

# UNDER ARMOUR

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## MODERN SLAVERY STATEMENT 2021

### INTRODUCTION

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At Under Armour, Inc. ("UA"), we are committed to respecting the rights of those who create, make, wear, use, promote, and connect to our products. We recognize that we have a responsibility to respect human rights and ensure that our supply chains and operations are free from modern slavery. Our purpose, mission and core values inform our expectations around how we conduct human rights due diligence to prevent and, if applicable, remediate modern slavery in our supply chain. As a global brand, we understand our obligation and responsibility to protect the human rights of those impacted by our operations and treat this duty with utmost consideration.

We are publishing this statement pursuant to the [Modern Slavery Act 2015 \("UK MSA"\)](#) and the [California Transparency in Supply Chain Act of 2010 \("CA TSCA"\)](#). This is our second statement intended to harmonize prior UK MSA and CA TSCA disclosures. Like [previous statements](#), it has been approved and signed by the Board of Directors of Under Armour UK Limited and UA UK

Retail Limited and summarizes steps taken by UA during the fiscal year ending 31 December 2020 to address risks of modern slavery in our business and supply chain. Our current annual consolidated revenue does not meet the reporting requirement threshold under the Australian Modern Slavery Act 2018. However, we intend to publish voluntarily under the Australian Modern Slavery Act in 2022. As our social compliance program and human rights due diligence processes and procedures are global in nature, forced labor considerations detailed in this statement are relevant to statements required to be made in connection to our operations in Australia.

We are committed to continuously improving our performance and reporting related to our efforts to mitigate risks of modern slavery in our supply chain. The term modern slavery encapsulates slavery, servitude and forced or compulsory labor and human trafficking.

The following sections comply with the CA TSCA:  
• [Verification](#) • [Audits](#) • [Certification](#) • [Internal Accountability](#) • [Training](#)

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## OUR VALUES

At UA, our team works to make products that power the performance of athletes for a better world. We expect our suppliers and subcontractors to do business in a manner that aligns with our core values: Love Athletes, Celebrate the Wins, Stand for Equality, Act

Sustainably and Fight on Together. This means, among other things, that all of our suppliers and subcontractors must treat their employees with dignity and respect, and provide safe workplaces and dormitory conditions.



## STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Our principal business activities are the development, marketing and distribution of branded performance apparel, footwear and accessories for men, women and youth. Our products are sold worldwide and are worn by athletes at all levels, from youth to professional, on playing fields around the globe, as well as by consumers with active lifestyles.

Incorporated as a Maryland corporation in 1996, we have registered trademarks around the globe, including UNDER ARMOUR®,

HEATGEAR®, COLDGEAR®, UA HOVR™ and the Under Armour UA Logo.

Substantially all of our products are built by independent third-party manufacturers. They work directly with us as our business partners, or indirectly, through UA licensees or an agent. Together with these business partners and those who work for them, we strive to work together as a single global team. See our public supply chain disclosure list [here](#).

## 2020 Stats

Approximately  
**16,600** employees  
worldwide



**50** primary contract  
manufacturers operating  
in **18** countries

**439**  
stores worldwide



Approximately **68%** of apparel and  
accessories products manufactured  
in **Jordan, Vietnam, China and  
Malaysia.**



*All data current as of 31 December 2020*



## COVID-19 UPDATE

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Many of our 2020 workstreams were impacted by the immediate and longer-term effects of COVID-19, particularly those in relation to our suppliers and workers. Ensuring the safety of these groups was our top priority as COVID-19 spread. We communicated to our manufacturers that in light of COVID-19, they must take all required and advisable steps to protect their employees' health and safety. The UA sustainability team developed and deployed electronically the *Worker Protection & Infection Control Self-Assessment & Management Plan*, which aimed to assist our vendors and facilities to develop needed systems to protect workers and potentially reduce COVID-19 infections. The guidance provided local government directives, as well as recommendations from expert organizations. We sent this guidance/self-assessment to vendors/suppliers and required them to take all necessary steps to safeguard their, and their workers', health and safety and to maintain related documentation of such work.

We recognized the burden COVID-19 placed on

suppliers and workers in light of the global economic crisis. Throughout the pandemic, we [continued to pay to its manufacturers the full negotiated price](#) for all goods, both completed and in process (in process is defined as post-cutting).

We have endorsed the [Call to Action's COVID-19: Action in the Global Garment Industry](#), and serve in its Working Group and International Financial Institution Engagement Task Force, through which we work with like-minded parties to mobilize funds to support business continuity for manufacturers in the apparel and footwear sectors, and focus on protection for workers and employers in countries with the weakest health and social protection systems. This is a multi-stakeholder initiative that is convened by the International Labour Organization ("ILO") and features the International Employers Association, global trade unions and brands/suppliers. As COVID-19 related pressures evolve, we continue to assess how we can support those in our global supply chains.

