RUNNING RESPONSIBLY 2019 Corporate Responsibility Performance Summary Report







BROOKS BELIEF

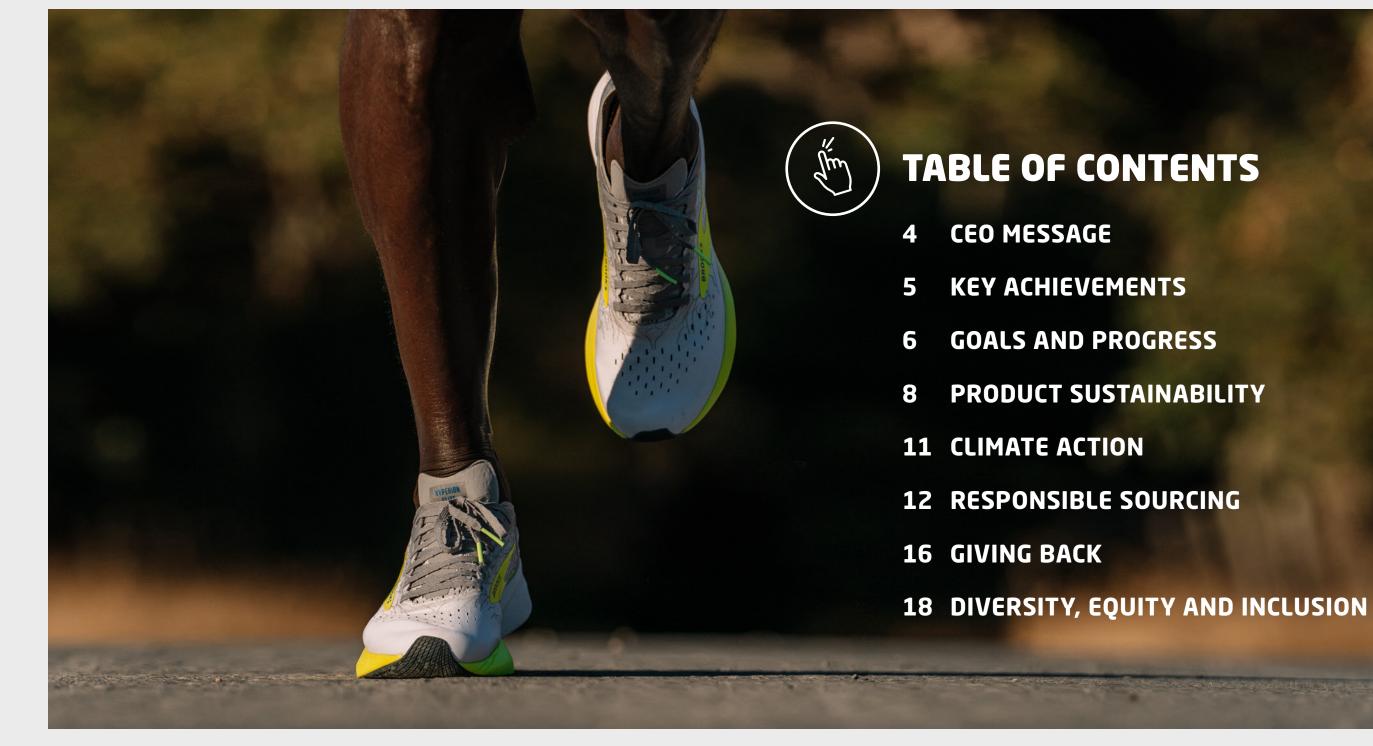
WE LIVE AND RUN ON THIS PLANET

More than 100 million people run outside, so it's critical we care for the world we share. That means working to minimize our environmental impact, creating positive social change, and being transparent about areas where we can do better. All the while, we give back and boost causes that get people moving.





Product Sustainability Climate Action Responsible Sourcing







> BROOKS

Goals & Progress

Product Sustainability

Climate Action

Responsible Sourcing

A MESSAGE FROM OUR CEO



We are living in interesting times. I write this letter during a global pandemic that has challenged us all in many ways—how we work, how we connect, how we experience the environments around us, and how we take care of ourselves and others through it all. It has put a spotlight on global health and exposed resource limitations and inequities around the world. At Brooks, we have channeled our efforts during this time on keeping people safe, healthy, and focused on the work we're doing to put positive energy into the world through the run.

We remain on a mission to make the best running gear in the world. As we operate our global business, we inherently impact people and places. More than 100 million people run outside, so it's critical we care for the home we share. That means working to minimize our environmental impact, creating positive social impact, and being transparent about areas where we can do better. All the while, we give back to the communities in which we operate and lift causes that get people moving.

Our 2019 Running Responsibly report overviews our corporate responsibility vision, goals, strategies, programs, and performance from the past year. It also shows progress toward fiveyear targets set in 2018 that have focused our efforts on 1) reducing our environmental impact in line with climate science and 2) creating positive social change. We have organized our work around product sustainability; climate action; responsible sourcing; giving back; and diversity, equity, and inclusion. Highlights of progress we made during 2019 include:

- Recognizing the need for longer-term corporate responsibility view, we measured our complete carbon footprint across all product lifecycle stages—from raw material extraction to product end of life—and are now on the path to setting Science Based Targets to meet the 2030 goals of the Paris Agreement.
- We diverted from landfills more than 22 million plastic water bottles by using recycled polyester in our gear, as well as 87 tons of product by donating more than 115,000 unsold items to Soles4Souls, which helps create economic stability for those living in poverty in developing countries.
- We expanded our Responsible Sourcing program deeper into our supply chain to measure Brooks Code of Conduct compliance with suppliers that account for approximately 90% of total material volume used to make our gear.

