



STATEMENT OF NON-FINANCIAL INFORMATION

Amer Sports is a sporting goods company with internationally recognized brands including Salomon, Wilson, Atomic, Arc'teryx, Mavic, Suunto and Precor. The company's technically advanced sports equipment, footwear and apparel improve performance and increase the enjoyment of sports and outdoor activities. The Group's business is balanced by its broad portfolio of sports and products and a presence in all major markets.

Amer Sports strategy is based on five strategic cornerstones which will enable the company to achieve its ambitions and financial targets. The strategic cornerstones are: Clear portfolio roles and business synergies, Faster growth in softgoods, Winning with consumers, Winning in go to market and Operational excellence.

Amer Sports' strategy emphasizes excellence in consumer centric product creation. Through continuous research and development, Amer Sports seeks to develop new and better sporting goods, services and experiences that appeal to both consumers and trade customers. Amer Sports aims to ensure the quality and safety of products, to make products durable while improving efficiency, and, with actions related to these areas, to meet the expectations of its stakeholders and strive for continuous improvement.

Amer Sports' global operations encompass business functions from product development to product sourcing, manufacturing and outbound logistics. Reliable, efficient and timely supply chain management and operations are important elements of the Group's strategy.

Amer Sports sources a significant proportion of its products from suppliers located throughout Asia and the company is committed to socially responsible sourcing practices. Amer Sports manufactures approximately 23% of its products itself, approximately 13% is produced by partially outsourced vendors, and approximately 64% of the production value is outsourced.

The Asian Sourcing Office in Hong Kong is responsible for monitoring and improving social compliance of its global suppliers, vendor qualification, product industrialization, contract management, price negotiations, procurement process, optimization and export administration for Amer Sports Group.

The Amer Sports Code of Conduct defines the major principles of the company's business conduct, and Amer Sports expects its business partners to adhere to a code of conduct that is consistent with its own. The content of the Code of Conduct focuses on the promises to consumers, shareholders and business partners and refers to International Labour Organization (ILO) standards and the United Nations' Universal Declaration on Human Rights. Code of Conduct aspects include product safety, responsible marketing, accurate and transparent information, safe, fair and healthy workplace for employees, environment, antitrust and competition law, conflicts of interest, anti-corruption and bribery, privacy, financial reporting, protection of confidential information and compliance with all laws and regulations.

Human Rights and anti-corruption and bribery

The Amer Sports Ethical Policy sets out the core values of the sourcing operations. The company expects its suppliers to operate according to the principles in its Ethical Policy, which is embedded into the supplier agreement and signed by suppliers confirming their compliance with the Policy. Ethical Policy requires that Suppliers do not engage in the giving or receiving, directly or indirectly, of bribes, kickbacks, other illicit payments or improper benefits intended to achieve business advantage or financial gain. Amer Sports expects its sourcing partners to respect human rights in the spirit of internationally recognized social and ethical standards, including the International Labour Organization (ILO) Standards and the United Nations' Universal Declaration on Human Rights, and to prohibit corruption and bribery. The Amer Sports Ethical Policy is aligned with the Fair Labour Association's Code of Conduct, and it is available in 24 languages.

To ensure that Amer Sports' business partners and its own manufacturing facilities are in compliance with the Amer Sports standards, the company has implemented a Vendor social and labor monitoring program. Under the program, existing and new suppliers of Amer Sports brands as well as Amer Sports own manufacturing facilities, are audited by a third-party audit company. The main features of the Amer Sports Social Compliance approach are:

- Amer Sports Corporate Social Responsibility team, located in Hong Kong, provides training about the Amer Sports standards defined at the Amer Sports Ethical policy and the audit procedures. This is part of the vendor onboarding process.
- Amer Sports has commissioned third-party auditors from Bureau Veritas or UL Responsible Sourcing Inc. to conduct regular social and labor compliance audits in helping sourcing partners comply with labor regulations, industry standards, and health and safety practices in workplaces.
- If improvement opportunities are identified in an audit, corrective action plan has to be developed by vendors with re-audit before the order will be placed. Amer

Sports also cooperates with industry peers in improving the vendors' performance, e.g. Better Work's Better Factory Cambodia initiative.

