



RUNNING RESPONSIBLY

# OUR PEOPLE AND PLANET PATH

2021 Corporate Responsibility  
Performance Report



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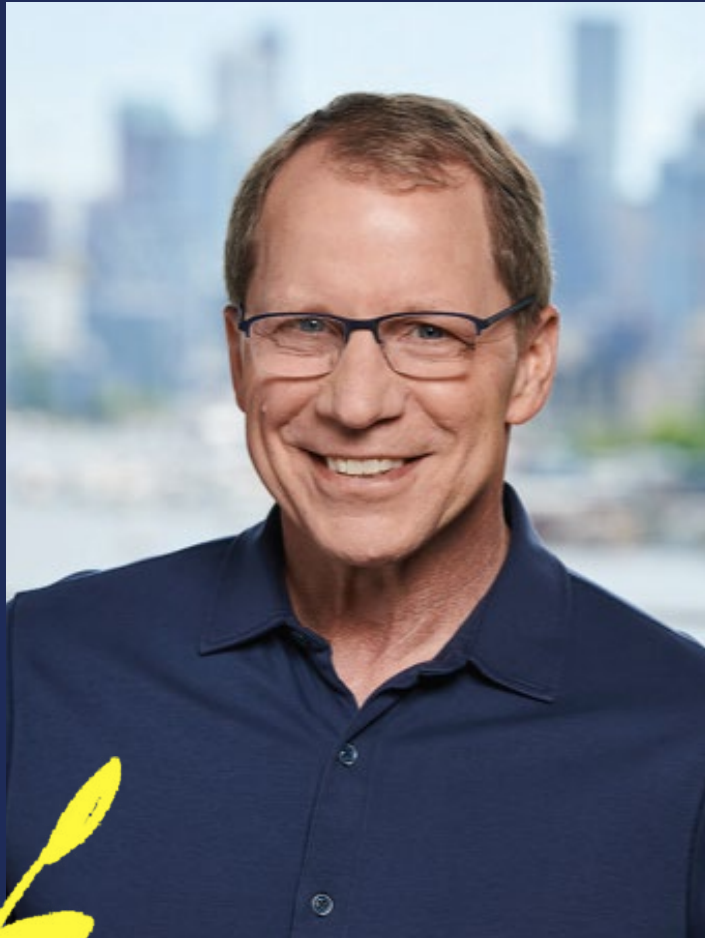
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## A MESSAGE FROM OUR CEO



This year, Brooks Running Company achieved record growth and reached the significant milestone of \$1 billion in revenue. As we grow our global business and pursue our ambition to be the number one choice for all who run, we remain grounded in the convictions that everyone who wants to run feels welcome, and everyone who runs has a place to do it. This is our People and Planet Path.

In 2021, we took significant steps on this Path. Guided by the belief that creating a welcoming and diverse running community starts at home, we grew representation of women among Brooks' global employees to 53% (+3% YOY), including more than 50% representation at the manager and board of advisor levels. We grew representation of BIPOC<sup>1</sup> among U.S. employees to 35% (+2.5% YOY and +17% over four years), including 33% representation at the board of advisor level. For the second consecutive year Brooks achieved a score of 100 on the Human Rights Campaign Foundation's Corporate Equality Index. We invested \$5.7 million in community giving, with a focus on social impact programs that advance people's health and well-being and champion the run for all.

We continue to pursue a long-term, science-based approach to sustainability, working to address climate change and limit our reliance on non-renewable resources. In 2021, we launched our first carbon neutral product, the Ghost 14, making an immediate impact with our highest volume style. In 2021, 61% of total polyester yarn used across both our footwear and apparel was recycled, an increase from 52% in 2020.

I am optimistic about Brooks' momentum as we work toward our long-term goal to achieve net-zero carbon emissions by 2040, and I'm excited about the future of a growing and increasingly diverse global running community. As we pursue our purpose to inspire people to run their path, we feel fortunate to enable people's investments in their physical and mental wellness. A run will make your day better, and if you add up all those days, it will make your life better. With more than 150 million people running worldwide, it can even make the world better.

Run Happy!

— Jim Weber, CEO

<sup>1</sup>BIPOC refers to Black, Indigenous, and people of color.

# 2021 IMPACT AT A GLANCE

## BIPOC

35.7%

of Brooks' U.S. employees identify as BIPOC

## 100 score on the Corporate Equality Index



Since 2015, the Brooks Booster Club has helped 179 schools and 7,320 young runners across the U.S.,

investing \$2.6 million in cash and product



Launched our first carbon neutral footwear, the Ghost 14, our highest volume footwear style

Brooks donated gear and funds to more than 50 community partners

2021 TOTAL GIVING:

\$5.7 million

61%

of total polyester yarn is recycled yarn, an increase from 52% in 2020

## WOMEN

53.2%

of Brooks' global employees identify as women (+3 percentage points YOY), including more than 50% representation at the manager and board of advisor levels



# DIVERSITY, EQUITY, & INCLUSION

The run is who we are. At Brooks, we believe in the power and kinetic joy of the run. This fuels our passion for the sport and the running community. The shoes and gear we develop, the experiences we create, and the partnerships we build should help make the run inclusive and accessible for all. We are taking a comprehensive and strategic approach to ensure our values are represented in our sport. We are committed to reducing barriers to participating in the run, the running industry, and the running community.

## OUR DEI EFFORTS ARE GUIDED BY **THREE OBJECTIVES:**

### **1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE**

*Start at home by ensuring a diverse, equitable, and inclusive workplace.*

We believe in the power of diversity, which includes people of different races/ethnicities, national origins, abilities, genders, ages, sexual orientations, body types, and circumstances. We are pursuing practices that will achieve equity in our business and our sport — so everyone feels a sense of belonging as their own, authentic self.

### **2 REPRESENTATION OF ALL WHO RUN**

*Ensure representation of all who run.*

Brooks is committed to telling stories from a diverse set of runners and celebrating the power of the run to bring people together.

### **3 FOSTER DIVERSITY AND INCLUSION IN THE RUN COMMUNITY**

*Drive change in the run community by fostering diversity and inclusion in running.*

Our community impact programs support teams and organizations that advance health and well-being through the power of the run, with an emphasis on increasing diversity and inclusion.

# 2021 KEY PROGRESS HIGHLIGHTS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

**Commitment:** Achieve at least 50% women and 30% Black, Indigenous, and people of color (BIPOC) employee representation in the U.S. at every level<sup>1</sup>

**Commitment:** Achieve 100% pay equity for BIPOC and women employees

**Commitment:** Annually achieve the Human Rights Campaign Foundation's Corporate Equality Index score of 100

### KEY ACHIEVEMENTS IN 2021

**53.2%** of Brooks' global employees identify as women (+3.2 percentage points YOY)

**35.7% of Brooks' U.S. employees identify as BIPOC**  
(+2.6 percentage points YOY; +17.7 percentage points over a 4-year period)

25.7% BIPOC representation at Brooks' headquarters/remote locations (+5.5 percentage points YOY)

20% of Brooks managers identify as BIPOC (+9.2 percentage points YOY)

Brooks began incorporating pay equity analysis into our hiring, promotion, and compensation processes in 2018. During offers and our annual compensation reviews, we analyze pay equity across employees in similar roles within our organization. The opportunity ahead for Brooks will be to automate, further expand, and formalize our pay equity practices.

2021 was Brooks' second consecutive year maintaining a **100 score on the Corporate Equality Index**

<sup>1</sup>As a global company we recognize the unique social construct of race in the U.S. These commitments apply to U.S. only.



# 2021 KEY PROGRESS HIGHLIGHTS

## 2 REPRESENTATION OF ALL WHO RUN

**Commitment:** Achieve 40% BIPOC representation in marketing images

### KEY ACHIEVEMENTS IN 2021

**100% of Brooks' tier 1 marketing campaigns included BIPOC with 60% representation**

50.4% BIPOC representation in Brooks' social media

34% BIPOC representation on the Brooks Run Happy Team (+5 percentage points YOY)

**Commitment:** Achieve 40% BIPOC representation in wear testing and consumer insights

2021 was the first year we reviewed race/ethnicity data of our wear testing and consumer insights

20.2% BIPOC representation in our product wear testing

## 3 FOSTER DIVERSITY AND INCLUSION IN THE RUN COMMUNITY

**Commitment:** Support increased diversity of U.S. running population (40% BIPOC)

33.7% U.S. running population are BIPOC

\$100K donation to the Running Industry Diversity Coalition

\$417K cash and gear grants to youth running programs



# A DEEP DIVE ON OUR PROGRESS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

### ACHIEVE WOMEN AND BIPOC REPRESENTATION AT ALL LEVELS

As a global company, we recognize the unique social construct of race in the U.S. It is important that our U.S. workplace reflects the diversity of the national population. To track our evolution in the U.S., we measure ourselves against the 2020 U.S. census demographic data estimates. Brooks made incremental strides in retaining and sustaining women and BIPOC talent throughout our organization in 2021.

With women employees, we met our goal of 50% representation at the individual contributor level, manager level, and board of advisors. We saw a reduction at the senior manager/director level, and a slight increase at the VP level, attributed to promotions. We had no openings in 2021 at the VP level.

With BIPOC employees, we met our goal of 30% representation at the individual contributor level and board of advisors. We experienced a 9.2 percentage point increase at the manager level and a reduction at the senior manager/director level. We made no progress at the VP level, as there were no openings in 2021.

The racial underrepresentation of Hispanic/Latinx and Native American/Alaska Native people along with the racial diversity at all levels represent our greatest opportunity for outreach, recruiting, hiring, and retention. Based on our 2021 results, we will heighten our focus on hiring, promoting, and developing women and BIPOC talent for leadership roles to increase diverse representation at all levels.