• Brooks donated 500+ volunteer hours and more than \$11 million (cash and product) to organizations and people who encourage a healthy, active lifestyle in their communities, and foster diversity, equity, and inclusion.

The world needs a good run now more than ever. Running ignites a limitless source of positive energy that can transform a day, a life, and (yes) even the world. You simply need a safe place to run, gear that works for you, and a bit of inspiration to put one foot in front of the other.

Ultimately, we know runners can choose from many brands. We believe most will choose one that delivers great gear and gets how the run fits into their lives. We also know many will look past what we do and want more information on how we do it and the values that drive our actions. Running Responsibly is a lifelong race, and we are running it.

Jim Weber, CEO



Climate Action

KEY ACHIEVEMENTS

22 million plastic bottles diverted

from landfills and oceans by switching to recycled polyester

48%

of our apparel fabric made with bluesign® approved materials





complete carbon footprint measured across the entire global product life cycle

500+ hours volunteered by our employees

volunteering



87 tons of product diverted from landfills by donating to Soles4Souls

95% rating

earned on the Human **Rights Campaign Foundation's Corporate** Equality Index of Best Places to Work for LGBTQ Equality



100% of Brooks products made in factories that achieved our **"Meets Minimum** Standards" rating or better

\$11M+ in cash and in-kind product donations to people and organizations in need



CORPORATE RESPONSIBILITY STRATEGY

VISION

Create the best running gear in the world while we reduce our environmental impact in line with climate science, create positive social change, and are transparent about these efforts.

OUR PROGRAMS

Product Sustainability

Reduce the environmental impact of our product through a focus on materials, waste, and chemicals

Climate Action

Reduce greenhouse gas emissions in line with climate science

Responsible Sourcing

Partner with our suppliers to achieve and continuously improve upon the Brooks Supplier Code of Conduct and **Responsible Sourcing Standards**

Transparency

Brooks is committed to providing transparency to our customers and wider stakeholders on our goals and progress. We are committed to adopting the Higg Index as one of the primary vehicles for providing that transparency.

Giving Back

6





Product Sustainability

Climate Action

GOALS & PROGRESS

Product Sustainability

Reduce the environmental impact of our product through a focus on materials, waste, and chemicals

Goal	CY17 (Baseline)	CY18	CY19	CY 2023 (Target)
All polyester & nylon fiber 100% recycled content	7%	18%	21%	100%
100% nominated apparel fabrics bluesign© approved	30%	44%	48%	100%
Leather sourced from Leather Working Group (LWG) Gold-certified tanneries	100%	100%	100%	100%
Footwear upper average pattern efficiency	_	68%	66%	75%
100% manufacturing assembly chemicals to water-based	33%	31%	33%	100%
Use only non-fluorinated (C0) Durable Water Repellents and anti-wicking treatments	C6	C6	C6 & C4	CO

Climate Action

Reduce greenhouse gas emissions in line with climate science

Goal	CY17 (Baseline)
Commit to a Science-Based Target to reduce our carbon emissions	N/A
Renewable electricity at Brooks- operated facilities	0%

Responsible Sourcing

Partner with our suppliers to achieve and continuously improve u Supplier Code of Conduct and Responsible Sourcing Standards

Goal	CY17 (Baseline)	CY18	CY19	CY 2023 (Target)
% of Brooks product manufactured in final assembly factories that achieve our "Meets Minimum Standards" or better facility rating	66%	99%	100%	100%
% of Brooks product manufactured in final assembly factories that achieve our "Exceeds Standards" or better facility rating	_	52%	32%	85%
% of strategic material factories that achieve our "Meets Minimum Standards" or better facility rating	TBD in 2020	_	—	100%

CY18	CY19	CY 2023 (Target)
N/A	In-progress	Set goal
0%	0%	100%

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Product Sustainability

Climate Action

Responsible Sourcing

CY 17

CY18

CY19

CY23

(Target)

(Baseline)

PRODUCT SUSTAINABILITY

We believe running should be an endless source of positive energy - for ourselves and our world. That's why we aim to reduce the environmental impact of our products through a focus on materials, waste, and chemicals.

MATERIALS

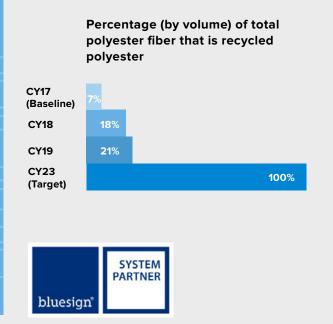
Developing industry-leading, performance running footwear and apparel requires the careful selection of materials that meet the high-performance and quality standards we demand in our products. To add to this challenge, a significant portion of our product's overall environmental impact comes from processing raw material into finished material, accounting for more than 52% of our total carbon emissions.

