



For 65 years, Polaris has been driven by a desire to make a positive impact on every individual our business touches — from helping people enjoy the outdoors for work and play, to being a great place to build a career, to serving as an ethical and valued community member everywhere in the world we do business. Environmental stewardship is also important for preserving the riding lifestyle we all know and love.

The Polaris Geared for Good framework signals our most focused effort yet to do all we can to elevate industries, communities and quality of life for everyone and everything within our corporate ecosystem.



Executive Leadership Team, left to right:

Steven D. Menneto
President of Motorcycles

Michael D. Dougherty President of International

Engineering and Lean

Lucy Clark Dougherty
Sr. Vice President, General Counsel,
Compliance Officer and Secretary

Todd A. Gross

Vice President of Product Quality & Safety

Kenneth J. Pucel

Executive Vice President of Operations,

James P. Williams

Sr. Vice President and Chief Human Resources Officer

Scott W. Wine

Chairman and Chief Executive Officer

Matthew J. Emmerich

Vice President and Chief Information Officer

Michael T. Speetzen

Executive Vice President of Finance and Chief Financial Officer

Christopher S. Musso
President of Off-Road Vehicles

Stephen L. Eastman
President of Aftermarket/Parts
Garments & Accessories

Pamela L. Kermisch

Chief Customer Engagement and Growth Officer

Christopher G. Wolf

President of Snowmobiles

Michael F. Donoughe

Sr. Vice President and Chief Technical Officer

Robert P Mac

Sr. Vice President of Corporate Development and Strategy, and President of Boats/Global Adiacent Markets

Not Pictured: Craig A. Scanlon
President of Transamerican Auto Parts

A. The Polaris Executive Leadership Team

B. Polaris GEM providing green transportation during the Super Bowl 52.

C. Building engines in our Osceola, WI plant.

D. 2018 Vets Ride to Sturgis with Indian Motorcycle.

Since our founding in 1954, Polaris has been Geared for Good. This good comes to life through our products, our practices, our partnerships, and our people. Through efforts big and small we support our values and shape Polaris, creating products, experiences, and a corporate culture we can be proud of.



Under the Geared for Good framework, our corporate stewardship is focused on an unwavering commitment to our employees, quality and safety, environmental sustainability, and the communities in which we work, live, and ride.

We are passionate about creating products that enable riders to enjoy the outdoors and build experiences they will never forget. Our connection to the outdoors extends from the trails, lakes and mountains we ride on to the manufacturing facilities where our vehicles are produced, and this linkage underlies our commitment to achieve the following Environmental Sustainability goals:

5% reduction in greenhouse gas generation by 2022

5% improvement in overall energy efficiency by 2022

15% of energy portfolio driven by renewable energy by 2022

Our Safety and Quality efforts encompass everything from designing high quality products to delivering safe working environments for our employees. From educational resources on safe riding practices to

encouraging employees to share ideas for improving processes, safety and quality are cornerstones of Polaris culture.

We stand behind our Employees in other ways as well. At Polaris we are proud to foster a welcoming, respectful, inclusive and engaging workplace while providing ample resources and opportunities for our employees to achieve their long-term career goals.

Across the globe, Polaris strives to be a good neighbor. From promoting safe and responsible riding to aiding veterans to various charitable donations, supporting our local Communities is a natural part of our culture. In addition to our corporate giving we support our employees in their charitable efforts through designated volunteer time off and our Dollars for Doers programs.

Our Geared for Good framework serves as a guide for us to create value and best serve the interests and needs of our stakeholders. We look forward to the future – building upon our strong foundation and continuing to create impact.

Respectfully,

22-30

Scott W. Wine Chairman and Chief Executive Officer





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Polaris Industries At a Glance

Established

1954

Employees

Approximately

13,000 \&

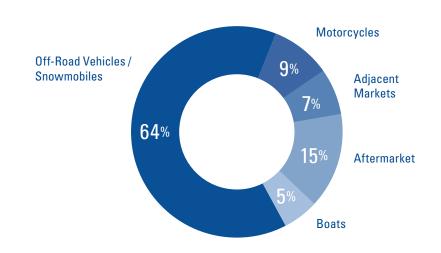
Worldwide and more than 9,000 people in the United States, which includes nearly 6,000 manufacturing workers.

Headquarters

Medina

Minnesota, USA

Portfolio



Products

Side-by-Side Vehicles (SxS)

Mid-Size and Heavyweight Motorcycles

Snowmobiles

Boats

Parts, Garments and Accessories (PG&A)

All-Terrain Vehicles (ATV)

Commercial Utility Vehicles (UTV)

Moto-Roadsters

Ultra-Light Tactical Vehicles

Jeep and Truck Aftermarket Accessories

Light-Duty Haulers

People Movers

Personal Quadricycles

2018 Sales

\$6.1 Billion

NYSE Symbol

PII

U.S. Network

Support a national dealer network with 2,000+ dealers across all 50 states and over 20,000 dealer employees.

Our ORV market share is bigger than our next three competitors combined



Polaris was named to the Fortune 500 list in 2018

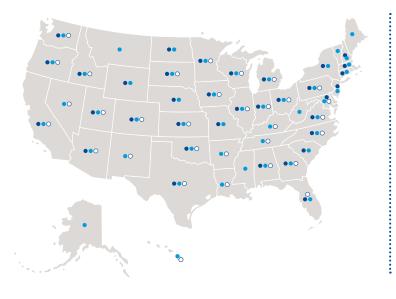
Polaris employees are one of our top five shareholders thanks to the company's ESOP

Polaris has connection in all 50 states



Suppliers

Dealers



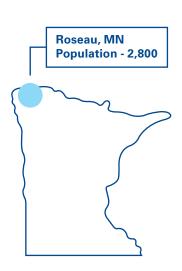


Polaris was recognized as one of America's best large employers by Forbes in 2018

Polaris holds over 1,000 patents worldwide



Founded in Roseau, MN, where we still maintain our largest U.S. operations to-date







- Putting on the finishing touches for Indian Motorcycle builds in Spirit Lake, IA.
- B. New Polaris Snowmobiles rolling down the line in Roseau, MN.
- C. Taking a sunset cruise on a Bennington Pontoon.
- D. All smiles while working on the line in Roseau, MN.
- E. Living the RZR Life on the trail.

It's not about winning at Polaris. It's about winning the right way — guided by our longstanding core principle of Safety and Ethics Always. Every day, across all functions of the company, we live out this concept by staying committed to conducting our business in an ethical and legal manner.



Corporate Responsibility Committee

We are driven by Innovation, Integrity and Accountability, and we continually tune to be good stewards for the industry, our riders and the outdoors. This vision for Geared for Good guided us in establishing our Corporate Responsibility Committee (CRC).

