



# **Environmental, Social, and Governance Progress Statement**

2020



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ABOUT THIS ESG PROGRESS STATEMENT

Reporting Scope

This ESG Progress Statement details Academy Sports + Outdoors’ environmental, social, and governance (ESG) efforts and relevant metrics, as informed by the Sustainability Accounting Standards Board’s (SASB) Multiline and Specialty Retailers and Distributors sector standard.

This disclosure addresses only those business activities for which we generally have complete control or ownership, and unless otherwise noted, covers Fiscal Year 2019 of February 3, 2019 to February 1, 2020, with the notable exception of our COVID-19 response.

Looking Ahead

In the next year, we plan to conduct a materiality analysis, which will help us identify our most relevant ESG issues. The analysis, based on insights from our key stakeholder groups, will serve as a foundation for the expansion of our ESG strategy, the implementation of ongoing stakeholder engagement, and the refinement of our ESG disclosures.

FORWARD LOOKING STATEMENTS

Certain statements in this report constitute “forward looking statements”, which are identified by the words “expect,” “will” or other similar expressions, dated as of the date of this report based upon current information, expectations and assumptions, and subject to significant uncertainties that could cause actual outcomes to differ from our present expectations. We assume no obligation to update these statements to reflect events after the date of this report.

# A Note From Our CEO

At Academy Sports + Outdoors, we believe that to truly be a part of the communities we serve, we must be able to serve them well in both good times and hard times.

The environmental, social, and governance measures outlined in this report are a fundamental part of our everyday operations. Importantly, they have created a strong foundation that allowed us to rapidly adapt to serve our customers in new ways during one of the most unusual and challenging periods in our company's 82-year history. In the months to come, we will continue to navigate the health and safety implications of a global pandemic and improve our impact on the communities we serve. This includes taking a clear look at our opportunities to contribute to a diverse and inclusive society and workplace, as well as helping communities respond to natural disasters like hurricanes and floods.

No matter the season or circumstances, we remain dedicated to helping our customers by offering essential products with exceptional customer service and everyday value for any budget. We don't just connect customers with products, we connect them with experiences. In 2020, those experiences have been more essential than ever as people have sought ways to stay safe, healthy, and optimistic as many of the activities and facilities they traditionally use have been restricted. So we are proud of our ability to help people stay active and connected to each other—even if sometimes that means connecting from a safe distance.

**“We don’t just connect customers with products, we connect them with experiences. In 2020, those experiences have been more essential than ever.”**



**Ken Hicks**

*Chairman, President, and CEO*



# We Are Academy Sports + Outdoors

For more than 80 years, we have been devoted to helping people spend more time having fun together while making a positive impact in each of our communities.

We create an unparalleled shopping experience with the widest assortment of sports, outdoors, and lifestyle products and exceptional customer service under one roof. Together with our ecommerce offering, our more than 21,000 Team Members, and 259 stores throughout the South, Southeast, and Midwest allow us to provide our customers the convenience to buy anytime, anywhere, and any way they choose at the everyday value they deserve.

We focus on three essential objectives to do right by our stakeholders:

- Create Possibility
- Showcase Value
- Champion Experience

This commitment acts as the true north of our compass, keeping us grounded in delivering great assortment, savings, and expertise that opens up worlds of possibility for our customers, Team Members, and communities. It also reinforces our focus on corporate responsibility and supports our Mission and Vision.

## OUR MISSION

Provide **FUN FOR ALL** through strong assortments, value, and experience

## OUR VISION

To be the **BEST** sports + outdoors retailer in the country

## OUR VALUES

- **CUSTOMER** focus and service
- **EXCELLENCE** in all we do
- Responsible **LEADERSHIP**
- **INITIATIVE** with urgency
- **STUDENTS** of the business
- **INTEGRITY** always
- Positive impact on our **COMMUNITIES**

## ACADEMY BY THE NUMBERS

### Katy, Texas

Headquarters

21,000

Approximate as of August 1, 2020

Team Members

259

Stores

3

Distribution Centers

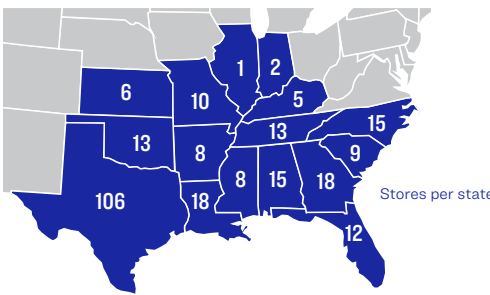
16

States

\$4.8B

Fiscal 2019 Sales

## OUR FOOTPRINT





A group of people, including a woman in the foreground and several men behind her, are playing flag football on a field. They are all smiling and looking towards the camera. The woman is wearing a green long-sleeved shirt and black leggings. The men are wearing various athletic clothing. The background is a chain-link fence and some trees.

