



# FY2023 SUSTAINABILITY & IMPACT REPORT



# TABLE OF CONTENTS

## 4 INTRODUCTION

- 5 CEO Letter
- 6 What's Under Matters
- 7 Our Goals

## 13 OUR PRODUCTS

- 15 Joining the Ellen MacArthur Foundation
- 16 Fiber-Shed Innovations

## 17 OUR HOME FIELD

- 19 Solar Initiatives
- 20 Higg BRM Description of Participation

## 21 OUR TEAM

- 23 DE&I Progress
- 24 Expansion of Worker Well Being Program

## 25 CONCLUSION

## 26 APPENDIX



# INTRODUCTION



## WHETHER ON OR OFF THE FIELD, HARD WORK AND CAREFUL PREPARATION PRECEDE EVERY GREAT PERFORMANCE. UNDER ARMOUR'S PURPOSE IS TO EMPOWER THOSE WHO STRIVE FOR MORE.

In our **2021 Sustainability & Impact Report**, we laid out a new strategic framework, including 23 goals, setting forth how Under Armour aspires to improve our product and operational footprints and accelerate our social and community impact. One year later, though still early in our journey, we are putting in the work to achieve our goals—and we remain committed to addressing challenges facing our industry, society and planet.

As a global innovator in performance athletic apparel, footwear and accessories, our approach to breaking through sustainability challenges is largely innovation driven. Our vision—to inspire you with performance solutions you never knew you needed and can't imagine living without—motivates our work to innovate solutions. We create value for our athletes and stakeholders not only by improving how our products perform, but also by our work to reduce their known negative impacts over time.

At Under Armour, everything we do is informed by our five core values to 'Act Sustainably,' 'Celebrate the Wins,' 'Stand for Equality,' 'Love Athletes' and 'Fight on Together.' As we embrace our 'Act Sustainably' value and navigate the sustainability challenges facing our industry and planet, we are also furthering our values to 'Stand for Equality,' 'Love Athletes' and 'Fight on Together.' In this work, we aspire to promote a healthy planet and to empower every athlete, teammate and supply chain worker who relies on us, across generations and the planet. As we continue to strive for more, we make a point to 'Celebrate the Wins' along the way, several of which are included in this report.



# CEO Letter

For over 25 years, Under Armour has established itself as a global leader and innovator in athletic performance apparel with athletes and sports enthusiasts around the world. Under Armour's relentless focus on athletic performance was a major driver in my decision to join this iconic brand as President and CEO in February 2023. Since taking the helm, my confidence and enthusiasm grows each day as I see first-hand the incredible talent and product muscle that live at the heart of Under Armour.

That same muscle is at work in the sustainability initiatives highlighted in this report, which captures how we are tracking toward the goals we announced across our Product, Home Field and Team pillars in our 2021 Sustainability & Impact Report. Since sharing our aspirations, teammates around the globe have driven the progress we have made – exciting milestones ranging from developing breakthrough technology to help fight fiber shedding to expanding our Worker Well-Being program and joining the Ellen MacArthur Foundation.

While I am proud of our accomplishments, I am also realistic about the challenges we face on the road ahead. In the coming year, resource constraints, macroeconomic headwinds and an uncertain industry landscape will continue to impact our business and require us to remain agile – but agility is in our DNA. Under Armour's track record and success in the face of challenges demonstrates our ability to adapt, innovate and succeed. And while change is perpetual, our core values are constant. 'Act Sustainably,' 'Stand for Equality' and 'Love Athletes' will continue to ground us in our pursuit of performance-driven innovations that aim to make athletes, and the world around them, better.

Across Under Armour, we have renewed our focus on driving continuous improvement and business growth. As we bring this same laser-focus and discipline to our responsible business practices, we are mindful we must act to secure the future we want to see: an empowered rising generation of athletes. We are committed to supporting them with better, more innovative products, designed to protect the home field they will play on for many decades to come.

Mindful there will always be more work to do, we are energized by our progress and will continue to strive for more. To our athletes, consumers and stakeholders, thank you for your continued support in our journey.



**STEPHANIE C. LINNARTZ**  
President & Chief Executive Officer



# What's Under Matters

At Under Armour, we are working to holistically address the environmental and social impacts of our business across three key pillars—Products, Home Field and Team. Our Sustainability Strategy—What's Under Matters—focuses on reducing our footprint by driving efficiencies across our product development and production processes. Core to our sustainability work and efforts to engage in responsible business practices is our aim to respect the rights, and improve the lives, of our teammates and suppliers' workers around the world.

Our approach, however, is characterized by going deeper than the map drawn by our strategy. We believe the details, the effort and the underlying decisions matter. People matter. Process matters. What's Under Matters.

Our focus has not changed since 2021, but no business exists in a vacuum. Faced with external forces spanning from inflation to geopolitics and the resulting business constraints, our pace has shifted in some areas. Nevertheless, we have made purposeful strides this year, including delivering innovations aimed at improving our environmental footprint and promoting circularity, making new commitments to renewable energy use and earning significant recognitions for making progress in the diversity, equity and inclusion of our workplace. We are adapting to the terrain as we go, knowing there will always be more hills and drops ahead. As we continue our work, we recognize that it is possible that we may need to refine our sustainability goals and targets in future reporting cycles to ensure alignment with our business values and priorities, just as we may evolve our work around goals and targets we achieve.

When it comes to sustainability, driving lasting positive impact is a team sport. We are leaning into our strengths, facing our challenges and consulting experts to inform and magnify our impact welcoming partners, competitors and beyond to join us in this critical work. We understand the importance of collaboration and partnerships and therefore we will highlight significant relationships with third-party foundations, universities, coalitions and co-creators throughout this report.

Under Armour makes you better. That's our mission, and like the athletes we serve, we're always pushing ourselves to be better and to continuously improve the way we do business.



**“At Under Armour, we do not believe that sustainability means compromising on performance, but instead that sustainability has the potential to drive performance through innovation.”**

Michael Levine, Vice President, Chief Sustainability Officer and Managing Counsel





In our **2021 Sustainability and Impact Report**, we presented 23 goals within the three pillars of our sustainability strategy—Our Products, Our Home Field and Our Team. In the following table, please see an update on the status of these goals for fiscal year 2023.

## Our Product Goals

✓ Achieved
→ Advancing
! Off Track
✗ Missed

Goals	Goal Year	FY2023 Performance	Status
<b>Design products to enable a circular system.</b>			
By <b>2023</b> , implement our sustainability and circular design principles targeting products sold in Fall/Winter 2024, with at least 50% of our products adhering to them by <b>2027</b> .	2027	<ul style="list-style-type: none"> <li>Implemented sustainability and circular design principles internally targeting products in the Fall/Winter 2024 season.</li> </ul>	→
By <b>2025</b> , develop chemistry and/or processes that can enable a circular footwear program to be launched in market, at scale, by <b>2030</b> .	2030	<ul style="list-style-type: none"> <li>Exploring several technologies to help enable the recyclability of our footwear.</li> </ul>	→
<b>Prioritize recycled and renewable materials and keep resources circulating.</b>			
By <b>2030</b> , use only recycled polyester in apparel and accessories, reaching at least 35% by <b>2025</b> .	2030	<ul style="list-style-type: none"> <li>Used 10% recycled polyester in apparel and accessories<sup>1,2</sup> and continuing to expand its use in future seasons.</li> </ul>	→
By <b>2030</b> , the uppers in our highest volume footwear series will be made with at least 50% recycled or bio-based materials.	2030	<ul style="list-style-type: none"> <li>Incorporating recycled and bio-based materials into several footwear platforms, such as the Assert 10, which features partially bio-based foam and recycled polyester.</li> <li>Working on system improvements to better track and quantify recycled materials in footwear for future reporting.</li> </ul>	→

<sup>1</sup>FY2023 product data reflects data from product seasons Fall/Winter 2022 + Spring/Summer 2023.

