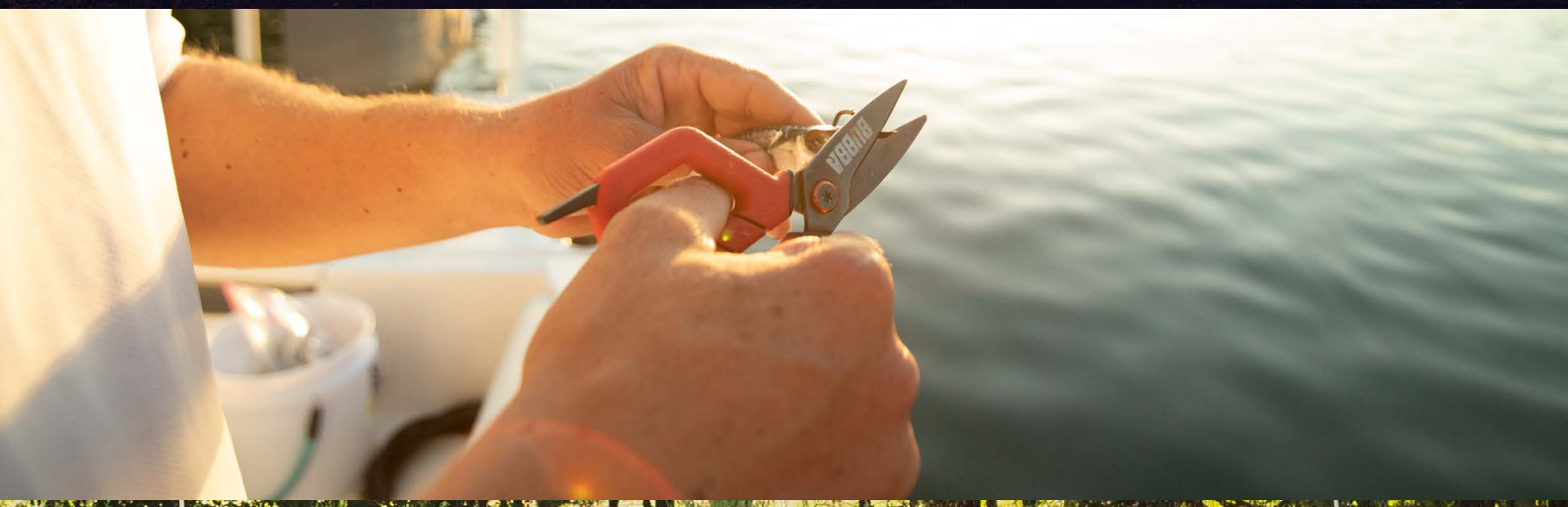


AMERICAN™
OUTDOOR BRANDS

# 2022 ESG REPORT

ust Double Wide Fillmatics

Grilla® Silverback Wood Pellet Grill Alpha Connect (WiFi)

Schrade USA MADE Alpha Series

BUBBA Kitchen Series Electric Fillet Knife

BUBBA Tidal Rod Series

BOG Hunting Tripod

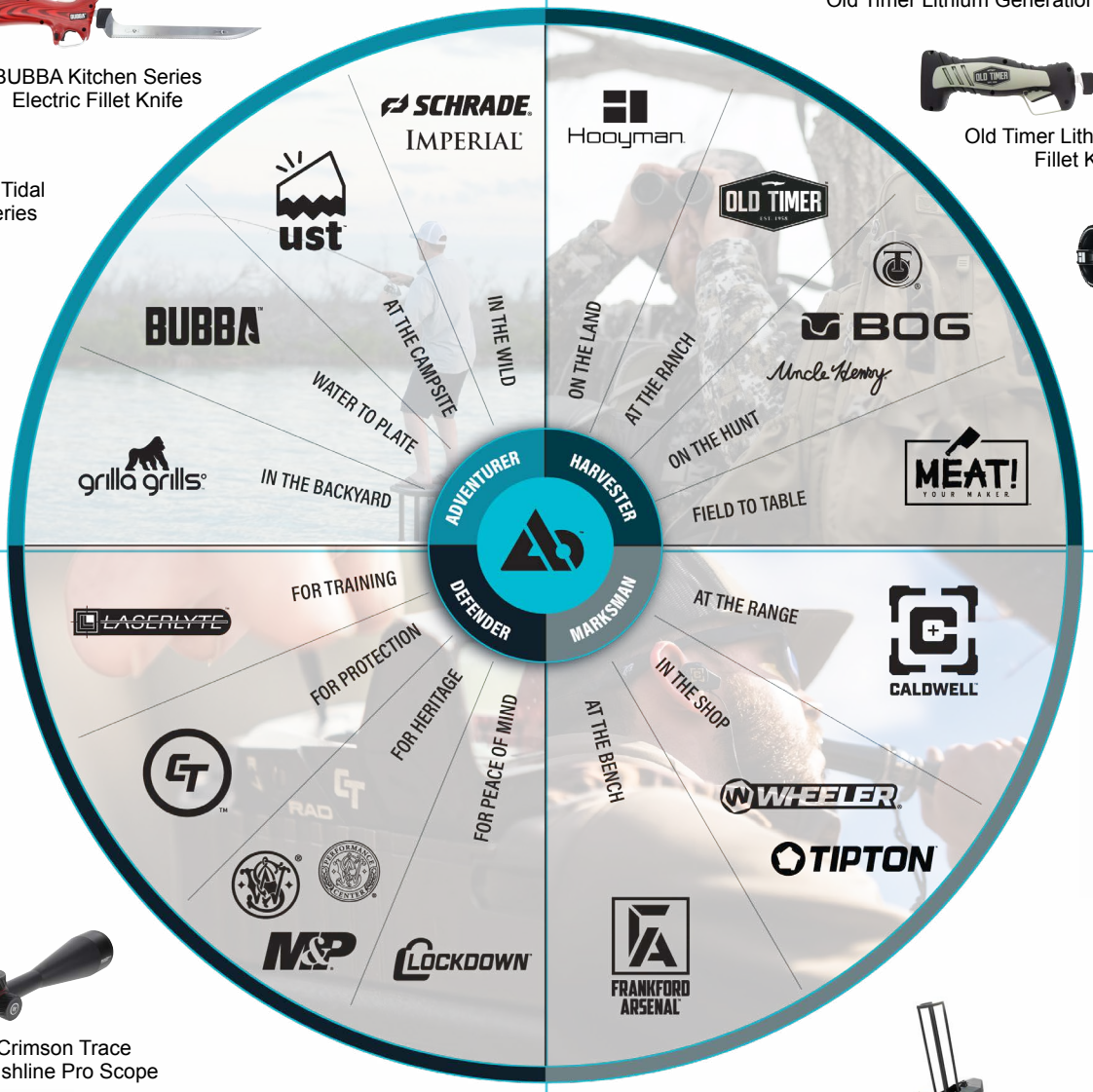
MEAT! Sous Vide

MEAT! Chamber Vacuum

Old Timer Lithium Generational Series

Old Timer Lithium Electric Fillet Knife

Hooyman 24v Spreader



Lockdown Puck Gen 2

Frankford X-10 (Reloading)