# Our Retail Experience

**At Academy, we don't just connect our customers with great products. We're the starting line for new adventures and memories that last a lifetime.**

Even in the difficult and uncertain times we've all faced in 2020, we are proud of our ability to continue helping people stay active and healthy, which is more essential than ever.

No matter the season or circumstances, we continuously adapt to our customers' changing needs and deliver an unparalleled shopping experience by providing a wide assortment of quality sports and outdoors gear under one roof—curated to offer convenience, exceptional customer service, and everyday low value.

We love sports and the outdoors as much as our customers do, and we're all about helping them try things for the first time. Our Team Members bring passion, dedication, and expertise to every interaction, helping our customers to make informed purchases—and keeping them coming back for all their sports and outdoors needs. At Academy, we staff our stores with Enthusiasts, or Team Members

who have a specialized passion for sports and outdoors. Our Enthusiasts live and breathe the active lifestyle and are avid users of the products we sell. They are knowledgeable, attentive, friendly, and focused on ensuring our customers enjoy more sports and outdoors for life. Our Enthusiasts have the first-hand knowledge of the communities they serve, allowing them to advise and equip customers with products that suit the customers' specific needs and the nuances of the local environment.

We continuously work to improve our retail experience, both in-store and online. In 2018, we began a digital transformation to better position the company for competition in the retail arena. Most notably, we transformed our digital capabilities to enable greater omnichannel functionality through options such as curbside and in-store pickup.

## Serving Our Customers During COVID-19

When the global pandemic disrupted life in our communities, our technology and nimble Team Members allowed us to quickly adapt to our customers' changing needs and safety requirements.

In March 2020, for example, we quickly launched curbside service in response to health and safety requirements, and our business has remained strong as we have helped our customers stay active while prioritizing safety. Since its March launch, curbside pick-up has represented approximately 25% of our total online orders through August 1, 2020.

At our retail locations, we prioritize the safety of our customers and Team Members above all. Among the measures we have implemented, depending on the needs of each location, are temporarily closing fitting rooms and installing plexiglass shields at all check out stations. We also have provided masks and hand sanitizer to customers upon arrival and may take Team Members' temperatures each day when they report to work.





# Our Products

We offer a broad and complete, value-oriented assortment of quality products across more than 70 categories that appeal to all ages, incomes, and aspirations.

Our customers range from beginners to intermediate and advanced athletes, families enjoying outdoor recreation, and enthusiasts pursuing their passion for sports and the outdoors. We carefully curate our products to provide the right assortment and enable our customers to enjoy a variety of sports and outdoors activities, whether they are trying out a new sport, tailgating for a sporting event, or hosting a family barbecue. By offering products and information that enable our customers to be smart, responsible, and safe, we promote and encourage safety and responsibility, so that everyone can feel confident and comfortable doing what they love.

## PRODUCT QUALITY

We maintain the high quality of our assortment by enforcing rigorous product quality standards and by reviewing customer feedback. Our merchandise consists of national brand products that we purchase and license from authorized vendors, Academy-owned brand products that we contract for manufacture, and exclusive licensed products that we purchase and license from vendors and carry exclusively. For our 17 Academy-owned brands, including Magellan Outdoors, BCG, Academy Sports + Outdoors,

and Outdoor Gourmet, we work to proactively understand customers’ needs. Through focus groups and panel studies, partnerships with sports and outdoors influencers, and traditional product reviews, we gather insights that help to inform effective product design.

Our Academy-owned brand offerings support and complement our overall merchandising strategy due to limited price point overlap with national brands. We generally price our Academy-owned brand products lower than the national brand products of comparable quality. Our Academy-owned brands generate strong brand equity and drive significant customer loyalty, as several of our exclusive products, such as the Academy logo folding chair and folding wagon, are top selling items.

## PRODUCT SAFETY

We are committed to ensuring that the products we sell are safe for their intended use, compliant with applicable safety regulations and Academy’s policies, and meet or exceed industry standards.

Materials entering our supply chain are evaluated for hazardous characteristics to ensure they are effectively tracked, stored, shipped, and sold

in accordance with applicable regulations. We partner with a third party for the safe and proper disposal of any damaged or expired materials.

We also monitor product recall databases and work quickly to remove any defective products from our assortment. In 2019, no products were recalled from Academy stores.

## WE CARRY THE BEST BRANDS

Academy Sports + Outdoors	Mosaic
Adidas	NBA
AGame	NCAA
Asics	New Balance
Austin Trading Co.	NFL
BCG	NHL
Brava Soccer	Nike
Brazos Work Force	O’Rageous
Brooks	Outdoor Gourmet
Carhartt	Ozone
Champion	Rawlings
Coleman	Ray-Ban
Columbia	Remington
Costa	Shimano
Crocs	Skechers
Freely	Smith & Wesson
Game Winner	Taurus
H2O Express	The North Face
Jump Zone	Under Armor
Levi’s	Vans
Lew’s	Wilson
Magellan Outdoors	Winchester
Marine Raider	Wolverine
MLB	Wrangler
Monarch	Yeti

FIREARM SAFETY

We are deeply committed to ensuring the safe, compliant, and responsible sale and transfer of firearms. As a Federal Firearms Licensee (FFL), we follow, and in most cases exceed, all applicable regulations and regularly review our internal policies and processes to ensure full compliance with the law.

