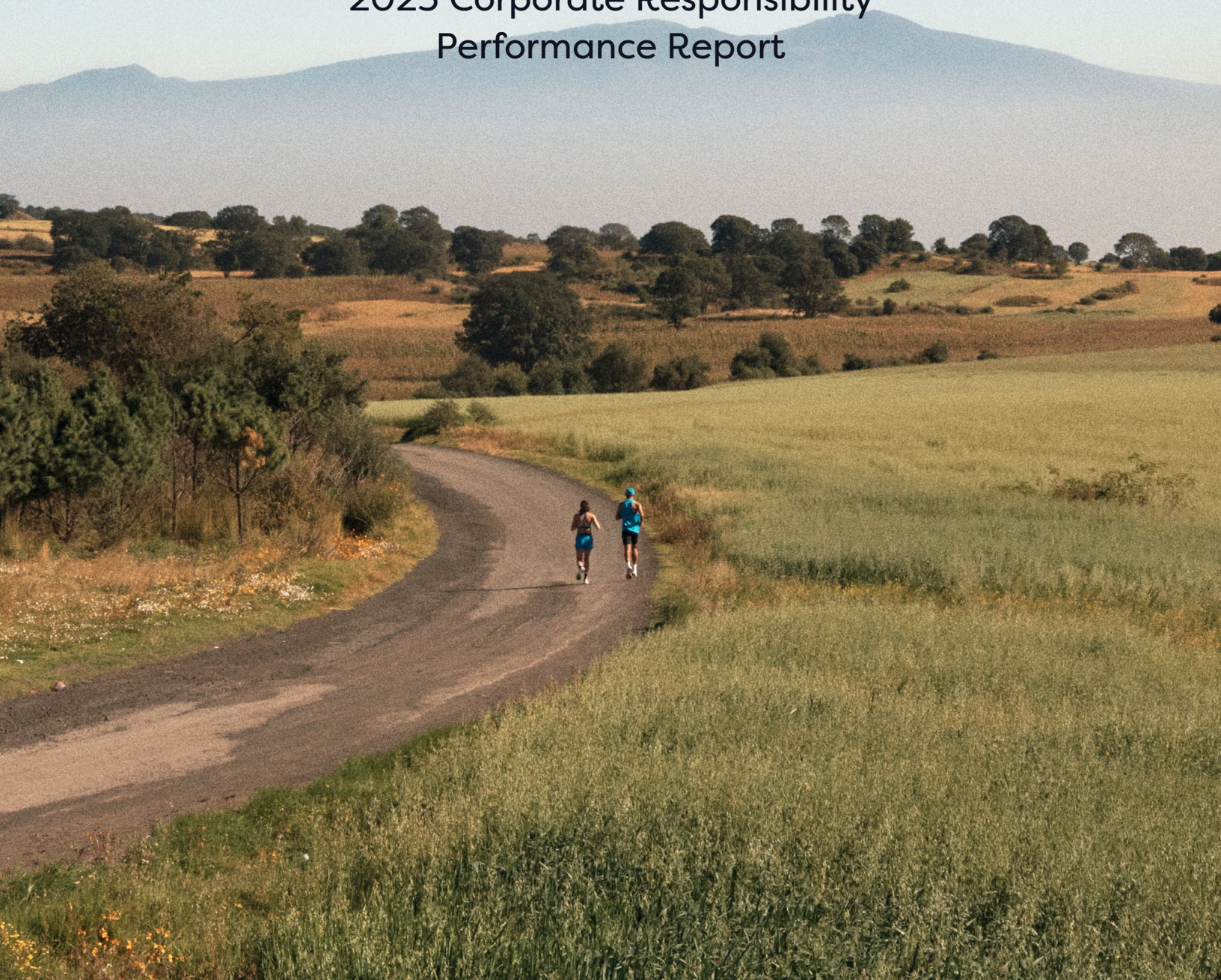


# ***BROOKS***

## **RUNNING RESPONSIBLY**

2023 Corporate Responsibility  
Performance Report





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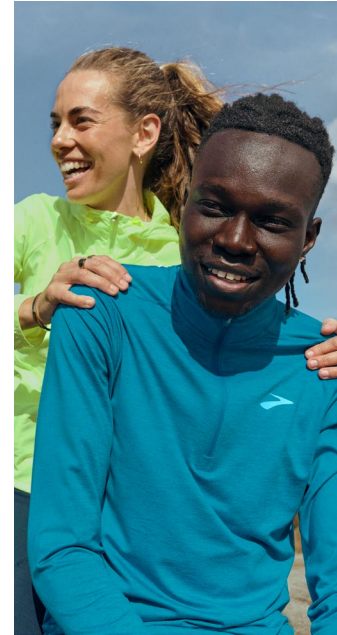
We believe in the transformative power of the run.”



04

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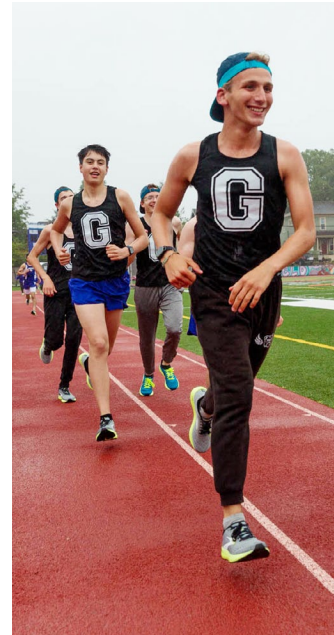
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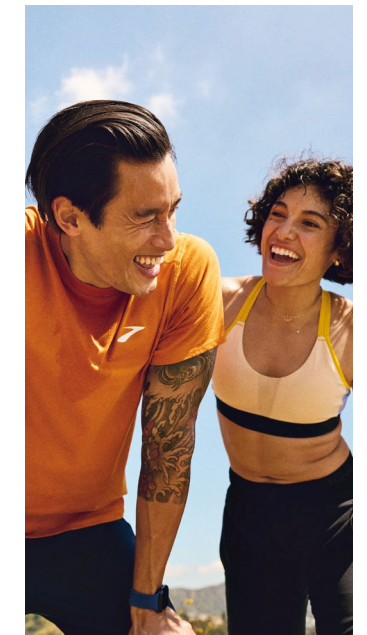
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# A LETTER FROM OUR CEO



Dan Sheridan  
CEO, Brooks Running Company

“  
**We remain optimistic about the future of running as a source of resilience, positivity, and strength in people’s lives.”**

The sport of running – from trail to track to treadmill to road – has never been stronger. Participation continues to grow as more people discover the physical, mental, and social benefits of putting one foot in front of the other. As we pursue Brooks’ purpose to inspire people to run and be active, we strive to make the best performance running gear in the world while taking responsibility for our impact on people and the planet.

2023 was a year of solid progress for our People strategy. We expanded our longstanding support of youth running with the launch of Future Run. Starting with a \$10 million commitment over five years, we set a goal to give better access to one million young runners with high school team grants, community sponsorships, and investments in coaches and mentors. We also formed Brooks’ first global community impact partnership by teaming up with parkrun to support its mission to provide free, weekly 5Ks to more than 200,000 participants in 20 countries. In total, Brooks invested more than \$6 million in community impact programs in 2023. In our employee community, we maintained more than a 50% representation of women among Brooks’ global employees

(52% in 2023), and we grew representation of BIPOC among U.S. employees to 37% (up 2% from 2022 and exceeding our goal of 30%). For the fourth consecutive year, Brooks was recognized as an Equality 100 Leader in LGBTQ+ Workplace Inclusion by the Human Rights Campaign Foundation’s Corporate Equality Index.

We also remain focused on our planet and responsible sourcing commitments, with specific goals to reduce emissions and environmental and social impact across our global supply chain. In 2023, we debuted two major initiatives to engage runners in our efforts. Our new ReStart program helps Brooks gear stay on the run as long as possible, offering runners gently used and refurbished shoes at a reduced price. In September, we launched our most sustainable product yet, the Green Silence Ghost 15, made with 39% recycled materials and dope-dyed textiles. Compared to conventional dyeing methods, this innovative process transforms colored pellets into yarn, reducing water usage by 94% and greenhouse gas emissions by 92%. We also made significant progress on moving

deeper into the supply chain. We now fully trace 90% of in-scope raw materials on our largest volume product (the Ghost). You’ll learn about these efforts and more in this Running Responsibly report.

Following four years of pandemic and supply chain-related disruption, Brooks is poised to compete at its best as it welcomes more runners, walkers, and hikers to experience the brand. We remain optimistic about the future of running as a source of resilience, positivity, and strength in people’s lives. This is why we operate our business with the conviction that everyone who wants to run should feel welcome, and everyone who runs should have a place to do it.

Let’s run there,

Dan Sheridan, CEO



# ABOUT BROOKS

Brooks' purpose is to **inspire everyone** to run their path by creating the best gear, tools, and experiences.

Founded in 1914, the company continues to deliver accelerated product innovation and engagement with runners, walkers, and everyone who is active. Brooks is a subsidiary of Berkshire Hathaway Inc. and is headquartered in Seattle, Washington.

We believe in the transformative power of the run. Every day with a run is better. Every run brings you closer to your best self. And you end every run in a better place than where you started.

As it relates to people and the planet, our convictions are clear: everyone who wants to run feels welcome to run, and everyone who runs has a place to do it. We're working toward meaningful change the same way we run, by tapping into the limitless positivity of the run, then putting one foot in front of the other.





# AROUND THE WORLD

## \$1.2B revenue

SINCE 2018, BROOKS' CAGR EXCEEDED 14%

## 20+ million

UNITS SOLD GLOBALLY IN 2023



## 1200+

EMPLOYEES GLOBALLY IN NORTH AMERICA, EUROPE, AND ASIA

PRODUCTS SOLD IN



## 63 countries

## Distribution centers in

- NORTH AMERICA
- EUROPE
- ASIA

## 12 TIER 1 FINAL ASSEMBLY FACTORIES

LOCATED IN VIETNAM, INDONESIA, TAIWAN, EL SALVADOR, AND U.S.

## 1500+

U.S. SPECIALTY RETAIL PARTNERS



## 500k

BROOKS RUN CLUB MEMBERS

# IN THE MEDIA



“

After two years of record sales, Brooks Running is expanding into resale.”

ModernRetail

“

Brooks prioritizes re-commerce with ‘ReStart.’”

WWD

“

How Brooks Running is deepening its supply chain visibility.”

SUPPLYCHAIN DIVE

“

Brooks Running partners TrusTrace on responsible sourcing vision.”

Just Style

“

Brooks creates ‘Run Proud’ Collection with queer activist Wednesday Holmes for Pride 2023.”

FN

“

Brooks has incorporated recycled materials across its whole [footwear] product line.”

run



# BROOKS RUNNING MILE MARKERS

Launched breakthrough technology BioMoGo, the world's first biodegradable midsole and one of the most significant sustainable technologies to hit running footwear.



Launched the Green Silence, celebrated for its earth-first innovation and lightweight, connected feel.

Celebrated our 100-year anniversary and moved into a new LEED Platinum certified global headquarters in Seattle, part of the city's Deep Green Pilot Program.



Launched Brooks Booster Club to support under-resourced high school cross country and track teams in North America.

Signed Commitment to Responsible Recruitment.

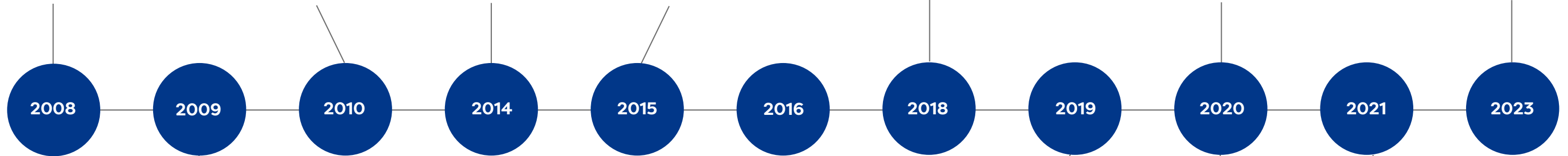
Achieved score of 100% on the Human Rights Campaign Foundation's Corporate Equality Index.

Launched new Corporate Responsibility strategy, "Our People and Planet Path," outlining our priorities and targets for the next decade.



Launched ReStart and Future Run programs.

Became a founding member of The Footwear Collective, catalyzing a collaborative approach to accelerating our transition to a circular economy.



Achieved 100% recycled materials used in shoe box packaging.



Joined the Sustainable Apparel Coalition (now called Cascale) and started using the Higg Index suite of tools to help us evaluate and improve social and environmental performance across our manufacturing supply chain and product.

Became a bluesign® system partner to help us holistically manage chemicals in our apparel product and manufacturing supply chain.

Signed The Outdoor Industries Women's Coalition (now Camber Outdoors) pledge to accelerate advancing more women in leadership roles.

Aligned our Corporate Responsibility strategy with the United Nations Sustainable Development Goals.

Became a billion-dollar brand.

Established science-based targets approved by the Science Based Targets initiative (SBTi) to reduce our greenhouse gas emissions in line with the Paris Climate Agreement.

Became a signatory of the Climate Pledge and founding partner of the Running Industry Diversity Coalition (RIDC).

Launched our first carbon neutral product, the Ghost 14.

Won Best Documentary Short at DC Black Film Festival 2022 for "Who is a Runner."





# 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. We are taking a strategic approach to ensure our values are represented in our business and are committed to reducing barriers to participation in the running industry, on the run, and in the community.





# OUR DEI EFFORTS ARE GUIDED BY THREE OBJECTIVES



[Learn more](#) about our strategies to achieve these objectives.

## 1 PROMOTE A DIVERSE, EQUITABLE, AND INCLUSIVE WORKPLACE

We believe in the power of diversity, which includes people of different races/ethnicities, national origin, abilities, genders, ages, sexual orientations, body types, and circumstances<sup>1</sup>. We pursue practices that will achieve equity in our business – so everyone feels a sense of belonging as their own, authentic self.

## 2 ENSURE REPRESENTATION OF ALL WHO RUN

We commit to tell stories through a diverse set of runners and celebrate the power of the run to bring people together.

## 3 FOSTER DIVERSITY AND INCLUSION IN THE RUN COMMUNITY

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.

<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.

## 2023 KEY PROGRESS HIGHLIGHTS



# Equality 100 award winner

# 52.3%

BROOKS U.S. EMPLOYEES AT THE SENIOR MANAGER/DIRECTOR/ SENIOR DIRECTOR LEVEL ARE WOMEN (3.5 PERCENTAGE POINT INCREASE YOY)

# 37.3%

BROOKS U.S. EMPLOYEES ARE BLACK, INDIGENOUS, AND PEOPLE OF COLOR (BIPOC), A 2.1 PERCENTAGE POINT INCREASE YOY

# 50%

BIPOC REPRESENTATION IN BROOKS RUN HAPPY TEAM (4 PERCENTAGE POINT INCREASE YOY)

# 83%

BIPOC REPRESENTATION IN BROOKS' FIRST INTERNSHIP PROGRAM COHORT

ACHIEVED BIPOC REPRESENTATION

# at all levels

IN BROOKS' U.S. WORKFORCE



INSIDE LOOK:

# WOMEN AND BIPOC WORKPLACE REPRESENTATION AT ALL LEVELS

Brooks has committed to achieving at least 50% women and 30% BIPOC talent at all levels. In 2023, we made incremental strides to improve women and BIPOC representation throughout the organization.

