Outside 2022 Impact Report

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About This Report

We are proud to present our first annual Outside Impact Report.

In the following pages, you will get to know our company, team, values, goals, and strategies. You'll learn what we've started doing to improve the health of our planet and make outdoor spaces more welcoming. And you'll see that we're striving for transparency and a deep sense of responsibility in all we do.

Over the last three years, our leaders have brought together more than 25 outdoor and wellness brands to create the new Outside Interactive, Inc. We are a very young and small company despite the rich history of our portfolio, and our journey toward climate and diversity, equity, and inclusion (DEI) impact will require a lot more discovery and hard work. We're proud of the steps we've taken so far to operationalize our values, but we present this first annual report in the spirit of humility, hoping you will be inspired to help us learn, act, and evolve.

Letter from Our CEO

Outdoor enthusiasts have long been the canaries in the coalmine when it comes to climate change. Decades ago, our readers and editors started noticing the impact of rising temperatures as they climbed, backpacked, and navigated in the mountains and arctic regions where global warming first appeared. They saw glaciers shrinking in Alaska. They found changing patterns in snowfall while skiing and falling water levels when fishing wild rivers.

Way back in 2006—before "green issues" became ubiquitous in magazine media—our editors started reporting on these changes. They wrote stories in *Backpacker* and *Outside*, and challenged the outdoor industry to find new ways of making more sustainable gear. Global warming wasn't a popular topic at that time, but they persevered because they were witnesses to the change. And today, they continue to call attention to the escalating impacts, because our audience knows the value of wild places and how irreplaceable they are.

Businesses like ours must acknowledge that our planet is in crisis. We must also recognize that the health of our species is challenged not just by rising temperatures, but by an addiction to technology. The average American spends 9 hours a day staring at a screen, and we're twice as likely to suffer from nearsightedness than our parents. What's even worse, kids under 18 now spend less than 40 minutes outside each week.

But acknowledgement is not enough. We must also take action. At Outside, our mission is to get everyone outdoors. **Everything we do is meant to inspire and enable people to participate in an activity like cycling, running, camping, or skiing.** And we're now starting to measure our success by the number of readers we can persuade to close their browsers, shut down their phones, and go for a hike. Time spent in nature—even just 30 minutes has been proven to increase compassion, lower your blood pressure, and increase your productivity. <u>Scientific studies</u> have also shown that outdoor time leads to more sustainable behaviors, things like recycling, using public transportation, conserving energy at home, and so much more.

This is why we want readers to unplug and go outside. It's also why **we're holding ourselves** accountable to ambitious goals around the impacts and inclusivity of our business. As a small company, we are committed not only to inspiring and enabling people to spend more time outdoors, we are charting a course to ensure that we use our business as a force for good, to protect wild places, minimize our impact on the planet, welcome more people into the outdoor community, and support nonprofit organizations and movements that do the same.

Robin Thing for

Founder & CEO, Outside Interactive, Inc.



At Outside, we believe in the transformative power of nature.

Spending time outside is essential for the health of humans and the planet.

Yet many still can't experience the magical benefits of getting outside.

inequality disconnects many from nature.

Some communities lack equal access to nature.

This is why we've made it our mission to:

Get Everyone Outside

You don't have to be summiting a snowy peak or going on an epic bikepacking adventure or sending it up The Nose of El Cap (unless that's your thing). You just need to get outside. We want more people exploring parks, more people sleeping under the stars, more people wading in rivers and riding on dirt. We want you connecting with nature in whatever way feels natural.



And we mean everyone

Experiencing the power of nature isn't just for those who have the means or a lifetime of experience. And we're not solely focused on the "typical outdoorsy" person. Inclusion and diversity isn't just an item we're checking off our corporate list. It's the heart and soul of everything we do.



About Outside

<u>Outside</u> is the premier destination for active lifestyle enthusiasts and home to leading brands in the endurance sports, outdoor, and healthy living spaces. Each month, Outside reaches 80 million of the most active consumers in the world across its 25 media, digital, and technology platforms, creating an experience for both longtime adventurers and those just getting started. Outside's membership offering, <u>Outside+</u>, bundles best-in-class storytelling, meal plans, gear reviews, online courses, films, TV series, discounted event access, magazines, and more.

Despite the breadth of our portfolio and the legacy of many of our brands, **Outside is a small company with just over 350 employees**. But we believe that small companies can have an outsized impact on people, planet, and community. And that is what we aim to do everyday at Outside.



Mission & Values

Our Belief: We believe in the transformative power of nature.

Our Mission: Get everyone outside.

Our Vision: Build the daily destination for outdoor inspiration, activation and reward.

Our Code: Embrace Adventure, Never Stop Learning, Lead by Example, Ride on the Rivet, Win Together, Share the Stoke



All Brands Have a Unique Role In Accomplishing Our Mission.

We're a network of outdoor brands, utilities, and events all working together to help get everyone outside.



Our ecosystem meets our audience where they are.

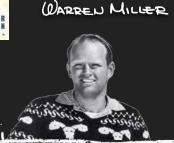


History of Our Brands



1936

SKI magazine founded as the home for all things snow and mountain culture.



1950

Warren Miller releases his first full-length skiing film, creating a new genre of action-adventure filmmaking.



1970

Climbing magazine launches as a title by and for climbers of all stripes and abilities. 1972 VeloNews launches as the American voice of competitive cycling and

cycling culture.

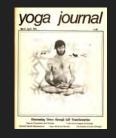
Tracks and track racing

Vela-news



1973

Backpacker magazine launches, featuring stories and information on wilderness hiking and adventure.



1975

Yoga Journal started by the California Yoga Teachers Association covering yoga and the yoga lifestyle.



1974

Vegetarian Times magazine launches as the home for vegetarian recipes, cooking tips, and lifestyle content.

History of Our Brands

Outside 1977

The original Outside launches as an active adventure lifestyle magazine encouraging readers to Live Bravely.



1979

Triathlete launches as the first magazine to serve multisport endurance athletes.

1998

Pinkbike launches from the basement of a house in British Columbia, Canada. The name Pinkbike.com was originally thought up as a joke, but as time passed, Pinkbike grew into the world-renowned source for mountain bike news.

athlete Rea

Event registration platform

athleteReg is founded to

support event directors in

cycling, running, triathlon, ski,

1999

and fundraising.



GAIA GPS

2009

GAIA GPS launches as the leading backcountry mapping app.

'inisher Pix' Powered by Smiles

2010

FinisherPix launches as a full-service event photography platform.