<sup>2</sup>Includes all recycled synthetics, including a majority of polyester and a small amount of nylon.

✔ Achieved
➔ Advancing
⚠ Off Track
✖ Missed

Goals	Goal Year	FY2023 Performance	Status
<p><b>Original Goal:</b> By <b>2025</b>, extend the life of at least 75% of damaged and defective products, as well as reduce manufacturing waste through repair and recycling.</p> <p><b>Updated Goal:</b> By <b>2025</b>, extend the life of at least 75% of damaged and defective returned products through repair and recycling and reduce manufacturing waste.<sup>3</sup></p>	2025	<ul style="list-style-type: none"> <li>• Launched a standardization process for damaged and defective products at our Omni Distribution House in Maryland and working to scale the process to our other global facilities.</li> <li>• Evaluating and seeking to quantify manufacturing waste including through the Higg Facility Environmental Module (Higg FEM), a sustainability assessment tool that standardizes how facilities measure and evaluate their environmental performance, year over year.</li> </ul>	➔
By <b>2023</b> , implement a take-back pilot in one or more regions, expanding circularity solutions globally by <b>2025</b> .	2025	<ul style="list-style-type: none"> <li>• Implemented take-back pilots in stores within North America region.</li> <li>• Working toward implementing an additional pilot in our EMEA region in FY2024, which will inform plans for expansion.</li> </ul>	➔
By <b>2025</b> , reduce single-use plastic brand product packaging by 75%, 50% by <b>2023</b> .	2025	<p>While we believe we have made the necessary efforts to reduce single-use plastic brand product packaging by 50% by 2023, our systems are not currently able to adequately track and quantify this. So, this goal is "Off Track" until we can improve our data to confirm the accuracy of our progress.</p> <ul style="list-style-type: none"> <li>• Eliminated plastic windows from our men's underwear boxes in Fall/Winter 2022.</li> <li>• Beginning to phase out plastic hooks with paper hooks for our accessories in Spring/Summer 2023.</li> <li>• Created new packaging parts to replace retail poly bag packaging with paper-based packaging.</li> <li>• Working to quantify reduction totals versus 2021.</li> </ul>	⚠

<sup>3</sup>We chose to update the language of this goal to increase transparency and clarity.



✔ Achieved
→ Advancing
! Off Track
✘ Missed

Goals	Goal Year	FY2023 Performance	Status
<p><b>Original Goal:</b> By <b>2023</b>, launch a roadmap to ensure recyclability for our apparel and accessories by 2030.</p> <p><b>Updated Goal:</b> By <b>2023</b>, launch a plan to enable recyclability for our apparel and accessories by <b>2030</b>.<sup>3</sup></p>	2030	<ul style="list-style-type: none"> <li>• Joined the Textile Exchange's new Recycled Polyester Industry Roadmap Working Group.</li> <li>• Established partnerships with recyclers to better understand recyclability of our fabrics and trims.</li> <li>• Building a trims library to support recyclability.</li> <li>• Integrated an updated definition of 'recyclable' into our Circular Design Principles.</li> </ul>	→
By <b>2030</b> , eliminate 75% of spandex in all our products.	2030	<ul style="list-style-type: none"> <li>• Leveraging our material innovation capabilities to explore a Spandex alternative for performance stretch fabrics.</li> </ul>	→





**Support innovation that reduces fiber shedding from textiles.**


By <b>2030</b> , 75% of fabric will be made of low-shed materials, as defined by industry-leading guidance on fabric shedding that we will work collectively to shape.	2030	<ul style="list-style-type: none"> <li>• Developed a new simplified measurement method to accurately determine a fabric's propensity to shed.</li> <li>• Began using the method to test materials early during product development to target high-shed materials for redevelopment or discontinuation before they enter the market.</li> </ul>	→
--	------	--	---

<sup>3</sup>We chose to update the language of this goal to increase transparency and clarity.




## Our Home Field Goals

Goals	Goal Year	FY2023 Performance	Status
<b>Reduce our greenhouse gas (GHG) emissions footprint and source renewable energy to reach net zero emissions.</b>			
By <b>2030</b> , reduce absolute scope 1, 2 and 3 GHG emissions by 30%, with net zero emissions by <b>2050</b> . <sup>1,2,3</sup>	2050	<ul style="list-style-type: none"> <li>• Continued partnership with third-party consultants to improve our GHG calculation methods.</li> <li>• For more on our calculations, please see our <a href="#">Sustainability Metrics Table</a> &gt; Home Field Data.</li> </ul>	→

 Achieved 
  Advancing 
  Off Track 
  Missed

Goals	Goal Year	FY2023 Performance	Status
By <b>2030</b> , increase renewable electricity in owned and operated facilities to 100%, with an interim goal of 80% by <b>2025</b> .	2030	<p>While we remain on track towards our 2030 goal to use 100% renewable energy, our interim goal to reach 80% by 2025 is off-track due to unanticipated challenges, including market conditions for virtual power purchase agreements in the U.S. We plan to revise this goal in a future report.</p> <ul style="list-style-type: none"> <li>• Sourced 6% of electricity in our owned and operated facilities from renewable sources like solar energy.</li> <li>• Pursuing renewable energy purchase options like Off Site Power, Electric Supplier Programs and evaluating Energy Attribute Certificates across our footprint.</li> </ul>	

**Advance low-impact manufacturing and greener chemistry to support healthier people and nature.**

By <b>2025</b> , scale innovative water-saving materials and technologies to at least 25% of our purchased materials and achieve 20% water savings at strategic mills and Tier 1 suppliers with wet processes.	2025	<p>While we have made progress scaling water-saving materials and technologies like digital printing and solution dyeing, we have not been able to design a path to a 25% reduction by 2025.</p> <ul style="list-style-type: none"> <li>• Working to develop other water-saving strategies, including how to reduce water use through our sourced cotton.</li> <li>• Since 2018, enrolled 21 suppliers in the Apparel Impact Institute's Clean by Design (CBD) and CBD+ programs, which enable our suppliers to save water. By the end of FY2023, eight of the 21 suppliers completed the program.</li> <li>• Working to enroll the remaining strategic mills and Tier 1 suppliers with wet processes in CBD and CBD+ by 2025.</li> </ul>	
By <b>2025</b> , eliminate 100% of biocides and fluorine DWR <sup>5</sup> in our products.	2025	<ul style="list-style-type: none"> <li>• Replaced DWR with fluorine-free DWR in 67% of applicable yardage.<sup>4</sup></li> <li>• Used biocide-free odor management technology in 43% of our yardage with odor management technology.</li> <li>• Continuing to expand the use of fluorine-free DWR and biocide-free odor management technologies to achieve this goal by 2025.</li> </ul>	
By <b>2025</b> , reduce solvent use to cut the volatile organic compounds (VOC) impact of our footwear by 30%.	2025	<ul style="list-style-type: none"> <li>• Reduced the VOC impact of our footwear by 35% compared to 2020 data.<sup>4</sup></li> <li>• Reduction achieved by replacing various solvent-based chemicals with water-based chemicals.</li> </ul>	





<sup>1</sup>The Science Based Targets Initiative (SBTi) approved our target to reduce absolute scope 1, 2 and 3 greenhouse gas (GHG) emissions by 30% by 2030 from a 2018 baseline.