We measure employee demographics across five different groupings:

- Individual Contributor
- Lead/Supervisor/Manager
- Senior Manager/Director/Senior Director
- VP+
- Board of Advisors

In 2023, we achieved our goal of 50% women representation at four out of five levels. This was the first year **we achieved at least 50% women representation at the Senior Manager/Director/Senior Director level in the U.S.**, ending the year at 52.3%, where we saw a 3.5 percentage point (pp) increase from 2022. We also gained a **4.8 pp increase in women at**

**the Lead/Supervisor/Manager level.**

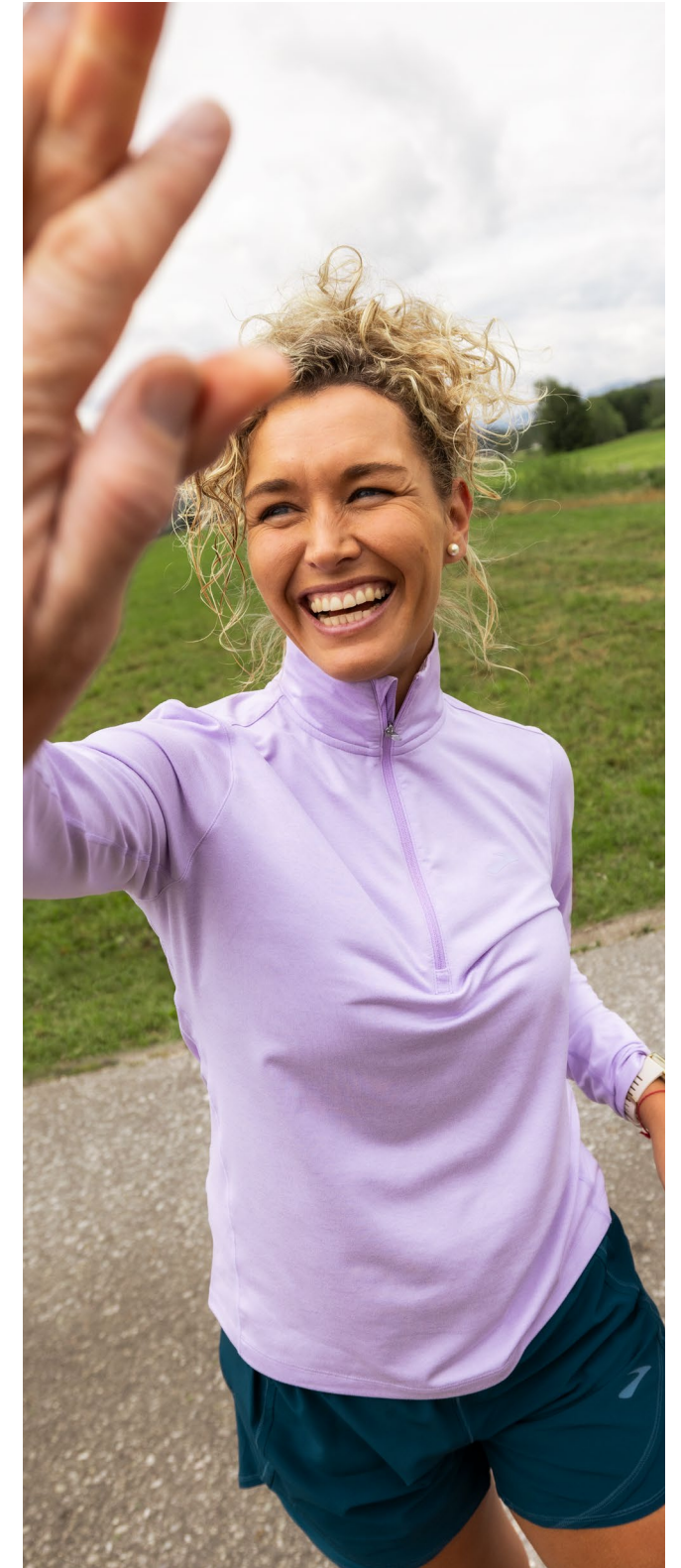
Our commitment to gender parity remains strong. As of 2023, women make up 37.5% of our VP+ level, marking an increase of 4.2 pp from the previous year. This progress reflects our ongoing efforts to support and develop women in leadership roles across all levels of our organization. Our next goal is to achieve 50% representation of women at the VP+ level.

As a global company, Brooks recognizes the unique social construct of race in the U.S. and works to ensure our U.S. workforce reflects the racial diversity of the population. To track our evolution in the U.S., we measure ourselves against the 2020 U.S. Census demographic data estimates.

We ended 2023 at **37.3% BIPOC representation in the U.S.**, a 2.1 pp increase from 2022. We surpassed our goal of 30% representation of BIPOC employees at the individual contributor level and for our Board

of Advisors. Though we experienced a 2 pp decrease at the Lead/Supervisor/Manager level, we also saw a **3.1 pp increase at the Senior Manager/Director/Senior Director level. For the first time, we surpassed the 0% threshold of BIPOC representation at the VP level and ended 2023 with 6.2% BIPOC representation** attributed to internal promotion.

While acknowledging our strides, we recognize that there are ongoing opportunities for improvement, particularly concerning the underrepresentation of Hispanic/Latinx and Native American/Alaska Native individuals across all organizational levels, as well as Black/African American individuals in leadership. Addressing these gaps remains a priority and provides Brooks with opportunities for intensified efforts in outreach, recruitment, and internal talent development.





INSIDE LOOK:

# WORKPLACE GENDER DEMOGRAPHICS<sup>1</sup>



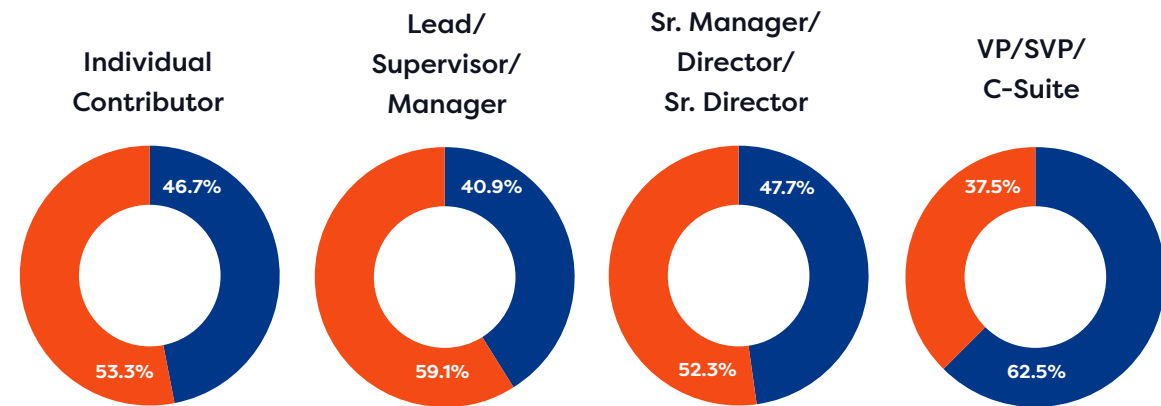
## BROOKS U.S. GENDER



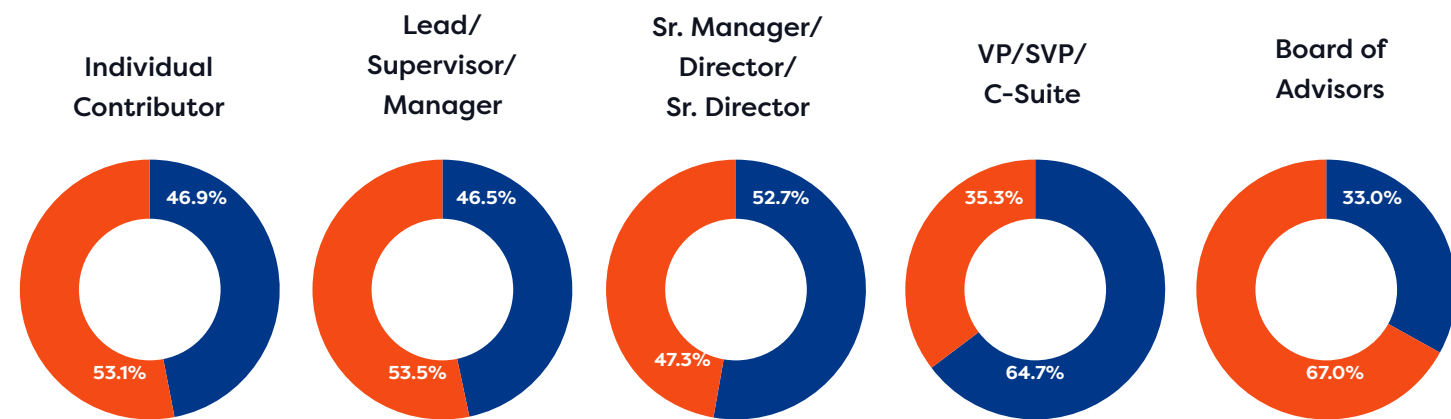
## BROOKS GLOBAL GENDER



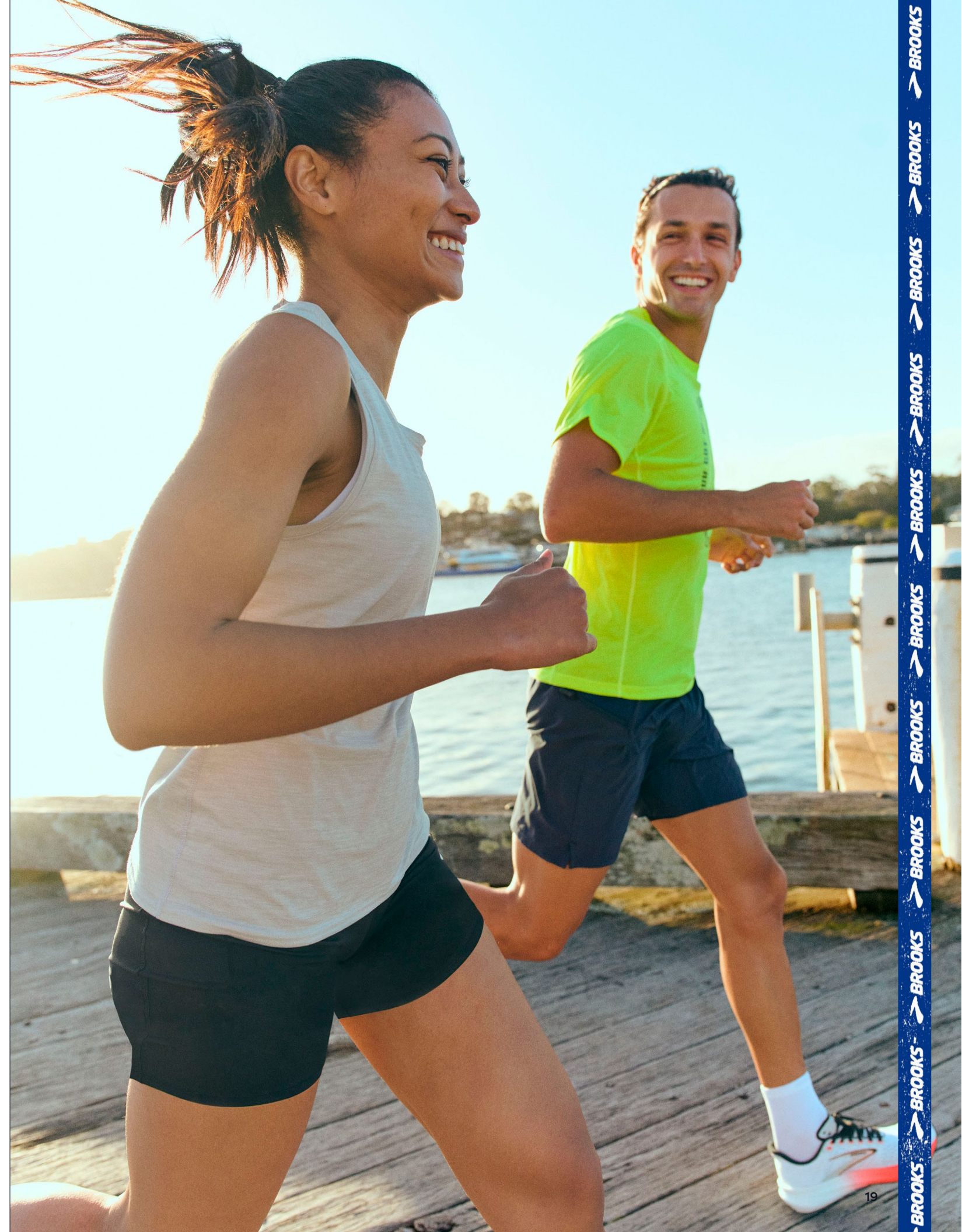
## BROOKS U.S. GENDER BY LEVEL



## BROOKS GLOBAL GENDER BY LEVEL



<sup>1</sup> Self-identification is the most reliable method for compiling information about a person's gender, race, and ethnicity. All employee data is collected and reported as required by the Equal Employment Opportunity Commission (EEOC). Workplace demographic data includes all Full Time employees, Part Time employees, Fixed Term employees, Expats, Interns, Trainees and Temporary Employees, including employees from Brooks-operated distribution centers and retail stores.

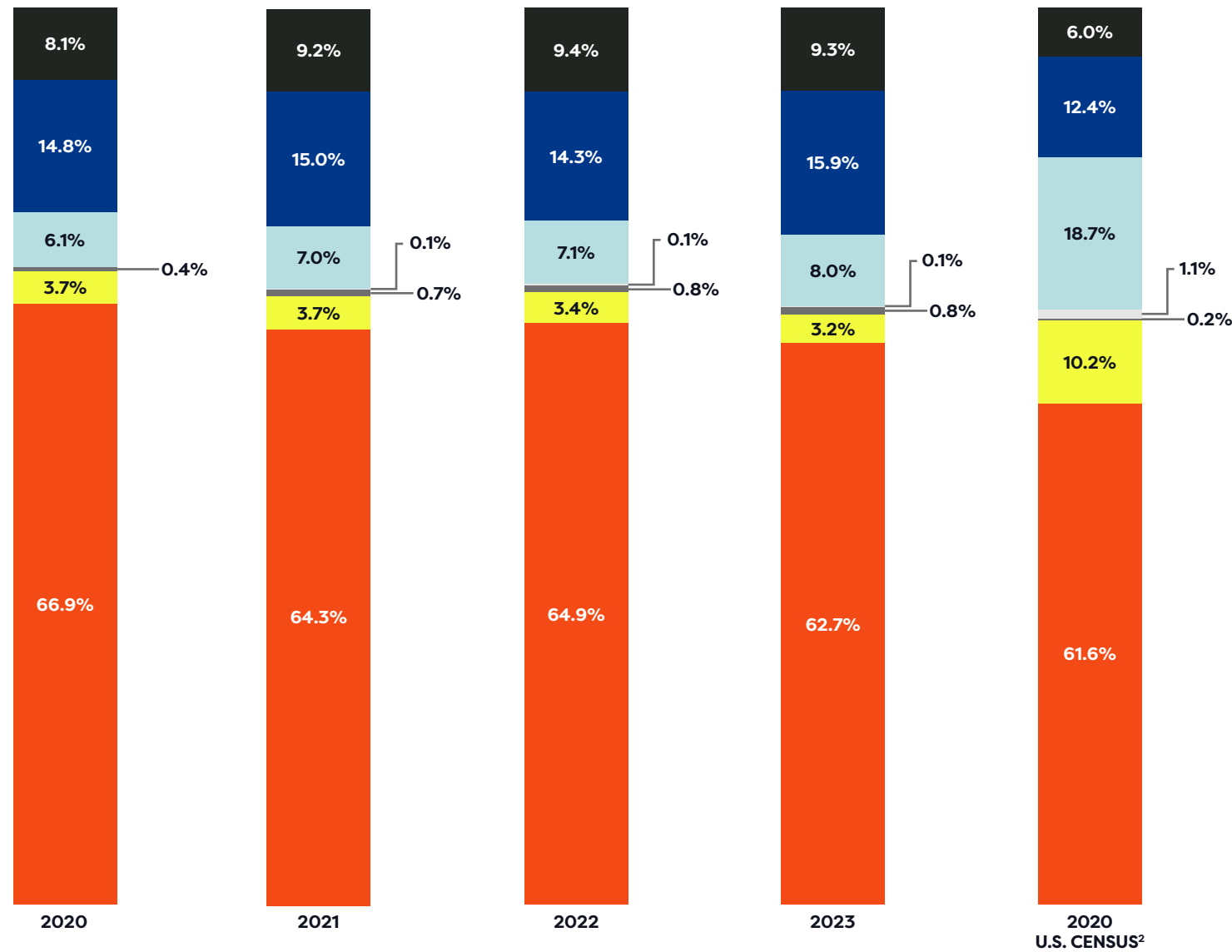




INSIDE LOOK:

# WORKPLACE RACIAL DEMOGRAPHICS<sup>1</sup>

## BROOKS U.S. 4-YEAR RACIAL DEMOGRAPHICS COMPARED TO U.S. POPULATION

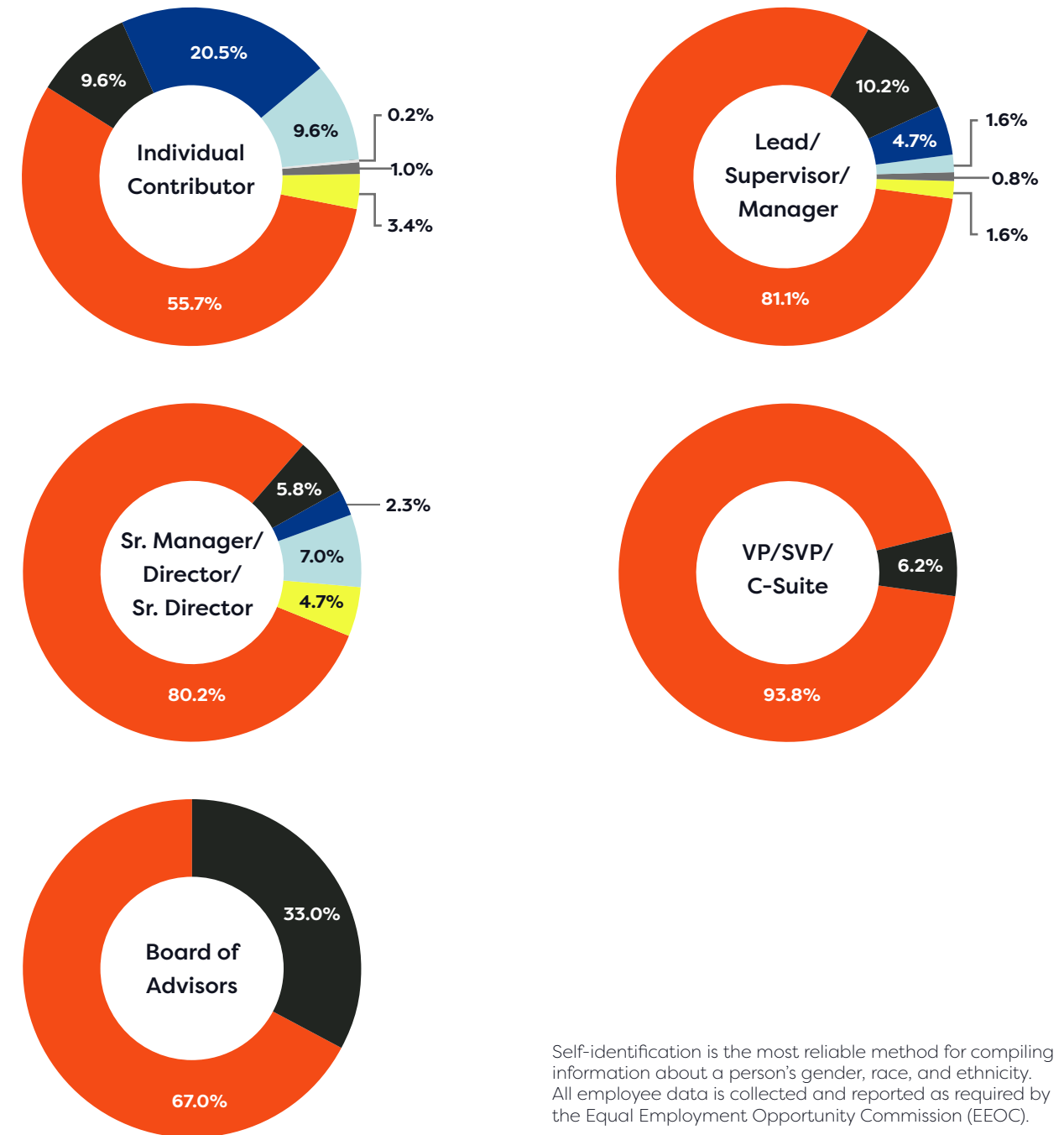


<sup>1</sup> Workplace demographic data includes all Full Time employees, Part Time employees, Fixed Term employees, Expats, Interns, Trainees and Temporary Employees, including employees from Brooks-operated distribution centers and retail stores.

<sup>2</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 are grouped together, which federal standards do not consider a racial category. 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.



## BROOKS RACE BY LEVEL



Self-identification is the most reliable method for compiling information about a person's gender, race, and ethnicity. All employee data is collected and reported as required by the Equal Employment Opportunity Commission (EEOC).



# INSIDE LOOK: INTERNSHIP PROGRAM

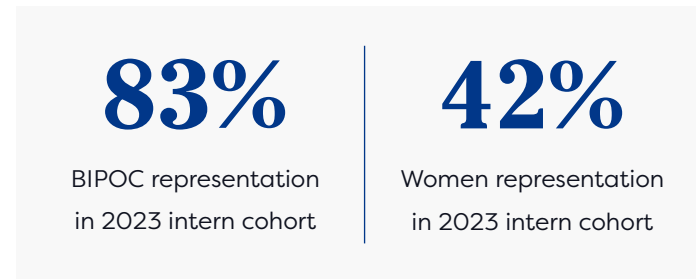


Brooks is dedicated to fostering a diverse, equitable, and inclusive workforce. A key part of our strategy is offering programs that provide access to opportunities and development. In line with this commitment, we introduced our first formal internship program in 2023, which attracted over 3,600 applicants in its first year.

In accordance with our commitment to inclusivity and innovation in the performance footwear and apparel industry, we introduced the “Sprintern Program.” This initiative welcomed 12 interns to our Seattle headquarters where they joined various departments, including Finance, Footwear, Information Technology, Marketing, Sales, and Supply Chain.

We are actively working to ensure our opportunities are reaching a broad candidate pool by collaborating with organizations such as American Indian Sciences and Engineering Society (AISES), Historically Black Colleges and Universities (HBCUs), and Hispanic Serving Institutions (HSIs) across the U.S. These efforts have

led to a 2023 intern cohort with 83% BIPOC representation and 42% women representation, reflecting our commitment to equitable hiring practices.



To ensure equity, we developed the following robust benefits package to reduce barriers to participation in our program:

- Competitive pay
- Sign-on bonus
- Housing subsidy
- Travel fee coverage
- Medical/dental/vision coverage
- Employee discount
- Paid holidays

The newly established internship program at Brooks offered participants a thorough understanding of our company and the running industry. Interns actively engaged in

connections through networking opportunities with seasoned employees and experienced firsthand the essence of Brooks’ organizational culture. In return, they brought their unique skills and perspectives to our teams, contributing significantly to critical business needs and projects.

“

**The experience was both rewarding and practical. The skills and tools that are developed during this internship build on the foundation of your education, regardless of where you are in your professional life.”**

- Demand Planning graduate intern

“

**I was instantly welcomed with open arms from not only my team, but everybody I interacted with at Brooks. I was encouraged to be myself and have a good time.”**

- Color Concepts footwear design intern

Of the 12 interns onboarded in the summer of 2023, **two were converted to full-time**

**employees.** This transition highlights the program’s success in finding and cultivating talent, contributing to Brooks’ growth and sustainability.

As Brooks takes pride in the success of the Sprintern Program’s inaugural year, we see the program as more than a seasonal initiative. Our commitment to creating access to opportunity goes beyond numbers – it’s about building an enduring community where varied perspectives and lived experiences contribute to the ongoing success and innovation of our brand. Our goal for interns at Brooks is that they gain mentorship, build personal and professional development, and make meaningful contributions to our shared values and aspirations.

[Learn more](#) about the Sprintern Program.



2023 Sprintern team





INSIDE LOOK:

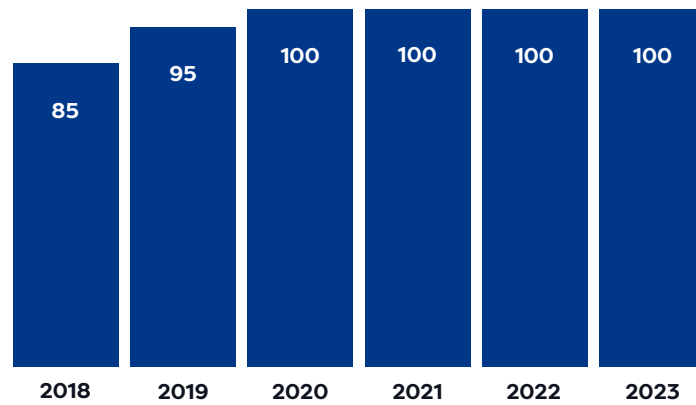
# HRC CORPORATE EQUALITY INDEX

For the fourth consecutive year, Brooks has proudly been recognized by the Human Rights Campaign (HRC) Foundation’s Corporate Equality Index (CEI) with the top score of 100 points. Determined by Brooks’ voluntary submission to the CEI, we are placed among the distinguished group of 545 U.S. businesses (out of 1,384 evaluated) to receive the Equality 100 Award.

The HRC’s CEI stands as the nation’s premier benchmarking survey and report assessing lesbian, gay, bisexual, transgender, and queer (LGBTQ+) equality in the workplace. Every year, over a thousand U.S. businesses are evaluated on various criteria such as policies, practices, and benefits pertinent to the LGBTQ+ community.

Brooks’ engagement with the CEI began in 2017, driven by our desire for an objective assessment and evaluation of our policies and practices related to LGBTQ+ equality in the workplace.

We received our first score in 2018, and by 2020 we reached a score of 100 for the first time. Here is an evolution of our progress:



In 2023, Brooks’ CEI score was determined by four pillars:

CEI Score Pillars	Points
Workforce Protections	5
Inclusive Benefits	50
Supporting an Inclusive Culture	25
Corporate Social Responsibility	20

The CEI serves as a roadmap for corporate leaders to help them stay on top of the evolving field of policies and practices for LGBTQ+ employees. Since its start in 2002, the CEI criteria has evolved many times to support equitable protections, benefits, and culture for LGBTQ+ employees based on best practices and changes in law and policy around the country. It is up to the participating businesses to make updates and changes to their policies and practices to sustain or reach a score of 100. Notably, 2023 saw the first CEI criteria update since 2019, which included an enhanced scope of transgender-inclusive healthcare, internal LGBTQ+ data best practices, and other significant updates.

Brooks implemented several enhancements in 2023 to sustain equitable workplace policies and practices. These include the establishment of a formal transgender inclusion policy, guidelines for gender transitions in the workplace, an LGBTQ+ benefits guide, and the integration of more essential services and treatments within our healthcare plans.



Additionally, we introduced the choice for LGBTQ+ self-identification in our annual anonymous employee culture survey.

While receiving a score of 100 for the fourth year in a row is cause for celebration, our work and commitment to create a more equitable and inclusive workplace continues. Brooks acknowledges the current challenges faced by the LGBTQ+ community amid the increase in anti-LGBTQ+ legislation across the U.S. We believe it is imperative to remain actively engaged in tools that can guide us to better support our LGBTQ+ employees and runners. Learn more about the [CEI](#).



INSIDE LOOK:

# RUN HAPPY TEAM & ADVOCATES

We continuously work to create ways to connect people with the power and joy of the run through our influencer networks. In 2023, our influencers included two distinct groups, the Run Happy Team (RHT) and Run Happy Advocates (RHA).

The RHT is a Brooks influencer network of runners who use their social media platforms to reach runners around the world and share their love of running and the Brooks brand. Beginning in 2020, we spent time thoughtfully crafting our demographic benchmarks to ensure representation of all who run and revised our application process to track metrics for our influencer applicants. In 2023, our RHT consisted of 196 runners and achieved **50% BIPOC representation, a 4 percentage point increase year over year.**

Launched in 2022, RHA is a specialized group of year-long ambassadors who support Brooks while advocating for a greater purpose. RHA members are cause-based personalities who drive change in the

run and in the world by bringing awareness to social causes such as racial equity, the Missing and Murdered Indigenous Women Epidemic (MMIW), LGBTQ+ safety, access to the outdoors, mental health, and body positivity.

Through social media and nationwide events, the RHA program aims to support and elevate the work of these runners who are creating a lasting impact in the running community and beyond.

“  
**We continuously work to create ways to connect people with the power and joy of the run.”**

## MEET THE 2023 RUN HAPPY ADVOCATES



**Alison Mariella Désir**

Founder, activist, host of PBS series “Out and Back,” and author of “Running While Black,” Alison Mariella Désir is a passionate advocate for community health. She has raised over \$150,000 for Planned Parenthood and \$270,000 for Black Voters Matter. Co-founder of “Take The Lead,” Alison pioneers the first industry retreat that centers on women and femmes of color in running.



**Jah'Son "Jahdy" Patterson**

Jahdy Patterson has officially been in the fitness industry since 2015. He's trained a broad range of clients, from soccer moms to youth athletes and pro athletes to entertainment celebrities. Jahdy's passion is to help everyone strive for their full potential in fitness and in life, and to look good while doing it.



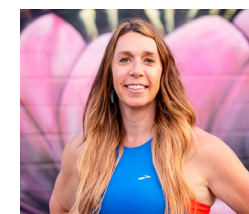
**Jeffrey James Binney**

Jeffrey James Binney is a Los Angeles-based trail runner, comedian, motivational speaker, and creator of the Amazon Prime ultrarunning docu-comedy, “Once Is Enough.” Jeffrey has been seen on “Late Night with David Letterman” and in the 1st National Tour and Chicago Company of the Broadway musical, “The 25th Annual Putnam County Spelling Bee.”



**Mikah Meyer**

World record-setting adventurer Mikah Meyer, featured on NPR, “The Today Show,” and “National Geographic Traveler,” completed a three-year road trip to all 400+ National Park Service sites. Founder of Outside Safe Space, Mikah promotes LGBTQ+ inclusion in outdoor and rural areas and was named a “Stonewall #Pride50 innovator” by NBC.



**Nikki Smith**

Nikki Smith is an artist, writer, photographer, guidebook author, runner, and climber based in Salt Lake City, Utah. Now, much of her work focuses on building a more inclusive, diverse, and safe community within climbing and the outdoors.