2008

CyclingTip launches with news, reviews, interviews, feature articles, and tips that aim to serve the curious, cyclist.

▲ CYCLINGTIPS

2014 Trailforks launches as the leading global trail mapping system for outdoor enthusiasts.



Building the Ultimate Outdoor Platform

2019

Outdoor Media.

Roll Massif

events.

PIA Plastic Impact

Pocket Outdoor Media

Plastic Impact Alliance

launches (see page 54).

acquires Roll Massif cycling

Robin Thurston acquired

controlling interest of Pocket



2017

Pocket Outdoor Media is founded with VeloNews. VeloPress, Triathlete, Women's Running, and Podium Runner.

VeloNews

Rünnina

▼velopress

PODIUMRUNNER

triathlete

2018

Gear Up Give Back program launches (see page 56).

M WARREN MILLER Backpacker CLIMBING yoga journal

Summer 2020

Pocket Outdoor Media expands into the outdoor and healthy living categories by acquiring Backpacker, Climbing, SNEWS, SKI, Yoga Journal, Better Nutrition, NatuRx, Vegetarian Times, NASTAR, Warren Miller Entertainment, Clean Eating, and National Park Trips from Active Interest Media.

PALEO

FinisherPix

RÜNNER

ROCKICE

SKI

Clean Eating

NASTAR

🐨 National Park Trips

Ø

Pocket Outdoor Media ventures into the event services space by acquiring FinisherPix. Acquisitions of Trail Runner, Rock & Ice, Paleo, and launch of BETA magazine further round out its editorial

presence.

Fall 2020

Winter 2020

Pocket Outdoor Media announces its first sustainability commitment by pledging to achieve net zero emissions by 2030.

The DEI Committee was formed to solidify the company's commitment to diversity, equity, inclusion, and belonging.

Outside

Building the Ultimate Outdoor Platform



▲ CYCLINGTIPS

ATRAILFORKS

pb pinkbike

Summer 2021 Outside acquires Pinkbike,



October 2021

Outside acquires Inkwell and ROAM. FASTEST

Spring 2021 Outside acquires Cairn, which marks

its entry into ecommerce.

Outside

Outside launches its premier subscription service, Outside+, bringing all Network Brands together into one unified online platform.

March 2022 **Outside acquires Fastest Known** Time (FKT).

Building the Ultimate Outdoor Platform



April 2022

Outside launches Find Your Good, its nonprofit partnership and fundraising platform (page 23).



May 2022

Outside acquires Stomp Sessions. Outside



February 2023

Outside launches its mobile app curating all of its content into a personalized feed.

2022 Highlights

4.14%

Reduction in carbon intensity of our footprint

20%

Amount of carbon footprint neutralized



Tons of carbon

purchased and removed from the market. Equal to:

109,483,952 miles driven

5,365,356,483 phones charged

Diverted



outdoor items from landfill [p. 56 and 59]

Donated more than

\$58,200

to The Outdoorist Oath through our Gear Up Give Back program [p. 57]

Published

35

articles in support of our Find Your Good nonprofit partners

Appointed first Head of Sustainability, signifying the company's commitment to its environmental and social impact **Completed a diversity, equity, and inclusion assessment** from an independent consultant [p. 71]

Raised more than

\$165,000

for our nonprofit partners [p. 23 and 40]

FIND YOUR GOOD

Launched Find Your Good, our nonprofit fundraising platform [p. 23]



Joined Green Business Bureau and achieved Platinum status for our Colorado headquarters [p. 46]

Section 1 Community

I do not think the measure of a civilization is how tall its buildings of concrete are, but rather how well its people have learned to relate to their environment and fellow man.

-- 个

Sun Bear, Chippewa



FIND YOUR GOOD

In April 2022, we launched <u>Find Your Good</u>, a donation hub that supports 14 mission-aligned nonprofit partners. Our goal with Find Your Good is to use our platform to raise awareness and donations for these organizations.

Since launch, we have published more than 35 articles about our partners and **raised more than \$58,000** on their behalves.



Partners



<u>261 Fearless</u> empowers and trains women around the globe to create safe, supportive running communities.

o















Protect America's Climbing

<u>Access Fund</u> protects public lands, restores climbing areas impacted by use, buys threatened land, and educates climbers and land managers about responsible stewardship and risk mitigation.









Bahati Foundation provides inner-city youth access to bikes, gear, and training, along with resources and education to foster success on and off the bike.

OUTSIDE'S SUPPORT OF THE BAHATI FOUNDATION THROUGH THEIR VARIOUS MEDIA OUTREACH CAMPAIGNS AND DIRECT DONOR ENGAGEMENTS HAS BEEN INVALUABLE IN PROMOTING OUR MISSION OF PROVIDING CYCLING TO UNDERREPRESENTED YOUTH WHILE FOSTERING SELF-CONFIDENCE ON AND OFF THE BIKE. OUTSIDE HAS PLAYED A POSITIVE ROLE IN OUR ABILITY TO EXPAND OUR AUDIENCE."

- RASHID BAHATI, EXECUTIVE DIRECTOR



Big City Mountaineers takes inner city kids on transformative outdoor adventures that strengthen life skills and build community.



BCM HAS FOUND REAL AND MEASURABLE VALUE IN OUR PARTNERSHIP WITH OUTSIDE. WE ARE ESPECIALLY PROUD OF CO-LAUNCHING THE INAUGURAL FIND YOUR GOOD FUNDRAISING CAMPAIGN AND RAISING ALMOST \$18,000 FROM INDIVIDUAL DONATIONS AND A CHALLENGE MATCH FROM MYSTERY RANCH. OUTSIDE IS AN EXEMPLAR PARTNER AND SUPPORTER OF OUR MISSION TO PROVIDE TRANSFORMATIVE EXPERIENCES IN NATURE FOR YOUTH FROM DISINVESTED COMMUNITIES."

-DAVID TAUS, EXECUTIVE DIRECTOR





6









Earth Guardians trains and empowers youth (ages 15 to 21) across the globe to be leaders and take action for the environment and social justice.

GROWCYCNG FOUNDATION

<u>Grow Cycling</u> works to make the sport of cycling more diverse, equitable, and inclusive by providing education, access, and opportunities to ride to underserved communities.











intersectional environmentalist

Through storytelling and education, <u>Intersectional</u> <u>Environmentalist</u> connects people to climate justice movements in their local communities and amplifies the work and legacies of diverse people in the environmental space.