#### BIPOC

# 30%

representation at the individual contributor level and board of advisors

#### WOMEN

# 50%

representation at the individual contributor level, manager level, and board of advisors

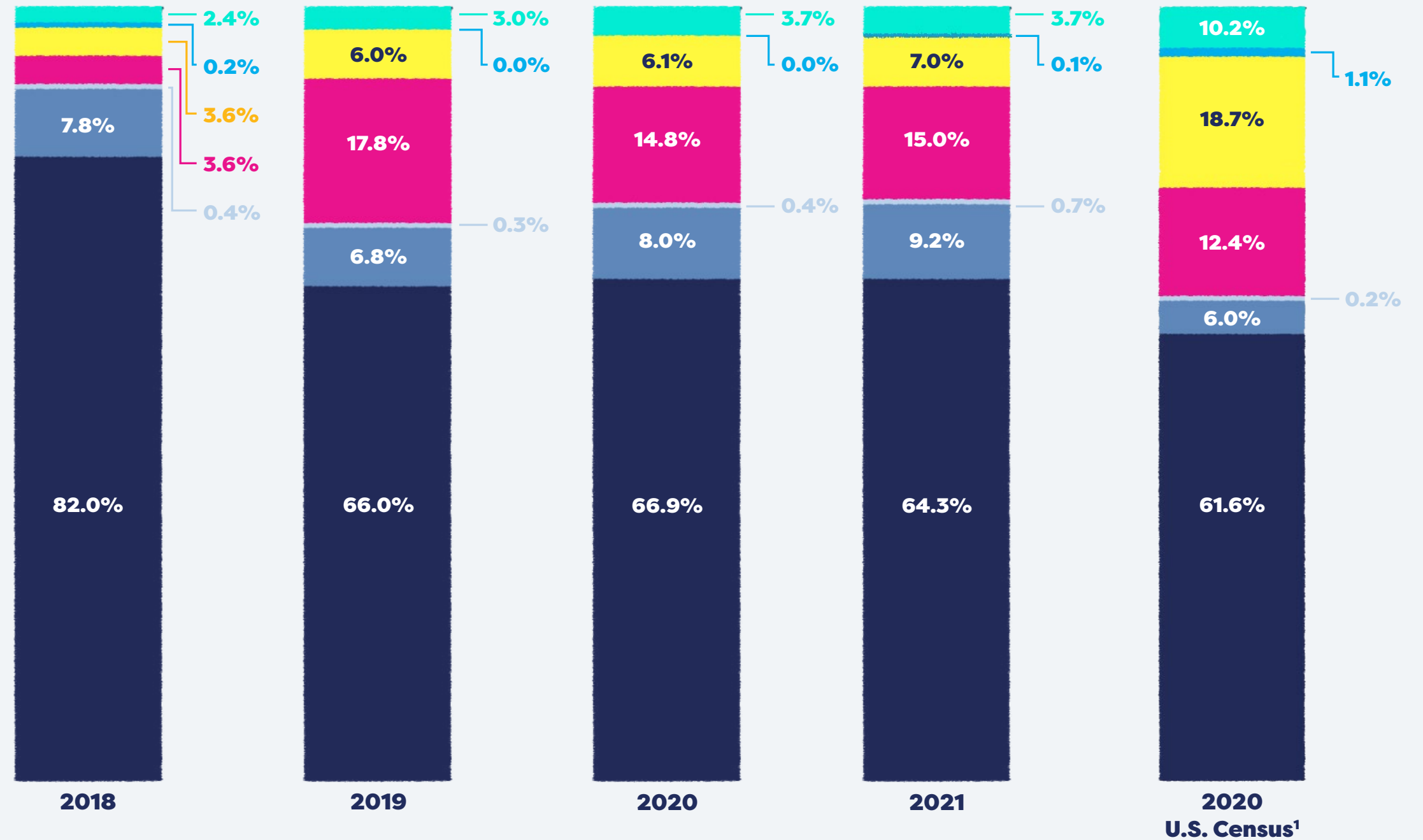


# A DEEP DIVE ON OUR PROGRESS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

### WORKPLACE RACIAL DEMOGRAPHICS

Brooks' U.S. 4-year racial demographics compared to U.S. population



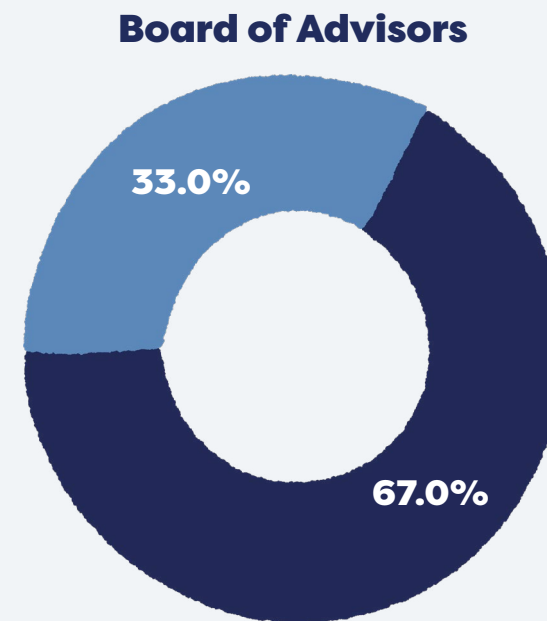
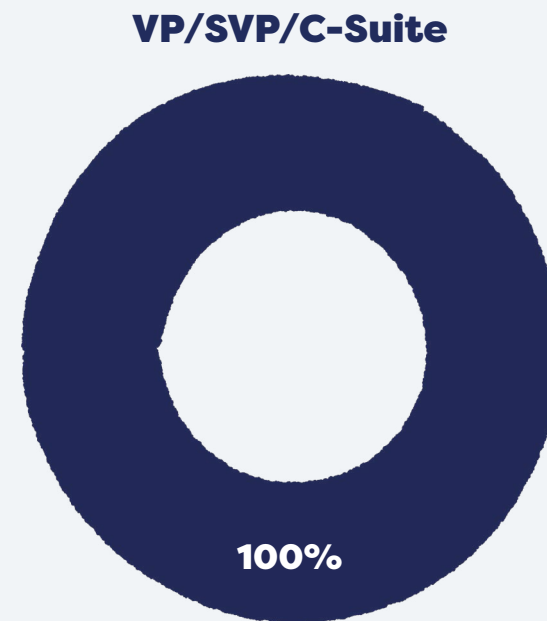
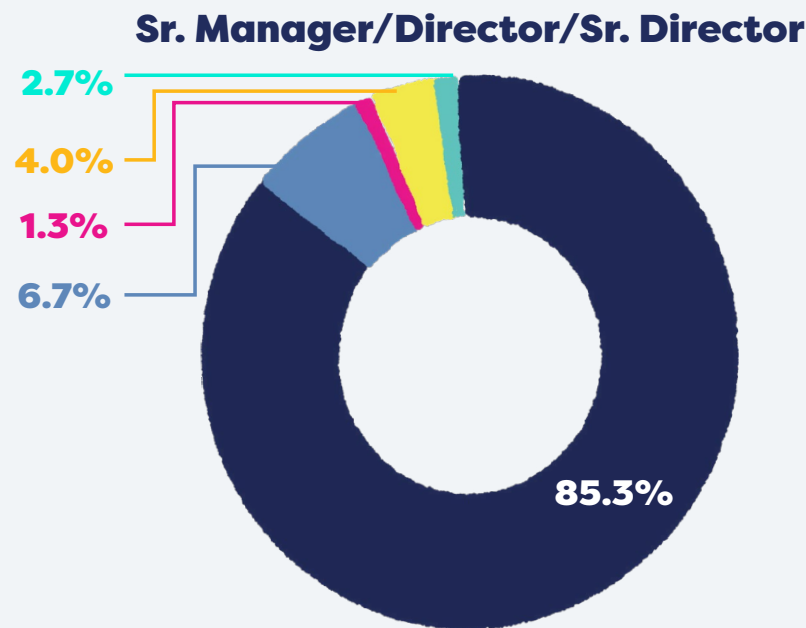
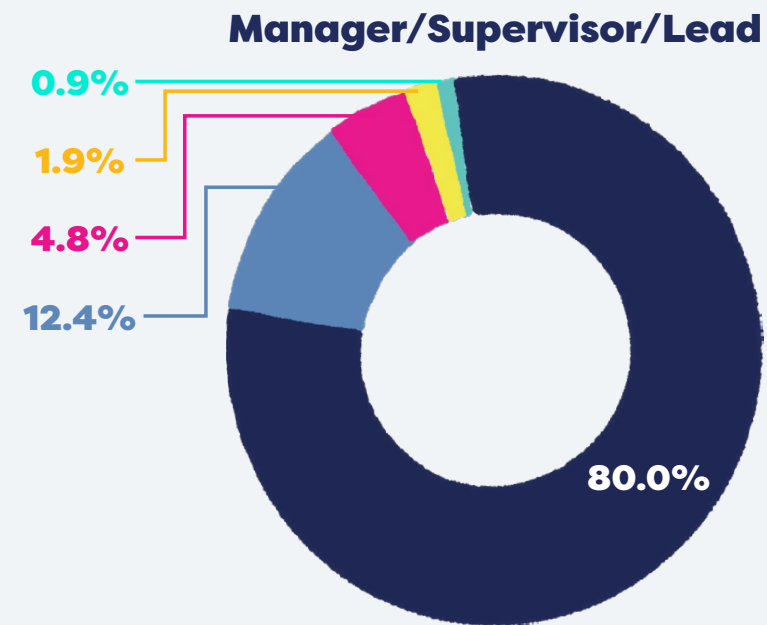
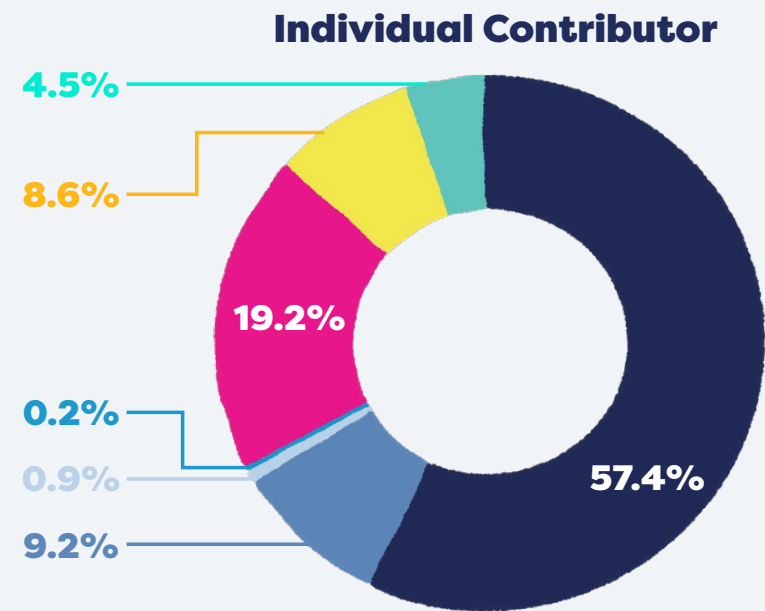
<sup>1</sup>2020 U.S. census demographic data estimates breakdown of one race alone. Residents who identified with two or more racial categories are placed in an independent group. Those who identify as Hispanic/Latinx, which federal standards do not consider a racial category, are grouped together. Sum of total U.S. census greater than 100% as Hispanic/Latinx may be of any race and are included in applicable race category. Brooks includes Hispanic/Latinx under the "BIPOC" category.