## NOTABLE POLICIES

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Our sustainability strategy encompasses three strategic pillars (People, Planet and Product) that have been endorsed by our Executive Leadership team and shared with our Board of Directors. Our social compliance and human rights due diligence work principally falls under the People pillar and as such is part of our effort to protect the people who make, use and wear our products, their components and materials, as well as to add value to communities. Goals related to this workstream include being reaccredited by the Fair Labor Association, developing social compliance and human rights standards and initiatives for our strategic suppliers, and implementing an evolving corporate-wide human rights program pursuant to the [Under Armour Human Rights Commitment](#) ("UA HRC").

The [UA Supplier Code of Conduct](#) (the "UA Code") reflects [core ILO Conventions](#) and includes provisions on Forced Labor, Compensation, Hours of Work, Freedom of Association and Collective Bargaining, Nondiscrimination, Harassment or Abuse, Non-Retaliation, Reporting Potential Misconduct and Sustainable Business Practices. Our UA Code sets forth expectations for the protection of workers and seek to mitigate risks, including those related to modern slavery. For further information on our UA Code, please see the [Codes of Conduct](#) section.

We recently developed and published the UA HRC, which outlines our dedication to promoting and respecting the rights of those throughout our value chain. (See Box 1.)



## NOTABLE POLICIES (CONT.)

### Box 1. Under Armour Human Rights Commitment:

The [UA HRC](#) outlines our dedication to promoting and respecting the rights of the people who create, make, wear, use, promote, and connect to our products. After extensive work in partnership with third-party experts to understand our human rights risks across our value chain, we are publishing the UA HRC to formalize our commitments to adhere to international human rights frameworks; to respect human rights throughout our operations, our value chain, our digital products, our communities, and our environment; and to provide a remedy to those impacted by our operations. The UA HRC has been approved by our Sustainability Leadership Council, our Executive Leadership team and the Corporate Governance and Sustainability Committee of UA's Board of Directors.

As part of our responsible sourcing strategy and commitment to operational excellence, we formalized and deployed our Responsible Sourcing Policy ("RSP") in 2018. This policy supports our commitment, as a [Fair Labor Association \("FLA"\) Accredited Company](#), to the [FLA Principles of Fair Labor and Responsible Sourcing](#). Our RSP's elements include the complexities of our supply chain, financial and contractual terms, balanced planning, accountability, training, communication, and review. Related implementation and training, periodic review and enhancements are ongoing. (See Box 2.)

Based on engagements with vendors and facilities employing migrant workers, as well as engagements and learnings cultivated from extensive work with migrant labor experts around the world, we have built on the pre-existing requirement that suppliers comply with the Institute for Human Rights and Business' (IHRB) [Dhaka Principles for Migration with Dignity](#). At the center of this work is the development and deployment of our Migrant Worker Policy & Standards, which requires suppliers to practice responsible recruitment, including ensuring that migrant workers obtain work free of coercion, deception, fees and debt. (See Box 2.)

### Box 2. Responsible Sourcing and Recruitment:

**Updated Responsible Sourcing Policy:** Since launching our RSP in 2018, we have engaged in several initiatives to assess our performance within responsible sourcing and apply principles of responsible sourcing to address supply chain conditions amidst the COVID-19 pandemic. Based on incorporating lessons from the past two years of assessments and engagements with peers and stakeholders, we revised and enhanced our RSP policy to include further assistance to address learnings, improve stakeholder reports and greater analyses on responsible sourcing. Through one of these initiatives, known as Better Buying (which we consider to be "Supplier Voice") suppliers may, and do, confidentially and anonymously identify areas where we can improve.

**Migrant Worker Policy & Standards ("MWPS"):** We drafted an enhanced [Migrant Worker Policy & Standards](#) ("MWPS"), which was reviewed by external third-party experts, including [Verité](#), [The Mekong Club](#) and [Impactt](#). Our MWPS addresses topics including the [ILO's forced labor indicators](#), the "Employer Pays" Principle and requirements that employers and suppliers ensure the protection and equitable treatment of migrant workers across the worker employment life cycle. This includes outlining responsible recruitment, ensuring migrant workers retain control of their personal identification document and prohibiting free and reduced labor cost programs.