CAO JONES VALLEY

teaching farm

Jones Valley Teaching Farm offers food-based education to grammar-, middle-, and high school-aged kids, using food, farming, and the culinary arts as a foundation for academic exploration, leadership, and pursuit of post-secondary pathways.















Through free workshops and learning tools, the <u>Outdoorist Oath</u> teaches people how to take personal action for the planet, inclusion, and adventure and creates a community of allies for sharing and support.



<u>Paradox Sports</u> provides rock and ice climbing experiences and training for adaptive athletes and works with climbing facilities to help build local adaptive climbing programs.











<u>Protect Our Winters</u> unites outdoor enthusiasts, athletes, scientists, and Congress members in the fight to stop climate change, through lobbying in Washington DC, get-out-the-vote efforts, social media campaigns, and education.





OUTSIDE'S SUPPORT HELPED POW TURN THE POTENTIAL OF "THE OUTDOOR STATE" INTO TANGIBLE IMPACT IN 2022. OUR MIDTERM ELECTION CAMPAIGN, "STOKE THE VOTE," REACHED 2,635,041 UNIQUE, UNLIKELY VOTERS WITH NONPARTISAN AND INSPIRING MESSAGING ACROSS COLORADO, MONTANA, NEVADA, ARIZONA, AND UTAH IN ADVANCE OF THE MIDTERM ELECTIONS."

-TORREY UDALL, CHIEF OF STAFF







<u>Prison Yoga Project</u> offers healing yoga programs and training to incarcerated people and correctional facility staff to address the trauma, addiction, and mental health issues that lead to and arise from incarceration.



<u>Share Winter Foundation</u> partners with and funds local community centers around the U.S. to eliminate barriers and get underrepresented kids out on skis and snowboards, providing all the gear, instruction, and transportation needed.



66

IMPACT IS MORE THAN DOLLARS RAISED (OUTSIDE DEFINITELY HELPED US DO THAT), OR ANY OTHER NUMERICAL DATA SET NONPROFITS OFTEN PRODUCE. THOSE ARE IMPORTANT, QUANTIFIABLE THINGS, BUT THEY AREN'T EVERYTHING. WHERE OUTSIDE'S SUPPORT REALLY SHINES IS ITS POWER TO BRING US INTO THE INDUSTRY CONVERSATION, ENSURING THAT OUR COMMUNITY NOT ONLY KNOWS, RECOGNIZES, AND TRUSTS OUR WORK, BUT ALSO SEES AN OPPORTUNITY TO JOIN OUR MISSION AND MAKE A DIFFERENCE."

- CONSTANCE BEVERLY, CHIEF EXECUTIVE OFFICER









Through competitive and non-competitive programming, <u>Wings of America</u> connects Native American youth to the spiritual and cultural legacy of running through the power of their own legs.



BEING PART OF OUTSIDE'S FIND YOUR GOOD COHORT HAS BEEN A REWARDING AND VALIDATING EXPERIENCE FOR OUR ORGANIZATION. MORE THAN THE MONETARY SUPPORT DRUMMED UP FROM READERS, THE PARTNERSHIP HAS REMINDED US HOW IMPORTANT IT IS TO STEP OUT OF OUR SOCIAL AND FUNDRAISING COMFORT ZONES."

-DUSTIN MARTIN, EXECUTIVE DIRECTOR





Giving Back to Our Local Communities Through Outside Events

Outside hosts 400 events around the country each year as part of our Get Out More Tour, Warren Miller Film Tour, Outside Cycling Events Series, and Fly Fishing Film Tour.

No matter what town we visit, we always take the opportunity to show our appreciation for the local communities that host us by raising money for a nonprofit partner in that region.

In 2022, we raised approximately \$115,000 for 184 different local partners.



\$69,000 61 nonprofits

Outside Cycling Event Series

\$25,000 60 nonprofits

Fly Fishing Film Tour

\$11,000 21 nonprofits

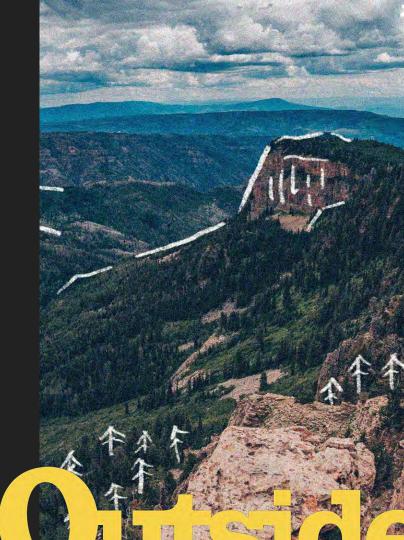
Get Out More Tour

\$10,000 42 nonprofits

Warren Miller Film Tour







Outside Community Actions

We believe in joining our communities to create positive change in our industry and the world. Our CEO, Robin Thurston, has engaged in the following collective efforts and campaigns.



CEOS FOR GUN SAFETY

Businesses for Climate Action

Time To Vote



Section 2 Planet

32.2967°N, 111.1666°W

Humankind has not woven the web of life. We are but one thread within it. Whatever we do to the web, we do to ourselves. All things are bound together. All things connect.⁹⁹



Chief Seattle, Duwamish

Our Commitment to a Healthy Planet

Nothing is more important to Outside and active lifestyle enthusiasts we serve than fresh air, clean water, and a stable climate. The future of our trails, peaks, waterways, and natural playgrounds depends on the actions we take today to reduce the environmental impact of our business.

Our 2022 strategy was centered around three specific goals.

- 1. Become climate neutral by 2026 and climate positive by 2030 by reducing our manufacturing footprint and neutralizing carbon beyond net-zero
- 2. Convert our Boulder, Colorado, headquarters to a zero-waste facility and switch to green energy suppliers
- 3. Minimize the use of virgin polybags and educate our readers on the importance of and logistics for recycling them



1.) Become climate neutral by 2026 and climate positive by 2030

In January 2022, Outside <u>launched a five-year climate initiative</u> to measure, lower, and neutralize our footprint. We will continuously examine our supply chain to identify reductions, and we will purchase carbon permits to address what remains—starting with 20% of our footprint in year 2022 and increasing by an additional 20% each year.



To eliminate emissions equal to our annual targets, we work with <u>Cooler</u> (see p. 50) to purchase carbon permits from the Regional Greenhouse Gas Initiative (RGGI), a government consortium that regulates pollution in the Northeast. For every permit we purchase at RGGI's quarterly auctions, we reduce the permits available to polluters. This immediately prevents the pollution that would happen otherwise—1 ton of carbon at a time.