The Committee's purpose is to advise the company on matters of significance to the company and its stakeholders concerning corporate social responsibility and sustainability, and to assist the company's Board of Directors and Senior Management Team in addressing the impact of these matters on the company's business, strategies, operations, performance and reputation.

View Corporate Responsibility
Committee Charter >

Materiality Assessment

BSR is a global nonprofit organization that works with its network of more than 250 member companies and other partners to build a just and sustainable world.

Polaris, through the CRC, has become a BSR member. Beyond the benefits of the membership, Polaris has also engaged BSR to lead us through a formal Materiality Assessment in 2019.

This assessment uses robust methodologies to identify key priorities for the business and stakeholders, leadership opportunities and strategic implications. The purpose of this effort is to inform Polaris sustainability strategy and goals, while working to align them to strategic, business objectives.

Polaris Code of Conduct

Our Code of Business Conduct and Ethics summarizes the ethical and legal standards that we expect from all Polaris employees, business partners and board members.

To help us meet our goals and uphold our reputation as an ethical corporate citizen, every one of us must rely on the Code to drive our behavior, through celebratory and challenging times alike. We offer multiple reporting mechanisms in the rare event a violation is witnessed including anonymous reporting through the Ethics Point Hotline, administered by an independent third party and available to our global employee base 24 hours a day, 365 days a vear.

View Polaris Code of Conduct >

Corporate Governance Highlights

Our commitment to good corporate governance stems from our belief that a strong governance framework creates long-term value for our shareholders, supports partnership with our dealers, offers opportunity for our employees, and builds trust in Polaris and its brands for consumers.

Board Independence and Leadership

9/10

Directors Independent Independent Lead Director with Robust Authority **Board Diversity**

30%

Female Directors



Diverse and Relevant Skill Set

Board Refreshment

4 Directors

 \Rightarrow

6 Years

→

57 $_{
m Years}$

Average Age

in the past 4 years

Average Tenure

Supplier Code of Conduct

As a vital and valued extension of Polaris, our suppliers are expected to share our focus on ethics, integrity and responsible business operations. To safeguard that suppliers conduct business in this manner, all of Polaris' suppliers are expected to adhere to this Supplier Code of Conduct and Polaris Human Rights Policy. These policies standardize these expectations and provide a valuable guide for driving responsible business practices throughout our global supply chain.

<u>View Supplier Code of Conduct ></u>

Conflict Minerals Policy

Polaris supports the goal of ending violence and human rights violations in the Democratic Republic of Congo (DRC) by demanding transparency regarding the origins of all tantalum, tin, tungsten and gold used in our products, as outlined in our Conflict Minerals Policy. We require all of our suppliers to undertake reasonable due diligence to identify any products supplied to us that contain conflict minerals sourced from the DRC and nine contiguous countries. In such cases, all associated mines and smelters must be certified "conflict free" by an independent third party for Polaris to continue sourcing from that supplier.

View Conflict Minerals Policy >

Human Rights Policy

Polaris is committed to respecting and promoting human rights in the workplace and across our global supply chain. Our Human Rights Policy requires that Polaris and each supplier maintain a workplace free from harassment, discrimination, forced labor and child labor, and safeguard against human trafficking anywhere within our operations and supply chain.

The Human Rights Policy also outlines our expectation that we and our suppliers comply with all applicable labor, wage and hour laws, as well as all applicable health, safety and environmental laws and regulations to provide a safe and healthy work environment. Polaris is committed to respecting the privacy and rights of employees and third parties, and we require our suppliers to do the same. Polaris is an equal opportunity/affirmative action employer and requires suppliers of a certain size to develop an affirmative action plan.

<u>View Polaris</u> <u>Human Rights Policy ></u>



We are not only improving our own Supply Base and Manufacturing, but more importantly, we are making positive impacts around the world. Polaris is committed to continuous improvement and raising the bar for our supplier standards and expectations

- Kristen Stromberg, Manager Global Strategic Sourcing







- A. Polaris Mexico Sales team enjoying nature and a R7R ride.
- B. Taking on the trails side by side with RZR.
- C. Hard at work in Roseau, MN.
- D. Moving a snowmobile build forward in Roseau, MN.
- E. Enjoying the fresh powder on a Polaris Snowmobile.

Polaris is committed to reducing the potential impacts of our operations. We recognize that by integrating sound environmental, health and safety management practices into our manufacturing, we can offer innovative products while conserving resources.

View Polaris Environment, Health and Safety Policy >

Using Energy More Efficiently

As we grow in size, complexity and diversity, we recognize that remaining focused on energy efficiency will be a key factor in our future success. In 2017, we set an energy goal aimed at driving a 5% improvement in energy efficiency across our largest energy-consuming operations.

We achieve energy savings in big and small ways within Polaris. Employees and contractors make energy efficiency a constant priority through everyday acts such as maintaining our equipment so that it runs smoothly, and through value improvement projects, such as installation of high-efficiency injection molding equipment in our Roseau, Minnesota and Monterrey, Mexico facilities. Polaris also continues to find new ways to

use energy more efficiently within our operations.

Our manufacturing operations manage energy efficiency by identifying, evaluating and implementing projects that will conserve energy. To date our manufacturing facilities have implemented energy efficiency projects that have driven ~41,000 GJ of energy savings which is a 3% improvement compared to our 2017 baseline.

One example of success in reducing energy consumption is within our Huntsville, Alabama, manufacturing facility. Through a series of projects such as LED lighting, air compressor management, equipment automation and shutit-down programs, the facility was

able to drive 2,408,907 kWh of energy savings.

Greenhouse Gas Management

We are committed to managing our greenhouse gas (GHG) emissions. We are addressing the GHG emissions in our operations and integrating GHG emissions management into the execution of our business activities.

Further, we maintain and report inventories of our emissions, undertake projects to manage operating emissions and apply innovative technologies to improve the energy efficiency of our operations. In 2018, our facilities drove total GHG savings of 4,500 metric tons of CO2-equivalent, a 4% savings compared to our 2017 baseline.

Our manufacturing facilities have implemented energy efficiency projects that have driven

~41,000

Gigajoules of energy savings, a

3% improvement

compared to our 2017 baseline

In 2018 our facilities drove total GHG savings of

4,500

metric tons of CO2-equivalent, a

4% savings

compared to our 2017 baseline

Our environmental goals will be measured based on nine priority locations (listed on page 15 of this report) that make up 90% of emissions and energy consumption for our manufacturing and research & development facilities.