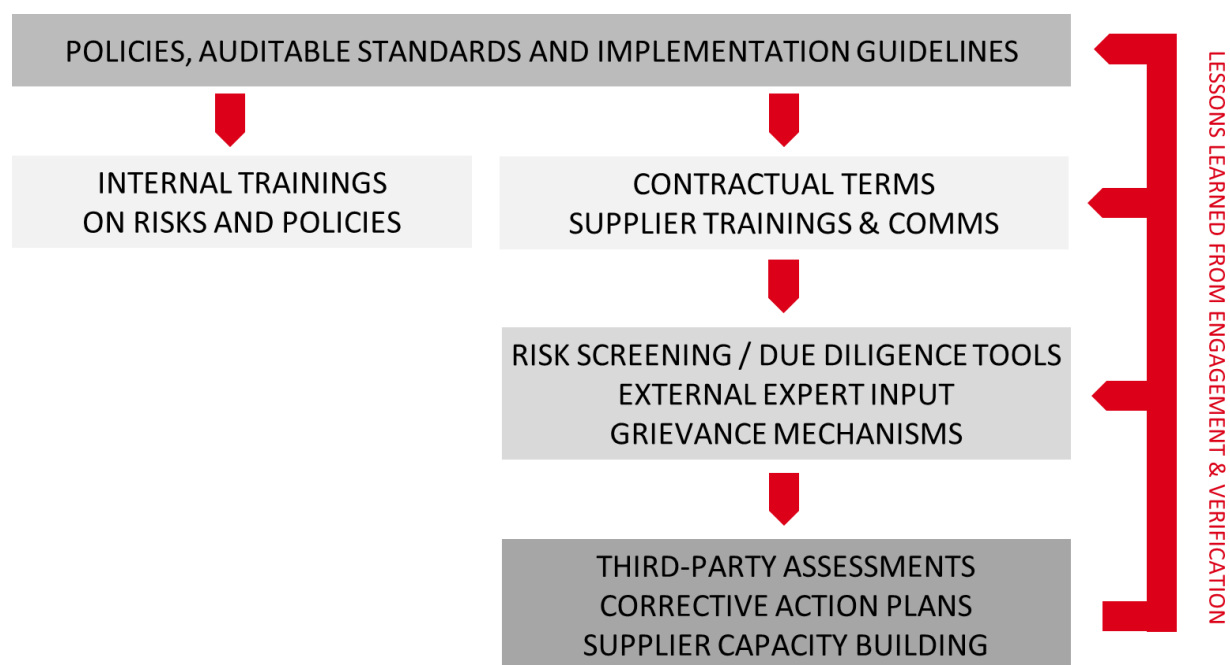
## AREAS OF RISK AND DUE DILIGENCE

We are committed to improving the systems we have in place to identify and address human rights-related risks, including those related to modern slavery. We periodically update these systems based on findings from third-party assessments and engagements with suppliers, external stakeholders and third-party experts. Updates are also based on information we receive from organizations such as the FLA,

knowledgeable stakeholders and organizations and based upon the results from risk mapping exercises that focus on salient human rights risks, the presence of vulnerable groups and/or sourcing location risks. See Box 3 for a high-level summary of our systematic approach.

### Box 3. Human Rights Supply Chain Risk Management Model

*Supporting Continuous Improvement*



Our human rights due diligence process includes a country-level risk model for new sourcing countries. This tool scores countries against factors including perceived general governance capacity, protection of fundamental human rights as outlined in the International Bill of Rights, and [Respect for the ILO's Eight Core Conventions](#). We use this assessment tool when considering sourcing from a new country to help

foster greater internal awareness of country-level risks and trends. It has also been used to enhance the company's ability to engage with suppliers about related potential risks. Higher-risk countries where we have previously conducted further focused due diligence assessments include Jordan and Malaysia (see remediation case study and Box 4 for a Malaysia-related example).



## AREAS OF RISK AND DUE DILIGENCE (CONT.)

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Informed by the Global Reporting Initiative (“GRI”) and other industry-leading practices and standards for apparel, footwear and digital/IT business sectors, we used a materiality process that included a risk lens to identify a list of issues for reporting which includes Forced or Compulsory Labor; Child Labor; Freedom of Association and Collective Bargaining; Occupational Health and Safety; Fair Compensation (including Working Hours); and Non-Discrimination, Diversity and Equal Opportunity.

Since the UA questionnaire-based assessment tool is based on the FLA Code and Benchmarks and the FLA’s own Foundational SCI Assessment tool, it is inherently designed to help us identify and manage risks that are salient to the apparel and footwear industry. Within the area of Forced and Compulsory Labor, the tool has questions related to the [IHRB Dhaka Principles for Migration with Dignity](#) and [the FLA/AAFA Principles of Responsible Recruitment](#). This includes questions regarding the recruitment and employment of migrant workers, possession and control of workers’ personal identification documents, wage payment, recruitment fees, deductions from pay

and other expenses. We have previously consulted, and continue to work with, third-party human rights experts, such as Verité and Impactt, to ensure our assessments and global systems are comprehensive and identify salient human rights risks, including modern slavery. In May 2020, the UA sustainability team engaged Impactt to review and enhance the existing UA assessment tool and methodology to include a strengthened focus on ILO’s core Forced Labor Indicators and to conduct training of the UA sustainability team as well as third-party assessors to improve the ability to assess, conduct and address related modern slavery due diligence.