# A DEEP DIVE ON OUR PROGRESS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

### WORKPLACE RACIAL DEMOGRAPHICS

Brooks' U.S. race by level for 2021



# A DEEP DIVE ON OUR PROGRESS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

### WORKPLACE GENDER DEMOGRAPHICS

Brooks' workplace gender demographics for 2021



#### Brooks U.S.

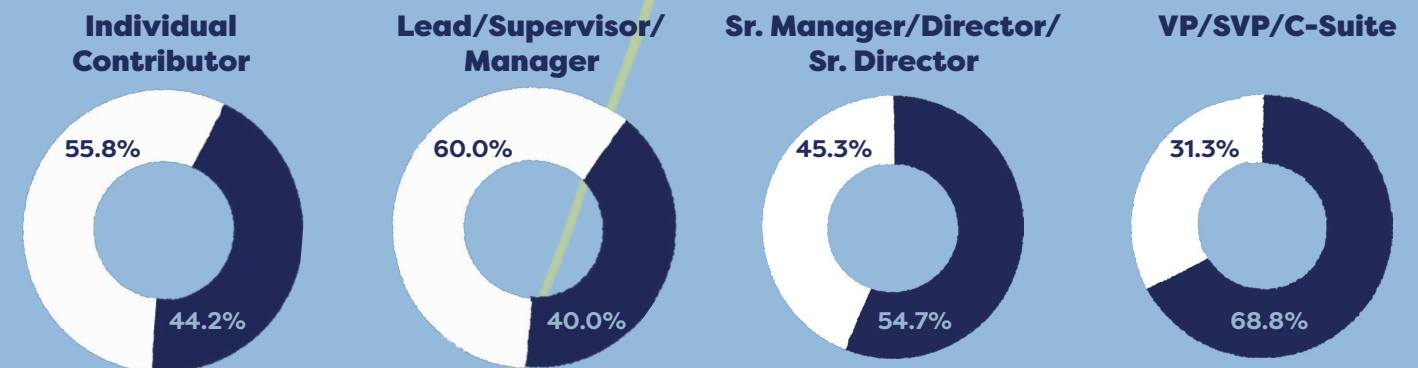


Women

Men

as self-identified

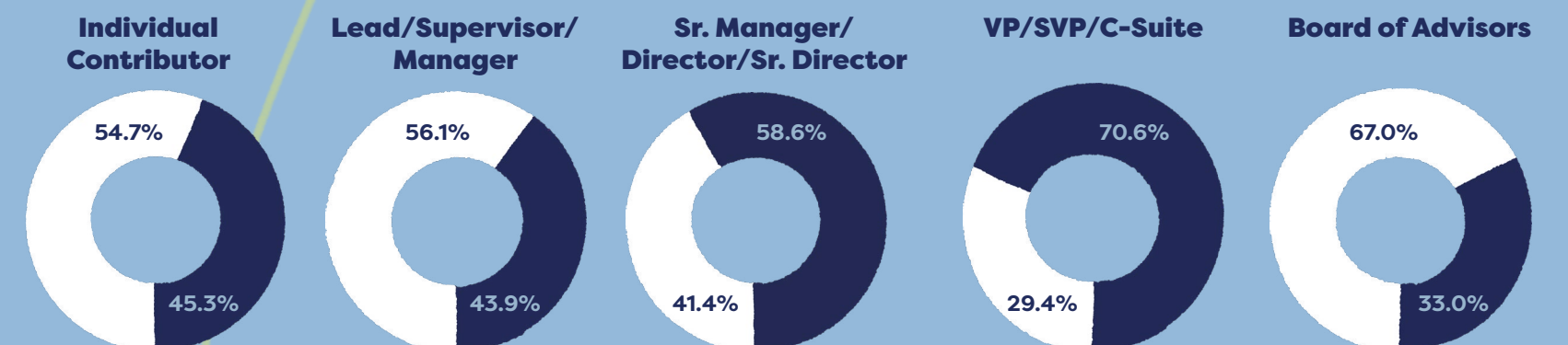
#### Brooks U.S. by level



#### Brooks Global



#### Brooks Global by level



# A DEEP DIVE ON OUR PROGRESS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

### HIRING BEST PRACTICES – CANDIDATE POOLS

Brooks is intentional with our hiring practices to build a diverse workforce. We define hiring best practices for diversity, equity, and inclusion as practices that support hiring based on merit, with special care taken to ensure processes are free from biases related to a candidate’s age, race, gender, religion, sexual orientation, and other personal characteristics unrelated to their job performance – and that our job opportunities reach the most diverse group of candidates possible.

In 2021, we increased our women population by 3 percentage points and our BIPOC population by 5.5 percentage points year over year at our U.S. headquarters in Seattle, Washington. Diverse candidate pool key performance indicators (KPIs) supported the increase. Research tells us that when we increase women or BIPOC representation in candidate pools, the odds of hiring women or BIPOC candidates is significantly higher. In 2021, we set our candidate pool KPIs for our Seattle headquarters’ job openings at:

- 75% of candidate finalist pools have women representation
- 75% of candidate finalist pools have BIPOC representation

A “candidate finalist pool” is the final slate of candidates for one job opening. For example, if we had four total job openings, then three of those four roles would include women and BIPOC candidates.

As a result, 84% of our candidate pools included women, resulting in 90 women hires, while 67% of our candidate pools included BIPOC, resulting in 62 BIPOC hires out of 161 total pools.



90  
**WOMEN  
HIRES**

62  
**BIPOC  
HIRES**



# A DEEP DIVE ON OUR PROGRESS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

# CORPORATE EQUALITY INDEX 100 SCORE

In 2021, Brooks was recognized by the Human Rights Campaign Foundation as one of the “Best Places to Work for LGBTQ Equality” for the second consecutive year. This recognition was determined through Brooks' voluntary submission into the Corporate Equality Index (CEI) in which we received a score of 100 out of 100. Brooks is one of 842 major U.S. businesses to achieve this score among the 1,271 companies evaluated.

The CEI is the nation’s premier benchmarking survey and report that measures lesbian, gay, bisexual, transgender, and queer (LGBTQ) policies and practices in the workplace. The CEI score is determined by three main criteria: workforce protections, inclusive benefits, and support for an inclusive culture and corporate social responsibility.

Brooks' history with the CEI began in 2017 when we joined to seek an objective assessment of our policies and practices related to LGBTQ equality in the workplace. We wanted to be honest about where we were so we could set our sights on incremental progress to improve the quality of our workplace culture and employee experience. We received our first score in 2018.

In the graph to the right, you will see the evolution of our CEI points over the years.



Brooks' CEI score breakdown	2018	2019	2020	2021
Workforce protections (30 points possible)	30	30	30	30
Inclusive benefits (30 points possible)	20	30	30	30
Supports an inclusive culture + corporate social responsibility (40 points possible)	35	35	40	40
Total	85	95	100	100

### 2021 Score 100 out 100

Brooks is proud to receive the top CEI score of 100 for a second consecutive year, and we see this as a significant achievement. The first CEI ratings were published in 2002 with periodic criteria updates throughout the years. The next update is expected in 2023. We will continue to work toward a more equitable and inclusive workplace as the CEI criteria evolve over time.

# A DEEP DIVE ON OUR PROGRESS

## 1 DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

### FOSTER AN INCLUSIVE CULTURE

#### Cultural Strengths Survey

On an annual basis, Brooks conducts an employee cultural strengths survey to assess specific areas critical to our culture. One area of focus within the assessment is “inclusive environment.” We review annual inclusion scores of the organization overall as well as by demographic cohort to uncover any noteworthy disparities between dominant and historically underrepresented groups. **Brooks employees scored the company's culture a 4.42 out of 5** in the “inclusive environment” category of our 2021 employee cultural strengths survey, a 0.09 point increase year over year, with no significant disparities between different demographic groups.

Brooks is committed to maintaining a workplace culture where everyone feels a sense of belonging and their uniqueness is valued. Our various employee programs and resource groups contribute to an inclusive environment. Some of our offerings in 2021 included:

New Employee Orientation (NEO)

Connect Manager training

Brooks Buddy program

Insights Discovery

Employee awards

Unconscious bias training

Mentor program

Frequent hire program

#### EMPLOYEE RESOURCE GROUPS

##### Brooks Women in Technology

The mission of the Brooks Women in Technology group is to foster an environment that supports and encourages women to advance their technical skills and leadership potential through connection, education, advocacy, discussion, and community outreach.

##### Diversity Working Group

The Diversity Working Group works with our leadership to drive DEI initiatives. The group provides employee engagement opportunities with the **DEI Speaker Series**, **DEI Book Club**, and our **DEI internal website**, which all cover topics like race, gender, LGBTQ+, and more.



# A DEEP DIVE ON OUR PROGRESS

## 3 FOSTER DIVERSITY AND INCLUSION IN THE RUN COMMUNITY

### ADVOCATE FOR DEI IN THE RUNNING INDUSTRY

Brooks is proud to be a founding partner of the Running Industry Diversity Coalition (RIDC). The coalition brings together running brands, running retailers, and BIPOC runners who are collaborating to increase diversity within the running industry. Brooks provided the RIDC with a \$15,000 startup grant in 2020 to help sustain the coalition in its first year.

The RIDC envisions a running industry committed to racial justice where BIPOC are welcomed, valued, and amplified. Their mission is to unite the running industry to provide resources, measure progress, and hold the industry accountable to equitable employment, leadership, and ownership positions – and to improve inclusion, visibility, and access for BIPOC.

As a board member, we are working with the RIDC to create education opportunities, conduct research, and build organizational sustainability. In 2021, the RIDC reached a milestone of over 1,000 members and offered industry-wide education workshops that covered topics on unconscious bias, hiring best practices, authentic marketing, and reporting on diversity. Brooks also made a \$100,000 donation and multi-year commitment to the sustainability of the RIDC. We look forward to our continued advocacy work with the RIDC as they embark on hiring an executive director and begin their research endeavors to better understand the state of diversity in the running industry and barriers to access.