We're focused on minimizing the environmental impact of our product by selecting materials that are better for your run and our world. Polyester is one of the highest volume materials used across our footwear and apparel products, so our current materials focus is to transition all polyester textiles from virgin to recycled polyester, which has a lower environmental impact.

> 22 million plastic bottles diverted from landfills and oceans by switching to recycled polyester

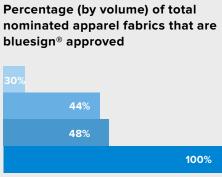
We saw a modest increase in our use of recycled polyester in 2019 and expect a larger increase in 2020 due to the actions taken by our product teams throughout 2019, which included changing our commonly used footwear materials (laces and textile reinforcements) from virgin to recycled polyester. In addition, we transitioned many of the key textiles used in our footwear uppers to

those that contain a minimum of 30% recycled content and converted some of our essential apparel fabrics to recycled alternatives.



We've been a bluesign® system partner since 2014, using their resources to select safe and sustainable fabrics from factories that uphold environmental standards and value worker health and safety. In 2019, we continued to prioritize the use of bluesign® approved materials in our apparel, increasing the total volume of nominated fabrics by 4%.







Product Sustainability

nability Climate Action

Responsible Sourcing (

WASTE

Another significant contributor to our product's overall environmental impact is waste generated when materials are cut to shape during manufacturing.

Our product creation teams are committed to maximizing material efficiency, ensuring more material is used in the final product and less ends up on the factory floor. These efforts help reduce overall material consumption and processing across our supply chain, which in turn helps lower our carbon emissions.

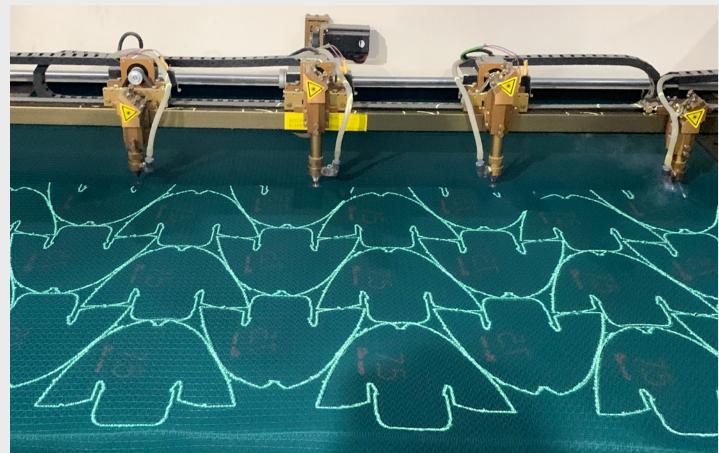
Some of the materials we use to achieve our high level of performance and quality bring challenges in maximizing material efficiency. We are investing time and resources to better understand how to overcome these challenges and using our newfound knowledge to develop tools to support our design and development teams in reaching our target.











Precision laser cutting is a technology we're adopting that allows more efficient pattern layout and less material waste.

Giving Back



Product Sustainability

Climate Action

Responsible Sourcing

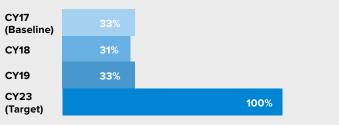
CHEMICALS

Chemicals used to manufacture materials and assemble our product are essential for ensuring the quality and performance of our gear. However, certain chemicals can negatively impact the health of factory workers and the planet.

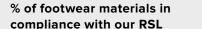
A key focus for us is to reduce the impact of the chemicals used in the assembly of our footwear by transitioning to water-based chemical alternatives, which have less of an effect on human health and the environment.

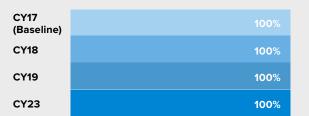
In 2019, we increased the percentage of total chemicals that are water based from 31% to 33%. As one of the highest volume chemicals used during assembly of our footwear product, adhesives have been a focus of our efforts. In 2019, 72% of all adhesives used were water based, up from 68% in 2018. In addition, we are testing water-based primers, another highvolume chemical used in the footwear assembly process, to find one that allows us to maintain our high performance and quality standards.

Percentage (by weight) of footwear manufacturing assembly chemicals that are water based



Materials used in our gear must comply with our Restricted Substances List (RSL), which comprises, at a minimum, all chemicals regulated by the most stringent legal regulations in any region globally, including the EU's REACH and California's Proposition 65. But we don't stop there. We voluntarily restrict or eliminate many other substances considered hazardous for humans and the planet, even those not yet regulated by any government body. Our focus on using bluesign[®] approved materials in our apparel ensures RSL compliance. In addition, we require Oeko-Tex® Standard 100 certification or RSL testing for any non-bluesign® approved materials.