When needed, audit firms review if suppliers work with recruitment agencies, employment brokers and intermediaries. If the use of these groups is found, UA assessment firms are directed to report on the nature and type of recruitment fees. All violations, including violations of the UA and the FLA Codes and Benchmarks and applicable laws, are expected to be documented so that we can directly address them with suppliers for improvement and remediation of systems, processes and conditions, as needed over time.

### **Codes of Conduct**

At UA, we use the [FLA’s Sustainable Compliance Initiative \(SCI\)](#) methodology in our sustainability program as part of our efforts to advance workers’ rights through a continuous improvement model that applies to employment practices and working conditions. We expect our product supply chain business partners, including manufacturers, licensees and agents and their subcontractors, to comply with our [UA Code](#), the [FLA Workplace Code of Conduct and Compliance Benchmarks](#) (the “FLA Code”), [the Dhaka Principles](#) and [the AAFA/FLA Apparel and Footwear Industry Commitment to Responsible Recruitment](#), which UA signed in 2018. Our UA Code is included in our manufacturing agreements, which suppliers must acknowledge and sign. Any violation of the Code

may be viewed as a breach of the Manufacturing Agreement and could lead to the termination of the business relationship between Under Armour and the supplier. Our UA Code’s Forced Labor provision states the following:

**“Under Armour suppliers and their subcontractors shall not use forced labor, whether in the form of prison labor, indentured labor or bonded labor, or other forms of forced labor to make or perform work on Under Armour products or their components or materials or permit their suppliers to do so.”**



## AREAS OF RISK AND DUE DILIGENCE (CONT.)

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### *Codes of Conduct (cont.)*

In accordance with the FLA Workplace Code of Conduct and Benchmarks, our UA Code and FLA Code must be posted in all facilities that make

UA products and in the languages understood by factory employees, including managers and workers.

### *Auditing*

Compliance with our UA Code and the FLA Code is assessed primarily by FLA-accredited monitoring organizations and assessors. Those assessments may be semi-announced (a facility is informed of a two-week window in which the audit may take place) or unannounced and include evaluations of both a facility and related external facilities, such as dormitories.

Additionally, the FLA conducts Independent External Assessments ("IEA") of certain factories that fall within our FLA affiliation obligations and publishes associated [reports](#) with the corresponding action plan on their website. We aim to audit 100% of our tier one suppliers on an annual basis and are looking to develop a sustainable approach to assessing other tiers of our supply chain. Starting in 2018, we also introduced focused migrant worker assessments of suppliers in high-risk sourcing locations. These focused assessments also include an analysis of the recruiting and hiring practices of suppliers and intermediaries.

In 2020, Impactt conducted several assessments in our facilities, using their Learning Visit methodology, to gather information and insights on potential forced labor indicators that could be difficult to determine in a typical audit visit. These assessments and engagements, including recommendations by Impactt, have yielded learnings for us about areas or indicators to focus on during our assessments. These areas include assessing sub-contractors and sister factories, as well as improving communication and grievance system effectiveness.

Factories are assessed for UA Code and FLA Code compliance, policy, standards, commitment and legal compliance before they

may be authorized to make UA products. Factories are expected to remediate issues raised during assessments/verifications. They are also expected to submit timelines and plans for how they propose to continuously improve conditions and work toward achieving sustainable compliance during the course of their business relationship with UA.

After assessors complete their assessments, they give Initial Management Action Plans ("IMAP") to factory management as part of a closing meeting with supplier management during which the assessors and management discuss assessment findings. After we receive the assessment reports, the UA sustainability team subsequently prepares Management Action Plans ("MAP") to broaden and/or refine the measures that we expect suppliers to take to address issues raised by the assessments or to improve their sustainability performance. The MAP also may include country-specific requirements based upon human rights due diligence work, as well as requests for actions aimed at building UA Supplier Code and FLA Code awareness. Such actions may include requiring management to conduct periodic training sessions on both our UA Code's and the FLA Code's standards and benchmarks for workers, supervisors, and other employees in managerial positions.

We publish a [supplier list](#) of strategic and specialty vendors. This list was last updated in June 2021 and reflects over 90% of our business. It is compliant with the Transparency Pledge, as it includes the country, address, company name, the number of workers, and product type of each factory in a searchable Excel file format.



## AREAS OF RISK AND DUE DILIGENCE (CONT.)

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### *Worker Voice*

At UA, we are committed to ensuring that workers' rights to freedom of association and collective bargaining are respected. As part of the assessment process, assessors are required to consult with worker representatives, unions and federations, if available, to gain an understanding of factory conditions even before the on-site assessment begins. Once on site, assessors not only evaluate whether grievance mechanisms are present, but that they are also accessible and effective. Assessors collect information by interviewing workers, reviewing on-site documentation on grievance procedures, submitting grievances and their resolution, and may also physically inspect grievance systems. We require factories to identify the person who is responsible and accountable for developing and implementing written grievance policies and procedures, as measured against the FLA Benchmarks. These systems must enable workers to confidentially report grievances to factories' top management or its human resources teams – without supervisors' knowledge, reprisal or retaliation.