**RIDC REACHED  
A MILESTONE OF**

**1,000  
MEMBERS**

**BROOKS MADE A**

**\$100,000**

**DONATION AND MULTI-  
YEAR COMMITMENT TO THE  
SUSTAINABILITY OF THE RIDC**

# DEI KPIs

Objective	KPI	2020	2021
Diverse, equitable, and inclusive workplace	50% women employee representation at every level (average)	46.4%	51.7%
	30% BIPOC employee representation at every level (average)	21.6%	22.0%
	Annually achieve the Human Rights Campaign Foundation's Corporate Equality Index score of 100	100.0	100.0
	4.0+ inclusive workplace culture score at Seattle HQ	4.37	4.40
	4.0+ inclusive workplace culture score at Indiana DC	4.07	4.17
Representation of all who run	40% BIPOC representation in marketing stories and images (average) <sup>1</sup>	—	55.2%
	40% BIPOC representation in wear test analysis	—	20.2%
	40% BIPOC representation in consumer insights	—	—
	40% BIPOC representation in Influencers (Run Happy Team)	29.0%	34.0%
	40% BIPOC representation in Brooks athlete teams	27.0%	31.0%
Foster diversity and inclusion in the run community	40% BIPOC representation of U.S. running population <sup>2</sup>	33.7%	— <sup>3</sup>

<sup>1</sup>Marketing stories and images include all Brooks social media channels and Tier 1 brand campaigns.

<sup>2</sup>Brooks references the Sports & Fitness Industry Association's (SFIA) annual Topline Participation Report for U.S. runner data. Specifically, we reference runners/joggers who are 11+ years old and run 1+ times per year. In 2020, there were 33.7% BIPOC runners/joggers, up 0.1% from the prior year.

<sup>3</sup>Participation data for 2021 will be available midyear of 2022.



A background image showing a male coach in a Brooks jacket and sunglasses interacting with young female runners on a grassy field. The image is overlaid with a semi-transparent blue shape on the right side.

# COMMUNITY ENGAGEMENT

Our social impact programs support teams and organizations that advance health and well-being through the power of the run, with an emphasis on increasing diversity and inclusion.

## OUR COMMUNITY ENGAGEMENT EFFORTS ARE GUIDED BY **THREE KEY SOCIAL IMPACT PROGRAMS:**

### 1

#### YOUTH RUNNING

Brooks proudly supports high school running teams and coaches.

The Brooks Booster Club provides performance running gear and funding to under-resourced cross-country and track teams across the U.S. Our Inspiring Coaches Program recognizes the extraordinary people who help young athletes on their journeys.

### 2

#### COMMUNITY PARTNERSHIPS

We believe in the power of a diverse community that includes people of different races, abilities, genders, ages, sexual orientations, body types, backgrounds, and circumstances.

Brooks helps to grow the strength of our community partners through sponsorships, financial support, and gear donations so they can champion the run for all.

### 3

#### RUN GRANTS

Through the Run Grants program, Brooks continues to donate performance gear to organizations that inspire everyone to run and be active.

# 2021 KEY PROGRESS HIGHLIGHTS

## KEY ACHIEVEMENTS IN 2021

**Commitment:** Dedicate **more than \$5 million per year** in cash and gear to social impact programs.

### 1 YOUTH RUNNING

In 2021, we issued grants to 29 schools for a total of \$417,600 in cash and gear

**Since 2015, the Brooks Booster Club has helped 179 schools and 7,320 young runners across the U.S., investing \$2.6 million in cash and product**

### 2 COMMUNITY PARTNERSHIPS

**Brooks donated gear and funds to more than 50 community partners for a total value of \$5.2 million**

We partnered with Soles4Souls – and other organizations that distribute returned and lightly used gear – in support of our sustainable consumption goal to keep products out of landfills

### 3 RUN GRANTS

In 2021, Run Grants impacted more than 650 runners through performance gear donations worth \$88,000 to 13 organizations across the U.S.

**2021 TOTAL GIVING:**  
**\$5.7 million**

# A DEEP DIVE ON OUR PROGRESS

## 1 YOUTH RUNNING

### BROOKS BOOSTER CLUB

Since its inception, the Brooks Booster Club has invested \$2.6 million to reach 7,320 runners at 179 schools. Throughout 2021, we saw students returning to campus and engaging in after-school activities. In the last year, Brooks has contributed \$417,600 in cash and gear to 29 high schools. Donations helped coaches and athletic departments to re-establish their teams and get a jump-start on their seasons, fostering a renewed sense of connection among the athletes.



### INSPIRING COACHES

Considering how challenging the last 20 months have been, it felt impossible to limit ourselves to just one Inspiring Coach of the Year. So we named every single coach who was nominated — 486 in all — an Inspiring Coach of 2021. Each one received a gift box curated by Brooks. We want to thank all the coaches who have kept runners motivated, happy, and healthy during the pandemic.

# A DEEP DIVE ON OUR PROGRESS

## 2 COMMUNITY PARTNERSHIPS

### CHAMPION THE RUN **FOR ALL**

This year we continued partnerships with groups like International Front Runners to find and fund opportunities with 29 local run clubs around the world. These collaborations enable more runners to experience the run. We also welcomed new community partners, including [Brave Trails](#), a non-profit organization with the mission of connecting LGBTQ+ youth to their people, place, and passion; [Prolyfyck Run Crew](#), whose mission is to empower their community by creating safe spaces for Black and Brown runners; the [Human Rights Campaign](#), that envisions a world where LGBTQ+ people are ensured equality and are embraced as full members of society at home, at work, and in every community; and [Dr. Linda May](#), who is researching the benefits of exercise during pregnancy on infant and child health.



# A DEEP DIVE ON OUR PROGRESS

## 3 RUN GRANTS

### TRINITY BOSTON CONNECTS

One of our 2021 Run Grant recipients was Trinity Boston Connects. This organization runs a community-building and mentoring program called Sole Train: Boston Runs Together. Sole Train connects hundreds of youth (“Young Soles”) in schools and community centers across Boston with volunteers (“Old Soles”) to train throughout the school year for a 5-mile race or half marathon. The program uses running as a vehicle to teach participants – and everyone else – they can set and achieve seemingly impossible goals.





# RESPONSIBLE SOURCING

At Brooks, we know that responsibly managing our global supply chain is impacted by the decisions we make. That's why we establish long-term partnerships with factories that share our values and objectives to respect human rights and ensure sustainable manufacturing.

OUR RESPONSIBLE SOURCING EFFORTS ARE GUIDED BY **TWO OBJECTIVES:**

1

## RESPECT HUMAN RIGHTS

We work with factories that, like us, value human rights, fair and safe working conditions, and advancing worker well-being.

2

## ENSURE SUSTAINABLE MANUFACTURING

We aim to reduce the environmental impact associated with manufacturing Brooks product and materials.

# 2021 KEY PROGRESS HIGHLIGHTS

## 1 RESPECT HUMAN RIGHTS

**Commitment:** 100% of Tier 1 factories achieve and maintain a verified Higg Facility Social Labor Module (Higg FSLM) score greater than 80, and 80% (by dollar spend<sup>1</sup>) of Tier 2 factories achieve and maintain a verified Higg FSLM score greater than 70 by 2025

### KEY ACHIEVEMENTS IN 2021

50% of our Tier 1 factories completed the Higg FSLM self-assessment and verification

84% of our in-scope Tier 2 factories completed the Higg FSLM self-assessment and 69% completed verification

**50% of our Tier 1 footwear factories<sup>2</sup> achieved a Higg FSLM score greater than 80**, indicating the factory has implemented leading and aspirational social and labor practices

## 2 ENSURE SUSTAINABLE MANUFACTURING

**Commitment:** 100% of Tier 1 and 80% (by dollar spend<sup>1</sup>) of Tier 2 factories achieve and maintain a verified Higg Facility Environmental Module (Higg FEM) level 3 by 2025

89% of in-scope factories completed and verified the Higg FEM assessment

38% of all Tier 1 factories achieved Higg FEM level 1, an increase from 13% in 2020

**75% of our Tier 1 footwear factories<sup>2</sup> achieved Higg FEM level 1**, up from 25% in 2020

29% of in-scope Tier 2 factories achieved Higg FEM level 1

**Commitment:** Achieve 100% compliance with the ZDHC MRSL and zero discharge of hazardous chemicals by 2025

We expanded our responsible chemicals program to go beyond RSL compliance to take a holistic view of chemicals management by **joining the ZDHC and adopting the ZDHC MRSL**, committing to 100% compliance with the ZDHC MRSL and zero discharge of hazardous chemicals by 2025

**Commitment:** Convert 100% of footwear manufacturing assembly chemicals to water-based by 2023

62% of footwear manufacturing assembly chemicals are now water-based, up from 57% in 2020

<sup>1</sup>We prioritize Tier 2 factories that make up 80% of our total dollar spend on all materials, which includes midsole/outsole factories and high volume textile factories.  
<sup>2</sup>Footwear Tier 1 factories account for 93% of Brooks' total Tier 1 dollar spend.



# A DEEP DIVE ON OUR PROGRESS

## 1 RESPECT HUMAN RIGHTS

### ADOPT AN INDUSTRY-STANDARDIZED SOCIAL RESPONSIBILITY ASSESSMENT



We believe that an industry-wide, collaborative effort to reduce audit fatigue is key to improving labor conditions in factories across the globe. So in 2021, we aligned with the apparel and footwear industry by replacing our traditional third-party social compliance audit with the [Higg Facility Social Labor Module \(Higg FSLM\)](#) to annually assess social responsibility and compliance to the [Brooks Supplier Code of Conduct](#) across our manufacturing supply chain. This industry-standardized tool evaluates the social performance of manufacturing across key areas, such as wages, working hours, and health and safety. The evaluation begins with a self-assessment conducted by the factory that is later checked by an approved verifier. With this tool, factories complete one yearly assessment that can be shared with all their partner brands. As a result, factories can dedicate more time to making meaningful improvements that drive social change.

In 2021, Brooks made the shift to use the Higg FSLM for the first time with many of our factories. **By the end of the year, 60% of our in-scope Tier 1 and Tier 2 factories had transitioned from a traditional audit approach to using the Higg FSLM.** This was lower than planned for two main reasons: it was the first time many of these factories had used the Higg FSLM, and there were ongoing COVID-19 challenges (see right). In 2022, we plan for 100% of our in-scope facilities to complete the Higg FSLM self-assessment and verification.

