



# SUSTAINABILITY REPORT

2022-2023



# CONTENTS

## CEO LETTER

### ABOUT

- Our Brands
- Our Culture
- Our Highlights

### STRATEGY & GOVERNANCE

- Materiality Assessment and Sustainability Strategy Framework
- Sustainability Governance
- Ethics and Integrity
- Risk Management

**1**

**2**

4

5

6

**9**

10

12

14

15

## PEOPLE

- Our Employees
- Employee Health, Safety, and Well-Being
- Engagement, Learning, and Development
- Diversity, Equity, and Inclusion
- Our Communities

**16**

18

19

23

25

28

## PLANET

- Energy Management and Climate Change
- Energy Management
- Logistics Energy Management
- Renewable Energy
- Climate-Related Risks
- Waste Management and Recycling
- Manufacturing Efficiency
- Waste and Recycling
- Water and Wastewater Management

**32**

34

34

36

37

38

39

39

40

41

## PRODUCT

- Product Design and Innovation
- Sustainable Materials
- Packaging
- Product Recycling, Reselling, and Donation
- Product Quality and Compliance

**42**

44

45

47

49

50

## PROCUREMENT

- Responsible Procurement Practices
- Labor Practices and Human Rights
- Environmental Health and Safety
- Supplier Assessment and Engagement

**52**

54

54

55

56

## APPENDIX

- About This Report

**58**

59



# CEO LETTER



To Our Valued Stakeholders,

As the global leader in Modern Golf, Topgolf Callaway Brands embraces our role to lead with purpose and to be a force for good. Looking back on the past years, I am proud of the collective efforts across our brands, which have enabled us to drive positive changes while delivering value to our customers, employees, and communities. With this report, I'm excited to share our progress across the four pillars of our sustainability strategy – People, Planet, Product, and Procurement.

We believe in the diverse, inclusive nature of Modern Golf and its ability to bring joy to people's lives. We are committed to driving growth and value for all our stakeholders. In the fulfillment of this mission, we share a commitment to promote diversity, equity, inclusion, and well-being. Internally, we are focused on employee well-being and belonging, while externally, we remain dedicated to support communities through volunteering and charitable donations.

We also consistently explore opportunities across our operations to reduce our environmental impact. This includes increasing the use of renewable energy, implementing efficiency improvements, and enhancing recycling programs. Additionally, by partnering with and investing in nature restoration projects, we proudly contribute to initiatives that are crucial for preserving biodiversity, addressing climate change, and securing a resilient future for generations to come.

We consistently explore technologies and solutions to enhance the sustainability of our products. Throughout the product lifecycle, we are leveraging innovation to drive meaningful change towards a more circular approach, reducing our products' environmental impact while maintaining our dedication to quality and excellence.

We understand that our journey towards sustainability requires collaboration. Through continued engagement and partnership with our suppliers, we remain dedicated to upholding stringent requirements on environmental and social performance, ensuring ethical and responsible practices throughout our value chain.

Transparency and accountability are fundamental to our sustainability efforts. We remain committed to robust reporting and adherence to industry standards and best practices, providing stakeholders with clear and accurate information about our environmental and social practices and performance.

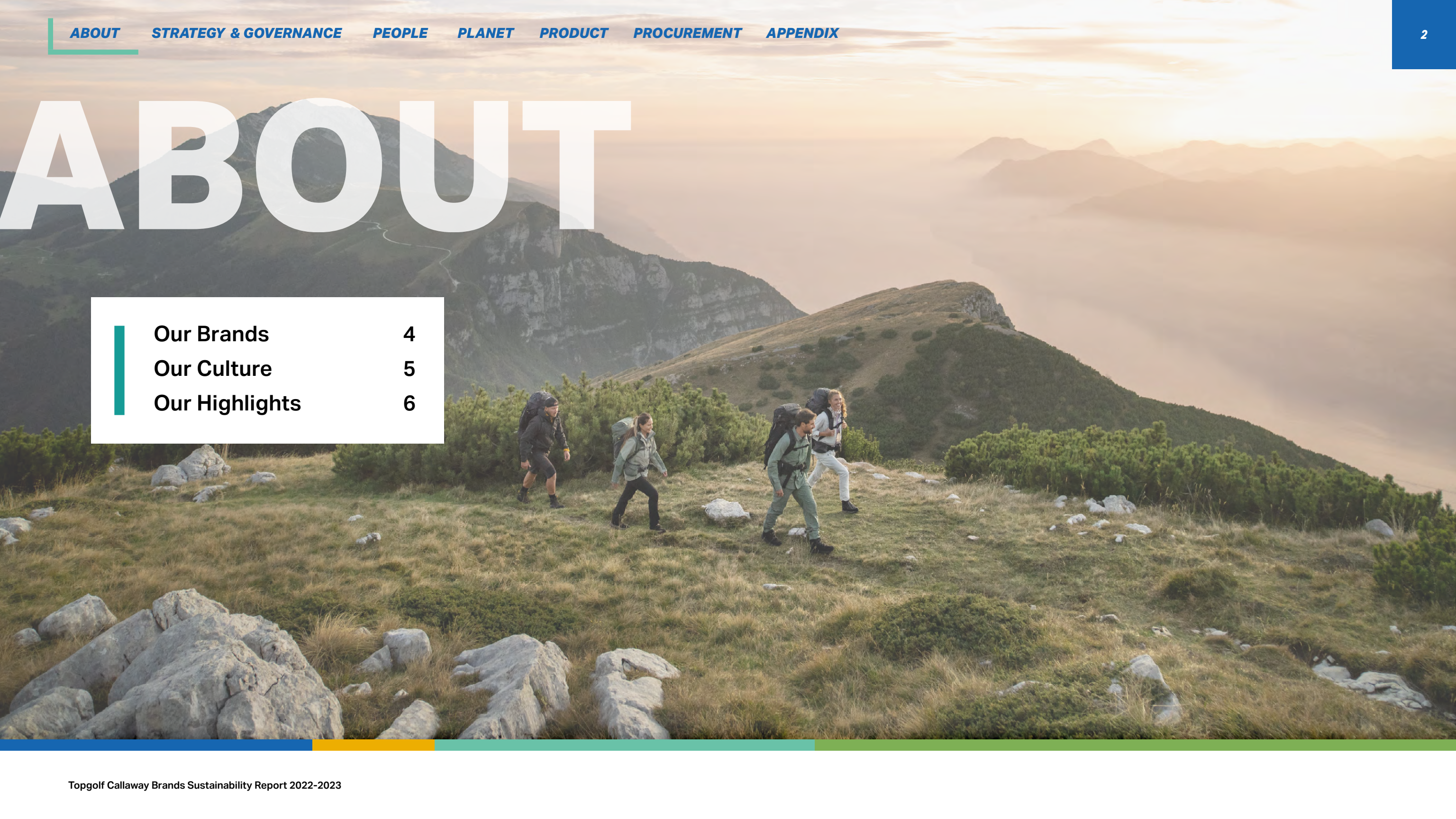
Looking ahead, as our global business continues to grow, Topgolf Callaway Brands is more determined than ever to pursue our sustainability strategy and goals. We are excited about the opportunities that lie ahead to shape a brighter future for both people and the planet. I extend my heartfelt gratitude to our employees, customers, partners, and stakeholders for your continued support as we strive to make a positive and meaningful difference in the world.

Sincerely,  
**Oliver "Chip" G. Brewer III**  
President and CEO



# ABOUT

Our Brands	4
Our Culture	5
Our Highlights	6





# ABOUT



Topgolf Callaway Brands Corp. (together with our wholly owned subsidiaries, "Topgolf Callaway Brands," the "Company," "we," "our," or "us") is an unrivaled tech-enabled Modern Golf<sup>1</sup> and active lifestyle company, with a portfolio of global brands including Topgolf, Callaway Golf, TravisMathew, OGIO, and Jack Wolfskin.

As the global leader in the Modern Golf ecosystem, we are reshaping the game to be dynamic and inclusive, both on and off the course. Leading change across all facets of golf, we bring diversity, innovation, and a fresh lifestyle approach to playing, working, and experiencing golf.

We want to play a part in every single shot played and allow more people to enjoy golf. Whether at a Topgolf venue, on a championship course with the latest Callaway Golf equipment, or exploring the great outdoors in our performance gear designed for an active lifestyle, we're creating diverse avenues for people to enjoy the game of golf.

## GOOD ETHICS IS GOOD BUSINESS

Our journey began with Ely Callaway's belief that "good ethics is good business," a principle that has shaped our corporate culture for over four decades. This philosophy has led us to establish rigorous standards for our employees, suppliers, products, and brands, cultivating a workplace that prioritizes integrity, responsibility, and accountability.

As we diversified through strategic acquisitions, we transformed into a versatile company offering products ranging from apparel and golf technology to entertainment and outdoor lifestyle. As our Company continues to transform, our dedication to sustainability has strengthened. It is our duty as corporate citizens to play our part in advancing the greater good, and we are committed to leading the way towards a better future.

## OUR BRANDS



TOPGOLF



TRAVISMATHEW



<sup>1</sup> "Modern Golf" is the dynamic and inclusive ecosystem that includes both on-course and off-course golf.



# OUR BRANDS

## Callaway Golf

Callaway Golf is a leading manufacturer of premium golf clubs, balls, performance gear, and accessories worldwide. Through an unwavering commitment to innovation, we push the limits of performance and create demonstrably superior products designed to make every golfer a better golfer.



## TravisMathew

Founded in 2007, TravisMathew draws its inspiration from the culture and lifestyle of Southern California's surf, sand, and sun. As a premier men's, and now women's, lifestyle brand, TravisMathew has created versatile, everyday apparel that seamlessly transitions from work to play. With a smart blend of performance and innovative design, each product is crafted to achieve a perfect balance between functional comfort and superior style. In other words, we make the clothes you can actually live in.



## Jack Wolfskin

Jack Wolfskin, a global outdoor performance apparel, equipment, and footwear brand, was founded in 1981 on the tenets of product sustainability, durability, functionality, and quality. The brand is now one of the major suppliers of outdoor products across the world with a versatile portfolio of smartly and sustainably engineered technologies.



## Topgolf

Topgolf is a leading, global golf entertainment brand that believes in the unlimited power of play and brings joy through more ways to play the game of golf. Topgolf brands are on a mission to enable Players to hit 50 billion golf balls between 2022 and 2025. Topgolf brands include Topgolf Venues, Topgolf Media, and Toptracer technology.



## OGIO

One of the golf industry's leading bag brands over the past 30 years, OGIO makes innovatively designed and uniquely styled sports, travel, and business bags.



— BE —  
**HUMBLE**  
— AND —  
**HUNGRY**

ACT WITH  
*Integrity*  
&  
*Respect*

**DARE**  
TO BE  
**GREAT**

DO WHAT YOU SAY  
YOU'RE  
GOING  
TO DO

**ONE**  
TEAM  
**ONE**  
COMPANY

BE A  
**FORCE**  
FOR  
**GOOD**

## OUR CULTURE

At the heart of our ethos is a commitment to responsible and ethical business practices. Our organizational culture is defined by six core values, serving as the guiding principles that we hold paramount. We expect our employees to not only acknowledge but also embody them in their day-to-day activities. In 2023, we introduced our new cultural value “Be a Force for Good,” further amplifying our dedication to making a positive impact in all aspects of our work.

We consistently uphold a culture of mutual respect, collaboration, and support among our employees. Our commitment to these values extends throughout the employee lifecycle, facilitated by initiatives such as the “Culture Ambassador Program,” making our values tangible for every employee on a daily basis.





# OUR HIGHLIGHTS

## TOPGOLF BEST COMPANY AWARDS

Topgolf's workplace culture isn't just recognized – it's celebrated with heartfelt enthusiasm from its team. In 2022, its strides in diversity and inclusion earned Topgolf the Comparably awards of Best Company for Diversity and Best Company for Women.


Furthermore, Topgolf's dedication to fostering a positive work environment was repeatedly acknowledged, with consecutive wins for Best Company Happiness, Best Company Compensation, and Best Company Perks and Benefits in both 2022 and 2023. These accolades aren't just plaques on the wall; they're testaments to the warmth and camaraderie that define the Topgolf experience.



## Topgolf Awarded "Best Company"

 **FOR COMPENSATION**  
2022, 2023

 **BEST CEO FOR DIVERSITY**  
2022, 2023

 **FOR WOMEN**  
2022, 2023

 **FOR PERKS AND BENEFITS**  
2022, 2023

 **FOR HAPPINESS**  
2022, 2023

 **FOR DIVERSITY**  
2022, 2023



TRAVIS MATHEW

## HELPING IN CRISIS

In response to the devastating wildfire in Maui, Hawaii, TravisMathew partnered with actor Chris Pratt and contributed all profits from its online sale on September 1, 2023, totaling over \$375,000, to the Maui Strong Fund through the Hawaii Community Foundation.



100% of Profits\* Donated to  
**MAUI FIRE RELIEF**



**\$375,000**  
donated to the  
Maui Strong Fund



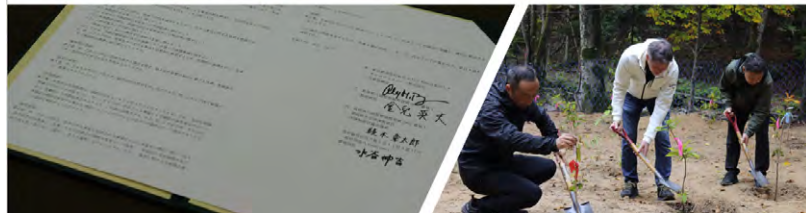
# OUR HIGHLIGHTS

## THE "CALLAWAY FOREST" PROJECT

Callaway Golf Japan's Sustainable Development Goals team, led by President Alex Boezeman, launched the "Callaway Forest" project by planting diverse seedlings in collaboration with a forest conservation group in Chizu-Cho, Tottori prefecture.

This initiative, funded by a portion of Callaway Golf's sales, focuses on restoring forest diversity, including mountain cherry trees. Expanding the project in 2023, it introduced the "Forests for the Future: Co-Creation Project" program.