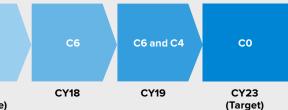


CY17 (Baseline)

Water repellency, an important feature for a portion of our gear, requires the application of a Durable Water Repellent (DWR) or nonwicking treatment to some of the materials. Unfortunately, these treatments traditionally use a class of chemicals known as Per- and Polyfluoroalkyl Substances (PFAS), certain of which are persistent, bioaccumulative, and toxic. In 2019, we continued to use only DWR and non-wicking treatments that contain shortchain (C6 and C4) PFAS because they've been found to be less toxic than long-chain DWR varieties. Additionally, we began testing non-fluorinated (CO) treatments, moving closer to our goal of completely transitioning away from using treatments with PFAS.



Transition to non-fluorinated DWRs



In 2019 we continued to use short-chain PFAs in our water repellency treatments and began testing safer alternatives.



Product Sustainability

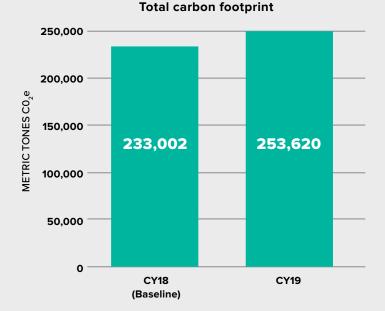
Climate Action

Responsible Sourcing

CLIMATE ACTION

Climate change is one of the most pressing issues the world faces. Global carbon emissions continue to rise, resulting in accelerated and unprecedented changes to our climate that threaten the way we live and the future of our planet. At Brooks, we recognize the urgent need to address our contribution to this global issue and protect the long-term future of humanity, our business, and the places we run. That's why we're working to align with climate science and reduce our carbon footprint.

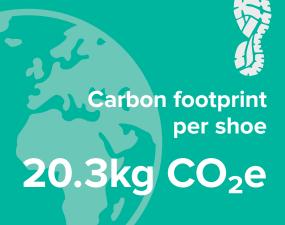
The first step in reducing our carbon footprint is to measure it. As a global brand that manufactures across the world, this is a big task. In previous years, we calculated our carbon emissions focusing on a limited number of sources. In 2019, we partnered with a global consultancy, Quantis International, to expand our scope and help us measure our complete carbon footprint around all product lifecycle stages, from raw material extraction to product end of life. Understanding the largest contributors to our carbon footprint allows us



Year-over-year increase in carbon emissions was due to an increase in total number of product units manufactured.

to focus our efforts on reducing emissions. For example, understanding that processing of raw materials to a finished material or component is a key contributor to our total footprint validates our efforts to select and prioritize low carbon intensive materials, such as recycled polyester that reduces carbon emissions by approximately 40%¹ compared to virgin polyester.

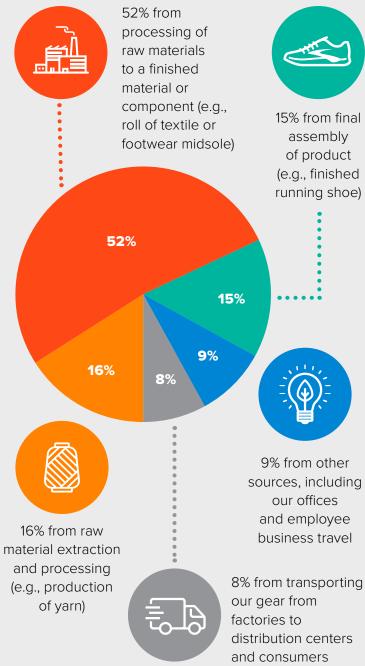
Now that we've measured our carbon footprint and identified the hotspots to focus our efforts, we're working to set a science-based target that will quantify how



What does CO₂e mean?

CO2e, 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.

much and how quickly we need to reduce emissions to be in line with climate science.



Sources of carbon emissions

Emissions factor of polyester (polyethylene terephthalate, granulate, amorphous (GLO)) is 3.08 kg CO2 eg. Recycled polyester (PET, chemically (methanolysis) recycled) is 1.78 kg CO2 eq. Source is Ecoinvent 3.4.



Product Sustainability

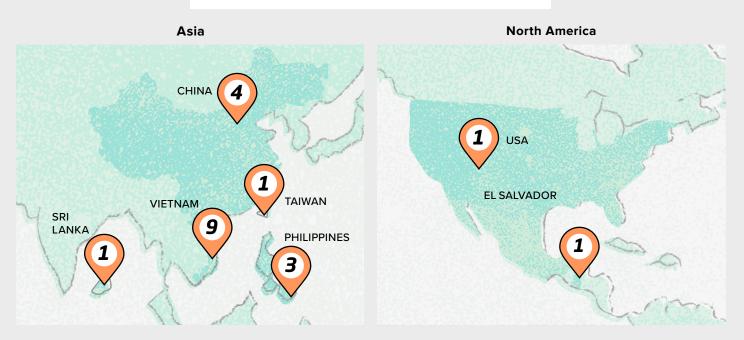
Climate Action

Responsible Sourcing

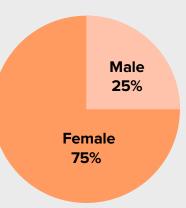
RESPONSIBLE SOURCING

Overview of our manufacturing supply chain

20 final assembly factories



28K+ workers



Our Responsible Sourcing program measures social and environmental compliance at factories across our manufacturing supply chain against the **Brooks Supplier Code of Conduct** and local law. In addition, it helps suppliers on their continuous improvement journey go beyond compliance toward our long-term vision of a sustainable supply chain.

