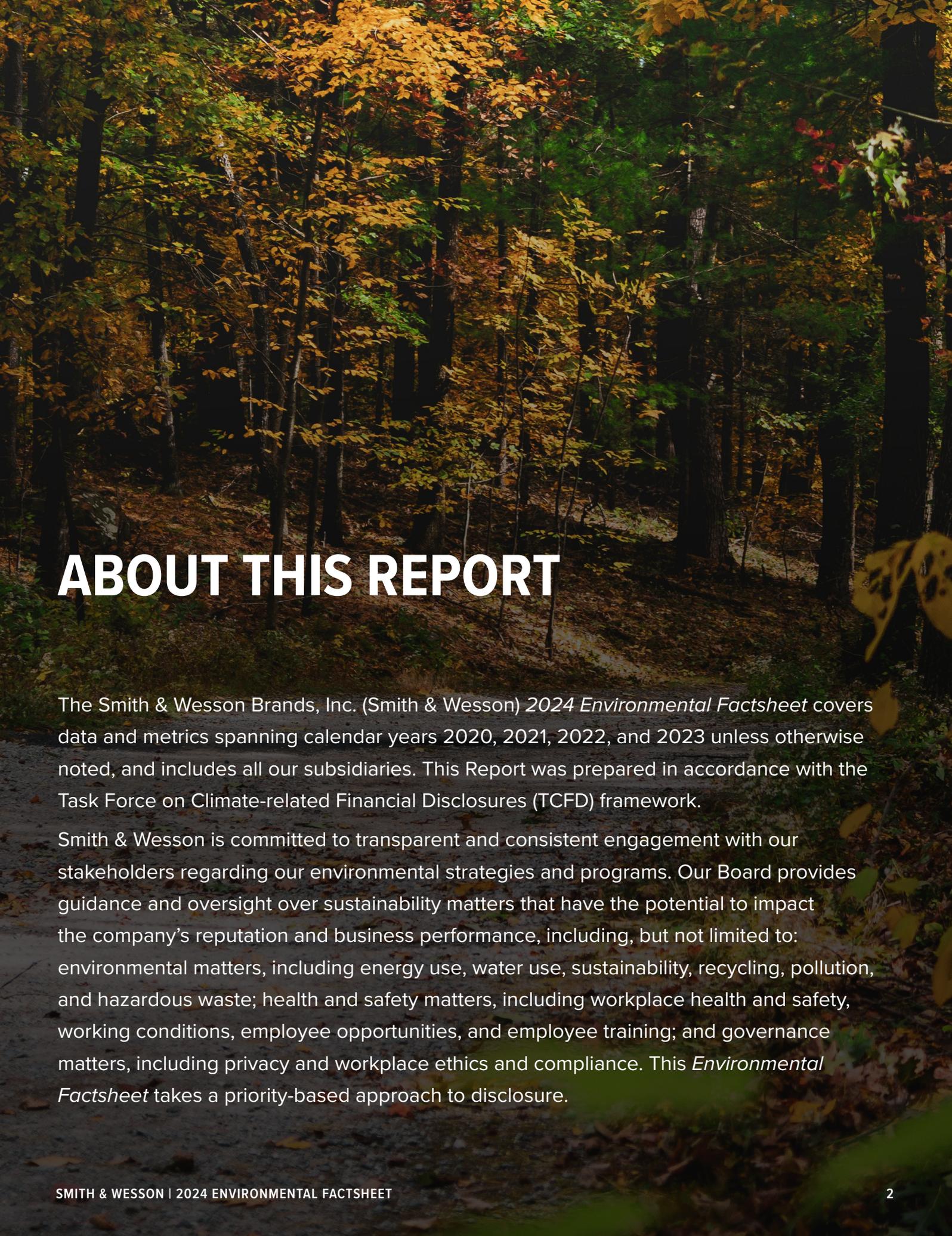




2024

ENVIRONMENTAL
FACTSHEET



ABOUT THIS REPORT

The Smith & Wesson Brands, Inc. (Smith & Wesson) *2024 Environmental Factsheet* covers data and metrics spanning calendar years 2020, 2021, 2022, and 2023 unless otherwise noted, and includes all our subsidiaries. This Report was prepared in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework.