Our use of the Higg FSLM extends beyond evaluating compliance with our Supplier Code of Conduct. The tool provides a framework for factories to implement advanced social and labor practices beyond legal compliance. We are using the Higg FSLM to work with our factory partners on advancing worker well-being, and we've set a target that 100% of our Tier 1 factories will achieve and maintain a verified Higg FSLM score greater than 80 by 2025. This level of performance classifies the factory as progressive and an implementer of leading, aspirational social and labor practices.

## 1 RESPECT HUMAN RIGHTS

### PROGRAM FLEXIBILITY DURING THE COVID-19 PANDEMIC

At Brooks, we are proud of the way we conduct business with our factory partners, even as the COVID-19 pandemic continues to impact the footwear and apparel industry. Despite these unprecedented times, no orders have been cancelled. And we have closely monitored the various countries where we source, ensuring we uphold our values and use ethical business practices. As factories closed to prevent the spread of COVID-19, we worked with our partners to postpone on-site verification of social and environmental assessments—and we accepted shared audit reports from other brands in place of conducting a separate, on-site, third-party audit. We were thus able to prioritize the safety of workers and their local communities while maintaining visibility into each factory's social and environmental responsibility.

# A DEEP DIVE ON OUR PROGRESS

## BROOKS MANUFACTURING SUPPLY CHAIN

2021 factories manufacturing Brooks product and materials

17 Tier 1 final  
assembly factories

14 Tier 2  
material factories\*

\*that make up 74% (by dollar spend)

54,000 workers across both  
Tier 1 and Tier 2 factories



# A DEEP DIVE ON OUR PROGRESS

## 1 RESPECT HUMAN RIGHTS

## 2 ENSURE SUSTAINABLE MANUFACTURING

### MEET LONG FA: BROOKS' FINAL ASSEMBLY FOOTWEAR FACTORY

Long Fa, one of our high-volume, strategic Tier 1 final assembly footwear factories, is located in Southern Vietnam. Brooks has partnered with this factory for four years and manufactured key franchise footwear styles there, including the Ghost, Adrenaline GTS, and Glycerin. Long Fa's parent company, Dean Shoe Group, has been a long-term partner of ours — in fact, 2021 marked 22 years of working together. Long Fa employs over 5,000 people, 80% of whom are women. The factory's commitment to social and environmental responsibility is evidenced by their yearly improvements in the Higg FEM and their strong foundation in ethical labor practices. In 2019, Long Fa scored a 32% on their first Higg FEM assessment. In just two years, they improved their score by 44 points, achieving a 76% and at least level 1 across all sections. Further, Long Fa has had strong social and labor practices for many years. In their first Higg FSLM assessment, they received a score of 86%, surpassing our 2025 target of an FSLM score of 80 or greater. The factory also values community engagement and has donated to various non-profits in the past three years to help their local community. In April of 2021, they chose to donate to the Cultural Center of Chon Thanh District to raise awareness for the history and meaning of International Labor Day. We are honored to continue working with this factory and their employees, who share and help bring our vision to life.



Nguyen Thi Thuy (Vietnamese: Nguyễn Thị Thúy) has worked at Long Fa for seven years and is currently a LEAN Assistant. LEAN is a set of management practices used to improve efficiency and effectiveness by eliminating waste. Thuy lives about 10 km away from the factory and commutes on a motorbike. She enjoys the friendly and cooperative environment at Long Fa and appreciates regular training and mentorship from her supervisors. Thuy looks forward to continuing her career growth at Long Fa.

# RESPONSIBLE SOURCING KPIs

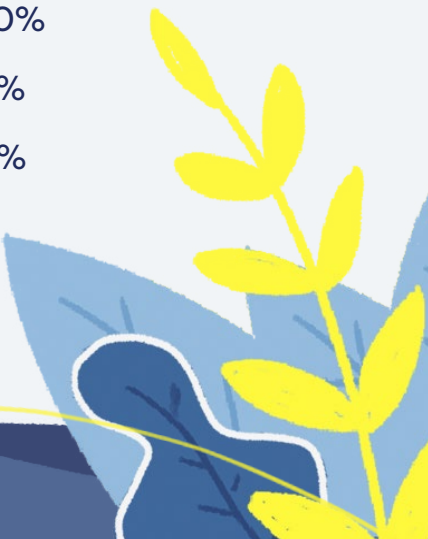
Objective	KPI	Baseline	2020	2021
Respect human rights	% of in-scope factories completed Higg FSLM self-assessment	60%	N/A <sup>1</sup>	60%
	% of in-scope factories verified Higg FSLM self-assessment	49%	N/A <sup>1</sup>	49%
	% of in-scope factories scored greater than 80 on vFSLM <sup>2</sup>	4%	N/A <sup>1</sup>	4%
Ensure sustainable manufacturing	% of in-scope factories completed Higg FEM self-assessment	100%	100%	100%
	% of in-scope factories verified Higg FEM self-assessment	83%	83%	88%
	% of in-scope factories no Higg FEM level achieved	80%	80%	53%
	% of in-scope factories achieved Higg FEM level 1	20%	20%	35%
	% of in-scope factories achieved Higg FEM level 2	0%	0%	0%
	% of in-scope factories achieved Higg FEM level 3	0%	0%	0%
	% of total input chemical formulations (for in scope factories <sup>3</sup> ) compliant with Brooks RSL and/or ZDHC MRSL	68%	N/A	68%
	% of materials and final product compliant with the Brooks RSL	100%	100%	100%
	% of in-scope <sup>4</sup> factories compliant with ZDHC wastewater guidelines	25%	N/A	25%
	% of footwear assembly chemicals that are water-based	33%	57%	62%

<sup>1</sup>For visibility into how our factories performed in social responsibility assessments in previous years, [see our 2020 CR Report](#).

<sup>2</sup>vFSLM indicates the Higg FSLM has been verified by a SAC-approved third party.

<sup>3</sup>Includes midsole/outsole factories and high-volume Tier 2 textile factories.

<sup>4</sup>Includes footwear Tier 1 factories, midsole/outsole factories that generate wastewater, and high-volume Tier 2 textile factories.





# CLIMATE ACTION

At Brooks, we believe climate change demands urgent and universal action. We are taking a science-backed approach to address climate change and align efforts across our business to reduce carbon emissions. This includes product design, materialization, manufacturing, and our global supply chain.

## OUR CLIMATE ACTION EFFORTS ARE GUIDED BY **TWO OBJECTIVES:**

### 1 **REDUCE CARBON EMISSIONS IN LINE WITH CLIMATE SCIENCE**

We have developed ambitious, 1.5°C-aligned science-based carbon emission reduction targets, reviewed by the Science Based Target initiative (SBTi) and approved to be in line with the Paris Agreement. We're executing our climate roadmap, which identifies strategies to reduce carbon emissions across our global value chain, including our product, manufacturing, product transportation, and our operated facilities.

### 2 **ACHIEVE NET ZERO CARBON EMISSIONS**

Our climate commitments extend to the long-term target of climate science to achieve net zero carbon emissions by 2040, 10 years ahead of the Paris Agreement. The sooner we can do that, the greater the chance of curbing global temperature rise above 1.5°C. We will achieve net zero carbon emissions by prioritizing carbon emission reductions in line with climate science and by neutralizing any remaining carbon emissions that we have not yet been able to reduce through high-quality carbon offsets. We will start with projects that avoid and reduce emissions and transition to permanent carbon removals.

# 2021 KEY PROGRESS HIGHLIGHTS

## 1 REDUCE CARBON EMISSIONS IN LINE WITH CLIMATE SCIENCE

**Commitment:** Reduce absolute Scope 3 greenhouse gas emissions 15% by 2030 (from a 2018 baseline)

### KEY ACHIEVEMENTS IN 2021

61% of total polyester yarn used is recycled yarn. The result is 2,400 metric tons less in carbon emissions than if we continued to use conventional polyester.

Developed dope dyed sockliner top cloth, which reduces carbon emissions by 10% compared to conventionally dyed top cloth. The new top cloth launches in a Spring 2023 shoe and scales to all shoes in Fall 2023.

32% of total inbound shipments from Tier 1 final-assembly factories to distribution centers were shipped via air rather than lower carbon emission ocean shipping due to COVID-19 and supply chain challenges.

Began partnering with Tier 1 footwear factories to develop renewable energy procurement plans.

## 2 ACHIEVE NET ZERO CARBON EMISSIONS

**Commitment:** Achieve net zero carbon emissions by 2040



Launched our first carbon neutral footwear, the Ghost 14, our highest volume footwear style.



# A DEEP DIVE ON OUR PROGRESS

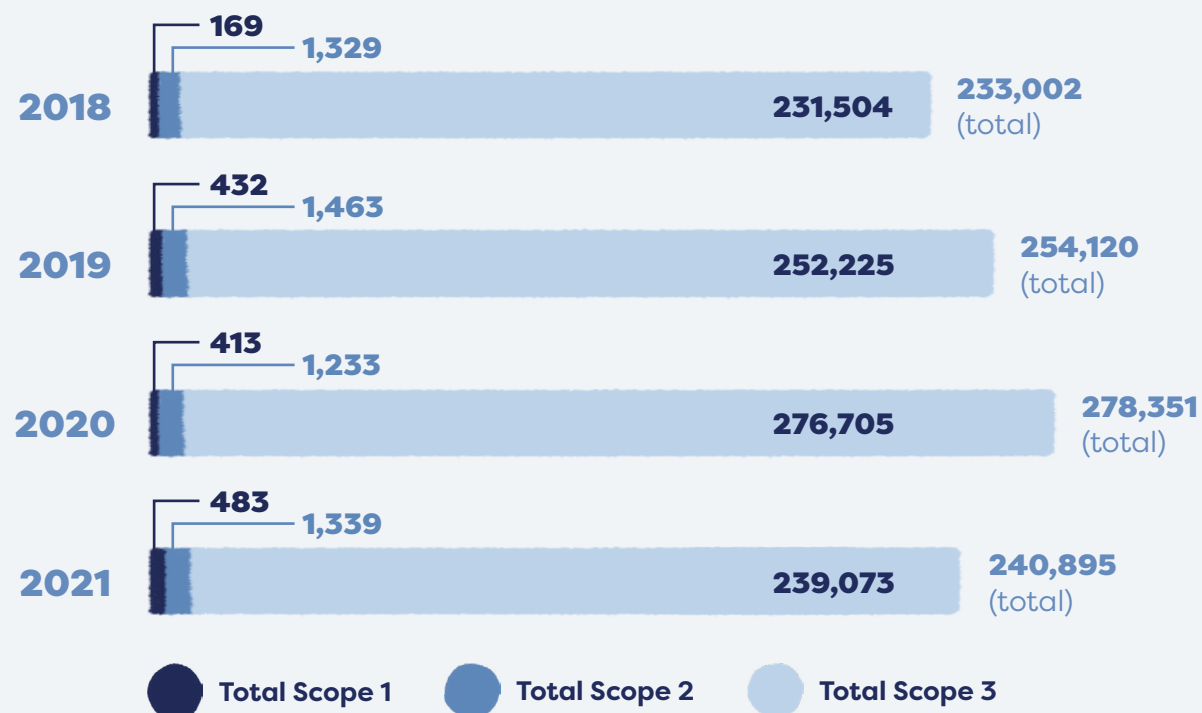
## 1 REDUCE CARBON EMISSIONS IN LINE WITH CLIMATE SCIENCE

## OUR CARBON FOOTPRINT

### What does CO<sub>2</sub>e mean?

CO<sub>2</sub>e, or carbon dioxide equivalent, is a standard unit for measuring carbon footprints. This allows us to report on all greenhouse gas emissions (GHGs) as a single number.