Other Polaris Locations:

United States

Banning, California Chula Vista, California Sandpoint, Idaho Cuyahoga Falls, Ohio Elkhart, Indiana Syracuse, Indiana Monticello, Minnesota

Europe

Aix-les-Bains, France Bourran, France Chanas, France

Asia

Shangai, China

Polaris GHG Emmissions Locations

UNITED STATES

Huntsville, Alabama Manufacturing

Anaheim, CaliforniaManufacturing

Spirit Lake, Iowa Manufacturing

Roseau, Minnesota

Manufacturing

Wyoming, Minnesota

Research & Development

Spearfish, South Dakota

Manufacturing

Osceola, Wisconsin

Manufacturing

MÉXICO

Monterrey, México

Manufacturing

EUROPE

Opole, Poland

Manufacturing

These locations will be the basis for measuring our environmental goals.

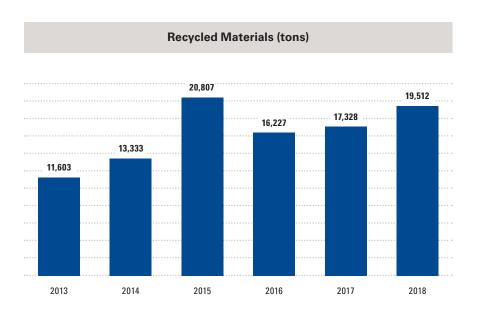
GHG emissions were quantified for Manufacturing and R&D facilities in North America and also include Manufacturing facilities in Monterrey, Mexico and Opole, Poland.

The majority of greenhouse gas (GHG) emissions associated with these facilities are related to energy use (natural gas and electricity). We report the energy consumed in gigajoules (GJ) for electricity, natural gas and other fuels. We use emission factors to estimate the direct (Scope 1) and indirect (Scope 2) GHG emissions. Value chain or indirect emissions from transportation, purchased materials, end-user vehicle usage, etc. (Scope 3) are not included. GHG emissions

associated with transportation of company employees including company planes are not included. GHG emissions from refrigerant usage were quantified and are included in this report.

Polaris reports emissions of GHG based on the GRI G4 protocol including carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O) and refrigerant emissions as noted above, all quantified as CO2 equivalent (CO2e).





Waste Minimization

To minimize our environmental footprint within Polaris, we look for opportunities to avoid the use of hazardous materials, to reuse or recycle materials, and to prevent the generation of waste. When prevention, reuse and recycling are not practical, we apply controls and treatment technologies to minimize environmental impacts.

Approved facilities demonstrate that they have the systems, technologies and practices to manage our waste streams responsibly and in compliance with all applicable requirements.

Total Waste			
Year	2017	2018	
Hazardous Waste (tons)	851	1,072	
Non-Hazardous Waste (tons)	2,450	3,086	
Water Usage (Gal)	46,078,426	63,526,127	



Energy Efficiency Partnership

Our Polaris Huntsville, Alabama team is an active member in the Tennessee Valley Authority's Strategic Management Energy Cohort. This cohort of businesses works together to identify and develop energy management improvement processes that can be implemented across multiple industries to drive energy savings.

Renewable Energy

Polaris continues its commitment to understanding and evaluating the economic viability of renewableenergy sources and achieving our 2022 goal of 15% of our energy portfolio being made up of renewable energy resources. Our team is actively pursuing on-site and off-site renewable energy projects that we hope to bring online in the coming years.

Water Use and Management

At Polaris we recognize the importance of water and our responsibility to local communities to manage our usage of freshwater resources in a responsible manner. As such, we focus our efforts on prudently managing the water we use by:

(1) Complying with local and national standards regarding our wastewater discharges, as well as internal company requirements, (2) understanding and controlling our operational water footprint, and (3) encouraging our employees to be water stewards at work, at home and in their local communities.



Goal 1:

5% Reduction

In Greenhouse Gas Generation by 2022

Goal 2:

5% Improvement

In Energy Efficiency by 2022

Goal 3:

15% Total Renewable Energy

Portfolio by 2022



Deploying products and partnerships to help achieve environmental efficiency.

\$2.2

Million in grants to date









T.R.A.I.L.S. Grants

Through our T.R.A.I.L.S. Grant program, the Polaris Foundation supports snowmobile and off-road vehicle (ORV) associations to help promote safe and responsible riding and preserving trail access. The grants range from \$1,500 to \$10,000 to support the development, improvement and expansion of trails, along with enhancements in ATV and ORV educational materials. Since its launch in 2006, the T.R.A.I.L.S.

grant program has given 243 grants, accumulating to over \$2.2 million. In March 2018, the All-Terrain Vehicle Association of Minnesota (ATVAM) was awarded a \$10,000 T.R.A.I.L.S. Grant. The grant supported the ATVAM Fall Ride and Rally, which gave legislators and club members a firsthand riding experience on local trails. The one-on-one event opened valuable discussions about powersports legislation and sustainable trail management.



A B

- A. Minneapolis/St. Paul Police Force outfit for Super Bowl 52.
- Polaris Commercial and Government vehicles built to problem solve.

Insert

Goupil keeping Torino Clean.

Celebrating 20 Years of Electric Transportation

Global Electric Motorcars (GEM) celebrated 20 years of operation in 2018. Since 1998, the brand has produced and sold more than 50,000 low-speed, electric vehicles to college campuses and universities, police departments, city governments, corporate campuses and drivers in the United States, Canada and Europe.

Colleges and Universities Leverage GEM

GEM vehicles have been instrumental to supporting pedestrian safety, reducing environmental impacts and tackling budget constraints on college campuses and universities across the United States. GEM vehicles maximize pedestrian and passenger safety by complying with Department of Transportation (DOT) regulations and Society of Automotive Engineers (SAE).

The zero-emissions, street-legal electric vehicles produce 12,000 fewer pounds of carbon than the average internal combustion vehicle, saving about 21 trees per vehicle.

GEM Launches Fleet Savings Calculator

This user-friendly online tool breaks down how much money an administration could save by switching to a GEM fleet over three-, five-, seven- and 10-year increments, helping to create savings plans unique to each fleet.

A More Sustainable Public Safety Line

Polaris Government and Defense added GEM vehicles to its Public Safety Line, alongside its *RANGER* and GENERAL options. GEM e2 and e4 vehicles offer low-speed maneuverability and travel in narrow pathways.

GEM vehicles are fully electric and offered with an amber light bar and custom graphic, making them an option for public safety units looking for professional, sustainable and affordable urban vehicles.