Crimson Trace Brushline Pro Scope

Caldwell Claymore

Wheeler F.A.T. Stix

Lockdown Secure Walls and Accessories

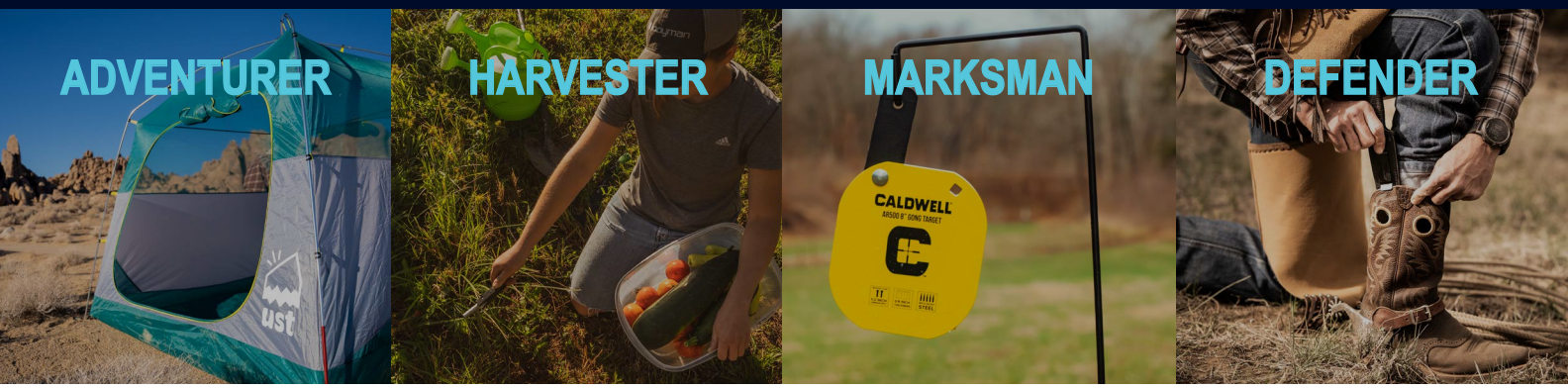
S&W Rosewood Executive Barlow

Crimson Trace RAD (Red Dots)

Caldwell E-Max Shadows Pro

Tipton Ultra Gun Vise

**Dedicated to building authentic lifestyle brands that help consumers make the most out of the moments that matter.**




# About This Report

American Outdoor Brands, Inc. is a leading provider of outdoor products and accessories encompassing hunting, fishing, camping, shooting, and personal security and defense products for outdoor enthusiasts. We focus on the establishment of product categories in which we believe our brands will resonate strongly with the activities and passions of consumers and enable us to capture an increasing share of our overall addressable markets. In focusing on the growth of our brands, we organize our creative, product development, sourcing, marketing, and e-commerce teams into four brand lanes, each of which focuses on one of four distinct consumer verticals: Adventurer, Harvester, Marksman, and Defender.

We develop and market our products at our facility in Columbia, Missouri, and contract for the manufacture and assembly of most of our products with third parties located in Asia. Our common shares trade on Nasdaq under the symbol AOUT.

In 2022, we enhanced our ESG strategy to align with the growth and evolution of our business. At the same time, our Board revised the Nominating and Corporate Governance Committee charter to more clearly define its ESG oversight responsibilities. In fiscal year 2023, our Board created an ESG Committee, which has overall responsibility for the oversight and effective operation of our ESG strategy. Our Board of Directors and executive management team recognized the importance of embedding environmental, social & governance (ESG) priorities within our business operations and approved an ESG strategy intended to drive additional progress on initiatives that promote increased transparency. To support clear communication, we have engaged in robust data gathering and reporting using the investor-focused disclosure standards developed by the Sustainability Accounting Standards Board (SASB) and United Nations Sustainable Development Goals (SDGs). Working with investor stakeholders, SASB has developed a standardized disclosure on the industry-specific issues most important to investors, while the Sustainable Development Goals are a collection of 17 interlinked global goals designed to be a blueprint to achieve a better and more sustainable future for all.

In this ESG Report, we provide a comprehensive view of our achievements and progress over the past year as well as our path toward a sustainable future. To address the diverse interests of our stakeholders, we have brought together a detailed overview of our ESG activities and data. Thus, we are providing indexes with alignment to the SASB and SDG frameworks. We drew upon the subject matter expertise of our colleagues throughout our organization to collect and organize the content relative to the 10 areas we identified in our benchmarking and the frameworks. Our comprehensive approach to sustainability is a strategic imperative for us and this report marks a major step forward in our sustainability journey, as it formalizes our commitment to regularly communicate our ESG priorities and progress.

AMERICAN™ OUTDOOR BRANDS

This report contains forward-looking statements, including our commitments, targets, and other statements that are not historical facts. These statements are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements are set forth in our SEC filings. All forward-looking statements are based on management's current assumptions, estimates, and projections.

# TABLE OF CONTENTS


**INTRODUCTION**

Introduction . . . 3
Letter from Our CEO . . . 4
At-A-Glance . . . 5

**OUR COMMITMENT TO THE ENVIRONMENT**

Supply Chain Management . . . 7
Energy Management & Usage . . . 8

**OUR SOCIAL IMPACT**

Employee Engagement . . . 10
Diversity, Equity & Inclusion . . . 11
Our Community . . . 12
Development & Retention . . . 13
Product Safety . . . 14

**OUR CULTURE OF GOVERNANCE**

Business Ethics . . . 16
Board Composition . . . 16
Data Privacy & Cybersecurity . . . 17

**DATA TABLES AND APPENDIX**

SDGs . . . 19
SASB Table . . . 20

# Introduction

This year, we established an ESG working group, which is responsible for leading our ESG strategy and monitoring our corporate social responsibility and environmental sustainability initiatives. This internal ESG working group is led by a cross-functional team of leaders representing Communications, Facilities, Finance, Human Resources, Investor Relations programs, and Legal functions. Against this backdrop, we have, with the assistance of outside ESG expertise, performed an assessment of key indicators and engaged with our internal and external stakeholders on ESG topics to help further inform our future direction and priorities. The tenets of our ESG strategy include:

## ESG TENETS

- BOARD COMPOSITION
- BUSINESS ETHICS
- DATA PRIVACY & CYBERSECURITY
- DIVERSITY, EQUITY & INCLUSION
- EMPLOYEE ENGAGEMENT
- ENERGY MANAGEMENT & USAGE
- MANAGEMENT & RETENTION
- OUR COMMUNITY
- PRODUCT SAFETY
- SUPPLY CHAIN MANAGEMENT

This is our inaugural American Outdoor Brands ESG Report, which takes a materiality-based approach to disclosure and covers data to April 30, 2022, unless otherwise noted. This report was prepared in accordance with the SASB and SDG standards. In compiling this Report, in 2021 and 2022, we completed a materiality assessment. The assessment began by examining a range of key stakeholders—including investors, customers, employees, and ESG rating organizations—and by studying industry peers. From this research, we calculated an overall priority score for each ESG topic to focus our strategy and disclosures. Using this quantitative model, we identified the 10 highest scoring non-financial topics that are most impactful to the business.