We have sometimes served as an intermediary between workers and management when they are in conflict; in other cases, we have engaged a third-party expert to mediate and resolve issues. We also work with other brands that share our suppliers to identify issues and seek to implement jointly near-term corrective actions, in addition to building more sustainable systems for the future.

When we receive grievances, we investigate them and take action, including asking suppliers to remedy issues. To strengthen our work around remediation and the effectiveness of grievance systems and their management, we developed a worker voice program in 2020 that will engage factories together with third-party hotline/survey providers to handle grievances and to obtain anonymous survey data about workplace conditions directly and confidentially from workers as part of their own due diligence processes and human resource management system. We have visibility to these grievances through a dashboard. So far, we have implemented the Worker Voice program at 10 factories. In some cases, we discuss corrective action with service providers and suppliers. We will engage with suppliers on corrective action plans when needed and support in delivering effective remedies with the involved parties. We may engage third parties to conduct investigations of grievances or to support the factory in resolving them when necessary. Because we are an FLA-accredited company, workers and their advocates also have access to [the FLA third-party complaint procedure](#). This is an additional safeguard tool that is not intended to replace or undermine other grievance channels. The FLA reports on all complaints received. The reports are [publicly available](#), and we collaborate fully with the process.

## VERIFICATION AND CERTIFICATION

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We expect our suppliers to have human rights due diligence processes in place with respect to their own suppliers and contractors and our manufacturing agreement requires all of our direct suppliers to certify that materials and components incorporated into our products comply with applicable laws and standards including those regarding modern slavery and

human trafficking in the country or countries in which they are doing business, and where our products are made, sold and distributed. The language in our manufacturing agreements is subject to ongoing review and was last revised in 2021 to ensure sections related to forced labor reflected current areas of highest risk.





## VERIFICATION AND CERTIFICATION (CONT.)

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Our supplier assessment approach has also created a significant data set, which the UA sustainability team periodically analyzes to identify and address trends for particular issues, regions, countries, and types of suppliers, as well as to inform the sustainability score for our vendor scorecard. This analysis enables us to enhance and adapt our approach to the issues we have seen over time. We are currently using this data to improve our social compliance program and human rights due diligence including the ability to enhance remediation in, strengthen systems of, and develop clearer standards for, our suppliers and to guide updates to our policies and procedures.

We are deeply concerned by credible reports of

forced labor and other abuses associated with the production of cotton. As the reported and specific circumstances may preclude the effective use of third-party audits to assess whether such abuses are occurring, we are employing measures to mitigate the risk of such abuses occurring in, or being linked to, our supply chain.

In 2019 and 2020, we sent six communications to vendors, reinforcing that it is their responsibility to comply with the Forced Labor provision of our UA Code throughout their supply chain and to ensure no forced labor has been used in the production of UA goods, their components or raw materials including cotton.

## REMEDIATION

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We are committed to remedy adverse impacts on individuals, workers and communities to which it may have caused or contributed. In its [2019 Accreditation Report](#), the FLA highlighted our grievance procedures and demonstrated engagement with civil society and unions in key sourcing regions as strengths of the company's social compliance approach. In general, we recognize the importance of tailoring our remediation responses to reflect local circumstances and to consider the safety of those potentially impacted, engaging third parties for support and expertise, if needed.

Workers in our supply chain continue to have access to multiple grievance mechanisms, including a hotline and email option, specifically referred to in the Reporting Potential Misconduct provision of our UA Code. Workers who participate in the interview process during assessments are regularly provided with contact information for the UA sustainability team to enable them to voice issues or concerns including about matters that were not referenced during the audit or issues arising

from the interviews during or after the assessments or investigations. Under our UA Code, UA suppliers and subcontractors also have a responsibility to implement effective non-retaliation policies, should a worker express grievances. When issues are reported, we work with suppliers to support their corrective actions for identified issues, ensure the supplier is committed to continuous improvement over time and direct them to engage in related capacity building, as applicable.

The [hotline mechanism](#) featured in our UA Code is available to our teammates and external stakeholders and provides an option to report anonymously and in local language depending upon location. Additionally, we have a strict non-retaliation policy prohibiting retaliation against any teammate for raising an ethical concern, question or complaint in good faith. Should the identity of the teammate making the complaint be known, we will monitor any disciplinary action against the teammate to determine if it is retaliatory.



## REMEDIATION (CONT.)

All allegations are taken seriously and investigated, whether they come in through the hotline, email, assessors or other stakeholders. In 2020, we received seven complaints related to supply chain social compliance through our grievance channels (these are separate from supplier factory-level mechanisms). Of these complaints, two were related to alleged verbal harassment or abuse. Of the remaining complaints, three were primarily related to freedom of association, one primarily to wage and benefit issues and another primarily to foreign migrant worker issues. Regarding the allegations received, follow-up investigations have been carried out for all of these cases and

remediation plans have been developed. As a result, we have closed four out of the seven complaints and are actively working to remediate the other three cases with the facilities and vendors.