Goupil G4 Keeps Torino Clean

Iren, an eco-mobility operator company based in Italy, is using all-electric Goupil G4 vehicles to manage food waste and clean the



streets of Torino City. Iren replaced 127 petrol tricycles with ecofriendly Goupil vehicles in 2018. With the switch, the city saved more than 163,000€ and reduced CO2 emissions by 252,374 kg.

More Eco-Friendly Work Options

The Aixam eTruck is the only compact, license-free, all-electric utility vehicle in its class. The professional utility vehicle is equipped with a durable, Euro 4-certified Kubota engine, offering an ecological, user-friendly and safe experience for a variety of jobs.















- A. Snowmobile production in the birthplace of Polaris: Roseau, MN.
- B. Building Indian Motorcycle in Spirit Lake, IA.
- C. 2018 Summer Information Services
 Interns enjoying a fun and safe ride.
- D. Family days spent floating and fishing on a Godfrey Pontoon.
- Getting geared up for a great and safe run on fresh snow.

Goal:



Achieve a Total Recordable Incident Rate of at or less than 1.2 by 2023

It takes time to apply our best-inclass TRIR philosophy to newly acquired facilities. Accordingly, with the acquisition of Boat Holdings and WSI Industries in 2018, our 2018 TRIR was 1.64, above our goal of <1.2. We are working diligently to integrate these facilities and implement a foundation of proven programs that will help drive improved safety performance. We remain confident that we can achieve our goal on TRIR. A key measure of our success is work place safety. We are committed to maintaining safe and healthy workplaces for our team members, and believe every employee and contract worker should return home safely each day.

Polaris utilizes a proactive, prevention-based approach to workplace health and safety.

We start with a foundation of basic requirements and L.I.F.E. (Life-altering Incidents & Failure-cause Elimination) safety risk reduction tools that are deployed consistently across our organization. We then measure our progress by establishing

goals that are focused on driving continuous improvement. In 2017, we saw great progress toward our previously established goal of achieving a TRIR (Total Recordable Incident Rate) of \leq 1.2 by 2022. Our TRIR in 2017 was 0.67. Since this achievement, our organization has grown significantly with acquisitions such as Boat Holdings and WSI. With the additional employ-

ees and expanded operations the risk profile of our organization has changed. Accounting for our growth, our combined TRIR in 2018 was 1.64. We are committed to continuously driving incident reductions within our business operations, expanding our proven processes, and remain dedicated to achieving a TRIR \leq 1.2 across our larger organization by 2023.

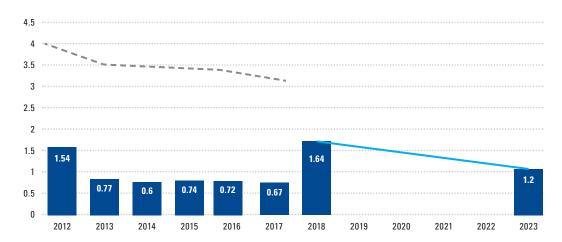
TRIR=

Recordable Injuries

x200,000

÷ Hours Worked

Total Recordable Incident Rate*



* Includes all Polaris facilities. Baseline re-established in 2018 to include acquisitions.



^{*} Standard calculation developed by the U.S. Occupational Safety and Health Administration (OSHA).



LIFE SAVER

The best way to create a safe work environment is in an environment where employees are accountable for their personal safety and the safety of those around them.

In 2018, we rolled out our LIFE SAVER program and asked employees to recommit to supporting safety, being accountable for safety, valuing their coworkers safety, eliminating unsafe conditions and recognizing safe behaviors in the work place.

Our ultimate aspiration is achieving zero employee injuries, and we recognize that in order to succeed we need all employees to stand up and be LIFE SAVERs. Senior leadership also plays an important role in instilling safety throughout Polaris. As part of our end-to-end approach to safety, our senior executives actively participate on an Environmental, Heath, & Safety (EHS) Governance committee that is tasked with governing

Polaris' enterprise EHS Management system and championing a zero-harm culture across the organization.

Avalanche Training Program

In partnership with Zac's Tracs, the program includes two full days of in-class and hands-on avalanche

rescue training. The training helps participants recognize avalanches, and become more aware in dangerous snow conditions. More than 95 employees completed the Avalanche Training Program during the year. In addition to safety training, we allow our employees to check out avalanche gear, helping to remove cost as a barrier to safety.









"

By engaging employees in online and hands-on product safety training, we cultivate a more robust employee riding culture built around personal and product safety.

- Mallory Apperson, EHS Manager

Rider Safety Policy

This year, we established a uniform Rider Safety Policy throughout Polaris to promote safety. The policy explicitly states the required training for every vehicle, and reiterates how to show respect for others and the environment on and off the roads.

Four New ASI Safety Programs

This year, we had ATV training at four new locations: Spirit Lake, lowa; Battle Ground, Washington; Osceola, Wisconsin and additional trainers in the Minneapolis/Saint Paul metro area. Each new site has been responsible for training inexperienced employees on ATV usage and safety recommendations. Over the past few years, more than 1,000 employees have participated in our ASI training programs.

Intern Ride Experience

Summer 2018 saw the revamping of our Intern Ride Experience. During a side-by-side clinic at our Wyoming, Minnesota facility, 80 Polaris interns applied their ATV and ROHVA training and operated different types of Polaris off-road vehicles (ORVs).

The Early Talent, EHS, and Way Out Technical Training (WOTT) teams partnered to provide a controlled and safe experience for summer interns to explore the trails.

For several interns, it was the first time they had ever been on an ORV or ATV.









- Polaris Government vehicles getting ready to help serve and protect.
- B. Building engines in our Osceola, WI manufacturing facility.
- C. Todd Gross, Vice President of Product Quality & Safety and Chairman and CEO, Scott Wine, presenting John Dansby with a Quality Star award.
- D. Participating in our Youth Safety training in partnership with the Boy Scouts of America
- E. The Indian Motorcycle RIDE COMMAND system.

From the very start, our focus on customer and product safety has been foundational to Polaris, and it remains of paramount importance today. Over the last several years, we have made additional investments in our teams, processes and tools to improve the safety of our vehicles even further and give our customers the best riding experience in the industry.

Polaris engages in continuous improvement processes to prevent safety and quality issues from manifesting themselves and proactively address them when they do. In doing so, we have enhanced post-sale surveillance processes. These now include the ongoing review of extensive and diverse data sets to quickly identify and address issues that may emerge with vehicles in the field.

In addition, we focus on maintaining a positive working relationship with the regulatory agencies that govern our products. We continue to work closely with these agencies on any potential safety concerns while meeting all reporting obligations.

