

IMPACT

Rapha.

PEOPLE

PLANET

PRODUCT

2022

REPORT

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INTRODUCTION

Inspire the world to live by bike

BEFORE us we have an opportunity: to leverage our purpose to do good in the world. As we grow, that opportunity grows, but so does our responsibility to understand and improve our impact across every area of our business. As things stand, cycling is both a solution and a contributor to some of the world's problems. Our task is to reconcile these two and enable cycling to be a force for good for years to come.

Our Impact Commitments represent the foundations of this work. This inaugural impact report shares the progress we've made against them so far.



2022

TARGET

STATUS

Foundation — DEI Grants

68%

60% by 2021

Achieved

Athletes — DEI Sponsorship

57%

50% by 2021

Achieved

Storytelling — DEI Focus

50%

50% by 2021

Achieved

Supply Chain Tiers Published

1

Publish by 2021

Setting out

Suppliers Disclosing Social Performance

76%

90% by 2023

Home stretch

Suppliers Disclosing Environmental Performance

75%

90% by 2023

Home stretch

Set Net-Zero Target

COMMITTED

Set by 2022

Setting out

Carbon Neutral Customer Shipping

100%

100% by 2021

Achieved

Carbon Neutral Business Status

14%

100% by 2025

Pending

Clubhouses & Offices Renewable Energy

26%

100% by 2025

Setting out

Products Made with Preferred Materials (VOLUME)

20%

90% by 2025

Progressed

Products Recyclable or Compostable (VOLUME)

3%

50% by 2027

Setting out

PFC-Free Durable Water Repellency (VOLUME)

0%

100% by 2025

Setting out

Packaging made with Preferred Materials (WEIGHT)

27%

100% by 2024

Progressed

Packaging Compostable or Recyclable (WEIGHT)

72%

100% by 2024

Progressed

Establish Takeback Scheme

0%

Set up by 2022

Setting out

Maximise % of Request Repaired

53%

80% by 2022

Progressed

"By their very nature, companies tend to be afraid of change, but to have maximum impact it's something we have to embrace. Because the challenges we all face today demand change now – not in 2025 or in 2030. Today. We know we're still far from perfect. We have a long road ahead to reach our goals, but by sharing our approach, successes and failures transparently we hope to serve as a catalyst for change in our industry."

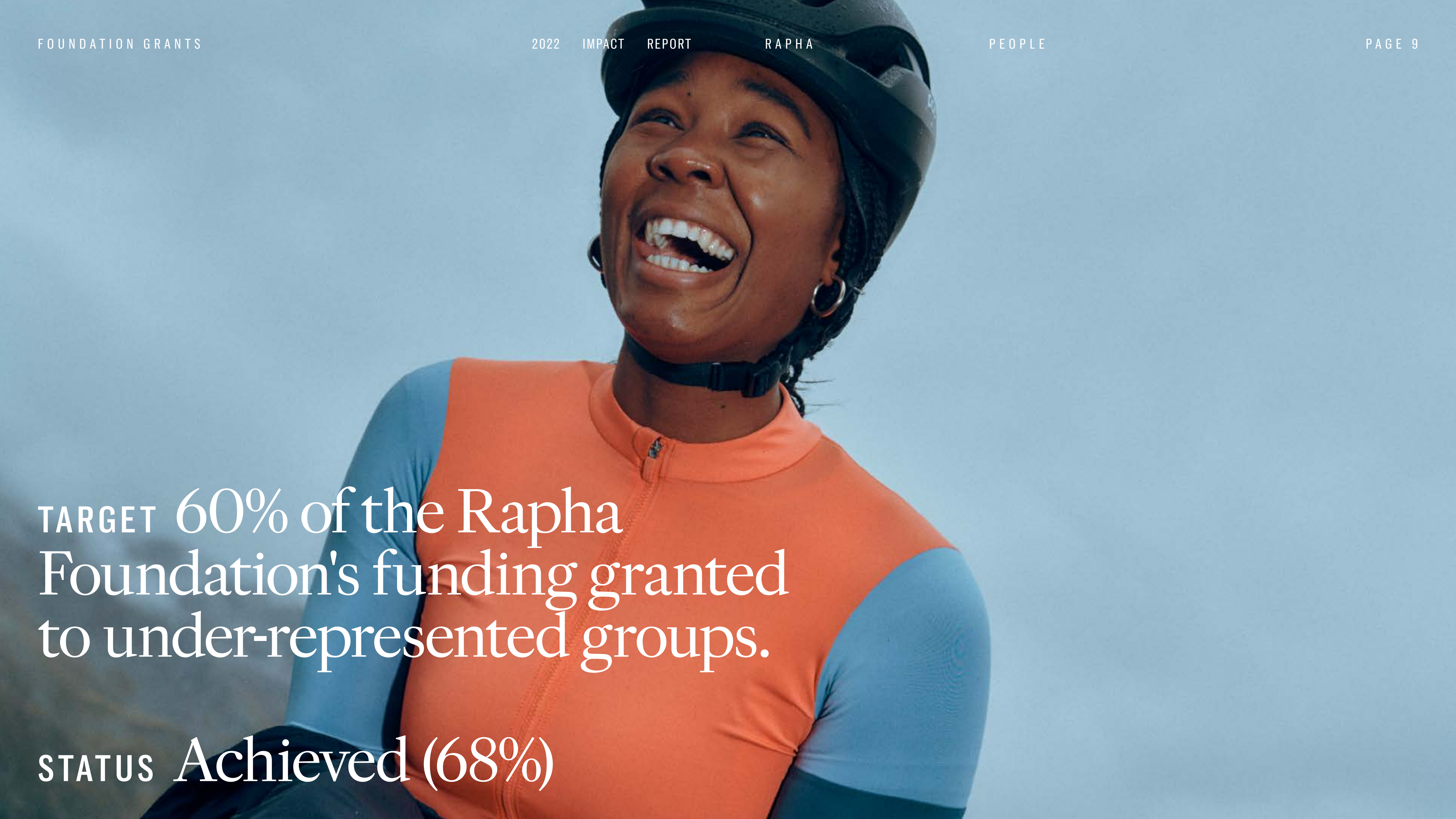
DANIEL BLUMIRE & FRANCOIS CONVERCEY, CO-MANAGING DIRECTORS

PEOPLE



PROGRESSING THE SPORT

Cycling should be open to everyone, and yet representation and participation within the sport is still limited. We seek to overcome this through targeted grass-roots initiatives, and supporting greater representation in our athlete sponsorships and content.