**Rosalie Fish**

Rosalie Fish is an athlete and activist for Indigenous people. Rosalie is from the Muckleshoot Indian reservation in Auburn, Washington and is an enrolled member of the Cowlitz tribe. She dedicates her races to the Missing and Murdered Indigenous Women and People's epidemic by painting a red handprint over her mouth and the letters “MMIW” on her leg.



INSIDE LOOK:

# RUNNING INDUSTRY RESEARCH – RIDC

At Brooks, we believe industry partnerships are critical to fostering diversity and inclusion in the broader running community and encouraging more people to experience the transformative power of the run. Our various partners support our DEI efforts through networking, education, and research. One of those partners is the Running Industry Diversity Coalition (RIDC), a 501(c)(3) nonprofit organization whose mission is to unite the running industry by improving inclusion, visibility, and access for Black, Indigenous, and People of Color (BIPOC).

Brooks stands as a proud founding partner of the RIDC, kickstarting its journey in 2020 with a \$15,000 start-up grant. Demonstrating our ongoing commitment, Brooks pledges an annual donation of \$100,000 to the sustainability of the RIDC while also holding a meaningful presence on the RIDC board.

As the RIDC has worked over the past four years to confront issues of racial inequities

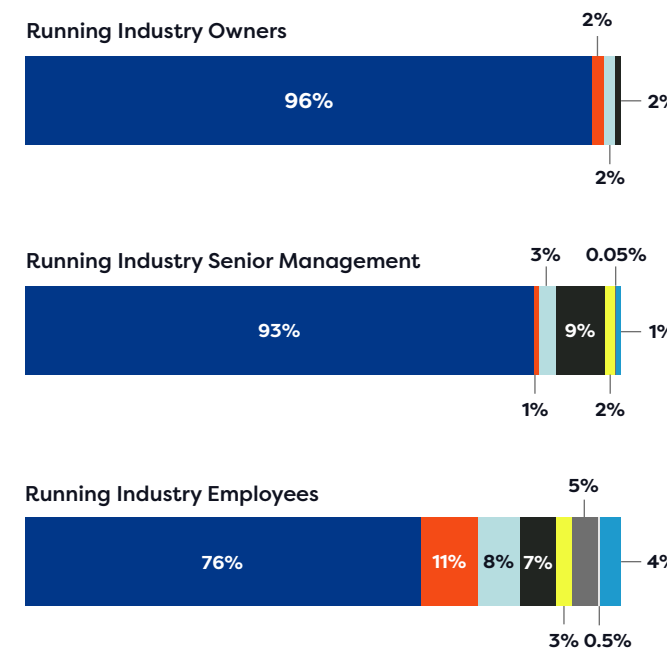
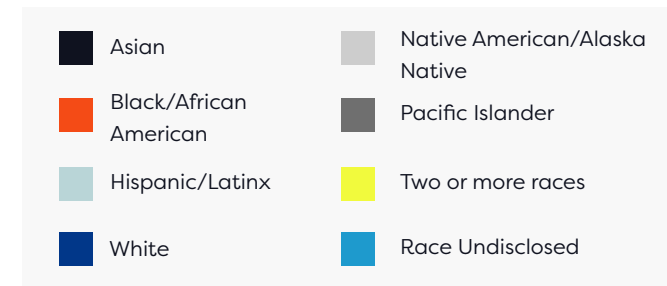
within the U.S. running industry, it was clear that statistics on racial and ethnic composition of the running industry were lacking. On Juneteenth 2023, the RIDC launched the #FreedomToRun research series with the support of Brooks and other running industry brands, retailers, and event organizers. A three-part study in partnership with Bentley University, these in-depth analyses provide first-of-its-kind research to set a baseline measure for progress toward racial justice:

- Racial Diversity and the Business of Running – Mapping a path to equitable employment, leadership, and ownership.
- The Future of Running – Connecting with the next generation of racially diverse runners.
- Racial Diversity in Trail Running – Understanding underrepresented experiences in trail and road running and racing.

This critical research highlights the stark inequities BIPOC runners meet in the

industry, affecting areas such as business ownership, leadership roles, and general employment. By combining quantitative and qualitative methods, the studies also emphasize the importance of a racially diverse consumer base and highlight the various challenges runners of color face. These challenges include access barriers, safety concerns, and a lack of inclusion in both trail and road running.

## RACIAL DIVERSITY OF RUNNING INDUSTRY<sup>1</sup>



<sup>1</sup> Totals may not equal 100% due to data collection methodology.

The average runner spends

$$\$1,795 \times 16M = \$28.7B$$

per year on running gear and races

BIPOC runners in the U.S.

in BIPOC spending power

These research studies serve as a crucial resource for Brooks and all who play an active role in shaping the running industry. These studies help us benchmark our employment demographics against other companies in the running industry. They support our understanding of the consumer landscape that influences representation in marketing and give us a stronger understanding of barriers to participation.

Brooks is proud to support the RIDC in its mission to unite the running industry by improving the inclusion, visibility, and access for BIPOC professionals and runners. Their critical work to confront racial disparities in our industry not only supports Brooks DEI commitments but the entire running community.

[Learn more](#) about the RIDC and access the full studies.



# COMMUNITY IMPACT

At Brooks, we believe in the **transformative power** of the run.

Our Community Impact programs dedicate more than \$5 million per year in cash and gear to the running community, with a focus on making the run accessible to everyone.





# OUR COMMUNITY IMPACT EFFORTS ARE GUIDED BY TWO OBJECTIVES



## 1 FUTURE RUN

We work to create as many opportunities as possible for young people to discover the lifelong benefits of the run and its powerful community. We commit to clearing obstacles to participation and supporting passionate partners. We encourage young runners and potential runners as their champion and advocate.

## 2 COMMUNITY PARTNERS

We seek partners who create opportunities in their communities for more people to run. Together, we hope to foster a more diverse and inclusive running community, opening the field to everyone, regardless of race/ethnicity, ability, gender, age, sexual orientation, body type, or circumstance.

[Learn more](#) about our strategies to achieve these objectives.

## 2023 KEY PROGRESS HIGHLIGHTS

# \$6.2 million

TOTAL COMMUNITY IMPACT INVESTMENT

OUR SUPPORT FOR YOUTH RUNNING TOTALED

## \$2,810,000

AND AFFECTED  
**245,000**

YOUNG RUNNERS

OUR SUPPORT FOR COMMUNITY PARTNERS TOTALED

## \$3,480,535<sup>1</sup>

PROVIDED FUTURE RUN TEAM GRANTS TO

**46 TEAMS SERVING 1,556 RUNNERS.** RECIPIENTS WERE AT LEAST 40% BIPOC AND 50% GIRLS AND ATTENDED SCHOOLS WHERE AT LEAST 40% OF STUDENTS RECEIVE FREE OR REDUCED-PRICED LUNCH.

DONATED GEAR AND FUNDS TO MORE THAN **92 COMMUNITY PARTNERS.**

THESE DONATIONS SUPPORTED OVER **190,000 RUNNERS IN THE U.S.**

**AND OVER 350,000 MORE RUNNERS AROUND THE WORLD**

THROUGH OUR GLOBAL PARTNER, PARKRUN.

<sup>1</sup> In addition to Community Partners, a portion of our gear donations go to organizations who distribute end-of-use products in support of our sustainable consumption goal: to keep our products out of landfills.



# INSIDE LOOK: **FUTURE RUN**

## **FUTURE RUN**

In 2023, Brooks launched Future Run to help make sure young people who want to run have the chance to fulfill that meaningful goal. Starting with a \$10 million commitment over the next five years and a goal to impact one million youths, we provide school team grants, sponsorship of national and regional youth running organizations, and support for coaches and mentors.

## **FUTURE RUN TEAM GRANTS**

Previously known as the Brooks Booster Club, Future Run Team Grants help athletes arrive at the starting line with great gear. Future Run Team Grants support underserved high school cross country and track programs with performance running gear and financial assistance. Grants are awarded twice a

“  
**Brooks launched Future Run to help make sure young people who want to run have the chance to fulfill that meaningful goal.”**

year prior to cross country and track & field seasons. Brooks launched the program to coincide with the start of the 2023 high school cross country season. We received over 2,500 applications in a three-week period and awarded 200% more teams and students compared to previous seasons.





INSIDE LOOK:

# COMMUNITY PARTNERS

## SUPPORTING COMMUNITY PARTNER

We commit to forming strong relationships with our community partners, connecting in a hands-on and genuine way that goes beyond financial support and gear donations. We use our passion for the run to help amplify our partners' missions while engaging with their experience and expertise.

## PARTNER HIGHLIGHT: PARKRUN

In 2023, we expanded our sponsorship of parkrun, a volunteer-led, community-focused, free weekly 5K, beyond Europe and into the U.S. and Australia. Events from parkrun take place every weekend in over 20 countries around the world, bringing communities together with the power of

“  
**We use our passion for the run to help amplify our partners' missions while engaging with their experience and expertise.”**

movement and well-being. Through our partnership, Brooks' field marketing team supports on-the-ground activations in 20 countries during weekly 5Ks by providing shoe try-ons, local retailer discounts, and fun giveaways.





# RESPONSIBLE SOURCING

At Brooks, we know that a responsible global supply chain **starts with the decisions we make.**

That is why we establish long-term partnerships with factories that share our objectives to trace our supply chain, respect human rights, and ensure environmental compliance.





# OUR RESPONSIBLE SOURCING EFFORTS ARE GUIDED BY THREE OBJECTIVES



Learn more about our strategies to achieve these objectives.

- 1 TRACE OUR SUPPLY CHAIN**  
 We trace high-volume products to expand visibility into our manufacturing supply chain.
- 2 RESPECT HUMAN RIGHTS**  
 We partner with factories that share our values in respecting human rights, promoting fair and safe working conditions, and advancing employee well-being.
- 3 ENSURE ENVIRONMENTAL COMPLIANCE**  
 To ensure the factory partners who manufacture Brooks products and materials comply with applicable environmental laws and regulations, we annually assess their compliance through industry standardized tools.

## 2023 KEY PROGRESS HIGHLIGHTS

**90%** OF IN-SCOPE COMPONENTS FULLY TRACED TO TIER 4 RAW MATERIAL FOR THE GHOST 15, OUR HIGHEST VOLUME FOOTWEAR STYLE

INCREASED PUBLIC SUPPLY CHAIN TRANSPARENCY WITH OUR [SUPPLY CHAIN TRANSPARENCY PAGE](#) HIGHLIGHTING OUR TIER 1 FOOTWEAR FACTORIES

**100%** OF IN-SCOPE FACTORIES COMPLETED A SOCIAL RESPONSIBILITY ASSESSMENT; 96% COMPLETED VERIFICATION

**63%** OF IN-SCOPE FACTORIES ACHIEVED AT LEAST HIGG FEM LEVEL 1, UP FROM 51% IN 2022

**89%** TIER 1 FOOTWEAR FACTORIES' AVERAGE WORKER SENTIMENT SURVEY SCORE, AN INCREASE FROM 80% IN 2022

REDUCED ORGANIC SOLVENT USAGE TO **28** GRAMS PER PAIR OF SHOES

**73% OF THE CHEMICALS PURCHASED AT IN-SCOPE FACTORIES** WERE COMPLIANT WITH THE ZDHC MRSL, ACHIEVING, AT A MINIMUM, CONFORMANCE LEVEL 1

**85%** OF TOTAL WATER REPELLENCY TREATMENTS USED ON BROOKS GEAR ARE NOW PFAS-FREE, UP FROM 51% IN 2022, AND ON TRACK TO BE PFAS-FREE FOR FALL '24 PRODUCT





INSIDE LOOK:

# DEEPENING SUPPLY CHAIN VISIBILITY

Expanding visibility into our supply chain is a critical first step to ensure our responsible sourcing standards are upheld at the factories where our products, materials, and raw materials are made. In 2022, we invested in TrusTrace, a software we use to trace our manufacturing supply chain with the support of our factory partners. This approach helped us identify Tier 2, Tier 3, and Tier 4 upstream suppliers we previously had limited visibility on because of Brooks' position in the supply chain. Using this data, we worked to gain meaningful insights into the suppliers and their connections to our products. These insights led us to evolve our traceability strategy in 2023 to focus on high-risk materials and high-volume styles, accounting for more than 65% of Brooks' total units manufactured in a calendar year. For each style, we target materials and components<sup>1</sup> that account for approximately two-thirds of the product's weight.

In 2023, we selected 15 apparel and footwear styles to trace to the raw material level. By the end of the year, we were successful in identifying seven raw material suppliers used in nine of the 15 styles. This was a major achievement for us because we established a link from a final assembly factory to a raw material supplier for a specific style. While we didn't reach this level for every style, our efforts greatly expanded our ability to track our products upstream, and we gained valuable insights throughout this process. We've now ensured that our direct suppliers are well-versed in our traceability software and are also capable of clearly communicating our tracing requirements to their upstream partners.

In 2024, we plan to further engage suppliers through improved training to successfully trace more products to the raw material level.

<sup>1</sup>Footwear components are tongue textile, tongue lining, vamp textile, sockliner top cloth, collar lining, lace, midsole, and outsole; apparel components are lining fabric, shell fabric, and trim.

## TRACING THE GHOST 15 SUPPLY CHAIN

Assembled at Long Fa (Vietnam) Co. Ltd. in Binh Phuoc, Vietnam



Component name	Supplier Names and Locations		
	Tier 2 (Material/Component Manufacturing)	Tier 3 (Raw Material Processing)	Tier 4 (Raw Material Extraction)
1 Tongue textile	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China Billion Industrial Holdings Limited Fujian, China	Billion Industrial Holdings Limited Fujian, China
2 Vamp textile	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China Billion Industrial Holdings Limited Fujian, China	Billion Industrial Holdings Limited Fujian, China
3 Collar lining	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China Billion Industrial Holdings Limited Fujian, China	Billion Industrial Holdings Limited Fujian, China
4 Tongue lining	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China	SinceTech (Fujian) Technology Co., Ltd.   Fujian, China Hengli Group Co., Ltd Zhejiang, China	Hengli Group Co., Ltd Zhejiang, China
5 Lace	Sheng Jeou Enterprise Co., Ltd. Changhua, Taiwan	Yi Shin Textile Industrial Co., Ltd Changhua, Taiwan Hung Chou Fiber Industrial Co. Ltd. Taoyuan, Taiwan	Hung Chou Fiber Industrial Co. Ltd. Taoyuan, Taiwan
6 Sockliner top cloth	Freeview Industrial Tien Giang, Vietnam	Not identified	Not identified
7 Midsole	Freeview Industrial Tien Giang, Vietnam	Not identified	Not identified
8 Outsole	Freeview Industrial Tien Giang, Vietnam	Not identified	Not identified



# BROOKS MANUFACTURING SUPPLY CHAIN

This map shows all known factories that manufactured Brooks products, materials, and raw materials in 2023.