We will only invest in carbon-neutralization methods that meet the following standards:

- Immediate: Many nature-based offsets, such as planting trees, require years or decades to sequester carbon
- Additional: Carbon sequestration that would happen without our investment does not equate to an actual balancing of the scales
- **Permanent**: When trees burn, they release carbon. That's why we invest in methods that remove carbon permanently rather than sequestering it.
- Verifiable: We believe in the old adage that if you can't count it, it doesn't count. That's why we <u>post receipts</u> showing exactly how many tons of carbon we neutralize each year

Planet

2 Convert Our Headquarters to a Green Facility

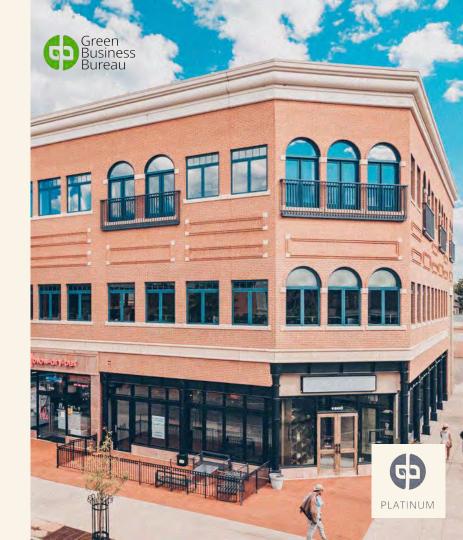
In July 2022, **Outside joined the Green Business Bureau (GBB) and** <u>achieved</u> <u>the highest level of certification</u> (**Platinum**) for our Boulder, Colorado, **headquarters.** GBB provides a sustainability framework, assessment, and the tools to create greener businesses.

<u>Click here</u> to see a complete list of all the initiatives we've completed to date to make our headquarters zero-waste.

pounds of paper, cardboard, plastic, glass, aluminum recycled at HQ this year. The equivalent of saving

4,823.58 gallons of gas

*from Green Girl Recycling



Planet

3. Minimize our use of virgin polybags and educate our readers on recycling



For decades, the magazine industry shipped issues to subscribers ensconced in polybags. In 2021, we drastically reduced our use of polybags by shipping all regular issues "naked," and only using polybags for special co-mailings. In 2021, after consulting with our primary printer, we began using "biodegradable" polybags for co-mailings. At the time, we believed that they were a more sustainable alternative. They were billed as home-compostable and recyclable. Turns out, neither of those things were true...we were greenwashed.

The bags are made from virgin poly combined with a chemical additive that breaks down the plastic, resulting in 1) the release of microplastics into the soil/mulch/compost/ocean, and 2) the release of greenhouse gases. Experts believe these bags also encourage people to litter (thinking that the bag will magically dissolve). And finally, they are NOT recyclable: There is no end market for bags with chemical additives. Thus, they <u>should be avoided</u>.

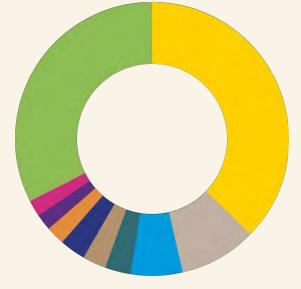
We ceased using biodegradable polybags in summer 2022 and reverted to virgin polybags, which is currently the only other viable option. We will continue to reduce our use of polybags, seek alternatives, and also use our platform to educate our customers on how to properly recycle the polybags they do receive from us.

Breaking Down Our Carbon Footprint

25,779 tons

of CO2 emitted versus 23,170 tons in 2021

Although our emissions grew by 2,609 tons of CO2, the carbon intensity of those emissions decreased by 4.14% (see p. 51 for more on carbon intensity)



- Electricity 37%
- Other 32%*
- Truck Transportation 9%
- Oil and Gas Extraction 6%
- Air Transportation 3%
- Iron, Steel, & Ferro Alloys 3%
- Other Real Estate 3%
- Petroleum Refineries 2%
- Waste and Remediation 2%
- Shipping 2%

*We calculate our footprint based on 350 different CO2-emitting categories. The factors that comprise this "Other" category are all below 1% of our carbon footprint, but when added up equal 32%.





Summary

Here's a reality about carbon footprinting: As a business sees economic success, its footprint often expands with it. Like all companies, we strive for economic success. But **our aim is to decouple our financial growth from our emissions growth**.

Unlike companies that manufacture products, Outside does not directly emit any CO2 (known as Scope 1 emissions). And we do not control the energy use and CO2 emissions used by the landlords of our office, printers, or paper and services suppliers. So decoupling our economic growth from our footprint growth is not an easy feat.

One thing that helps is good policy and paying attention to carbon intensity as well as overall carbon emissions. We calculate carbon intensity by dividing the company's total carbon emissions by its total economic activity. For Outside, decoupling entails a number of steps.

First, it means choosing the right approach to carbon neutrality. By partnering with Cooler, the money we spend on neutrality not only prevents emissions right now (**we buy and remove pollution permits from circulation**), but it is also invested in greening the electricity grid and mass transit systems, making energy cleaner for everybody.

Second, we intend to start **asking our supply chain to get off fossil fuels**. The more of our data servers and paper, packaging, and shipping services use green energy, the lighter our footprint. If everything we use to make our products and services were powered by green energy, our footprint would be zero. The world does not allow for that yet, but we are going to start asking for it.

Third, we're **reducing the carbon intensity** of our business by dematerializing what we make and do. For example, we have shifted many of our publications to an online format, eliminating the carbon impact of the paper, ink, printing, and shipping of those brands.

Because of these efforts, Outside is 20% carbon neutral today. And in 2022, we were able to reduce the carbon intensity of our operations by 4.14%. In 2023, we will achieve 40% carbon neutrality while we continue to decrease carbon intensity in our operations and use our influence throughout our supply chain to bring more green energy into our footprint.

cooler

Our Methodology & Climate Partner

Our climate partner is <u>Cooler</u>, led by <u>CEO Michel Gelobter</u>, a 25-year climate analyst who helped author California's first economy-wide carbon legislation and is an expert in climate justice issues.

Using peer-reviewed modeling developed at Yale and Berkeley that is based on Nobel Prize-winning science, Cooler calculates Outside's annual carbon footprint and helps us identify ways to reduce it.

Cooler uses a massive product database, and works with peer-reviewed carbon footprint calculators that cover all consumer goods and services and provides the companies that work with us with details key to driving down their products' footprints. Cooler's methodology is the most conservative available— it is far more likely to overstate the footprint than to understate it. Cooler's method follows the most environmentally conservative variant of <u>the Greenhouse</u> <u>Gas Protocol</u>, accounting for Scopes 1, 2, and 3 for products and services up to point-of-sale.

