We Are Part of the Problem: Steps Toward a More Inclusive Company & Sport

Last June, our CEO Rob Katz sent an email to all employees on the systemic racism facing the Black community-making clear that, as a company, 'We Are Part of the Problem.' Both Vail Resorts and the broader ski industry have incredibly low representation from people of color. Clearly, there are elements of ski and snowboard culture that are not inviting to newcomers and we have not done enough to solve for that. As a company, we believe it is essential to prioritize dialogue that acknowledges change is needed.

So, what have we been doing since Rob's note? We have started to build our roadmap for a multi-year journey to address the lack of diversity in the industry, with a current focus on fostering a more inclusive company culture. All Vail Resorts' employees have been encouraged to take the time to listen, learn and grow in order to create an environment where everyone feels welcome.

- We established a new company core value at our annualLeadership Summit in October -Be Inclusive: Welcome everyone to our company, resorts and communities-include all races, gender identities, sexual orientations, abilities and other differences. We will hold ourselves accountable for living this foundational value every day, in everything we do, from our work on the mountains to the board room. During the Summit, we also had a <u>conversation</u> with Vail Resorts' Board Member, Nadia Rawlinson, where we talked about leadership development as well as the importance of doing the work needed to make a difference on diversity and inclusion at our Company and in our industry.
- In October 2020, Rob signed the <u>CEO Action Pledge for Diversity & Inclusion</u>. As the first CEO in the ski industry to sign
 this pledge, he joined America's top business leaders to advance diversity, equity and inclusion in the
 workplace. Employees were also encouraged to review and sign the <u>I ACT ON Pledge</u> to drive inclusive behavior in
 everyday life.
- We are also dedicated to building a more equitable and inclusive economy. In February 2021, Rob joine@colorado Inclusive Economy, a collection of business leaders committed to rebuilding the state's economy in a way that works for all Coloradans. As part of this movement, we'll be transforming our culture to better embrace inclusivity, as well as revamping how we hire, support and advance employees of color.
- We launched a new leadership development program: Leading Diversity, Equity and Inclusion to allow us to evaluate our
 current atmosphere and personal mindsets; to celebrate all forms of diversity; and to set the expectation that good leaders
 must build an understanding of DEI terminology, cultural contexts and unconscious bias. So far, three speakers have led
 candid, company-wide discussions for employees focused on race, inclusion and the importance of language in building
 an inclusive culture.
 - <u>Pamela Culpepper</u>, a DEI leader and founding partner of Have Her Back Consulting. Laying the foundation for future
 company priorities, Pamela led a discussion on race and inclusion. This conversation on June 26, 2020 was a call to
 action for employees to put in the work to listen and learn. <u>Video here</u>.
 - <u>Diego Zegarra</u>, a former Park City Mountain lift operator who now works as the Community Impact Director with the Park City Community Foundation. Originally from Peru, Diego works to create opportunities for the local Latinx population and spoke about his experiences in the industry on Aug. 27, 2020. <u>Video here</u>.
 - <u>Harvey Floyd II</u>, an organizational psychologist, senior executive coach and lecturer at the University of Pennsylvania's Warton School who specializes in the areas of DEI. Harvey spoke with leaders across the company on Dec. 3, 2020 on the importance and impact of language in building an inclusive culture.
- We are focused on elevating the voices of people of color across our company that choose to speak out about their

experiences. In the most recent Epic By Nature podcast (Feb. 4, 2021), we hear from six Vail Resorts team members spotlighting opportunities (and failures) for our company and industry-creating a clear call for us to do better. Give it a listen here.

• We are matching our words with our actions. In a letter sent to employees on Martin Luther King, Jr. Day this year,
Rob addresses the recent political events and how our company values, including Be Inclusive, need to factor into how we
engage with broader community, including the political arena with our Employee Political Action Committee.

In addition to creating a more inclusive culture, we are committed to increasing diverse participation in the sport by inspiring the next generation of skiers and riders. We're expanding our youth access programs all 34 of our North American resorts, including over a dozen that serve major metropolitan areas-providing free lift tickets, ski school and equipment rentals. Backed by a \$10 million grant from the Katz Amsterdam Charitable Trust over five years, \$1.5 million was recently donated to nonprofits working to strengthen communities and youth of color in cities surrounding Vail Resorts' locations. Full announcement here.

We'll continue to share updates on our progress. There is a lot of work ahead-and we are committed to creating lasting change. We know we'll be a stronger company and better industry with more diverse viewpoints, and the sport will be more resilient with broader engagement.

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