Smith & Wesson is committed to transparent and consistent engagement with our stakeholders regarding our environmental strategies and programs. Our Board provides guidance and oversight over sustainability matters that have the potential to impact the company's reputation and business performance, including, but not limited to: environmental matters, including energy use, water use, sustainability, recycling, pollution, and hazardous waste; health and safety matters, including workplace health and safety, working conditions, employee opportunities, and employee training; and governance matters, including privacy and workplace ethics and compliance. This *Environmental Factsheet* takes a priority-based approach to disclosure.

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LETTER FROM OUR PRESIDENT AND CEO

“As a company that values our employees above all else and treats business ethics, safety, compliance, and quality as non-negotiables, we are focused on being a good corporate citizen in all that we do.”

FISCAL 2024 IN REVIEW

Fiscal 2024 demonstrated the success of Smith & Wesson’s long-term strategies, including strong brand messaging and marketing, best-in-class innovation, operational excellence, and business process efficiencies. During the year, we launched over 100 new products, including the highly successful 1854 lever action rifle, and grew revenue and units shipped by nearly 13% and 12%, respectively. We generated over \$100 million in cash and delivered \$0.86 per share in earnings. We delivered on our commitment to return profits to our stockholders by paying \$22.0 million in dividends and repurchasing over \$10.2 million in shares.

In August 2023, we began distribution operations from our new 644,000 square foot LEED certified⁽¹⁾ facility in Maryville, Tennessee. Almost immediately after that, we began assembly and plastic injection molding operations in our new facility, beginning the complex transition for each of those operational activities. Our Grand Opening Celebration and Fall Festival event, held in October 2023, was a huge success, with over 5,000 attendees, great media coverage, and \$170,000 raised for local charities.

As of this writing, I’m proud to say that our hard-working and dedicated team has successfully transitioned 100% of our targeted activities to Tennessee without missing a beat. In addition, we successfully assigned the lease for our Missouri facility, exiting all operations there at the end of 2023, and plan to exit our Deep River, Connecticut, facility in January 2025, at the end of that lease. We now run our operations from a total of three facilities, down from four in prior years. In addition to this new facility in Tennessee, we will continue to manufacture our products in a 575,000 square foot facility located in Springfield, Massachusetts, and two facilities totaling 44,000 square feet located in Houlton, Maine.

This reduced footprint, combined with state-of-the-art robotics, process automation, and a facility designed to conserve water and reduce electricity usage, will enable us to not only operate more efficiently, but will give us the ability to focus on what we do best: manufacturing and engineering high quality and sustainable products that last for generations.

As a company that values our employees above all else and treats business ethics, safety, compliance, and quality as non-negotiables, we are focused on being a good corporate citizen in all that we do.

We understand the importance of how we impact the environment and remain committed to transparency regarding our efforts to reduce our environmental impact. In the following pages, we highlight areas of our environmental profile that we believe are most important. I look forward to continuing our discussion as we navigate this process.



A handwritten signature in black ink, appearing to read 'Mark P. Smith'.

MARK P. SMITH
President and CEO

⁽¹⁾ Leadership in Energy and Environmental Design (LEED) is a green building certification program used worldwide. Developed by the non-profit U.S. Green Building Council (USGBC), it includes a set of rating systems for the design, construction, operation, and maintenance of green buildings, homes, and neighborhoods, which aims to help building owners and operators be environmentally responsible and use resources efficiently.

ABOUT THE COMPANY

EMPOWERING AMERICANS SINCE 1852

Since its founding in 1852, when Horace Smith and Daniel Baird Wesson made their dream of creating a repeating firearm using a self-contained cartridge a reality, Smith & Wesson has empowered Americans with freedom, equality, and security. Over the past 170 years, Smith & Wesson perfected the American sidearm and became one of the world's most respected brands.

We have four manufacturing facilities at which we produce our products: a 575,000 square-foot facility located in Springfield, Massachusetts; a 645,000 square-foot facility located in Maryville, Tennessee; two facilities totaling 44,000 square-feet located in Houlton, Maine; and a 150,000 square-foot facility located in Deep River, Connecticut. We conduct our handgun and long gun manufacturing and some of our manufacturing service activities at our Springfield facility. During fiscal 2024, we began manufacturing and distribution activities from our Maryville facility. Our Houlton facility is a machining center only with no assembly, finishing, or small parts operations for our firearms. We also produce handcuffs and other restraint devices at our Houlton facility. We use our Deep River facility for custom plastic injection molding services, rapid prototyping, and tooling. As part of the relocation, we intend to discontinue operations at the Deep River facility during fiscal 2025. All but one of these facilities are ISO 9001 certified. We expect to obtain certification for the Maryville, Tennessee, facility in fiscal 2025.