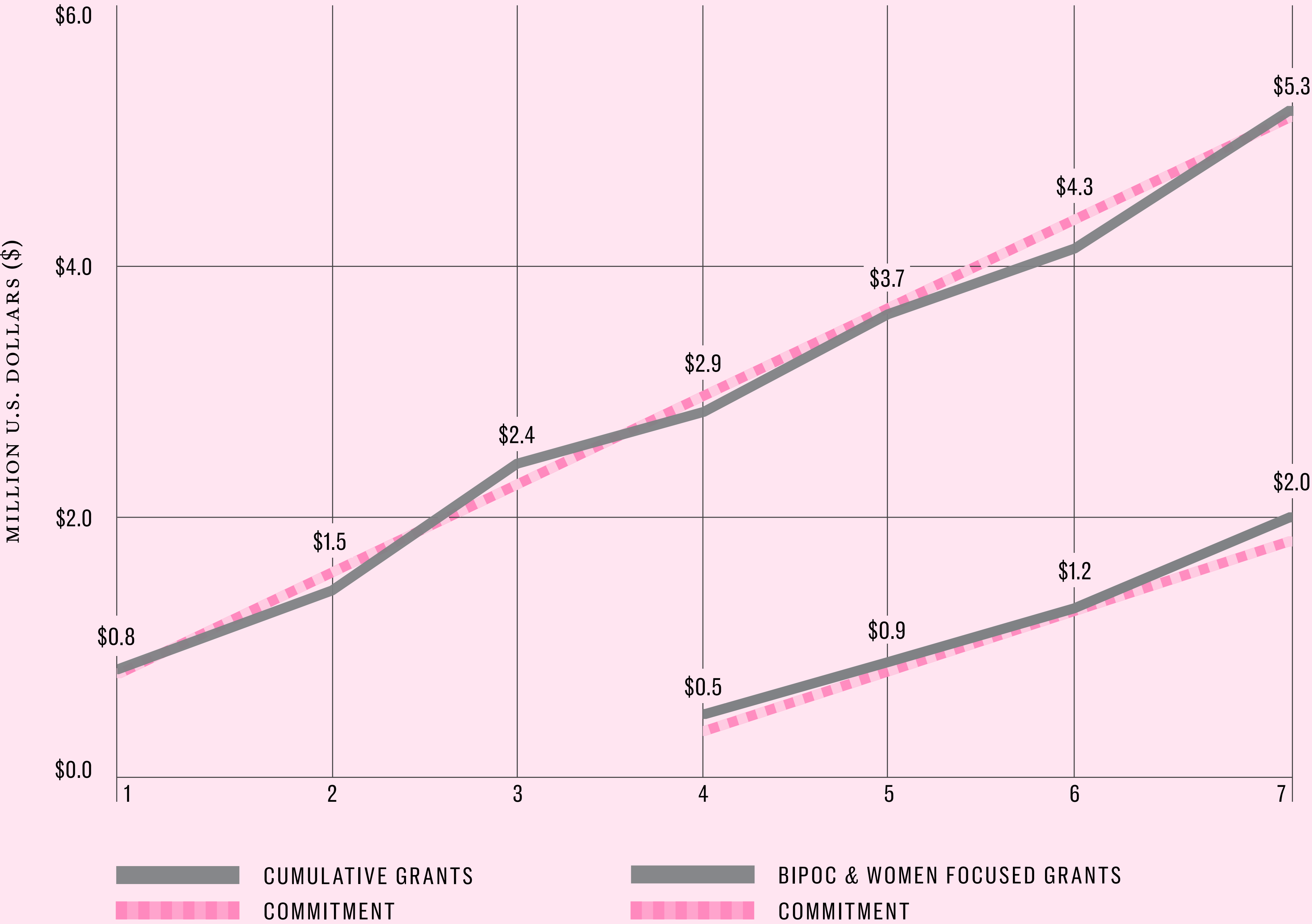


TARGET 60% of the Rapha
Foundation's funding granted
to under-represented groups.

STATUS Achieved (68%)

RAPHA FOUNDATION GRANTS SINCE LAUNCH

The Rapha Foundation was created in 2019 with a mission to build a brighter future for the sport. To date, the Rapha Foundation has provided over \$4.2 million of funding to 29 grantees around the world. Since 2021, 68% of funding has gone towards programmes that focus on people of colour and women, a total of \$1.6 million.



GRANTEE HIGHLIGHTS

THE CYCLISTS' ALLIANCE

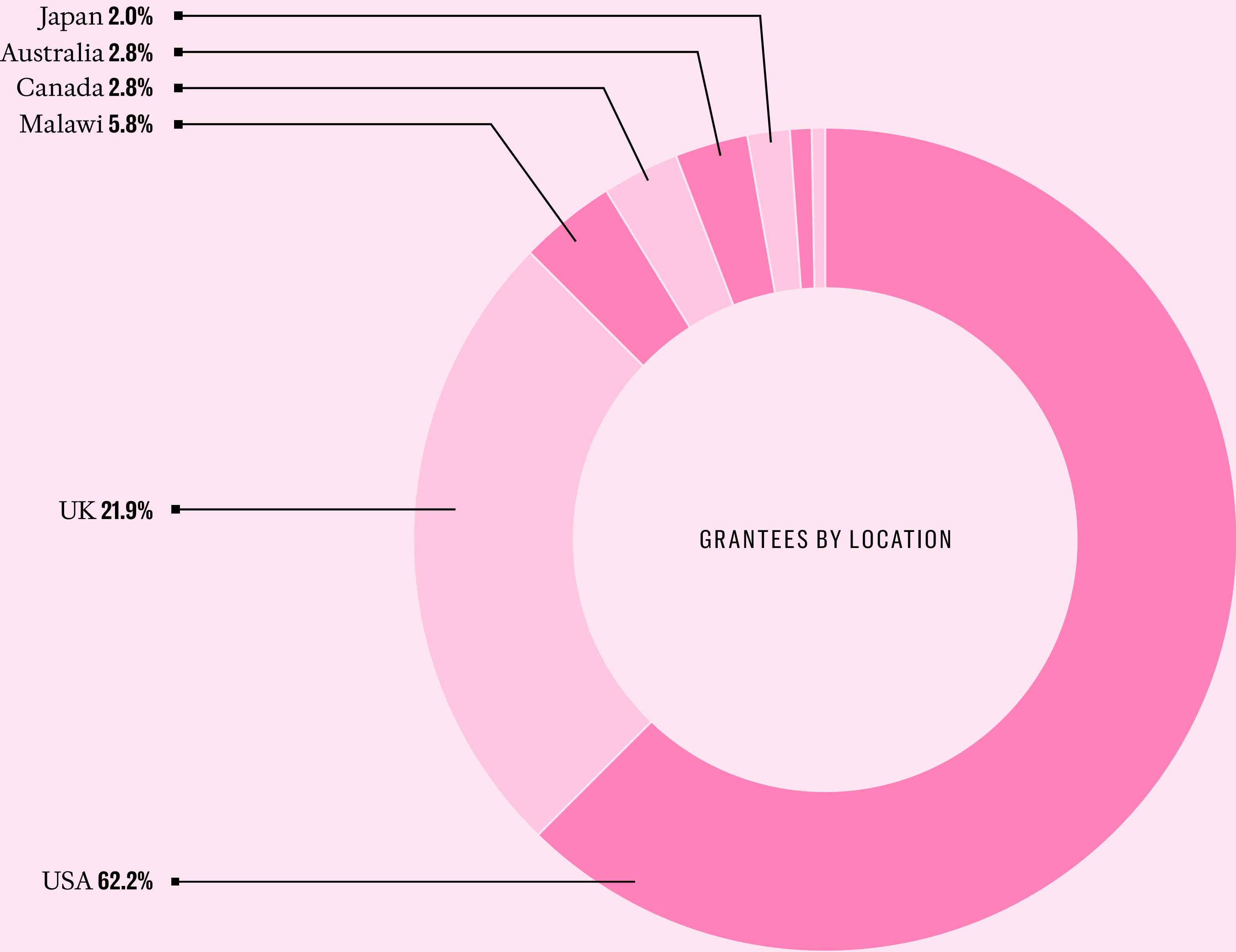
The Cyclists’ Alliance lobbies for fairness and equality in the sport as well as better support for riders once they finish their careers.

GROW CYCLING FOUNDATION

The Grow Cycling Foundation is developing a world-class 30,000 square foot pump track in Downtown Los Angeles.

SAGE TRAIL ALLIANCE

The Sage Trail Alliance creates and sustains trails while advocating for equitable access to the outdoors.



SPONSORSHIP & REPRESENTATION
57% of 2022 athlete sponsorship dedicated to under-represented groups

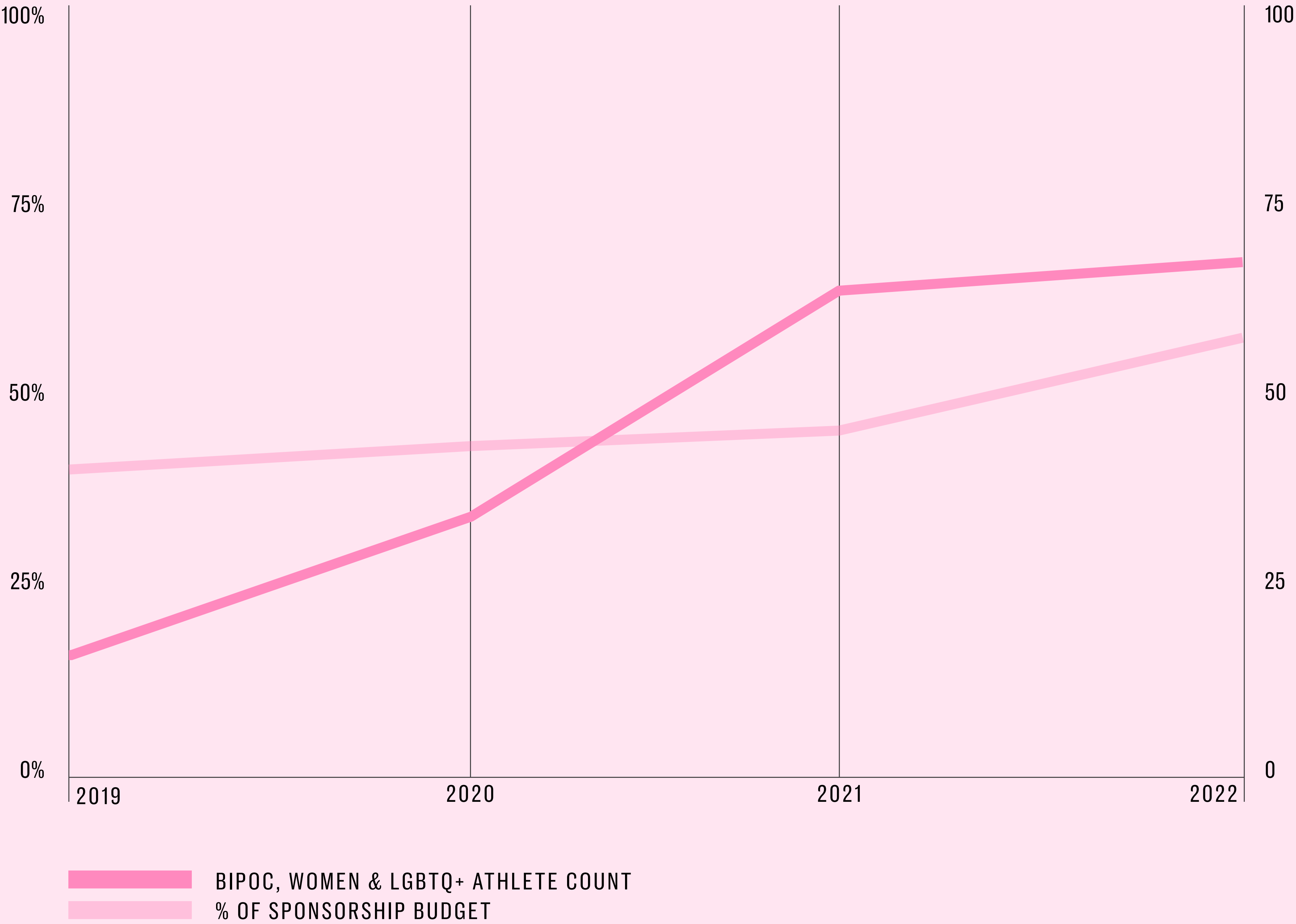
TARGET: 50% by 2021
COMMITMENT STATUS: achieved