Aimed at preserving a beautiful natural environment for the next generation, the program emphasizes passing on the importance of environmental conservation. In partnership with the University Golf Education Study Group, this initiative offers university students chances to engage in environmental conservation projects in Chizu-Cho, Tottori. Other activities included environmental experiences, camping, and knowledge transfer sessions for local elementary school students in the Ashizu Valley.



THE AMERICAS' FASTEST GROWING COMPANIES



MOST TRUSTWORTHY COMPANIES IN AMERICA



AMERICA'S CUSTOMER SERVICE CHAMPIONS





# OUR HIGHLIGHTS

## BIKE COMMUTE 2.5L JKT W

Commute all year in this lightweight stretch jacket made from 100% textile-to-textile recycled materials

Stowable hood fits under a cycling helmet

Cutting edge textile-to-textile recycling technology

Lightweight, stretchy, and waterproof

Water-resistant zipper won't snag on garment fabric

Raised hip pockets for access while wearing a pack



## EUROBIKE AWARD 2023

Jack Wolfskin received the EUROBIKE Award 2023 for its innovative Bike Commute Jacket. The award recognizes excellence in the bicycle and future mobility industry, considering innovation, functionality, sustainability, design, processing quality, and material selection. The jacket features a sustainable “textile-to-textile” manufacturing process using recycled materials, setting a milestone for a future closed-loop system. The outer material is made from worn garments and textile cuttings, while the membrane is from leftover manufacturing cuttings – a zero-waste concept. The jacket received high praise for its comfort, functionality, aesthetics, and sustainable approach emphasizing a future closed cycle of recyclable materials.

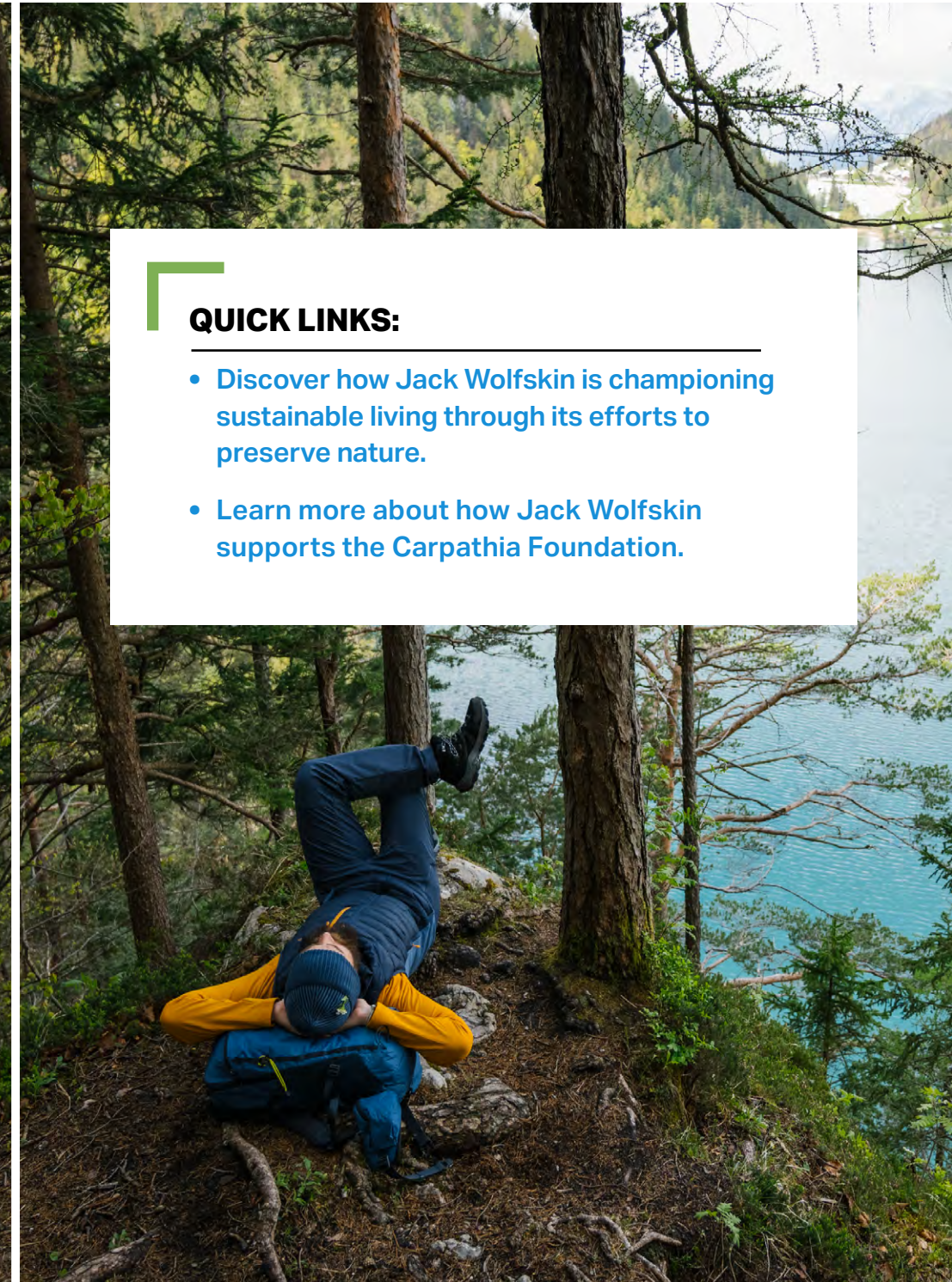
Topgolf Callaway Brands Sustainability Report 2022-2023



## A COMMITMENT TO SUSTAINABILITY

In November 2023, Jack Wolfskin committed to Science-Based Targets, aligning with Paris Agreement goals. This initiative stood for its dedication to sustainability, pledging to set and achieve 5–10 years of near-term emission reduction targets before 2030. By addressing climate change, Jack Wolfskin aims to positively impact its customers, supply chain partners, and the environment.

Additionally, Jack Wolfskin places significant emphasis on nature restoration and conservation. In partnership with the Wohlleben Forest Academy, Jack Wolfskin is safeguarding over 61,000 square meters of ancient forest in Germany, preserving ecosystems vital to biodiversity protection and climate mitigation. Jack Wolfskin makes annual contributions to the Carpathia Foundation, supporting its ambition to create Europe's largest forest and reintroduce wild animals in the Carpathians.



### QUICK LINKS:

- [Discover how Jack Wolfskin is championing sustainable living through its efforts to preserve nature.](#)
- [Learn more about how Jack Wolfskin supports the Carpathia Foundation.](#)



# STRATEGY & GOVERNANCE

Materiality Assessment and Sustainability Strategy Framework	10
Sustainability Governance	12
Ethics and Integrity	14
Risk Management	15



# STRATEGY & GOVERNANCE



Topgolf Callaway Brands has a rich history of conducting business with a strong sense of responsibility and ethics. Rooted in our fundamental belief “Good Ethics Is Good Business” and embraced across the Company, this principle has consistently guided our efforts to improve our social and environmental performance. In 2023, we reaffirmed this commitment by incorporating “Be a Force for Good” into our core values, solidifying our dedication to fostering positive change and stepping forward in prioritizing sustainability, transparency, and accountability.

Our sustainability strategy revolves around four essential pillars: People, Planet, Product, and Procurement. By making progress in these areas, we aim to create a positive impact on our stakeholders, communities, and the planet. This involves integrating key sustainability considerations into our strategic and day-to-day operations. As we continue to lead the growth of the game of golf on and off the course, we are thrilled to bring diversity, innovation, and positive changes by championing sustainability efforts within the Company and alongside our partners, while catalyzing similar initiatives within our industry.

## Our Essential Pillars

### Good Governance: Ethics and Integrity





# MATERIALITY ASSESSMENT AND SUSTAINABILITY STRATEGY FRAMEWORK

At Topgolf Callaway Brands, we are committed to transparently communicating how we identify, prioritize, and manage sustainability topics that are most impactful to our business and stakeholders. In 2021, referencing the Global Reporting Initiative (“GRI”) Standards, we conducted a materiality assessment (the “materiality assessment”) seeking input from 10 stakeholder groups. The findings, detailed in our [2021 Sustainability Report](#), identified 15 environmental and social topics that have the highest significance to us and our stakeholders.<sup>2</sup>

Building upon insights from the materiality assessment and its stakeholder input, we refined our focus to prioritize four key topics: Product Design and Innovation; Climate Change; Employee Attraction and Retention; and Diversity, Equity, and Inclusion.

Our commitment extends to setting clear goals to advance our efforts in each topic. The development of our sustainability strategy framework, a visual representation of the sustainability strategy for our global business and brands, is informed by these four priority material topics, along with the additional 11 material topics disclosed in the 2021 Sustainability Report.

<sup>2</sup> The materiality assessment was conducted in 2021 and may be updated as new guidelines are introduced.



For detailed disclosure about our materiality assessment, please refer to the [2021 Sustainability Report](#).



# SUSTAINABILITY GOVERNANCE

## Board Oversight

Our Board of Directors (“Board”) and senior management team are committed to the high standards of ethics and integrity. Our strong corporate governance practices position our business for growth and create long-term value for our stakeholders.

## Executive Sustainability Committee

*Comprised of our CEO, CFO, all executive officers, and General Counsel*

This committee receives quarterly updates on sustainability matters and reports directly to the Board on important matters. This committee holds the responsibility of reviewing and approving our sustainability strategy and goals, allocating resources to support the implementation of sustainability initiatives across the organization, and overseeing sustainability-related risks, among other key responsibilities.



For further information, please see our [Corporate Governance](#) webpage.

## BOARD OF DIRECTORS

12 members led by an independent, non-executive Chairman

Oversees the Global Sustainability Program and receives updates at least annually.

## NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Oversees environmental and social risks. Reviews our Environmental, Social, and Governance (“ESG”) performance quarterly. Recommends, reviews, and assesses candidates, along with setting corporate governance policies and guidelines.

## AUDIT COMMITTEE

Oversees accounting, reporting and financial practices, risk assessment, risk management, and legal and compliance requirements, including oversight of policies and procedures of environmental, health, safety, and social risks.

## COMPENSATION AND MANAGEMENT SUCCESSION COMMITTEE

Sets compensation policies and programs. Monitors succession planning for executive officers.



## Global Sustainability Program

The Global Sustainability Program was established under the guidance of our Chief Executive Officer and oversight from the Board of Directors in 2019. This program has played a vital role in shaping our sustainability strategy, facilitating communication with stakeholders, and driving the implementation of sustainability initiatives across our brands globally.

Our Executive Sustainability Committee receives quarterly updates on the progress of the Global Sustainability Program and important internal and external trends related to sustainability. The Sustainability Core Team, consisting of the Sustainability Team and Sustainability Champions, meets quarterly to exchange updates, discuss progress, refine the overall program strategy, and subsequently provide updates to the Executive Sustainability Committee.

In addition to the Sustainability Core Team, some of our brands have taken steps to promote sustainability by actively involving their employees. TravisMathew's Sustainability Committee, consisting of members from various departments such as Facilities, HR, and R&D, is dedicated to advancing sustainability initiatives tailored to TravisMathew. This committee plays an important role in identifying and implementing sustainability efforts while actively engaging employees and raising awareness throughout the process.

Similarly, Jack Wolfskin established its Sustainability Council at its headquarters in Idstein, Germany, an internal network of sustainability ambassadors representing all regions and key offices, serving as a platform for teams and individuals to contribute to Jack Wolfskin's sustainability projects. Notable initiatives include fabric donations to a local repair café and establishing a carpool network to minimize employee commuting emissions.

## SUSTAINABILITY CORE TEAM

### SUSTAINABILITY TEAM

**Oversees the Global Sustainability Program.**

### SUSTAINABILITY CHAMPIONS

**Represents various brands, regions, and functional areas that lead large-scale global projects, promote employee-driven initiatives locally, and monitor and report on external trends.**





# ETHICS AND INTEGRITY

Topgolf Callaway Brands' Compliance Committee is responsible for reviewing global compliance issues and developing corresponding systems and procedures. Led by the Chief Ethics Officer and Chief Compliance Officer (currently, the Company's General Counsel), the Committee convenes quarterly with key stakeholders from the global organization. In these meetings, members discuss progress on compliance initiatives, address specific risks, and continually enhance the effectiveness of the compliance program.

The Audit Committee maintains oversight of our compliance programs concerning legal and regulatory requirements and the Code of Conduct. The Chief Ethics Officer provides quarterly updates to the Board regarding any complaints relating to accounting, internal controls, or auditing matters, actual or potential violations of the Code of Conduct by officers, and actual or potential conflicts of interest.

We maintain rigorous ethical standards for ourselves and our supply chain partners. This commitment is realized through establishing clear policies, setting high expectations, and providing technical expertise and professional education across our operations and supply chain. We conduct regular compliance training for our employees and suppliers, covering relevant policies, procedures, and programs while consistently evaluating and enhancing the effectiveness of our compliance program.

Our [Code of Conduct](#) is a cornerstone of our dedication to conducting global business with honesty, ethics, and adherence to legal standards. Applicable to all Board members, officers, and employees, it articulates our fundamental ethics-related policies, shared values, and expectations on how we work. The Code of Conduct encompasses various topics, including anti-corruption, bribery, harassment, political contributions, and more. It also serves as the basis for our Environmental, Health, and Safety ("EH&S") Policy, reinforcing our commitment to conducting business safely and in compliance with environmental laws. Our Speak Up Program is established to maintain a corporate environment that allows directors; officers; full-time, part-time, hourly, and agency workers; consultants and other independent contractors; interns; and volunteers, without fear of retaliation, to report in good faith potential violations of law, the Code of Conduct, and other policies. We encourage employees to report concerns directly to their supervisors, Human Resources, the Law Department, or our management. Additionally, employees can report concerns confidentially and anonymously through the Speak Up Hotline, an internet and telephone-based tool operated by an independent third-party.

