures should be regularly assessed, with plans and procedures implemented accordingly. Suppliers must also ensure clean and safe living conditions for workers who reside in dormitories.



### ENVIRONMENT

Suppliers are expected to comply with all environmental laws and regulations, minimizing emissions, discharges, and waste generation. They should actively manage and reduce their environmental footprint by adopting sustainable practices, such as recycling, responsible waste disposal, and efficient resource utilization. Our suppliers must also establish a company-wide goal for reducing GHG emissions and implement water management programs.



### ETHICS

Upholding the highest standards of integrity, our suppliers must maintain a zero-tolerance policy for bribery, corruption, extortion, and embezzlement. They should safeguard the privacy of personal information, adhere to fair business practices, and maintain whistleblower protection mechanisms.

# 6 // BUSINESS FUNDAMENTALS – DRIVING HIGH STANDARDS



We embed our core values in all that we do, ensuring innovation, excellence, and growth drive our every decision. Our business fundamentals prioritize the highest standards of ethics, compliance, information and facility security, transparency, and governance, fine-tuning our business to allow our experts to focus on making the best products. Upholding these standards lays the foundation for doing the job right. It is how we distinguish ourselves as industry leaders. We continuously adapt so we show up better and to strengthen our approach to how we do business.

In 2022, we implemented new processes to determine and manage key sustainability metrics, aligned material topics and disclosure priorities, and established a replicable process for annual reporting. In this section, we dig further into the inner workings of Fox Factory governance, including our leadership, code of ethics, policies, supplier code of conduct, risk management framework, employee hotline, human rights policies, and how we safeguard our digital assets.

Our Executive Leadership Team and Board of Directors, consisting of seven people—six of whom are independent—drive Fox Factory’s success. Our 2023 proxy has more information about our Board members, including Board diversity, tenure, and backgrounds (pages 5 and 12), and can also be found on our website.

The Board’s primary responsibilities involve providing oversight, strategic guidance, counseling, and direction to our management. It consists of three committees: the Audit Committee, the Nominating and Corporate Governance Committee, and the Compensation Committee. More information on these committees can be found on our website under Corporate Governance.



# ETHICS AND COMPLIANCE

GRI 2-23, 2-24

When customers use our products in their adventures across brutal terrain, they trust us. From our products to our business operations, we have to ensure that trust in what we deliver. Who we are never waivers. Our Code of Ethics applies to all our employees, including our Board of Directors and Executive Leadership Team. It is our main policy to drive responsible business conduct by outlining expectations to behave honestly and ethically, and our actions to deliver on commitments remain in compliance.

We refine our policies and fortify our governance framework to keep pace with an ever-evolving landscape by staying true to our core values of trust and service. Our Supplier Code of Conduct strengthens vital relationships while safeguarding ethical standards, and our expanded Employee Hotline empowers our workforce to voice concerns in a safe and supportive environment.

We achieved a 100% completion rate for Code of Ethics Training by Director-level and above employees in 2022, reinforcing our unwavering commitment to lead by example and to hold each other accountable to our highest standards. Our leadership championed the development of a training program, ensuring that every Fox Factory employee understands and adheres to our ethical guidelines.

Our engaging, in-house designed Code of Ethics Training reflects our branding, values, and culture. In 2023, we plan to roll out this training to all globally, salaried employees, including contractors.

## FOX FACTORY 2022 POLICY UPDATES

In our previous report, we committed to reviewing our policy language for consistency and clarity. We have now refined and updated our policies to ensure they align with the Fox Factory Code of Ethics and are easily understood by their audiences.

Our comprehensive list of governance policies includes, but is not limited to:

- / Anti-Corruption Policy
- / Audit Committee Charter
- / Board Inclusion and Diversity Policy
- / California Transparency in Supply Chains Act
- / Clawback Policy
- / Code of Ethics
- / Compensation Committee Charter
- / Conflict Minerals Policy
- / Corporate Governance Guidelines
- / Health, Safety, and Employment Policy
- / Human Rights Policy
- / Inclusion, Diversity & Engagement Statement
- / Insider Trading Policy
- / Nominating and Corporate Governance Committee Charter
- / Policy Regarding Security Holder Recommendations of Director Nominees
- / Process for Security Holder Communications with the Board of Directors
- / Quarterly Quiet Period Policy
- / Regulation Fair Disclosure Policy
- / Stock Ownership Guidelines

GRI 2-26

We have an open door, speak up culture—we strive to create an environment where all Fox Factory employees can voice their concerns. Last year, we expanded our employee hotline to cover numerous issues, such as workplace harassment, conflicts of interest, and improper dealings. We added more issue categories and a miscellaneous section for employees to report any concerns.

