

How did we get here?



Restricted Substances Program History

- Scope of program: initiated in 2006 for Asian Footwear
- Objective:

Minimize the amount of hazardous substances in our products that affect the:

- Production Worker
- Consumer
- Environment
- Prohibit or restrict the use of substances in the RSL Manual (12.0)
- Encourage NB Suppliers/Factories to take a proactive approach to RSL management
- Protect the brand

Why create an Restricted Substance List? Access to Global Markets!



Who is the Product Chemistry Department?

The NB Product Chemistry Department is a team of subject matter experts providing resources to drive continuous advancement of product chemistry, product safety and chemical compliance and traceability best practices within the NB footwear, apparel and equipment supply chains. We do this based on transparency of our programs, science-based decision making and collaboration with relevant internal and external stakeholders to manufacture safer and sustainable product using preferred chemistry.



Product Chemistry:
Putting in the man hours
to study the science of
what you need, last week
we put liquid paper on a
bee...

RESTRICTED SUBSTANCES

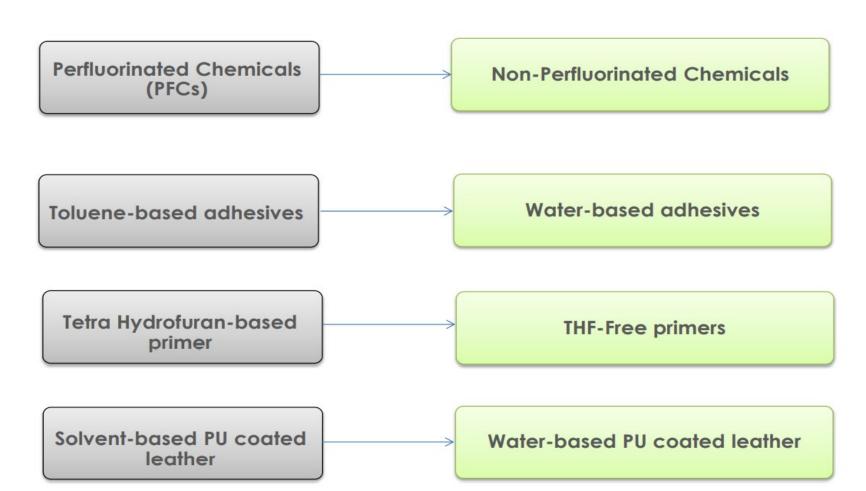
RESTRICTED SUBSTANCES TRAINING SUPPLIER CERTIFICATION PRODUCT SAFETY

The New Balance Restricted Substance Program is designed to protect the environment where we make our products, the health of workers in those manufacturing facilities, the health of our consumers, and our brand integrity. It applies to all footwear, apparel, accessories and equipment that New Balance makes (both in our own factories and our contract factories) as well as to all products made by our licensees.

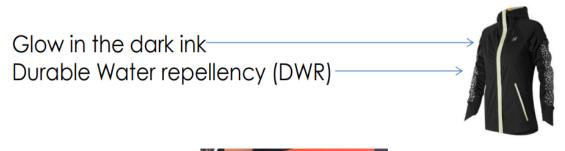
OUR PROGRAM COVERS FOUR CORE ELEMENTS

- 1. Restricted Substances Manual and Audits
- 2. Product Chemistry Training
- 3. Restricted Substances List (RSL) Certification
- 4. Product Safety

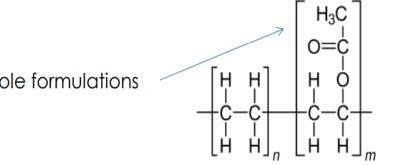
Transitioning to Preferred/Safer Chemistry



How Chemistry is used to market NB product











REPORT

GOING OUT OF FASHION:

U.S. APPAREL MANUFACTURERS MUST ELIMINATE PFAS "FOREVER CHEMICALS" FROM THEIR SUPPLY CHAINS









TABLE 3: SHOES AND SPORTS APPAREL BRANDS



SHOES AND SPORTS APPAREL BRANDS

Company	Sample Apparel Brands	SCORING CRITERIA								
		Responded to Survey?	Timeline	Product Scope	Transparency	Validation	Baseline Score	Multiplier	Final Score	Final Grade
Keen Footwear	Keen	10	35	25	15	5	90	1	90	A-
Deckers Brands	Ugg, Teva	0	35	35	15	5	90	1	90	A-
New Balance	New Balance	10	35	35	10	5	95	0.6	57	C-
Nike, Inc.	Nike	0	35	35	15	5	90	0.6	54	D+
Under Armour	Under Armour	10	0	0	0	5	15	0	0	F
Skechers	Skechers	0	0	0	0	0	0	0	0	F

U.S. footwear brands surveyed, shown in Table 3, varied in their policies and commitments around PFAS use. Keen

MATERIALS AND DESIGN

We're constantly learning and evolving our approach to create quality, long lasting design. That means making sustainability a priority in the process. We're building our portfolio of environmentally preferred materials, finding ways to use fewer materials, and driving toward more circularity through repair and recycling.