We are pleased to share Smith & Wesson's 2024 *Environmental Factsheet*. Our Board and leadership team recognize the heightened awareness and increased importance of sustainability. We are also aware of the additional emphasis our investors, local communities, and customers have placed on environmental performance.

SMITH & WESSON'S PRIORITY-BASED APPROACH

To prepare this *Environmental Factsheet*, Smith & Wesson completed an environmental and TCFD assessment. As part of this work, we retained a third-party consultant to perform an independent assessment by examining those topics that would be most important to our key stakeholders, including the TCFD environmental standards and other environmental topics of interest. We then reviewed the recommended topics for inclusion.

This Report focuses on those environmental topics that we believe are most important to our long-term performance, including: our environmental management program; our environmental responsibility, energy usage, wastes, and water; as well as key elements of TCFD including governance, strategy, risk management, and metrics. Our environmental priorities center on these elements and we look forward to providing more information in the pages that follow.

ENVIRONMENTAL SUSTAINABILITY

Smith & Wesson is committed to responsible environmental practices in full compliance with all federal, state, and local regulations.

As environmental concerns become more prevalent, we recognize the opportunities and challenges increased regulations and standards present. Our Environmental Sustainability strategy is based on mitigation and prevention, including increasing environmental transparency for the benefit of all stakeholders.

Smith & Wesson's [Code of Conduct and Ethics](#); [Corporate Stewardship Policy](#); [Environmental, Health, and Safety Policy](#); and [Supplier Code of Conduct](#) highlight our commitment to protecting the natural environment and our communities. Our compliance policies and procedures are designed to ensure that we comply with applicable laws and regulations.

ENVIRONMENTAL IMPACT HIGHLIGHTS

**REDUCED OPERATIONAL FOOTPRINT +
UPGRADED WASTE WATER TREATMENT SYSTEM**

=

**LOWER WATER USAGE, LOWER NATURAL GAS USAGE,
AND REDUCED HAZARDOUS WASTE GENERATION**

ENVIRONMENTAL MANAGEMENT

Smith & Wesson's Environmental Management program covers the parent company and all subsidiaries.

Our Environmental Management System is managed by our site-specific Environmental & Safety Managers, who ensure that the system is implemented and maintained. Environmental data from all sites are collected by our Environmental Health & Safety (EH&S) staff at each site, consolidated by our Environmental Manager, and reported to our Director of Quality and EH&S. Our [Corporate Stewardship Policy](#) and [Environmental, Health, and Safety Policy](#) are available to all employees, customers, and suppliers on our website.

In 2021, our Board of Directors established a Sustainability Committee of independent directors to assist the Board and the various committees of the Board, as applicable, in fulfilling its oversight responsibilities for various environmental, health, safety, and governance policies and operational control matters relevant to the company. The committee also reviews energy use, waste, water use, and business compliance with regulations.

2022–2023 ENVIRONMENTAL METRICS (PERCENT CHANGE)⁽¹⁾

↓ **-8.20%**
NATURAL GAS USAGE
(THERMS)

↓ **-9.00%**
WATER DISCHARGE
(GAL)

↓ **-10.60%**
WATER CONSUMPTION
(GAL)

↓ **-5.50%**
EMISSIONS (MTON CO₂e)⁽²⁾

⁽¹⁾ Data from pages 10–11 of *Environmental Factsheet*.

⁽²⁾ Scope 1 emissions.

ENERGY



Energy management, including our greenhouse gas (GHG) emission mitigation strategy, is considered part of our company's core business responsibilities. Our sites follow a systematic approach to energy management that includes established procedures to ensure results, which are overseen by our Environmental & Safety Managers in concert with the Director of Quality and EH&S.

We continue to evaluate green equipment for office use, such as Energy Star® appliances, motion detector lighting, and high-efficiency HVAC units. The majority of the Company's total active office space utilizes LED lighting.

WASTES



Smith & Wesson minimizes our environmental impact by reducing the waste we send to landfills through recycling, purchasing environmentally responsible products, and reducing energy and water consumption, where it is commercially reasonable to do so. Furthermore, we are committed to utilizing recycling collection bins for paper in our offices whenever possible and recycling toner cartridges and electronic equipment. As part of our onsite mixed recycling requirement, our sites set waste reduction goals and targets. Waste data is reported to our Environmental & Safety Managers and is aggregated at the parent company level. Since most of the products that we manufacture are shipped into distribution to other companies, the end consumers of our products have the ultimate responsibility for end-of-life products and recycling.