New RIDE COMMAND App

In 2018, Slingshot and Indian Motorcycle launched the RIDE COMMAND app to enhance the rider experience. The mobile app allows riders to remotely access key vehicle data and conveniently

plan routes ahead of time using a desktop platform. Riders also use the app's Group Ride functionality to locate other riders in real time.

New Government Equipment Lineup Supports Public Safety

The Polaris Government and Defense team partnered with Midwest Suppliers Action Fleet and RKO Enterprises to expand public safety equipment offerings.

Since 1998, RANGER and GENERAL side-by-side have allowed local fire, law enforcement and rescue teams to travel safely and more efficiently in restrictive off-road environments. The new offerings help to make government vehicles more visible and accessible in critical situations.

Guide Instills Safe RZR Riding Practices

In 2018, the Polaris RZR and Part, Garments and Accessories (PG&A) teams co-launched the first-ever Ultimate Riders Guide to help Polaris owners live "beyond the dirt," presented as a terrain-based digital video series. The series aimed to educate RZR owners on key accessories, vehicle maintenance strategies and additional industry-leading driver techniques while riding on different terrains.

While the first installment of the series focused on desert riding, additional trail and snow riding installments are set to launch in 2019

ASI Safety Video Appears on Facebook Live

The Polaris Foundation partnered with Boys' Life Magazine, a publication of the Boy Scouts of America, to create an ASI Safety video on Facebook Live. The hands-on piece featured an ASI-certified instructor demonstrating how to safely ride a Polaris ATV, frequently encouraging viewers to comment on the live experience.





FTR 1200 Motorcycle Pairs Performance with Safety

Born from the champion-winning FTR750 race bike, the FTR 1200 from Indian Motorcycle brings flattrack style and performance onto the open road.

The street-legal bike has three ride modes and lean-angle sensitive-traction capabilities, giving riders a maximum level of stability and control.

New Youth Vehicle Offers App-Enabled Parental Controls

The RANGER 150 EFI gives riders 10 years of age and older the experience of driving their own vehicle while maximizing their safety for a great ride.

It is the industry's first youth vehicle to incorporate this safety technology. Through the RIDE COMMAND app and the vehicle's rider-safety features, parents can set riding boundaries, determine speed limits, require seat belts to be worn and control who is operating the vehicle.

Employees Weigh in on Safety with PDP 2.5

More than 120 employees actively contributed to the evolution of our Product Development Process (PDP) in 2018. With advancements made from PDP 2.0 to PDP 2.5, we have created stronger checkpoints for driving key decisions and increased program accountability for both teams and leadership.

We also standardized our processes to continually and consistently evaluate our programs. Continuous improvements to the PDP help our teams identify what is important to the customer and guarantee alignment on program goals, in addition to helping

programs define, track and execute upon critical metrics such as cost and gross profit.

PRO XD Optimizes Commercial UTV Durability and Safety

Since 2012, Polaris Commercial has been helping hardworking commercial customers increase job-site productivity.

We added the PRO XD diesel UTV family to this industry-leading lineup in 2018. Extensive research with rental, government and construction leaders confirmed that durability, serviceability and safety were of utmost importance to the commercial consumer.

With those specifications in mind, PRO XD was designed specifically to withstand tough duty cycles in the most demanding work environments Polaris Commercial is laser-focused on driving increased safety and productivity for commercial markets. We listened, learned and leveraged our nearly 65 years in this business to deliver the absolute best new UTV optimized for work.

- John Olson, VP and GM for Polaris Commercial, Government and Defense





Quality Star Awards

At Polaris, we continually challenge ourselves to elevate quality, which stems directly from the decisions and actions we make every day. Committing to a culture of quality helps to provide the best products, services and experiences for our customers.

Our annual Quality Star Awards recognize employees who have best exemplified this commitment. They also showcase the spirit of teamwork, attention to detail and customer focus that define our workplace culture.

In 2018, Polaris gave out 113 Quality Star awards to employees for going above and beyond on safety and quality. Among those include:

Assembler Samantha Johnson (Huntsville) was recognized for enhancing the quality in a supplied component for our *RANGER* product line.

Welder Andrew Landin (Roseau) was recognized for his initiative to improve the quality of our ATVs.

Engine assemblers Shane Eckard and Kat Arellano (Osceola) were recognized for their attention to detail in our engine manufacturing.

Promoting Youth Safety

The Polaris Foundation partners with the Boy Scouts of America and 4-H to promote safe and responsible riding practices.

In 2018, 41 Boy Scout camps hosted Polaris ATV safety programs. The first ATV High Adventure Trek was launched at the Boy Scout High Adventure Camp in Summit Bechtel Reserve in West Virginia. Featuring the Polaris OHV Center for Excellence, a safety training center and high-adventure trail system, this four-day, 60-mile+ATV journey promotes off-road

vehicle safety, responsible riding and respect for the environment.

Almost 42,000 Scouts attended camps with a Polaris ATV Safety Program during the year, and 2,600 received their ATV Safety Institute Certification. We also partnered with 4-H nationwide to provide ATV Traveling Safety Classrooms. The classrooms travel to state fairs, county fairs and 4-H events. Thus far, we have introduced more than 1.1 million kids to our safety message.













- A. Members of Polaris Industrial Design cultivating creativity in our clay studio.
- B. Team trip to our Indian Motorcycle experience center in Spirit Lake, IA.
- C. Welcoming Boat Holdings to the Polaris Family
- Proudly displayed product at our Global Headquarters in Medina, MN.
- E. Finishing touches being implemented on an Indian Motorcycle Roadmaster.

At Polaris, we recognize that our success begins with our employees. In turn, it is our responsibility to support their development and help them achieve their full potential by creating rewarding career experiences. Doing so fulfills our vision of fueling the passion and enriching the lives of those who interact with Polaris, whether through the memories and adventures that we help create for riders, or the opportunities, experiences and support we offer our employees.

Polaris offers a competitive salary and comprehensive benefits package including, medical and dental plan options, a company match for 401K, profit sharing, paid time off, wellness discounts, tuition reimbursement, product discounts and more. We also offer an employee stock ownership plan – our employees are among our largest shareholder groups.

Geared Toward Development

We continually invest in the educational and career pursuits of our employees at Polaris, helping to bridge the gap between senior management and the front line. In fact, more than 70 percent of our current team members at director level and above have reached their role through an internal promotion.

Our development offering is customizable to each individual's career goals, with subjects ranging from human resources, engineering, operations and finance to sales and marketing, and digital and information systems. One good example is our Succeeding as a Polaris Leader (SAPL) and Polaris Leadership Development Program (PLDP)

initiatives, which are designed to provide individual contributors, managers and directors with an in-depth development experience.