The calculations start with the price of a product or service. From there, Cooler uses economic and engineering data to calculate the footprint based on up to 2,000 underlying categories, including where a company is based, how it ships, and other key variables.

Cooler not only provides us with a complete carbon footprint of our business, but it has helped us identify how much dirty energy contributes to our footprint all the way up the supply chain. For example, it has helped us quantify the difference we can make by moving from paper magazines to digital ones. And we can track the direct impact our spending on neutralization is having on emissions at power plants.

Understanding Emissions

Scope 1: Burn

Direct emissions owned or controlled sources. Examples: Greenhouse gasses created to power owned buildings and vehicles. Outside does not have any Scope 1 emissions.

Scope 2: Buy

Indirect emissions from the generation of purchased electricity, steam, heat, and cooling. Examples: Greenhouse gasses created from energy purchased to power buildings and vehicles a company uses.

Scope 3: Beyond

All other emissions produced through a company's supply chain. Examples: Business travel, commuting, purchased goods and services, leased assets. The vast majority of Outside's footprint comes from Scope 3 emissions.



Major Findings & Learnings

For Outside, 2022 was a year of finding business efficiencies within our company after a string of acquisitions. We said goodbye to some brands and made the decision to shift from a print magazine model to a largely digital one. We also divested from many satellite offices around the country, moving to a primarily remote workforce.

After completing our carbon footprint for 2022, we encountered some surprises. What we initially thought would be major sources of emissions—things like print magazines and leased office space—are actually not big contributors to our carbon footprint (10 and 9% respectively). The largest contributor by far is electricity used throughout our supply chain in the products and services we use to run our business (also known as "Scope 3 emissions").

These types of changes do, however, impact the carbon intensity of our business, which is <u>an</u> <u>important indicator for long term emissions reductions</u>.

We reduced our print magazine production by 80 percent in 2022. And although that means a reduction in paper, printing, and transportation of magazines, the net result is only about 7 percent improvement in our carbon footprint. That's because the very act of journalism itself, the reporting, the travel, the digital and actual infrastructure-also has a carbon cost that must be taken into account.

As a digital media company, we rely on electricity to keep our servers running, keep the cloud refreshing, keep our websites functioning, and of course to keep the lights on in our global headquarters in Boulder, Colorado.

In 2022, we made a dramatic shift to a more remote workforce, selling owned office space and terminating leases for many of our offices. We retain our leased headquarters (but diminished the square footage) in Boulder, Colorado, but because we are tenants, we do not control the energy decisions there, nor do we have visibility on our energy bills. This is a common problem for companies who lease office space (it's known as the <u>"principal agent problem"</u> and it applies to both residential and commercial tenants. Not having agency is a barrier to energy efficiency and renewable procurement.



Where We See Opportunity

In order to meaningfully reduce our carbon footprint in 2023 and beyond, our Sustainability Team will be exploring the following in 2023:

- Working closely with our **vendors and partners** to bring more renewable energy into our supply chain and ensuring that they are measuring and reducing their own footprints.
- Creating a **Supplier Code of Conduct** to ensure that our partners share our sustainability values and goals
- Significantly **reducing our energy consumption** and engaging with our landlord about purchasing renewable energy for our leased headquarters in Boulder, Colorado and significantly reducing our energy consumption
- Completing an audit of staff travel to better understand its impact on our footprint



Outside's Sustainability Team

Launched in 2022, the Outside Sustainability Team (OST) is a 5-person taskforce that is designing a roadmap that will enable Outside to achieve and update its <u>sustainability goals</u>; reducing operating costs by finding planet-friendly solutions; and creating a culture of continuous climate awareness among the company's staff and audience. The OST aims to integrate sustainability action into every single department and business unit throughout the company.



Plastic Impact Alliance

The Plastic Impact Alliance (PIA) was co-founded in early 2019 by Outside's Head of Sustainability, Kristin Hostetter. The motivation came after attending the Outdoor Retailer trade show, where the proliferation of single-use plastic bottles and cups at an outdoor industry event united by its desire to protect the planet, was drowning in plastic usage.

Following the event, <u>an op-ed</u> was published where thousands of industry professionals signed the Plastic Impact Promise as a coalition of outdoor companies committed to reducing and ultimately eliminating their single-use plastic footprint.

Today, the Plastic Impact Alliance is a group of 400+ outdoor brands committed to making our industry more sustainable by eradicating single-use plastic from their businesses. PIA members have promised to reject single-use plastic bottles at Outdoor Retailer, host water stations at their booths, collaborate with other PIA members on best practices to nix single-use plastic, and activate the greater outdoor industry.



75,000+ Polybags collected during pilot

247,933

Polybags recycled from Pearl Street businesses to date

57.8 lbs.

Polybags recycled weekly in 2022

The Retail Polybag Recycling Project

In fall 2021, the Plastic Impact Alliance teamed up with Boulder, Colorado, nonprofit <u>Eco-Cycle</u> on <u>a hyperlocal polybag recycling</u> <u>project</u> along the Pearl Street Mall. Aside from Outside, ten PIA members participated: Artilect, Backcountry, Black Diamond, Fjällräven, Helly Hansen, Himali, Norrona, Patagonia, Sherpani, and Stio.

Each week during the three-month pilot, a student-led team used a bicycle powered collection cart that replaced the typical fossil fuel powered trucking model to collect polybags from the 11 storefronts. The bags were hauled back to Eco-Cycle, sorted and counted, then properly recycled. During the pilot project, <u>more</u> <u>than 75,000 bags were processed</u>.

After the pilot, brands were invited to continue recycling through the program at a cost of less than \$20 per pickup. All but one company opted in, and two more storefronts have been added: Arc'teryx and Bliss Boutique.

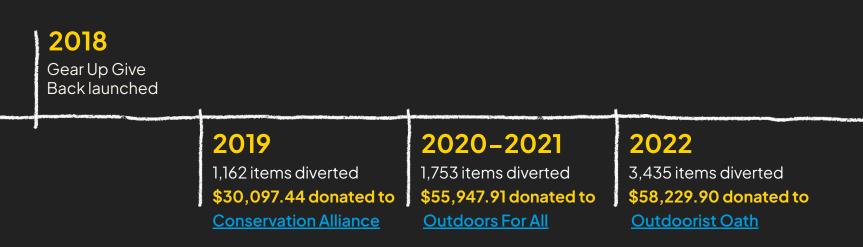
Outside GEAR UP GIVE BACK" Gear Up Give Back

Launched in 2018, **Gear Up Give Back** is an award-winning gear recycling program that allows individuals and companies to donate—and ship for free—used outdoor gear and apparel, diverting it from the landfill.