**"…we remain conscious of the need to continue to embed the principles of a circular economy throughout our organization."**

## Dear Shareholders,

I am pleased to share our first global ESG Report, which marks a significant step forward in our sustainability journey. Our mission is to deliver brands that move you because our success is measured by moments that matter. Thus, we believe that we must continue to invest in and leverage our unique value enhancing differentiators, including sustainability. At the same time, we never lose sight of the tenets of our sustainable long-term strategy: Our Commitment to the Environment, Our Social Impact, and Our Culture of Governance.

We are uniquely positioned to capitalize on the challenges and opportunities our world presents. We are incredibly excited to build upon our momentum as we remain focused on driving recurring sustainable growth.

In 2022, we are well positioned for an inflection point in our sustainable growth strategy because of our desire to be responsible stewards of the environment and good partners to the communities in which we operate—all of which, we believe, have the ability to deliver tangible business value.

We have over 300 employees across our state-of-the-art facilities, including our Columbia, Missouri, manufacturing plant where our commitment to build a diverse and inclusive culture has never been stronger. This is reflected in our management team, where we feature independent, experienced, and diverse members with expertise in a broad set of areas. Furthermore, a key aspect of our ESG strategy is reacting to climate change. We do not limit our thinking on emissions reductions simply to environmental enhancements. Rather, we consider the vast impacts climate change can and will have on all the communities we serve, especially on people who live in vulnerable areas and who will be disproportionately affected.

This inaugural ESG report formalizes our commitment to regularly communicate our ESG actions and performance. Building on our strong governance foundation detailed on our website and in our regulatory filings, we incorporated and utilized the SASB framework as part of this disclosure to further enhance transparency. While we are pleased to share this report, we do, however, remain conscious of the need to continue to embed the principles of a circular economy throughout our organization.

In the coming years, we will remain vigilant to maintain rigorous ESG standards, enhance our sustainability efforts, and continue to be keenly focused on implementing a best-in-class program. Our focus ahead is unwavering. We are excited for what the future holds for us, and we are proud to share our sustainability story with you in this report.

We appreciate your confidence and support.

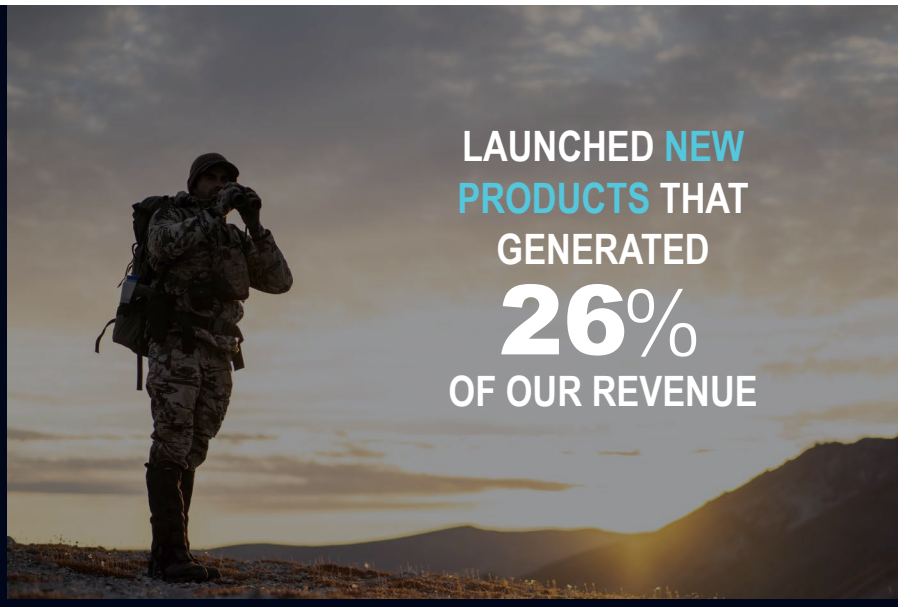
**BRIAN D. MURPHY**
President,
Chief Executive Officer

Photography at Nasdaq MarketSite courtesy of Nasdaq, Inc.

# FY22 At-A-Glance

AMERICAN™ OUTDOOR BRANDS

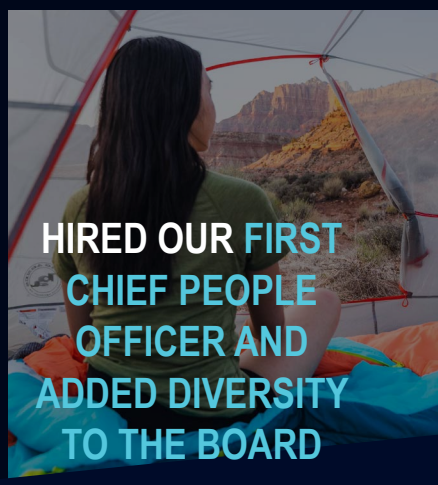
DELIVERED INTERNATIONAL SALES GROWTH OF **40%**



LAUNCHED NEW PRODUCTS THAT GENERATED **26%** OF OUR REVENUE

GREW OUR DIRECT-TO-CONSUMER SALES **73%**

ENTERED NEW MARKETS BY ACQUIRING GRILLA GRILLS



HIRED OUR FIRST CHIEF PEOPLE OFFICER AND ADDED DIVERSITY TO THE BOARD

# OUR COMMITMENT TO THE ENVIRONMENT

AMERICAN OUTDOOR BRANDS


SUPPLY CHAIN MANAGEMENT . . . . . 7
ENERGY MANAGEMENT & USAGE . . . . . 8

# Supply Chain Management

We continue to invest in supporting and elevating the people who work in our supply chains, our team members, and the communities in which we operate. Senior leaders from across the Company are responsible for identifying and managing risks and opportunities associated with our supply chain. We recognize the important role we play in responsible sourcing and caring about the people behind our products. We are committed to honoring our supplier contracts and paying for orders already produced or in production, as we place great value on the relationships we have with our supplier partners, including the workers. Notably, we demand:

**SAFE AND HEALTHY WORKING ENVIRONMENTS, INCLUDING ACCESS TO CLEAN WATER**

**NO FORCED LABOR**

**RESPECTING HUMAN RIGHTS FOR ALL WORKERS IN OUR SUPPLY CHAIN—SPECIFICALLY AT-RISK GROUPS SUCH AS WOMEN, YOUNG WORKERS, AND CONTRACT WORKERS**

We require that vendors provide only products that comply with applicable laws, including those related to environmental protection and product safety, and we will not knowingly purchase products made in violation of established environmental or consumer product safety requirements. Additionally, we maintain a large supply chain with a broad network of suppliers to give us flexibility in the event that any of our individual suppliers do not meet our standards.