FOR 2022, 57% of our sponsorship budget has been allocated to under-represented communities - people of colour, women & LGBTQ+ athletes. Similarly, in 2021, half of the films we made were dedicated to telling the stories of these groups.

ATHLETE HIGHLIGHTS

L39ION OF LOS ANGELES
Founded by Justin and Cory Williams, intent on driving diversity and inclusion in cycling, L39ION of Los Angeles is shaking up the sport and creating meaningful change.

EF EDUCATION-TIBCO-SVB
It’s been 33 years since women last stood on the startline at the Tour de France. This year, we’re proud to be supporting the team and capturing their journey as they returned to show the race just what it’s been missing.





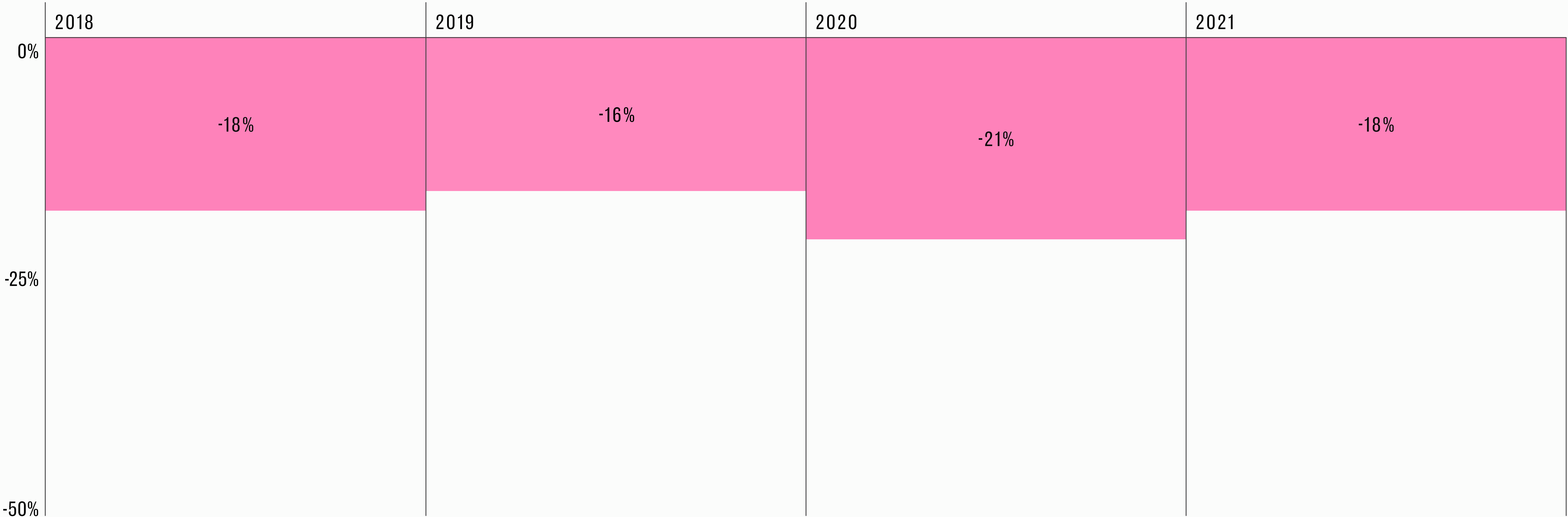
OUR CULTURE

Our employees are the spirit of Rapha. Their passion for cycling is what brings our brand to life. From day one, we have sought to create a workplace culture that is open, inclusive and enables people to live life by bike.



GENDER PAY GAP – UK

We know the biggest imbalance takes place at senior levels of our business. As we make progress in women’s representation within our management group, we will make progress in closing the gender pay gap overall. Each year we produce a dedicated report on our gender pay gap, which can be found in the employee inclusion and engagement section of RAPHA.CC.





Our focus for the future.

HIRING PRACTICES Developing our talent pipeline and hiring practices are integral to reaching our goals. In 2021, we invested in our People & Culture department to include a dedicated Talent Team. As part of this team's work, all Rapha managers are trained to minimise bias and incorporate CV blind interviews in the hiring process.

RAPHA VOICES Formed in December 2020, our employee resource group, referred to as Rapha Voices, brings together colleagues from all parts of the company to give them a place to be heard and contribute to decision making, with the aim of maximising employee inclusion and engagement.

PLANET



CLIMATE While the act of cycling itself doesn't produce carbon, the industry built around cycling – including our business – does. We're working to reduce our total emissions at the pace and scale determined by the latest science.

We're only just scratching the surface of the role cycling can play to mitigate the climate crisis.

WHAT follows is a summary of how we're working to remedy that, along with the goals we've set for ourselves to ensure we continue to reduce our impact in everything that we do.

CLIMATE TERMINOLOGY

NEUTRALITY – the balancing of existing emissions with the purchase of offsets. It doesn't guarantee a business has or will reduce its carbon footprint.

SCIENCE BASED TARGET (SBT) – a carbon reduction goal in line with the pace and scale determined by the latest science.

NET-ZERO – the combination of reduction and neutrality, reducing a company's footprint to the absolute minimum before neutralising any leftover, 'unavoidable' emissions.

Rapha’s 2021 carbon footprint was 16402 MT CO₂e



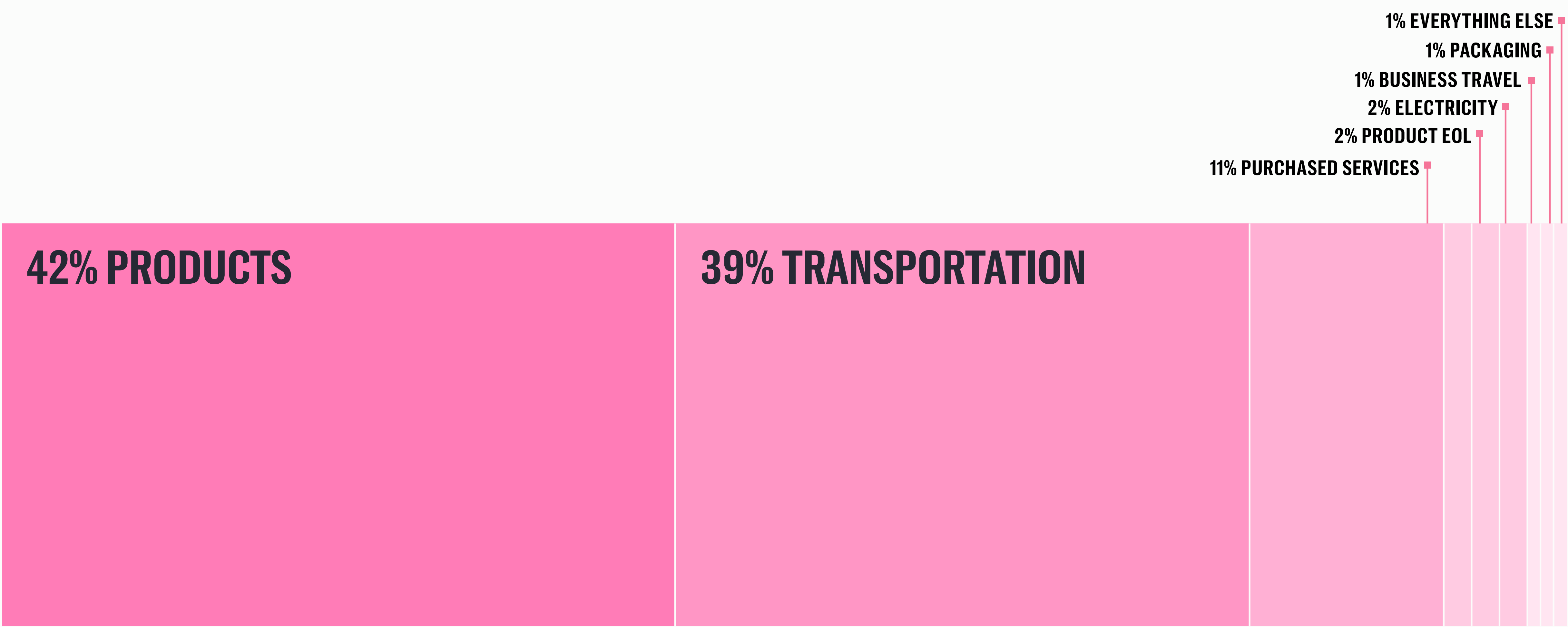
SCOPE 1 – Direct emissions from the burning of fuel for energy at our Clubhouses and Offices.