Our suppliers are integral partners in delivering top-quality and innovative products and play a crucial role in our commitment to operating a responsible and ethical company. All suppliers must acknowledge and adhere to

our [Supplier Code of Conduct](#), which sets the minimum standards we expect. The Supplier Code of Conduct outlines expectations for all suppliers to embrace socially and environmentally responsible business practices, encompassing labor practices, health and safety requirements, and environmental performance, among others. It plays a pivotal role in ensuring that products manufactured for us adhere to lawful, humane, and ethical conditions.

Furthermore, we prioritize acting with integrity and respect on issues crucial to us and our stakeholders. This commitment extends to upholding internationally recognized human rights across our global operations, as outlined in our [Enterprise Human Rights Policy](#), which aligns with the Universal Declaration of Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work. Any circumstance or action that violates or appears to violate our Enterprise Human Rights Policy can be reported via email or by requesting to speak with the Chief Ethics Officer directly by phone.

## QUICK LINKS:

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Enterprise Human Rights Policy](#)

# RISK MANAGEMENT

We employ a comprehensive approach to identify, assess, and manage various types of risks that we may encounter. Among other internal and external factors, we face risks in the following four categories: operations, manufacturing, and technology risks; regulatory and compliance-related risks; financial and tax risks; and industry and general economic risks.

The Audit Committee of the Board of Directors is responsible for risk oversight and compliance, and our executive leaders are responsible for managing risks within their respective functions. The General Counsel oversees regulatory and compliance-related risks, and the Vice President of Treasury and Risk Management focuses on purchasing appropriate insurance for risk mitigation. Additionally, the Senior Director of Internal Audit plays a key role in conducting internal risk management activities and leading the enterprise risk management (“ERM”) process.

To assess and identify risks across different areas of the business, we utilize an ERM analysis. This process is planned to occur every other year and involves a third-party consultant interviewing key members of management about risks, followed by discussions to categorize the severity and likelihood of identified risks. While the ERM analysis follows a structured schedule, operational-level risk assessments are ongoing, and mitigation strategies are subject to updates based on changing circumstances.



The overall responsibility for determining and implementing risk mitigation strategies lies with the business leaders in each function. These leaders, in collaboration with the CEO, CFO, and, in some cases, General Counsel and Vice President of Treasury and Risk Management, decide on the most appropriate strategies to mitigate risks, with oversight from the Board of Directors. Controls and measures are established to minimize the impact of potential risks, varying by the type of risk. In addition, we follow standardized frameworks to monitor and control certain risks, such as auditing, internal controls, and cybersecurity.

Ongoing monitoring of identified risks is integrated into regular business meetings, such as monthly business reviews and quarterly Compliance Committee meetings. The status of risks and mitigation efforts is regularly discussed, and adjustments are made if significant changes or developments occur. Formal policies and documentation, including the Audit Committee’s charter and the Code of Conduct, govern our overall risk management processes.



For detailed disclosure on risk management, please refer to our Proxy Statement and 10-K filings.



# PEOPLE

Our Employees	18
Our Communities	28



# PEOPLE



Connecting people through our exceptional products and services is the heart of Topgolf Callaway Brands. Each brand provides the opportunity for our people to be at the forefront of inspirational and creative endeavors.

At Topgolf, employees, or Playmakers, craft world-class entertainment experiences, spreading joy and unlimited play to communities worldwide. Callaway Golf's passionate teams engineer products that epitomize quality and performance on the golf course. Jack Wolfskin immerses people in outdoor experiences, fostering a profound connection with nature, while TravisMathew and OGIO design premium apparel and accessories that seamlessly integrate into daily life on and off the course.

Our workforce, community, and customers are the primary drivers of our ongoing sustainability journey and the center stage of our Company. Topgolf Callaway Brands is committed to creating meaningful experiences that resonate with people and embody the positive impact we aspire to achieve.



*"At the core of Topgolf Callaway Brands, our people shape our identity as the global leader in Modern Golf. As we continuously expand our global presence, we acknowledge the impact our brands have on the communities we serve and individuals worldwide. Our people take pride in producing innovative products with quality and creating memorable experiences for our customers. It is this awareness that propels our commitment to sustainability, with a focal point on people. Each day, we dedicate ourselves to fostering the health, well-being, and prosperity of the individuals who are integral to our Company, our supply chain, and diverse communities across the globe."*

– REBECCA FINE  
CHIEF PEOPLE OFFICER



## OUR EMPLOYEES

Our employees are the most important asset in our journey of growth and evolution. At Topgolf Callaway Brands, we strive to cultivate a workplace and culture that is caring, engaging, and inspiring. This commitment extends from attracting top talent who embrace our values, ensuring a work environment that prioritizes health, safety, and well-being, to fostering continuous growth through learning and development.

Furthermore, our commitment to enhancing the employee experience is underscored by our dedicated focus on prioritizing diversity, equity, inclusion, and belonging as integral elements of our culture. We aspire to shape a workforce distinguished by its diversity, embracing a wealth of cultures, experiences, talents, capabilities, and perspectives.

We strive to cultivate a workplace and culture that is caring, engaging, and inspiring.





## Employee Health, Safety, and Well-Being

### Health and Safety

The well-being of our employees is at the forefront of our culture and integral to the success of our business. We are committed to the health, safety, and well-being of our employees. Topgolf Callaway Brands' Health and Safety Programs are dedicated to maintaining a workplace that ensures the protection of our employees, contract workers, and guests in our offices, retail stores, distribution centers, production facilities, and venues.

Topgolf Playmakers diligently carry daily tasks to deliver an enjoyable experience to all players. The health and safety of both venue employees and Topgolf players is of paramount importance in the Topgolf experience. Our commitment to health and safety is reflected in a comprehensive set of policies and standard operating procedures that span all facets of Topgolf operations. Each job function is accompanied by specific safety requirements, ensuring that every Playmaker undergoes regular and comprehensive safety training covering personal safety, venue safety, food safety, and player protection. Job-specific safety training modules are tailored to the unique roles within Topgolf, addressing areas such as maintenance, working with power tools, and more.

The training regimen encompasses both initial onboarding sessions and ongoing on-the-job training, especially for roles involving handling kitchen equipment. Furthermore, Topgolf utilizes third-party audits for food safety practices, ensuring adherence to industry best practices. Through its food safety program, "One Shield," Topgolf provides regular training focused on upholding stringent food safety standards and conducts audits quarterly. Ensuring the health and safety of players and Playmakers is a shared responsibility among every individual at Topgolf. Its dedicated risk management team, along with the health and safety team, thoroughly reviews incident reports and implements corrective actions, ensuring a comprehensive and hands-on approach to safety management.

In the past year, Topgolf took significant steps to enhance its safety protocols. Active assailant training classes were conducted at both the office and venue locations, followed by trainings for hourly Playmakers across all venues. Its "Responsible Alcohol Service Training" was also refreshed to provide enhanced engagement and introduce a more creative and comprehensive training experience for relevant Playmakers. These initiatives underscore the continuous efforts to prioritize and advance health and safety across the Topgolf experience.





## Employee Health, Safety, and Well-Being

(Continued from previous page)

At Callaway Golf and TravisMathew, in line with California state law, we adhere to an occupational health and safety management system known as the "Injury and Illness Prevention Program" ("IIPP"), covering all workers, contingent workers, and visitors in North America. Oversight of Callaway Golf's [Environmental, Health, and Safety policies](#) and procedures falls under the purview of the Senior Director of Facilities and EH&S, the Chief Supply Chain Officer, and ultimately, the CEO, as outlined in our IIPP. The goal of Callaway Golf's IIPP is to meet or exceed all applicable regulations, codes, standards, and recommendations by adopting industry best practices. This IIPP encompasses responsibility, compliance, communication, hazard assessment, accident/exposure investigation, hazard correction, training and instruction, and record keeping. For TravisMathew, a separate brand-specific IIPP is maintained for its headquarters in Huntington Beach, California, following similar principles. All new Callaway Golf and TravisMathew employees are trained on the relevant IIPP during onboarding.

To proactively prevent and address occupational health and safety issues, Callaway Golf collaborates with its workers' compensation insurance provider to formulate a comprehensive "Risk Control Service Plan." This plan includes industrial hygiene support, encompassing assessments, like noise dosimetry and chemical exposure checks, and safety-related support, including machine guarding surveys and facility safety assessments. All full-time, part-time, and temporary Callaway Golf employees undergo safety awareness trainings, covering elements of Callaway Golf's IIPP, hazard communication, emergency procedures, and other specific requirements. Job-specific training for respirators, forklifts, electrical safety, and other subjects are also provided.

In 2023, Callaway Golf enhanced its safety program by incorporating ISO 12100 risk assessment standards in its new equipment approval process at the Carlsbad, California, headquarters; Monterrey, Mexico, manufacturing facility; and Chicopee, Massachusetts, golf ball facility. This new initiative provides a greater level of oversight to further reduce equipment-related injuries. Callaway Golf's Monterrey manufacturing facility participates in the Mexican Ministry of Labor and Social Welfare's ("STPS") Self-Management Program in Health and Safety at Work ("PASST"). Similar to the Occupational Health and Safety Assessment Series ("OHSAS") 18001 program, the PASST program requires recertification once every five years.



**In the most recent PASST recertification conducted in 2019, Callaway Golf's Monterrey manufacturing facility safety management program achieved a high rating score of 99.8% in the government inspection, maintaining the STPS PASST Level 3 certified ranking.**



The well-being of our employees is at the forefront of our culture and integral to the success of our business.



### Well-Being

Topgolf Callaway Brands places a strong emphasis on the health and well-being of our workforce, providing an array of comprehensive wellness programs across our brands. Our employees, being the cornerstone of our culture and daily business success, receive competitive compensation and a full suite of benefits, encompassing health, dental, vision, life, and disability insurance coverage. In the United States, our employees can engage in wellness programs like annual exams, cancer screenings, and exercise programs to earn rewards. In 2024, we optimized medical plan options, enhanced leave benefits, and added benefits such as critical illness coverage, along with discounts on home and auto insurance and pet insurance. Additionally, our leave policies ensure leave entitlements, such as dependent care and parental care, as required by state and federal law.

Certain offices and facilities provide fitness amenities, yoga, exercise programs, and education that address various aspects of well-being, including physical, mental, social, nutritional, and financial health. Moreover, recognizing the vital need for accessible mental health support, we prioritize enhancing the mental health benefits available to our employees. Spring Health, introduced at Topgolf in 2023, is now extended to all global employees under the Topgolf Callaway Brands umbrella. Through Spring Health, our employees and household family members have 24/7/365 access to a mental well-being benefit that is designed to eliminate every barrier to mental health.

We promote mental health awareness through regular outreach to employees including emails and webinars discussing mental health and programs to assist in mental health awareness. Spring Health simplifies the employee journey by providing a real-time comprehensive assessment, personalized care plan, a dedicated care navigator for each employee, and access to care quickly. To streamline and align our wellness initiatives, a new wellness coordinator was appointed on January 1, 2024, overseeing programs available to all brands and corporate employees in the United States.

We actively promote healthy behaviors and wellness awareness by regularly hosting on-site wellness services at our facilities, allowing employees to conveniently participate during work hours. For instance, we provide various health services such as flu shots on-site at all headquarters as well as a physical trainer to lead fitness classes during work hours in Carlsbad, California. In Europe, Jack Wolfskin's employees can undergo eye checks, are offered free health assessments and immunization, and engage in first aid training. To encourage an active lifestyle, all staff in Germany have access to gyms across the country. Moreover, at Callaway Golf's Monterrey manufacturing facility, employees benefit from a contracted nurse supervised by a doctor, offering comprehensive occupational and personal health support, including services like blood pressure checks and prenatal care.



# Wellness-Focused Events

TravisMathew hosted a Health and Wellness Month, featuring lunch-and-learns and educational sessions to encourage wellness practices.



Throughout the year, we organize various wellness-focused events to raise awareness and promote healthy behaviors among our employees.



Jack Wolfskin takes a holistic approach to mental health, offering a dedicated mental health provider for all of Europe, along with programs and group workshops addressing sleep, burnout, and work management and providing 24-hour access to psychologists for employees and their families in 20 languages. Its advanced company sports program encourages physical well-being with on-site gyms, subsidized sports activities, and an annual company retreat focused on active pursuits. In October 2023, Jack Wolfskin organized a three-day health event with keynotes, massages, and health checks.



Our Callaway Golf South Pacific team in Australia conducted a certified mental health first aid course. Additionally, they organized and observed an "R U OK" day, fostering open conversations among employees regarding mental health.





## Engagement, Learning, and Development

Engagement, learning, and development of our employees are vital to the continued innovation that shapes the success of Topgolf Callaway Brands. Investing in the continuous growth and refinement of our workforce is not only a strategic choice but a fundamental necessity. Through robust training programs, we empower our employees with the knowledge, skills, and competencies essential to adapt, innovate, and excel in their roles. This commitment not only enhances individual performance but collectively fortifies our organizational resilience, fostering a culture of continuous improvement and staying ahead of industry trends. As we prioritize training and development, we embrace the transformative power they hold, propelling our Company towards sustained success and excellence.

### Employee Engagement

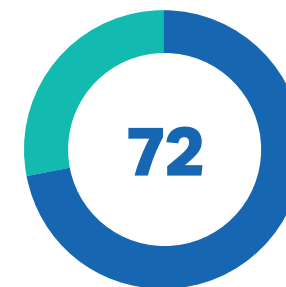
At Topgolf Callaway Brands, our commitment to cultivating a thriving workplace culture is evident in our focus on inclusivity and employee engagement. Starting from the onboarding process and extending throughout an employee's tenure, we actively create avenues for them to contribute their perspectives and insights, fostering a sense of ownership in their work environment. This engagement is facilitated through both informal dialogues with leaders and structured engagement surveys, allowing us to prioritize key aspects that matter most to our employees.