These programs help our employees gain business and leadership experience through traditional classroom lessons, hands-on projects and engagement with senior leaders.



Public Recognition

Polaris winning advantages include an innovative culture and dedicated team, operational speed and flexibility, and passion to create quality products and experiences. We were recognized for this and more in 2018.

Named to Forbes 2018 Best Large Employer List

This ranking was based on the anonymous, independent responses of more than 30,000 full- and part-time U.S. employees. The questions focused on how likely a respondent would be to recommend an employer to a family member or friend.

Great Places to Work Awards for Monterrey Plant

Polaris Monterrey was recognized as both the fourth Best Company to Work for in México and the "Company with the Highest Creditability" by Great Place to Work (GPTW) in 2018. GPTW uses research-backed technology

and employee surveys to identify high-trust, high-performing workplace cultures, evaluating company characteristics such as workplace respect, creditability and impartiality in the business environment. Seventy-five other México businesses were in the running for the awards.

College Planning & Management's 2018 New Product Award.

GEM vehicle application packages won the College Planning & Management 2018 New Product Award in the category of "Outdoor Environment, Vehicles," and cited for their usability and distinctive features. The award honors the top product development achievements of manufacturers and suppliers of products that enhance the learning environment.

Supertrax Media Real World Sled of the Year

The Polaris 2018 800 Switchback XCR won this award for 2018 from Supertrax Media, which produces one of North America's most watched and longest-running snowmobile TV series. The award is evaluated across 18 categories and is the only snowmobile award given after a full season of riding.

Supertrax Media praised the XCR for its "inimitable handling prowess and high-speed ditch-banging demeanor." The sled's brake and shock performance, along with its control and stability features, were also called out as highlights.

AWDA Best Digital and UX Design

Three Polaris websites – the Indian Motorcycle homepage, Slingshot homepage and Polaris ORV model landing page – received this award among 1,500 entries during the 2018 American Web Design Awards (AWDA).

Winners were chosen based on how each website attracted audiences, generated new engagements and enhanced users' online communications experiences.

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Los Mejores Lugares Para Trabajar^{**} Noreste MÉXICO 2018





The best part about WLP is getting the chance to interact with high-level Polaris leaders on a very personal level. We foster inclusion by talking freely about topics such as professional development, which members may not otherwise talk about with peers on their immediate teams.

– Jenna Novotny, 2018 WLP President



WLP Expands its Reach

Polaris supports equal opportunity, diversity and inclusion — from our recruiting through the experiences and development opportunities available to our employees.

One example of the latter is Women Leaders in Powersports (WLP), our thriving organization that continued to grow in 2018 as we welcomed new members from the Polaris Bass Creek office.

Since its creation, WLP has worked to engage and empower employees across Polaris. To celebrate the inclusion of our Bass Creek office, WLP hosted a career development discussion with Polaris Vice President of Parts, Garments & Accessories (PG&A) Judy Kulsrud. Judy offered tips and tricks on navigating Polaris as a professional woman and shared her professional experience as a high-level leader for the company.

The group's efforts focus on five primary areas:

Professional and personal development

Promoting diversity

Networking

Community outreach

Recruiting

Employee Engagement Survey

Polaris recently launched an employee engagement survey, created in conjunction with Mercer | Sirota. For the 2019 survey, full-time office employees were asked to respond. Our goal is to include hourly employees and those who work at Polaris factories and distribution centers in future surveys.

Polaris Celebrates Profit Sharing

In recognition of our Best People, Best Team guiding principle, each year we celebrate employee successes and contributions during our Polaris Profit Sharing Week. Polaris locations globally host special employee events, during which employees receive a portion of our annual profits. In 2018, we paid more than \$17 million in compensation to our hourly employees alone.



Engaging New Riders

Experiencing the outdoors and having adventures with family and friends are relevant and appealing to many beyond the traditional Powersports customer. As a global leader in the industry, we believe there is a great opportunity to broaden our customer base and expand participation in our categories.

Our research has shown emerging growth in engagement among diverse populations in our categories, and we are seeking to amplify that growth by making Powersports more inclusive and accessible through:

Building customer insights to better understand attitudes and beliefs from people outside of Powersports

Marketing activation to reach and engage new customers

Offerings like Polaris Adventures that make Powersports more accessible to more people

Employee participation and engagement to introduce more people to our brands







Polaris Employees Brings Their Kids to Work

PANY CULTURE -

At Polaris' Research and Development facility in Wyoming, Minnesota, the 2018 Bring Your Kid to Work Day event helped kids engage in engineering, marketing and manufacturing activities, while giving employees the opportunity to impress their children by showcasing the work they do.

Hands-On Summer Intern Experiences

The Polaris Summer Internship Program provides valuable opportunities for young professionals to develop their skills, seek career development opportunities and create lasting connections with leaders in the Powersports industry. As a fully integrated member of our team, the interns work alongside Polaris leadership to help solve real business problems and create sustainable, long-term projects.

In 2018, we welcomed 120 seasonal interns, 17 percent of whom were returning participants. This group of interns produced projects in 25 areas of our business during the year, including but not limited to sales and marketing, digital and information systems, operations and electrical engineering. The interns also had the opportunity to participate in a design challenge and Q&A session

with Polaris CEO Scott Wine. To give back to the community where the event was held, interns donated more than 670 rolls of toilet paper to the Plymouth Food Shelf.

In an exit survey, 99 percent of summer interns stated that their experience with Polaris either met or exceeded expectations.



As a Polaris intern, you have the ability to share your ideas and implement projects that make a long-lasting and meaningful impact on the company. From the moments you start, you are welcomed into the Polaris "family" as a valued member of the team. My internship has truly been a rare and special opportunity as a young professional.

- Sara Huettner, Corporate Communications Intern

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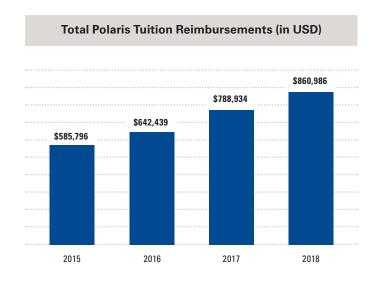




Steady Growth in Support of Employee Educational Pursuits

Our tuition reimbursement program invests in our employees' educational pursuits to assist them in achieving their personal and professional goals.

In 2018, we disbursed more than \$800,000 in tuition reimbursement.





When I started my career at Polaris, I jumped onto the Roseau paint team right out of high school. After 25 years with the company, I have been able to grow and gain valuable experience while attending classes through the Tuition Reimbursement Program. With the knowledge I have gained in my educational pursuit, I have been able to advance my career and take on various supervisory roles. The program is challenging but extremely rewarding. I could not be prouder of this company and all the benefits that they offer.