From the procedures we use to staff our firearms counter to how we promote responsible gun ownership, we are working to be the most responsible seller of firearms in the country. We focus on three core objectives, as outlined in our approach to responsible firearm sales.

In addition, we take the following measures to ensure the safe, compliant, and responsible storage, sale, and transfer of firearms:

- In our stores, displayed handguns are stored and secured in ballistic cases, and locking arms secure all displayed long guns. In our distribution centers, all firearms are stored and secured in contained areas that are monitored at all times by an on-site Team Member. We also employ a variety of strict access controls and intrusion detection and protective countermeasures to secure all firearms
- Firearm inventories and transactions are tracked in a digital system to minimize human error
- Inventory is conducted through both physical inventory counts and electronic counts
- Records and paperwork are reviewed twice daily and are subject to six different types of audits by four different management levels
- We monitor laws and regulations on an ongoing basis and we maintain a regular and cooperative relationship with the ATF to ensure our program remains in strict compliance

“Our goal is to be the most responsible seller of firearms in the country.”

— Ken Hicks, Chairman, President and CEO

Our approach to responsible firearm sales:

OBJECTIVES	ACADEMY’S EFFORTS
<b>Entrust the sale or transfer of firearms to Team Members who are qualified and well trained to do so, in a safe, compliant, and responsible manner.</b>	<b>All our firearm Team Members:</b> <ul style="list-style-type: none"><li>• Undergo enhanced background checks*</li><li>• Receive an additional wage premium*</li><li>• Complete our proprietary Firearm Sales Certification (FSC) program on an annual basis*</li></ul> <ul style="list-style-type: none"><li>• Receive ongoing training throughout the year in regard to the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) regulations and Academy best practices*</li></ul>
<b>We maintain integrity and strict compliance during the sale process to ensure we are only transferring firearms to eligible customers.</b>	<b>When selling or transferring firearms, we:</b> <ul style="list-style-type: none"><li>• Conduct Federal Bureau of Investigation (FBI) and Point of Contact (POC) customer background checks on all customers before transferring a firearm</li><li>• Do not transfer a firearm until after we receive a “proceed” from the federal background check system, except where otherwise required by state law**</li><li>• Utilize our internal denial database to track those individuals who we deny due to FBI/POC background check results or any other concerns that may arise during the sale process*</li><li>• Empower Team Members to enter customers into an internal denial database system that blocks customers from purchasing a firearm at any Academy location for 30 days or more, when ineligibility or behavior call for it based on evaluation training we provide</li></ul> <ul style="list-style-type: none"><li>• Employ a Regional Audit Team to regularly audit and improve our stores’ firearm compliance*</li><li>• Cooperate and work closely with federal and local law enforcement agencies on investigations and community safety and compliance initiatives</li><li>• Video monitor firearm transactions at our firearm counter, at the cash register, and during hand-off of firearms to customers as they exit the building</li><li>• Audit all firearm sales paperwork and require approval by a secondary firearm sales certified team lead, store manager, or store director prior to releasing a firearm to a customer</li></ul>
<b>We encourage, educate and support our customers on the safe and responsible usage and ownership of firearms during and after the sale process.</b>	<b>To encourage responsible ownership, we:</b> <ul style="list-style-type: none"><li>• Offer gun safes at a discount and lock boxes at our cost*</li><li>• Provide free trigger locks or cables for all firearms*</li><li>• Provide a Firearm Purchase Packet with information on responsible gun ownership*</li></ul> <ul style="list-style-type: none"><li>• Partner with local law enforcement, local ranges, and firearms service providers to host training on the safe and responsible usage and ownership of firearms</li></ul>

\* Not required by federal or state law  
\*\* Not required by federal or state law, except that one state requires transfer once a “proceed” is not received after three business days





# Our Communities

As a premier sports and outdoors retailer, we focus our efforts on providing people with the gear and confidence to be active, have fun, and enjoy life together.

We maximize our impact by supporting and forming partnerships with numerous non-profit and community-based organizations throughout our footprint.

We believe whole-heartedly in the power of fun. It's not just something to fill spare time or distract from more important stuff. Fun is the important stuff, especially when it brings families and communities together, and it lies at the center of our commitment to benefit the places where we live and work. And fun is best when it's enjoyed safely, which is why preparing people with the right knowledge and equipment for their chosen activities is fundamental to our mission.

From pads, helmets, and life jackets to sun and insect protection, our gear and expertise helps make communities safer. We make these items available through a variety of donation and discount programs and sponsorships.