### Current Remediated Case Tracker

	2018	2019	2020
Open Cases	0	1	3
Closed Cases	8	4	4

*Data represents all grievances lodged by year, not solely those related to modern slavery issues.*

## REMEDIATION CASE STUDY UPDATE

### Collaborating on Remediation Related to Migrant Labor in Malaysia

In our [last Modern Slavery Statement](#), we provided information about a remediation case study involving migrant labor in Malaysia. Since 2019, we and other brands have continued partnering with the facility in Malaysia to address areas of noncompliance found initially in an assessment by Verité. This was followed by a verification visit by Impactt in 2019, and a follow-up visit in 2020 by a [FLA-accredited assessment firm](#). To date, all outstanding and previously identified recruitment fees have been reimbursed to migrant workers, the facility has developed and implemented management systems to ensure worker rights are respected, and additional due diligence is conducted when hiring new foreign migrant workers. Today, we

continue to partner with other brands and the facility to continuously address any noncompliance issues found in recent assessments or verification visits.

A summary and simplified timeline of key actions taken by the supplier since we first identified potential violations of our UA Code, the FLA Benchmarks and the Dhaka Principles, is provided in Box 4 as an example of how we work with our partners to ensure both immediate corrective actions and longer-term improvements based on best practices. With all our suppliers, we aim for a sustained improvement effort over time.

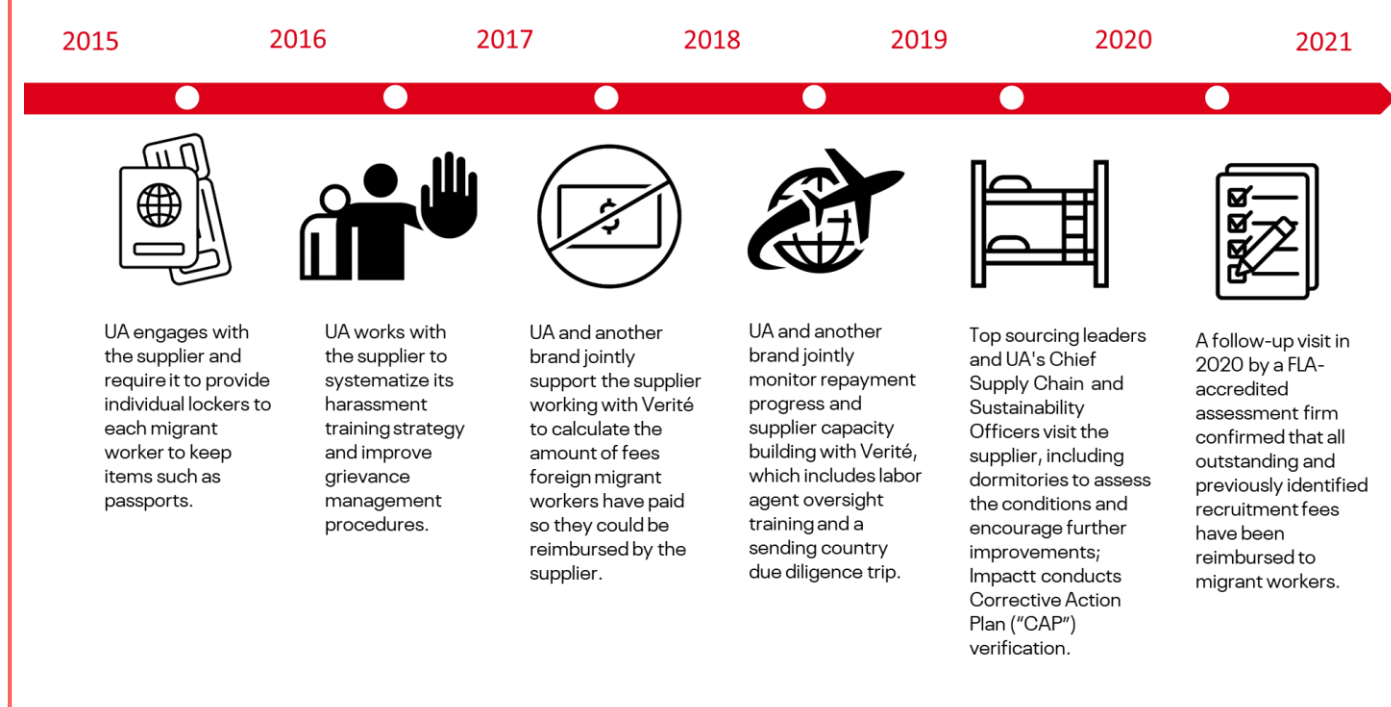
### Update on other Remediation Work in Malaysia

In our previous disclosure, we mentioned being notified, along with another brand, that foreign contract workers in Malaysia were paying recruitment fees in a particular facility. Since then, we and the other brand at that facility have partnered with the vendor and facility representatives to address all issues and

findings identified in a report from Verité, and to implement the provided recommendations. Currently, Verité has been engaged to review, at the vendor level, and validate a repayment plan which is expected to be shared with us in the summer of 2021. We expect repayment to occur immediately after the validation process.