The Brooks Supplier Code of Conduct is the foundation of the Responsible Sourcing program. Together with local law and international labor standards, it sets the standards all factories must follow to meet Brooks minimum requirements for responsible sourcing. The Brooks Code of Conduct aligns with international best practices, including the Ethical Trading Initiative Base Code and the Fair Labor Association, to protect workers' rights, create a safe workplace and protect the environment. The Code of Conduct is part of the purchase agreement and must be signed by the supplier. Production approval is only granted after the factory passes an audit verifying compliance to our standards.

- Health & Safety
- Child Labor
- Harassment, Abuse, & Discipline
- Non-Discrimination
- Working Hours
- Wages & Benefits
- Environmental Responsibility

Key Topics of the Brooks Supplier Code of Conduct

Forced Labor

- Freedom of Association &
- **Collective Bargaining**



gress Product

Facility Rating	Social Responsibility	Environmental Responsibility
Exceeds Standards	Greater than 90% average score on last two audits	Achieve verified Higg FEM Level 3
Meets Standards	Greater than 80% average score on last two audits	Achieve verified Higg FEM Level 2
Meets Minimum Standards	Pass most recent audit	Achieve verified Higg FEM Level 1
Non-Compliant	Fail most recent audit	Did not achieve Higg FEM Level 1 or did not verify
Zero Tolerance	Critical and zero tolerance issues disclosed in most recent audit	Not compliant with local environmental laws

We measure compliance to our Code of Conduct against the facility rating scale. Factories must achieve a rating of "Meets Minimum Standards" or better to be Code compliant.

On average, each factory is audited once a year to assess compliance with our Code of Conduct. In addition, each factory is required to complete an annual Higg FEM assessment substantiated by an approved verifier. Following completion of an audit or Higg FEM assessment, we work closely with factories to remediate any identified issues that do not meet our standards. Factories are expected to remediate critical issues immediately and less severe issues within six months. The Brooks Responsible Sourcing program follows the principle of "Continuous Improvement" When non-compliances are found, Brooks works with the factory to understand the root cause and find a sustainable solution that will correct the issue and prevent similar occurrences in the future.

In 2019, 100% of all Brooks product was manufactured at facilities that achieved our "Meets Minimum Standards" or better facility rating. We saw a reduction, however, in the

The Higg Facilities Environmental Module (Higg FEM)

We use this industry standardized tool to help factories in our supply chain evaluate and improve environmental performance while reducing audit fatigue, as they can share the Higg FEM with other Sustainable Apparel Coalition (SAC) member brands.

The Higg FEM measures:

- Environmental management systems
- Energy use and greenhouse gas emissions
- Water use
- Wastewater
- Emissions to air
- Waste management
- Chemical use and management

percentage of units manufactured at factories that achieved our more stringent "Meets Standards" rating. Continuous improvement is fundamental to our Responsible Sourcing program, so we partner with each factory to create long-term plans for achieving our "Meets Standards" and "Exceeds Standards" ratings.

47%

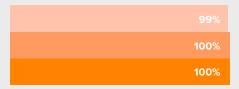
CY18

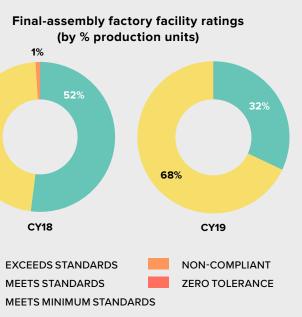
CY19

CY23

(Target)

Percentage of Brooks product made in factories that achieved our "Meets Minimum Standards" rating







CEO Message Key Achievements

Goals & Progress

Product Sustainability

ustainability Climate Action

Responsible Sourcing

Giving Back

SOCIAL RESPONSIBILITY

In 2019, 13 social responsibility audits covering 88% of total production units were conducted by our third-party auditors. The total number of audits was down compared to 2018, as we had several planned factory exits in 2019.

One of the most common industry issues identified in social responsibility audits is adherence to working-hour standards. Eliminating excessive overtime is a key component of our Code of Conduct, and we expect strict adherence to our working-hour policies, which state that the sum of regular and overtime hours will not exceed 60 hours per week, and workers must have at least 24 consecutive hours of rest in every seven-day period.

Average weekly working hours across the supply chain

CY17 (Baseline)	55
CY18	55.7
CY19	54.8

Number of lost days of work due to accidents

CY18 (Baseline)

CY19

We track lost days of work due to accidents rather than just the rate of accidents because we find this is a more accurate measure of our facilities' commitment to health and safety. The number of lost days increased significantly in 2019 compared to 2018. We've been collecting more accurate data from our factories and thirdparty auditors and believe the improved data tracking of this metric was a major contributor to the 2019 increase. For factories showing high numbers of lost days due to accidents, we seek a better understanding of the root cause to help find viable solutions and ensure appropriate health and safety remediations are implemented.