Through the <u>Outside Shop</u>, donors can print out a free shipping label and send their used gear to our partner, <u>Gear Fix</u>, a consignment shop located in Bend, OR. After making any minor repairs and Gear Fix resells the goods and 100% of net proceeds go to a designated nonprofit partner.

44,000

Gear Up Give Back Impact













Outside | GEAR UP GIVE BACK-

At the 2021 Outdoor Retailer Snow Show, Gear Up Give Back was recognized for its environmental and social impact with a coveted Innovation Award. A panel of 15 judges considered 152 nominations before deciding on 15 winners.

ONE OF THE MOST INCREDIBLE SUSTAINABILITY PROGRAMS I HAVE EVER SEEN, IF YOU'RE LOOKING FOR A WAY TO SUPPORT PLANET, INCLUSION, AND ADVENTURE, THIS IS SUCH AN EASY WAY TO GIVE BACK."

> -PATTIEGONIA, DRAG QUEEN, ENVIRONMENTALIST, AND LGBTQ+ ACTIVIST.

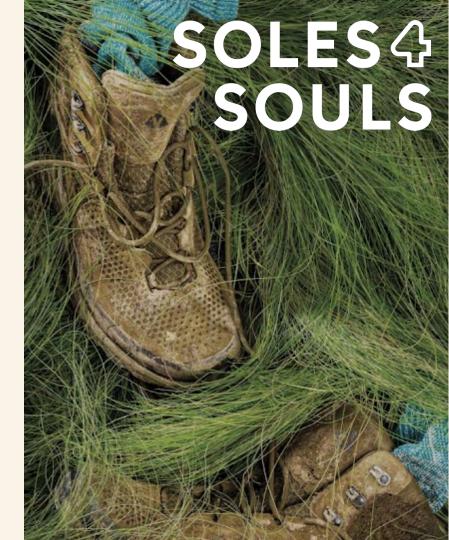
Keeping Shoes Out of the Landfill

In April 2021, Outside began partnering with <u>Soles4Souls</u> on an ongoing, large-scale shoe drive that diverts old shoes from the landfill.

Headquartered in Nashville, Tennessee, Soles4Souls accepts donations of used shoes and clothing across the U.S., repurposing those products to supply micro-enterprises, disaster relief programs, and direct-assistance efforts all over the world. In other words, the group not only saves gear from the landfill, it helps people in need by repurposing shoes for good causes.

The program offers <u>free shipping</u> and accepts shoes of any kind, in any condition.

To date, the Outside community has donated nearly 1,500 pairs of shoes to the cause.



"We don't need a handful of people doing zero-waste perfectly. We need millions of people doing it imperfectly."

.....

Anne Marie Bonneau, Zero-Waste Chef

Il. in

Building a Sustainable Investment Portfolio

Outside is taking steps to ensure that our investments are aligned with our sustainability goals.

401K

As of December 2022, we've added an ESG (Environmental, Social, and Governance) investment option to our Outside 401(k) Retirement Plan, Vanguard FTSE Social Index Fund. This allows our employees to use their retirement funds to support environmentally and socially responsible investments that exclude things like coal, oil, and gas.

We are committed to continuing to monitor the performance of other ESG funds and adding ones to our portfolio of options that meet our standards.





Insurance

In November 2022, Outside joined <u>Premiums for the Planet</u>, which is working to make sure that the money we spend insuring our business gets invested into protecting—not harming—the planet while speeding the transition to a better, more renewable future.

Premiums for the Planet coordinates and leverages the insurance premium spend and influence of sustainably-minded insureds. This creates a compelling marketplace for responsible insurance and insurers, preferencing those taking leadership to stop the expansion of harmful activities and influence a transition to sustainable practices.





FIGHTING THE CLIMATE CRISIS

SUPPLY CHAIN COMEBACKS

TREND REPORTS

NEW SKI TECH PRE-OWNED GEAR SALES +50 HOT NEW PRODUCTS

LIFE AFTER PATAGONIA ROSE MARCARIO'S NEXT ACT

Inspiring Our Audience

Our audience reach is one of our greatest assets and we want to use our platform to inspire climate awareness and action. In the last few years, we have increased and enhanced our coverage of the climate crisis across most of our brands. And we won't stop. What follows are just a few examples.

Outside Online: <u>The Optimist's Guide to Climate Change</u> is a deep and growing collection of climate stories meant to educate and inspire our audience to take action in their daily lives.

Outside Business Journal: The <u>Winter 2022 issue</u> was devoted to the climate crisis and stories about how outdoor brands and leaders can have a positive impact on the planet.

Winter 2022



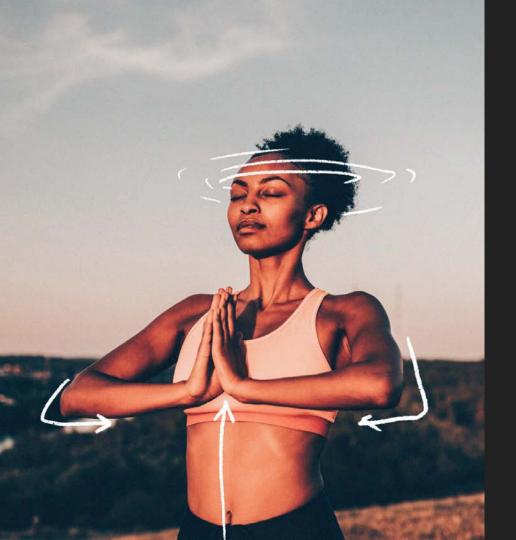
Inspiring Our Audience (continued)

SKI: Exploring topics like <u>how climate change impacts snow sports</u>, <u>why the Inflation Reduction Act matters</u>, and ski resorts making <u>positive environmental changes</u>

National Park Trips: Reporting on how <u>climate change impacts our</u> <u>national parks</u>

Backpacker: Teaching hikers how to lower their carbon footprints

Section 3 People



Diversity, Equity, and Inclusion

Outside believes that when diversity is celebrated and inclusion valued, we can inspire outdoor participants to do the activities they love more often with greater enjoyment, inspiration, and knowledge.