## REMEDIATION CASE STUDY UPDATE (CONT.)

### Box 4. Malaysia Migrant Labor Remediation Case Study Timeline



### Update on other Remediation Work in Malaysia - Licensee Facility

The UA sustainability team directly receives complaints from workers and/or third parties including civil society organizations. In Q4 2020, it was reported to UA and three other brands by a third-party organization that a facility making licensed products in Malaysia had hired foreign migrant workers who had potentially paid recruitment fees. We, in collaboration with a UA licensee company and two other customers of the facility engaged Verité to evaluate the allegations through an investigation. This included interviews with 27% of the migrant worker population at the facility, management personnel and representatives of the Malaysian labor agent for the factory that facilitated its employment of the foreign migrant workers.

Verité's assessment found that the facility was in process of reimbursing recruitment fees,

starting in early 2021. Verité recommended a review of the repayment plan to ensure its adequacy and identified other UA/FLA Codes and Benchmarks violations. Additionally, Verité provided a detailed report with findings and recommendations to us and the other brands in February 2021. Currently, a remediation plan is in its implementation phase, and we will be addressing this in further detail in next year's disclosure.

Since we began identifying and addressing related issues in Malaysia, we have continued to evolve our social compliance program and human rights/modern slavery due diligence. For example, we have continued engaging expert assessors to conduct additional focused migrant labor assessments and have developed and deployed the MWPS. Please see Box 2.



## MEASURING EFFECTIVENESS

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Our teammates, factories, suppliers, business partners, manufacturers are all expected to meet company standards and procedures regarding, and prohibiting modern slavery – including those in our UA Code, the FLA Code and our MWPS – and may be held accountable for failing to comply with such standards and procedures. Effectiveness in meeting these standards and

procedures is measured primarily through our previously described assessment process. Follow-up data analysis and remediation engagements between partner facility management and the UA sustainability and/or sourcing teams are also critical for ensuring continuous progress and improvement.

### *Accountability*

The UA sustainability team, led by our Chief Sustainability Officer, is primarily responsible for creating, implementing, operationalizing and enhancing policies, standards, procedures and structures related to modern slavery, human rights (including the ILO Core Labor Standards) and transparency.

Our sustainability and sourcing teams collaborate closely, seeking to work with manufacturing business partners who strive to perform better on key labor and other human rights performance indicators. With respect to embedding human rights throughout the supply chain, we believe that close collaboration between the UA sustainability, product supply and sourcing teams is critical.

This collaboration allows the UA sustainability team to receive and provide up-to-date information about suppliers' social and environmental compliance to corresponding sourcing personnel and to work with them as part of an integrated, cross-functional effort to avoid purchasing practices that increase the risk of human trafficking and forced labor in the supply chain (e.g., short-term contracts, excessive downward pressure on pricing, sudden changes of workload, rushed factory on-boarding). Moreover, in 2020, the UA sustainability team was re-organized to report

to the Chief Operating Officer, enabling further operationalization and implementation of sustainability goals.

Our RSP is an example of collaboration between our sustainability and supply chain teams, designed to support ongoing improvements of workplace conditions for workers in our global supply chain. These two teams have also worked closely together to embed sustainability into our vendor scorecard. This integrated approach provides an opportunity for improved tracking of supplier performance on key labor, modern slavery and human rights-related indicators, and promotes greater cross-functional communication and alignment on sourcing decisions.

We also see engaging in public dialogue related to modern slavery as an additional way we can hold ourselves accountable to our commitments. These engagements and our participation in related membership initiatives, such as the [FLA](#), [Better Buying](#) and [The Mekong Club](#), further allow us to learn from other key stakeholders and collaborate with other actors who share our values in relation to combating modern slavery and advancing responsible sourcing. See Box 5 for some specific examples of some of these key partnerships.



## MEASURING EFFECTIVENESS (CONT.)

### Box 5. 2020 Stakeholder Engagement Highlights

**Partnerships and Collaborations:** UA is an accredited participating company affiliate of the FLA. We also became a member of The Mekong Club in October 2019. In 2020, members of the UA sustainability team met with the Mekong Club's Retail & Apparel Working Group to receive updates and news related to modern slavery and exchange best practices with experts and Mekong Club members. In one of the sessions, discussion topics included supply chain disruptions, workers disruptions, and increased exploitation within manufacturing sector in relation to COVID-19, and recommendations to combat modern slavery in response to COVID-19. We continue to be an active participant in the Social Responsibility Committee of the AAFA, including working to advance progress on the AAFA/FLA Commitment to Responsible Recruitment. We also recommitted to the Better Buying initiative in 2019 and joined their Learning Loops pilot, which launched in December 2019. Through this pilot, we developed a roadmap that would support improvement across the Better Buying purchasing practices categories. Due in large part to this work, our 2020 Better Buying report, which covered our 2019 performance, showed notable progress. The report also indicated areas for continued improvement, which we have communicated to our teams and on which we remain focused to address. The Better Buying reports may also serve as a form of root cause analysis, enabling us to support the improvement of relevant suppliers' performance regarding reporting issues.