ENVIRONMENTAL RESPONSIBILITY

In 2019, 16 final-assembly factories completed the Higg FEM, accounting for 90% of total production units. The number of facilities completing the Higg FEM was slightly down

Higg FEM adoption at final-assembly factories (by % production units)			
	Completed FEM	Verified Higg FEM	
CY18	17 facilities (99%)	7 (54%)	
CY19	16 facilities (89%)	13 (83%)	

compared to 2018 due to several planned factory exits. A key focus of our 2019 Higg FEM program was on verification. Thirteen facilities verified their Higg FEM, accounting for 83% of total production units. Verification gives factories clear guidance on hotspots for improvement and, coupled with benchmarking, outlines current best practices. It's also an important step factories must take to reach Higg FEM Level 1 and achieve our facility rating goal.

WORKER VOICE

We believe an important part of protecting workers' rights and ensuring a safe work environment is to directly engage with workers and give them a chance to share their perspectives. Recognizing that traditional social responsibility audits are not the most effective tool for fully identifying and addressing noncompliances in those areas most critical to worker well-being, our Worker Voice program expands on our standards in the areas of worker sentiment, harassment and abuse, grievance mechanisms, and worker representation.

In 2019, we integrated a worker sentiment survey into our social compliance audits at all Tier 1 footwear assembly factories, which allows us to interview a much higher number of workers. On average, 82 workers are interviewed using the integrated survey compared to 16 workers in a traditional audit.





Product Sustainability

Climate Action Responsible Sourcing



Workers at a Tier 1 factory stitching components of shoe uppers

The worker-sentiment survey is 100% anonymous (workers take the survey on their mobile phones) and goes beyond compliance questions to dig deeper into grievance mechanisms, work atmosphere, wages and hours, production efficiency, workforce stability, and demographics. Survey results supplement our audit findings highlighting risks, high priority issues and trends—and help us develop solutions that specifically address concerns raised by workers.

EXPANDING TO MATERIAL SUPPLIERS

A more recent focus of our Responsible Sourcing program is the expansion of its reach into our supply chain to measure Code of Conduct compliance at factories

manufacturing our materials (also known as Tier 2 suppliers). Given the breadth of our supply chain, we're currently looking at factories that manufacture materials used at a high volume in Brooks product – EVA and PU foam for midsoles, rubber for outsoles, and textiles for footwear uppers. In 2019, we worked with more than 30 Tier 2 suppliers, accounting for approximately 90% of total material volume.

> **≈90%** of total material volume manufactured by Tier 2 suppliers

We use a risk-based approach to determine our level of engagement with high-volume material suppliers, often finding risks that aren't as prevalent in final-assembly factories. Our involvement with these suppliers focuses on foreign migrant workers and/or environmental responsibility, both of which are key risk factors throughout the Tier 2 supply chain.

Brooks recognizes that forced-labor concerns among foreign migrant workers create some of the most serious challenges facing the apparel and footwear industry. As a founding signatory of the Commitment to Responsible Recruitment, we're committed to working with our global supply chain partners to create conditions that ensure:

- No workers pay for their job;
- Workers retain control of their travel documents and have full freedom of movement; and
- All workers are informed of the basic terms of their employment before leaving home.

In 2019, we collaborated with Verité, an independent nonprofit, to provide trainings on foreign migrant workers for all Tier 2 material suppliers with facilities in Taiwan (a high-risk country for foreign migrant labor). As a follow up, we audited these factories to ensure compliance to our Code of Conduct, specifically as it relates to our standards for foreign migrant workers. Brooks also participates in an industry working group committed to sharing migrant

To ensure Tier 2 suppliers comply with our standards for environmental responsibility, we've adopted the Higg FEM, setting a goal for these suppliers to achieve Higg FEM level 2 by 2023. In 2019, 100% of our high-volume materials suppliers completed the Higg FEM, with the majority using an approved verifier for their self-assessment. For many of these factories, this was the first year they verified their Higg FEM, so we worked with them to identify areas for improvement and developed action plans to help them achieve our long-term target.

labor best practices, aligning migrant labor standards and enabling audit collaboration.



> BROOKS

CEO Message **Key Achievements**

Goals & Progress

Product Sustainability **Climate Action** **Responsible Sourcing**

GIVING BACK

At Brooks, we believe in the transformative power of the run and that it can change a day, a life, and even the world. We're inspired by those who encourage a healthy, active lifestyle in their communities, share our values, and work to make the world a better place. Brooks donates time, gear, and money to organizations that align with our non-discrimination policies, which encourage diversity, equity, and inclusion.





Des Linden gives Booster Club Scholarship to Boston Public Schools Citywide XC Team

BROOKS BOOSTER CLUB

Brooks proudly supports high school running teams through cash and gear donations. The **Brooks Booster Club** is a needs-based program that provides performance running footwear, apparel, and funding to under-resourced cross country and track teams. Since 2015, the Brooks Booster Club has helped 129 schools and 5,500 young runners across the U.S., investing more than \$1.8 million in cash and product.