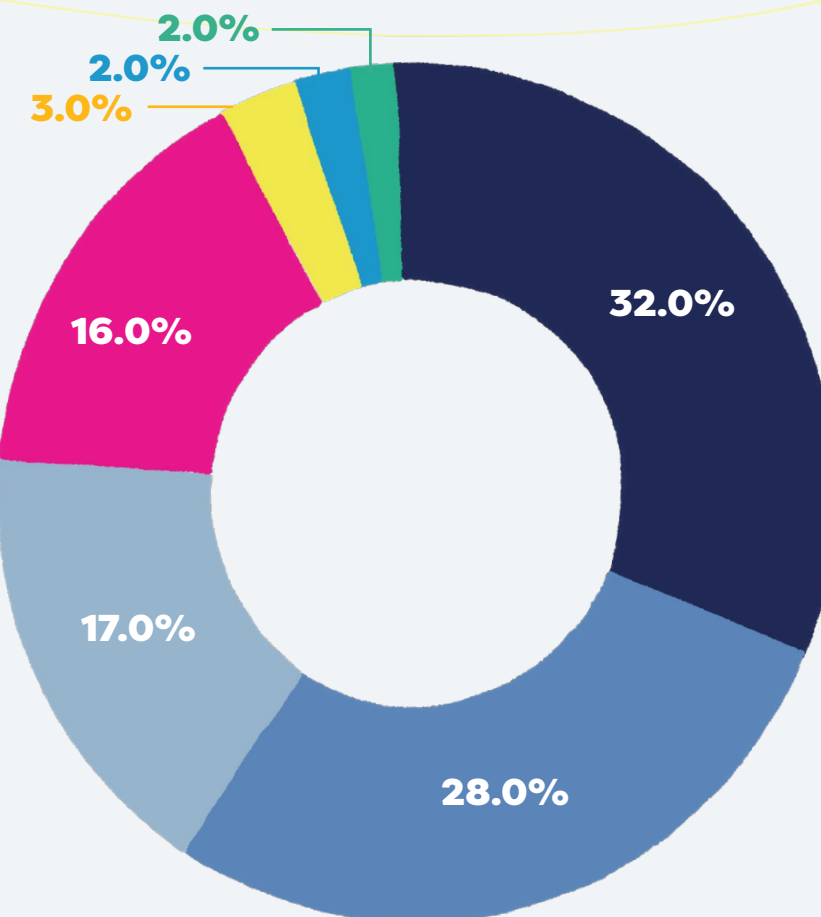
### Total greenhouse gas emissions (Metric Tons CO<sub>2</sub>e)



Scope 3 GHG emissions decreased in 2021 compared to 2020 largely due to a change in methodology to calculate GHG emissions resulting from materials, as well as upstream and downstream transportation. For materials, we used customized emissions factors generated through the Higg Material Sustainability Index. For distribution categories, we received more accurate reports from our teams for both upstream and downstream transportation.

### Scope 3 carbon emission sources

- Transportation and distribution of gear
- Processing of raw materials to a finished material or component
- Raw materials extraction and processing (e.g., production of yarn)
- Final product assembly (e.g., finished running shoe)
- Packaging
- End of life and use of gear
- Other sources



# A DEEP DIVE ON OUR PROGRESS

## 1 REDUCE CARBON EMISSIONS IN LINE WITH CLIMATE SCIENCE

### BETTER UNDERSTAND OUR MATERIAL CARBON EMISSIONS BY **ADOPTING THE HIGG MSI**



To achieve our Planet 2030 commitments, our climate roadmap includes a focus on reducing carbon emissions from the materials used in our product. These account for 45% of our total Scope 3 carbon emissions. So it's critical we better understand and more accurately calculate carbon emissions that result from the raw materials and manufacturing of our finished materials and components. To improve our understanding, we adopted the [Higg Material Sustainability Index \(Higg MSI\)](#), an industry-standardized lifecycle assessment tool that calculates the environmental impact of materials.

In 2021, we scaled our use of the Higg MSI tool, customizing and evaluating each material in our Fall 2021 and Spring 2022 seasons. The Higg MSI also improves our accuracy by calculating the carbon emissions for each material used in our product. In turn, we can input that calculation into our corporate-wide carbon emissions footprint to improve its impact. These changes also improve our ability to identify new strategies for further carbon emission reductions.



# A DEEP DIVE ON OUR PROGRESS

## 1 REDUCE CARBON EMISSIONS IN LINE WITH CLIMATE SCIENCE

# TRANSITION TO LOW-IMPACT DYEING— DOPE DYEING

## How is dope dyeing different from traditional dyeing techniques?

Dope dyeing, also known as solution dyeing, has a lower environmental impact compared to traditional dyeing methods. The traditional dyeing method, batch dyeing, for synthetic fibers heavily relies on water. The fiber is extruded to make yarn and then a liquid spinning solution is used to mix color. Conversely, in dope dyeing, the dyes are applied to the pellet raw materials before being extruded and spun into yarn. Color penetrates the core of the pellets, which provides the fiber with excellent color fastness and performance. Dope dyeing is also better for the environment, as it uses significantly less water and fewer chemicals. It uses approximately 92% fewer carbon emissions, 94% less water, and results in a 99% reduction in energy consumption contrasted to batch dyeing methods.

## Where will Brooks implement dope dyeing first?

We are piloting dope dyeing in Fall 2023 footwear. The sockliner top cloth will be dope dyed in all footwear that season. This material was a leading choice for many reasons. First, volume is critical when it comes to dope dyeing. The sockliner is a material used across all our footwear styles. Second, color limitation was a big hurdle for us in the beginning; we needed a component of the shoe that did not require many different color options. Third, our development teams are still learning more about color-matching with this new process. It was important that we start with a material inside the shoe to lower the risk of variation to the outside shoe color.

## What exactly is a sockliner top cloth?

The sockliner is a foam material with a textile top layer that offers both protection and comfort. The top cloth specifically makes the shoe more comfortable and helps the foot feel settled inside. The textile provides grip, holds the foot in place, and keeps the foot from sliding on the slick foam material.

## What's next?

We are incorporating the learnings from dope dyeing the sockliner top cloth into our future plans. We have a roadmap for expanding dope dyeing into other materials and components across our footwear line. This is a major cross-functional undertaking, and we have partnered with key teams to ensure progress toward our low-impact dyeing goals.



**92% reduction**  
in carbon emissions\*



**94% reduction**  
in water use.\*

\*In comparison to the traditional dyeing process that Brooks has been using.

# A DEEP DIVE ON OUR PROGRESS

## 1 REDUCE CARBON EMISSIONS IN LINE WITH CLIMATE SCIENCE

### INCREASE IN AIR SHIPMENTS DUE TO COVID-19 AND SUPPLY CHAIN CHALLENGES

In 2021, our business was challenged with global supply disruption due to the ongoing impact of the global pandemic. Given our manufacturing footprint, we were heavily impacted by the COVID-19 disruption in Vietnam in 2021. In the southern region of Vietnam, there was a major outbreak of COVID-19 cases that led to government lockdowns and factory shutdowns for several months in late 2021. In the northern region of Vietnam, we dealt with short-term quarantines due to localized outbreaks in and around our factories throughout the year. These COVID-19 lockdowns and quarantines impacted both our procurement of raw materials and the delivery of finished goods, and resulted in global supply shortages — all of which put pressure on our ability to meet customer demand.

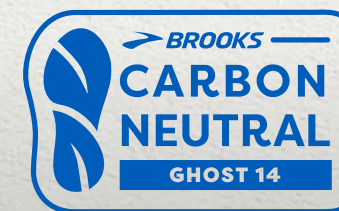
### DECARBONIZING OCEAN TRANSPORT

Brooks has approximately 1,400 ocean shipments per year and has both a responsibility and an opportunity to positively influence the climate agenda in the ocean transport industry. In 2021, Brooks joined forces with several global companies and signed the 2040 ambition statement through the collaborative platform [Cargo Owners for Zero Emission Vessels \(coZEV\)](#), facilitated by the [Aspen Institute](#). The ambition statement makes it clear that global transport buyers want zero-carbon shipping, and they want decarbonizing efforts to rapidly accelerate.

# A DEEP DIVE ON OUR PROGRESS

## 2 ACHIEVE NET ZERO CARBON EMISSIONS

### THE CARBON NEUTRAL GHOST 14



#### First step on our journey

To achieve our ambitious goal of net zero carbon emissions by 2040, we first prioritize reducing carbon emissions, and then compensate for the emissions we have not yet reduced through carbon offsets. Our efforts began where we have the largest impact. That's why we started by making our highest-volume style – the Ghost 14 – our first carbon neutral product.

#### Reduce emissions

Our efforts to make the Ghost 14 carbon neutral started with reducing its carbon emissions. Almost all upper textiles have now been updated to contain a minimum of 30% recycled polyester, and many are 100% recycled polyester – including the sockliner top cloth, tongue lining, toe box reinforcement, and more. [Learn more about the recycled content breakdown of the Ghost 14 here.](#)

#### The Ghost 14 carbon emissions

The carbon emissions of the Ghost 14 are 10.34 kg CO<sub>2</sub>e. To understand this impact, we performed a lifecycle impact assessment utilizing the Product Environmental Footprint (PEF) methodology, the current standard of the European Commission. The carbon impact includes the full life cycle of the Ghost 14 shoe: production of materials, assembly of product, packaging, distribution, and end of life.