The waste we generate is one of our most important environmental impacts and we work hard to manage and reduce our waste footprint. We apply our knowledge of supply chain, automation strategies, product applications, and materials technologies to recommend optimal solutions that minimize waste and maximize productivity while addressing sustainability needs.

Additionally, we continued to meet waste reduction targets/goals with significant improvements made with diverting wastes away from landfills. This is a positive indication that our efforts are working and that continued participation by all members of our company to reduce, reuse, compost, and recycle waste has become increasingly necessary as our operations expand.

WASTES % VOLUME / USAGE



-6.38%
REDUCTION IN WASTE
DIRECTED TO DISPOSAL

68.0%
OF ALL WASTE RECYCLED

WATER



Although Smith & Wesson does not operate in any regions with high or extremely high baseline water stress, water management remains important as we strive to optimize our water use efficiency across our operations. We also focus on treating the water we use in our manufacturing processes according to federal, state, and local regulations prior to discharge. We routinely work closely with our local water departments to ensure that we comply with regulations and to stay informed of any potential risks related to water scarcity. To date, none of our locations are subject to water scarcity restrictions. All locations utilize metered public potable water for operating and our Springfield facility also uses an unmetered private well for lawn irrigation purposes.

In 2023, our total water withdrawal decreased by 10.6% from 45,693,690 gallons to 40,851,398 gallons. Manufacturing operations account for our highest consumption of fresh water, followed by routine use in our offices and landscape irrigation around our properties. Our Facilities Management teams are responsible for water use management at our sites, with oversight from our EH&S team. Water-efficient products and internal policies account for our continued improvement in this area. We have also implemented a number of process-change projects that have had a positive effect on usage, which serves to minimize our impact and lower the cost of our products. Going forward, we will continue to monitor overall intake by reviewing both internal and external water sources and mitigating technology.

COMMITMENT TO THE ENVIRONMENT



Smith & Wesson recognizes that impact to the environment is a growing risk for our planet and we are committed to mitigating this risk by continuing to meet or exceed all applicable regulatory requirements. Historically, our tracking and progress reviews have been done internally across our various sites and within certain functions. As part of our increased focus on environmental sustainability, we have expanded this process to include senior management and the Board of Directors. The largest component of our Scope 1 and 2 emissions footprint is traceable to the power needs of our plants and is the area of greatest opportunity for potential reduction, as well as lowered production costs.

Smith & Wesson complies with all applicable legal and regulatory requirements to control and reduce emissions and energy usage in our operations. We are committed to making the necessary investments in systems and technology to ensure compliance and to meet or exceed these standards. We are subject to numerous federal, state, and local laws that regulate or otherwise relate to the protection of the environment, including the Clean Air Act, the Clean Water Act, CERCLA, and the Solid Waste Disposal Act, as amended by RCRA. CERCLA and RCRA, and related state laws, subject us to the potential obligation to remove or mitigate the environmental effects of the disposal or release of certain pollutants at our manufacturing facilities and at third-party or formerly owned sites at which contaminants generated by us may be located.

SCOPE 1 EMISSIONS

↓ -5.50%

IMPROVED OPERATIONAL EFFICIENCIES AND TECHNOLOGIES POSITION US TO ACHIEVE OUR ENVIRONMENTAL GOALS

ENVIRONMENTAL DATA TABLES

This annex expands transparency through key quantitative data compiled in accordance with the TCFD framework, along with additional details on our wastes, water, emissions, and energy. Report data covers all operations unless otherwise noted. In developing our Environmental Factsheet, we have compiled metrics organized by key environmental themes incorporated within our tables and throughout our organization. All data included in the following SASB and TCFD tables reflects calendar year 2023.

ENERGY	UNIT	2020	2021	2022	2023
Natural Gas Usage	therms	909,649	940,034	940,921	864,069
Diesel Usage	gal	29,493	28,002	19,158	25,908
Fuel Oil Usage	gal	12,318	11,303	13,641	13,874
Gasoline Usage	gal	46,838	51,721	45,572	46,492
Other Fuel Usage (liquid propane)	gal	24,676	31,303	29,485	25,796
Electricity Usage	kWh	46,126,117	49,239,481	42,709,100	45,005,027
Renewable Electricity Consumption	kWh	2,651,302	2,378,209	2,684,168	2,299,077

GREENHOUSE GAS (GHG) EMISSIONS	UNIT	2020	2021	2022	2023
Direct Scope 1 emissions ⁽¹⁾	metric tons CO ₂ e ⁽²⁾	4,033	6,628	5,901	5,578
Indirect Scope 2 emissions	metric tons CO ₂ e ⁽²⁾	15,147	11,817	10,602	11,626

⁽¹⁾ Includes both mobile and stationary sources.