We also established an investigation and triage flowchart to ensure a consistent process for handling complaints. Subject matter experts who are knowledgeable about Fox Factory are assigned to investigate complaints and report quarterly to the Audit Committee while maintaining confidentiality.

## ENTERPRISE RISK MANAGEMENT FRAMEWORK AND COMPLIANCE MANAGEMENT SYSTEM

As we continue down our path of accelerated growth over the coming years, the increased size and complexity of the organization we become will bring new challenges in managing our risks and compliance. We will take an intentional, proactive approach to ensure decision making and execution do not become isolated.

In 2022, we began the process of developing a new Enterprise Risk Management (ERM) framework and Compliance Management System. This ensures a comprehensive strategy and structure for risk and compliance that promotes sustainable growth and demonstrates our commitment to robust governance, a cornerstone of our evolving business. These fundamental governance systems will consider our unique culture and organizational structure while fulfilling all necessary obligations to local and federal governments, customers, and other stakeholders.

We are committed to having our updated ERM framework and Compliance Management System in place in 2023.



# STRENGTHENING SUPPLIER RELATIONSHIPS THROUGH OUR SUPPLIER CODE OF CONDUCT

In 2022, we introduced our **Supplier Code of Conduct (SCoC)** along with a training module, solidifying our partnerships and fostering a future where people and the planet are prioritized. The SCoC, rooted in our core values—Leadership, Trust, Service, Collaboration, Agility, and Ingenuity—aligns with our Fox Factory Frontiers sustainability strategy.

The SCoC encompasses labor practices, health and safety, environmental impacts and reporting, and ethics. We expect all suppliers, their employees, and any third parties to act responsibly in accordance with our SCoC.

For more information on our Supplier Code of Conduct and our related 2030 Aspiration, please refer to the [Championing Sustainability in the Supply Chain](#) section.



# PROMOTING HUMAN RIGHTS

GRI 407, 3-3; 2-23, 2-24

**We are determined to champion human rights and labor best practices, prioritizing the well-being of people. This is embedded throughout our business in our Human Rights Policy. We recognize the importance and respect the rights of employees to freedom of association and collective bargaining, and we do not interfere with this right, neither directly nor indirectly.**

GRI 408, 3-3; 408-1 / 409, 3-3; 409-1

Our own operations and those of suppliers must be free from forced labor in any form, including bonded, debt bondage, indentured labor, involuntary or exploitive prison labor, child labor, and slavery. And supporting human trafficking in any way is strictly prohibited. All work for Fox Factory must be voluntary, with workers free to leave or terminate their employment after providing reasonable notice.

We prohibit the restriction of workers' freedom of movement, including entry or exit from company-provided facilities like dormitories or living quarters. Suppliers, agents, and sub-agents may not hold, destroy, conceal, or confiscate identity or immigration documents. They can only hold documents if required by law and must allow workers access to them. Suppliers, agents, and sub-agents are prohibited from charging workers recruitment fees or any other employment-related costs.

Responsible sourcing of minerals is another crucial aspect of human rights. Under U.S. law, the Conflict Minerals Rule requires companies to report annually on the use and origin of conflict minerals (tin, tungsten, tantalum, and gold) in the products they manufacture or contract others to manufacture.

We actively manage our mineral sourcing and file annual reports with the SEC to inform them of our oversight. We expect our suppliers to provide completed conflict minerals declarations using the Conflict Free Sourcing Initiative's (CFSI) Conflict Minerals Reporting Template and ensure that parts and products supplied to Fox and our subsidiaries are conflict-free. This means that the sourcing of these minerals does not benefit armed groups in the Democratic Republic of the Congo or adjoining countries. If we become aware of a supplier whose supply chain includes a smelter or refiner that is not compliant with the relevant CFSI guidelines, we will take action to remedy the situation in a timely manner, including reassessing our relationship with the supplier.



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## DATA SECURITY AND PRIVACY

Data security and privacy have become vital interests for businesses and their stakeholders. We recognize the importance of safeguarding our digital assets and the privacy of our customers, athletes, and partners. Our customers want to dominate the terrain and our cybersecurity team is equally determined to do the same. We continuously develop and maintain a comprehensive cybersecurity program that provides the needed tools and techniques to defend against cyber threats. Our strategic approach is built on multiple layers of defense coupled with strong governance and dedication to ongoing improvement in cyber protection capabilities.