#### Carbon offsets

To ensure quality, we purchase carbon offset credits from projects that meet leading international standards within the voluntary carbon offset market (Verra, Gold Standard, ACR, and others). These provide confidence to the consumer that the credits are additional, permanent, quantifiable, and verifiable. Each of these projects provides additional environmental and social benefits, including a focus on improved air quality and advanced health and well-being.

#### Climate action now

As we move along this path to drive emissions to net zero, we recognize we will continue to emit carbon emissions, and we must address this impact. Until we reach our goal, we'll use carbon offsets to compensate for the carbon emissions we have not yet been able to reduce. This makes an immediate impact to help address climate change.

# CLIMATE ACTION KPIs

Objective	KPI	Baseline	2019 <sup>1</sup>	2020 <sup>1</sup>	2021
Reduce Scope 1 and 2 carbon emissions	Total Scope 1 GHG emissions (Metric Tons CO <sub>2</sub> e)	169	432	413	483
	Scope 2 GHG emissions - location-based (Metric Tons CO <sub>2</sub> e)	1,329	1,463	1,233	1,339
	Scope 2 GHG emissions - market-based (Metric Tons CO <sub>2</sub> e)	—	—	—	—
	Total Scope 1 and 2 GHG emissions (Metric Tons CO <sub>2</sub> e)	1,498	1,895	1,646	1,822
	% annual electricity usage from Brooks' operated global facilities covered by Energy Attribute Certificates (EACs)	0%	—	0%	0%
Reduce Scope 3 carbon emissions	Total Scope 3 GHG emissions (Metric Tons CO <sub>2</sub> e)	231,504	252,225	276,705	239,073 <sup>2</sup>
	% total inbound shipments transported via air	FOOTWEAR 4%	1%	4%	33%
		APPAREL 26%	20%	15%	24%
Achieve net zero carbon emissions	Offsets applied to reporting year (Metric Tons CO <sub>2</sub> e)	0	—	0	31,118

<sup>1</sup>Due to new insights and improved accuracy in calculation methods, figures related to progress against our Planet 2030 commitments may differ from previous reports. We're committed to continuously improving our methodology, accuracy, and transparency in GHG reporting.

<sup>2</sup>Scope 3 GHG emissions decreased in 2021 compared to 2020 largely due to a change in methodology to calculate GHG emissions resulting from materials, as well as upstream and downstream transportation. For materials, we used customized emissions factors generated through the Higg Material Sustainability Index. For distribution categories, we received more accurate reports from our teams for both upstream and downstream transportation.



# SUSTAINABLE CONSUMPTION

At Brooks, we aim to reduce the impact that our running gear has on the planet. So we've created our sustainable consumption strategy in support of the United Nations Sustainable Development Goal #12: Responsible Consumption and Production. "We take a holistic approach to manage impact throughout each product's life cycle, from raw materials all the way through to product use and end of life. We've identified key interventions to address how our products impact the environment, and we've committed to minimizing our reliance on non-renewable resources in a few key ways: use more sustainable materials, minimize material waste generated through product manufacturing, move toward a fully circular product model, and take responsibility for our product after its usable life, so it won't end up in landfills.

## OUR SUSTAINABLE CONSUMPTION EFFORTS ARE GUIDED BY **FOUR OBJECTIVES:**

- 1 CONVERT TO RECYCLED AND BIO-BASED MATERIALS**  
We must replace conventional raw materials, such as polyester and ethylene-vinyl acetate (EVA), with recycled and bio-based sources. Non-renewable finite resources have a large environmental impact and will eventually become scarce — a risk to both our business and the environment.
- 2 ELIMINATE MANUFACTURING FOOTWEAR MATERIAL WASTE TO LANDFILL AND INCINERATION**  
Manufacturing creates material waste, increasing the overall environmental impact of our product. So in order to reduce carbon emissions and support our transition to a circular future where waste is treated as a valuable resource, we will reduce material waste and develop sustainable solutions for unavoidable material waste.
- 3 TRANSITION TO CIRCULAR PRODUCT**  
We resolve to launch our first circular performance running footwear and apparel. We want to make product that can be deconstructed, its materials fed back into the production cycle and then used to make new performance running footwear and apparel.
- 4 TAKE RESPONSIBILITY FOR OUR PRODUCT AT ITS END OF LIFE**  
When the consumer is done with our product, we will reclaim it. In the short term, we aim for this product to be downcycled into relevant applications. Our long-term goal is for this product to be recycled and used as raw materials.

# 2021 KEY PROGRESS HIGHLIGHTS

## 1 CONVERT TO RECYCLED AND BIO-BASED MATERIALS

**Commitment:** Source only materials with minimum 50% recycled or bio-based content by 2030

### KEY ACHIEVEMENTS IN 2021

- 61% of total polyester yarn is recycled yarn, an increase from 52% in 2020
- 59% of total nylon yarn is recycled yarn, an increase from 3% in 2020
- 18% of total raw materials used in Brooks gear are recycled raw materials, an increase from 12% in 2020
- All core footwear styles contain a minimum 14% total raw materials that are recycled or bio-based with 3 styles at 20%

## 2 ELIMINATE MANUFACTURING FOOTWEAR MATERIAL WASTE TO LANDFILL AND INCINERATION

**Commitment:** Eliminate footwear manufacturing waste sent to landfill, incineration, and the environment by 2025

- Calculated baseline of material waste generated at Tier 1 footwear factories—calculating material weight by material type and destination
- Worked with Tier 1 footwear factories to install new cutting machinery that helps to reduce waste
- Developed methodology to calculate material waste weight per pair specific to each footwear style and began feeding this back to our product development teams

## 3 TRANSITION TO CIRCULAR PRODUCT

**Commitment:** Launch Brooks' first fully circular performance running footwear and apparel by 2030

Kicked off R&D workstreams focused on developing circular materials for footwear upper, midsole, and outsole

## 4 TAKE RESPONSIBILITY FOR OUR PRODUCT AT ITS END OF LIFE

**Commitment:** Implement a product take-back program

- Discovery and initial development of a product take-back program
- 73,475 pairs donated to Soles4Souls and kept out of landfill



# A DEEP DIVE ON OUR PROGRESS

## 1 CONVERT TO RECYCLED AND BIO-BASED MATERIALS

### CONVERT POLYESTER TO RECYCLED POLYESTER

Extracting and processing raw materials has a significant impact on the environment. Through conducting a life cycle assessment on the Ghost 14, we calculated that 57% of the life cycle impact of our footwear occurs in the raw material extraction and processing into a finished material. Through 2021, we continued our focus on converting traditional polyester textiles to recycled polyester.



# 74 million

plastic bottles were used in the manufacturing of recycled materials for Brooks footwear and apparel in 2021

#### Percentage of upper recycled content by weight for key Fall 2021 and Spring 2022 footwear styles



26.0%

GHOST 13



28.0%

LAUNCH 8



41.0%

ADRENALINE GTS 21



20.5%

GLYCERIN 19



36.0%

GHOST 14



32.0%

LAUNCH 9



37.0%

ADRENALINE GTS 22<sup>1</sup>



32.9%

GLYCERIN 20

<sup>1</sup>The recycled content decreased from the Adrenaline GTS 21 to the Adrenaline GTS 22 due to the usage of non-recycled materials in the upper aimed at increasing strength and performance.

# A DEEP DIVE ON OUR PROGRESS

## 1 CONVERT TO RECYCLED AND BIO-BASED MATERIALS

### CONVERT POLYESTER TO RECYCLED POLYESTER

#### A closer look at the recycled materials used in the Ghost 14:

Efforts to incorporate recycled content materials in the Ghost 14 reduced carbon emissions, helping us on our way to making the Ghost 14 carbon neutral.



#### Sockliner top cloth



#### Heel



#### Collar lining



#### Tongue lining



#### Tongue mesh



#### Vamp mesh



#### Heel reinforcement

#### Collar lining reinforcement

#### Quarter reinforcement

#### Tongue lining reinforcement

#### Eyestay reinforcement

#### Toe box reinforcement



#### Lace



THE  
Ghost 14

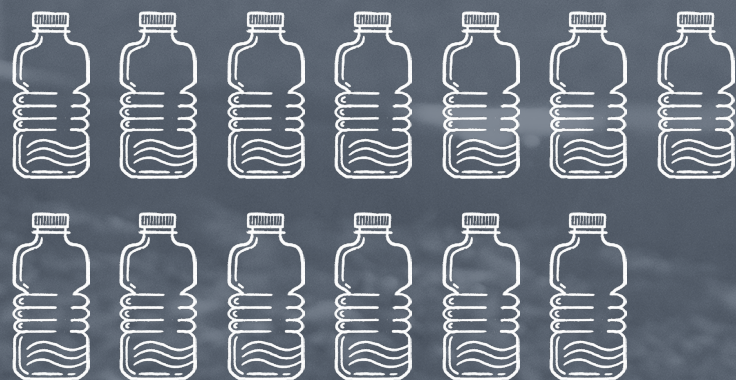
# A DEEP DIVE ON OUR PROGRESS

## 1 CONVERT TO RECYCLED AND BIO-BASED MATERIALS

### SPRING 2022 CANOPY JACKET

Redesigned to use 100% recycled polyester throughout the shell.

The shell fabric is bluesign® approved and water resistant with C6 durable water repellent finish. A bluesign® system partner since 2014, we use bluesign® resources to select safe and sustainable materials from factories that uphold environmental standards and value worker health and safety.



A men's medium size Canopy Jacket recycles more than **13 plastic bottles**

#### Shell

100%

Recycled polyester

#### Entire Garment

91%

Recycled material

### FALL 2021/SPRING 2022 CHASER SHORTS

The updated Chaser shorts now feature a recycled polyester shell.

The shell fabric is moisture-wicking and bluesign® approved.

Depending on the length (see chart), each women's Chaser short uses 4-6 plastic bottles.

STYLE	% RECYCLED <sup>1</sup>	# OF BOTTLES
Chaser 3" Short	55%	6
Chaser 5" Short	28%	4
Chaser 5" 2-in-1 Short	36%	6
Chaser 7" Short	37%	6



#### Entire Garment

Recycled material

55%

#### Shell

Recycled polyester

89%

A women's medium size Chaser 5" short recycles more than **4 plastic bottles**

<sup>1</sup>% Recycled calculation is (yards of recycled fabrics) / (total yards of all shell and lining fabrics).