In 2021 and 2022, Outside's DEI Committee established a set of objectives with the goal to diversify our leadership and workforce, establish educational trainings for all our employees, build a culture of belonging, and create content that's more representative of all communities.

As a small company, we strive to make a big impact on diversity, equity, and inclusion by actively seeking out and implementing inclusive practices, fostering a culture of openness and respect, and engaging with and supporting diverse communities.

Our Team

We acknowledge that we have work to to do in building a team that reflects our society at large. In 2022, our recruiting team set a goal of ensuring that 10% of new hires represented marginalized communities. We ended the year at 18% and aim to increase this to 20% in 2023.

Statistics are based on data collected from 379 respondents in the July 2022 Engagement Survey.

Leadership **Gender Identity Gender Identity** Male 52% **Male 68%** Female 41% Female 32% Not Specified 7% **Race / Ethnicity Race / Ethnicity** White 85% White 83% BIPOC 9% **BIPOC14%** Not Specified 6% Not Specified 3% **Sexual Orientation Sexual Orientation Heterosexual 77%** Heterosexual 83% **LGBTQ+13% LGBTQ+12% Not Specified 4%** Not Specified 10%

How do we work to diversify our workforce?

- 1. Ensure that at least 10% of new hires identify with a marginalized group.
- 2. Create standardized DEI talking points for recruiters and hiring managers to highlight our DEI initiatives to potential candidates.
- 3. Curated a list of **diverse contributors** for all content creators to use as a resource.
- 4. **Train hiring managers about unconscious bias and the use of inclusive language** to ensure an equitable approach to how we source, screen, interview, evaluate, select and onboard candidates.
- 5. Consistently promote our job openings on **diverse job boards**, **universities**, **and social channels**.



DEI Committee

Outside's DEI committee exists to create a culture of inclusivity both within the company and throughout our active lifestyle audience. The committee will create the tools, identify and provide resources that intentionally foster diversity, equity, and inclusion, guiding the way toward a culture where team members are treated equitably, where all voices within our communities—both internal and external—are heard and valued.



Outside

70

- Mandated training for all employees to understand the impact of Unconscious Bias
- Audited our content across all publications and categories, including social media, audio, video, editorial, and photography, to ensure diverse representation
- Established a more defined interview process, including criteria for candidate sourcing and selection to help support our diversity goals
- Fundraised to support affinity groups and nonprofit organizations that are aligned with our diversity and inclusion mission
- Hosted several DEI events--both internal and <u>public</u> that brought cultural awareness to issues that affect BIPOC communities
- We engaged a third party DEI consultant to audit our DEI Committee and internal systems and processes in order to identify and address gaps and areas for improvement. Based on those results and recommendations, we restructured and relaunched our employee-led DEI Committee in Fall 2022.

DEI Assessment

In 2022, Outside underwent a full review and assessment of our DEI practices by our external DEI consultant and CEO of <u>Revolutionary HR Consulting</u>, <u>LaCoya Shelton</u>, M.A., SPHR, SHRM-SCP, HCS.

The goal of the assessment was to review key indicators of diversity, equity and inclusive across the following domains:

- DEl in the Talent Life Cycle
- DEI Vision and Connectivity to Strategy and Operations
- Governance & Integration
- Resource Allocation
- Communications & Stakeholder Engagement

The results of the assessment showed strong progress advancing DEI in the workplace. Some key highlights of our progress included:

- Establishing the DEl committee to lead Outside's efforts
- Making financial investments in the work the company invested \$100K toward the DEI committee actions
- External focus on content, imagery aligned with the mission to get everyone outside.
- Exceeded goal in hiring employees from underrepresented groups by changing our recruiting practices
- Gained company-wide support in activating DEI initiatives and awareness.

Most significant areas of opportunity and recommendations for Outside's future DEI journey included improvements in:

- **Communication**: more consistency and recognition of DEI efforts to gain more engagement across the organization
- Establishing Accountability: not all leaders played an active role in the DEI space or the company's efforts to this end
- Branding: Restructure the DEI committee to a smaller, more aligned group with manageable, more focused goals that drives deeper impact
- Integrating DEI into business processes: Help employees understand what they can do as individuals and how DEI can/should be integrated into their work.

Employee Resource Groups

At Outside, we encourage and support ERGs as a way for our team members to deepen their sense of belonging and community, enhance career development, and strengthen company culture. We currently have four employee-led ERGs.



Provides Outside's women and nonbinary employees with personal and professional support through networking, education, and career-development opportunities to empower all to become leaders, create an inclusive workplace and positively impact the issues women currently face in both the workforce and the outdoor industry.



On a mission to get more queer people involved in active outdoor pursuits and improve intersectional LGBTQ+ representation and sense of belonging within Outside's staff, contributor networks, and content.



Supports employees at all stages of family life by providing a voice on company initiatives, creating connections amongst employees and their families, helping to navigate familial leave, and providing resources to help foster community and navigating the work-life intersection during big life moments.



Provides support and camaraderie to veterans at Outside, advises and assists content creators with veteran-related issues, provides company training on the stereotypes involving veterans and to help foster a positive perspective of veterans, brings awareness of Veteran's Day and Memorial Day to the larger community.

People

Our Creator Network

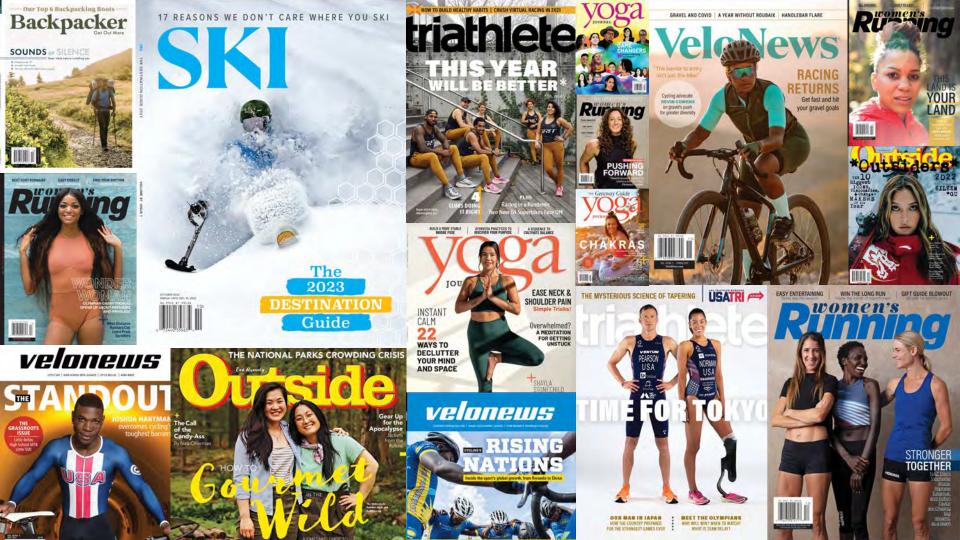
The Outside Creator Network is a community of over 500 engaged creators that come from every walk of life and every corner of the globe. The network, less than one year old, is comprised of athletes, artists, filmmakers, writers, community leaders, and photographers who collectively align behind our mission of getting everyone outside. From internal campaigns to external partners, creators in the network are driving culture and starting conversations. One main goal of the network is to reflect the Outside audience as well as the world around us. 500+ Creators **20M** Fans and followers **49%** Women & Gender Diverse 32% BIPOC 7% LGBTQ+ 6% People w/ Disabilities