New Balance's green leaf standard



New Balance's green leaf standard indicates environmentally preferred material adoption across our footwear and apparel products. For apparel that meet New Balance's green leaf standard, at least 50% of the materials in a garment are sourced as environmentally preferred. For footwear that meets New Balance's green leaf standard, at least 50% of the materials in its upper are sourced as environmentally preferred, and at least one material in the midsole/outsole uses approximately 3% bio based or 5% recycled content. We call a material environmentally preferred based on its physical characteristics (for example, recycled polyester) or based on its more sustainable sourcing practices (for example, Better Cotton).

These \$13,000 Shoes Contain Real Bits of Meteorite

Matthew Hart

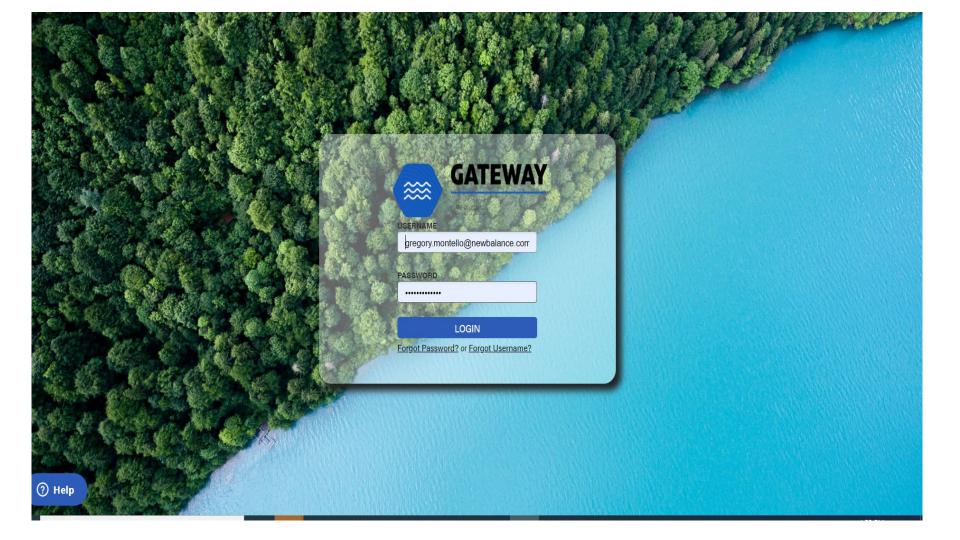
December 10, 2021 · 2 min read

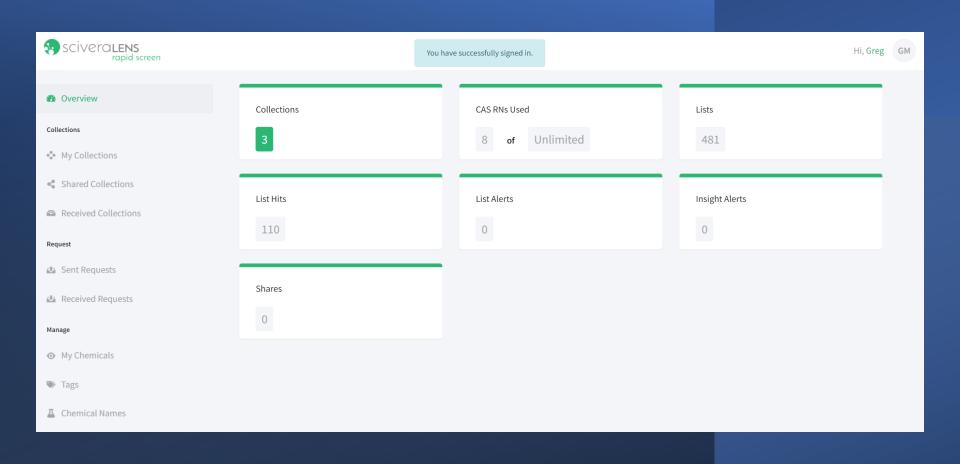
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Holy rich people, Batman! Netflix and New Balance have teamed up for a limited edition pair of sneakers that celebrates the upcoming release of Adam McKay's *Don't Look Up* and they cost \$13,200. The shoes do contain real meteorite fragments, however, which would be a perfect match for anybody with an \$8,600 *T. rex*-fossil phone.



Sotheby's





Footwear Life Cycle Assessment

LCA

- Moving forward with SimaPro software
- Currently gathering data for baseline 574 LCA

Low Carbon 574

- Exploring two opportunities for Regenerative Leather Savory, Behumane
- Exploring plant/bio-based synthetic leather
- Durability and part reduction also a key focus— 34 parts/shoe today







External Collaborations

The Zero Discharge of Hazardous Chemicals (ZDHC)



Apparel & Footwear International RSL Management Group (AFIRM)



American Apparel & Footwear Association (AAFA)



Green Chemistry & Commerce Council (GC3)