Our efforts are organized into three priority areas:

## 1 ENCOURAGING SAFETY

We encourage safety so that everyone can feel confident and comfortable doing what they love. We help people gear up properly for sports and outdoor activities, and we promote ways to be smart and stay safe.

## 2 EMPOWERING FUN

We make it possible for people to enjoy more sports and outdoors activities. We believe being active is an essential part of life. Starting with our assortment, we motivate people to try new things and give them opportunities to enjoy a variety of fun activities.

## 3 BUILDING CONNECTIONS

We create ways for members of the community to connect and have fun with each other. We build connections within the community by supporting events, programs, and organizations that make a positive impact.



In 2019, we invested approximately \$12.5 million in financial donations, merchandise discounts, and local sports and outdoors partnership activations. These efforts benefitted more than 625 different organizations and 265,000 individuals across our footprint.

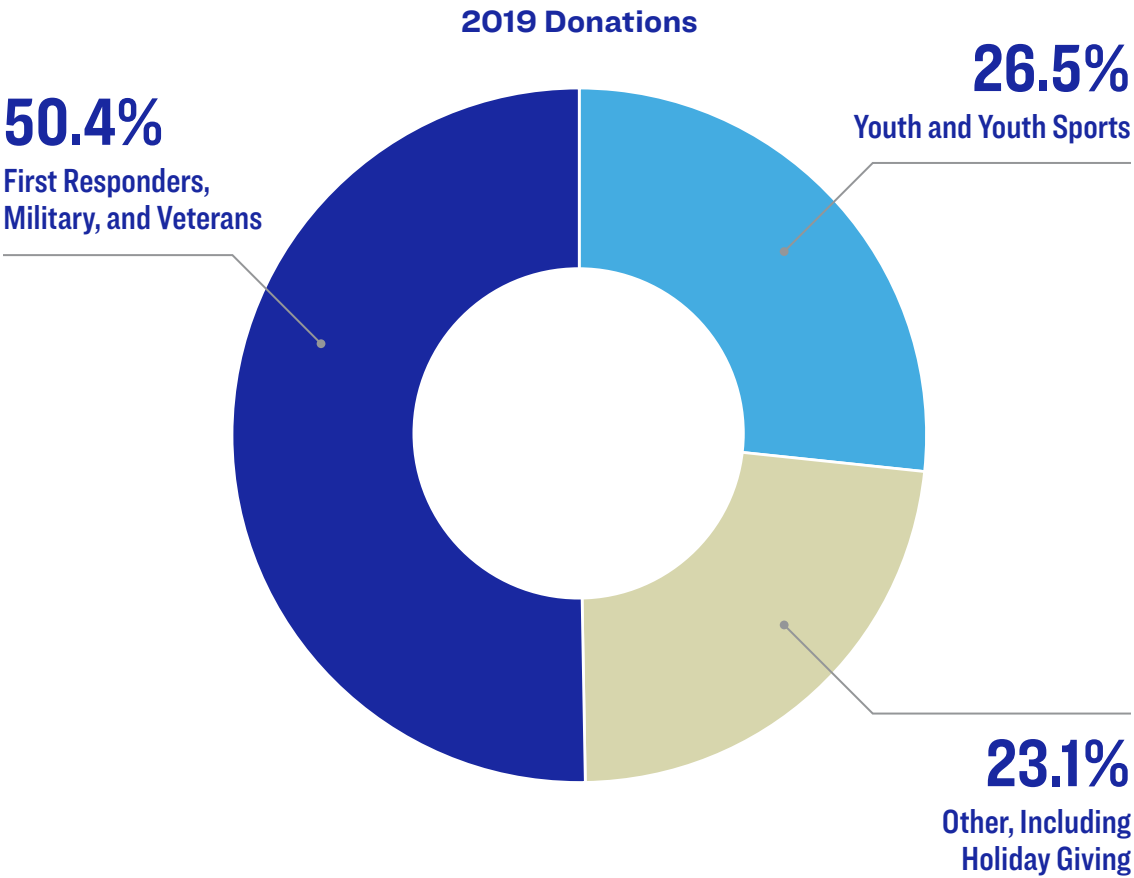
PARTNERSHIPS AND SPONSORSHIPS

One of the most important ways we support communities is through partnerships with sports teams and outdoor organizations. Our portfolio of partnerships includes many youth leagues and professional and collegiate sports teams, along with major outdoor organizations like Bass Anglers Sportsman Society, Ducks Unlimited and the Coastal Conservation Association. This area represents our largest investment in communities and helps benefit more than 1,500 teams and many thousands of kids every year.

DONATIONS TO NON-PROFIT ORGANIZATIONS

In addition to our sponsorship programs, we support many organizations through direct contributions. Key programs for providing this include:

- **Support for first responders and military:** Across our footprint, we partnered with more than 78 first responder/military organizations to promote fun and safety with an investment of more than \$907,000 that impacted over 14,000 families and 500 first responders.
- **Academy Gives:** Through our Academy Gives initiative, we support non-profits that align with our priority efforts. In 2019, our Team Members volunteered their time, and Academy invested \$371,000 to support National Night Out.





