



## ENVIRONMENTAL AND ENERGY POLICY AND PRACTICES

### POLICY AND PRACTICES

Fox Factory Holding Corp. and its subsidiaries (collectively, the “Company” or “we”) are committed to promoting environmentally conscious business practices in an efficient and responsible manner.

The Company assesses its environmental risks on an ongoing basis. We recognize that our operations have the potential to impact the environment, including, but not limited to, the use of non-recyclable materials in certain of our products and our continued business growth, which may cause higher utility usage. The Company is dedicated to reducing utility consumption and to promoting positive practices in waste management and recycling in light of such risks. One of the Company’s manufacturing facilities was recently recognized as the “2018 Commercial Recycle Champion” by the City of El Cajon City Council as a result of the facility having a diversion rate of 61%, which means over half of the material generated at the facility is being recycled and diverted from landfill disposal.

The Company seeks compliance with all local, state, federal, and international environmental laws, regulations, and standards that relate to its operations. Headquartered in California, the Company is subject to enhanced environmental regulations applicable in the State of California. These regulations include Proposition 65, which requires notification about chemicals in products, in the workplace, or in the environment, and which is designed to protect consumers from harmful substances by protecting drinking water sources and reducing exposure to these substances. The Company has implemented systems to provide for required Proposition 65 notifications on its products. Additionally, as a manufacturer of products for on-road and off-road vehicles, trucks, all-terrain vehicles, snowmobiles, specialty vehicles, and motorcycles, we are also in many instances subject to the California Air Resources Board’s flagship state regulations governing emissions from vehicles. These regulations include laws limiting carbon dioxide emissions, thus reducing greenhouse gas emissions levels from the transportation sector. By keeping pace with rapidly advancing emission technologies and ensuring that our aftermarket products support these cutting-edge emission technologies, the Company protects not only the environment from greenhouse gases and other substances, but also public health by fighting air quality deterioration associated with respiratory health problems such as asthma, decreased lung function, and other serious illnesses. The Company also materially complies with the European Union regulation Registration, Evaluation, Authorisation and Restriction of Chemicals (“REACH”) which requires companies to register the chemicals employed in manufacturing with the European Chemical Agency (“ECHA”) and ensure their safe use.

To demonstrate its commitment to environmentally conscious business practices the Company is taking steps to have certain of its manufacturing facilities ISO 14001 certified. In connection with such efforts, the Company has developed an Environmental Management Process and is in the process of implementing the following practices at one such manufacturing facility:

- Assessing environmental impacts when designing and developing new products;
- Emphasizing energy efficiency throughout product development;
- Reviewing materials being selected for use in products;
- Evaluating uses of waste material for reuse or recycling prior to disposal;
- Encouraging water and energy conservation;
- Maintaining up-to-date knowledge regarding the use of energy;

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- Promoting efficient use of materials in the facility, processes, and products;
- Performing ongoing evaluations of activities and products to determine environmental aspects and compliance obligations;
- Determining any preventative actions to be taken in relation to any such environmental aspects and compliance obligations; and
- Incorporating the effectiveness of the environmental evaluation process into management reviews.

The Company intends to apply certain of these practices at additional manufacturing facilities in the future.

In addition to stewarding environmentally friendly practices in our current operations we conduct appropriate environmental due diligence as part of any merger and/or property acquisition process. This process helps to ensure that the Company's growth is consistent with its environmental commitments and values.

The Company also seeks to communicate the Company's environmental commitment to employees, contractors, vendors, suppliers, and stakeholders and looks to continued improvement of its environmental policies, thereby fostering a culture of environmentally conscious practices within a broader business network.

#### **POLICY CONTACT**

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