- Erin Shegrud, Polaris Warehouse Supervisor

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- A. A pit stop on the Vets Ride to Sturgis
- B. Team Polaris Adaptive Snowmobile athlete, Paul Thacker, leading a team of veterans on an outdoor therapy ride.
- C. Serving up chili during our annual United
 Way Chili Cook-off at our Plymouth, MN office.
- D. RANGER supporting healing through hunting with Heroes Hunt at the LEEK Hunting & Mountain Preserve.
- E. Enjoying a ride during a Youth Safety training done in partnership with the Boy Scouts of

Actively improving the communities in which we work and live has been a foundational concept for Polaris since our beginning. This commitment includes partnering with employees, customers, community organizations and other Polaris family members around the world to support the efforts and initiatives important to our company.



Committed to Community Engagement

We want to give our employees the opportunity to partake in their passions. With programs like Dollars for Doers, TEAM Polaris and Volunteer Time Off, we are helping our employees make a difference and be a part of causes that they care about.

Volunteer Time Off

New for 2018 was the Volunteer Time Off program, which allows Polaris employees to receive up to eight hours of paid volunteer time each year at a 501c3 charitable organization.

During the year, 255 employees participated in the program and spent a total of 2,040 hours volunteering.

The Polaris Foundation: \$3M+ in Community Financial Support

In 2018, the Polaris Foundation provided \$3,000,000 in monetary and product donations to our stakeholder communities, with a strategic giving focus on:

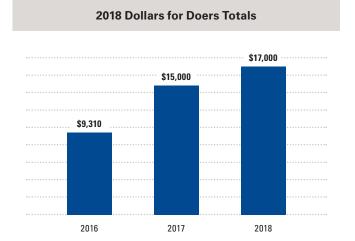
Safe Youth Riding

Community Development

Environment and Land Access

Helping Employees Maximize Giving

Through our Dollars for Doers program, the Polaris Foundation donates \$100 for every 10 hours a Polaris employee volunteers at a 501(c)3 organization, up to \$500 per employee per year.

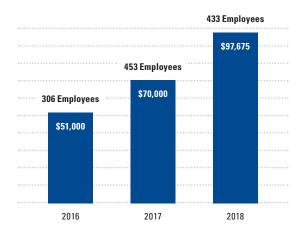




TEAM Polaris Matching Donations

Polaris employees in teams of six or more can help raise money and participate in 501(c)3 charitable events. For each race, run or other event, the Polaris Foundation matches up to \$1,000 raised. Participants also receive a free athletic shirt to wear during TEAM events.

Polaris Matching Contributions



Polaris ALS TEAM

The Polaris ALS Fundraising TEAM raised more than \$110,000 for the ALS Association during 2018 Black Woods Blizzard Tour snowmobile ride. The team's contributions helped the 2018 tour drive awareness for ALS and raise over \$1 million dollars.



Bike MS150 TEAM

TEAM Polaris raised \$30,000 for the National Multiple Sclerosis Society (NMSS) during the 2018 Bike MS150 event.

TEAM Polaris has participated since 1993, raising more than \$392,000 for NMSS to date.

Pictured on left:

Team Polaris after a rainy run for the United Way.

Inserts

Polaris adaptive snow racer Paul Thacker taking veterans on the snowmobile trip of a lifetime.

Team Polaris MS150 after a successful and long ride.







The iconic Ride the Wilds system provides thousands of miles of trails where riders can create memories, discover adventures and spend time with friends and family. Polaris is honored to support this community's collaborative effort to enhance off-road riding experiences.

- Lucy Clark Dougherty, Polaris Foundation President

Restoring Bridges with the NFF

The Polaris Foundation partnered with the National Forest Foundation (NFF) to restore several bridges in Utah's Fishlake National Forest, home to many trails and a favorite locale for OHV riders.

To maintain a properly functioning trail system, and to help protect Utah's wetlands, Polaris funded a project to replace a 250-foot-long defunct boardwalk bridge and several additional smaller bridges.

New Hampshire Trail System Improvements

In 2018, The Polaris Foundation awarded a \$100,000 grant to improve the Ride the Wilds™ trail system in New Hampshire. The Polaris Foundation partnered with six local organizations to bring change to the North Country trail

system of Ride the Wilds, while nationally raising motorsport riding standards. The grant will go toward the creation and installation of 1,000 new ATV trail signs, which will provide directional guidance and promote safe and responsible riding practices throughout the system.

Celebrating 50th Years of NPF

The National Park Foundation (NPF) celebrated the 50th anniversary of the National Trails System Act in 2018. The act preserves trails with outstanding natural, cultural and recreational value for the enjoyment of future generations. To honor this milestone, the Polaris Foundation donated snowmobiles and a transport trailer to support the Katahdin Woods and Waters National Monument's operational needs

Supporting Boy Scouts of America

The Polaris Foundation partners with the Boy Scouts of America to promote youth off-road safety practices and encourage respect for the great outdoors. In 2018, nearly 1,850 Scouts participated in trail building and trail conservation activities.

Since 2014, our partnership has enabled more than 6,400 Scouts take part in conservation projects.







Polaris Wyoming Hosts Tour for Youth Mechanics

Polaris Wyoming, Minnesota employees partnered with the Tried and True Small Engines program to give local youth mechanics hands-on training and experience in the engineering and technical fields. Eleven participants toured the Polaris Wyoming facility and received valuable industry information while shadowing Polaris engineers and technicians.

Enhancing Our Dealers' Recruiting Base

Polaris continues to recognize and address the skills gap in the current and future labor market, not only for our own operations, but for our more than 1,600 offand on-road vehicle dealers as well. In 2018, the Polaris Service Education Program, established in 2003, continued to evolve, and expand. The program provides technical schools, high schools and community colleges with free access to Polaris online technical training systems, training material and learning content. Students of participating schools can work toward earning Polaris Master Service Dealer (MSD) Bronze & Silver level certifications prior to graduation. These certifications add to students' credentials when seeking employment and are highly sought after by recruiting and hiring Polaris dealers.

Active high school and technical college participation increased from 15 schools in 2017 to 26 schools in 2018, with 109 students earning MSD certifications during the year.

Medina-Minute Volunteering

Over one lunch hour in October, Polaris Medina, Minnesota employees assembled care packages for three local nonprofits. The packages benefitted underprivileged kids, rescue dogs and homeless youth. In total, employees packed 100 snack packs, 100 adoption bags and 100 emergency kits.

Providing Coats for Kids

Polaris Roseau, Minnesota employees participated in the annual Coats for Kids drive during September.



