

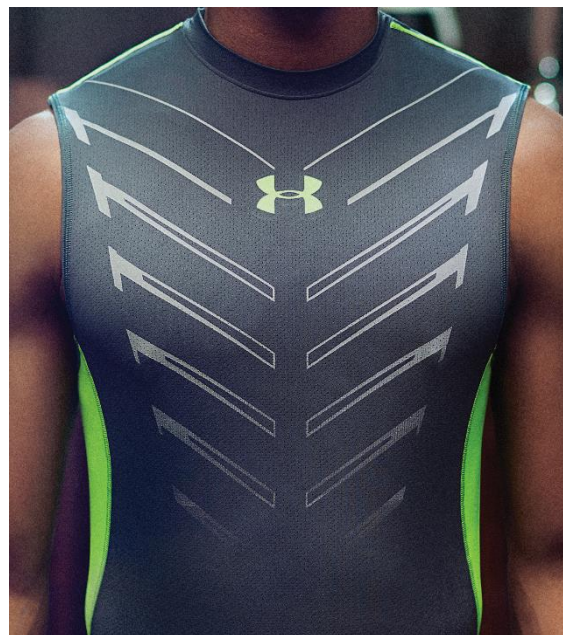


Our Approach to Labor Practices

Our company, by a letter from our CEO, Kevin Plank, to the FLA's CEO/President and the FLA's Board of Directors, has committed formally to uphold the FLA's Workplace Code of Conduct and compliance benchmarks (the "[FLA Code](#)") and the FLA's [Principles of Fair Labor and Responsible Sourcing and Production](#) and to integrate them into our business practices over time. In 2016, we revised the Under Armour Supplier Code of Conduct to reflect our Sustainability program's expectations and evolution. Under Armour's Vice President of Sustainability was recently elected to serve a three year term, starting in January 2017, as Member of the FLA's [Board of Directors](#) and is a member of the FLA's [Monitoring Committee](#), which plays an important role in advising the FLA and its Board about how to perform worker and human rights due diligence and to plan for, and complete, the FLA's ongoing and core work – such as initiatives that are crafted to meet emerging and changing issues, trends, and risks. As a FLA member, Under Armour requires the suppliers that manufacture its products to comply with the Conduct and meet its associated compliance [benchmarks](#).

Additionally, some Under Armour products are made under license agreements where we are, in some cases, the licensor, and in other cases, the licensee. When we are the licensor, we require our licensees to comply with the FLA and UA codes and all applicable laws, among other requirements. When we are the licensee, however, those agreements may contain Corporate Social Responsibility and Sustainability compliance requirements additional to those summarized above.

From a human rights diligence perspective, the FLA Code and Under Armour codes reflect and embody core labor standards, and related conventions, of the International Labor Organisation (ILO). Through them, we seek to require manufacturers to respect workers' rights. The UA Code is reviewed from time to time, which may result in its revision in the future.



SUPPLY CHAIN TRANSPARENCY AND DISCLOSURE:

Under Armour's applicable suppliers' names, addresses and other information are disclosed to the Fair Labor Association. The FLA, in each membership year, may independently assess 5 percent of those factories and publicly disclose findings for those audits that are attributed to our brand. Moreover, we have committed to disclose, over time, and on our website, suppliers who form the essential links in our supply chain, starting in March 2017 with Strategic Supplier Tier 1 (assembly locations) and specialty vendors that are estimated to account for over 70% of our business. This publicly disclosed [Under Armour Supply Chain List](#) is part of the ongoing expansion of how we engage with our stakeholders. We further commit to evaluate and consider expanding this disclosure over time.



ASSESSING SUPPLIER CODE AWARENESS:

Under Armour requires suppliers to post the FLA and Under Armour codes in the languages understood by their teammates, including their managers and workers. We also provide suppliers with access to the FLA's translation of its code into many languages around the world. We require assessors to assess whether, and to confirm to Under Armour's Sustainability team that, the FLA and Under Armour codes are posted. We also require suppliers to send their plans on how they build code and benchmark knowledge and awareness among their employees and managers, as well as internalize and adhere to these standards.

After assessors complete supplier assessments, they give Initial Management Action Plans (IMAP) to factory management as part of a meeting with supplier management at the end of the assessment, where the assessors and management discuss assessment findings. After we receive the assessment reports, our Sustainability team subsequently prepares Management Action Plans (MAP) to fine tune and, in some cases, to broaden the steps that we take to address issues raised by the assessments. The MAP also may include specific requirements aimed at emphasizing the importance of Code awareness by requiring management to conduct periodic training sessions on the Code's standards and benchmarks for workers, supervisors, and other employees in managerial positions. We expect that these training sessions are documented, include interactive question-and-answer time, and are conducted (and include materials) in all applicable worker and manager languages and dialects. As factories hire new workers, management is required to build their new workers' awareness of the FLA and Under Armour's Code of Conduct in meetings that are documented in each worker's personnel file.

DUE DILIGENCE PROCESSES AND RISK ANALYSIS:

Under Armour is enhancing its human rights due diligence and impact assessment processes, including an increasing focus on assessing related risks and supporting the [United Nations Guiding Principles on Business and Human Rights](#).

Also known as the "Ruggie Principles", these guidelines are a global standard that aim to prevent and address the risk of human rights violations. These sustainability program enhancements will draw on a diverse set of qualitative and quantitative sources, and we will use them to identify systematically key country-level human rights risk areas. They will also inform our development of actionable factory-level risk assessment and MAP components.

Under Armour also periodically analyzes its historical supplier assessment data to identify and address trends for particular issues, regions, countries, and types of suppliers. We seek to enhance and adapt our approach to the issues we have seen over time. Through this analysis, we also proactively identify new and emerging risks across our supply chain, with particular emphasis on assessed facilities.

Challenges and Actions	
Challenge	Action
Developing robust Human Rights Due Diligence systems	Work with CSO and Metrics Consultants to develop and enhance our CSO engagement strategy and human rights risk assessment processes