We regularly conduct employee surveys tailored to assess satisfaction and engagement. In 2024, we streamlined our surveys globally across brands, presenting consolidated, standardized questions. New survey questions gauge employee sentiment about accessing our well-being resources, reinforcing our commitment to measure and enhance overall employee well-being and engagement. Survey results are shared with department leaders, who collaboratively identify engagement drivers and devise action plans, promoting a culture of responsiveness and continuous improvement. A summary of the survey results is also shared with our executive team to inform brand-level actions and improvements. Since receiving feedback from our last employee engagement survey, we've made several enhancements. These include ramping up cultural events to foster collaboration and networking, enhancing well-being resources and tools for our employees, and launching employee resource groups, among other initiatives. Moreover, Topgolf hosts annual Town Hall meetings, where senior operations leaders and Human Resources managers visit each venue and office location at least once a year to interact directly with Playmakers and gather feedback.

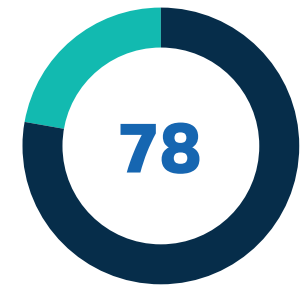
We strongly believe that consistent interactions with our employees provide invaluable insights into our workplace environment, culture, and overall employee experience.

By engaging employees through various channels, we can identify both long-term trends and recurring issues, ensuring swift resolution of any concerns. Our commitment to refining our workplace environment based on comprehensive feedback plays a pivotal role in sustaining a dynamic, employee-centric culture across Topgolf Callaway Brands.

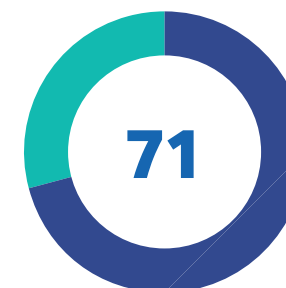
### Engagement and Satisfaction Results



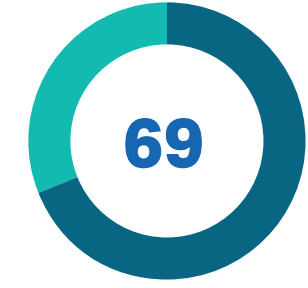
CALLAWAY GOLF



TRAVISMATHEW



TOPGOLF



JACK WOLFSKIN





**61,865**  
total number of compliance and leadership training hours completed in 2023 for U.S. employees across brands.

### Training and Development

At Topgolf Callaway Brands, all new hires are required to complete training on our **Code of Conduct**, which includes insider trading, anti-bribery, open-door policy, and global conduct expectations training. Periodic training on our Code of Conduct and legal compliance is also provided for existing employees. Additionally, each of our brands offers unique, tailored leadership training programs to foster continued learning and professional growth. We encourage continual growth and development through annual performance reviews that allow our employees and their managers to discuss the employee’s strengths and opportunities.

The “Emerging Leaders Program” (“ELP”) identifies high-performing employees across all brands, preparing them for leadership roles through a comprehensive 12–18-month curriculum. The program combines classroom training with hands-on experiences, covering topics such as Appreciating Differences, Breaking Through Bias, and “6 Critical Practices.” ELP participants benefit from on-site experiences and hands-on training conducted in our facilities in California, Massachusetts, and Texas.

Callaway Golf’s “Operations Management Academy” is a specialized leadership training initiative aimed at managers across global operations. This program, launched in 2022 to supplement existing training program offerings, provides executive-level training in supply chain operations, covering essential areas such as program management, quality assurance and continuous improvement, strategic sourcing, and sustainability.

Additionally, the “Today’s Leader Program” offers a curriculum tailored for leaders in North America, promoting personal and professional development through training modules such as “6 Critical Practices.”

Similarly, TravisMathew introduced a leadership training program, “Learn to Lead,” that equips those transitioning into people leader roles with essential resources over a six-month process.

**98% of participants believe that the “6 Critical Practices” program has made them a more effective leader for their team.**

Topgolf places a strong emphasis on leadership development through its “6 Critical Practices” program, which imparts essential skills and tools for effective leadership. Moreover, office employees actively engage in the “Level Up Challenge,” a dynamic training series designed to facilitate personal and professional growth in a uniquely Topgolf way. In 2023, over 450 Playmakers attended sessions on topics like the art of storytelling, giving and receiving feedback, and finding confidence in your competency, all led by Topgolf leaders. For venue Playmakers, targeted training programs are available, focusing on cultivating operational leadership skills.



## Diversity, Equity, and Inclusion

At Topgolf Callaway Brands, our people make a difference in the quality of our products and the level of service we provide. We embrace the unique differences our people bring and believe firmly that diversity, in all forms, provides a distinct value in how we deliver to our players and customers and how we support each other. We are committed to recruiting, developing, and promoting a diverse and inclusive workforce representative of the communities we serve while offering opportunities and career development for our employees.



Experience comes in many forms, skills are transferable, and passion goes a long way. We know that diverse backgrounds and experiences make for the best problem-solving and creative thinking, which is why during the recruiting process, we prioritize hiring based on qualifications, rejecting discrimination based on actual or perceived race, creed, color, religion, national origin, citizenship status, age, disability, marital status, sexual orientation, gender, gender identity, and similar classifications.

We have developed a targeted recruitment strategy that includes proactive collaborations with institutions like Howard University, aiming to diversify our recruitment initiatives and attract talented individuals from under-represented groups to contribute to the golf industry. A cornerstone of our recruitment approach is our robust internship program, strategically serving as a feeder for incoming and associate-level positions.

We are intentional about fostering diversity of all types within our internship program, recognizing its crucial role in shaping the overall composition of our organization. In our 2023 internship program, more than 75% of interns were women, non-white, or both.

Topgolf Callaway Brands actively works to identify qualified women and diverse candidates for management roles. We provide DE&I training for all U.S. employees. "Breaking Through Bias" serves as a pivotal training initiative, complemented by continuous workshops.

**In our 2023 internship program, more than 75% of interns were women, non-white, or both.**

Tailored department-specific training caters to diverse teams, with a commitment to integrating new topics based on brand needs. Following the successful implementation of "Breaking Through Bias" for our "Emerging Leaders Program," we have extended this vital training to other cross-brand leadership training programs, significantly broadening its reach across various roles and individuals.

TravisMathew strategically partners with a third-party provider for its DE&I training, aligning with industry best practices and staying abreast of the dynamic nature of this subject. The training encompasses two segments: a one-hour session for all associates and a specialized session tailored for leaders. Additionally, TravisMathew's Culture, Diversity, and Inclusion team hosts cultural awareness and education events throughout the year to provide ongoing learning opportunities, underscoring a commitment to maintaining a continuous focus on cultivating a diverse and inclusive workplace culture.



# DE&I Initiatives



Striving for inclusivity extends beyond our organization as we endeavor to make golf more accessible to diverse customers through various initiatives within Topgolf Callaway Brands and local communities. As part of this dedication, we're excited to showcase a range of initiatives aimed at achieving this goal.

In honor of Women's Golf Month in June 2023, a series of engaging events unfolded across Topgolf Callaway Brands. Employees across our brands received invitations to join the Women's Golf Empowerment Summit, a spirited tournament celebrating women's golf at The Lakes at Topgolf El Segundo. This gathering served as a platform for women and allies from all brands to unite, fostering professional development, inspiration, and a shared encouragement for the women of

## In honor of Women's Golf Month in June 2023, a series of engaging events unfolded across Topgolf Callaway Brands.

Topgolf Callaway Brands to confidently embrace their presence both on and off the golf course. The celebration extended beyond borders, reaching Europe and various locations, encompassing clinics, networking sessions, and opportunities for professional growth. Adding to the initiative, a Golf 101 virtual session was organized, which helped to introduce novice women golfers to the intricacies of the game. The session provided insights into golf rules and etiquette, along with intriguing facts about the broader landscape of women's golf.

Callaway Golf is committed to fostering inclusivity and professional development within the golfing community through strategic partnerships. Collaborating with the Latina Golfers Association, Callaway Golf provides equipment sponsorship and resources aimed at increasing women's participation, particularly among women of color. Additionally, Callaway Golf's partnership with ForeHire helps transition women golfers from collegiate and professional levels into the golf business, inspiring successful careers in the industry. Callaway Golf participates in adaptive golf, which enables people with disabilities to play through modified rules and equipment. [Callaway Golf's Adaptive Team](#), comprising some of the most influential players, hosts clinics and events nationwide to help people with disabilities enjoy the game.



Callaway Golf has been a proud partner of Howard University, extending continued support for the Howard Golf program – the first Division I golf program in the university's history. Callaway Golf's commitment is steadfast, fostering the growth and excellence of young and talented players at historically black colleges and universities. Through sponsorship of equipment and the establishment of a Golf Professional Development Course for Howard University business students, it is dedicated to empowering the next generation of golf enthusiasts and professionals.

In partnership with San Francisco Pride, the Topgolf team supported its annual golf tournament, the first LGBTQ+ sporting event to be officially endorsed by the PGA. Since its inception in 2019, the SF Pride Golf Tournament has become a potent symbol of increased LGBTQ+ representation in the realm of professional athletics.



# DE&I Initiatives

Topgolf is deeply committed to ensuring golf is an accessible and inclusive experience for everyone. From 2022 to 2023, it strengthened its Diversity, Equity, Inclusion, and Belonging strategy by introducing three new Playmaker Resource Groups: Pan-Asia Alliance Community, wellness-focused VIBE, and ABLE for employees with disabilities. These groups, alongside La Familia, Pride of Topgolf, Black Alliance Network Group, and Women’s Impact Network, align seamlessly with Topgolf’s core business priorities, spreading the joy of golf both within and beyond the organization.

Topgolf’s unwavering commitment to Diversity, Equity, Inclusion, and Belonging has garnered external recognition with prestigious awards naming Topgolf Best Company for Women and Best CEO for Diversity in 2023.

## Topgolf’s Playmaker Resource Groups held multiple events in support of each group’s mission.

- Recognized Black History Month with an informational series and cultural trips for venue teams to learn about Black history in their communities.
- Launched Season 2 of “The Moment That Mattered” podcast in celebration of International Women’s Day.
- Celebrated Hispanic Heritage Month.





# OUR COMMUNITIES

Topgolf Callaway Brands is dedicated to more than just crafting exceptional products and creating memorable experiences – we are deeply committed to fostering a culture of giving back and contributing positively to the lives of the individuals and communities around us. Our commitment comes to life through various avenues, including the Callaway Golf Company Foundation, the Callaway Community Giving Program, the Topgolf Driving for Good Platform, and numerous localized volunteer and donation initiatives led by our global teams. We believe in not only supporting our employees but also empowering them with platforms and opportunities to actively contribute to and uplift their communities.



Topgolf Callaway Brands Sustainability Report 2022-2023



## NATIONAL TRUSTEE OF THE FIRST TEE FOUNDATION

In December 2022, Topgolf Callaway Brands expanded our long-standing partnership with First Tee, stepping into the role of a national trustee of the First Tee Foundation – a youth development organization that empowers kids to develop character through the game of golf. This expansion is more than just a partnership, it is a commitment that, through amplifying First Tee programs, we continue to extend our support for young hearts and minds, particularly in underserved and underrepresented communities, ensuring that every child, regardless of background, has the chance to tee off towards a brighter future.

**\$14M**

in donations to date to 400+ organizations.

## Callaway Golf Company Foundation

The Callaway Golf Company Foundation, founded in 1993, supports communities in need via cash grants, matching gifts, and a “Dollars for Doers” program for selected non-profit organizations while providing opportunities for employees to actively contribute to community well-being.

### Matching Gifts

Matches employee charitable cash donations up to \$10,000 per employee per year.

### Dollars for Doers

Provides a \$500 grant to qualifying non-profit organizations that employees volunteer with and support.

### Scholarship Program

Awards select scholarships to dependents of Topgolf Callaway Brands employees.



## Callaway Community Giving Program

Since its inception in 1995, the Callaway Golf Company Community Giving Program has consistently organized monthly volunteering initiatives to make a positive impact on communities in the San Diego, California, area. Championed by a committee of 12 volunteer employees based at Callaway Golf's headquarters in Carlsbad, the program partners with and contributes to non-profit organizations committed to important causes including environmental conservation, youth empowerment, assistance to the homeless, support for underserved populations, animal welfare, and service members and military families.



### PROGRAM OUTCOMES 2022-2023

**435**  
volunteers contributed

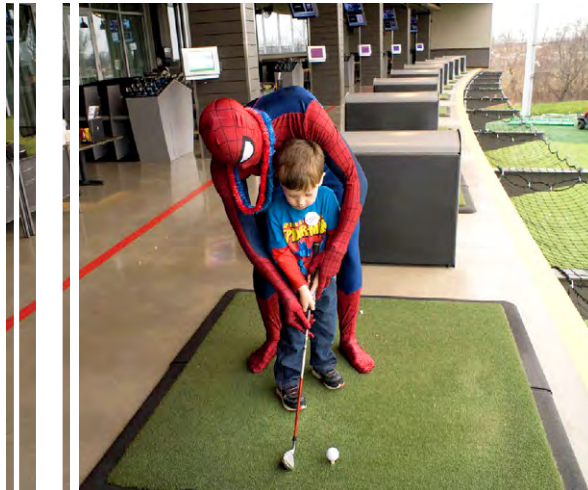
**2,006**  
volunteers hours

**578**  
non-profits reached

**~\$340,000**  
Callaway Golf's product donations

Contributed products to assist in the recovery of communities affected by the wildfire in Maui, Hawaii.





**Reaching Global Communities**

At Topgolf Callaway Brands, we take great pride in our commitment to giving back to the communities that have supported us. This commitment is realized through the collective efforts of our global teams spanning all brands and regions. Through actively engaging in volunteering and donations, our impactful initiatives resonate in every community where we operate, catalyzing long-lasting positive change.

Whether lending a helping hand locally or globally, we endeavor to make a meaningful difference and contribute to the well-being of all the communities we touch. This collective effort not only shapes a culture of giving within our global workforce but also underscores our deep-rooted commitment to "Be a Force for Good."