<sup>2</sup>We have committed to reach net zero emissions by 2050 according to the SBTi's Net-Zero Standard.

<sup>3</sup>Our overall sustainability strategy, including Product and Home field goals, aim to support progress toward our SBTi ambition.



<sup>4</sup>FY2023 product data reflects data from product seasons Fall/Winter 2022 + Spring/Summer 2023.

<sup>5</sup>DWR = Durable Water Repellent.

 Achieved 
  Advancing 
  Off Track 
  Missed

Goals	Goal Year	FY2023 Performance	Status
-------	-----------	--------------------	--------

**Source materials with lower impact that care for our home field.**



By <b>2030</b> , reduce the environmental impact of our materials (measured by MSI <sup>6</sup> score) by 50%.	2030	<ul style="list-style-type: none"> <li>Working to incorporate recycled polyester in our products, eliminate biocides and flourine in our products and reduce solvent use in our footwear, all of which help lower the MSI scores of our products.</li> <li>Working to incorporate the MSI score calculation into our internal product creation systems.</li> </ul>	
By <b>2025</b> , 100% of cotton will come from low-impact sources, with 100% traceably sourced by <b>2022</b> .	2025	<ul style="list-style-type: none"> <li>Tracing 100% of our cotton.</li> <li>Reviewing our cotton sources to enable better reporting and to specify lower-impact sources.</li> </ul>	

<sup>6</sup>MSI = Higg Materials Sustainability Index.

## Our Team Goals

Goals	Goal Year	FY2023 Performance	Status
-------	-----------	--------------------	--------

**Championing diversity, equity and inclusion (DE&I) in our company and communities.**

By March 31, <b>2023</b> , achieve 42% of director and above positions filled by women. <sup>1</sup>	2023	<ul style="list-style-type: none"> <li>Achieved 43% female representation in our director and above positions as of March 31, 2023.</li> <li>Working to retain this percentage by recruiting, retaining and advancing female talent globally.</li> </ul>	
<p><b>Original Goal:</b> By March 31, 2023, achieve 39% of underrepresented talent at all levels.</p> <p><b>Updated Goal:</b> By March 31, <b>2025</b>, achieve 39% of underrepresented talent at all levels.<sup>2,3</sup></p>	2025	<ul style="list-style-type: none"> <li>Attained 35% of underrepresented talent as of March 31, 2023. Diversification efforts were impacted by challenging macroeconomic conditions that slowed hiring significantly.</li> <li>Working to increase representation for these groups through a combination of hiring and retention.</li> </ul>	

<sup>1</sup>This goal refers to global talent.

<sup>2</sup>This goal refers to U.S. talent.

<sup>3</sup>We did not achieve this goal by March 31, 2023, so are aiming to achieve it by March 31, 2025. The "Missed" status refers to the original goal here.

✔ Achieved
➔ Advancing
⚠ Off Track
✖ Missed

Goals	Goal Year	FY2023 Performance	Status
By <b>2030</b> , break down barriers and create opportunities for millions of youth to engage in sports.	2030	<ul style="list-style-type: none"> <li>Created opportunities for youth to engage in sports through programs like Curry Brand, Project Rampart, Building Bridges Through Basketball and She Who Plays.</li> <li>Impacted directly an estimated 152,000 youth through these programs.<sup>4</sup></li> </ul>	➔

**Empowering suppliers’ workers, paying fair wages and investing in their well-being.**

By <b>2025</b> , implement a fair compensation strategy across our supply chain, with pilot initiatives implemented in strategic supplier sites by <b>2023</b> .	2025	<ul style="list-style-type: none"> <li>Progress includes participating in a Fair Labor Association (FLA) Living Wage pilot project in Vietnam.</li> <li>Planning to launch pilot initiatives at three strategic supplier sites in 2023.</li> </ul>	➔
By <b>2025</b> , implement worker voice systems among all our strategic suppliers.	2025	<ul style="list-style-type: none"> <li>Implemented the Worker Voice program<sup>5</sup> at 35% of our strategic suppliers.</li> </ul>	➔
By <b>2025</b> , implement an inclusive well-being program across 65% of strategic suppliers.	2025	<ul style="list-style-type: none"> <li>Implemented the WeCare+<sup>6</sup> program at 17% of strategic suppliers.</li> <li>Expanding our well-being program with our participation in the Reimagining Industry to Support Equality (RISE) program, formerly known as Empower@Work, to promote equality for women who work in global supply chains.</li> </ul>	➔

<sup>4</sup>Given our programming aligns to both the school year and calendar year, this data covers approximately the beginning of the 2021 school year through the end of calendar year 2022.

<sup>5</sup>We developed a Worker Voice program in partnership with Ulula and Labor Solutions, organizations that are focused on the rights and well-being of migrant workers in our strategic suppliers’ facilities.

<sup>6</sup>We have partnered with The Centre for Child Rights and Business (The Centre) to deploy WeCare+, which offers programs that suppliers can implement to support their workers and suppliers’ workers’ families.

# OUR PRODUCTS

**EMBRACE MATERIAL INNOVATIONS THAT WILL  
ENABLE LESS WASTE AND MORE DURABILITY,  
SETTING THE STAGE FOR CIRCULAR SYSTEMS  
BY 2030.**



The progress we seek is the kind that has no finish line. Central to that ambition is our commitment to support our industry's transition to a circular economy. In a linear manufacturing system, products are produced from raw materials, used and then often thrown away. We aspire to participate in a circular system, where existing materials are reused to deliver new products. Pivoting to a circular model requires identifying opportunities to use more innovative, lower-impact materials during the product design phase, extending the lifespan of the products themselves and creating new systems for used products. The result is a system in which resources are optimized and more is accomplished with fewer environmental inputs.

The Under Armour brand was built on innovation. It is with that spirit that we are pursuing opportunities to embed circularity across our value chain and aiming to create durable products that last. Since the release of our 2021 Sustainability and Impact Report, we've advanced material innovations, reached milestones in our journey to create lower-shed products and aligned resources to help accelerate our circularity ambitions.

As we seek to continuously improve our products and reduce our dependence on finite natural resources, we're striving toward a new era of performance-led innovation in which we deliver premium, stylish performance-wear designed for impact, longevity and recyclability from the jump.



### FABSCRAP GIVEBACK

In December 2022, cross-functional leaders and teammates attended a special giveback event at FABSCRAP's New York City headquarters. By sorting discarded fabric so it may be repurposed, the team helped the Brooklyn-based non-profit reduce clothing waste and prevent non-recyclable scraps from hitting the landfill. The visit reinforced the importance of designing products with their entire life cycle in mind.

## Takeback Box



# Joining the Ellen MacArthur Foundation

The success of circular systems depends on the commitment and work of many players across our industry and beyond it. In September 2022, **we joined the Ellen MacArthur Foundation** (EMF)'s global network as a member to accelerate our own circularity work and underscore our ongoing commitment to industry-wide collaboration.