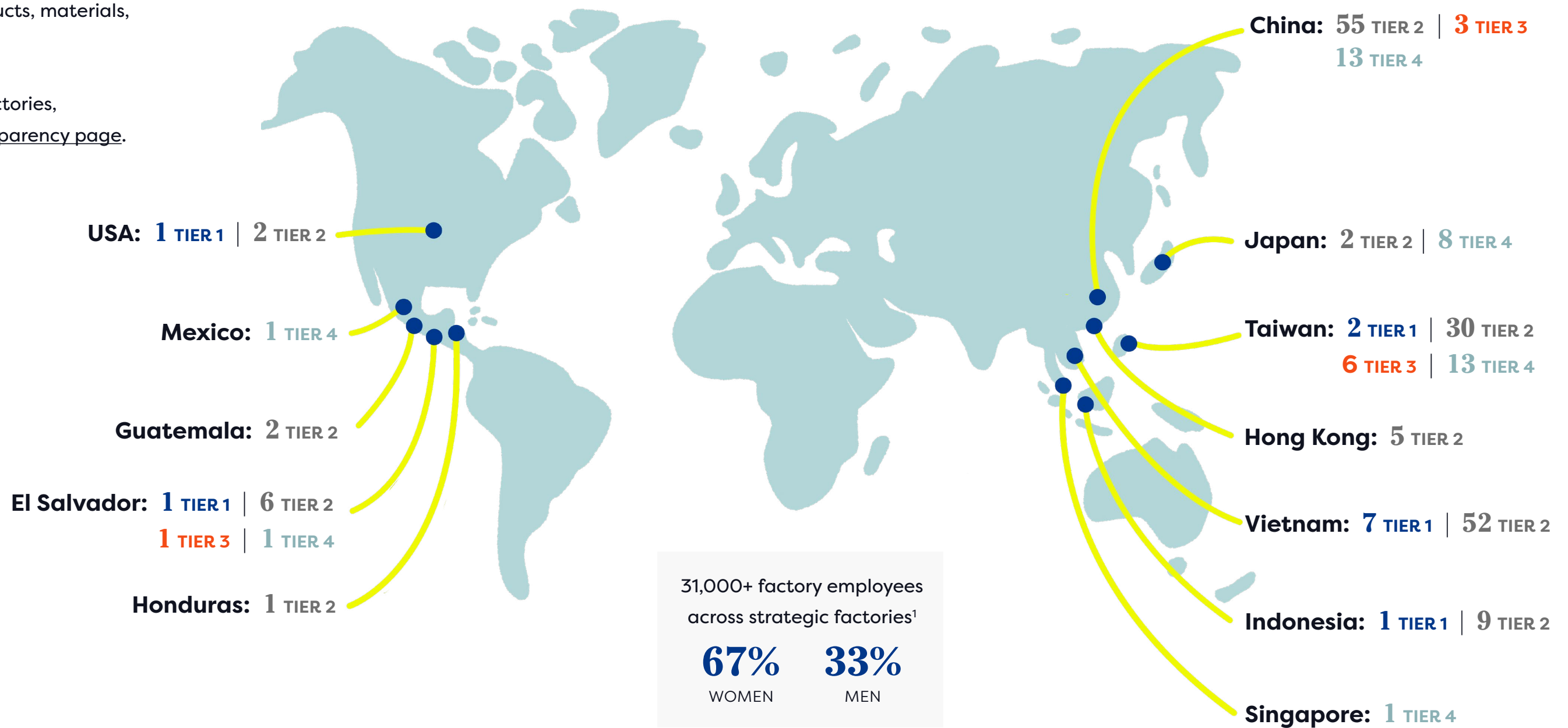
To learn more about our factories, visit our [Supply Chain Transparency](#) page.

**12**  
TIER 1 FACTORIES

**164**  
TIER 2 FACTORIES

**10**  
TIER 3 FACTORIES

**37**  
TIER 4 FACTORIES



<sup>1</sup> Strategic represents 100% of Tier 1 factories and 80% (by \$ spend) of Tier 2 factories



INSIDE LOOK:

# RESPECTING HUMAN RIGHTS

## WORKING WITH OUR FACTORIES ON SOCIAL COMPLIANCE

Respecting and upholding the rights of the people who make our products and materials is critical to ensure we source responsibly. In 2023, we continued to monitor compliance in accordance with the [Brooks Supplier Code of Conduct](#) and local and national laws and regulations. We required in-scope factories<sup>1</sup> to complete and verify a [Social & Labor Convergence Program \(SLCP\) Converged Assessment Framework \(CAF\)](#) assessment and complete a [Corrective Action Plan \(CAP\)](#). [Read more about our approach here.](#)

In 2023, 96% of our in-scope factories completed an SLCP CAF self-assessment and verification, an increase from 89% in 2022.

Following verification, we opened a CAP for all factories with identified non-compliances. Through this process, we work with factories to help them understand the non-compliances found. We identify a root cause and implement an improvement plan to fully remediate issues and prevent them from reoccurring. We give the factory two opportunities to demonstrate improvements before closing the CAP. Understanding all applicable laws and regulations takes time, especially for factories that are new to social compliance assessments. With our CAP process, we aim to educate factory management on necessary management systems and monitoring processes to ensure continued compliance throughout the year. By the end of 2023, 92% of CAPs were closed, and the remaining 8% of CAPs were closed by the end of January 2024.

<sup>1</sup>100% of Tier 1 factories and Tier 2 factories located in high-risk countries for foreign migrant labor and 80% (by \$ spend) of Tier 2 factories.





INSIDE LOOK:

# RESPECTING HUMAN RIGHTS

## PRIORITIZING EMPLOYEE HEALTH & SAFETY

Maintaining healthy and safe working environments continues to be a priority for us. We work with factories to remediate any health and safety non-compliances identified in their annual assessment. In 2023, Long Rich (FVB), one of our footwear final assembly factories in Vietnam, completed the Higg FSLM self-assessment and verification, with nine non-compliances identified. After two rounds of demonstrated improvements, FVB’s CAP was closed with all non-compliances sufficiently remediated. FVB’s issues included an unmarked evacuation route and improper

use of personal protective equipment (PPE) and chemical storage. The root cause of these issues was mostly due to a lack of employee awareness. During the CAP period, FVB created training to ensure all employees were continuously aware of the importance of complying with health and safety standards. While these issues have been successfully remediated, FVB plans to monitor them weekly to ensure they do not resurface. Our trust in FVB grows as they continue to consistently follow laws and regulations and take charge of their ongoing monitoring. This commitment ensures a dependable partnership, and we are proud to work with factories like FVB that share our value of respecting human rights.



FVB’s corporate responsibility team

## WORKING WITH VIETORY TO IMPROVE WORKING CONDITIONS FROM THE PERSPECTIVE OF THEIR EMPLOYEES

In 2022, Viety (VTY), one of our final-assembly footwear factories in northern Vietnam, scored an 86% on our annual Worker Sentiment Survey (WSS). We use this survey to understand working conditions from the perspective of factory employees. In reviewing the survey results, we discovered some employees were not willing to speak up at work and did not think feedback would be taken seriously by management. VTY used survey results to implement leadership training that demonstrates how to foster transparent relationships with employees. To encourage employee feedback, VTY also deployed its own anonymous survey every month to 300 employees at random and conducted monthly employee interviews. Results of these surveys were discussed and reviewed during monthly executive meetings to ensure plans were in place to resolve all reported issues. Acknowledging that many managers at VTY are not originally from Vietnam, VTY also implemented a localization initiative to promote local Vietnamese employees into management

positions. Hiring and promoting more local managers helps overcome cultural and language barriers and builds more trust and understanding between employees and management. Through these efforts, VTY has significantly improved relationships between its employees and management. These efforts also contributed to increasing its WSS score to 95% in 2023.



Members of VTY’s local Vietnamese management team



INSIDE LOOK:

# ENSURING ENVIRONMENTAL COMPLIANCE

At Brooks, we prioritize working with factories that not only comply with all relevant environmental laws and the Brooks Supplier Code of Conduct, but also ensure environmental management systems are in place to fully understand the environmental impact of their production processes. To gain visibility into environmental compliance and management systems, we require in-scope factories<sup>1</sup> to annually complete and verify the Higg Facility Environmental Module (Higg FEM). In 2023, 100% of our in-scope factories completed and verified a Higg FEM self-assessment, an increase from 91% in 2022.

Our expectation is for in-scope factories to achieve Higg FEM Level 1. Achieving Higg FEM Level 1 means the factory is compliant with all environmental laws and regulations and has an awareness of its environmental impact by consistently tracking its environmental data.

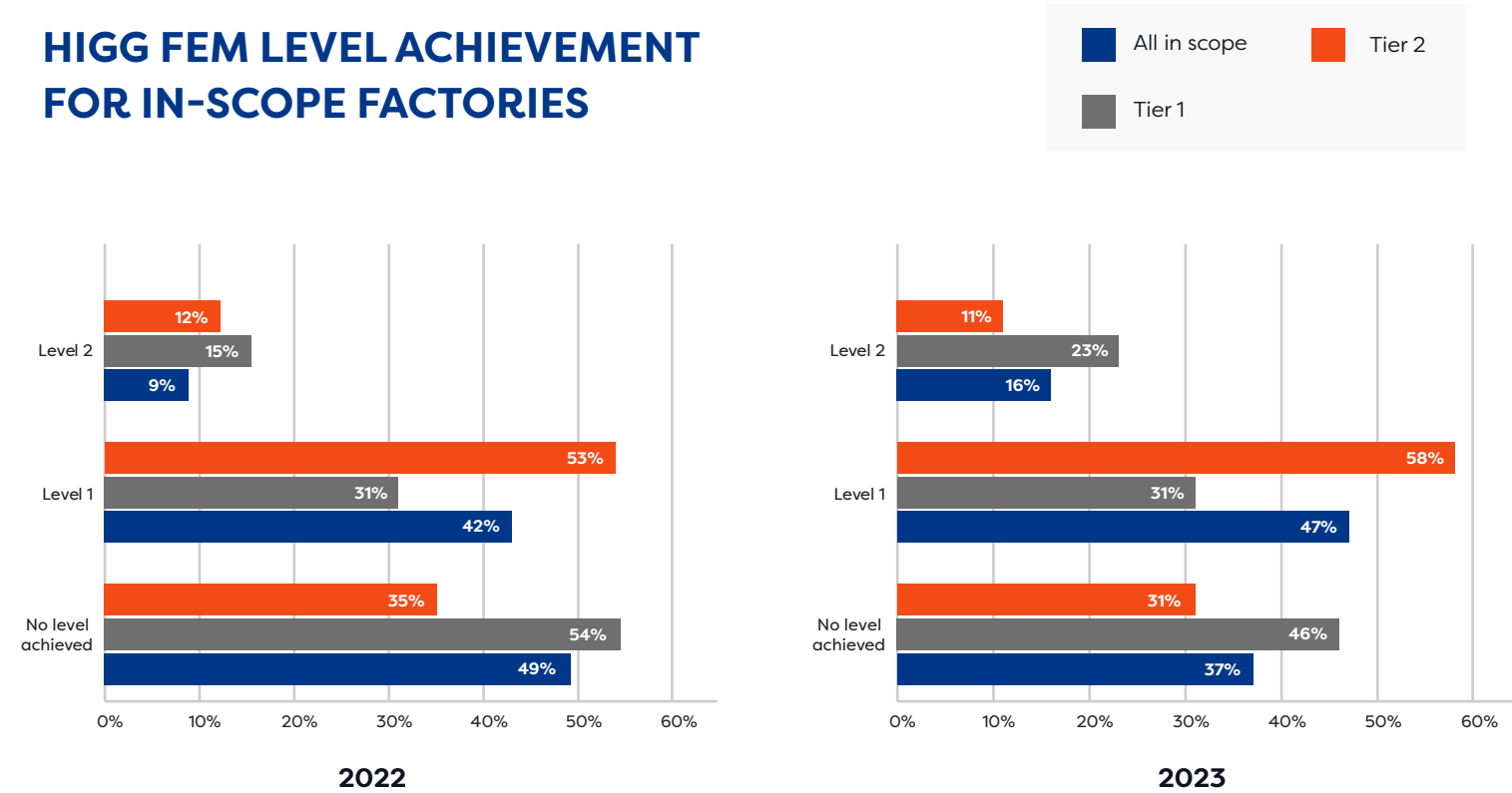
In 2023, 63% of in-scope factories achieved at least Higg FEM Level 1, an increase from

51% in 2022. The average verified score of these factories was 75%, increasing from 66% in 2022. Out of these factories, 13% achieved Higg FEM Level 2, with an average score of 92%. This level of performance shows that factories are not only in compliance with environmental laws and are proactively tracking their environmental data, but also setting plans and targets to reduce impact. For factories who did not achieve Higg FEM Level 1, we work with them on a Corrective Action Plan (CAP) to show steps the factory needs to take to achieve Level 1.



FIB's management team

## HIGG FEM LEVEL ACHIEVEMENT FOR IN-SCOPE FACTORIES



## FACTORY SPOTLIGHT

PT Long Rich Indonesia (FIB), one of our footwear final assembly factories in Indonesia, has completed the Higg FEM self-assessment and verification for the past two years. In 2022, FIB scored a 28% on its verified Higg FEM assessment and did not achieve a level because it did not have adequate systems in place to track environmental data. Upon completion of verification in 2022, we worked with FIB on a CAP, which outlined steps to reach Higg FEM Level 1. FIB's management team

focused on improving its environmental management systems by creating robust processes and mechanisms to track air emissions, waste disposal, and chemical usage data. Using the Higg FEM as a guide and framework for improvement, FIB now has proper systems in place to track data and a better understanding of its environmental impact. These efforts led FIB to achieve Higg FEM Level 1 in 2023. FIB plans to continue tracking its environmental performance, set targets, and create plans to reduce its impact and achieve Higg FEM Level 2.

<sup>1</sup>100% of Tier 1 factories and 80% (by \$ spend) of Tier 2 factories.



INSIDE LOOK:

# PROTECTING PEOPLE AND THE PLANET THROUGH RESPONSIBLE CHEMICAL MANAGEMENT

## MANAGING CHEMICALS ENTERING AND EXITING FACTORIES

At Brooks, we take a holistic view of chemicals management. We have strict guidelines for managing chemicals in our factories so that all chemicals used in producing Brooks products are safe for both people and the environment.

We manage chemicals entering factories by requiring our factory partners to purchase chemicals compliant with the Zero Discharge of Hazardous Chemicals (ZDHC) Manufacturing Restricted Substances List (MRSL). In 2023, we expanded these requirements beyond our midsole, outsole, and footwear textile factories to include apparel textile factories that are not already bluesign® site compliant and supplying Brooks with bluesign®-approved textiles (bluesign® site compliance and bluesign®-approved textiles ensure chemicals entering

and exiting the factory are safe for people and the planet). Throughout 2023, 92% of in-scope factories submitted monthly ZDHC InCheck reports, providing Brooks with visibility into the chemicals being purchased at the factory. In 2023, 73% of the chemicals purchased for these in-scope factories were compliant with the ZDHC MRSL, achieving, at a minimum, conformance level 1. Textile dyeing is a key focus for Brooks, given the high chemical use at these facility types. In 2023, 75% of chemicals purchased at textile dyeing factories were ZDHC MRSL compliant, achieving, at a minimum, conformance level 1.

We manage chemicals exiting factories by requiring our factory partners that manufacture Brooks' final footwear product, midsoles/outsole components, and footwear textile materials to test wastewater against the ZDHC wastewater guidelines twice per year. In 2023, we also expanded this requirement to include apparel textile factories that are not bluesign® site compliant

and supplying Brooks with bluesign®-approved textiles. In 2023, 100% of in-scope factories met our testing requirements and 62% met the minimum requirements<sup>1</sup> of the ZDHC wastewater guidelines, an increase from 55% in 2022.

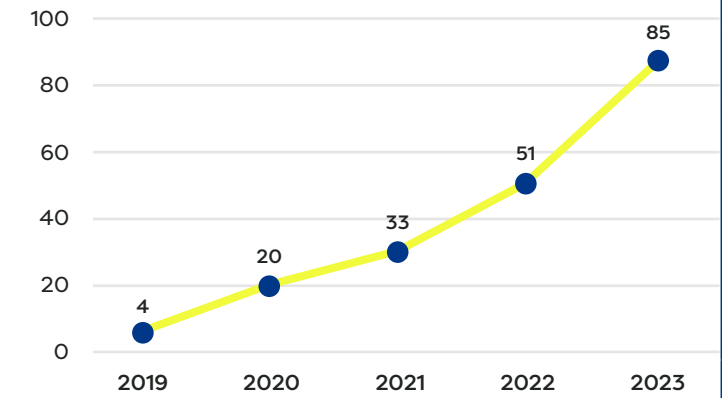
We manage chemicals use in the factory via the Higg FEM. More information on performance in 2023 can be found on page 50.