Throughout 2022–2023, the Jack Wolfskin team has actively championed multiple projects aimed at supporting communities in need and advancing environmental conservation efforts. Initiatives encompassed diverse endeavors, including product donations to aid in the recovery from the Turkey earthquake. Jack Wolfskin extended extensive support to Ukrainian refugees through product and cash donations, along with organizing local collection and transportation efforts.

**\$500,000+**  
 contributed by the TravisMathew team  
 to support communities in need in 2023.

In 2023, the TravisMathew team contributed over \$500,000 in profits to support communities in need. Additionally, significant contributions were made to non-profit organizations such as Girls, Inc. and various local initiatives. Teaming up with The Surfrider Foundation, a non-profit devoted to preserving the ocean, clean water, and beaches, the TravisMathew team actively participated in beach cleanups to celebrate National Coastal Cleanup Day on September 17, 2022. Across the cleanup events held at California's Huntington Beach and Long Beach, a collective effort led to the removal of an estimated 70 pounds of trash.





### Topgolf Driving for Good

**26,122**  
hours volunteered in 2023  
by Topgolf Playmakers.

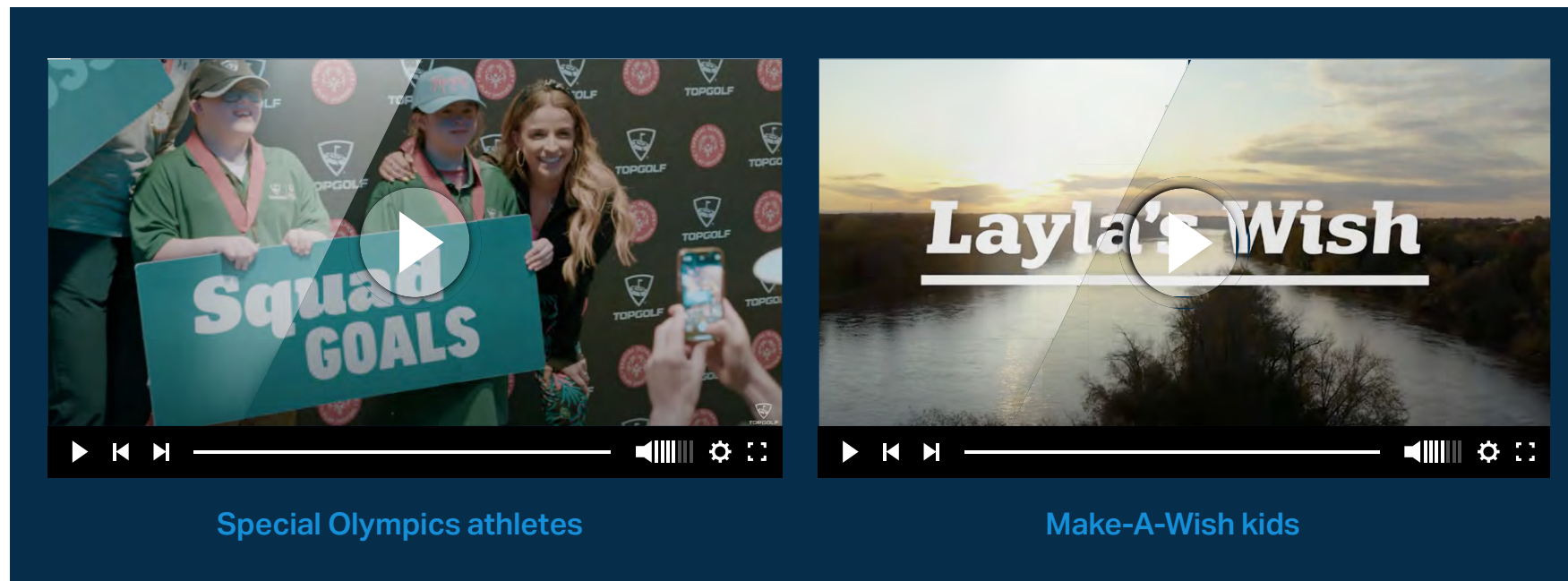
Topgolf has a clear purpose – to connect people in meaningful ways through the experiences it crafts, the innovation it champions, and the good it creates. Creating moments that matter means more to Topgolf than just playing the game. It’s also about inspiring a global giving community, championing responsible business practices, and supporting local communities through charitable events, donations, and volunteering.

Topgolf is proud to donate time and resources to causes that strengthen local communities and bring people together. Topgolf takes pride in collaborating with outstanding organizations to advance its mission and purpose and its national partners include Make-A-Wish, Special Olympics, Bunkers in Baghdad, and First Tee.

Topgolf’s “Driving for Good” platform facilitates charitable giving, fundraising events, and employee volunteering across all its offices and venues. Additionally, to inspire a lifelong love of golf, Special Olympics athletes, high school golf teams, and charities supporting youth mentorship, leadership, and empowerment can play at Topgolf for free through its “Play It Forward” initiative.

Topgolf’s commitment to community service is ingrained in its culture, with each venue striving to achieve 400 volunteering hours annually and each office aiming for 1,000 hours. Topgolf empowers its venues and offices to forge

partnerships with local organizations, supporting causes that matter most to the community, or collaborate with national partners like Special Olympics. Proudly, it surpassed its annual volunteering goal of 20,000 hours in both 2022 and 2023, with the Topgolf team contributing an impressive 26,122 hours in 2023. These accomplishments exemplify its dedication to making a positive impact in the communities Topgolf serves.



Special Olympics athletes

Make-A-Wish kids



# PLANET

Energy Management and Climate Change	34
Waste Management and Recycling	39
Water and Wastewater Management	41





# PLANET



Environmental sustainability is a cornerstone of Topgolf Callaway Brands' ethos, rooted in the recognition that our operations have a profound impact on the world around us. We understand that the well-being of our planet directly intertwines with the health of our communities, customers, and stakeholders, thereby intrinsically influencing the vitality of our business.

By championing environmental sustainability, we aim not only to minimize our environmental footprint but also to inspire positive change and contribute to creating a resilient future for generations to come. Aligned with our core value to "Be a Force for Good," this commitment is evident in our track record of implementing meaningful initiatives, and we remain dedicated to continued efforts to promote environmental sustainability.



**Our efforts to foster a healthier planet center on three key areas: combating climate change, reducing water consumption, and responsibly managing waste.**



*"Protecting the planet is not only the right choice but also a crucial strategy for the long-term success of our business. By prioritizing environmental sustainability, we fulfill our obligation to preserve the Earth for future generations while safeguarding the foundation upon which our Company thrives. Integrating sustainability into our operations upholds our ethical standards and helps to ensure the long-term viability and prosperity of our business and the communities we serve. We believe that our commitment to environmental stewardship builds trust, fosters positive relationships, and attracts like-minded customers and partners who share our same values."*

**– HEATHER MCALLISTER  
SENIOR VICE PRESIDENT,  
GENERAL COUNSEL, CORPORATE SECRETARY  
AND CHIEF ETHICS OFFICER**



# ENERGY MANAGEMENT AND CLIMATE CHANGE

Energy consumption is the primary contributor to the greenhouse gas emissions from our operations. In line with our ambition to minimize our carbon footprint, we are actively exploring opportunities to improve how we manage and use energy within our operations and reduce our reliance on fossil fuels. This encompasses initiatives focused on improving energy efficiency and expanding the use of renewable energy.

## Energy Management

Responsibly managing energy and maximizing the efficiency of our operations is a collective commitment and shared understanding at Topgolf Callaway Brands. Our cross-functional teams, spanning facilities, operations, supply chain, logistics, and more, across each region, collaborate on identifying and implementing best practices to enhance energy efficiency.

### Our Comprehensive Strategy:

- Efficiency enhancements for our facilities
- Efficient transportation solutions
- Renewable energy solutions

## Facilities Energy Management

Topgolf venues contribute significantly to our overall energy consumption. With relatively new facilities, Topgolf benefits from modern, efficient buildings and equipment while incorporating the latest technologies in its venues. For older venues exceeding 8–9 years, Topgolf prioritized retrofitting venues with energy-efficient equipment and systems. All of Topgolf U.S. venues have LED lighting throughout the premises. Additionally, Topgolf employs several technologies to minimize energy use, such as low-E and tinted glass, fully shielded fixtures for parking and non-decorative exterior lighting, and energy-efficient mechanical units with system controls. Notably, the venues in Edison, New Jersey, Baltimore, Maryland, and San Jose, California, have achieved Leadership in Energy and Environmental Design (“LEED®”) Silver Certification from the U.S. Green Building Council. This certification underscores dedication to comprehensive green building practices aimed at mitigating global climate change and fostering sustainable resource management.



**100%**

of Topgolf U.S. venues have LED lighting throughout the premises.



## Facilities Energy Management

(Continued from previous page)

At Callaway Golf’s golf ball manufacturing facility in Chicopee, Massachusetts, energy usage is evaluated comprehensively across equipment, processes, and the building envelope. Over the past five years, Callaway Golf consistently replaced older equipment with newer, more efficient models, which resulted in a significant reduction in energy intensity, maintaining flat energy usage at the facility while nearly doubling output. The entire facility is transitioning to LED lighting to maximize the building’s energy efficiency. In 2023, a new chiller was installed, resulting in a significant reduction of 280 MWh in annual electricity consumption. Additionally, a 4 MW natural gas fuel cell system is slated for installation by the end of 2024 to generate electricity for the Chicopee facility on-site. This initiative is expected to eliminate approximately 1.9 million pounds of CO<sub>2</sub> emissions annually, concurrently improving operational resiliency by generating electricity on-site.

At Callaway Golf’s facility in Monterrey, Mexico, a comprehensive approach to energy efficiency has been implemented, focusing on efficient lighting systems and maximizing natural light. The facility has transitioned all lighting to energy-efficient LEDs, supported by motion sensors that automatically deactivate lights in unoccupied areas. With 19 strategically placed skylights, the facility maximizes natural daylight, reducing reliance on artificial lighting during daytime hours. This strategy not only enhances energy efficiency but also contributes to a more sustainable and environmentally conscious operation.

In 2022, the Callaway Golf Vietnam Office underwent significant upgrades to enhance energy efficiency within the building. The retrofit focused on maximizing natural light throughout the office and transitioning all lighting to energy-efficient LEDs, resulting in a substantial reduction in electricity consumption. The office also introduced carpets that incorporated 25%–69% recycled materials and utilized environmentally friendly dyeing methods. Additionally, the flooring is sourced from a carbon-neutral manufacturer. Strategically placed green plants enhance indoor air quality and create a productive work environment, reflecting the office's comprehensive commitment to sustainability.

All Jack Wolfskin stores incorporate energy-efficient fixtures and lighting, adopting an energy-saving lighting concept. During the shopfitting process, Jack Wolfskin prioritizes sustainable choices by avoiding PVC and opting for durable, natural materials like locally sourced wood and recyclable materials.

Similarly, the TravisMathew headquarters in Huntington Beach, California, has fully transitioned building lighting to LED Energy Star-rated products, resulting in a 75% reduction in energy consumption for lighting. Additionally, it uses energy-efficient appliances in the office and conducts regular maintenance on HVAC systems to ensure optimal efficiency.





## Logistics Energy Management

Our logistics and transportation activities represent a significant portion of our energy consumption, and we consistently implement initiatives to enhance the efficiency of our operations. Our efforts focus on three key strategies: collaborating with providers prioritizing fuel-efficient fleets, optimizing container usage, and reducing air freight. Topgolf Callaway Brands received a “2024 High Performer” award from the U.S. Environmental Protection Agency (“EPA”) SmartWay program, emphasizing our commitment to advancing supply chain sustainability and minimizing carbon footprints in transportation. By diligently tracking transportation statistics, we make strategic and sustainable decisions to reduce greenhouse gas emissions in our freight network.

### Three Key Strategies:

- Collaborating with providers prioritizing fuel-efficient fleets
- Optimizing container usage
- Reducing air freight

98%

of truck carriers in North America are SmartWay certified.

For truck-based logistics in North America, we have increased the use of SmartWay carriers from 50% in 2016 to 98% in 2022. Additionally, through consolidating shipping activities across all our brands, we have observed significant improvements in efficiency on a ton-mile basis. We prioritize route optimization to minimize fuel consumption and consistently seek opportunities to enhance container utilization through packaging redesigns and innovative solutions such as nesting packages.

Our commitment to minimizing air shipments is demonstrated by closely monitoring them weekly, addressing any increases, and keeping air shipments to business necessity. With 95% of parcels shipped to customers via ground transportation, we continuously explore alternative solutions that strike a balance between speed and efficiency, further reducing the necessity for air shipments.



Jack Wolfskin adopts a similar strategy to minimize carbon emissions from transportation by leveraging supply chain management (“SCM”). Through SCM, a comprehensive planning and coordination system, globally interconnected supply chains are optimized at all levels. For every consignment, Jack Wolfskin assesses the most efficient transportation plan, considering economic and environmental factors such as the availability date, mode of transport, and route. Since the integration of SCM, Jack Wolfskin has substantially decreased its reliance on air freight and transitioned to sea freight, constituting 90% of its global incoming freight.

Callaway Golf Europe introduced a policy that every replacement vehicle has a lower emissions output than the previous vehicle. In the United Kingdom, the percentage of hybrid or electric vehicles in the fleet increased from 24% in 2020 to 67% in 2024.



## Renewable Energy

To further mitigate greenhouse gas emissions from our operations and reduce dependence on fossil fuels, Topgolf Callaway Brands has consistently invested in renewable energy solutions across all our brands. At our corporate headquarters in Carlsbad, California, we have progressively increased renewable energy consumption from 40% in 2021 to 60% in 2023, with a target to achieve 100% by 2027 through the direct access energy procurement program. Moreover, the facility is outfitted with a battery storage system that charges during off-peak hours, aiding in powering the building during peak energy demand periods and alleviating strain on the power grid.