- Amer Sports follows regularly the Vendors' social labor performance and their sourcing scores. The scores are part of both strategic vendor development plans and the regular monthly performance review cycles. The audit findings are categorized into different risk levels indicating the priorities of the corrective actions to be taken. Facilities have to take root cause analysis of the audit findings and develop corrective action plans to improve their performance.

To develop its monitoring programs and improve its suppliers' performance, Amer Sports is a member in several non-governmental organizations.

Amer Sports is a full member of Sustainable Apparel Coalition, and a signatory of Social Labor Convergence Project (SLCP), which is a multi-stakeholder project aiming to improve labor conditions in the apparel and footwear industry.

Wilson Sporting Goods Company is a Category B licensee of Fair Labor Association (FLA). As a parent company of Wilson, Amer Sports engages in the FLA's due diligence process including the third-party assessment from FLA to facilities and review of Amer Sports' social compliance program.

Amer Sports collaborates with Better Work, an International Labour Organization's program, in different capacity building activities for its vendors, including Better Factory Cambodia initiative which provided training about collective bargaining agreements to Amer Sports' Cambodian suppliers in 2017.

Amer Sports has several key performance indicators to track how the social and labor compliance audits have improved the suppliers' performance related to human rights, working conditions and prohibition of corruption and bribery.

Improvement is tracked providing examples of the progress within 5 plus years out of the KPIs.

Production (%)	2017	2016	2015
Sourcing	64	64	63
By partially outsourced vendors	13	13	13
Own production	23	23	24

Suppliers' employees in audited factories	2017	2016	2015
Suppliers' employees in audited factories	116,457	123,016	119,800
Number of countries where suppliers' employees in audited factories are located	20	17	17

Suppliers covered by Ethical Policy (%)	2017	2016	2015
Purchase value from suppliers signed the Ethical Policy	94	93	96

Remark: The integration of suppliers from new acquired brand is in progress.

Audits	2017	2016	2015
Factories audited ¹⁾	129	133	133
Audit visits by external third party	121	110	141
Remediation visits by Amer Sports' CR team	64	56	59

1) Some factories were visited more than once in 2016.

Breakdown of audit findings ²⁾ (%)	2017	2016	2015
Monitoring & documentation	5	5	5
Human rights	2	2	2
Compensation & benefits	10	11	10
Working hours	14	12	11
Fire safety	23	27	30
Operation & machine safety	31	30	25
Environmental & chemical safety	15	13	16

2) Reporting categories were specified for 2015 reporting.

Audited purchasing volume (%)	2017	2016	2015
Audited purchasing volume of purchase turnover forecast	98.4	96.3	98.3

Breakdown of supplier turnover by country risk ³⁾ (%)	2017	2016	2015
High risk countries (of total supplier turnover)	93	93	96
Low risk countries (of total supplier turnover)	7	7	4

3) Country risk level referring to BSCI definition

Environment

Amer Sports is committed to reducing the environmental impact of its products and operations through the use of methods which are responsible and economically sound. Amer Sports strives to continuously improve its performance and assess the environmental impacts of its decisions. To guide its Group-wide actions, Amer Sports has created its Environmental Guidelines to outline the commitment to reduce the environmental impacts of its operations.

Amer Sports brands and categories have many approaches on how they work to reduce their environmental impact, based on their environmental policies defined in the ISO certifications. Salomon and Mavic have ISO 14001 environmental certification and ISO 50001 certification for the energy management system in their Design Center in Annecy, France. Suunto has ISO 14001 environmental certification for its headquarter and manufacturing facility in Finland, Vantaa. ISO 14001 standard provides a practical tool to

manage environmental performance and it is based on the principle of continuous improvement of environmental performance by monitoring and controlling the impacts linked to the company's activities. ISO 50001 standard supports organizations in all sectors to use energy more efficiently.

Precor has an Environmental Management Policy statement that has established objectives to identify the environmental aspects and significant impacts of its business, expanding its recycling program, leveraging innovative programs and achieving a zero landfill status, as well as the reuse of steel and aluminum in the production of machined components.

Amer Sports measures its performance in environmental impacts with key performance indicators, and aims to continuously reduce the environmental impacts of its operations.