# Our Team Members

At Academy, we are motivated by our Vision to be the best sports + outdoors retailer in the country.

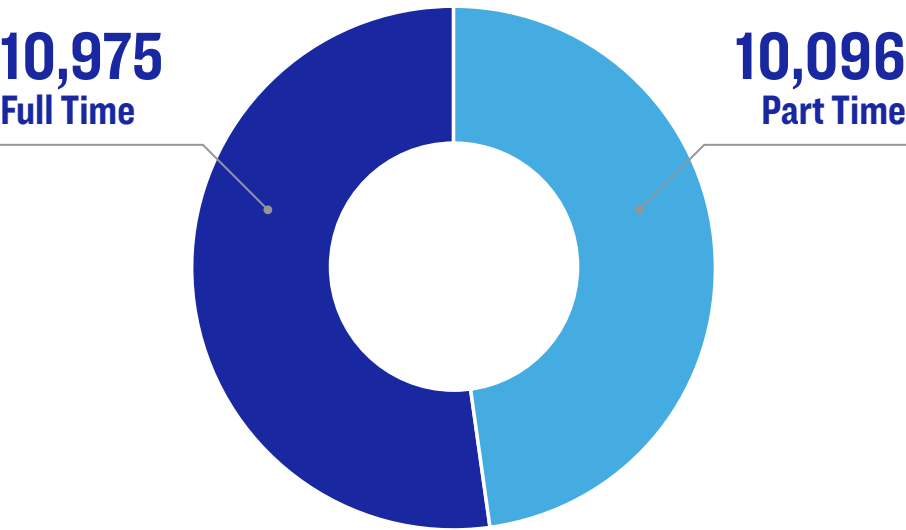
By living our Values and providing outstanding service to every customer who walks into an Academy store or visits our website, our 21,000 Team Members put that Vision within reach as we build the best team in retail.

In turn, we strive to provide rewarding careers, benefits, and a workplace culture where Team Members are empowered to be their authentic self—drawing on their unique perspectives, passions, skills, interests, and experiences in their day-to-day jobs.

Over 80 years of experience has shown us how taking care of our Team Members improves every aspect of our business. Enthusiastic, empowered Team Members make great ambassadors, which benefits our customers, our communities, and the bottom line.

## Workforce by Employment Type

*As of 2019 Fiscal Year end (February 1, 2020)*



**One of our Team Members’ favorite benefits is their discount on merchandise. In fiscal year 2019, Team Members received nearly \$6.8 million in discounts on in-store and online purchases.**



## TALENT MANAGEMENT

The best way to serve our customers is to invest in top talent, be open to innovation, and have the vision to succeed. We are focused on creating a winning team by recruiting and retaining great people, promoting teamwork, and fostering an enjoyable and rewarding work environment.

In 2019, we introduced HireVue, a candidate screening software, into our store hourly Team Member recruitment processes to ensure candidates have the attributes crucial to success in a retail environment and remove personal biases from initial candidate screening. Since its introduction, turnover among store Team Members has decreased by 14 percent.

We also strive to provide all Team Members with opportunities for personal growth, cross-functional training and job opportunities, and career advancement. We offer a mix of instructor-led, online, and blended courses in two key areas: Career Development and Leadership Development.

Our offering includes courses designed to improve the skills needed for specific roles, as well as those designed for anyone looking to sharpen their knowledge and skills. Examples include Buyer Training Program, Team Lead Development, Academy Retail University, Presentation Skills, and Accountability Builder, among others.

In 2021, we plan to launch our Manager In-Training course to prepare store Team Members for advancement through shadowing experiences and case studies in a high performance training store environment. In addition, we are targeting the roll-out of an update to our learning engagement system that will curate learning and development courses for each Team Member's individual needs and goals.

All Team Members are eligible for our Tuition Reimbursement program. This benefit compensates participants for tuition and books in a job-related degree program at an accredited university, or a job certification.