In 2020, in partnership with Volta, a leading provider of commerce-centric electric vehicle (“EV”) charging networks, Topgolf introduced EV charging stations at its venues across the United States. By the end of 2023, Topgolf had installed 57 Volta EV charging stations nationwide, spanning 21 venues across the nation. Additionally, the San Jose, California, Topgolf venue is equipped with solar panels on its roof, utilizing solar power to meet part of the venue’s energy needs.

Toptracer’s Swedish headquarters operates entirely on renewable energy sources, coupled with office enhancements such as smart sensor lights to reduce energy consumption.



Jack Wolfskin exclusively operates on green electricity in Germany and Switzerland, with a portion generated through photovoltaic installations at its headquarters in Idstein and its distribution center in Neu Wulmstorf in Germany.

At Callaway Golf South Pacific, the Australian team is currently in the process of installing solar panels on the roof, along with incorporating EV charging stations on-site. This initiative is projected to provide a substantial percentage of the facility’s electricity needs.

In March 2022, Callaway Golf unveiled its “Mobile HQ Tour Truck,” the world’s first of its kind powered by renewable energy. This innovative truck, designed as a mobile on-site club fitting and assembly space for staffers, revolutionizes the preparation of Callaway Golf athletes for golf’s biggest events. The truck is fitted with solar panels on the roof, contributing 30% of its energy consumption, and features recycled materials in its exterior construction.



## Climate-Related Risks

We acknowledge that climate change is one of the defining global issues that we face today and has a far-reaching impact on people, communities, and businesses. Operating globally across apparel, manufacturing, and entertainment sectors, we navigate unique challenges and opportunities associated with climate change.

Through our comprehensive risk assessment and management procedures, detailed in the risk management section of the report, we have identified climate-related risks the Company faces.

### PHYSICAL CLIMATE RISKS



#### CHANGING WEATHER PATTERNS

The global and local shifts in weather patterns could lead to shorter golf seasons in certain regions due to prolonged extreme heat, severe storms, and other adverse weather conditions. This may reduce the number of golf rounds played and the overall number of golf participants, which could negatively affect our results of operations and financial condition.



#### ACUTE WEATHER EVENTS

Severe weather events, such as flooding, hurricanes, or extreme heat could disrupt the operations of our manufacturing and assembly facilities and our delivery and shipping services. These events could also negatively impact the operations of our key suppliers. At our Topgolf facilities, severe weather events may also lead to reduced customer visits, damage to facilities, or disruptions of operations. Any of the aforementioned may adversely impact on our results of operations and financial condition.

### TRANSITIONAL CLIMATE RISKS



#### SHIFTING CONSUMER PREFERENCE

The growing demand for more sustainable products could impact our ability to attract and retain consumers, particularly in the active lifestyle segment. If we are not able to successfully manage these shifting consumer preferences, our results of operations and financial condition may be adversely impacted.



#### REGULATORY COMPLIANCE

We are subject to many federal, state, local, and foreign laws, including those related to climate change, sustainability, and ESG. The regulatory framework relating to these matters is rapidly evolving and becoming more complex. Compliance with these new ESG regulations can be both costly and difficult, and the costs of compliance may adversely affect our results of operations. In addition, failure, or a perceived failure, to adhere to these regulations may adversely affect our reputation and business and cause us to incur fines and penalties, among other things.



# WASTE MANAGEMENT AND RECYCLING



Upholding responsible waste management practices is crucial for the long-term well-being of our planet, and at Topgolf Callaway Brands, we have integrated three core strategies – reduce, reuse, and recycle – into our daily operations to minimize our impact. Our commitment to reducing waste involves optimizing manufacturing efficiency and implementing waste reduction measures in our offices, warehouses, and other facilities. Additionally, we maintain partnerships with recycling facilities globally, emphasizing the minimization of waste sent to landfills.

## Waste Management Practices



## Manufacturing Efficiency

Enhancing the efficiency of our manufacturing processes is not only beneficial for the bottom line of the business but also a top priority in our responsible waste management practices, focusing on waste reduction. Callaway Golf has made substantial investments in research and development to enhance the efficiency of its manufacturing processes, leading to a significant reduction in material waste. By incorporating advanced techniques like 3-D modeling and artificial intelligence, Callaway Golf can optimize its design process, minimizing the number of prototypes needed for final products.

We are continually exploring opportunities to improve yield, with a dedicated process engineering team at the Chicopee golf ball manufacturing facility monitoring scrap percentages and implementing corrective actions to reduce waste. Additionally, the Callaway Golf team is developing methods to incorporate manufacturing scrap materials into its products.



## Waste and Recycling

We actively monitor both hazardous and non-hazardous waste and ensure we comply with relevant regulations regarding waste management. Across our global operations, we are collaborating with local partners to maximize recycling opportunities. Our recycling practices cover a range of materials, including cardboard, paper, metal, electronic waste, plastics, and wood. For electronics, we partner with organizations that hold the R2 Responsible Recycling Standard for recyclable electronics where applicable, ensuring that electronic waste is managed in strict adherence to, or surpassing, regulatory requirements. In Monterrey, nearly all materials are recycled or reused through a single-stream recycling program for cardboard and metal as well as a partnership, started in 2023, to recycle plastics. Wood pallets are consistently reused at the Monterrey facility.

### Callaway Golf’s North American operations achieved the following landfill diversion rates:

- Distribution center: 70%
- Monterrey facility: 83%
- Chicopee facility: 13%

Our global offices prioritize digital documents instead of hard copies to reduce paper consumption and collaborate with local partners to maximize the recycling of office materials such as paper and cardboard. Callaway Golf Europe has eliminated PVC synthetic plastic by removing all lamination or switching to recyclable lamination on marketing materials. Sales packaging and point-of-sale materials are also recyclable. At the Carlsbad headquarters, following California state laws AB1276 and SB54, Callaway Golf began phasing out single-use plastics, Styrofoam, and non-compostable foodware accessories from our café by offering them upon request only.

Many of the Topgolf U.S. venues have established comprehensive programs to recycle aluminum, glass, plastic, paper, and cardboard. Additionally, Topgolf is implementing composting programs for organic waste at certain locations. In 2022, U.S. Topgolf venues diverted 21% of waste from landfills through mixed recycling, cardboard recycling, and organic composting programs. In 2023, Topgolf conducted a collaborative study with Waste Management to further identify areas for improvements in its waste and recycling practices.

Moreover, responsibly handling old golf balls in Topgolf venues is a crucial aspect of its strategies to reduce landfilled waste. Through three full golf ball swaps in 2023, Topgolf successfully diverted around half a million golf balls from landfills, directing them to a recycling facility in Missouri. Topgolf’s commitment to waste reduction extends to the construction phase of new venues, where it proactively recovers and recycles materials and provides designated areas for collecting recyclables.

~500,000

golf balls at Topgolf venues were successfully diverted from landfills to a recycling facility.



21% of waste at Topgolf U.S. venues diverted from landfills through:

- Mixed recycling
- Cardboard recycling
- Organic composting program



# WATER AND WASTEWATER MANAGEMENT

Topgolf Callaway Brands, rooted in Southern California, a region prone to droughts, places a strong emphasis on responsible water management. We are committed to reducing, reusing, and conserving water across all our operations. We closely monitor and implement measures to enhance water conservation, maintain recycled water systems, and optimize water management practices.

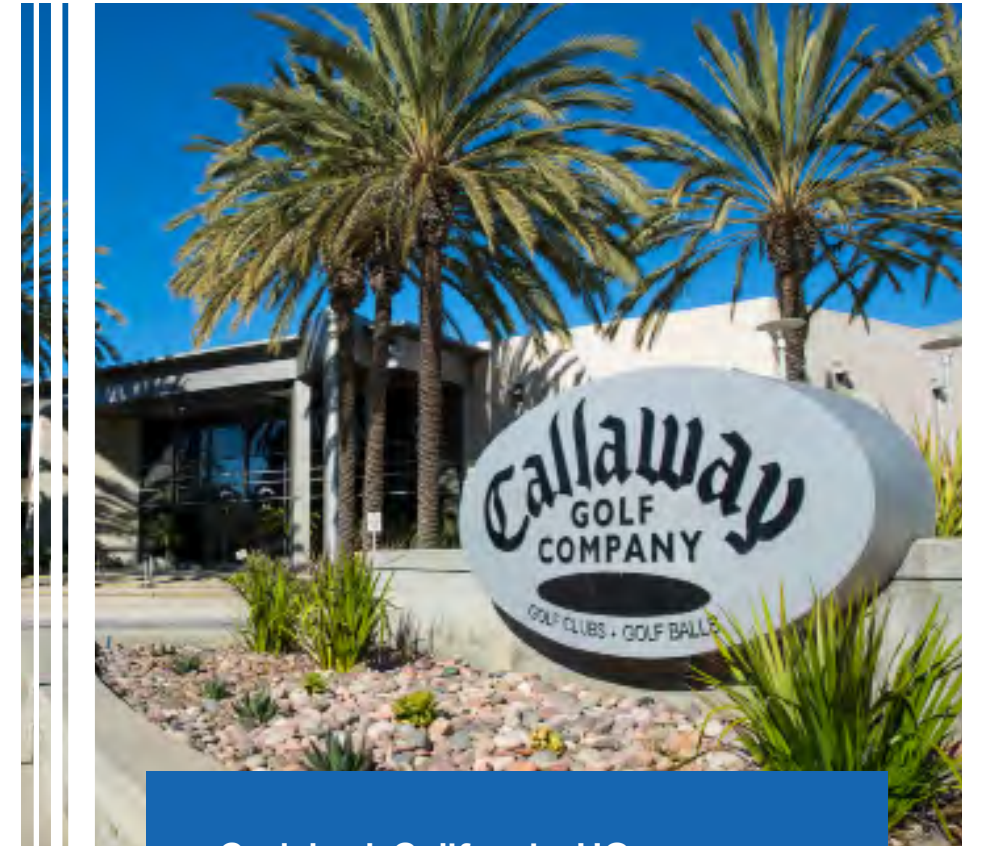
The golf ball manufacturing facility in Chicopee, Massachusetts, prioritizes closed-loop water recycling systems, aiming to limit industrial wastewater. One of its manufacturing processes incorporates a filtration system, recycling 95% of the water it uses. Chicopee is continuously exploring automated controls to enhance water quality to further increase water recycling. Additionally, the installation of an additional water filtration system at this facility that will focus on reducing industrial wastewater is anticipated to lower water usage equivalent to 42,000 gallons per year.

In Monterrey, Mexico, the Callaway Golf manufacturing facility operates without using industrial process water. The industrial park in Monterrey features a water treatment plant, allowing discharged water to be reused for irrigation. Meanwhile, at the Carlsbad, California, headquarters, 100% reclaimed water is used for landscaping irrigation instead of city water. Utilizing a patented soft water program, the central plant's cooling and heating operations at the headquarters save over 2 million gallons of water annually,

eliminating more than 1,000 gallons of hazardous chemicals per year. At Callaway Golf's distribution center in Swindon, UK, the implementation of a closed-loop fire sprinkler system resulted in substantial water savings of over 1 million liters from 2021 to 2023.

At Topgolf venues, the driving range is made of artificial turf, reducing the need for irrigation. In all newly constructed venues, Topgolf has implemented efficient plumbing fixtures to minimize water usage. At El Segundo, to safeguard the coastal system from erosion, the venue is equipped with a permeable pavement to decrease water runoff volume, complemented by underground stormwater retention tanks. Additionally, rainwater collected at this venue is utilized for landscaping irrigation.

Callaway Golf maintains rigorous oversight of wastewater parameters across its operations. Callaway Golf facilities, including the headquarters in Carlsbad, California, and the Chicopee, Massachusetts, golf ball manufacturing facility maintain compliance with their respective wastewater permits, diligently maintaining monitoring, testing, record keeping, and reporting requirements. The Carlsbad facility is classified as a Class III non-significant industrial user and discharges less than 100 gallons per day of total categorical wastewater. Additionally, all suppliers must adhere to our Restricted Substances List and prevent banned hazardous chemicals from entering discharged water and our products.



## Carlsbad, California, HQ:

- 100% reclaimed water is used for landscaping irrigation
- Saved over 2 million gallons of water annually
- Eliminated more than 1,000 gallons of hazardous chemicals per year



# PRODUCT

<b>Product Design and Innovation</b>	<b>44</b>
<b>Product Recycling, Reselling, and Donation</b>	<b>49</b>
<b>Product Quality and Compliance</b>	<b>50</b>





# PRODUCT



At the core of our commitment to sustainability is the integration of eco-friendly practices into our products and packaging. We embrace a comprehensive lifecycle approach that begins with an emphasis on ensuring product quality while adopting practices that optimize efficiency and minimize waste.

Hazardous chemical usage is meticulously limited, and sustainable materials, including recycled materials, are prioritized in our product and packaging designs. We diligently work to reduce the landfill impact of our products and packaging. Ensuring recyclability is a key facet of our commitment, and we have achieved substantial progress in minimizing non-recyclable packaging materials. Furthermore, our comprehensive product recycling, reselling, and donation programs across all brands give used products a second life. This approach not only offers a renewed life to our products but also positively impacts individuals who benefit from these items. Rooted in this holistic strategy, our dedication to sustainability aligns seamlessly with our vision for a more sustainable and responsible future.



*“Sustainable products aren’t just a trend for us; they’re the very essence of our brand. As stewards of the outdoors, it’s our responsibility to protect and preserve the environments we cherish by integrating sustainability considerations in every step of our product lifecycle. From our ban on harmful chemicals to our dedication to using recycled materials, from reducing packaging to eliminating natural fur, every decision we make is a testament to our commitment to curating products that are both environmentally friendly and ethically sourced. This ensures that our consumers can enjoy the outdoors with a clear conscience, knowing that their gear aligns with our values of conservation and sustainability.”*

**– MATTHEW JUNG  
PRESIDENT, JACK WOLFSKIN**



# PRODUCT DESIGN AND INNOVATION

At Topgolf Callaway Brands, our dedication to innovation drives our mission to integrate sustainability into our product and packaging designs. The foundation of our product and packaging sustainability strategy revolves around three key elements: minimizing unnecessary materials, integrating recycled or renewable materials, and improving recyclability. By actively engaging with our development teams and suppliers, we persistently seek innovative approaches to reduce our environmental impact through thoughtful product design.