⁽²⁾ CO₂, CH₄, NO₂, refrigerants

ENVIRONMENTAL DATA TABLES CONT.

WASTE	UNIT	2020	2021	2022	2023
Waste generated	lbs	15,201,931	15,779,057	12,266,734	12,555,473
Hazardous	lbs	374,686	473,536	403,373	624,753 ⁽⁴⁾
Non-hazardous	lbs	14,827,245	15,305,521	11,863,361	11,930,720
Waste diverted from disposal	lbs	11,675,971	11,743,370	8,632,464	8,539,717
Hazardous waste recycled, offsite	lbs	–	–	–	–
Non-hazardous waste recycled, offsite	lbs	11,675,971	11,743,370	8,632,464	8,539,717
Total weight of waste directed to disposal	lbs	4,396,462 ⁽¹⁾	4,935,883 ⁽¹⁾	4,320,680 ⁽¹⁾	4,044,957
Hazardous waste directed to disposal:	lbs	354,830	456,262 ⁽²⁾	396,505 ⁽²⁾	624,703
Incinerated (with energy recovery), offsite	lbs	43,891	38,218	40,059	41,807
Incinerated (without energy recovery), offsite	lbs	9,649	21,038	15,540	13,951
Landfilled, offsite	lbs	60,434	40,566 ⁽³⁾	19,709 ⁽³⁾	23,077
Other disposal operations, offsite	lbs	240,856	356,440 ⁽⁶⁾	321,197	545,868 ⁽⁴⁾
Non-hazardous waste directed to disposal:	lbs	4,041,632 ⁽⁵⁾	4,479,621 ⁽⁵⁾	3,924,175 ⁽⁵⁾	3,420,254
Incinerated (with energy recovery), offsite	lbs	–	234,717	162,334	117,172
Incinerated (without energy recovery), offsite	lbs	302,142	–	–	–
Landfilled, offsite	lbs	2,828,567 ⁽⁵⁾	2,979,211 ⁽⁵⁾	2,438,614 ⁽⁵⁾	2,125,653
Other disposal operations, offsite	lbs	910,923	1,265,693	1,323,227	1,177,429
TOTAL RECYCLE/REUSE	lbs	11,719,862	12,016,305	8,834,857	8,698,696
WATER	UNIT	2020	2021	2022	2023
Water Consumption	gal	45,707,912	49,403,926	45,693,690 ⁽⁶⁾	40,851,398 ⁽⁷⁾
Water Discharge⁽⁸⁾	gal	42,647,999	42,496,077	36,646,024	33,344,048
Water Withdrawal From High Water Stress Areas	gal	0	0	0	0
SASB INDICATORS	UNIT	SASB Code	2021	2022	2023
Number of Letters of Advice (LOA) received	number	CG-TS-250a.2	0	0	0
Number of manufacturing facilities	number	CG-TS-000.B	3	3	3

⁽¹⁾ The amounts reported have been restated for the effects of changes in items (2) and (3) below.

⁽²⁾ The amounts reported in 2021 and 2022 have been adjusted for electroplating waste not previously reported.

⁽³⁾ The amounts reported in 2021 and 2022 have been reduced by 4,895 and 6,868, respectively, to account for the double reporting of citric acid that is included in Other disposal operations, offsite.

⁽⁴⁾ In late December 2022, we upgraded a part of our wastewater treatment process in our Springfield, Massachusetts, facility. This upgrade was not completed until the middle of January 2023, which caused the need for us to export untreated slurry that was generated in our production process. This temporary increase in hazardous waste is a one-time event.

⁽⁵⁾ The amounts reported in 2020, 2021, and 2022 have been restated to include general trash in our Springfield, Massachusetts facility that had been erroneously excluded from the numbers reported previously.

⁽⁶⁾ This number has been corrected to reflect a miscalculation at our Houlton, Maine, facility where amounts were reported as cubic feet rather than gallons.

⁽⁷⁾ The 2023 water discharge amount includes an estimate for our Springfield facility for three of the months due to sensor calibration issues.

⁽⁸⁾ Treated waste water.

ENVIRONMENTAL DATA TABLES CONT.