SCOPE 2 – Indirect emissions from purchased electricity and heating at our Clubhouses and Offices.

SCOPE 3 – All other indirect emissions created throughout our value chain.

EMISSIONS

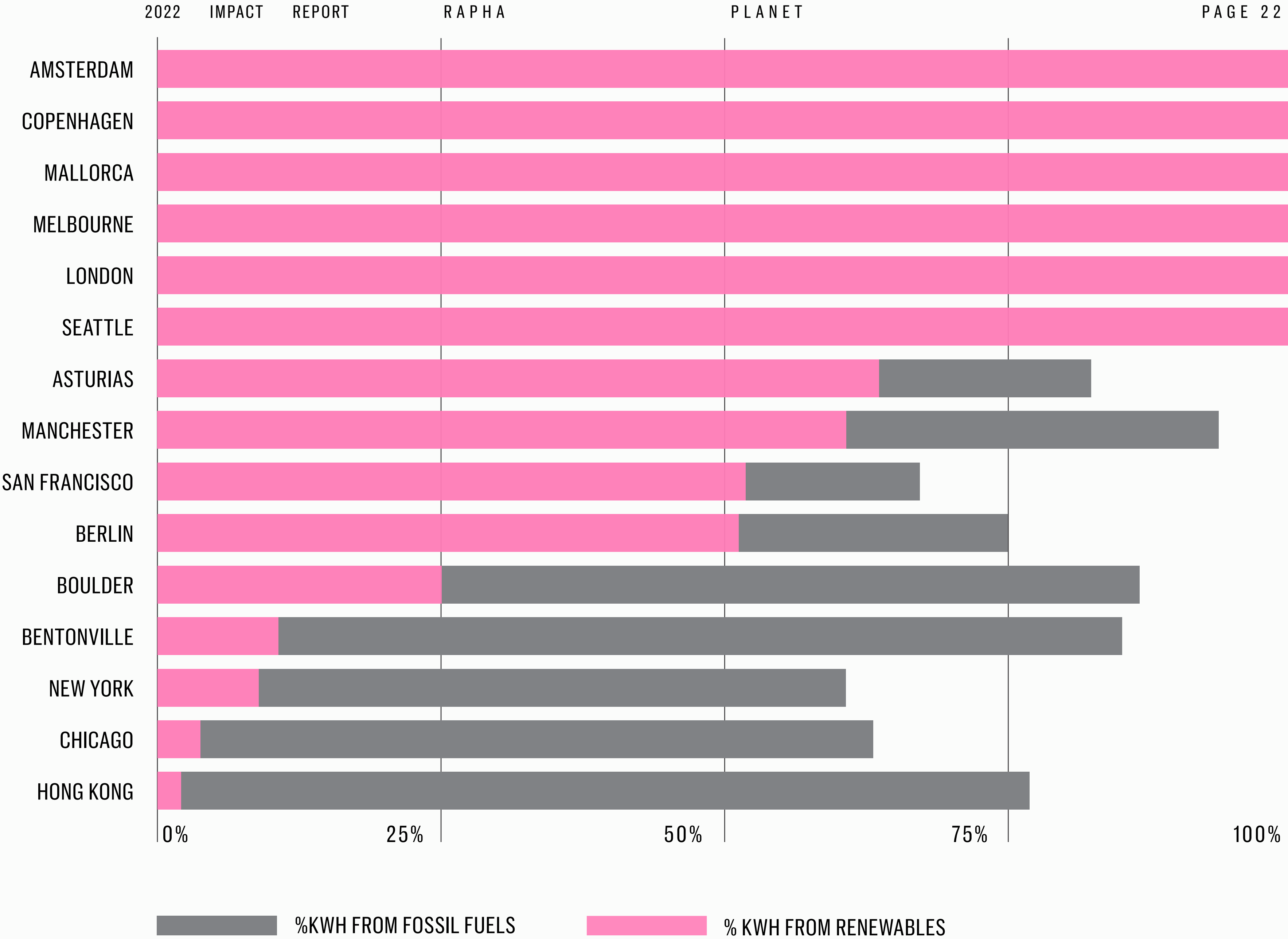
Scope 3 expanded



OUR Clubhouses need to reflect our ambitions to improve our environmental impact. Currently five of our 23 sites use 100% renewable energy, with another 4 using >50% renewables.

With variations in ownership and local regulations, there is a variety of control across our Clubhouses when it comes to energy. Where there are barriers we are working to identify alternative routes to enable progress towards our goal.

LA, Miami, Munich, Osaka, Seoul, Taipei & Tokyo Clubhouses omitted due to incomplete data.

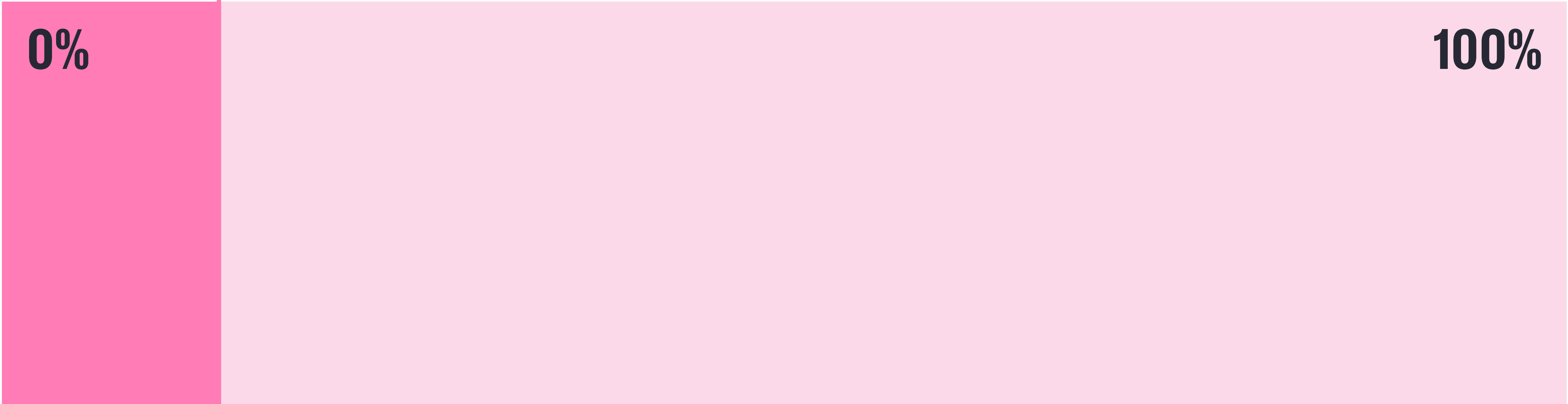


TARGET

Carbon neutrality at the company level in 2025.

14%
Alongside our carbon reduction target, we have been purchasing carbon offsets to deliver our carbon-neutral customer shipping programme.

Naturally, we want all our investments to improve our impact. Leading up to 2025 we will be reviewing the feasibility and efficacy of offsetting at scale, and looking at whether it remains the best way for Rapha to contribute to climate solutions.