EMF is an international charity and circularity authority providing access to leading circularity resources and thinking in various industries, including networking, cross-industry partnerships and objective scoring on our circularity progress. Our membership will offer a deeper understanding of the state of our industry and allow us to increase circularity literacy across our brand. It will also enable us to better evaluate collaboration opportunities across our global supply chain and make more informed, strategic decisions early during product creation.

By joining EMF, we're getting in the game on a public scale. We look forward to collaborating with other brands, both within and outside our industry and up and down our supply chain, in this shared pursuit of a circular economy.



**"Our aim to help our industry pivot to a more circular model aligns with our perennial aim to improve the durability and performance of our products. Building on a track record of designing for longevity, we are rising to the challenge to think long-term about the full lifecycle of our products, and find new ways to create value over that lifetime."**

Alice Hartley, Director, Circularity



# Fiber-Shed Innovations

Microplastics are an invisible but ubiquitous threat, rapidly polluting ecosystems around the world and posing health risks to humans and animals. They originate from almost every industry, and ours is no exception. As fabric and textiles are produced, worn and cleaned, they shed fibers, though at different rates. A 2021 report from The Nature Conservancy and Bain & Company determined that the pre-consumer process of textile manufacturing releases around 265 million pounds of microfibers each year. And according to a study commissioned by the World Wide Fund for Nature, the average person ingests as much as five grams of microplastics a week—the equivalent weight of a credit card. For Under Armour, addressing our fiber-shed footprint means going to the root of the issue to mitigate shedding where possible.

In February 2023, **we announced** a breakthrough test method that is helping us understand the shed-rate of the materials and fabrics we source for our products. Our simplified approach complements existing fiber-shed testing approaches and, importantly, is more accessible, affordable and repeatable than many existing solutions—giving it great potential to be scaled.

We're using our new test method to help eliminate or redevelop high-shed materials and fabrics before adopting them for use in our products. And, as we are redeveloping materials and fabrics to shed less, we're also aspiring to improve their durability and performance. Through this early-intervention approach, we're developing lower-shed products that we expect to appear in market in upcoming seasons.

Simultaneously, we're exploring ways to make the method more widely available to suppliers and other brands. By improving visibility into the shed rate of fabrics, we believe we can help accelerate the shift to lower-shed apparel and address this increasingly urgent problem on a global scale.

**Read more** about the urgency of the microplastics problem in this GreenBiz piece we co-wrote with The Nature Conservancy in California.



In May 2023, Under Armour's breakthrough method to measure fiber shedding won a Sustainability, Environmental Achievement and Leadership (SEAL) Business Award in the Sustainable Innovation category. The SEAL Awards recognize innovations representing game-changing ideas that will bring us to a more sustainable future.

## RECOGNITION FOR OUR FIBER SHED INNOVATION

**"We're honored that our innovative test method has been recognized, and we are excited about its potential to drive early intervention. This year's SEAL Awards focused on granularity to drive sustainable improvement and reduce impact - underscoring that the details matter, and seemingly small efforts and initiatives can bring about significant change."**

Taylor Burgdorf, Lead, Environmental Product Sustainability



**"The Microfibre Consortium welcomes Under Armour's commitment to helping address the issue of microfiber shedding. As a signatory of The Microfibre 2030 Commitment, Under Armour's contribution to the wider work is much valued, and it is encouraging that the brand is also exploring complementary ways to assess and address the microfiber problem."**

Dr. Kelly Sheridan, Research Director of The Microfibre Consortium





# OUR HOME FIELD

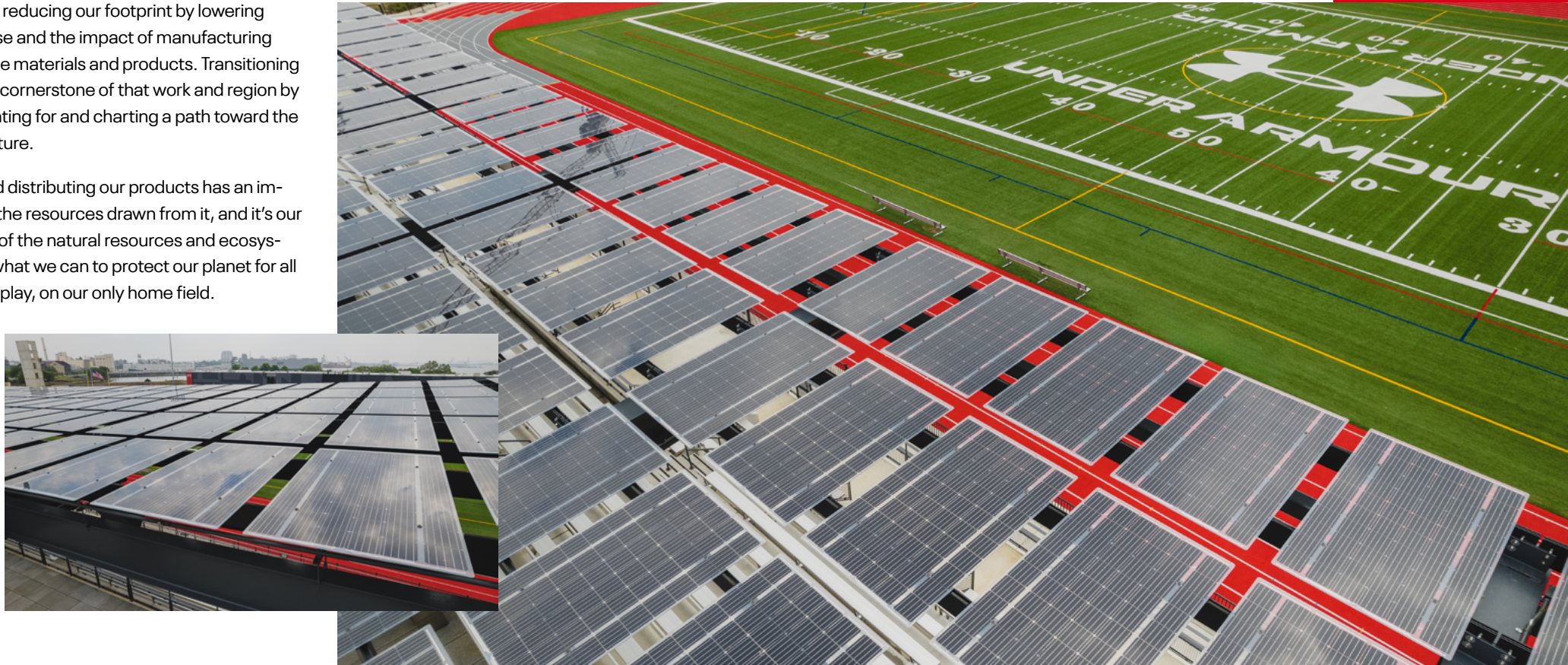
PROTECT THE HOME WE SHARE, ALWAYS  
STRIVING TO LEAVE OUR HOME FIELD BETTER  
THAN WE FOUND IT.



From the air we breathe, to the temperatures in which we train and compete, the trails on which we run and the fields where we gather as teams—sport is inextricable from the environments where we live and the well-being of every athlete. The vitality of every game depends on the health of the world around us. That’s why we’re committed to doing our part to help renew the precious resources and support the planet that we and future generations depend upon.