## ON TRACK TO ELIMINATE PFAS

Water repellency, an important feature for some of our gear, requires the application of a Durable Water Repellent (DWR) or non-wicking treatment. These treatments traditionally use a class of chemicals known as Per and Polyfluoroalkyl Substances (PFAS), some of which may be persistent, bioaccumulative, and toxic. In 2023, we focused on eliminating the use of PFAS in future seasons while maintaining the water repellency standards we expect for our product. In Fall 2024, all DWR and non-wicking treatments used on Brooks materials/product will be PFAS-free after successful conversions to fluorine-free alternatives.

<sup>1</sup> Achieve at least foundational level for conventional and heavy metal parameters, meet all reporting limits for ZDHC MRSL wastewater parameters, and meet the ZDHC recommended disposal pathway for sludge.

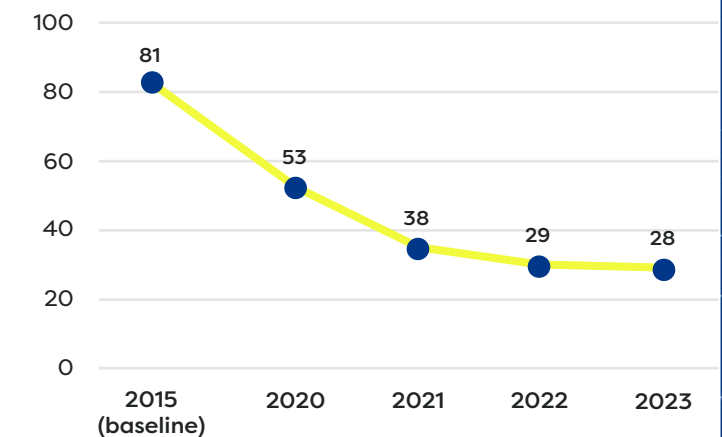
**% (by weight) of total water repellency treatments that are PFAS-free**



## REDUCING ORGANIC SOLVENT USAGE

In 2023, we continued our focus to reduce Volatile Organic Compounds (VOCs), a class of chemicals commonly found in the manufacture of footwear. By the end of 2023, VOCs per pair had reduced to 28 grams. This continued reduction was driven by an increase in water-based chemicals to 73%, up from 68% in 2022.

**Grams of VOCs per pair of shoes**





# CLIMATE ACTION

We believe climate change demands **urgent and universal action.**

At Brooks, we're addressing climate change with a science-based approach. We're aligning efforts across our business to reduce greenhouse gas emissions in our raw materials, manufacturing processes, and every stage of our global supply chain.





# OUR CLIMATE ACTION EFFORTS ARE GUIDED BY TWO OBJECTIVES



[Learn more](#) about our strategies to achieve these objectives.

## 1 REDUCE GREENHOUSE GAS EMISSIONS IN LINE WITH CLIMATE SCIENCE

Our ambitious greenhouse gas (GHG) emission reduction targets are approved by the Science Based Targets initiative (SBTi). These Science Based Targets (SBT) guide our climate roadmap, which identifies strategies to reduce GHG emissions across our global value chain, including our product, manufacturing, product transportation, and operated facilities.

## 2 REACH NET-ZERO GREENHOUSE GAS EMISSIONS

The sooner we can collectively reduce GHG emissions, the greater the chance of curbing global temperature rise below 1.5°C. That's why Brooks' long-term climate targets include reaching net-zero GHG emissions across the value chain by 2040—10 years ahead of the Paris Agreement. To reach this target, we prioritize GHG emission reductions in line with current climate science and work to neutralize remaining GHG emissions that have not been reduced through independently verified carbon credits.

### 2023 KEY PROGRESS HIGHLIGHTS

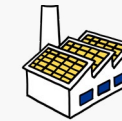
REDUCED GHG EMISSIONS FROM RAW MATERIALS BY

**20%**

PER UNIT OF PRODUCTION BY INCREASING USE OF RECYCLED AND BIO-BASED MATERIALS

### EXPANDED OUR USE OF DOPE-DYED TEXTILES

TO SOCKLINER TOP CLOTHS AND LINING TEXTILES USED IN OUR SPRING 2024 LINE OF FOOTWEAR STYLES



FIRST TIER 1 FINAL ASSEMBLY FOOTWEAR FACTORY INSTALLED ROOFTOP SOLAR

CONDUCTED ENERGY EFFICIENCY PROJECT AT

**50%**

OF IN-SCOPE TIER 1 & TIER 2 FACTORIES



JOINED ZEMBA IN OUR COMMITMENT TO LOW-CARBON OCEAN TRANSPORT



EXPANDED CARBON NEUTRAL PROGRAM TO SPRING 2024 FOOTWEAR TRAIL STYLES AND APPAREL HIGH POINT COLLECTION

**53,140**

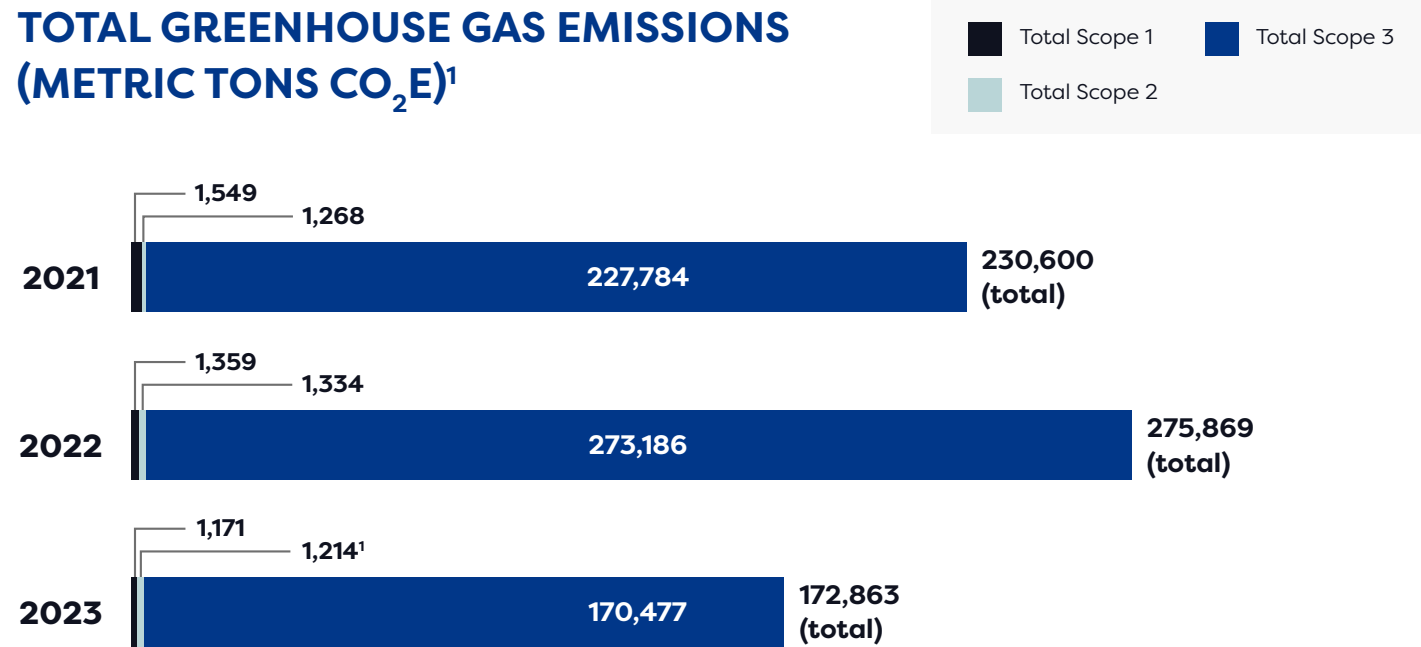
METRIC TONS OF GHG EMISSIONS OFFSET THROUGH INDEPENDENTLY VERIFIED CARBON CREDITS



INSIDE LOOK:

# GREENHOUSE GAS EMISSIONS INVENTORY

## TOTAL GREENHOUSE GAS EMISSIONS (METRIC TONS CO<sub>2</sub>E)<sup>1</sup>



### SCOPE 1

- Our Scope 1 emissions result from natural gas usage for heat at our operated facilities (distribution centers, offices, retail stores) and combustion of fuels for our vehicle fleet
- Account for 0.68% of our total GHG emissions inventory
- Our leased vehicle fleet contributes 67% of our total Scope 1 emissions, with our distribution centers (27%), offices, and retail stores (6%)

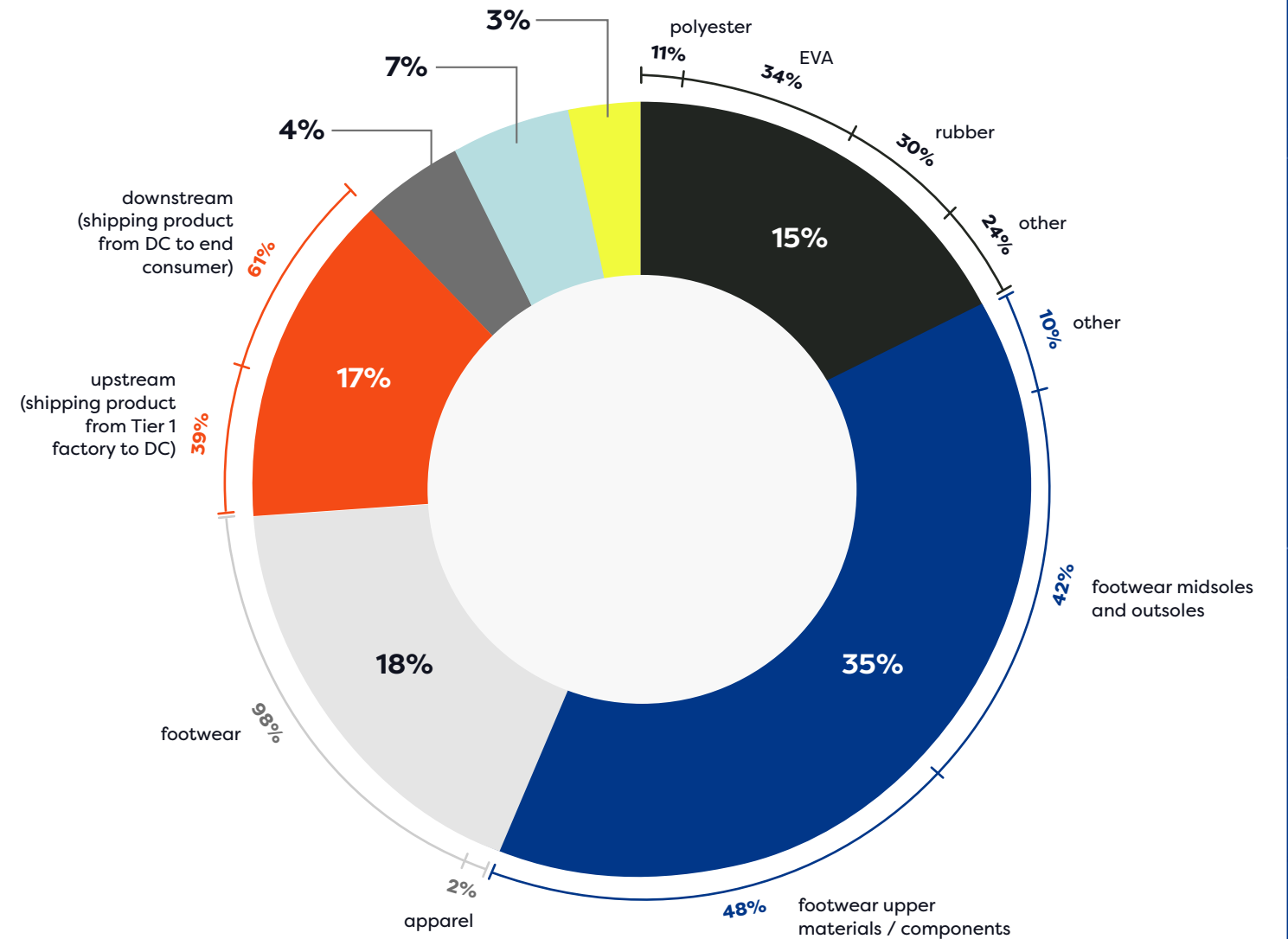
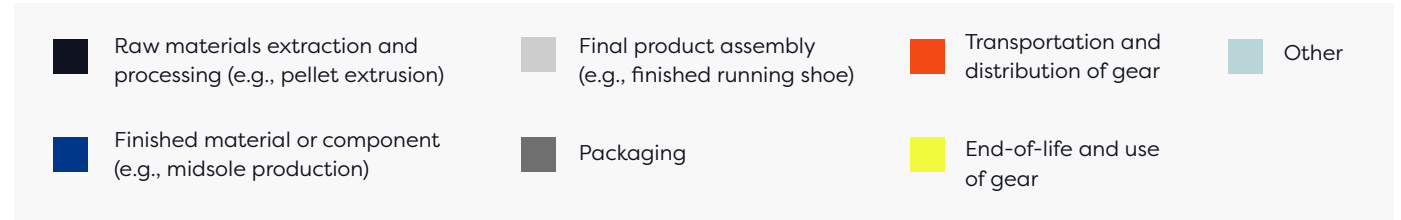
### SCOPE 2

- Our Scope 2 emissions result from purchased energy sources
- Account for 0.70% of our total GHG emissions
- The largest source of our Scope 2 emissions is from our distribution centers (88%), followed by offices (11%) and retail stores (1%)

<sup>1</sup>This proportional breakdown is based on market-based emissions shares.

### SCOPE 3

- Account for 98.6% of our total GHG emissions
- Our Scope 3 emissions sources:



We continue to analyze our GHG emissions inventory with this level of granularity, not only to identify our biggest individual sources of emissions, but also to see what results different emissions reductions strategies would have within our value chain. This analysis allows us to make informed decisions as we prioritize our efforts and resources toward meeting our science-based targets.



INSIDE LOOK:

# SCOPE 3 EMISSIONS DEEP DIVE

We measure and track Scope 3 emissions on an emissions-per-product basis, using the number of footwear, apparel, and accessory units produced in a given calendar year. In 2023, Brooks' Scope 3 GHG emissions totaled 170,477 MT CO<sub>2</sub>e or 10.44 kg CO<sub>2</sub>e per unit. Although this is still a decrease from our baseline, it is an increase from 9.24 kg CO<sub>2</sub>e per unit in 2022. This year-over-year increase was driven by a decrease in total number of units manufactured in 2023 compared to 2022 that lead to an increase in energy consumption per unit at Tier 1 and Tier 2 factories.