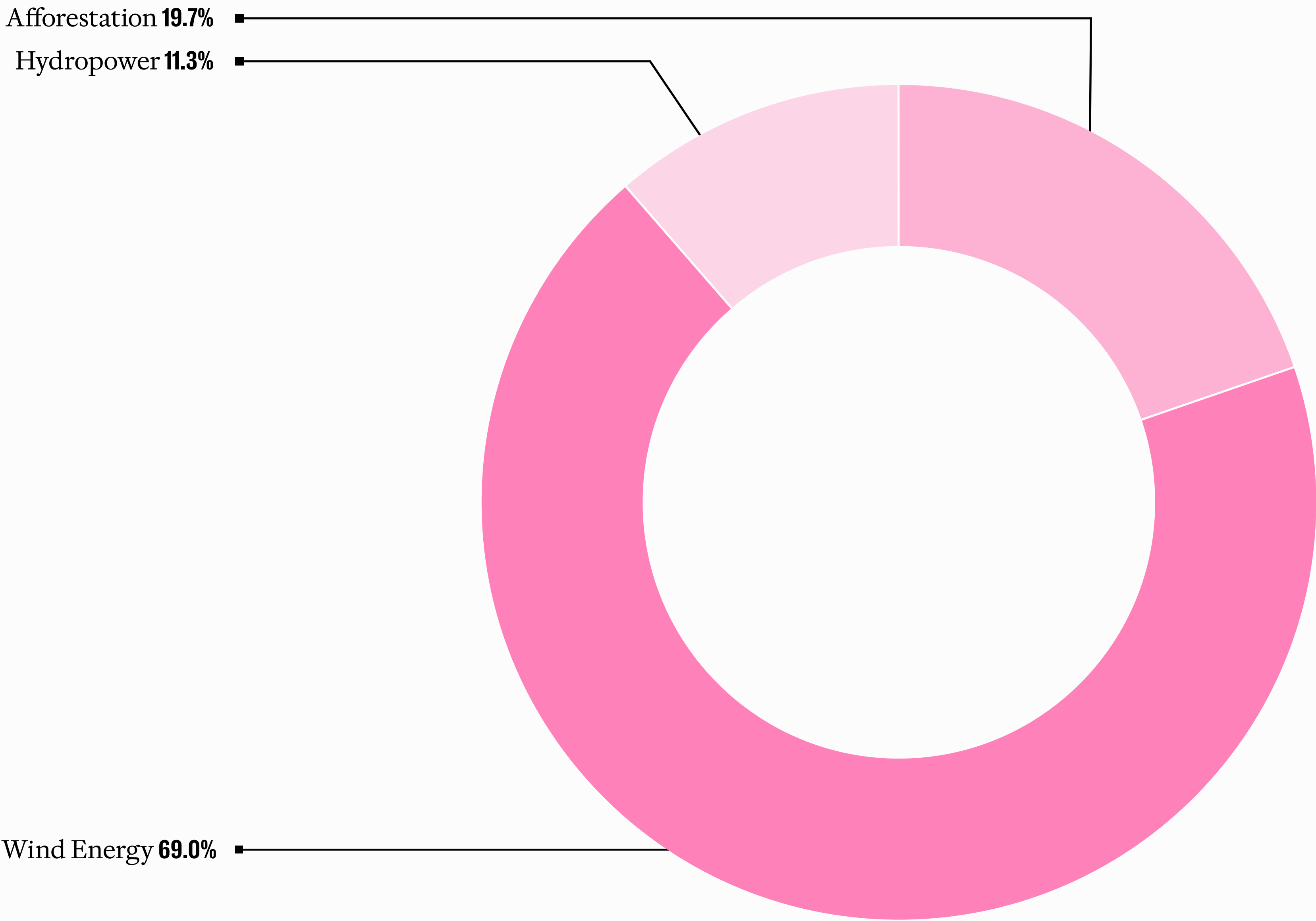


IN 2021, we introduced carbon-neutral customer shipping as standard. Now, whenever you shop with us online, we support projects addressing climate change across the globe.

Since the introduction of this programme we have offset a total of 5,082 MT CO2e. Each project we support is verified to ensure it meets the highest standards of social and environmental performance and must also demonstrate ‘additionality’, meaning it provides a service that wouldn’t exist without the offsetting program.

For the 2021 period, working with climate consultants WAP we calculated that emissions from our customer shipping totalled 2,214 MT CO2e. We achieved neutrality for the year by supporting two wind farms, located in the US and India.

80% of our offset programs support projects focusing on renewable energy.



Type of Project	Location	Offsets Purchased (Tonnes)	Project ID	Project Standard
WIND ENERGY	INDIA, MAHARASHTA	1291	CLIMATE PARTNER 1155	GOLD STANDARD VER
AFFORESTATION	INTERNATIONAL + GERMANY	430	CLIMATE PARTNER 1111	VERS + REGIONAL COMMITMENT
AFFORESTATION	INTERNATIONAL + UK	143	CLIMATE PARTNER 127	VERS + WOODLAND CARBON CODE
HYDROPOWER	INDONESIA, RENUN	574	CLIMATE PARTNER 1002	VERIFIED CARBON STANDARD (VCS), SOCIAL CARBON (SC)
AFFORESTATION	NICARAGUA, RIO KAMA	430	CLIMATE PARTNER 1216	VERIFIED CARBON STANDARD (VCS)
WIND ENERGY	US, SOUTH DAKOTA	554	(VCS 756)	VERIFIED CARBON STANDARD (VCS)
WIND ENERGY	INDIA	1660	(VCS 225)	VERIFIED CARBON STANDARD (VCS)

PRODUCT



SUPPLY The people who create Rapha products are an integral part of our brand. Their wellbeing underpins the long-term success of our business and we are committed to ensuring that every single person involved with the creation of Rapha products is treated as fairly as our own employees.

Improving the *impact* of our supply chain.

SUPPLY CHAIN TERMINOLOGY:

An apparel supply chain is typically broken down into four tiers:

TIER 4	RAW MATERIAL EXTRACTION
TIER 3	RAW MATERIAL PROCESSING
TIER 2	MATERIAL PRODUCTION
TIER 1	FINISHED PRODUCT ASSEMBLY

IMPROVING IMPACT IN OUR SUPPLY CHAIN

As Rapha is a member of the Sustainable Apparel Coalition, we use the Higg Index tools to measure social and environmental performance within our supply chain. These are industry leading, web-based platforms that better enable the exchange of primary data between suppliers and the brands they produce for.

HOW WE USE THE HIGG INDEX FOR SOCIAL IMPACT

In addition to our Code of Conduct the Higg Index’s Facility Social & Labour Module (FSLM) helps us monitor and improve the social performance of our supply chain by identifying and addressing issues that negatively affect the people working within it, such as working hours, worker treatment and recruiting practices.

We work with Fair Working Conditions and Elevate to verify the findings of the FSLM.

We will continue to report on how this work relates to modern slavery in our dedicated annual statement.

HOW WE USE THE HIGG INDEX FOR ENVIRONMENTAL IMPACT

We use the Higg Index’s Facility Environmental Module (FEM) to gather primary data at site level helping us identify challenges specific to our supply chain and address them. It covers areas such as energy, water, waste management, chemical management and emissions.

The primary data collected via the Higg FEM has enabled us to calculate our carbon footprint with a much higher degree of accuracy than if we were to rely on country-level averages. It also means we’ll be able to track improvements more closely. The more our supply chain is covered by these tools, the better information we will have to improve our impact by identifying areas for improvement, as well as collaborating with other brands to support these changes at a facility level.

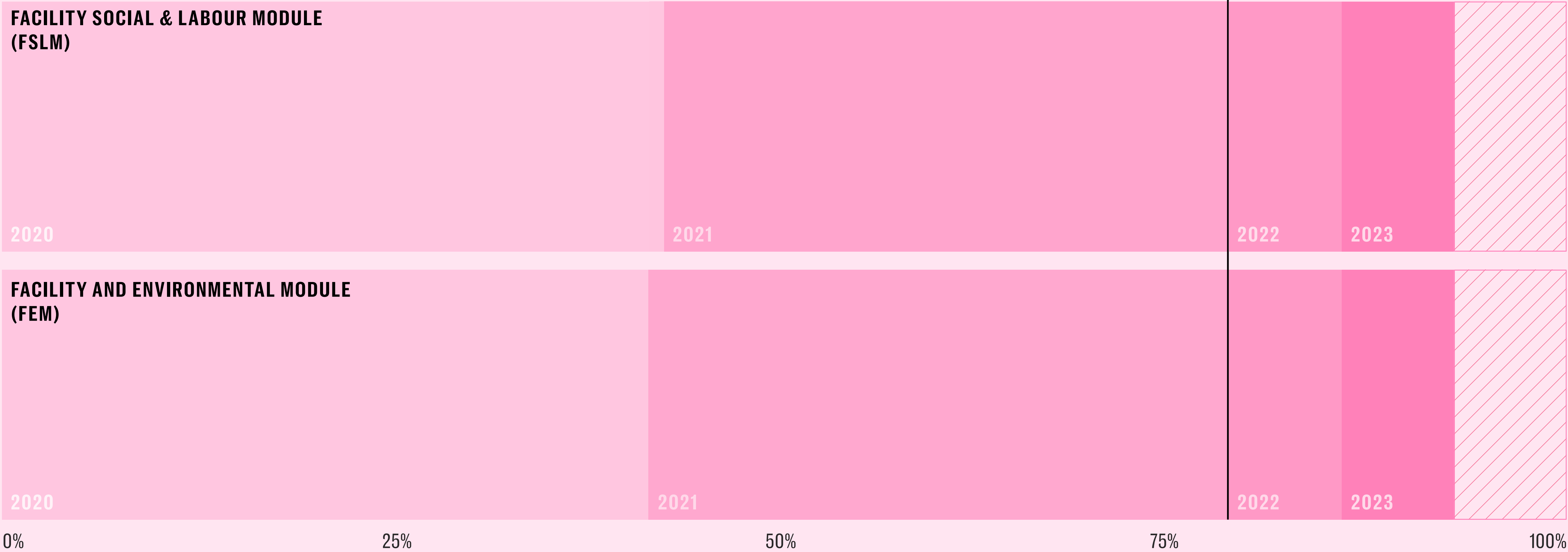
HIGG INDEX ADOPTION - TIER 1 (VOLUME)