We believe that a focus on environmental supply chain is fundamental and integral to the work we do every day to serve our customers, create value for our stockholders, and benefit our global community. The sustainability of operations, products, supply chains, and projects are central to sustained value creation. We are committed to creating environmental awareness with our employees and other partners, and engaging them to reduce consumption of natural resources; preserve air, soil, and water quality; manage waste properly and encourage reuse or recycling; reduce use of toxic substances; and apply an ethical approach to source reduction and disposal efforts. Our Environmental Management System (EMS) is managed at each site by a site-level Environmental, Health, and Safety coordinator, who ensures that the system is implemented and maintained.

We are also committed to ensuring that proper working conditions exist for the health and safety of our employees. Our commitment includes:

- Advancing shared environmental goals through strategic engagement with our suppliers.
- A robust Physical Security Policy that provides a framework to detect, deter, and mitigate risks that could jeopardize the company's integrity, people, processes, or critical assets.
- Taking steps to validate the absence of slavery, human trafficking, and forced labor in our supply chain and therefore ensure compliance with the UK Modern Slavery Act.

# Energy Management & Usage

We believe that our focus on environmental sustainability, with the objective of reducing costs and improving sustainability of our operations will provide a strategic benefit. We continue to advance plans to create further efficiencies in our operations and reduce our emissions, including increasing the amount of green energy used for our facilities. Across our global portfolio, we seek to maintain collaborative, innovative, low-emission, and energy-efficient working environments.

As climate change concerns become more prevalent, we recognize the need to comply with increased regulations and stricter environmental standards. Highlights of our environmental sustainability efforts and accomplishments include:

A concerted effort to

**REDUCE OUR RELIANCE ON ENERGY**

which in turn mitigates the strain we place on the power grid.

Continuously researching and designing innovative ways to boost efficiency, such as utilizing

**HIGH-EFFICIENCY ELECTRICAL EQUIPMENT**

including LED and motion detector lighting, and high-efficiency HVAC units.

Encouraging

**ENVIRONMENTALLY FRIENDLY WORKPLACE**

practices by supporting recycling and separation of waste throughout our offices.

Migrating technology infrastructure to a

**CLOUD ENVIRONMENT**

reducing energy usage, and accordingly, our carbon footprint.

**PROTECTING BIODIVERSITY**

at our sites and in surrounding habitats.

Investing in

**TECHNOLOGICAL ADVANCEMENTS**

focused on our service offerings in order to increase efficiencies, lower our operating costs, optimize capital expenditures, and add value for our customers.

Increasing the use of e-records and e-signing technology resulting in paper waste and

**CARBON EMISSIONS REDUCTION**

We comply with all applicable legal and regulatory requirements to control and reduce emissions and energy usage in our operations. We are committed to making the necessary investments in systems and technology to ensure compliance and to meet or exceed these standards. We are continuously exploring innovative ways to boost efficiency and minimize our environmental impact. We believe that focusing on the environment, with the objective of reducing costs and improving sustainability of our operations, will provide a strategic benefit. Going forward, we will continue to engage with suppliers throughout our global value chain to measure and manage these impacts—to the best of our individual and collective abilities—in order to conserve resources, reduce costs, and promote ethical practices.

# OUR SOCIAL IMPACT

AMERICAN OUTDOOR BRANDS™


EMPLOYEE ENGAGEMENT . . . . . 10
DIVERSITY, EQUITY & INCLUSION . . . . . 11
OUR COMMUNITY . . . . . 12
DEVELOPMENT & RETENTION . . . . . 13
PRODUCT SAFETY . . . . . 14

# Employee Engagement

Our most important asset is our people. We maintain that our greatest differentiator is not our physical or financial assets; instead, it is our people and our core values. Our foundation is built on caring for our 315 employees. We believe that exceptional people working together are the foundation for our ultimate success, and enable us to build exceptional value for our customers, communities, shareholders, and each other. We strive to use our knowledge, talents, and resources to improve the quality of life of our workforce. Our success depends on a highly skilled, properly motivated, and valued workforce. Our goal is to be the preferred place to work in our industry, and to attract the best people by creating a culture that is exciting, creative, fun, and embraces continuous improvement. Our management is focused on developing an inclusive and respectful work environment where our employees are highly engaged and motivated.

**"The success of our business relies on the well-being of our employees and, by natural extension, the well-being of the communities where we all live, work, and play."**

**ARTURO DEL RIO**
Chief People Officer

We encourage every one of our team members to form deeper relationships with those around them based on mutual respect, dignity, and understanding. We have non-discrimination and anti-harassment policies located on our employee policy portal. These policies drive a workplace and workforce that embraces the highest ethical and moral standards. We maintain strong and confidential reporting processes and procedures that allow employees to express concerns and support an open and honest environment in an effort to ensure that the highest principles of integrity and inclusion are maintained.

Furthermore, to encourage productive conversations within our organization, we have started to design an employee engagement program. We are committed to providing all employees with the opportunity to grow, connect, and thrive within our company. We foster a seamlessly collaborative, digitally-connected workplace to support changing needs and enhance our people leadership capability to deliver rewarding employee experiences, while continually developing our workforce of tomorrow. Skills and professional development training is provided to employees at all levels, with additional development sessions specifically targeted to managers and leaders.

We also believe that our industry needs to diversify and engage with young people if it is to avoid a future recruitment crisis. It is more important than ever to continue connecting with schools to attract the best talent. The need to attract the best talent in the industry remains—as does the need to be more inclusive and employ people from a diverse range of backgrounds. As key stakeholders in the industry, engaging and investing in social impact and social value is no longer optional, it's essential. As a result, we endeavor to:

- GROW THE NUMBER OF STUDENTS ENTERING THE FIELD
- INCREASE UNDERREPRESENTED MINORITIES
- CONTINUE TO SUPPORT LOCAL INITIATIVES SUCH AS EDUCATIONAL AND NETWORKING FORUMS

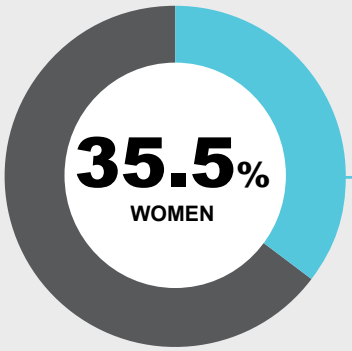
We have begun to implement Human Capital Management (HCM) reporting and practices to enable our leaders to better hire talent and manage teams. These practices include standards for setting goals, performance evaluations, succession planning, and learning and development. We are committed to pay equity and regularly review our compensation model to ensure fair and inclusive pay practices. We continually review our compensation and rewards practices, conduct annual performance reviews, and provide substantive professional development opportunities, among other initiatives.