Although Scope 3 GHG emissions per unit did increase year over year, we did achieve GHG emissions reductions related to materials and textile dyeing:



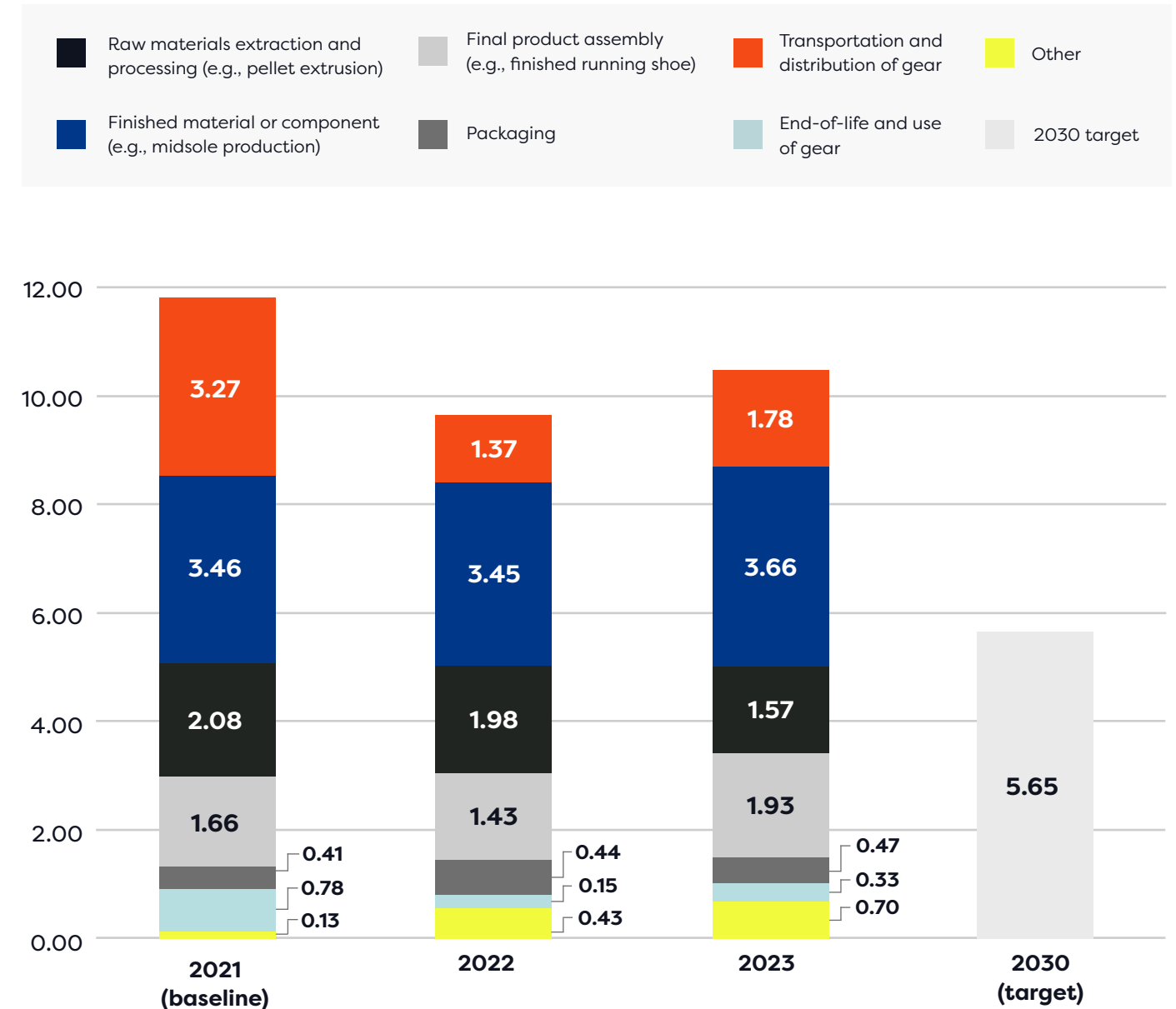
Reduced GHG emissions from raw materials by 20% per unit by increasing total raw materials that are recycled or bio-based to 30% in 2023 from 21% in 2022.



Expanded the use of low-impact dyed material in our footwear from 0.5% in 2022 to 5% in 2023.

In 2024, we expect Scope 3 emissions per unit to decrease, driven by a 2023 energy efficiency project at half of Tier 1 and Tier 2 factories and the use of renewable electricity at a significant number of Tier 1 and Tier 2 factories with the full operation of on-site rooftop solar.

## SCOPE 3 GHG EMISSIONS INTENSITY (KG CO<sub>2</sub>E / UNIT PRODUCED)





INSIDE LOOK:

# ZERO-EMISSIONS SHIPPING

Shipping our product from Tier 1 final assembly factories to our distribution centers accounts for about 7% of our total GHG emissions. About 95% of our product is shipped via ocean carriers, which significantly reduce emissions in comparison to air freight. In 2021, we became members of coZEV (Cargo Owners for Zero Emissions Vessels) and signed the 2040 Ambition Statement alongside other leading global brands. This collective action aims to send a strong message to the shipping industry, urging expedited progress toward decarbonizing ocean transportation and achieving zero-carbon shipping.

In 2023, we took the next step by joining ZEMBA (Zero Emissions Maritime Buyers Alliance), an initiative under coZEV.

ZEMBA is a group of ocean freight buyers who collaborate to accelerate the decarbonization of ocean shipping.

The organization commits to fuels that have fewer than 10% of the GHG emissions compared to traditional fossil fuels. To make this possible, ZEMBA aims to use a book-and-claim approach – a system that tracks emissions of zero-emission fuel used separately from physical fuels and thereby allows cargo owners to claim avoided emissions.

By joining ZEMBA, we aim to have Brooks product shipped on ocean vessels that use fuels with fewer than 10% of the emissions that come from a traditional ocean cargo vessel.





INSIDE LOOK:

# EXPANSION OF CARBON NEUTRAL PRODUCTS

In 2023, we expanded our carbon neutral product line with the release of the Ghost Max, Ghost 15 GTX, and spring 2024 trail styles in footwear and apparel.

While our carbon neutral product line has expanded, our approach has not changed:

- 1 To reach our net-zero GHG emissions target, we prioritize GHG emissions reductions. In all carbon neutral styles, we have prioritized the maximization of recycled and bio-based content to reduce emissions from raw material extraction. In addition, we have worked with our strategic manufacturing partners to reduce the impact from manufacturing through renewable energy and energy efficiency initiatives.
- 2 We assess the environmental impact of each style by performing a carbon footprint assessment across the product's life cycle – from the raw material extraction, material processing, final product assembly, transportation, and end-of-life. Each carbon footprint assessment is then verified by a third party to be in accordance with the Greenhouse Gas Protocol Product Standard. We purchase high quality carbon credits to offset the GHG emissions we have not yet been able to reduce.
- 3 We purchase carbon credits from projects that are verified to leading international standards within the voluntary carbon offset market (such as Verra, Gold Standard, and American Carbon Registry), which ensures carbon credits are additional, permanent, quantifiable, and independently verified. [Click here](#) for more information on our approach to choosing carbon offsets.
- 4 All carbon neutral Brooks products are certified in accordance with the CarbonNeutral Protocol, the leading global framework for carbon neutrality. We do this to ensure we are operating in line with the most up-to-date best practices of the voluntary carbon market.



Ghost Max

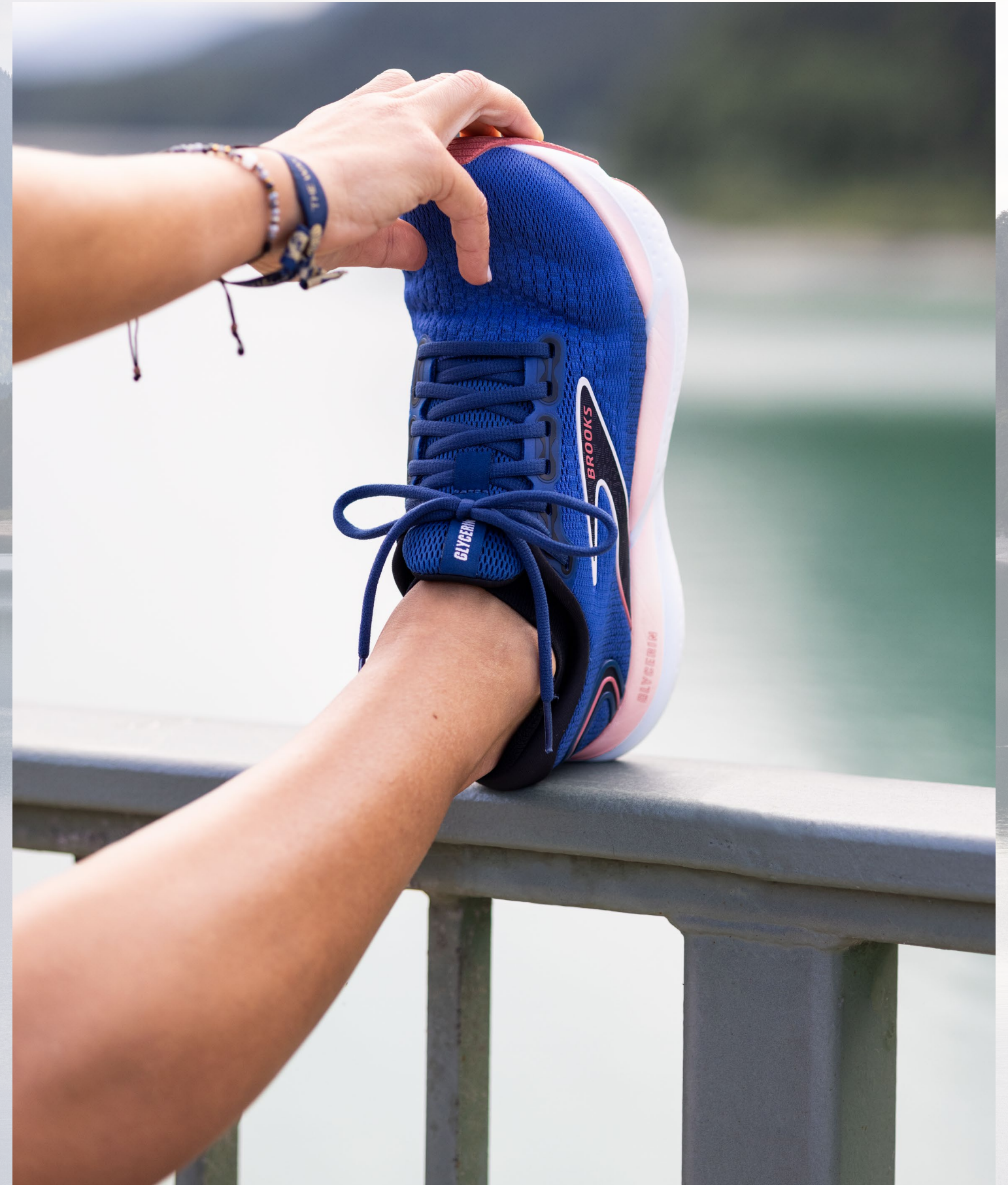




# SUSTAINABLE CONSUMPTION

To **reduce the impact our running gear has on the planet**, we created our sustainable consumption strategy in support of the United Nations Sustainable Development Goal #12: Responsible Consumption & Protection.

We take a holistic approach to managing the impact of our products across their life cycles and have identified key interventions like using more sustainable materials in our product, minimizing material waste generated through product manufacturing, moving toward a fully circular product model, and taking responsibility for our product after its usable life.





# OUR SUSTAINABLE CONSUMPTION EFFORTS ARE GUIDED BY FOUR OBJECTIVES

## 1 CONVERT TO RECYCLED AND BIO-BASED MATERIALS

We must replace conventional raw materials used in our product, such as polyester (PET) 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 SENT TO LANDFILL OR INCINERATION

Manufacturing creates material waste, increasing the overall environmental impact of our product. To reduce GHG 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

Our vision is to transition from linear to circular product. As part of our journey to achieve this, we will launch Brooks' first circular performance running footwear and apparel. We are committed to making product that can be deconstructed, with materials fed back into the production cycle to be used to make new performance running footwear and apparel.

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

We aim to take responsibility for our product at its end of life and reclaim it from the consumer. In the short term, we aim for this product to be downcycled into relevant applications. Long term, the goal is for this product to be recycled and used as raw materials.

[Learn more](#) about our strategies to achieve these objectives.

### 2023 KEY PROGRESS HIGHLIGHTS

**88%**

OF TEXTILES USED IN OUR PRODUCT MADE FROM RECYCLED YARNS, AN INCREASE FROM 67% IN 2022; IN FOOTWEAR, 90% OF TEXTILES ARE RECYCLED

**26%**

OF THE TOTAL RAW MATERIALS USED IN EACH OF OUR CORE FOOTWEAR STYLES ARE RECYCLED OR BIO-BASED MATERIALS, UP FROM 14% IN 2022

LAUNCHED THE GREEN SILENCE GHOST 15, OUR MOST SUSTAINABLE PRODUCT YET, MADE WITH

**39%**

RECYCLED MATERIALS

LUXE HOODIES AND JOGGERS ARE MADE FROM

**85%**

RECYCLED MATERIALS ON AVERAGE, THE HIGHEST OF ANY BROOKS COLLECTION

**77%**

OF ALL BROOKS FOOTWEAR AND APPAREL STYLES CONTAIN RECYCLED AND/OR BIO-BASED MATERIALS

**40%**

OF FOOTWEAR MATERIAL WASTE IS DIVERTED FROM LANDFILL/INCINERATION, AN INCREASE FROM 33% IN 2022



LAUNCHED RESTART, A NEW PROGRAM TO REFURBISH AND RESELL GENTLY USED GEAR, MATCHING 8,565 PAIRS OF GENTLY USED SHOES WITH RUNNERS

### SCORING A 3 OUT OF 4

ON THE TEXTILE EXCHANGE MATERIAL CHANGE INDEX (MCI), A SCORE ACHIEVED BY COMPANIES THAT ARE PIONEERING INDUSTRY INNOVATION IN SUSTAINABILITY STRATEGY, MATERIALS, AND CIRCULARITY



INSIDE LOOK:

# INCREASING RECYCLED AND BIO-BASED CONTENT IN FOOTWEAR

In 2023, we continued focus on reducing our use of non-renewable finite resources by increasing the amount of recycled and bio-based raw materials in our footwear. This strategy is critical toward achieving our 2030 and 2040 science-based GHG emissions reduction targets, since raw materials accounted for 15% of our total Scope 3 GHG emissions in 2023.

Converting to recycled textiles continued to be a priority in 2023. Recycled textiles in our footwear increased from 70% to 90% between 2022 and 2023. Recycled textiles in new footwear styles averaged 94%, up from 78% in 2022. Some styles, like the Hyperion and Ghost 16, reached 99%.

As we planned to expand this strategy for

additional materials, 2023 was the first time we included recycled content in the polyurethane foams used in the tongue, collar, and heel. This increased the total amount of recycled and bio-based materials in our footwear uppers. Our Fall 2023 footwear featured uppers with 60% of raw materials that were recycled or bio-based, an increase from 37% in Fall 2022.

We also made significant strides in 2023 by including recycled materials in our bottom components for the first time. Additionally, post-industrial recycled EVA was incorporated into the midsole used in the Fall 2023 Ghost Green Silence. In 2024, updates to our highest volume styles—Ghost, Glycerin, and Adrenaline—will contain recycled silica in the outsoles.

## PERCENTAGE OF FOOTWEAR UPPERS MADE FROM RECYCLED CONTENT (BY WEIGHT) FOR KEY STYLES:





INSIDE LOOK:

# GREEN SILENCE GHOST 15

In Fall 2023, Brooks launched the Green Silence Ghost 15, a culmination of many innovations to create a more sustainable run. This shoe produces 5% fewer GHG emissions per pair than the original Ghost 15 and highlights materials and technologies that are working their way into our other footwear styles.

39% of materials in the Green Silence Ghost 15 are recycled or bio-based, the highest of any Brooks shoe.