These calculations include only yields listed in shell and lining. Trim (pocket openings, zippers, inner waistbands) is not included. This aligns with the care/content labels on most products ("exclusive of trim").

In the case of spandex/polyester blends, the spandex (11% of Chaser fabric) is not excluded from the recycled content percentages above.

# A DEEP DIVE ON OUR PROGRESS

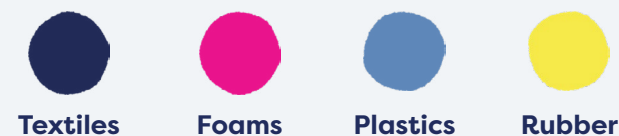
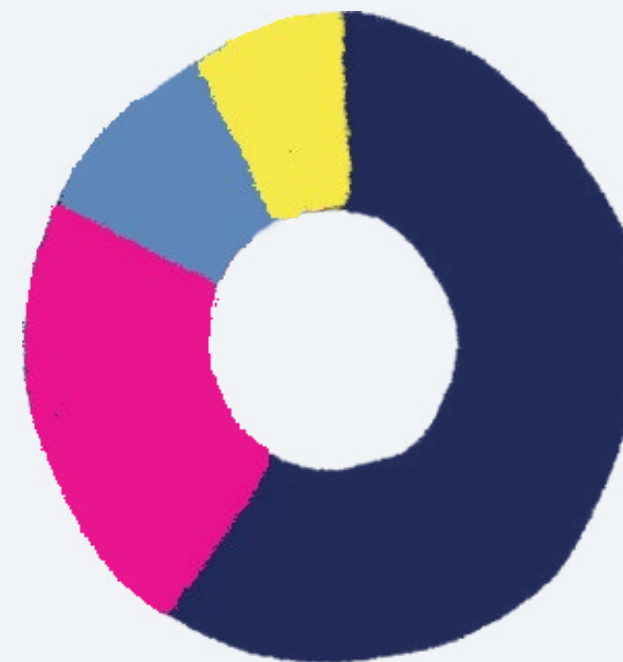
## 2 ELIMINATE MANUFACTURING FOOTWEAR MATERIAL WASTE TO LANDFILL AND INCINERATION

### UNDERSTAND HOW TO MAXIMIZE BROOKS' MATERIAL USAGE

In 2021, our Footwear team focused on better understanding the waste material generated during our manufacturing processes, with an eye to eliminating this waste going to landfill or incineration by 2025. First, we broadened our scope to better understand the types of material waste generated and to identify opportunities for their usefulness at end of life. Brooks teams in Asia partnered with several Tier 1 suppliers and conducted a baseline study to identify and quantify material types generated at each manufacturing stage. Next, we kicked off similar projects with our Tier 2 midsole and outsole suppliers. Here we are evaluating the excess material generated and exploring opportunities to recycle this material back into our products. We also continued our work to increase pattern efficiency for our upper materials, scaling our laser-cutting technologies in more factories to reduce even more waste.

#### Waste Material Generated at Tier 1 Factories

Results of the 6-month study at Tier 1 factories to understand the amount of each material type going to landfill



# A DEEP DIVE ON OUR PROGRESS

## 4 TAKE RESPONSIBILITY FOR OUR PRODUCT AT ITS END OF LIFE

### SOLES4SOULS PARTNERSHIP

We have partnered with [Soles4Souls](#) every year since 2016 to divert our footwear, apparel, accessories, and marketing materials from landfill. Soles4Souls gives our product a second life or responsibly recycles it. The organization takes a range of products, including shoes that have run 400 miles, product samples, and single shoes.

IN 2021, WE DONATED:



**73,475**

pairs of shoes,



**20,690**

apparel items, and



**674**

marketing materials

...to Soles4Souls, extending the life of our product. The footwear donated is sold to local micro-entrepreneurs in countries, such as Haiti and Honduras, who can then resell it to earn a living.

Our 2021 donation of 73,475 pairs of shoes can **provide a full year of food, shelter, and education for 105 families** in these countries.

# SUSTAINABLE CONSUMPTION KPIs

Objective	KPI	Baseline	2020	2021
Convert to recycled and bio-based materials	% of total polyester (by weight) that is recycled polyester	17%	52%	61%
	% of total nylon (by weight) that is recycled nylon	3%	3%	59%
	% of total materials (by weight) with minimum 50% recycled or bio-based content	13%	—	13%
	% of raw materials (by weight) that are recycled or bio-based	18%	—	18%
	% of nominated apparel fabrics that are bluesign® approved	30%	52%	47% <sup>1</sup>
Eliminate footwear manufacturing material waste sent to landfill and incineration	% of total footwear material waste sent to landfill or incineration	85%	—	85%
	Material waste weight per pair (g/pair) (weighted avg.)	168.5g	—	168.5g

<sup>1</sup>In 2021, we diversified our materials sourcing to support our apparel Tier 1 sourcing strategy, which included a 7% increase in sourcing from Central America, where bluesign® fabrics are not readily available. This caused a decline in the number of nominated bluesign® fabrics from 2020 to 2021. Despite this decline, we are making progress on increasing our sourcing of bluesign® fabrics from suppliers in Asia.



# 2021 PROGRESS TOWARD COMMITMENTS

## DIVERSITY, EQUITY, & INCLUSION<sup>1</sup>

	Baseline	2020	2021	Target
Maintain our Human Rights Campaign Foundation's "Corporate Equality Index" <b>score of 100</b>	95	100	100	100
Achieve at least <b>50% women<sup>2</sup></b> representation at all levels of Brooks U.S. employees	46.4%	46.4%	51.8%	50.0%
Achieve at least <b>30% BIPOC<sup>2</sup></b> representation at all levels of Brooks U.S. employees	21.6%	21.6%	22.0%	30.0%
Achieve <b>100% pay equity</b> for all BIPOC Brooks U.S. employees	-	-	-	100%
Achieve <b>100% pay equity</b> for all women Brooks U.S. employees	-	-	-	100%
Maintain <b>40% BIPOC<sup>2</sup></b> representation in marketing stories and images	55.2%	N/A <sup>3</sup>	55.2%	40.0%
Support increased diversity of U.S. running population ( <b>40% BIPOC</b> )	33.7%	33.7%	- <sup>4</sup>	40.0%

<sup>1</sup>All Diversity, Equity, & Inclusion commitments apply to U.S. only

<sup>2</sup>Percentages represent the average representation across all levels

<sup>3</sup>New commitment

<sup>4</sup>Participation data for 2021 will be available midyear of 2022

## COMMUNITY ENGAGEMENT

	Baseline	2020	2021	Target
Dedicate more than <b>\$5 million</b> per year in cash and gear to social impact programs	\$1.1M	\$10.9M	\$5.7M <sup>1</sup>	\$5M

<sup>1</sup>2021 donations decreased compared to 2020 due to our 2020 Our Heroes Wear Scrubs program that provided essential healthcare workers Brooks shoes as they boldly battled COVID-19

## RESPONSIBLE SOURCING

	Baseline	2020	2021	Target
<b>100%</b> of Tier 1 factories achieve and maintain a verified Higg Facility Social Labor Module (Higg FSLM) score greater than 80 by 2025	13.0%	N/A <sup>1</sup>	13.0%	100%
<b>80%</b> (by dollar spend) of Tier 2 factories achieve and maintain a verified Higg FSLM score greater than 70 by 2025	7.0%	N/A <sup>1</sup>	7.0%	80.0%
<b>100%</b> of Tier 1 and 80% (by dollar spend) of Tier 2 factories achieve and maintain a verified Higg FEM level 3 by 2025	0.0%	0.0%	0.0%	100%
Achieve <b>100%</b> compliance with the ZDHC MRSI and zero discharge of hazardous chemicals by 2025	68.0%	N/A <sup>1</sup>	68.0%	100%
Convert <b>100%</b> of footwear manufacturing assembly chemicals to water-based by 2023	33.0%	57.0%	62.0%	100%

<sup>1</sup>New commitment



# 2021 PROGRESS TOWARD COMMITMENTS



## CLIMATE ACTION<sup>1</sup>


	Baseline	2020	2021	Target
Reduce absolute scope 1 and 2 greenhouse gas emissions <b>50%</b> by 2030 (from a 2018 baseline)	-	<b>+10.0%</b>	<b>+21.0%</b>	<b>-50.0%</b>
Reduce absolute scope 3 greenhouse gas emissions <b>15%</b> by 2030 (from a 2018 baseline)	-	<b>+20.0%</b>	<b>+3.0%<sup>2</sup></b>	<b>-15.0%</b>
Achieve <b>Net Zero</b> carbon emissions by 2040 (Offsets applied to reporting year in Metric Tons CO <sub>2</sub> e)	<b>0</b>	<b>N/A</b>	<b>31,118</b>	<b>Net zero carbon emissions</b>

<sup>1</sup>All Climate Action progress is measured against baseline.

<sup>2</sup>Scope 3 GHG emissions decreased in 2021 compared to 2020 largely due to a change in methodology to calculate GHG emissions resulting from materials and distribution categories. For materials, we used customized emissions factors generated through the Higg Material Sustainability Index.

## SUSTAINABLE CONSUMPTION

	Baseline	2020	2021	Target
Source only materials with minimum <b>50%</b> recycled or bio-based content by 2030	<b>13.0%</b>	-	<b>13.0%</b>	<b>100%</b>
<b>Eliminate manufacturing footwear material waste</b> sent to landfill, incineration, and the environment by 2025	<b>85.0%</b>	-	<b>85.0%</b>	<b>0.0%</b>
Launch Brooks' first <b>fully circular performance running footwear and apparel</b> by 2030	-	-	<b>In Progress</b>	<b>Launch</b>
Implement a <b>product take-back</b> program	-	-	<b>In Progress</b>	<b>Launch Program</b>

A person is running on a dirt trail through a forest, with a dog running alongside them. The scene is dimly lit, suggesting a forest setting. A yellow curved line is visible on the right side of the image.

**We're committed to providing transparency  
on our goals, progress, and areas we can  
improve. For questions regarding our  
Running Responsibly program, please email  
[runningresponsibly@brooksrunning.com](mailto:runningresponsibly@brooksrunning.com)**



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