Specifically, we’re focused on reducing our footprint by lowering the impact of the power we use and the impact of manufacturing partners from which we source materials and products. Transitioning to renewable electricity is the cornerstone of that work and region by region, we’re building, negotiating for and charting a path toward the lofty ambition of a net-zero future.

Designing, manufacturing and distributing our products has an impact on our environment and the resources drawn from it, and it’s our responsibility to be a steward of the natural resources and ecosystems we affect. We’re doing what we can to protect our planet for all who now play, and all who will play, on our only home field.



# Solar Initiatives

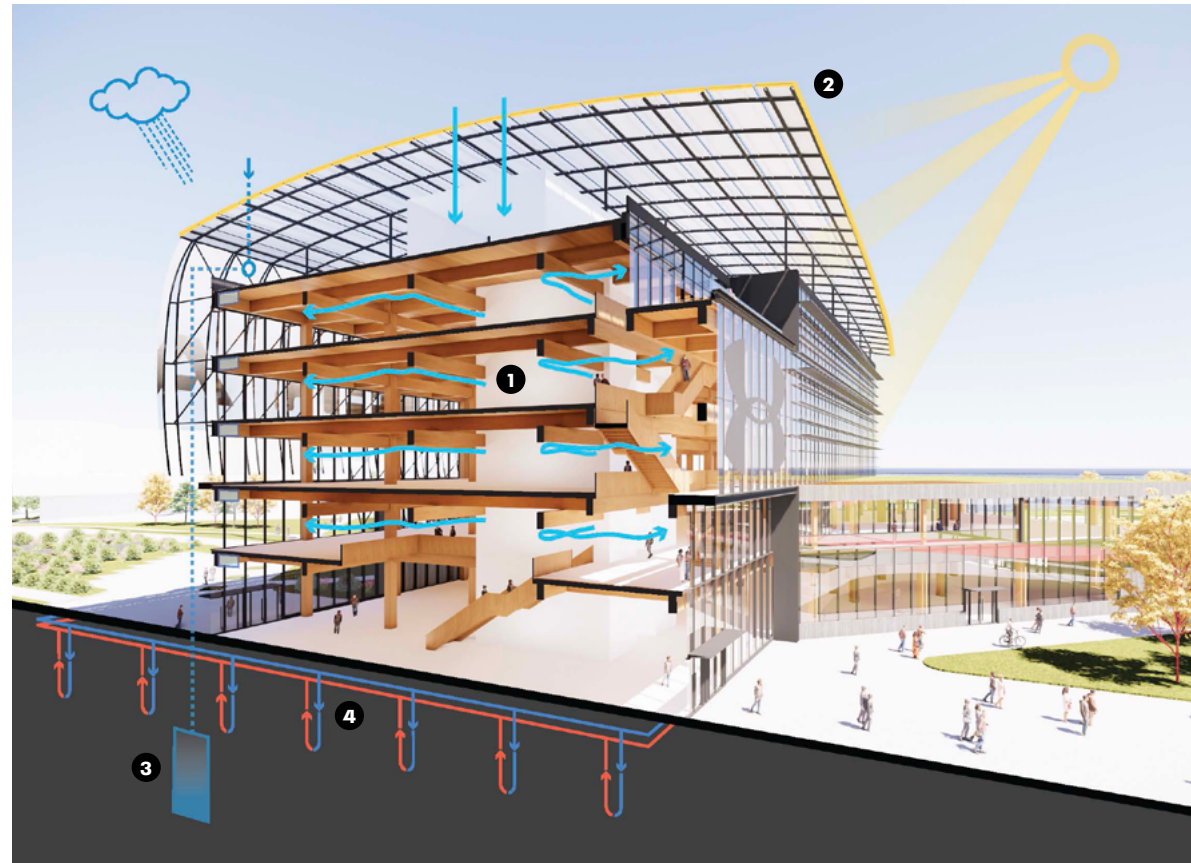
With the guidance of RE100, a global renewable energy initiative **we joined in 2021**, we developed a roadmap of renewable electricity projects focused in North America and Europe that we have been working to execute.

In continental Europe, the Fashion Pact made news at the end of 2022 by announcing a collective virtual power purchase agreement (VPPA) aimed at adding more than 100,000 MWh per year of wind or solar power generation to the grid in Europe and kick-starting a larger energy transition throughout the fashion industry. We are a proud participant in that commitment, which should offset 100% of our projected 2030 emissions on the continent.<sup>1</sup>

In the U.S., we've been pushing forward with a combination of 100% renewable energy contracts, renewable energy VPPA and onsite renewable energy projects. We're hard at work constructing our new **Baltimore Peninsula headquarters** (previously referred to as Port Covington) to be net-zero, aspiring to attain Leadership in Energy and Environmental Design (LEED) platinum certification, WELL Building Standard certification and International Living Future Institute net-zero energy certification.

We hope to have all U.S./Canada and Europe projects online in the next few years, and are working to refine market specific strategies for Latin America and Asia later in 2023.

## OUR NET-ZERO HEADQUARTERS DESIGN HIGHLIGHTS



- 1 Mass timber construction
- 2 Solar initiatives
  - Rooftop
  - House stadium canopy
  - Parking lot canopies
- 3 Rainwater harvesting
- 4 Geothermal heating and cooling

# Higg BRM Participation

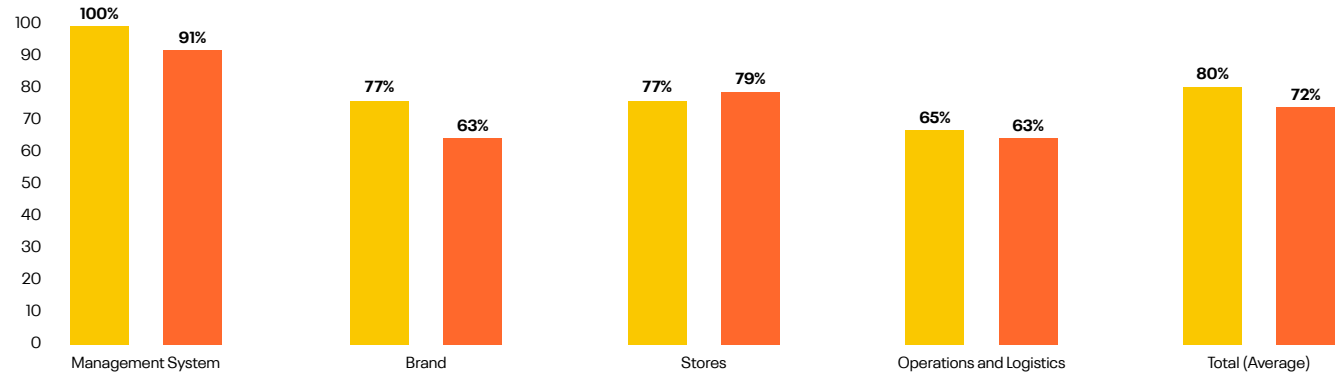
For the past three years, we have completed the Sustainable Apparel Coalition (SAC) Higg Brand & Retail Module self-assessment<sup>2</sup> (BRM) and, in 2022, for the first time, engaged a third party to verify our 2021 assessment. The SAC describes itself as a global, multi-stakeholder non-profit alliance for the consumer goods industry that seeks to lead the industry toward a shared vision of sustainability that is based on a joint multi-stakeholder approach for measuring, improving and sharing performance. The BRM helps evaluate our operations along our global supply chain, identifying both areas of risk and opportunities for improvement.