More than 100 coats were donated from Polaris employees, along with additional hats and mittens.

United Way Cardboard Boat Race

In support of the United Way of Elkhart County, several Godfrey Hurricane employees participated in "The Great Cardboard Boat Race." The race, now in its sixth year, consisted of eight races of six or seven boats each, followed by two championship rounds.

The boats were made entirely of cardboard, specific types of paint or polyurethane and duct tape. In 2018, over 1,000 spectators cheered on the competing teams raising more than \$70,000 for the United Way of Elkhart County.



Engineering and Design Build Lab



Next-Generation Manufacturer Support

We recognize that supporting a quality education must begin with a significant investment. To support tomorrow's manufacturing professionals, Polaris donated \$79,500 to Forest Lake Area High School in Minnesota for a new Polaris Design and Engineering Lab, complete with state-of-the-art machinery and precision equipment.

The lab is designed to help Forest Lake students develop relevant critical thinking and problemsolving skills while working on engineering and manufacturing projects.

Mentoring College Athletes

Jordan Benning, Director of Transamerican Auto Parts (TAP), worked with the Women Invested in Leadership and Learning (WILL) program to help prepare female athletes for their transition from the collegiate to professional world.

After years of mentoring at Polaris, Benning was chosen by the University of Minnesota (UMN) to be a mentor for three athletes in 2018. With members from high-ranking positions in various industries, the WILL program sets up female athletes for success by having access to mentors who can assist with resume building, networking, mock interviewing and more.

Getting Girls Involved in STEM

To help encourage girls' involvement in science, technology, engineering and math (STEM) programs, Women Leaders in Powersports (WLP) sponsored a science experiment event at Forest Lake Elementary School in Minnesota

WLP volunteers helped 35 members of a local Brownie Girl Scout troop build hoop gliders and spool racers, creating a fun way to learn about aerodynamic engineering and energy creation.



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Building is a great avenue to meet people, develop friendships and establish a network. I'm glad I work in an industry where my profession and my passion intertwine. I encourage everyone to get involved.

- Jake Jain, Polaris Development Technician



Polaris has a long history of giving back to the military, veterans and military families. Through partnerships, sponsorships and volunteer efforts, we continue to raise money for various military and veteran organizations across the country.

Bridging the Gap with Slingshot

In 2018, Polaris donated a custom Slingshot roadster to the Miami Police Department. It's not intended to be used for patrols, but instead the attention-grabbing Slingshot is a fun vehicle to display at local community events and serves as an "icebreaker" between police officers and kids in the local community.

Indian Motorcycle Sponsors Veterans Ride to Sturgis

For the fourth year in a row, Indian Motorcycle was the primary sponsor of the 2018 Veterans Charity Ride to Sturgis. This therapeutic adventure provides participating veterans an opportunity to work toward overcoming post-traumatic stress disorder (PTSD) while on the open road. Veterans made several stops along the way to meet with

other veterans, supporters and riders and to participate in various adjacent adventures.

Celebrating Armed Forces Day in Germany

For Armed Forces Day, Indian Motorcycle partnered with freestyle motocross icon Carey Hart to honor active U.S. soldiers serving overseas in Germany. Hart's "Good Ride" gave approximately 50 active troops a ride through the German countryside with more than 100 members and their families, gathering for a barbecue afterward.

Indian Motorcycle continued to support Hart's "Good Ride" program by offering a dealer-driven test ride promotion to raise money for the Infinite Hero Foundation, the program's largest beneficiary.

The Infinite Hero Foundation funds programs that drive innovation and accessibility to effective treatments for military heroes and their families dealing with service-related mental and physical injuries. For every test ride completed, Indian Motorcycle donated \$25, resulting in more than \$30,000 raised for the Infinite Hero Foundation.

Fundraising for FEW

Indian Motorcycle, Polaris Slingshot and Polaris Boats have all partnered with the Foundation for Exceptional Warriors (FEW) in recent years.

In 2018, Indian Motorcycle and Polaris Slingshot supported the Warrior Rally by providing demo rides and a Polaris Indian Motorcycle display.

Proceeds from the rally went to the FEW, a 501(c) 3 nonprofit dedicated to helping wounded veterans bond and share experiences through hunting and other nature excursions.













Polaris Sponsors NFL Salute to Service

Polaris and the Minnesota Vikings supported the NFL's Salute to Service program by hosting the official "Skoldiers" football game in Minneapolis on November 4, 2018.

Prior to the game, limited-edition Polaris and Minnesota Vikings "Skoldiers" t-shirts were awarded to those who donated \$25 or more dollars to the program. Polaris also sponsored the football game and awarded United States Marine and Purple Heart recipient John Chance with four brand-new Polaris RANGERs: one for his personal use and three for the Ardent Outdoor Group with which he works closely.

RANGER Campaign Supports Wounded Veterans

Polaris RANGER created the RANGER Country Heroes Hunt campaign to help the LEEK Hunting & Mountain Preserve in Pennsylvania expand its housing facilities and create a recovery space for wounded veterans. To jumpstart the campaign, Polaris

donated \$25,000 and three new RANGER Crew XP 1000s to LEEK.

One of the donated vehicles was retrofitted with hand paddles and used to assist disabled veterans while hunting on the 400-acre property. In addition to the donation, Polaris teamed up with football legend Joe Thomas to put on the 2018 RANGER Country Heroes Hunt. Nine wounded veterans representing the U.S. Army and Marine Corps branches participated in six hunts over three days. The campaign raised \$28,605 for LEEK's new veteran facilities.

AUSA Vessey Chapter Annual Fundraiser

Polaris donated \$4,000 to the Association of the U.S. Army (AUSA) – Vessey Chapter in 2018, which was used to support local military soldiers and their family members.

United Heroes League Camo Classic

Polaris sponsored the 2018 United Heroes League Camo Classic, an annual golf tournament that helps raise money for the United Heroes League. Proceeds from the event supported sporting programs, helping to keep military kids healthy and active.

Shoot for the Troops

As a sponsor for the Minnesota Military Foundation (MMF), Polaris donated \$2,500 to the group's Shoot for the Troops charity trapshooting event. Proceeds from the event benefitted MMF and helped support Minnesota military personnel and their families struggling with financial crises.

Call of Duty Endowment

In support of the Call of Duty Endowment's (CDE) campaign, Indian Motorcycle donated a modern day, custom-built WWII replica motorcycle. CDE is an organization dedicated to providing high-quality job opportunities to veterans. With a minimum donation of \$10, consumers were entered for a chance to win the motorcycle and an afternoon with actor Josh Duhamel. For every \$505 raised, one veteran was placed in a high-quality job.