Energy consumption (kWh)	2017	2016	2015
Total energy consumption within the organization*	106,403,196	101,127,451	99,506,444
Total non-renewable energy*	90,958,641	85,837,783	85,036,891
Total renewable energy*	15,444,555	15,289,668	14,469,554
Reduction of energy consumption, %*	5.2	1.6	-1.6

* Minor corrections are made in years 2015 and 2016 as new and more accurate source data was available.

Emissions intensity (tCO2/mEur)	2017	2016	2015
Emissions intensity ratio*	16.73	16.81	18.25

* For comparability reasons, transport and distribution emissions were removed from the intensity ratio data.

Waste (t)	2017	2016	2015
Recycling & reuse	5,309	5,727	5,620
Composting*	62	64	88
Incineration (mass burn)	1,024	1,094	1,137
Landfill*	2,508	2,012	1,660
Hazardous waste	n/a	n/a	n/a
Total amount of waste	8,903	8,897	8,505
Waste recycled or reused (%)	60	64	66

* Minor corrections are made in years 2015 and 2016 as new and more accurate source data was available.

In 2017 the increase in energy use and the slight increase of waste are mainly attributable to an increase of scope. Amer Sports included in the figures 148 brand stores, two sales offices and one manufacturing facility. Emissions intensity ratio (tCO₂/mEur) has decreased 0.5% as revenue increased at a faster pace than emissions.

Amer Sports' strategy emphasizes excellence in consumer-centric product creation. Through continuous research and development, Amer Sports seeks to develop new and better sporting goods, services and experiences that appeal to both consumers and trade customers. To ensure product compliance, Amer Sports has category based Restricted Substances List (RSL) policies. Central to this program is Amer Sports Apparel category's participation in the bluesign® system partner network, a solution for more sustainable textile production.

At the end of 2017, 100% of Arc'teryx top tier materials suppliers, representing 93% of the value of our materials,

and 100% of Salomon top tier materials suppliers had signed on to the Amer Sports Apparel and Gear category's Materials Compliance Program, as well as Salomon Footwear. Additionally, in 2017 Apparel and Gear category updated the Amer Sports Apparel RSL to adopt the bluesign RSL version 8.0, released in July 2017. This new version will be shared with Apparel category's suppliers in 2018.

Sustainable Apparel Coalition provides Amer Sports a tool to engage its supplier manufacturing facilities. Amer Sports Asian Sourcing office provides training on conducting Higg Index Facility Environmental Module self-assessments. Through the self-assessment, facilities are able to review the improvement opportunities on different environmental aspects and improve their energy efficiency. Improvement is tracked providing examples of the progress within 5 plus years out of the KPIs.

Social and employee matters

Amer Sports People Strategy aims to ensure sustainable business success, and it is aligned with the Group strategy, business initiatives and selected focus areas. People Vision defines passion and professionalism as sources for great performance and productive engagement.

Amer Sports is committed to providing opportunities for continuous development and learning for all its employees since passionate and capable people perform and excel. The Company evaluates and develops the company's strategic capability areas systematically in order to drive organizational and personal development.

Amer Sports has Strategy, Structure and Capability Review practice in place in all its entities to ensure a holistic view and key actions to the people, structure and culture. The main focus currently is to increase organization's digital capability, and the long standing aim is to enable resource fluidity through agile resource management actions as well as to increase transparency for future capability and resourcing needs.

High performance culture is enforced through coaching dialogue and effective Pay for Performance

approach. Amer Sports cascades vision and strategy to organizational levels through our performance management process Coaching for Success. Amer Sports has the Coaching for Success process in place, providing employees the opportunity to have a one-to-one performance & development discussion with the manager/team lead.

In 2017 Coaching for Success process was completed for 74% of total workforce. Amer Sports targets continuously to improve its Coaching for Success coverage and have all Amer Sports employees covered in the global Human Resources performance process.

Organizational dialogue and employee engagement is also fostered through a renewed employee engagement assessment which aims to ensure business and performance impact and investment pay-out. Talent engagement and retention is enabled through systematic talent management and succession planning practice. In 2017, Amer Sports maintained a strong focus on building and scaling capabilities to support the strategy of profitable growth.

Ethics

The Amer Sports Code of Conduct defines the major principles of the company's business conduct. Success in competition requires the determination to win, team spirit, fair play and innovation, and these values guide the company's operations around the world. Every Amer Sports employee is responsible for their own behavior, acting with integrity and observing the highest standards of business ethics.