# Diversity, Equity & Inclusion

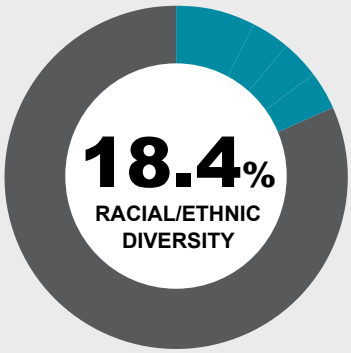
Our commitment to Diversity, Equity & Inclusion (DE&I) starts with our goal of developing a workforce that is diverse in background, knowledge, skill, and experience. We have implemented policies and training focused on non-discrimination and harassment prevention. We embrace DE&I, which we believe fosters leadership through new ideas and perspectives. In 2022, we continued the evolution of our DE&I objectives. As of April 30, 2022, approximately 36% of our total workforce were female, while approximately 18% of our total workforce were ethnically or racially diverse.

We are committed to hiring qualified candidates without regard to race, religion, color, sex, sexual orientation, pregnancy, gender identity, age, national origin, ancestry, physical or mental disability, genetic information, or any other status. This commitment extends to all levels of our organization, including senior management and our Board of Directors. We focus on ensuring that our workforce remains open and welcoming to everyone. Our leadership recognizes that a diverse workforce and a culture of equity and inclusion helps us compete more effectively, sustain success, and build long-term shareholder value.

**45.3%**
**TOTAL DIVERSITY**




**17% WOMEN IN LEADERSHIP**



# Our Community

> **"It is truly rewarding to see the impact our actions have on those in need and the organizations that serve them."**
>
> **ALLEN BLANKENSHIP**
> Manager of Transportation & Logistics

We believe that investing in local communities to create social and economic outcomes is at the heart of generating social impact. We believe in giving back to the communities in which we live and work. We support and empower our employees' efforts in their communities with opportunities to volunteer. We are committed to supporting the communities in which we operate through donations, scholarships, education, and participation with certain charitable organizations. We strive to use our capabilities, reach, and resources to make a difference in our world.

In 2022, we sponsored *Float Your Boat*, a charity event where teams construct boats using only cardboard and duct tape that they race across Bass Pro Shops Lake. Proceeds from *Float Your Boat* helped neighbors in 32-counties.

We are aware of how our presence and partnership can affect others. Therefore, we are consciously working to systemically create positive social change and are focused on supporting various organizations through fundraising efforts, educational sponsorship, community development efforts, charity drives, and partnerships. In 2021 and 2022, we are proud to have commenced sponsorship of *The Food Bank for Central & Northeast Missouri*, a member of *Feeding America*, in addition to providing food items to help raise money for local live auctions.

Through strategic nonprofit partnerships, pro bono work, volunteerism, and philanthropy, our corporate responsibility is focused on contributing to the creation of a better world. Going forward, we will continue to partner with nonprofit organizations that work to increase our community initiatives, decrease the number of individuals facing economic barriers, and make our communities reflections of our company's commitments and values.

- Our commitment to the LGBTQ+ community is reflected in our company's policies. We offer same-sex marriage benefits and we have a strong anti-discrimination policy.
- The inclusion of people with disabilities can help drive our success. As such, we provide a training course for employees on disability inclusion in the workplace. Reasonable accommodations include adaptive equipment, allowances for on-site service animals, flexible work arrangements, special parking assignments, hotlines, and a number of other inclusive services.
- We believe the industry needs to diversify and engage with young people if it is to avoid a future recruitment crisis. Furthermore, it is more important than ever to continue engaging with schools to attract the best talent. The need to attract the best talent in the industry remains—as does the need to be more inclusive and employ people from a diverse range of backgrounds.

We also provided monetary support and donations to *Welcome Home*, a non-profit, Veteran-centric organization with a community-based approach, that empowers homeless and at-risk Veterans to return to society as productive, self-supporting citizens.

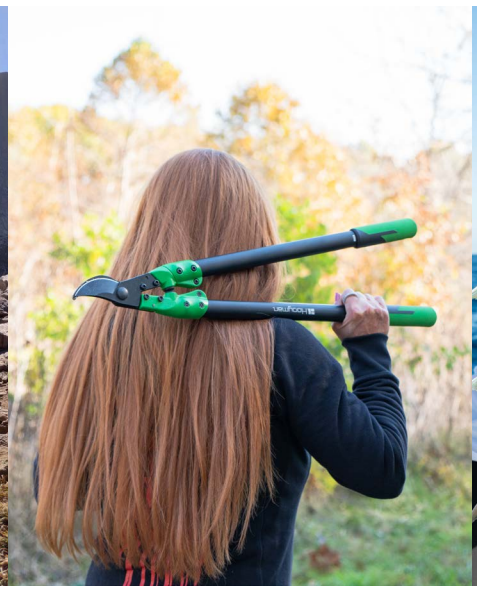
- We value the outstanding contributions veterans make to our performance and overall business success. Their strong leadership, team-building, and analytical skills, as well as unwavering commitment to a job well done, are critical when the work involves managing complexity, making decisions in the face of uncertainty, and ensuring safe operations in high-risk environments.

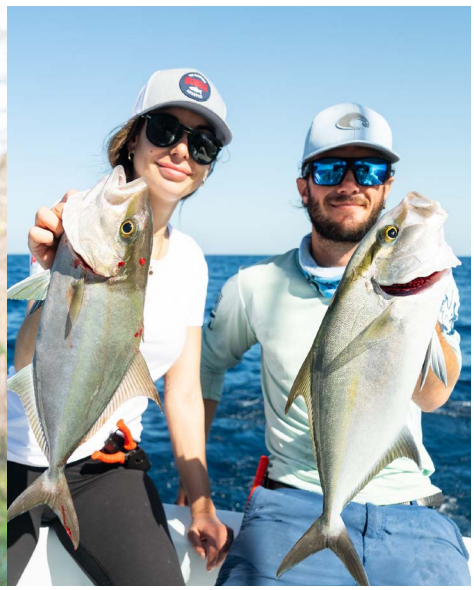
# Development & Retention

We believe that our employees are our greatest asset, and are critical to our ability to execute our strategy. As such, we are committed to a strong, healthy culture that provides respect for all employees, focuses on creating and sustaining an atmosphere of collaboration and innovation, and rewards team and individual successes. We embrace diverse viewpoints and perspectives, recognizing that greater inclusion fosters innovation and improves decision-making and financial results. We invest in our people accordingly.