# 1.2 million hours

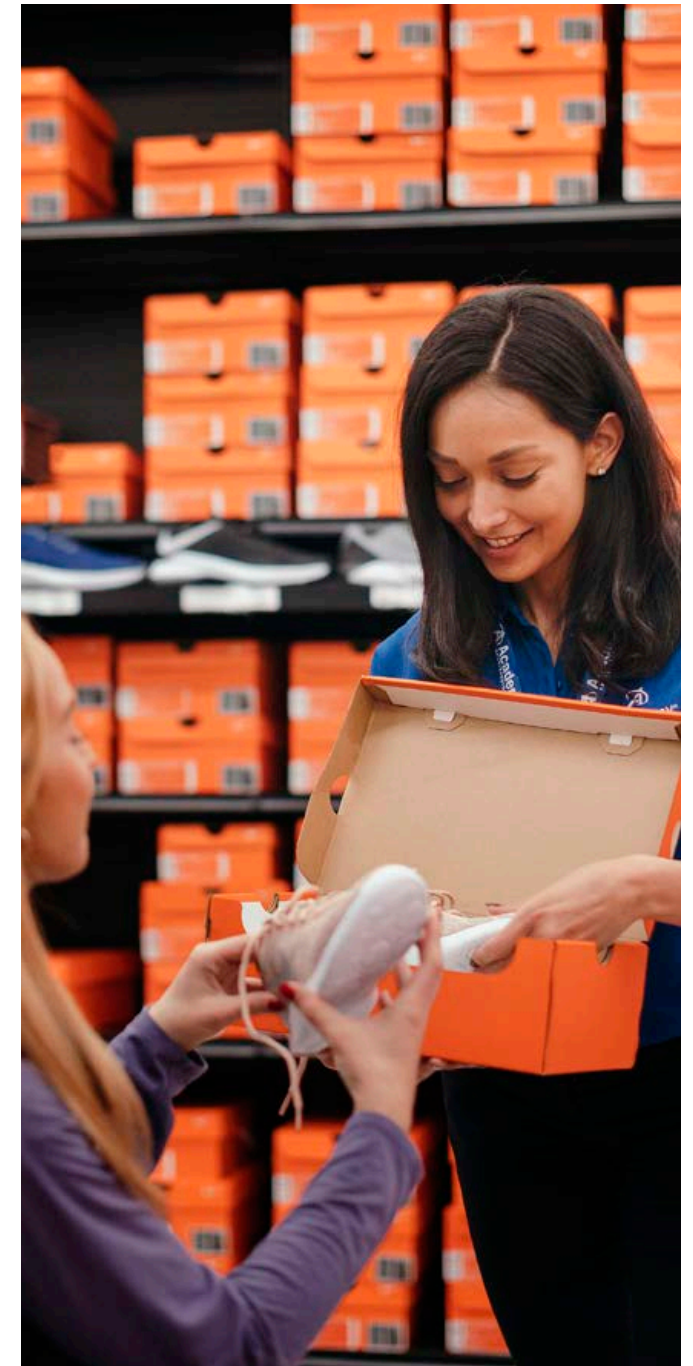
In 2019, our Team Members completed over 1.2 million hours of training.

# 37%

A path to success: 37 percent of store management have been promoted from hourly positions.

**“We value active-minded Team Members who are hard-working, collaborative, caring, and who put relationship building above titles and hierarchy. We provide strong training and a wide range of career paths for personal satisfaction. You’ll feel like you’re part of a winning team the second you walk through the door.”**

— Bill Ennis, Chief Human Resources Officer



DIVERSITY, INCLUSION AND BELONGING

At Academy, we believe the diversity of our Team Members, customers, and all others with whom we interact enhance the quality of our work environment and our customers’ shopping experience. Academy encourages diversity and inclusion and requires that all Team Members and Vendors interact fairly, equally, and respectfully.

Our strategy begins with attracting, recruiting, developing, and retaining Team Members with backgrounds that are representative of our diverse communities, not just because it’s the right thing to do, but because it makes our company stronger.

We require all Team Members to complete unintentional bias training to help eliminate biases from hiring, promotions, job assignments, evaluations, and customer service. And we utilize advanced candidate-screening software to avoid bias in selecting candidate pools.

We are fully committed to complying with all equal employment opportunity and antidiscrimination laws. We set a clear standard that employment and advancement opportunities, and our work and shopping environment, should be free of harassment, discrimination, or other inappropriate conduct based on race, color,

religion, sex (including sexual orientation and gender identity), age, pregnancy (including childbirth, nursing, and related medical conditions), national origin or ancestry, citizenship, creed, marital status, familial status, disability, family medical information or genetic information (including testing and characteristics), veteran status, uniformed service member or military status, or any other characteristic protected by federal, state, or local law. Relevant policies, expectations, and requirements are included in Academy’s Ethics and Code of Conduct.

In 2020, we established our Diversity, Inclusion and Belonging committee, and they led the organization in the creation of our formal **Diversity, Inclusion and Belonging Statement** to further demonstrate our commitment:

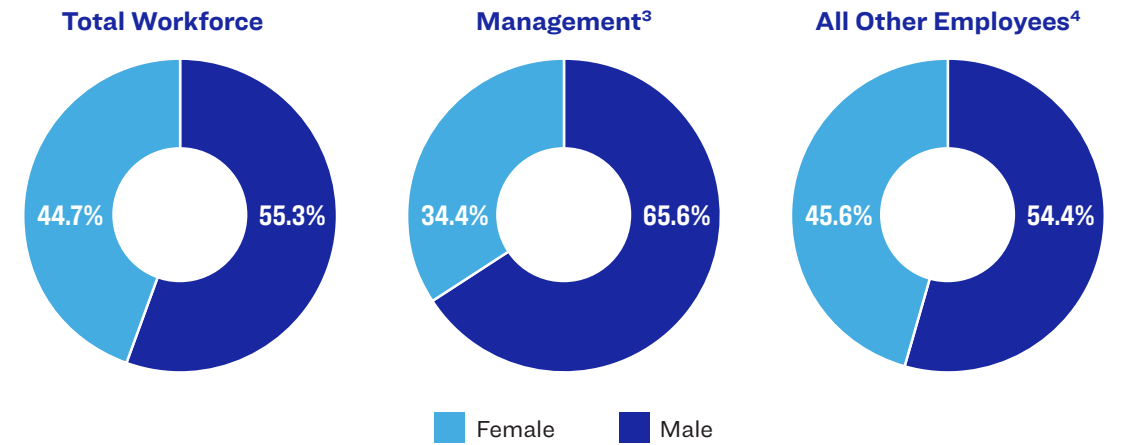
*At Academy Sports + Outdoors, we promote a culture of diversity, inclusion and belonging, which should be reflected in the actions and behavior of our Team Members. Diversity is inviting all players to join the team. Inclusion and belonging is when everyone gets to play the game. Every player is key, and we are only successful when everyone has an equal opportunity to play and win.*

Since 2017, we have increased the racial/ethnic diversity of our district managers and mid-level corporate management by 22 percent and 11 percent, respectively.

Workforce Racial/Ethnic Representation<sup>1</sup>

	Asian	Black or African American	Hispanic or Latino	White	Other <sup>2</sup>
Total Workforce Racial/Ethnic Representation					
Total Workforce	1.7%	18.1%	23.1%	49.6%	7.5%
Management <sup>3</sup>	2.2%	12.0%	15.2%	66.8%	3.8%
All Other Employees <sup>4</sup>	1.7%	18.6%	23.7%	48.1%	7.8%
Female Racial/Ethnic Representation					
Total Workforce	1.7%	20.0%	26.0%	42.1%	10.2%
Management <sup>3</sup>	3.0%	14.8%	18.4%	58.8%	5.0%
All Other Employees <sup>4</sup>	1.7%	20.3%	26.4%	41.1%	10.5%
Male Racial/Ethnic Representation					
Total Workforce	1.8%	16.5%	20.5%	56.0%	5.2%
Management <sup>3</sup>	1.7%	10.6%	13.6%	70.9%	3.2%
All Other Employees <sup>4</sup>	1.8%	17.2%	21.3%	54.4%	5.4%

Workforce Gender Representation<sup>1</sup>



<sup>1</sup> As of 2019 Fiscal Year end (February 1, 2020)  
<sup>2</sup> Other includes the classifications: Undisclosed/Unknown, Native American or Alaska Native, Native Hawaiian or Pacific Islander, and “Two or More Races”  
<sup>3</sup> Management includes the following: Executive/Senior Level Officials and Managers, and First/Mid-Level Officials and Managers  
<sup>4</sup> All other employees includes the following: Professionals, Technicians, Sales Workers, Administrative Workers, Craft Workers, Operatives, Laborers, and Service Workers



## TEAM MEMBER ENGAGEMENT

We create engagement by focusing on three themes: Invest in me, Listen to me, and Lead me. Our Team Members are looking for a future with the organization, want to contribute their ideas for improvement, and are looking to Leadership to instill confidence in the way forward given a challenging retail climate.

We engage our Team Members on the issues that matter most to them and take action in response to their suggestions and ideas. Periodically, we conduct a Team Member Engagement survey to gather insight on what our Team Members think about their experiences at Academy. In our 2019 engagement survey, our company survey response rate was 87 percent, a 14 percent increase from 2018.

We learned that our Team Members are highly focused on serving customers, understand the jobs they do well and have lots of ideas to share, take pride in the service they provide, and consider their work environment to be fun. We also learned that we have opportunities to enhance our training and development offerings and to further engage them in the process of creating more efficient ways of working.