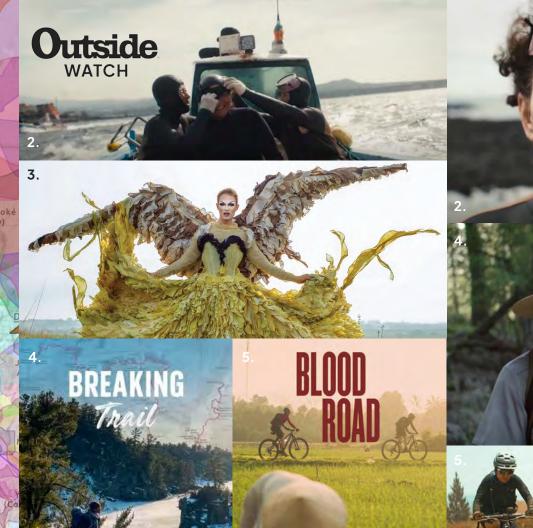
Content That Reflects Who We Want to Be

We strive to make our content reflective of the society we live in and the audience we seek to grow. We acknowledge that there is much work left to do to diversify the audiences of our network of brands, but we are taking steps to be more inclusive.

- Launched the Active for All campaign, which was a company-wide editorial program designed to make our publications, our teams, our activities and our communities more inclusive and welcoming
- Established the groundwork and conducted an initial content audit across all our brands that collects data on the diversity of our images, writers, artists, story subjects, sources, and more
- Our editorial teams actively collaborate to bring in new voices, especially those from underrepresented communities.







- 1. Gaia GPS Native Land Territories Map
- 2. Lessons From Jeju on Outside Watch
- **3.** Pattie Gonia for Outside Online
- 4. Breaking Trail on Outside Watch
- 5. Blood Road on Outside Watch

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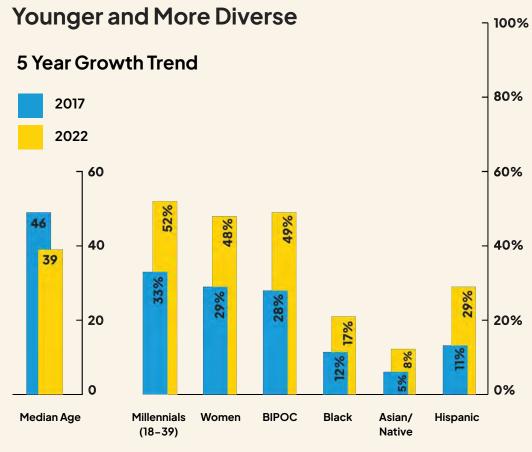


Tracking Our Efforts

It's important that we are watching how our content diversification efforts impact our audience growth. In Fall 2022, we established a demographic baseline for the entire Outside network of 25 brands. A five-year study on the Outside Magazine and Outside Online audience, our largest brand, shows that we are making steady progress.



Demographic Shifts



Source: Outside Magazine print and digital audience, MRI-Simmons Spring 2017 vs. Fall 2022

Summer Travel Guide 10 Gems in the Pacific Northwest

> TRAKELAZING ATES

THENEW **Meet the Next Generation**

ive Bravely

ANARCHY ON EVEREST **Big Business, Big Crowds, Big Mess**

Health

Made East How to Bu

Marijuana Rx

a Supermea

Used Gear

OPEN HERE

Why the Pre-Owne

Market Boomin

The Pair thietes Low

Food

Diversifying our Audience

Historically, our mission has been simple and unwavering: Inspire our audience to live more adventurous lives. What's changed? Over the past several years, one of our key company-wide initiatives has been to make the outdoors a more welcoming and inclusive place for all.

- We're walking the talk: Our editors are constantly looking for new voices from women, BIPOC, LGBTQ+, and other diverse views on subjects related to the outdoors (see pages 73-75 fro some examples)..
- We're introducing new people to our lifestyle: The Outside network reaches 80 million people per month.
- And focusing on inclusivity: Starting with the groundbreaking all-women's issue of Outside Magazine in 2017 we have been striving to celebrate voices that reflect the world around us.
- Our audience is increasingly diverse: Our female readership and our African American readership have both roughly tripled over the past five years.



Supporting Our Employees and Values

We strive to support our employees in every way possible through robust programming and benefits such as:

Flexible Time Away: We believe in the importance of taking time to refresh and rejuvenate in nature, spending time with family, and doing the outdoor activities that we love. In 2022 we launched Get Outside Day, an annual day for employees to live our mission.

Paid Parental Leave: We provide 12 weeks of paid parental leave for any eligible full-time employee that welcomes a new family member.

Employee Mental Health: Outside provides all employees with a wellness stipend, which can be use at their discretion for anything from an annual ski pass to yoga classes. Employees and their families also have access to our many mental health resources including LifeGuides, Talkspace, MeruHealth, Ginger, and Happify.

Public Transportation Passes: To encourage fewer GHG emissions, Outside offers free public transportation passes to all employees with a commute.

Remote Work Policy: Outside recognizes that we can effectively work remotely while supporting our internal teams and operationalizing our mission of getting everyone outside. Outside provides each employee flexibility to design a remote or hybrid work model based on their team dynamic.

Employee Stock Options: Outside believes that all employees are owners and that we contribute to the success of the company, therefore, all full time employees are given equity as part of their compensation package.

In sustainability and inclusivity, the work is never done. We will continue to work hard every day to get everyone outside and to do our part to create a healthier planet. **99**

Robin Thurston, CEO

Questions or feedback?

Contact our Head of Sustainability, Kristin Hostetter, khostetter@outsideinc.com