Vamp, tongue, and collar textiles are dope-dyed, a process that uses 94% less water and produces 92% fewer emissions compared to the conventional dyeing process. The Green Silence Ghost 15 is the first Brooks footwear style to expand this dyeing technology beyond the sockliner top cloth, where it has been used in all new styles since Fall 2023.

Like the inline Ghost 15, the Green Silence version is a certified CarbonNeutral® product.



79% of all upper materials are recycled, the highest of any Brooks shoe to date. This includes many 100% recycled textiles, such as the vamp and tongue textiles, sockliner top cloth, and reinforcement textiles.

Midsole and outsole contain 10% post-industrial recycled EVA and rubber content, another first for Brooks.

Tongue and collar foams contain 25% recycled content, another first for a Brooks footwear style, which is now expanding to all new styles.



CarbonNeutral.com





INSIDE LOOK:

# OUR PATH TO MORE SUSTAINABLE APPAREL

In 2023, we continued to focus on recycled and bluesign®-approved textiles and introduced our first Carbon Neutral apparel in the Spring 2024 High Point collection. In Fall 2023, we launched the Luxe Collection, highlighting our priority to maximize the use of recycled polyester and bluesign®-approved materials. 63% of all material used in our Fall 2023 and Spring 2024 apparel are bluesign®-approved, an increase from 57% in 2022. We've also updated our High Point shorts to include more recycled material. Other new styles that showcase these priorities are the Run Visible Thermal Tight, High Point Short Sleeve and Long Sleeve, and the Source Tights Collection.



### Fall 2023 Luxe Hoodies and Joggers

- Hoodies are 88% recycled polyester, made from 23 plastic bottles (Men's)
- Joggers are 81% recycled polyester, made from 18 plastic bottles (Men's)
- The complete collection features bluesign®-approved fabric



### Spring 2024 High Point 2-in-1 Shorts

- 68% recycled materials by weight, an increase from an average of 37% in Spring 2023
- Shell fabric and lining fabric is bluesign®-approved
- Recycled material from 10 plastic bottles (Men's)

### Spring 2024 High Point Lightweight 1/2 Zips

- 86% recycled content, made from 6 plastic bottles (Men's)
- Main fabric is bluesign®-approved

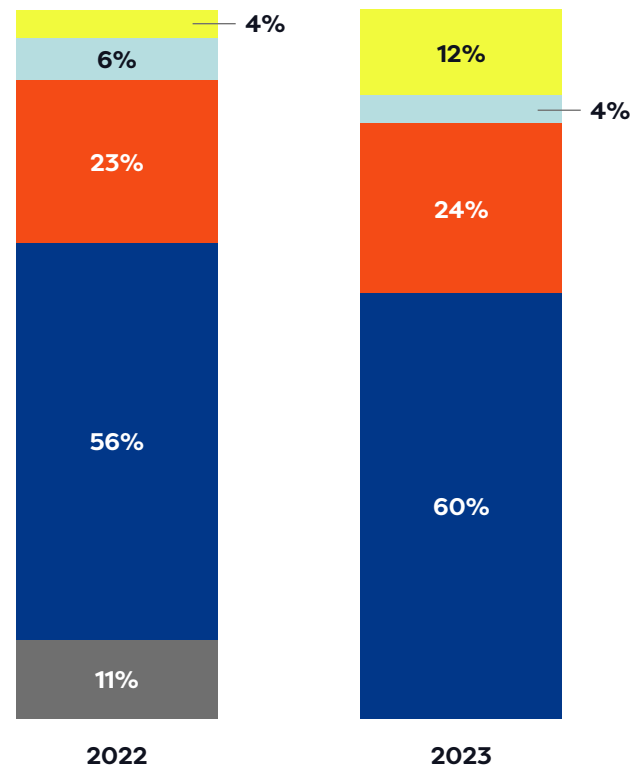


INSIDE LOOK:

# DIVERTING FOOTWEAR MATERIAL WASTE FROM LANDFILL AND INCINERATION

In 2023, we continued tracking material waste at our Tier 1 footwear final assembly factories and Tier 2 midsole/outsole factories as we worked toward zero footwear manufacturing waste sent to landfill or incineration. Beyond our annual visits to our factory partners, we now have a dedicated team of engineering specialists in Vietnam working with our factory partners to find new ways to reduce manufacturing waste and redirect unavoidable waste into other uses. Brooks also initiated a project between Tier 1 and Tier 2 factories to redirect unavoidable cutting waste back into our footwear materials. 40% of waste from Brooks Tier 1 factories was diverted from landfill/incineration, an increase from 33% in 2022. On average, factories downcycled 22% more waste per pair. Finally, 63% of textile waste was diverted from landfill/incineration, an increase from 58% in 2022.

## DESTINATION OF MATERIAL WASTE FROM TIER 1 FOOTWEAR FACTORIES





INSIDE LOOK:

# TAKING RESPONSIBILITY FOR OUR PRODUCT AT ITS END OF LIFE



Brooks is committed to taking responsibility for the environmental impact of our business. One way we can help protect the planet we all run on is to extend the life cycle of our products. That’s why in 2023 we launched ReStart, a new recommerce program that refurbishes and resells gently used Brooks footwear in the U.S., keeping them on the run for longer.

The ReStart program incorporates three grade ranges – Like New, Great, and Good – in a variety of Brooks footwear styles, including fan favorites such as the Ghost and Glycerin and speed product such as the Hyperion franchise. Prices start at 35% off MSRP.

We partnered with Trove, industry leader in branded resale for more than a decade and the recommerce partner to the world’s leading brands, to power ReStart. Together, we ensure a seamless experience, inviting new customers into the brand and providing

accessibility and choice to the Brooks community.

ReStart advances our goals by extending the life of gently used Brooks gear and providing a revenue source for future sustainability initiatives.

In 2023, Brooks ReStart sold:

**8,565  
pairs**

We also partnered with Relay Goods to find a new home for excess inventory and returns from specialty running retailers. Relay Goods inspects, cleans, reboxes, and resells the products at relaygoods.com. In 2023, Relay Goods processed 26,000 Brooks units and donated 10,000 more that did not meet resell standards.

## SOLES4SOULS

Our effort to take responsibility for product at its end of life includes a long-standing partnership with Soles4Souls to divert our footwear, apparel, accessories, and marketing materials from the landfill and incineration.

In 2023, Brooks:

- Donated 146,916 pairs of shoes and pieces of clothing
- Diverted 124,916 pounds out of landfills

Donated footwear is sold to local entrepreneurs in countries such as Haiti and Honduras, who then can resell it to earn a living.

Our 2023 donation of 146,916 products created \$775,009 in economic opportunity – money that helped families with necessities like food, housing, and education.





# 2023 PROGRESS UPDATE





# 2023 PROGRESS UPDATE

DIVERSITY, EQUITY, & INCLUSION <sup>1</sup>	Baseline	2022	2023	Target
Maintain our Human Rights Campaign Foundation's Corporate Equality Index score of 100	95	100	100	100
Achieve at least 50% women <sup>2</sup> representation at all levels of Brooks U.S. employees	46.4%	51.9%	53.8%	50.0%
Achieve at least 30% BIPOC <sup>2</sup> representation at all levels of Brooks U.S. employees	21.6%	22.4%	24.5%	30.0%
Achieve 100% pay equity for all BIPOC Brooks U.S. employees	-	-	-	100%
Achieve 100% pay equity for all Brooks U.S. women employees	-	-	-	100%
Maintain 40% BIPOC <sup>2</sup> representation in marketing stories and images	55.2%	44.8%	52.8%	40.0%
Support increased diversity of U.S. running population (40% BIPOC)	33.7%	34.3%	34.5% <sup>3</sup>	40.0%

<sup>1</sup> All Diversity, Equity, & Inclusion targets apply to U.S. only and are based on a 2019 baseline.

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

<sup>3</sup> Participation data was collected in 2022; participation data for 2023 will be available midyear 2024.

CLIMATE ACTION	Baseline	2022	2023	Target
Reduce absolute Scope 1 and 2 greenhouse gas emissions 50% by 2030	2,816 MT CO <sub>2</sub> e	2,694 MT CO <sub>2</sub> e	2,386 MT CO <sub>2</sub> e	1,391 MT CO <sub>2</sub> e
Reduce Scope 3 greenhouse gas emissions 52% per unit of production by 2030	11.80 kg CO <sub>2</sub> e / unit	9.24 kg CO <sub>2</sub> e / unit <sup>1</sup>	10.44 kg CO <sub>2</sub> e / unit <sup>1</sup>	5.65 kg CO <sub>2</sub> e / unit

<sup>1</sup> The GHG emissions intensity used by Brooks to measure Scope 3 reductions is on a per unit produced basis.

COMMUNITY IMPACT	Baseline	2021	2022	2023	Target
Dedicate more than \$5 million per year in cash and gear to community impact programs	\$1.1M	\$5.7M	\$5.4M	\$6.3M	\$5M
Impact 1 million young runners through Future Run support from 2023-2027	N/A	N/A	N/A	245,000	1M

RESPONSIBLE SOURCING	Baseline	2020	2021	2022	2023	Target
100% of in-scope factories <sup>1</sup> complete and verify an annual SLCP CAF assessment	49%	N/A	49%	89%	96%	100%
100% of in-scope factories <sup>2</sup> complete and verify an annual Higg FEM assessment	83%	83%	89%	91%	100%	100%
100% of input chemicals used at in-scope factories <sup>3</sup> comply with the ZDHC MRSL (conformance Level 1) by 2025	68%	N/A	68%	71%	73%	100%
100% of in-scope factories <sup>4</sup> meet the minimum requirements <sup>5</sup> of the ZDHC wastewater guidelines by 2025	27%	N/A	27%	55%	62%	100%
Reduce organic solvent usage to under 25 grams/pair by 2025	81g/pair	53g/pair	38g/pair	29g/pair	28g/pair	25g/pair

<sup>1</sup> 100% of Tier 1 factories, Tier 2 factories located in high-risk countries for foreign migrant labor, and 80% (by \$ spend) of Tier 2 factories

<sup>2</sup> 100% of Tier 1 factories, and 80% (by \$ spend) of Tier 2 factories

<sup>3</sup> 100% of Tier 2 midsole/outsole factories and high-volume Tier 2 textile factories

<sup>4</sup> 100% of footwear Tier 1, Tier 2 midsole/outsole factories, and high-volume Tier 2 factories

<sup>5</sup> Achieve at least foundational level for conventional and heavy metal parameters, meet all reporting limits for ZDHC MRSL wastewater parameters, and meet the ZDHC recommended disposal pathway for sludge

SUSTAINABLE CONSUMPTION	Baseline	2022	2023	Target
Source only materials with minimum 50% recycled or bio-based content by 2030	13%	13%	31%	100%
Eliminate footwear manufacturing material waste sent to landfill or incineration by 2030	85%	67% <sup>1</sup>	60%	0%
Launch Brooks' first fully circular performance running footwear and apparel by 2030	-	In Progress	In Progress	Launch
Launch recommerce and implement a product take-back program	-	In Progress	Recommerce Launched	Launch

<sup>1</sup> Corrected an error in the 2022 report that noted 42% of waste sent to landfill or incineration.



# APPENDIX A

## GREENHOUSE GAS EMISSIONS (METRIC TONS CO<sub>2</sub>E)<sup>1</sup>

At Brooks, we conduct an annual greenhouse gas emissions inventory to measure our impact on the planet. This inventory measures all relevant Scope 1, 2, and 3 greenhouse gas emissions for the prior calendar year. Brooks uses an operational control approach when consolidating Scope 1 and 2 emissions in our GHG inventory – we account for all Scope 1 and 2 greenhouse gas emissions from operations over which Brooks is the operating entity or where we have the authority to make operational decisions. Brooks also measures and reports on greenhouse gas emissions from all Scope 3 categories relevant to upstream and downstream business operations (any exclusions will be disclosed and justified)<sup>2</sup>.

	2021 (base year) <sup>3</sup> MT CO <sub>2</sub> e	2023 MT CO <sub>2</sub> e	Activities included in calculations
Scope 1:	1,548.8	1,171.3	Combustion of fuels at owned/operated facilities and in owned/leased vehicles
Scope 2: Market-based <sup>4</sup>	1,267.5	1,213.5	Indirect emissions from the generation of electricity and district heating purchased and consumed by Brooks
Scope 2: Location-based	1,267.5	1,327.3	Indirect emissions from the generation of electricity and district heating purchased and consumed by Brooks
Scope 3 <sup>5</sup> :	227,870.4	170,477.0	All other indirect emissions stemming from Brooks value chain
Category 1: Purchased Goods and Services	147,080.5	124,524.4	Includes raw materials, packaging, marketing materials, chemical use in manufacturing, final product manufacturing energy use, manufacturing waste, and indirect procurement of raw materials
Category 3: Fuel and Energy-Related Activities	609.8	471.5	Emissions from the extraction, production, and transportation of the fuel; purchased electricity; and purchased district heating used by Brooks
Category 4: Upstream Transportation and Distribution	45,055.7	11,192.6	Transportation and distribution of products purchased by Brooks between Tier 1 suppliers and Brooks' own operations – including truck, rail, air, and ocean transportation
Category 5: Waste Generated in Operations <sup>6</sup>	44.0	50.9	Third-party disposal and treatment of solid waste generated in Brooks owned/controlled operations and the transportation of waste from Brooks' facilities to waste treatment sites
Category 6: Business Travel	308.9	1,578.8	Employee business travel by air, car, and train as well as hotel stays
Category 7: Employee Commuting	1,527.7	2,717.4	Commuting by public trains, buses, and passenger cars
Category 9: Downstream Transportation and Distribution	18,073.1	17,839.0	Downstream transportation and distribution of products sold by Brooks – including truck, air, and ocean transportation as well as energy used during storage at distribution centers owned and operated by entities other than Brooks and at retail stores
Category 11: Use of Sold Products <sup>7</sup>	9,052.4	6,636.2	The washing and drying of apparel
Category 12: End-of-Life Treatment of Sold Products	6,118.3	5,466.2	End-of-life treatment and transportation of products, including packaging, apparel, and footwear of sold products

<sup>1</sup> Brooks calculates GHGe inventory in accordance with the Corporate Standard and Corporate Value Chain guidelines set forth by the GHG Protocol.

<sup>2</sup> Brooks does not account for category 2: capital goods, category 8: upstream leased assets, category 10: processing of sold products, category 13: downstream leased assets, category 14: franchisor, and category 15: investments, because we do not have any activities in the value chain relevant to these categories

<sup>3</sup> Any discrepancies from prior years' reports are due to recalculations made to improve accuracy of our GHGe inventory as better data and calculation methodologies became available

<sup>4</sup> Market-based emissions were not calculated for the base year. They will be calculated retroactively for the baseline year and for all years moving forward. These calculations will be included in all future reporting and progress measurements. Scope 2 emissions targets have been set according to the market-based methodology.

<sup>5</sup> Scope 3 emissions measures all indirect emissions that were not accounted for in Scope 2. All categories of emissions relevant to Brooks' business operations were included.

<sup>6</sup> These emissions optionally account for the transportation of waste from Brooks' facilities to waste treatment sites. These optional emissions are not included when setting/tracking progress toward our SBTs.

<sup>7</sup> These emissions are optionally measured and reported by Brooks and are not included when setting/tracking progress toward our SBTs.





For more information, visit [brooksrunning.com](https://www.brooksrunning.com)  
or email [running.responsibly@brooksrunning.com](mailto:running.responsibly@brooksrunning.com)

***BROOKS***