The diversity of our product range provides us with distinctive and collective opportunities for our brands to adopt more sustainable alternatives in both products and packaging. Our dedicated Sustainability Core Team comprises representatives from every brand, facilitating regular sharing of sustainable packaging and product solutions. This commitment fosters a culture deeply rooted in collaborative learning and collective efforts across all our brands.

## Three Key Elements:

- Minimizing unnecessary materials
- Integrating recycled or renewable materials
- Improving recyclability





## Zero-Waste Concepts

Jack Wolfskin has been a trailblazer in the utilization of recycled materials in its waterproof jackets, incorporating the zero-waste concept. The Texapore Ecosphere collection exemplifies this approach, featuring an outer layer, membrane, and lining crafted from 100% recycled polyester derived from pre- and post-consumer waste, production scraps, and post-consumer polyethylene terephthalate ("PET") material.



## Sustainable Materials

Across our diverse portfolio of brands and products, we procure a range of raw materials from both domestic and international suppliers. For golf clubs, we source steel, titanium alloys, and carbon fiber, while for golf balls, we utilize synthetic rubber, thermoplastics, and zinc compounds. Our apparel and footwear lines feature materials like cotton, wool, rubber, and various synthetics. Our commitment to sustainability propels us to continually innovate with eco-friendly materials, including crafting products from recycled materials and responsibly sourcing raw materials.

Expanding its commitment to sustainability, Jack Wolfskin has extended the use of recycled synthetic materials to fleece fabrics (Nanuk Ecosphere) and synthetic paddings (Microguard Ecosphere), both incorporating 100% recycled synthetic material. Since 2018, its production of the Texapore Ecosphere membrane alone has reached over 2,000 miles. In addition, Jack Wolfskin worked on incorporating recycled resources into smaller components, including buttons, zip fasteners, and transport packaging. All recycled components in its products adhere to the Global Recycled Standard, ensuring traceability throughout the supply chain.

Jack Wolfskin maintains high standards for the environmental impact and animal welfare of its raw materials, banning natural fur and excluding Angora rabbit wool to uphold cruelty-free and ethical practices in all its products, detailed by the brand's [Animal Welfare Commitment](#). Jack Wolfskin uses organic cotton exclusively, embracing green farming practices for the benefit of both farmers and the environment.

The brand also ensures that down and feathers come from species-appropriate kept animals, enforcing strict animal welfare requirements since 2013 through the Responsible Down Standard. Additionally, Jack Wolfskin closely monitors the sourcing of its merino wool to ensure it comes from sheep kept in species-appropriate conditions.

While Jack Wolfskin is the steadfast leader in sustainable materials, the dedication to improving product sustainability is shared across all our brands. This is exemplified by the various product collections that we have introduced and will continue to expand that feature sustainable materials.

## ISPO AWARD 2023

Jack Wolfskin's ski-touring Alpspitze Tour 3L Jacket won the prestigious **ISPO Award 2023**, a global benchmark for technical and sustainable outdoor product design. This high-end ski touring jacket represents an industry milestone with the "textile-to-textile" closed-loop material innovation. The Texapore Ecosphere Pro Textile Waste 3L ensures superior weather protection, comfort, and freedom of movement. Equipped with features like RECCO®, pit zips, adjustable hood, ski pass pocket, snow skirt, and higher-located hip pockets, it stands out as a sustainable pioneer in the ski touring sector.







## Sustainable Materials

(Continued from previous page)

The Callaway Golf Korea team is expanding its use of ethically sourced downfill, achieving 17 styles with bluesign® certified down in 2023, representing 40% of padded items in the 2023 fall/winter collection. Recycled waterproof body materials are utilized in golf gloves, and OGIO golf club travel covers feature dyed fabric that reduces water usage by 80% during the manufacturing process and incorporates recycled materials and trims. Every Callaway Golf club head incorporates steel recycled from scrap during the casting process, emphasizing our commitment to reusing materials and reducing waste.

TravisMathew's Eco Collection, includes boardshorts, polos, and T-shirts crafted from at least 62% post-consumer recycled polyester or at least 98% organic cotton.

The Eco Collection stands as a significant achievement for the TravisMathew team, and this sustainable approach resonates well with consumers. This is evident from the remarkable success of surpassing TravisMathew's sales goal from the Eco Collection by a substantial margin. Recently, TravisMathew extended this commitment by incorporating recycled nylon into its products. Looking ahead, the team is actively exploring opportunities to expand the utilization of recycled nylon and recycled polyester across a broader range of styles. This ongoing commitment reflects the brand's dedication to advancing sustainable practices and meeting the evolving preferences of our environmentally conscious consumers.





## Packaging

Topgolf Callaway Brands is consistently driving initiatives to reduce packaging and minimize waste throughout various product categories, across all our brands. Brand leaders convene regularly to explore innovative strategies focused on reducing single-use plastics in our product packaging. Additionally, we prioritize sourcing packaging that is recyclable or comprises recycled or bio-based materials, aligning with our commitment to minimize the overall impact of packaging waste.



**WE'RE GOING GREEN**

Your Callaway Golf South Pacific package has been boxed with an estimated 95% less plastic packaging than previous, as we join the global effort to phase out single-use plastics from our delivery process.

We remain committed to delivering your items to you safely and securely while we adopt these new processes.

We are continually looking for opportunities to reduce packaging used for shipping. To minimize cardboard usage in product shipments, we utilized a customer order system that automatically matches orders with the most suitable shipping carton. Our continuous improvement team adjusts packaging solutions and optimizes carton sizes to reduce waste.

In February 2024, Callaway Golf launched a new family of Chrome Tour golf balls in a recyclable package. It is actively exploring opportunities to extend similar solutions to more golf ball packaging. To minimize single-use plastics, Callaway Golf is actively reducing polyethylene bags for packaging clubs and 6-dozen golf balls.



Since June 2022, stock iron sets and single Callaway Customs clubs shipped from our Monterrey, Mexico, manufacturing facility no longer utilize polyethylene bags. The redesigned iron set boxes with a new corrugate divider system not only minimize the need for plastic but also ensure club protection during shipping.

This change is estimated to reduce polybag usage by 2 million bags per year, preventing the use of over 84,492 plastic bags in the first 6 weeks.

**2M**  
bags saved  
per year.





## Packaging

(Continued from previous page)

Callaway Golf South Pacific has eliminated the use of poly bags for packaging single custom clubs, reducing plastic usage per single club shipment by an estimated 95%. Callaway Golf Europe's Marketing team has prioritized sustainable solutions for recent product launches, featuring 10 product launches with fully recyclable materials. This includes recyclable graphics for display stands, recyclable packaging tape/boxes during product packaging, and the use of e-magazines instead of print magazines.

Jack Wolfskin is committed to similar practices, minimizing packaging through optimization and integrating eco-friendly materials. E-commerce shipments feature boxes made from 30% grass-based cardboard, an untreated and pesticide-free alternative to wood that requires less water and chemicals. Single-use plastic bags have been phased out from stores, and replaced with paper bags and sturdy, reusable options. Hangtags are crafted from Forest Stewardship Council ("FSC") – certified paper, and plastic transport packaging is made of recycled materials.

Toptracer marked a significant achievement by adopting a plastic-free packaging solution for its ball-tracing cameras. The packaging for monitors, displaying ball flight traces, has reached an impressive 95% plastic-free status. The innovative design of screen packaging and pallets has notably reduced empty freight space, nearly eliminating it. These initiatives exemplify our steadfast commitment to advancing sustainable packaging solutions across Topgolf Callaway Brands.



**OGIO products use hangtags made from recycled content, and packaging for headwear products incorporates recycled materials.**



# PRODUCT RECYCLING, RESELLING, AND DONATION

We take a lifecycle approach when it comes to product sustainability, which goes beyond design and manufacturing and includes extending the useful life of our products through our product recycling, reselling, and donation programs. Initiatives aimed at giving a second life to our products include Callaway Golf’s “Trade In! Trade Up!” program, Jack Wolfskin’s repair program, Topgolf’s product donation program, TravisMathew’s fabric swatch donation program, and various local initiatives across our operations.

The “Trade In! Trade Up!” program encourages customers to return lightly used golf clubs of any major brand, receiving credit towards the purchase of new Callaway Golf products. Refurbished and certified as pre-owned equipment, these clubs are sold through Callaway Golf’s online store, thereby reducing consumer waste. In addition, Callaway Golf provides repair services for golf products to further extend their lifespan and reduce waste by repairing or replacing defective products or components. From 2022 to 2023, Callaway Golf repaired more than 30,000 products through the warranty program and charged repairs.

Jack Wolfskin provides repair services that allow customers to send their slightly damaged items for restoration while retaining full functionality. Although the repair shop operates in Hamburg, Germany, all Jack Wolfskin stores accept items for repair, enabling customers to make the most of this

opportunity and contribute to extending the life of many products while minimizing clothing waste. From 2022 to 2023, Jack Wolfskin made over 17,000 repairs across warranty repairs, goodwill repairs, and paid repairs.

In July 2023, Topgolf introduced an innovative golf club refurbishment initiative aimed at implementing standardized and high-quality repairs across all Topgolf venues. Through this program, golf clubs undergo refurbishment at Callaway Golf’s Monterrey facility. Upon completion, the refurbished clubs are returned to Topgolf venues for reuse, effectively minimizing waste while enhancing the safety of both players and Playmakers. At the end of 2023, we repaired 4,000 clubs, and we anticipate repairing approximately 25,000 golf clubs by 2024.

TravisMathew donates fabric swatches to various schools including the Fashion Institute of Design, Orange Coast College, California State University Long Beach, and El Camino College, offering valuable resources for students’ school projects while contributing to the sustainable reuse of these materials. At Callaway Golf Japan, discontinued products are sold in outlet stores instead of sent to landfills.

**17,000**

Repairs were made by Jack Wolfskin across warranties, goodwill, and paid repairs.





# PRODUCT QUALITY AND COMPLIANCE

Our dedication to ethical business practices starts with delivering premium, quality products that prioritize the safety of our customers.



## Quality Standards

We have rigorous quality standards and employ various methods to ensure the excellence of our products. This includes establishing transparent expectations with our suppliers, implementing multiple testing mechanisms, and conducting thorough on-site quality audits. Specifically, for our golf clubs and balls, we strictly adhere to U.S. Golf Association Equipment Rules, closely monitoring processes to ensure compliance. At each of our facilities in Carlsbad, Chicopee, Monterrey, and Fort Worth, a detailed Quality Assurance Procedure document outlines site-specific audit procedures. The documents describe the processes at each facility, the frequency of the audit, and specific elements audited for each process, among others. For instance, at our Chicopee golf ball manufacturing facility, a dedicated on-site quality team conducts daily monitoring to ensure adherence to quality standards. The audit frequency varies based on the process and product, with some processes monitored continuously.

Similar standards and processes extend to our suppliers. Our suppliers are subject to regular audits by our local quality teams to ensure ongoing compliance with our quality expectations. We further uphold our quality assurance measures by conducting additional product audits upon their arrival at our facilities. In the event of identified quality issues, a root cause analysis is conducted, and corrective actions are implemented swiftly to resolve the issues.

## Chemical Management

Strict policies against banned substances in our finished products are maintained at all brands that design and manufacture finished goods. We conduct regular testing to ensure compliance with or surpassing physical and chemical requirements. Callaway Golf, OGIO, and TravisMathew maintain a Restricted Substances List (“RSL”) that adheres to the list published by the American Apparel and Footwear Association and aligns with global standards such as the Consumer Product Safety Commission, the European Union’s Regulation, Evaluation, Authorization, and Restriction of Chemicals (“EU REACH”), and California’s Proposition 65 requirements. Furthermore, we embrace industry best practices concerning restricted chemicals set forth by the Apparel and Footwear International RSL Management Group (“AFIRM”). The AFIRM list exceeds standard measures, ensuring heightened protection for consumers and workers against harmful substances. To ensure compliance with our RSL, we collaborate closely with suppliers, actively engaging in establishing and improving their testing programs to align with best practices.

Additionally, Callaway Golf, OGIO, and TravisMathew have established rigorous new chemical approval processes to ensure hazardous chemicals are properly managed in their manufacturing processes and finished goods. This new chemical approval process also ensures that no banned chemicals in the AFIRM RSL are introduced in the manufacturing process, protecting employees from dangerous chemicals.



(Continued from previous page)

Our Compliance Team collaborates with the Global Engineering and Quality Department to assess new chemicals, such as paints and solvents, prioritizing toxicity evaluations to minimize release of and exposure to hazardous air pollutants and volatile organic compound emissions. By benchmarking against the “reasonable test program” requirement published by the Consumer Product Safety Commission, we implement a multi-tiered approach to ensure RSL compliance. This includes incorporating RSL compliance as a contractual obligation and conducting thorough testing, among others. The Quality Assurance Team provides thorough training to suppliers on the Acceptable Quality Level process. All suppliers are mandated to adhere to our expectations. Rigorous testing on products is conducted before product release, and testing is intensified on suppliers facing compliance issues, further enhancing our due diligence process. TravisMathew also upholds stringent product safety and quality standards through the Quality Manual and follows similar auditing and testing procedures.

Similarly, Jack Wolfskin maintains a Manufacturing Restricted Substances List (“MRSL”), cataloging prohibited chemicals or those subject to strict concentration limits throughout the production process. Collaborating with the Zero Discharge of Hazardous Chemicals (“ZDHC”) initiative, it has established a standardized ZDHC MRSL, making it a mandatory requirement for all partners involved in material production. In addition, Jack Wolfskin’s Green Book outlines stringent requirements for finished products, governing substances and residues in its finished products including all fabrics and all components, such as buttons and zippers.