According to our 2021 BRM Social Module Score<sup>3</sup>, we outperformed our peer benchmark (other verified participants with \$1-10 billion in revenue in 2021) in our Total (Average) score and in the specific modules of Management System, Brand and Operations and Logistics (see Figure 1). In our 2021 BRM Environmental Module, we did not outperform our peer benchmark in Total (Average) score but did outperform in the specific module of Management System (see Figure 2).

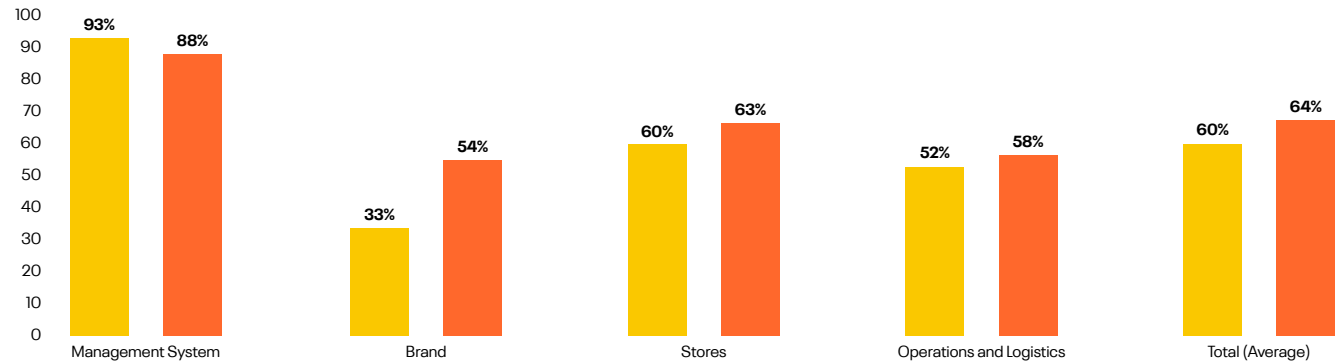
<sup>2</sup>Worldly, formerly Higg Co., runs this industry sustainability assessment tool and software platform.

<sup>3</sup>Refer to Worldly for the definitions and components of each module. For benchmarking, we define our peers as other verified participants in the BRM with \$1-10 billion in revenue in 2021.

**FIGURE 1**  
2021 BRM SOCIAL MODULE SCORES VS. PEERS



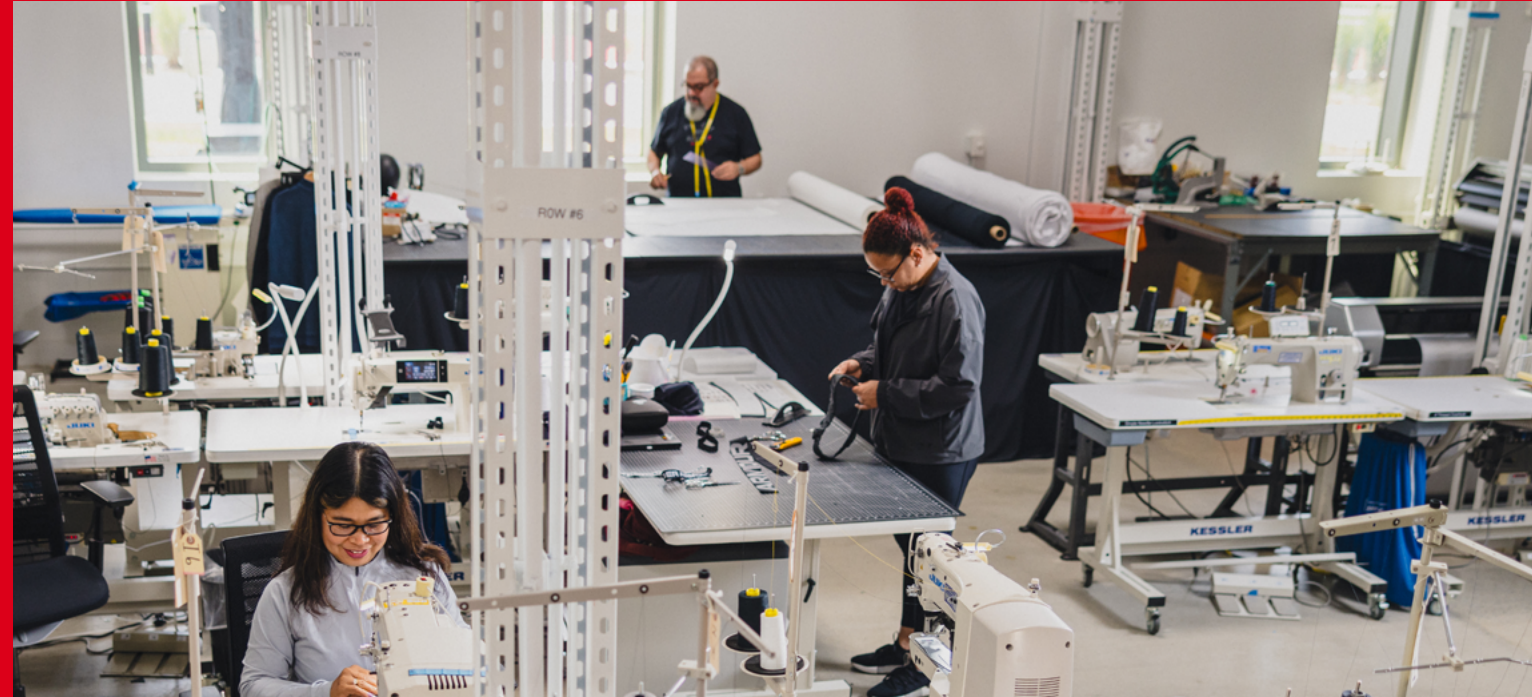
**FIGURE 2**  
2021 BRM ENVIRONMENTAL MODULE SCORES VS. PEERS



■ UA ■ Average of other verified BRM participants with \$1-10 billion in 2021 revenue

# OUR TEAM

CHAMPION OUR TEAMMATES AND EMPOWER  
SUPPLIERS' WORKERS THROUGH FAIRNESS,  
RESPECT AND INCLUSIVITY.



In order to 'Act Sustainably,' we must also 'Stand for Equality.' At Under Armour, we stand up for our communities, for fairness and equity, for an inclusive culture for our teammates worldwide and for the rights and well-being of our suppliers' workers.

Our brand is stronger when our teammates bring their diverse backgrounds, experiences and perspectives to drive innovation and support Under Armour's athletes and consumers around the world. We are at our best when we feel seen and respected, so we are continuing to push for an inclusive culture where our teammates can thrive and create winning performance solutions.



# DE&I Progress

While the recognition in diversity, equity and inclusion (DE&I) we have received to date underscores our progress, we continue to strive for more, mindful that the biggest impact of our work is how our teammates experience inclusion each day. In addition to external recognitions, we are proud that DE&I was identified as a top-performing dimension in our annual internal teammate engagement survey, which tracks our overall engagement as a company.