### *Leadership Participation*

At the leadership level, UA has a Sustainability Leadership Council ("SLC") that meets periodically to support its sustainability program. In 2020, this cross-functional committee included the Chief Operating Officer, Chief Product Officer, Executive Vice-President, General Counsel and Corporate Secretary and Chief Sustainability Officer. Work under the sustainability program occurs enterprise-wide, with the participation of leaders from sourcing, supply chain, supply planning, materials innovation, digital, licensing, category management and legal. The SLC's responsibilities include striving to incorporate the results of our sustainability program and related due diligence

efforts into business processes and helping to drive operational improvements. The SLC is also charged with periodic reviews of issues, risks, findings, and trends related to assessments of manufacturers for compliance with laws and labor-related codes and benchmarks. Additionally, in November 2020, the UA Board of Directors delegated primary oversight of sustainability to the newly named Corporate Governance and Sustainability Committee, which, among other responsibilities, now oversees UA's significant strategies, programs, policies and practices relating to sustainability (including environmental and human rights issues and impacts) and corporate responsibility.

### *Training*

We have previously provided our teammates and management, who have direct responsibility for supply chain management, with training on modern slavery, particularly with respect to mitigating related risks within the direct suppliers of products. In 2018, this included providing in-person trainings on our UA Code and RSP to

approximately 500 supply chain colleagues in strategic sourcing units around the globe. In 2020, we expanded our UA Code training to include all corporate and distribution house ("DH") teammates. Approximately 98% of all DH teammates and approximately 89% of corporate teammates took this training.



## MEASURING EFFECTIVENESS (CONT.)

### *Training (cont.)*

More than 75 percent of the UA sustainability team attended modern slavery trainings conducted by Impactt, a leading modern slavery expert. These sessions included training on the ILO's Forced Labor Indicators, updates on modern slavery legislation and reporting requirements, nuanced information on the relevant risks and impacts associated with modern slavery and recommended actions to identify and eliminate modern slavery within our supply chain.

To further educate our team, the UA sustainability team also participated in four third-

party trainings related to modern slavery in 2020, including two webinar sessions hosted by The Mekong Club on the impacts of COVID-19 on modern slavery. The trainings focused on the COVID-19 implications for worker well-being and modern slavery vulnerabilities, and discussed what businesses can do to protect their supply chains against the increased vulnerabilities and challenges brought about by the pandemic.

### **Box 6. 2020 Training Spotlight**

#### **UA Assessment Tool enhancement and Third-Party Assessment Firms/UA Sustainability Team**

**Training on ILO's Core Forced Labor Indicators:** In June 2020, Impactt led a two-day training for third-party assessment firms and lead assessors and the UA sustainability team which included educating relevant global standards, tightening assessment techniques, using ILO's "Hard to See, Harder to Count" forced labor indicator framework and informing participants on how recruitment practices and the worker journey related to forced labor.

**Environmental, Social, and Governance ("ESG") and Modern Slavery Risks:** UA teammates also attended two trainings that focused on the role of ESG disclosures in addressing modern slavery. These disclosures can prompt businesses to self-evaluate and assess the modern slavery risks within their supply chain. In particular, existing disclosure obligations and growing adoption of social indicators within reporting requirements are encouraging more companies to disclose information on their policies, procedures and actions around eliminating child labor, forced labor and modern slavery in their supply chains.

## LOOKING FORWARD

We plan to continue addressing and mitigating the risks of modern slavery in our supply chain by further embedding into our policies, tools and sustainability program the important lessons we have learned from collaborating with forced labor and human rights due diligence experts and working with suppliers on effective remediation and sustainable capacity building.

Programmatic goals for 2021 include: launching the MWPS survey for workers; launching a training on our UA HRC for teammates; expanding our Worker Voice program and gender-based supply chain initiatives; and transitioning to a diversified auditing methodology by incorporating other audits, such as SLCP/Higg FSLM and Better Work.



## SIGNATURES

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This statement has been approved and signed by the Board of Directors of UA UK Retail Limited and Under Armour UK Limited on 29 June 2021.

Massimo Baratto, Director

Massimo Baratto

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David Bergman, Director

Handwritten signature of David Bergman in black ink, written over a horizontal line.

Nicholas Tatum, Director

Handwritten signature of Nicholas Tatum in black ink, written over a horizontal line.