Our compensation program is designed to attract, retain, and reward performance and align incentives with achievement of our strategic plan and both short- and long-term operating objectives. In accordance with our compensation philosophy established by the Compensation Committee and the Board, we believe our executive pay is well-aligned with performance, creating a positive relationship between our operational performance and shareholders. We also offer competitive benefit packages that reflect the needs of our workforce. We continually review and evolve our benefits plans as necessary to remain competitive and meet the needs of our workforce. Some of the various benefits we offer include:

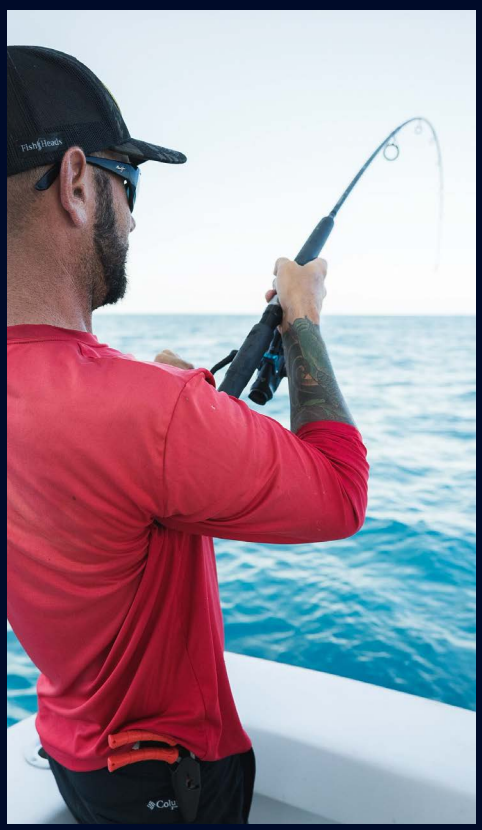
- a comprehensive medical, dental, and vision plan for our employees and their families, for which we pay approximately 87% of total premium costs
- a 401(k) plan with a company provided match of up to 3% of the first 6% contributed by the employee
- a profit-sharing plan, paying eligible employees a percentage of their eligible earnings based on company profits
- twelve annual holidays, nine of which are scheduled and three of which are designated by the employee
- a paid time off program, including paid sick and vacation time
- paid and unpaid leaves of absence, including paid family and medical leave
- flexible spending and health savings accounts
- flexible work schedule
- life and disability insurance coverage
- employee stock purchase plan
- on-site fitness center
- on-site nursing room
- employee assistance programs
- employee product discounts





We prioritize the health, safety, and fair treatment of our employees. During the COVID-19 pandemic, we implemented a wide range of safety procedures designed to help keep our employees safe, and we modified our compensation and other policies to best support the needs of our employees and to help keep our business running. We have effective oversight of our program and perform regular health and safety reviews to ensure that proper policies are in place. Despite various challenges associated with the pandemic, we maintained high levels of employee engagement. We continue to utilize employee feedback and surveys to gather information to best serve our team members.

Our Leadership continues to monitor the health and safety of our employees in accordance with the U.S. Centers for Disease Control and Prevention (CDC) and World Health Organization (WHO) guidelines. Examples of specific initiatives to enhance on-site safety included daily employee health screening, as well as temperature scanning and social distancing protocols in our offices. We also invested in ventilation system upgrades and installed physical health guards/barriers.



# Product Safety

We are dedicated to ensuring the health and safety of our team members by supporting the whole person. Our dedicated global health and safety function ensures that employees are trained on best practices to create a safe and healthy workplace for all. Each of our locations performs regular safety audits to ensure that proper safety policies are in place and appropriate safety training is provided. In addition to training and development, we measure and report out on monthly safety metrics and regularly review our safety performance with our Board.

We require that our owned-brand products meet mandatory safety standards, and we frequently require vendors to exceed regulatory requirements. We expect our brand products to comply with good manufacturing and quality processes. Our product safety and quality program is incorporated at every stage of the product life cycle. These products must pass rigorous testing before they are approved.

# OUR CULTURE OF GOVERNANCE

BUSINESS ETHICS . . . . . 16
BOARD COMPOSITION . . . . . 16
DATA PRIVACY & CYBERSECURITY . . . . . 17

# Business Ethics

We are committed to achieving excellence in our corporate governance practices. We emphasize a culture of accountability and conduct our business in a manner that is fair, ethical, and responsible to earn the trust of our stakeholders. We have comprehensive corporate governance policies and structures in place to foster accountability and transparency for our management team. These policies reflect our underlying commitment to maintain the highest standards of ethics and integrity and to operate our business in compliance with all applicable anti-corruption, antibribery, and anti-trust laws and regulations. We also maintain robust risk management programs to ensure compliance with applicable laws and regulations governing ethical business practices.

We have comprehensive corporate governance policies and ethics in place to foster accountability and transparency for our Board of Directors and management team. We depend on business partners to proactively share any ethical concerns or potential misconduct so that we can promptly investigate and address concerns. We also expect suppliers to maintain effective grievance mechanisms for workers, aligned with the criteria outlined.

We feature a hotline and website where stakeholders can voice their ethics concerns. We continue to explore opportunities to increase accessibility to reporting options, and improve the effectiveness of our responses to reported ethical concerns.

# Board Composition

The Board of Directors of American Outdoor Brands, Inc. sets high standards for our company's employees, officers, and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of our Board of Directors to serve as a prudent fiduciary for shareholders and to oversee the management of our business. To fulfill its responsibilities and to discharge its duty, our Board of Directors follows the procedures and standards that are set forth in its Corporate Guidelines.

We believe that strong corporate governance is essential and supports the long-term success of our business. Our Board of Directors and its committees help set the tone for our company, and our leadership devotes time and attention to matters of corporate responsibility, including ESG matters. Our Nominating and Corporate Governance Committee has oversight of our ethics and governance efforts.

Our Board of Directors is comprised of a majority of independent directors as defined by the Nasdaq listing standards and the Board's Corporate Governance Guidelines. All Board committees are comprised entirely of independent directors. We post on our website the charters of our Audit, Compensation, and Nominating and Corporate Governance Committees; as well as our Corporate Guidelines, Code Of Business Conduct, and Code Of Ethics.

Further, we set high standards for our employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance. Certain corporate governance highlights include the following:

- A DIVERSE BOARD MAKEUP WITH TWO WOMEN AND ONE ETHNIC OR RACIALLY DIVERSE MEMBER
- ALL OF OUR DIRECTORS ARE INDEPENDENT EXCEPT FOR OUR CEO
- INDEPENDENT CHAIRMAN OF THE BOARD
- ANNUAL BOARD AND COMMITTEE SELF-ASSESSMENTS
- INDEPENDENT DIRECTORS MEET REGULARLY WITHOUT MANAGEMENT PRESENT
- A COMMITMENT TO DIVERSITY, EQUITY, AND INCLUSION

We recognize that effectively managing enterprise risks is critically important to the long-term success of our business. Management is responsible for our company's day-to-day risk management activities. We rely on a comprehensive risk management process to aggregate, monitor, measure, and manage risks. While we exercise oversight, we do not have full control over our supply chain nor the suppliers we do business with; however, we continually seek to partner with suppliers that share common values.