We're tracking 75% of our suppliers' social & environmental performance, using the Higg index tools

TARGET: 90% by 2023
COMMITMENT STATUS: home stretch

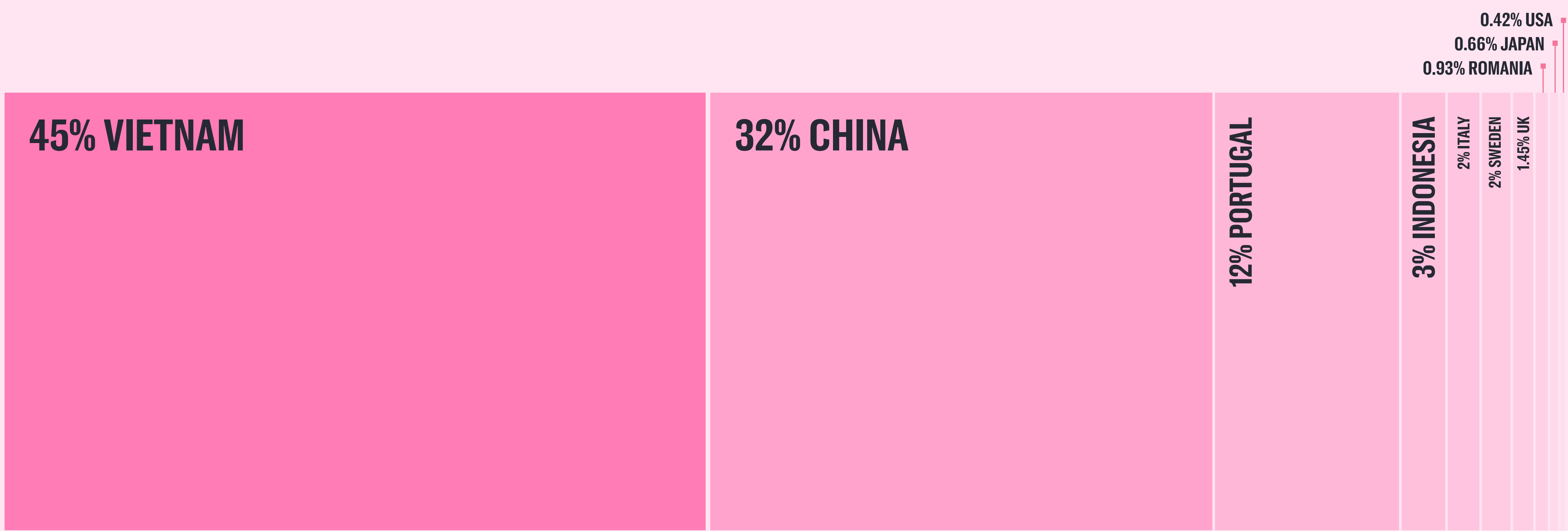
FOR 2021, 76% of our Tier 1 production volume was represented on the Higg Index Facility Social & Labour Module (FSLM) and 75% on the Facility Environmental Module (FEM), with 42% and 32% verified respectively.

In 2022 we're working towards increasing that to 83% across both the FSLM and FEM , increasing that to 90% in 2023.



Where do we make our products

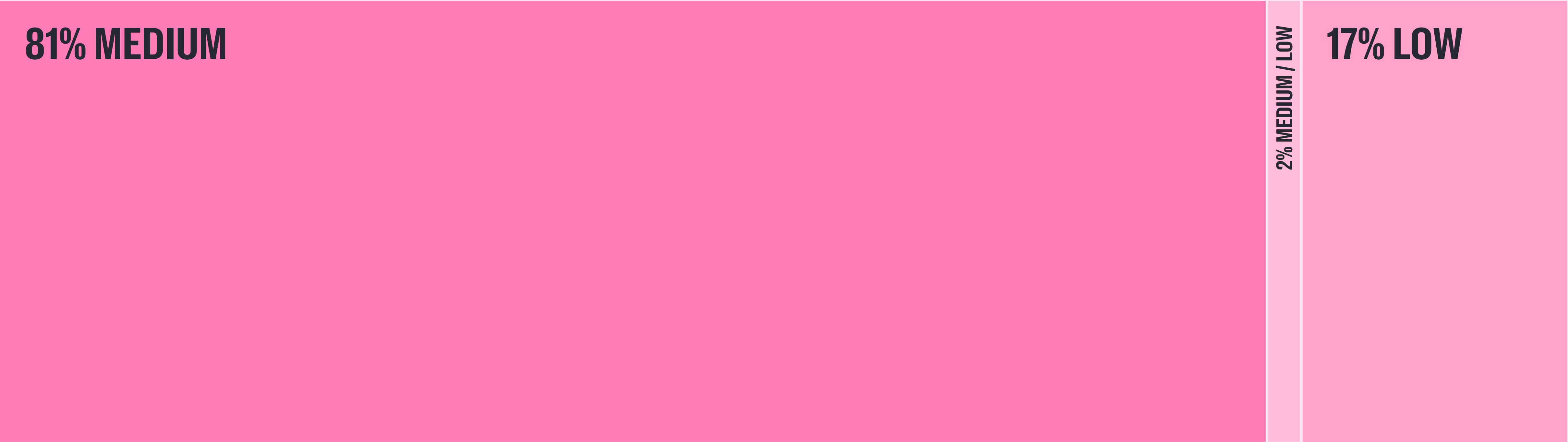
ALONGSIDE our Code of Conduct, we published our Tier 1 supplier list for the first time in 2021 both on our site and through the Open Apparel Registry platform.



Assessing the risks

WE use a combination of the Global Slavery Index rating and an analysis of country specific risks to categorise our suppliers according to social and labour risk.

For AW22 production, 0% of our products were sourced from high risk countries. Vietnam and China account for the largest social and labour risk in our finished goods supply chain, which is why these countries receive a greater focus from our supply chain team to monitor supplier social performance.



How we source materials

MATERIAL SOURCING POLICIES In 2021 we published four material sourcing policies: cotton, synthetics, wool and down. Each policy provides clarity on what we deem acceptable and guides our decision making.

In our cotton sourcing policy, it is specified that we will not source cotton from regions with known risks of forced labour. We monitor the source of our cotton by using the Global Organic Textile Standard (GOTS), which enables traceability of the supply chain and ensures social and labour standards are met at farm level.

SUPPLIER RELATIONSHIPS & BUYING PRACTICES We have a focus on relationship building with our supply chain partners. All Tier 1 and nominated Tier 2 suppliers have assigned production and sourcing contacts at Rapha who travel annually to meet in person. All Tier 1 suppliers sign our Master Service Agreement - a contract protecting the

commercial interests of both Rapha and our suppliers - as well as our Supplier Code of Conduct. We also encourage our suppliers to adopt the Higg Index tools, as outlined above.

As well as reviewing our suppliers' performance, we assess our own buying practices to ensure that we do not place undue pressure on suppliers. We do this via the Higg Index Brand Retail Module as well as through an annual supplier survey, which is based on the Better Buying initiative methodology. We use this feedback to inform internal training for teams who have an influence on the buying process.

ETHICAL TRADING INITIATIVE - FOUNDATION MEMBERS In 2022 we became Foundation Members of the Ethical Trading Initiative (ETI). Over the next two years we will work together with the ETI on mutually agreed areas for improvement, with the aim of graduating to full member status.





CIRCULARITY Circularity reduces the demand on resources by looking to reduce and reuse waste from products. For us this means focusing on the materials we use for products and packaging, reducing the chemicals used in their manufacturing and ensuring that we develop products that are durable and repairable. In instances where this isn't possible, we will be offering schemes for takeback, donation and recycling to minimize the end of life impact.

TARGET 90% of production volume will be made with environmentally preferred materials, by 2025.