### BUILDING A ROBUST INFORMATION SECURITY PROGRAM AND ALIGNING WITH INDUSTRY BEST PRACTICES

In 2022, we continued to invest in our people, processes, and technologies to support the security program. As a result of our concerted effort towards improving controls and processes, we made significant improvements in systems meeting appropriate standards, demonstrated by rigorous annual audits and reviews from external auditors. We partnered with our employees to provide security training to help them become more knowledgeable about threats and to become stewards for risk mitigation. We aligned our security program with industry best practices, leveraging frameworks such as the National Institute of Standards and Technology (i.e., NIST 800-53) and International Organization for Standardization and the International Electrotechnical Commission (i.e., ISO/IEC 27001). We meticulously assessed potential business partners to minimize the introduction of security risks into our operations. Our attention to detail ensures that our



entire supply chain adheres to the same high standards we uphold in safeguarding data and assets. Additionally, our proactive stance enables us to adapt swiftly to emerging risks, embracing new technologies, and refining our strategies regularly to stay one step ahead of cyber threats.

### ENSURING OPERATIONAL EXCELLENCE IN SECURITY AND A RESILIENT DIGITAL ENVIRONMENT

With thousands of assets under security management, we have adapted a multi-layered approach that includes rigorous oversight of company information assets, state-of-the-art access management tools, and stringent financial reporting controls. We diligently monitor for potential threats around the clock, with the goal of detecting and preventing any malicious activity from impacting our business. Access is closely managed, and only authorized personnel have access to sensitive systems and areas within our facilities. All major changes to our information systems are regularly reviewed to ensure compliance with our policies and to prevent any disruption to our business. We routinely test the availability of our information systems to guarantee business continuity and customer satisfaction.

### COLLABORATION AND COMMUNICATION

We leverage collaboration and communication in maintaining a robust cybersecurity posture. Our Chief Information Officer and Board of Directors remain actively engaged in the security program, maintaining transparency and accountability. Our cybersecurity program emphasizes regular reporting to key stakeholders, ensuring timely identification and quantification of risks and program performance. This level of transparency allows us to effectively manage cyber risks and within industry best practices.

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**1 // INTRODUCTION****2 // CHALLENGING FRONTIERS****3 // THE PLANET FRONTIER****4 // THE PEOPLE FRONTIER****5 // THE PRODUCT FRONTIER****6 // BUSINESS FUNDAMENTALS****7 // ABOUT FOX FACTORY****CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Sustainability Report includes forward-looking statements, which are subject to the “safe harbor” created by Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). We may make forward-looking statements in our United States (“U.S.”) Securities and Exchange Commission (“SEC”) filings, press releases, news articles, earnings presentations and when we are speaking on behalf of the Company—including this Sustainability Report.

Forward-looking statements generally relate to future events or our future financial or operating performance that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements because they contain words such as “may,” “might,” “will,” “would,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “likely,” “potential,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this Sustainability Report are subject to numerous risks and uncertainties, and you should not rely upon forward-looking statements as predictions of future events.

We have based the forward-looking statements contained in this Sustainability Report primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations. And prospects and the outcomes of any of the events described in any forward-looking statements are subject to risks, uncertainties, and other factors. In addition to the risks, uncertainties, and other factors discussed anywhere in this Sustainability Report, the risks, uncertainties, and other factors expressed or implied

discussed in the Annual Report on Form 10-K (filed with the SEC on 02/23/2023) Item 1A. “Risk Factors” could cause or contribute to actual results differing materially from those set forth in any forward-looking statement.

Moreover, we operate in a very competitive and challenging environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Sustainability Report. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur. Actual results, events, or circumstances could differ materially from those contemplated by, set forth in, or underlying any forward-looking statements.

For all of these forward-looking statements, we claim the protection of the safe harbor for forward-looking statements in Section 27A of the Securities Act and Section 21E of the Exchange Act.

The forward-looking statements made in this Sustainability Report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Sustainability Report to reflect events or circumstances after the date of this Sustainability Report or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

**NON-GAAP FINANCIAL MEASURES**

Within this Sustainability Report, Fox Factory may include certain forward-looking non-GAAP financial measures including Adjusted EBITDA and non-GAAP adjusted earnings per diluted share. These forward-looking non-GAAP financial measures reflect management’s current expectations and beliefs regarding the potential benefits of the proposed transaction. Fox Factory is not able to reconcile forward-looking non-GAAP measures to meaningful comparative GAAP financial measures without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact or exact timing of items that may impact comparability. These non-GAAP measures should be considered in addition to, not as a substitute for, or superior to, net earnings or other measures of financial performance prepared in accordance with GAAP as more fully discussed in Fox Factory’s financial statements and filings with the SEC.

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## ABOUT FOX FACTORY HOLDING CORP.

Fox Factory Holding Corp. (NASDAQ: FOXF) designs and manufactures performance-defining ride dynamics products primarily for bicycles, on-road and off-road vehicles and trucks, side-by-side vehicles, all-terrain vehicles, snowmobiles, specialty vehicles and applications, motorcycles, and commercial trucks. The Company is a direct supplier to leading powered vehicle OEMs. Additionally, the Company supplies top bicycle OEMs and their contract manufacturers and provides aftermarket products to retailers and distributors.

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**FOX FACTORY**