The Green Book, updated annually since 2007, aligns with international regulations like the EU REACH and the AFIRM RSL, as well as industry standards such as bluesign® and Oeko-Tex® Standard 100, often exceeding these requirements. A comprehensive testing program ensures that RSL requirements are adhered to, with testing conducted by independent and accredited laboratories.

Per- and poly-fluoroalkyl substances (“PFAS”), known for their environmental and health risks, are commonly used in the outer fabric coating of weather protection clothing to enhance durability and repellent qualities. Since 2009, Jack Wolfskin has taken a proactive stance by discontinuing the use of perfluorooctanoic acid and has consistently reduced PFAS usage in its products, achieved by applying its innovative and durable water-repellent coatings. Notably, Jack Wolfskin’s apparel and equipment products are entirely free from PFAS. Looking ahead, the brand’s goal is to phase out PFAS in footwear by 2024.

Similarly, Callaway Golf Performance Gear and OGIO new products, spanning golf, lifestyle, and accessories categories, phased out PFAS consistent with application regulations. In 2023, collaborative efforts across teams from Callaway Golf, OGIO, and TravisMathew were dedicated to identifying and systematically eliminating PFAS across our brands. This initiative aimed to ensure compliance with California’s ban on PFAS in textile articles while ensuring that the replacement materials, free of PFAS, maintained or surpassed the high-quality standards set by their predecessors.



## BLUESIGN® SYSTEM PARTNER

As a bluesign® system partner, Jack Wolfskin adheres to the highest standards in occupational safety, consumer protection, resource conservation, and the prevention of water and air pollution. The bluesign® certification process involves a thorough examination of chemicals used, starting even before production begins, and comprehensive monitoring of all production steps by independent bodies.

**~80%**  
of the fabrics used in apparel are bluesign® approved.



# PROCUREMENT

<b>Responsible Procurement Practices</b>	<b>54</b>
<b>Supplier Assessment and Engagement</b>	<b>56</b>



# PROCUREMENT



Our dedication to cultivating a responsible supply chain resonates throughout our family of brands and is substantiated by the framework of our policies, procedures, and strategic collaborations with suppliers. Our Supplier Code of Conduct, developed in alignment with the Universal Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, serves as the bedrock of our dedication to responsible procurement practices. We hold our suppliers to high standards, particularly in the realms of environmental and social responsibility, extending beyond compliance with regulations to encompass labor practices, human rights, worker health and safety, and environmental stewardship.

Over the last decade, we have dedicated ourselves to efficiently consolidating and streamlining our supplier network, creating a valuable opportunity to cultivate more robust partnerships with a carefully chosen group of suppliers. This consolidation has significantly enhanced our ability to collaborate effectively with suppliers on various social and environmental initiatives. Our close partnership with suppliers not only ensures vigilant oversight but also acts as a catalyst for positive impacts throughout our extensive supply chain.



*“Suppliers continue to be our partners in our sustainability journey, and we are proud to celebrate the progress we’ve made together. During this journey, we have all discovered that building a sustainable supply chain isn’t a burden but an outcome of effective planning and a commitment to our Company values, to be a force for good. We continue to be energized by making a difference as we continue our efforts to create more sustainable products and services that positively impact individuals, communities, and the planet. The future holds exciting possibilities for Topgolf Callaway Brands and our supply chain, and we look forward to reaching new heights in our shared commitment to sustainability.”*

– MARK LEPOSKY  
CHIEF SUPPLY CHAIN OFFICER



# RESPONSIBLE PROCUREMENT PRACTICES

## Labor Practices and Human Rights

Conducting business with honesty, integrity, and adherence to legal standards is paramount to our dedication to responsible sourcing practices across our global supply chain. Aligned with the California Supply Chain Transparency Act, the U.K. Modern Slavery Act 2015, Canadian Supply Chains Act, and Australian Modern Slavery Act, our Supplier Code of Conduct adheres to the Universal Declaration of Human Rights and International Labor Organization Declaration on Fundamental Principles and Rights at Work, delineating meticulous expectations regarding regulatory compliance, labor practices (including forced labor, migrant workers, and child labor), anti-harassment measures, fair compensation, working hours, equitable employment practices, workplace health and safety, collective bargaining, environmental responsibility, conflict-free sourcing, customs compliance, and ethical business conduct. The [Supplier Code of Conduct](#) sets forth the minimum standards that we expect each supplier to meet. Additionally, Jack Wolfskin's [Supplier Code of Conduct](#) sets out standards with which business partners, including suppliers, producers, and subcontractors are obliged to comply.

Our [Enterprise Human Rights Policy](#) articulates our commitment to universally recognized human rights within our global operations, encompassing all direct and indirect subsidiaries, suppliers, vendors, and partners. Aligned with the principles outlined in the Universal Declaration of Human Rights, this policy is consistent with the expectations laid out in our Supplier Code of Conduct. We ensure that comprehensive human rights training is provided to both our employees and suppliers, fostering a shared understanding and commitment to upholding these fundamental principles. Furthermore, we embed human rights expectations into our contracts, and our standard supplier agreements outline stringent mandates for compliance with internationally recognized human rights standards. As such, across all facets of our contracting, sourcing, and purchasing activities, we hold our suppliers to legally binding commitments to ensure strict adherence to human rights principles.

As a member of the Fair Wear Foundation ("FWF"), Jack Wolfskin is dedicated to enhancing working conditions throughout its supply chain, following stringent guidelines. In this ongoing initiative, Jack Wolfskin collaborates closely with suppliers, ensuring alignment with FWF requirements through extensive training, knowledge sharing, and auditing programs.

Our [Conflict Minerals Policy](#) ensures that our sourcing of tin and tungsten does not support armed groups in the Covered Countries, as outlined by the Conflict Minerals Regulation established by the U.S. Securities and Exchange Commission ("SEC"). Further specifics can be found in our [SEC Specialized Disclosure Report](#).

We regularly participate in the The American Apparel and Footwear Association (AAFA) Social Committee working group to benchmark our program against industry best practices. To ensure continuous compliance with our established policies, our Compliance Committee, led by the Chief Compliance Officer, addresses global compliance topics, formulating systems and procedures to address such matters in the locations where we operate. Quarterly updates on ethics, legal, and compliance topics are presented to the Audit Committee of our Board of Directors.

### QUICK LINKS:

- [Transparency in Supply Chains Act and U.K. Modern Day Slavery Act Statement](#)
- [Supplier Code of Conduct](#)
- [Enterprise Human Rights Policy](#)
- [Conflict Minerals Policy](#)



## Environmental Health and Safety

Providing a safe and healthy work environment is a principle that we set forth not only for ourselves but also our suppliers. Adherence to this principle is mandatory for our suppliers, who are expected to comply with the rigorous health and safety standards outlined in our Supplier Code of Conduct. These standards encompass various aspects, such as providing secure and hygienic workplaces equipped with clean water, proper sanitation, protective gear, and, if applicable, adequate on-site housing.

Suppliers are also required to identify potential risks, implement safety measures, adhere to building codes, and have readily available emergency plans. Furthermore, we require that all suppliers promptly report significant injuries and accidents. We actively engage with our suppliers in collaborative efforts to continually enhance safety standards through Lean and Six Sigma process improvements.

Additionally, we are dedicated to minimizing workers' exposure to hazardous chemicals, both within our facilities and those of our suppliers. Our Restricted Substances List, applicable to all Callaway Golf, OGIO, and TravisMathew suppliers, specifies prohibited chemicals in facilities, manufacturing processes, and products, and it is regularly communicated to suppliers.

Routine audits are conducted to ensure strict adherence to our robust health and safety expectations. For employees that regularly visit suppliers, awareness training is provided to help them understand different types of safety issues commonly encountered at suppliers.

Similarly, Jack Wolfskin is committed to manufacturing without banned chemicals in alignment with the ZDHC MRSL, which prohibits the use of such substances in manufacturing processes. Jack Wolfskin's Green Book establishes stringent requirements for chemicals in finished products. These comprehensive policies and guidance collectively form a well-rounded strategy, ensuring the protection of workers in its supply chain from exposure to hazardous substances.

**We are committed to a safe and healthy work environment across our supply chain.**





# SUPPLIER ASSESSMENT AND ENGAGEMENT

To consistently monitor and improve social and environmental standards across our supply chain, we thoroughly assess all new and current suppliers. All new manufacturing suppliers are subject to a comprehensive evaluation against our Supplier Code of Conduct. We ensure that leadership within our supplier network acknowledges and commits to meeting our expectations. Social and environmental criteria are embedded in our standard contractual language, and new suppliers must accept and acknowledge these expectations. Additionally, new suppliers undergo an extensive onboarding process, involving detailed training on our social and environmental standards. This training encompasses all aspects of our Supplier Code of Conduct, including expectations regarding human rights, labor practices, health and safety, and environmental responsibility, among others. Approval by our Corporate Social Responsibility Compliance, Trade Compliance, Security, Finance, Legal, and Program Management teams is mandatory for all new suppliers.

Topgolf Callaway Brands employs various audit techniques to drive continuous improvement in our supply chain. These techniques encompass regular on-site reviews, collaborative self-assessments, independent third-party audits and verification, and coaching and training. These thorough audits measure supplier facilities against criteria outlined in our Supplier Code of Conduct, industry best practices, and recognized standards.

In 2023, we aligned our auditing process for large Tier I suppliers of Callaway Golf, OGIO, and TravisMathew with the SEDEX Members Ethical Trade Audit ("SMETA") protocol, a globally acknowledged standard for social auditing. Our audits cover four main elements: health and safety, labor standards (including human rights), environment, and commercial ethics. This alignment with SMETA protocols enhances our access to online tools, supplier questionnaires, country/region specific risks, and data analytics, facilitating the identification of areas for improvement within our supply chain. It also enables us to benchmark our findings against peers and industry leaders, providing further insights and credibility to our audit results.

**In 2023, we aligned our auditing process for large Tier I suppliers of Callaway Golf, OGIO, and TravisMathew with the SEDEX Members Ethical Trade Audit ("SMETA") protocol, a globally acknowledged standard for social auditing.**





# SUPPLIER ASSESSMENT AND ENGAGEMENT

(Continued from previous page)

The outcomes of these audits offer our sourcing teams a comprehensive understanding of each supplier’s strengths, areas for improvement, and progress over time. We transparently share this feedback and collaborate with suppliers to validate corrective actions within agreed time frames, depending on the severity of the issues identified. Since 2007, third-party firms have periodically visited supplier sites to inspect conditions and assess compliance with our Supplier Code of Conduct using recognized audit protocols consistent with the Universal Declaration of Human Rights and ILO guidelines. When facilities score lower than our standards, our dedicated compliance team and local procurement team provide topic-specific training and coaching to management and workers, identify corrective actions to advance social and environmental performance on issues like working hours and wages, and re-audit suppliers to verify their progress. Additionally, social compliance criteria are integrated into supplier scorecards enhancing transparency and enabling more effective tracking of supplier performance.

Similarly, Jack Wolfskin routinely monitors compliance with standards outlined in its Supplier Code of Conduct on the factory site by independent auditors<sup>3</sup>. As a member of the FWF, Jack Wolfskin continuously monitors and reinforces

the standards in its production partner facilities across the globe and provides training and consulting to raise awareness and drive continuous improvements. Additionally, the FWF conducts a “Brand Performance Check” on an annual basis to monitor business practices at Jack Wolfskin and working conditions at partner factories. Thanks to Jack Wolfskin’s diligent oversight of its entire production chain and ongoing efforts to improve working conditions, the brand holds the “Leader” status – the highest rating awarded by the FWF.

Additionally, Jack Wolfskin utilizes Higg Facility Environmental Management (“FEM”) as a tool to evaluate the environmental practices of its production partners. Suppliers are required to complete self-assessments using the FEM, which are then reviewed by independent third-party verifiers for accuracy. This data allows Jack Wolfskin to evaluate environmental risks and identify areas for improvement. Besides that, the tool provided transparency on the suppliers’ energy usage, water consumption, and other data points. In 2022, Jack Wolfskin achieved a significant milestone by undergoing the verification of the Higg Brand Retailer Module (“BRM”) assessment, a comprehensive evaluation of its entire operations. This BRM assessment provides valuable insights into the environmental and social impacts of the brand’s actions, pinpointing areas of strengths and opportunities.



In 2022 and 2023, Callaway Golf, OGIO, and TravisMathew audited 100% of the 108 suppliers in scope according to our audit guidelines/cycle on social and environmental criteria. Most of these suppliers met our social standards. Of all the suppliers we audited, 8 suppliers were identified as companies that we will partner with on various Performance Improvement Plans. Callaway Golf, OGIO, and TravisMathew also audited all 108 suppliers subject to our environmental audit criteria, all of which met our standards for environmental compliance.

**Callaway Golf, OGIO, and TravisMathew audited 100% of the 108 suppliers in scope according to our audit guidelines/cycle on social and environmental criteria.**

<sup>3</sup> Under normal circumstances, Jack Wolfskin audits between 90% and 100% of its suppliers. In 2021, due to limited audit possibilities due to the COVID-19 pandemic, the brand conducted fewer on-site audits but used alternative monitoring tools. On-site audits have since resumed.



# APPENDIX

About This Report

59



# APPENDIX

## About This Report

This 2022–2023 Sustainability Report primarily covers Topgolf Callaway Brands' 2022 and 2023 fiscal years from January 1, 2022 to December 31, 2023, and contains material disclosures, referencing GRI Standards. The report is structured around the material environmental and social topics we identified through stakeholder engagement and a materiality assessment conducted in 2021.

Franchises are not included in this report because they are independently run businesses.

All costs and financial figures throughout the report are provided in U.S. Dollars, unless otherwise noted. We did not obtain external assurance from third parties for the information in this report. The data presented in this 2022–2023 Sustainability Report has been internally collected, reviewed, and validated for completeness and accuracy. For any questions related to this report, please contact [GlobalSustainability@tcbrands.com](mailto:GlobalSustainability@tcbrands.com).





**TOPGOLF**  
**CALLAWAY**  

---

**BRANDS**