Our workforce is the most representative that it's ever been, but we have more work to do to increase racial, ethnic and gender representation on our team in the U.S. We remain focused on advancing the internal systems and process we have introduced in recent years to continue to enable improvement over time.

We also hold ongoing required learning series and leadership trainings to further develop the cultural competence of our teams. Progressing DE&I requires company-wide commitment, and we're proud of our teammates for actively participating in the work.

## FY2023 DE&I WINS

In our first year applying, we qualified for the 2023 **Bloomberg Gender-Equality Index**, which tracks the performance of public companies committed to transparency in gender-data reporting.

In 2022, we received the **Seramount Inclusion Index Pinnacle** award, Seramount's highest recognition, which assesses our diversity and inclusion practices in the top 10% of applicants, a step up from our 2021 recognition as a Leading Organization. We were also recognized as one of Seramount's Best Companies for Multicultural Women for the second year in a row.

More than **42%** of leadership positions are held globally by women as of March 2023.



## COMMUNITY IMPACT PROGRAMS CONTINUE TO INSPIRE AND INVEST IN STUDENT ATHLETES

In February 2023, we reaffirmed our commitment to support over 7,000 Baltimore City High School student athletes in an effort to provide consistent access and opportunity both on and off the field. Along with our partners, we are continuing to unlock opportunities and provide these student athletes an avenue to unlock their optimal performance—through uniforms, facility renovation, leadership development and academic support.

**[Project Rampart February 2023 announcement](#)**

# Expansion of Worker Well-Being Program

Our purpose—We Empower Those Who Strive for More—not only includes those who wear our brand, but also those who play a role in making it. We remain steadfast in our commitment to respecting global human rights across our operations, value chain and communities.

In 2021, we partnered with The Centre for Child Rights and Business (CRIB) to pilot its WeCare programs in two supply chain factories in Suzhou and Guangzhou, China. WeCare is a part of our worker well-being program and offers resources to support the well-being of young workers and workers who are parents and their children. In FY203, we partnered with CRIB again to deploy WeCare+, an upgraded WeCare program that includes female workers in its targeted audience in addition to young workers and workers who are parents and their children.

Under Armour selects factories for WeCare+ based on their sustainability performance.<sup>3</sup> We then incentivize the selected factories to implement WeCare+ initiatives. Initiatives include resources for parents like childcare and maternity protection and are tailored to local laws and social climates.

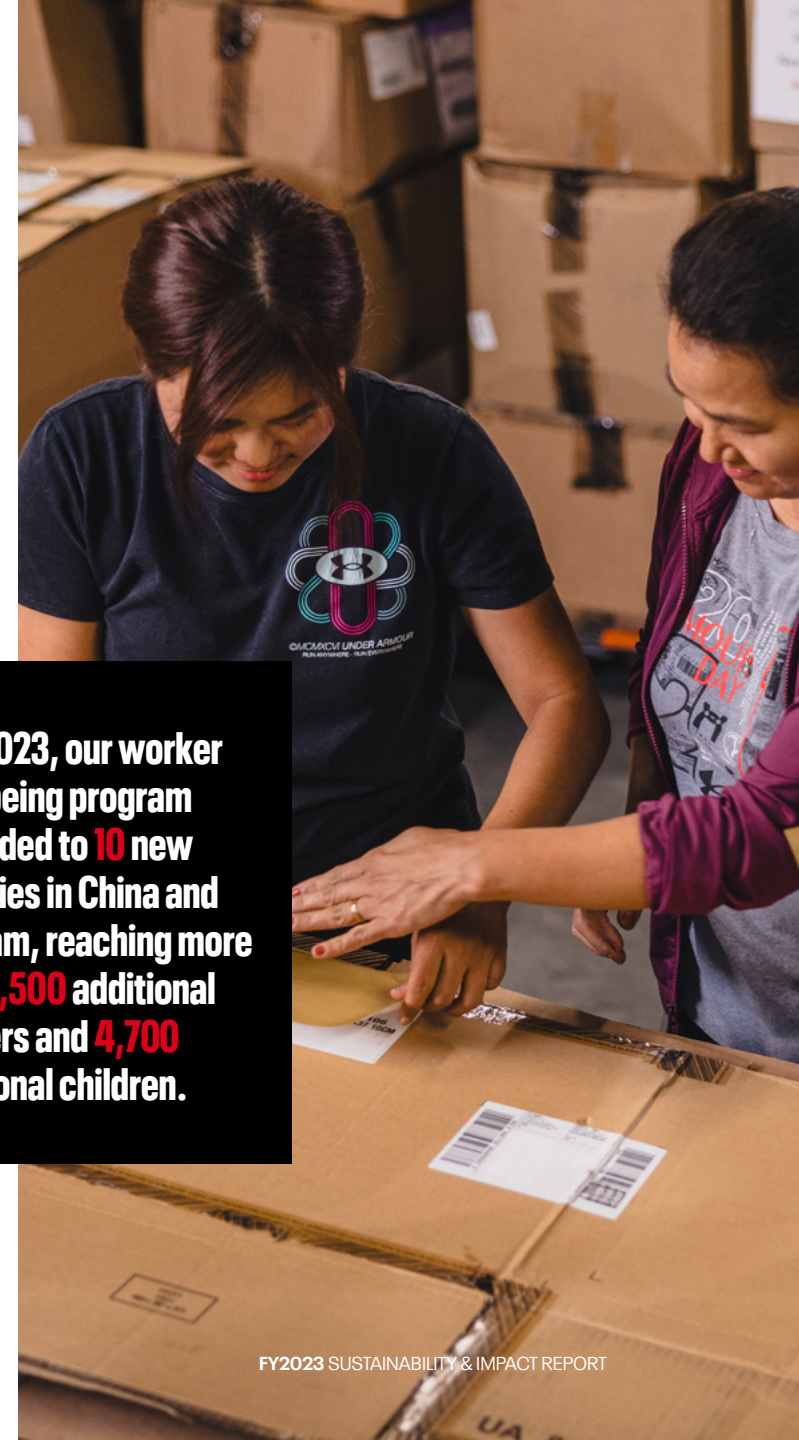
After CRIB deploys WeCare+ at a factory, we encourage that factory to leverage their own resources and share practical insights with other program factories in order to help the program succeed. We aim to tangibly improve the lives of our suppliers' workers as WeCare+ expands to new factories in the coming years. We plan to measure the impact of WeCare+ through surveying factories for workplace satisfaction, worker trust and retention rate

## COMMITMENTS AND GIVING A VOICE TO SUPPLIERS' WORKERS

In FY2023, we re-signed the American Apparel & Footwear Association and the Fair Labor Association's Commitment to Responsible Recruitment, which aims to proactively address forced labor risks for migrant workers in the global supply chain.

The Worker Voice program connects factories with third-party hotlines and service providers to handle grievances and collect anonymous data about workplace conditions directly and confidentially from suppliers' workers. The output becomes part of the suppliers' due diligence processes and human resource management systems. While we have visibility into these anonymous grievances at a factory level, we expect our factories to be responsible for monitoring and responding to the cases they received from their workers.