TOPIC	DISCLOSURE	REFERENCE	NARRATIVE RESPONSE
 <p>Governance</p>	a) Describe the Board's oversight of climate-related risks and opportunities.	<p>Sustainability Committee Charter</p> <p>Audit Committee Charter</p>	<p>The Sustainability Committee provides Board oversight of various environmental, health, safety, and governance policies and operational control matters relevant to the company.</p> <p>In addition, the Audit Committee has ultimate oversight responsibility for the risk management process. The Audit Committee reviews updates to the risk register.</p>
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	<p>Risk Owners Council Charter</p> <p>Environmental Management System Policy</p>	<p>The Risk Owners Council (ROC) is responsible for monitoring the risk environment for the company and its subsidiaries and provides direction for the activities to mitigate, to an acceptable level, the risks that may adversely affect the company's ability to achieve its goals.</p> <p>The ROC is responsible for ensuring continuous improvement in managing the company's priority risks. In addition, the council supports the Board's efforts to monitor and evaluate the practices and policies that they use to govern the process by which risk assessment and management is undertaken.</p> <p>The ROC oversees the Smith & Wesson continuous Enterprise Risk Management (ERM) process. This process includes identification and prioritization of business risks. Individual employees may have day-to-day responsibility for managing specific risks but report to the ROC.</p> <p>All Smith & Wesson sites have an environmental management system to ensure compliance with federal, state, and local laws and minimize negative environmental impacts.</p>
 <p>Strategy</p>	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Please see Narrative Response	As a result of our risk management process described on the following page, Smith & Wesson has identified increased transitional risks related to expected legal and regulatory requirements.

ENVIRONMENTAL DATA TABLES CONT.

TOPIC	DISCLOSURE	REFERENCE	NARRATIVE RESPONSE
 <p>Risk Management</p>	<p>a) Describe the organization's processes for identifying and assessing climate-related risks.</p> <p>b) Describe the organization's processes for managing climate-related risks.</p> <p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>Please see Narrative Response</p>	<p>Smith & Wesson's ERM process includes identification and prioritization of business risks, review of prior ERM work, including prior risk registers, development of a new risk register based on the current internal and external dynamics, and review of emerging risks from legal and regulatory changes related to climate change that could impact our business. The ERM process includes an evaluation of the effectiveness of risk mitigation activities to ensure gaps are addressed and ongoing work to improve ERM systems, processes, and organizational structure. Climate change risks are considered as part of our annual risk management process. They are included as part of a range of ESG risks when assessing the external environment.</p>
 <p>Metrics and Targets</p>	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>Please see Narrative Response</p> <p>Please see Narrative Response</p>	<p>Smith & Wesson focuses on our environmental metrics when assessing climate-related risks and opportunities. In particular, we are focused on our energy usage and GHG emissions disclosed in this report.</p> <p>Scope 1: 5,578 metric tons of CO₂e Scope 2: 11,626 metric tons of CO₂e</p>

FORWARD-LOOKING STATEMENT

This Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on our current expectations, beliefs, plans, or forecasts and are typically identified by words or phrases such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “target,” “contemplate,” “project,” “predict,” “may,” “might,” “plan,” “will,” “would,” “should,” “could,” “may,” “can,” “potential,” “continue,” “objective,” or other words of similar meaning. A forward-looking statement is not a guarantee of future performance and we caution readers that actual results could differ materially from those contained in a forward-looking statement. Specific forward-looking statements in this Report include, among others, that (i) we are committed to transparent and consistent engagement with our stakeholders regarding our environmental strategies and programs; (ii) our reduced footprint, combined with state-of-the-art robotics, process automation, and a facility designed to conserve water and reduce electricity usage, will enable us to not only operate more efficiently, but will give us the ability to focus on what we do best: manufacturing and engineering high quality and sustainable products that last for generations; (iii) we are committed to responsible environmental practices in full compliance with all federal, state, and local regulations; (iv) we are committed to utilizing recycling collection bins for paper in our offices whenever possible and recycling toner cartridges and electronic equipment; (v) we expect to obtain ISO 9001 certification for the Maryville, Tennessee, facility in fiscal 2025; (vi) going forward, we will continue to monitor overall intake by reviewing both internal and external water sources and mitigating technology; (vii) we are committed to mitigating impacts to the environment by continuing to meet or exceed all applicable regulatory requirements; and (viii) we are committed to making the necessary investments in systems and technology to ensure compliance and to meet or exceed legal and regulatory standards.





Smith & Wesson®

THANK YOU