# Data Privacy & Cybersecurity

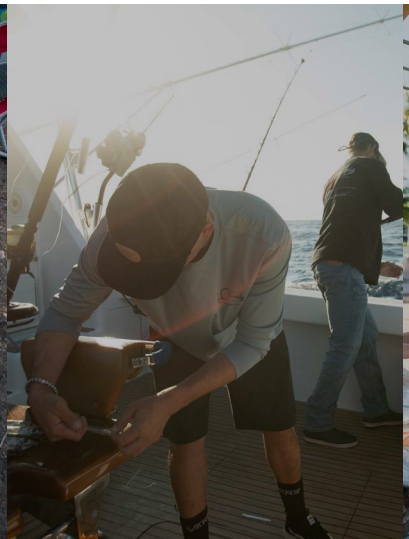
As a leader in outdoor products and accessories, we meet a high bar for data resiliency and security. We leverage the latest encryption configurations and technologies on our systems, devices, and third-party connections and further vet third-party vendors' encryption, as required, through our vendor management process. While everyone at the company plays a part in information security, data privacy & cybersecurity, oversight responsibility is shared by the Board, its committees, and management. Our Information Security team provides regular risk updates and program reviews to the Board and its committees throughout the year.

Our IT team works 24/7 and uses a combination of industry-leading tools and in-house innovative technologies to help protect our stakeholders against cybercriminals and fraudsters. Our team members are responsible for complying with our cybersecurity standards and complete mandatory annual training to understand the behaviors and technical requirements necessary to keep information secure. We also offer ongoing practice and education for team members to recognize and report suspicious activity.

> **"Recently we completed testing by a third party vendor who found zero vulnerabilities of external hosts out of a list of 48 possible vulnerabilities."**
>
> **MEL HECKMAN**
> Director, IT

The primary goal of our cybersecurity program is to maintain cybersecurity defenses with capabilities within the top percentile of our industry. We use examination guidelines, frameworks, and privacy laws to guide us in consistently meeting legal and regulatory requirements. Our strategy allows us to perform a high level of due diligence by investing in information security controls, which provide the best mechanism to deflect hackers.

We recognize our responsibility to appropriately use, maintain and safeguard the personal data we collect from our stakeholders. Our data security and privacy practices are designed to support privacy rights and are based on industry standards. Everyone at the company who works with personal information has a responsibility to understand and honor our privacy obligations. These individuals must read and comply with our internal privacy policies.



# DATA TABLES AND APPENDIX

AMERICAN OUTDOOR BRANDS


SDGS . . . . . 19
SASB TABLE . . . . . 20


This annex expands transparency through key quantitative data compiled in accordance with the SASB frameworks and standards, along with additional details on our workforce, revenues, sales, stakeholders, locations, and certification. Report data covers all global operations unless otherwise noted. In developing our Factsheet Report, we have compiled metrics organized by key ESG themes incorporated within our tables and throughout our organization.

# SDGs

The Sustainable Development Goals (SDGs) are a series of interlinked goals adopted by UN member states in 2015. These goals focus on creating a fairer, more just world with more sustainable economic and environmental practices by 2030. The goals are ambitious and will only succeed through the combined efforts of government, business, and civil society.

SUSTAINABLE DEVELOPMENT GOALS

We support the SDGs, and recognizing the importance of the goals, we have linked our priority areas to them. We have prioritized several goals that most align with our business and where we can make a positive impact around the world.

**No Poverty**
End poverty in all its forms everywhere.

**Reduce Inequalities**
Reduce all forms of inequality within and among countries.

**Good Health and Well-Being**
Provide equitable access of health services for all and end preventable deaths.

**Sustainable Cities and Communities**
Make cities inclusive, safe, resilient, and sustainable.

**Quality Education**
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

**Responsible Consumption and Production**
Encourages more sustainable consumption and production patterns through various measures.

**Clean Water and Sanitation**
Safe drinking water and sanitation are human rights and fundamental to human health and well-being.

**Climate Change**
Take urgent action to combat climate change and its impacts.

**Affordable and Clean Energy**
Affordable, reliable, sustainable and modern energy for all by 2030.

**Life Under Water**
Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.

**Decent Work and Economic Growth**
Promote sustained, inclusive, and sustainable economic growth—full and productive employment and decent work for all.

**Life On Land**
Seeks to protect, restore, and promote the conservation and sustainable use of terrestrial, inland-water, and mountain ecosystems.

**Industry, Innovation, and Infrastructure**
Aims to build resilient infrastructure, promote sustainable industrialization, and foster innovation.

**Peace, Justice, and Strong Institutions**
Dedicated to the promotion of peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and building effective, accountable institutions at all levels.

# SASB Table

We classify as part of the SASB *Toys & Sporting Goods* Standard, with additional select disclosures from the SASB *Retailers & Distributors* Standard. Our reporting reflects that classification.

| TOYS & SPORTING GOODS STANDARD | | | | |
|---|---|---|---|---|
| **SASB TOPIC** | **SASB METRIC** | **SASB CODE** | **DATA** | **NARRATIVE RESPONSE** |
| **CHEMICAL & SAFETY HAZARDS OF PRODUCTS** | Number of (1) recalls, (2) total units recalled | CG-TS-250a.1 | (1) 1 recall<br>(2) 13,740 units | N/A |
| | Number of Letters of Advice (LOA) received | CG-TS-250a.2 | 0 | American Outdoor Brands did not receive any LOAs from the US Consumer Product Safety Commission in 2022. |
| | Total amount of monetary losses as a result of legal proceedings associated with product safety | CG-TS-250a.3 | 0 (or immaterial) monetary losses due to legal proceedings | For the fiscal years ended April 30, 2022, 2021, and 2020, we did not incur any material expenses in defense and administrative costs relative to product liability litigation. In addition, we did not encounter any material settlement fees related to product liability cases immaterial to those fiscal years. |
| | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | CG-TS-250a.4 | See narrative response | At American Outdoor Brands, we are committed to conducting our business in a sustainable manner and believe that we have social and environmental obligations to our stakeholders. In FY2021, we began our ESG journey. We engaged ESG consultants who, along wth our senior leadership, are helping us develop our ESG strategy and establish a framework for monitoring our ESG initiatives. Our Board recognizes the importance of these responsibilities, and oversees our initiatives.<br><br>One of the key areas where we anticipate our ESG initiatives will focus is product lifecycle management, which includes assessing and reducing the environmental impact of our products and their packaging. We are currently looking at ways to incorporate biodegradable packaging via recycled material where possible. |