2019 Brooks Inspiring Coach of the Year recipient, Tim Severa

Brooks Booster Club Inspiring Coaches:

cross country and track coaches who go

young runners. Reading the inspirational

nomination submissions written by athletes

and colleagues about the impact coaches

make on their teams is always a highlight,

together, foster growth, and change lives.

reminding us of our sport's ability to bring people

the extra mile to reach, develop, and inspire

Part of the Brooks Booster club, the Inspiring

Coaches program recognizes U.S. high school





Coach Severa with team at Borah High School

Our 2019 winner, Tim Severa of Boise, Idaho, coaches at Borah High School and the YMCA running club, Team Idaho, a group he founded in 1979. Over the years, Coach Severa has been the center of his running community, working with youth at every level, organizing races, and helping Boise's refugee population find stability and belonging. He has invited students from countries such as Somalia, Ethiopia, and Kenya to be part of his team and helped them succeed on and off the track. See Coach Severa in action.



Responsible Sourcing

\$10.7M in-kind product and gear donated to 14 charities

\$44K in-kind donated to 54 causes on behalf of our employees

500+ hours volunteered by our employees

GEAR DONATION

RUN B'CAUSE GRANTS

When possible, we want to amplify the causes and efforts of organizations and people who align with our purpose and need a leg up to inspire others along the way. The Run B'Cause Grants program enables us to provide in-kind support through, donations of our running gear. In 2019, we reached more than 1,000 young runners through donations to local organizations across the U.S., including Sole Train in Boston, We Run Houston, and Clothes for Kids in Washington. In turn, they inspired thousands more.

EMPLOYEE GEAR DONATIONS

Giving is more powerful when it's personal, so we invite each employee to donate \$300 worth of Brooks retail gear to a personally relevant cause every year. It's inspiring to see co-workers team up and make an even bigger charitable impact.



Soles4Souls distribution in Nashville, Tenn.

SOLES4SOULS

Every year Brooks has inventory that is unsold or returned. We've partnered with Soles4Souls since 2016 to give new life to this inventory while helping support micro-enterprise programs that create jobs in countries where sustainable economic opportunities are scarce. Soles4Souls provides people living in poverty in developing countries with new and gently-worn shoes and clothing to sell in their local marketplace and generate income. The resulting sales have generated enough income to provide a full year of food, shelter, and



Brooks employees volunteering at Treehouse, a non-profit serving youth in foster care, in Seattle

education for 102 families in Haiti and Honduras. Together with Soles4Souls, we've diverted over 115,000 items from landfills this year.

VOLUNTEERING

We encourage everyone at Brooks to find an organization they care about and connect with their team and other employees to volunteer. The more volunteers, the more meaningful the impact, which is why we give all Brooks employees annual paid time to support their communities.

> BROOKS



At Brooks we believe in creating a brand as welcome to employees and our community, as the run is to runners. We believe that when we truly commit to one another, we gather the power of diversity that comes from embracing all people, backgrounds, perspectives, and abilities.

It starts with all of us and the culture we create at Brooks. Over the last several years, we've sharpened our focus on building a strategy for diversity, equity and inclusion (DEI) at Brooks. This work is critical to our future because first, it reflects the running community who we seek to serve. Second, the data is clear that diverse groups bring broader perspectives, generate more innovative ideas and, very simply, are more successful. We remain dedicated to creating a welcoming environment for all backgrounds, perspectives, abilities, and identities at Brooks and in the running community.

DIVERSITY, EQUITY & INCLUSION

Workplace

Create and sustain a diverse and inclusive workplace that reflects the diversity of the runners we serve and the communities in which we live and work.

Runners

Attract and engage diverse runners with the Brooks Brand.



Community

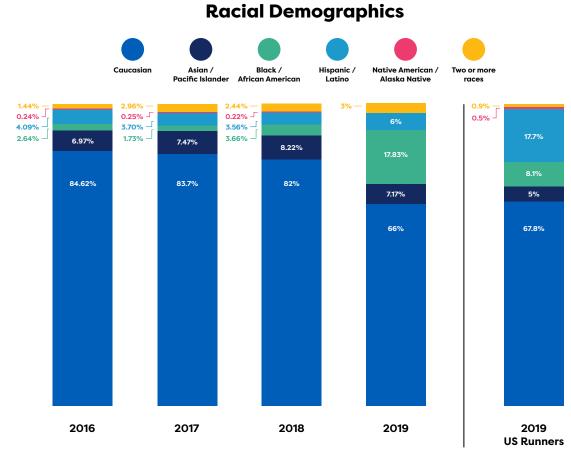
Directly engage with our community to foster diversity and inclusion through running.



REFLECTING THE RUNNING COMMUNITY WE SERVE

As we continue this journey, it is important we reflect the community we serve: all who run. To see how we're doing, we measure ourselves against benchmark runner demographic data.

The chart to the right shows the racial demographics of Brooks' U.S. employees over the last three years compared to runners in the U.S. The significant increase in our Black/African American employees in 2019 was primarily due to the relocation of our North America distribution center from Sumner, Wash., to Whitestown, Ind. So while this demographic shift holistically brought us more in line with our desired diversity relative to all who run, we made only incremental increases in Black/African American employees at our U.S. headquarters in Seattle. This racial underrepresentation, our numbers of Hispanic/Latinx employees across the U.S., and diversity at all levels represent our greatest opportunities for connection and recruiting.