To familiarize and understand the content of the Code of Conduct, and also to ensure awareness of anti-corruption and bribery, Amer Sports has established an e-learning test, which is part of the onboarding process, and all the new employees are asked to take the Code of Conduct e-learning test. The Code of Conduct e-learning test covers product safety, responsible marketing, accurate and transparent information, safe, fair and healthy

workplace for employees, environment, antitrust and competition law, conflicts of interest, anti-corruption and bribery, privacy, financial reporting, protection of confidential information and compliance with all laws and regulations. The Code of Conduct is available in 14 languages. Company's employees are the most important source of insight for revealing a possible misconduct that needs to be corrected. Amer Sports has a new ethics and compliance system, an online channel provided for this purpose. Employees may make reports anonymously through the ethics and compliance channel.

In the near future Amer Sports will confirm an annual process to track the annual % of the Code of Conduct completion coverage, out of all of its own employees and targets continuous improvement and progress in Code of Conduct completion.

Risks and risk management

The Board of Directors approves and endorses the company's Risk Management Policy that defines the objectives, principles, processes and responsibilities concerning risk management at Amer Sports. The Board of Directors and the Audit Committee review the Policy annually and ensure that the risk management activities are aligned with the Policy.

The Risk Assessment is performed by Business Units and Group Functions. A risk universe provide a structure to the process that assess Financial, Operational, Compliance and Strategic risks. Specific risk categories cover Governance, the Code of Conduct and Regulatory type of risks, such as, corporate social responsibility risks, health, safety and environmental risks. The risk management process includes risk identification, assessment, control, communication and monitoring.

Risks are reviewed and assessed annually by the Executive Board, which also conducts an annual risk management mapping and assessment at the Group level. Risk reporting is integrated into the annual meeting cycle of the Board of Directors and the review is reported annually to the Audit Committee. Risk reporting is also integrated into the monthly operational, strategic and functional reviews.

When assessing relevant risks, both the financial impact and the probability for the risk to occur are assessed to give guidance in the final risk ranking. When deciding on the final prioritization, also possible mitigating actions are considered.

Key risks

Amer Sports sources a significant proportion of its products from subcontractors located throughout Asia, which exposes it to the political, economic, and regulatory conditions in that area and to a variety of local business and labor practice issues. Although Amer Sports has policies such as Company Code of Conduct and Ethical Policy, including prevention of corruption and bribery, and established processes to monitor the working conditions with third party auditors in Asia, it cannot fully control its subcontractors' actions. With regard to risks relating to human rights and corruption and bribery, the violation of labor laws, regulations or standards by Amer Sports' subcontractors, or the divergence of those subcontractors' labor practices from those generally accepted as ethical in the European Union or the international community, could have a material adverse effect on Amer Sports' public image and the reputation of its brands.

Amer Sports is committed several policies and respects International Labour Organization (ILO) standards and the United Nations' Universal Declaration on Human Rights. Based on its policies, Amer Sports has an established and on-going third-party audit process to help vendors to comply with the Amer Sports requirements. As explained in the chapter "Human Rights and anti-corruption and bribery" above, Amer Sports tracks the progress of the key performance indicators and is targeting to continuous improvement. In addition, in order to mitigate risks, including corruption and bribery, Amer Sports has

established an e-learning test on the Code of Conduct, which all new employees are asked to take. Amer Sports also has in place a new ethics and compliance system, an online channel provided for reporting any possible misconduct.

Amer Sports can be adversely affected by unusual or severe weather conditions. For example, sales of winter sports equipment is affected by snow conditions in particular in Europe and North America.

According to the company strategy, Amer Sports focuses on operational excellence, which includes production efficiency and cost reductions. The company has increased its spring/summer product ranges and strives to further improve operational efficiency in Winter Sports Equipment, which will decrease dependency on winter and weather conditions.

Amer Sports' success is dependent on the ability of its employees to identify and respond to constantly shifting trends in consumer demand, to leverage advancements in technologies and to develop new and appealing products. In 2017, the Group put in place a new consumer-driven innovation and design process to drive implementation of best practices and cross-learning throughout the brands. This renewal of Amer Sports R&D and creative processes concentrates on exploring unmet consumer needs and wants, and elevates the design capabilities to meet changing and growing consumer demands.

Statement of non-financial information

Signatures

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