STATUS 20% (as of SS22)

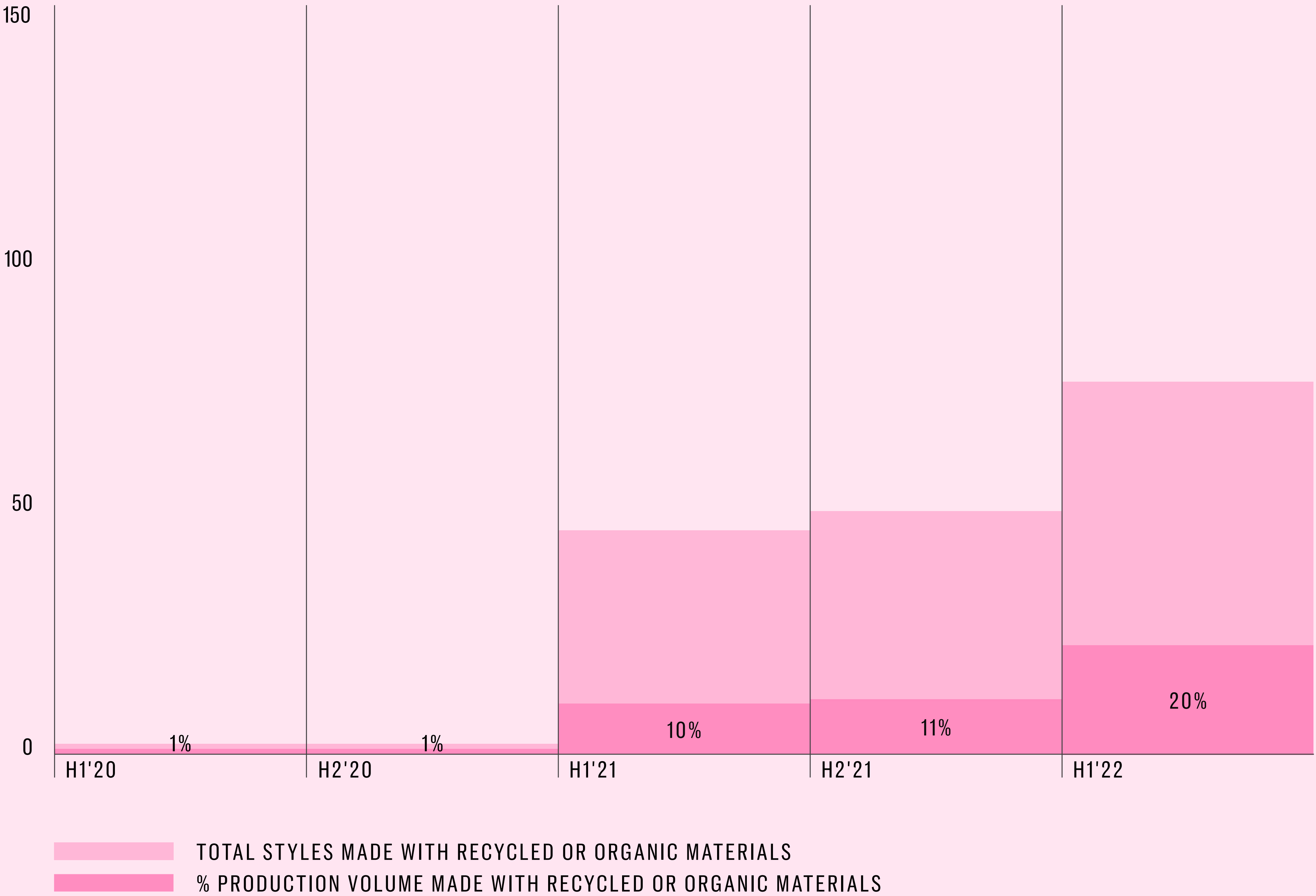
As highlighted in our carbon assessment, our products and the materials they're made from have an outweighed contribution to our overall footprint. To this end, our materials target is perhaps the most ambitious of all our commitments, as it represents a near complete transformation of our materials portfolio.

PRODUCT IMPACT

FOR SS22, 20% of production volume was made with recycled or organic materials. This comes from a total of 62 styles (14% of our range) across a variety of product types and collections. You can view the collection [here](#).

For a style to be included in these calculations, >= 50% of the finished product must be made with environmentally preferred fabrics, by weight.

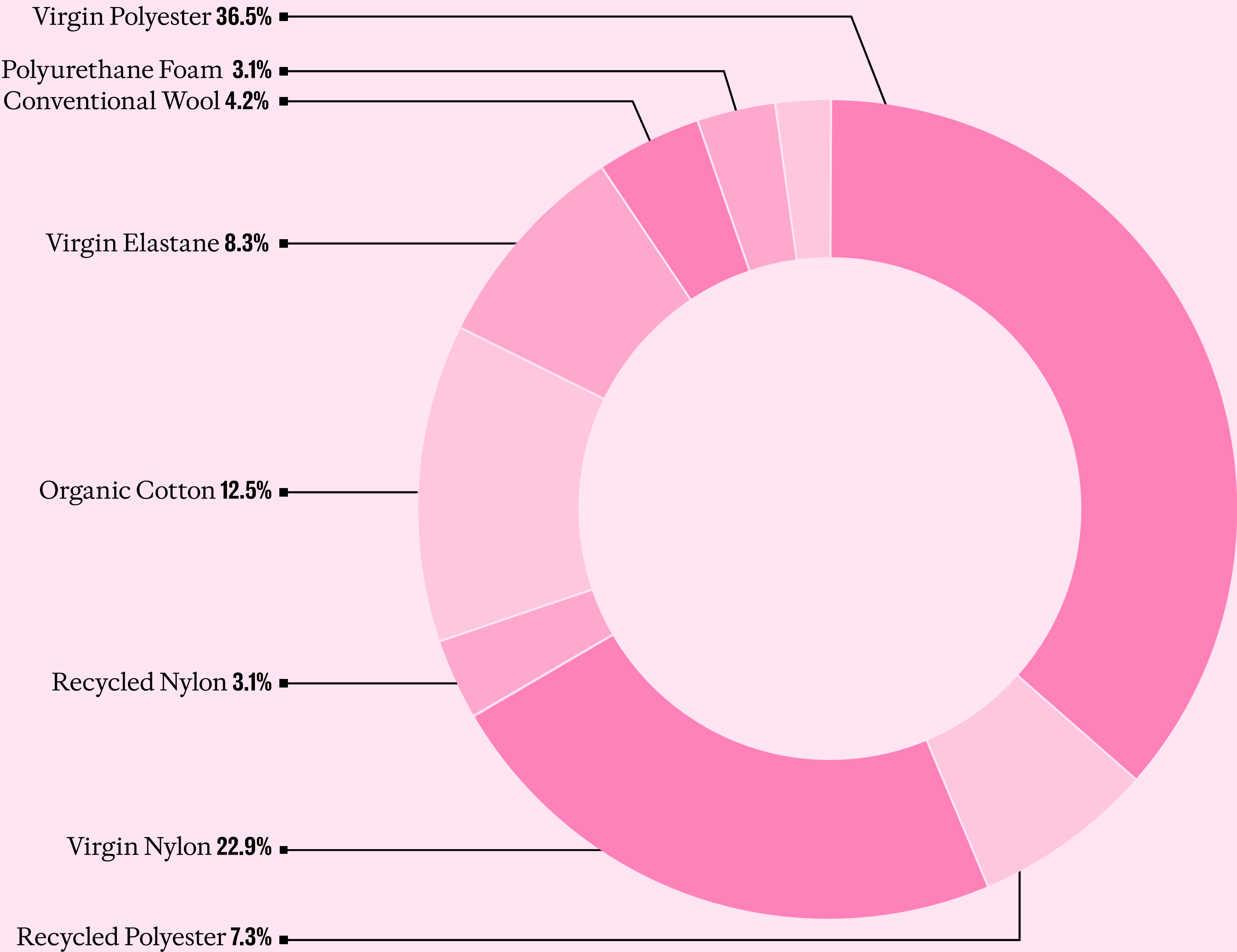
For a fabric to be deemed environmentally preferred, >=50% of synthetics must come from recycled sources and >=95% of natural materials must be organic.



MATERIALS

WE also measure the percentage of purchased materials that come from recycled or organic sources, by weight. In SS22 24% of material weight came from these preferred sources, a three-fold increase from this time last year.

Down represents less than 1% of total material weight – all of our down has been Responsible Down Standard certified since 2018.



TARGET All Durable Water Repellent (DWR) dependent product to be PFC-free by 2025.

STATUS Setting out

FOR wet weather protection many of our outerwear products are treated with a durable water repellent (DWR) coating. Though all DWR treatments used by Rapha are based short-chain C6 PFCs, a transition to a new form of chemistry is needed to reduce our impact further. This will require significant innovation but we are committed to this challenge.

Our first PFC-free styles will be coming out in SS23.

TARGET

All packaging to use environmentally preferred materials by 2024.

27%

Overall, this percentage doesn't match our ambitions as a brand and we're working to address this challenge with urgency.

By addressing the material sourcing of our dispatch packaging, we will improve this material mix significantly in a short period of time. In the meantime, we've reduced the amount of virgin plastic used by 3.4 tonnes, a 20% reduction from 2020.

71% of our annual packaging weight is paper-based, which can be recycled globally. This largely comes from transitioning our plastic product packaging to 70% recycled content and switching our dispatch mailers from plastic to kraft-based materials.