Highlighted Program



At Brooks, fostering an inclusive culture that embraces people of all backgrounds, perspectives, and abilities is essential. We've made

significant progress toward achieving our diversity, equity, and inclusion goals, benchmarking our performance against the industry and participating in the Human Rights Campaign's Corporate Equality Index (CEI). Based on our 2018 policy changes, Brooks received the score, 95 out of 100. We understand this is a journey and will continue improving our inclusivity practices as the CEI benchmark evolves.

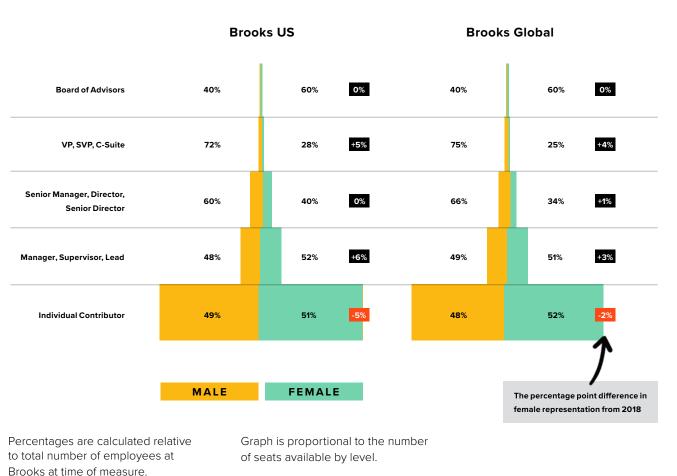


ASSESSING GENDER **BALANCE AT BROOKS**

At Brooks, we are focusing on growing female leadership in our workplace through hiring, leadership and career development programs. Our aim is to help create a healthy pipeline of gender balanced talent to help lead Brooks.

In 2018, we began measuring the gender demographics at all levels in our organization. Based on our results in 2019, we will continue to focus on recruiting, hiring, and promoting female leaders to obtain greater balance in our overall leadership, particularly at the VP level. We acknowledge that addressing gender balance is a step on a continuous journey to creating diverse representation at all levels.

Gender Demographics





Women of Brooks Mentor Program supports career growth and development.

WOMEN AT BROOKS MENTOR PROGRAM

Brooks supports, facilitates, and encourages formal mentorships to help retain and grow employees. With a focus on women in the workplace, the Women at Brooks Mentor Program provides opportunities for women to connect and inspire others across the organization and to realize their full potential. Since its launch in 2018, more than 43 menteementor pairs have participated in this program.

"I'm growing in confidence as I've voiced my opinion on projects, boldly made decisions, and started to own my skillset."

- Mentee Participant



CEO Message **Key Achievements**

Goals & Progress

Product Sustainability

Climate Action Responsible Sourcing

WOMEN'S SPEAKER SERIES

In 2019, Brooks' Women's Speaker Series entered its second year, offering sessions on a quarterly basis. The series featured athletes, a local business leader, Brooks Board of Advisors member, and female leaders at Brooks. The focus of the series is related to building and owning your career path.

A highlighted speaker, Louise Chernin, President & CEO of the Greater Seattle Business Association (GSBA), kicked off the 2019 series. GSBA is the largest LGBTQ and allied chamber of commerce in North America. It represents more than 1,300 small-business, corporate, and nonprofit members who share the values of promoting equality and diversity in the workplace.



Front Runners race day participants at the Run with Pride in Seattle's Seward Park

FRONT RUNNERS PARTNERSHIP

Brooks and International Front Runners, one of the oldest and largest LGBTQ+ (lesbian, gay, bisexual, transgender, gueer) athletic organizations in the world, formed a twoyear partnership in 2019 to promote inclusion in running. Together we're supporting the growth of Front Runners clubs in cities all over, starting in the U.S. and Canada, while inviting more runners to join the community and experience the power of the run.

To learn more, visit brooksrunning.com/en_us/pride/.



LGBTQ+ Support

In March 2019, Brooks signed an amicus brief as a show of support for a couple who were refused flowers for their wedding due to the florist's religious beliefs. Brooks joined other Washington businesses in urging the Washington Supreme Court to reaffirm its prior decision in the couple's favor. It turns out that the court did just that. On June 6, it issued a 9-0 decision against Arlene's Flowers. The ruling was in line with our belief that DEI is imperative to our business, our brand, and our workplace.

EQUITABLE WORKPLACE & INCLUSIVE LEADERSHIP

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In 2019, Brooks signed Camber Outdoor's CEO Outdoor Equity Pledge, a CEO-driven business commitment to advance equity, inclusion, and diversity at an

industry level. Collaborating with other likeminded, active-outdoor companies, we are spurring innovation, building community, and accelerating transformation in the workplace.

In addition, we added Martin Luther King Jr. Day to our U.S. schedule of observed holidays. Martin Luther King Jr. led the fight against legalized racial segregation and discrimination during the civil rights movement, paving the way for diversity in our workplace and in the places we run today.

For Brooks, corporate responsibility is a series of considerations, decisions, and actions — day in, day out — that impact people and the planet. We are committed to positive progress and being transparent about the areas where we can do better. Running Responsibly is a lifelong race, and we are running it. For questions regarding our Running Responsibly program, please email runningresponsibly@brooksrunning.com.