## TOYS & SPORTING GOODS STANDARD (CONT.)

| SASB TOPIC | SASB METRIC | SASB CODE | DATA | NARRATIVE RESPONSE |
|---|---|---|---|---|
| LABOR CONDITIONS IN THE SUPPLY CHAIN | Number of facilities audited to a social responsibility code of conduct | CG-TS-430a.1 | See narrative response | The Company requires all suppliers to provide a safe and healthy working environment and respect human rights. We conduct vendor compliance checks to ensure appropriate product safety & quality efforts. We also engage in a formal review process on an annual basis to ascertain whether any 3TG minerals are present and necessary for the functionality or production of our products and report to the SEC in compliance with Section 1502 of the Dodd Frank Act. |
| | Direct suppliers' social responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) priority nonconformances and (b) other nonconformances | CG-TS-430a.2 | See narrative response and page 7 of the report for more details of our supply chain management | If a product is determined to have a 3TG mineral, a conflict minerals survey is sent to the supplier requesting information regarding the life cycle of the 3TG in question. Upon receipt of the surveys, the team will review the responses for completeness and reasonableness. If additional information is required, the team will follow up with the specific supplier accordingly. |
| ACTIVITY METRICS | Annual production | CG-TS-000.A | See narrative response | As a holding company of 21 brands serving four different brand lanes, not all of which fall within the "Toys & Sporting Goods" category, this disclosure is not relevant. |
| | Number of facilities | CG-TS-000.B | 4 Facilities:<br>- Columbia, MO<br>- Wilsonville, OR<br>- Chicopee, MA<br>- Shenzhen, China | We sublease approximately 361,000 square feet of office and warehouse space in a Columbia, Missouri, facility that was recently constructed by our former parent company in a sale/ leaseback transaction. We also lease 50,000 square-feet of warehouse and office space in Wilsonville, Oregon, 5,000 square feet of office space in Chicopee, Massachusetts, and 2,500 square feet of office space in Shenzhen, Peoples Republic of China. Our Missouri facility includes our principal executive, administrative, financial, sales, marketing, R&D, assembly, and distribution operations. Our Oregon facility houses production, assembly, and warehousing operations for our laser sighting and tactical lighting systems. Our Massachusetts facility houses certain administrative and finance staff. Our China facility houses certain R&D staff. |

## RETAILERS & DISTRIBUTORS STANDARD

| SASB TOPIC | SASB METRIC | SASB CODE | DATA | NARRATIVE RESPONSE |
|---|---|---|---|---|
| ENERGY MANAGEMENT IN RETAIL & DISTRIBUTION | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | CG-MR-130a.1 | See narrative response | We understand the importance of being responsible stewards of our planet's resources and the importance of protecting it for our customers, communities, and employees. As a new company, we are in the early stages of developing our climate strategy but we have identified recycling, sustainable and recyclable product packaging, and energy management and usage as important components of our longer-term environmental strategy. As such, we utilize energy efficient materials in offices and distribution locations wherever possible. |
| DATA SECURITY | Description of approach to identifying and addressing data security risks | CG-MR-230a.1 | See narrative response | American Outdoor Brands maintains reasonable physical, technical, and administrative security measures to protect and limit access to personal data. See our Privacy Policy for more information: https://www.aob.com/legal/.<br>Our cybersecurity efforts include enhanced employee training and partnering with leading cybersecurity solution providers. In addition, we have contracted a third party to conduct penetration testing of our cybersecurity system. They found zero vulnerabilities of external hosts.<br>Our Board of Directors receives updates at least quarterly from senior management and periodically from outside advisors regarding the various risks that our business faces. Our Nominating and Corporate Governance Committee oversees risk related to ESG, including data privacy and cybersecurity. |
| | (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected | CG-MR-230a.2 | 0 | American Outdoor Brands did not experience any data breaches in fiscal 2022. |

## RETAILERS & DISTRIBUTORS STANDARD (CONT.)

| SASB TOPIC | SASB METRIC | SASB CODE | DATA | NARRATIVE RESPONSE |
|---|---|---|---|---|
| WORKFORCE DIVERSITY & INCLUSION | Percentage of gender and racial/ ethnic group representation for (1) management and (2) all other employees | CG-MR-330a.1 | TOTAL WORKFORCE:<br>Male 64.5%<br>Female 35.5%<br>American Indian or Alaska Native 0.8%<br>Asian 3.6%<br>Black or African American 7.7%<br>Native Hawaiian or Other Pacific Islander 0.8%<br>Two or More Races 2.0%<br>White 81.6%<br>Hispanic or Latino 3.6%<br>MANAGEMENT:<br>Male 83%<br>Female 17%<br>American Indian or Alaska Native 1.1%<br>Asian 1.1%<br>Black or African American 2.2%<br>Native Hawaiian or Other Pacific Islander 1.1%<br>Two or More Races 0.0%<br>White 94.5%<br>Hispanic or Latino 0.0% | Our small workforce fosters a unique culture and celebrates our diverse workforce of approximately 315 employees. We have begun to develop initiatives to help enhance our ability to attract, develop, and retain employees in an effort to increase productivity, increase diversity awareness, enhance employee engagement, and encourage customer loyalty. |
| | Total amount of monetary losses as a result of legal proceedings associated with employment discrimination | CG-MR-330a.2 | 0 (or immaterial) monetary losses due to legal proceedings | We did not incur any material expenses in defense and administrative costs relative to employment issues. |

| RETAILERS & DISTRIBUTORS STANDARD (CONT.) | | | | |
|---|---|---|---|---|
| **SASB TOPIC** | **SASB METRIC** | **SASB CODE** | **DATA** | **NARRATIVE RESPONSE** |
| **PRODUCT SOURCING, PACKAGING & MARKETING** | Revenue from products third-party certified to environmental and/or social sustainability standards | CG-MR-410a.1 | See narrative response | American Outdoor Brands is unable to disclose this information at this time. |
| | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | CG-MR-410a.2 | See narrative response | As a distributor of consumer products, we are subject to the U.S. Consumer Products Safety Act of 1972, as amended by the Consumer Product Safety Improvement Act of 2008, which empowers the Consumer Products Safety Commission to exclude from the market products that are found to be unsafe or hazardous, and similar laws under foreign jurisdictions. Under certain circumstances, the Consumer Products Safety Commission or comparable foreign agency could require us to repurchase or recall one or more of our products. Additionally, other laws and agencies regulate certain consumer products sold by us and more restrictive laws and regulations may be adopted in the future.<br><br>We ensure compliance with all local laws and regulations, including those governing product safety. In addition, we maintain product liability insurance. |
| | Discussion of strategies to reduce the environmental impact of packaging | CG-MR-410a.3 | See narrative response | At American Outdoor Brands, we are committed to conducting our business in a sustainable manner and believe that we have social and environmental obligations to our stakeholders. In FY2021, we began our ESG journey. We engaged ESG consultants who, along wth our senior leadership, are helping us develop our ESG strategy and establish a framework for monitoring our ESG initiatives. Our Board recognizes the importance of these responsibilities, and oversees our initiatives.<br><br>One of the key areas where we anticipate our ESG initiatives will focus is product lifecycle management, which includes assessing and reducing the environmental impact of our products and their packaging. We are currently looking at ways to incorporate biodegradable packaging via recycled material where possible. |

BOG

BUBBA

CALDWELL

CRIMSON TRACE

FRANKFORD ARSENAL

grilla grills

Hooyman

IMPERIAL

LASERLYTE

LOCKDOWN

MEAT! YOUR MAKER

OLD TIMER EST. 1958

SCHRADE

TIPTON

Uncle Henry

ust

WHEELER

LICENSED BRANDS INCLUDE:

Smith&Wesson

M&P by Smith&Wesson

THOMPSON/CENTER America's Master Gunmaker

Performance Center by Smith&Wesson

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