**In FY2023, our worker well-being program expanded to 10 new factories in China and Vietnam, reaching more than 2,500 additional workers and 4,700 additional children.**





## CONCLUSION

**From fiber shedding and climate change to social inequity and community development—the many challenges we aspire to address through our sustainability and impact programs are substantial, but their scope and scale does not deter us from seeking to address them. By utilizing our strong innovation muscle, we aim to improve product performance and durability, embrace collaboration upstream and downstream in our supply chain, stand up for people and their rights and leverage the power of sport in our communities—and we are taking steps to act in support of these aspirations.**

As our sustainability program matures and evolves, we are mindful we may need to adapt our approach to activating on some of our goals. But while our game plan is flexible, our commitment to our core values, and to continually innovating and seeking to improve the way we do business, is not. In this report, we've picked up with you from where we left off in our 2021 Sustainability & Impact Report. As we continue reporting, we will continue to share with you not only about how our sustainability program has evolved, developed and progressed, but also about the challenges we've faced, adjustments we've made and the hope we have for what lies ahead of us.

We are grateful to our stakeholders, including our athletes, consumers, customers, partners and teammates around the world, for their support. While we live in a volatile uncertain complex and ambiguous (VUCA) world in which our ability to achieve the goals to which we aspire is not guaranteed, we are a team player and seek to help protect the home field we all share. We are putting in the work to be better as we make athletes better, because What's Under Matters.



# Appendix

## REPORTING PERIOD

We changed our fiscal year end from December 31 to March 31, effective for the fiscal year beginning April 1, 2022. We've aligned our sustainability reporting periods with our financial reporting periods. The fiscal year this report covers began on April 1, 2022 and ended on March 31, 2023 (fiscal year 2023 or FY2023). Our 2021 fiscal year began on January 1, 2021 and ended on December 31, 2021, and we refer to the period beginning on January 1, 2022 and ending on March 31, 2022 as the transition period. There was no fiscal year 2022.

## REPORT SCOPE

This report includes topics significant to our stakeholders and the sustainable growth of our company, as determined through our 2021 sustainability materiality assessment. See our [Sustainability Issues and Stakeholder Management](#) page on our corporate website to learn more about our approach to our Sustainability Materiality Assessment and our top 10 materiality issues. The scope of this report covers our business operations, which includes our corporate offices, our Brand and Factory House retail stores owned and operated by us, and distribution houses, unless otherwise indicated.

More information about leased properties is available in our most recent [Annual Report](#). Where available and relevant, data for licensee operations—those third parties to which we grant the right to manufacture, distribute and/or sell Under Armour branded items—has also been included, as noted. Unless otherwise noted,

data presented in this report covers Under Armour, Inc. and our wholly owned subsidiaries, as well as our operations in Thailand and Japan, which we operate through joint ventures.

Our aim is to prepare our sustainability data collection, validation and reporting systems in a manner that supports future assurance. We have applied an internal data substantiation process to verify the completeness and accuracy of the data presented in this report. Energy and climate data was reviewed by third-party consultants. In addition, we engaged third-party specialists to review key performance data presented in this report.

## WHAT WE MEAN WHEN WE SAY

**Brand & Factory House retail stores:** These include our owned and operated retail stores where we sell our products directly to consumers. Through our Brand House retail stores, consumers experience the full premium expression of our brand. Factory House retail stores support inventory management by allowing us to sell a portion of our excess, discontinued and out-of-season product inventory.

**Distribution houses:** These include the distribution centers we operate in the United States and an international distribution hub in Panama.

**Geographic segments or regions:** For our financial reporting and this report, our business operations are grouped into four geographic segments: (1) North America, consisting of the United States and Canada; (2) Europe, the Middle East and Africa ("EMEA"); (3) Asia-

Pacific; and (4) Latin America. Any reference to "Under Armour" means a collective reference to the global operations in all regions of Under Armour, Inc., our subsidiaries and our corporate operations consolidated for financial reporting, unless otherwise indicated.

**Partners & Partnerships:** Our use of the terms "partner," "partnership" or derivative terms in this report does not mean or imply a formal legal partnership or other legal relationship with any third party and is not meant in any way to alter the terms of our relationship with any third parties.

**Substantially all:** We mean amounts estimated to be in excess of 85%.

**Suppliers:** These include Tier 1 suppliers and independent third parties that have a direct contractual relationship with us to produce and manufacture our apparel, footwear and accessories products. All Under Armour suppliers operate their businesses, manage their facilities and are expected to maintain compliance with our Supplier Code of Conduct. The term "strategic suppliers" is an internal term we use to refer to a select group of our suppliers that meet certain defined criteria.

**Teammates:** We refer to our employees as teammates. When we refer to our teammates, we are referring to the employees of Under Armour, Inc. and its wholly owned subsidiaries. The term teammates does not include the employees of our joint ventures in Japan and Thailand, nor the employees of any third parties, including our suppliers, licensees and/or distributors.

**Trademarks:** We maintain registered trademarks around the globe, including UNDER ARMOUR®, HEATGEAR®, COLDGEAR®, HOVR® and the Under Armour UA Logo, and have applied to register many other trademarks. All trademarks and tradenames appearing in this FY2023 Sustainability and Impact Report are the property of their respective holders.

**Under Armour, UA, the company, us, we, our:** Unless specified, these terms refer to Under Armour, Inc., and our subsidiaries consolidated for financial reporting.

### **DISCLAIMER AND FORWARD-LOOKING STATEMENTS**

The information and opinions contained in this FY2023 Sustainability and Impact Report, the SASB Table, the GRI Index and the sustainability reporting on our website are provided as of the date and such statements are made and are subject to change without notice. Under Armour does not undertake any obligation to reflect events or circumstances after the date on which any statement is made or to reflect the occurrence of unanticipated events. This document and the related information on our website represents current Under Armour policies and intentions and is not intended to create legal rights or obligations. This report may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Under Armour, and no representation, warranty or undertaking is made by Under Armour as to the accuracy, reasonableness, or completeness of such information. Inclusion of information in this report is not an indication that the subject or information is material to Under Armour's business or operating results. The standards of measurement and performance contained in the report are developing and based on assumptions, and no assurance can be given that any plan, initiative, projection, goal,

commitment or expectation set forth in this report can or will be achieved.

Some of the statements contained in this report and the sustainability reporting on our website constitute forward-looking statements. Forward-looking statements relate to expectations, beliefs, projections, estimates, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts, such as statements regarding our goals, targets, commitments, future planned initiatives and the timing and effectiveness of any of the foregoing, including those relating to the environment, human capital matters, social and labor issues, and community impact; the development and introduction of new products, technologies and ways of working; our assumptions and the implementation of our sustainability strategies; the future impacts of our investments and initiatives; and the standards and expectations of third parties. In many cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "outlook," "potential," or the negative of these terms or other comparable terminology. The forward-looking statements contained in this report, the SASB Table, GRI Index and on our website reflect our current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, activity levels, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors could cause actual results to differ materially from those indicated by

the forward-looking statements, including our assumptions not being realized, scientific or technological developments, evolving sustainability strategies, evolving government regulations, and the risks and uncertainties set forth in the "Risk Factors" section of our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission.

Thank you for reading our FY2023 Sustainability and Impact Report. Input from our stakeholders helps us understand how we may protect people and the planet better and helps us see the whole field better. Please contact us at [sustainabilityreport@underarmour.com](mailto:sustainabilityreport@underarmour.com) with questions or for more information.

See our frameworks for more:

**SASB Table**

**GRI Index**