1% VIRGIN POLYESTER

13% PAPER – FOREST STEWARDSHIP COUNCIL (FSC)

14% RECYCLED PLASTIC

58% PAPER – NON FOREST STEWARDSHIP COUNCIL (FSC)

14% VIRGIN PLASTIC

CARE GUIDES

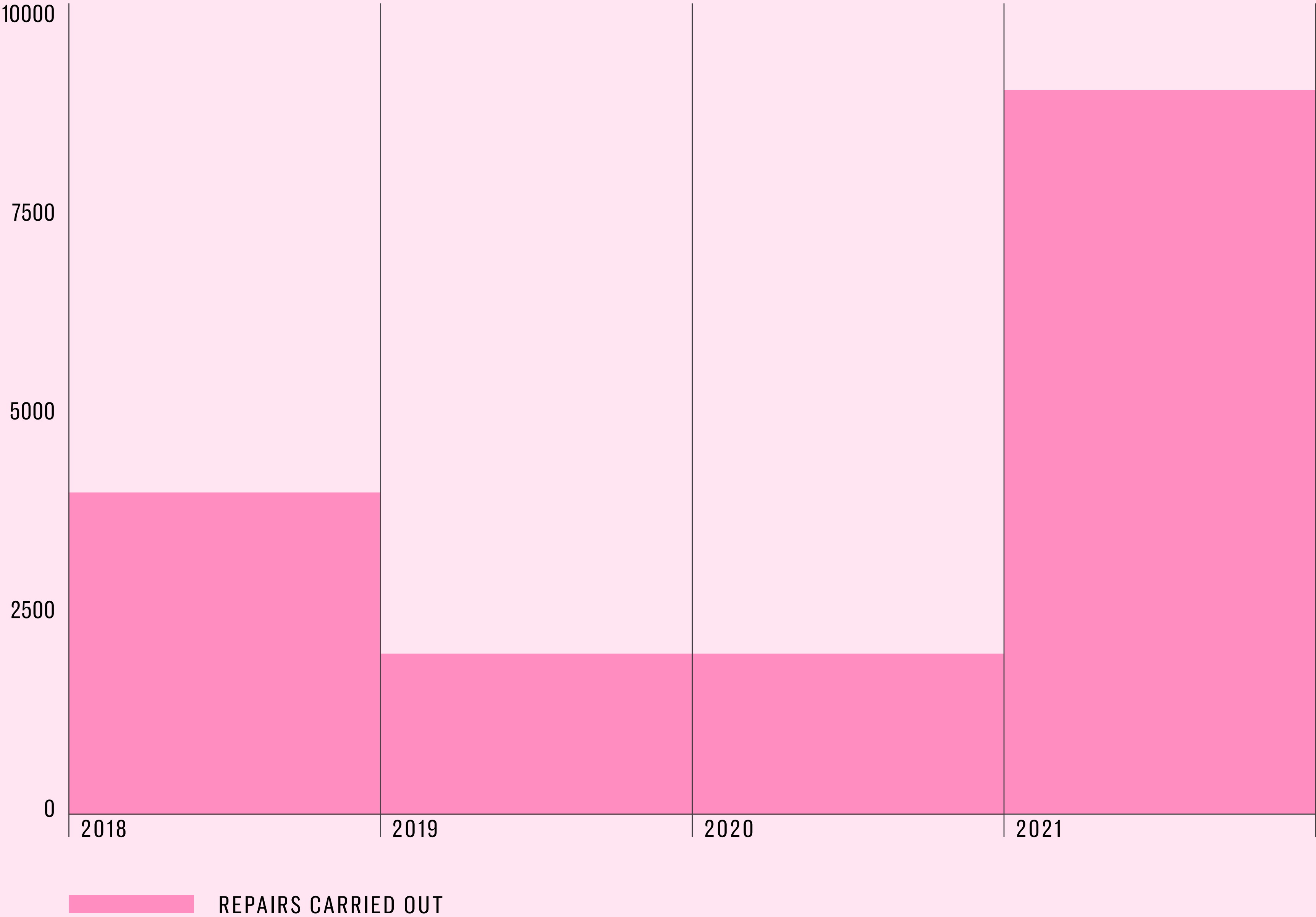
IN 2021, we launched the Product Care portion of our site - a comprehensive guide to caring for wool, down, water-repellent and Gore-Tex garments.

COMMITMENT: maximise the effectiveness of our repairs service to extend product lifespans
STATUS: Progressed

LONGEVITY

SINCE Rapha’s inception we’ve offered a free repairs service to keep our customers and our products on the road for as long as possible. More recently we’ve also included repair patches in the majority of our MTB products.

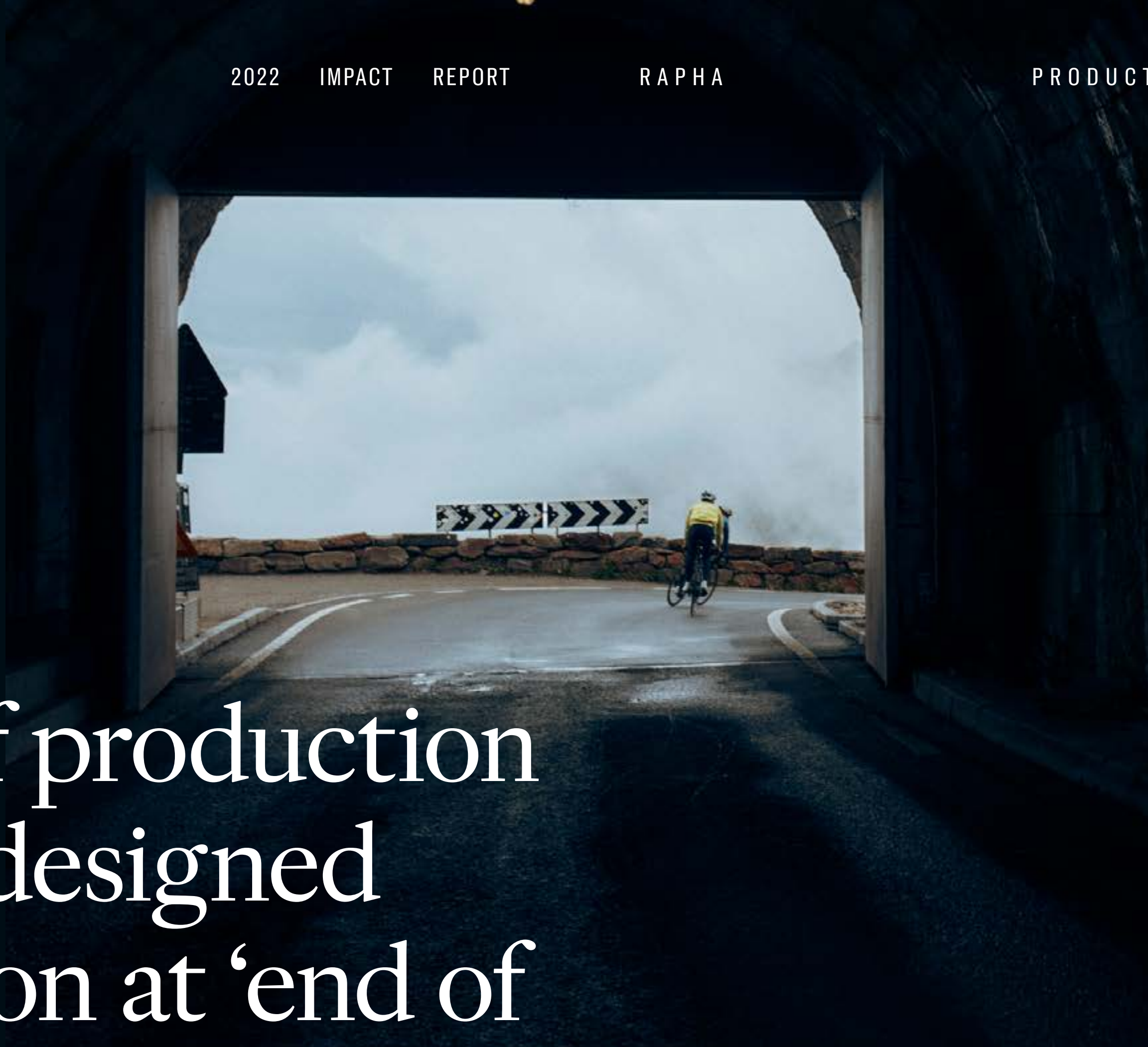
So far, we’ve repaired over 40,000 items but in the past year we have committed to expanding the reach of our program – both in terms of locations we serve, as well as products we can repair – with the aim of increasing the absolute number of repairs further still.



TARGET Offer a takeback or donation scheme for Rapha products, by 2022.

STATUS Setting out

THANKS to the efforts of our regional teams, many of our Clubhouses have informal relationships with local riding initiatives, but we are looking to formalise this process and pilot localised takeback programmes. We will have more to share on this in our 2023 Impact Report.



TARGET >50% of production volume to be designed for recirculation at ‘end of life’, by 2027.

STATUS Setting out

ALONGSIDE our other impact reduction strategies, we're also focusing on what happens at the end of a product's usable life. Of course our aim is to keep products in use for as long as possible, but when they are no longer functional we aim to ensure they can be recycled or composted. This is no small feat, which is why of all our commitments, the target to achieve it is furthest in the future.

To date, we have been educating our teams and identifying product candidates for circular innovation. Our water bottles are already considered recyclable, contributing to 4% of our 50% target.

Rapha.

PEOPLE

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2022