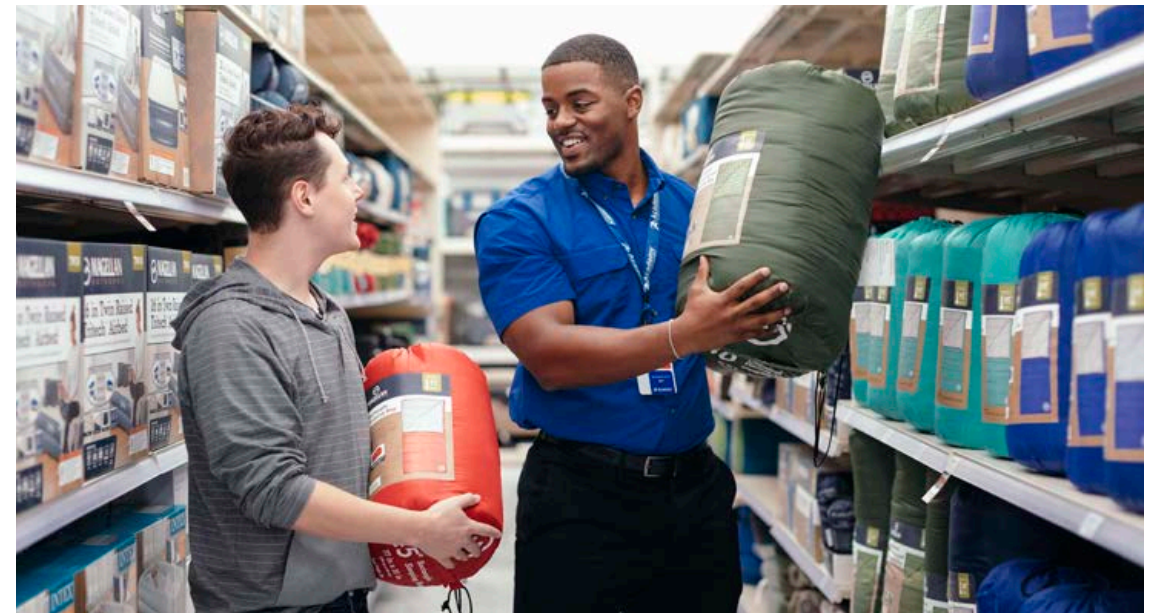
### Benefits

We are proud to offer competitive benefits to our Team Members, including comprehensive benefits and compensation packages. Our benefit plans extend to eligible Team Members, their spouses, and dependents. For salaried and full time hourly Team Members, our benefits include, but are not limited to:

- Medical, dental, and vision coverage
- Life insurance
- Voluntary short and long term disability
- 401(k) retirement plan (part time Team Members are also eligible)
- Paid time off (part time Team Members are also eligible after a year of service.)
- Leaves of absence
- Parental and maternity leave
- Travel and accident coverage
- Anniversary program
- Tuition reimbursement programs

In 2019, we expanded our leave policy to include two weeks of paid parental and six weeks of maternity leave to eligible hourly and salaried Team Members, including birth and nonbirth parents, for birth or adoption. This benefit is available to Team Members after 90 days of employment.

**As part of our pandemic response, we began offering telemedicine health benefits to all Team Members and expanded paid time off benefits to all Team Members with less than one year of service.**



WORKPLACE HEALTH AND SAFETY

The health and safety of our customers, Team Members, and communities is our top priority. Throughout our stores, distribution centers, and corporate headquarters, we employ policies, procedures, and training to ensure safe work environments.

Our Team Member Handbook outlines baseline safety expectations, but we also empower our Team Members with knowledge and skills from various safety training courses during the onboarding process and on an ongoing basis through our learning engagement system. Topics include, but are not limited to:

- Incident reporting
- Evacuation (fire, natural gas, bomb threats, severe weather)
- Active shooter response
- Hazardous materials
- Ergonomics (lifting, top stock, carry-out assistance, box cutters)
- Heat safety
- Electrical safety
- Powered industrial truck and pallet jack safety
- Confined space entry
- Parking lot and garage safety

Team Members are also encouraged to suggest improvements to policies and procedures, seek

guidance from management when they are unsure, and report incidents or concerns through our ethics hotline (or Aware Line) without fear of retaliation and anonymously, if desired.

We continue to focus on developing and driving our Safety-First culture through awareness, training, supportive strategies, and actions to reduce the frequency and severity of safety incidents. We take a rigorous approach to safety in everything we do, including product planning and store merchandising, store and distribution center designs and layouts, distribution and shipping, and workplace policies and procedures. For example, in stores, we recently instituted a store safety coordinator role and established new store merchandising safety guidelines. In distribution centers, we recently implemented a new safety observation program, established safety committees at each facility, and developed an improved powered industrial truck operator training and certification program.

We also expanded our corporate safety team to oversee and develop all of our safety policies, programs, and performance and implemented new safety practices enterprise wide, including several monthly meetings to discuss progress on safety goals and compliance. These improvements seek to embed safety and responsibility throughout the organization by increasing individual accountability for safety results.

Pandemic Safeguards in the Workplace

Our stores have remained open during the COVID-19 pandemic as a result of our essential product offering and enhanced safety measures. To provide for the safety of our customers, Team Members, and communities, we have taken many actions in our stores based on the needs, risks, and regulations present in each community and facility. Measures we have taken include cleaning stores professionally on a regular basis, equipping stores with hand sanitizer stations and signage illustrating how to socially distance within the store, wearing face coverings, limiting the number of customers admitted at one time, closing fitting

rooms, and installing protective shields at cash registers and other countertops. We have also provided free masks and hand sanitizer and may take Team Members' temperatures when they report to work. We have taken similar actions to mitigate the spread of COVID-19 in our distribution centers and corporate office. We continue to monitor the rapidly evolving situation and expect to continue to adapt our operations to address federal, state, and local requirements as well as to implement standards or processes that we determine to be in the best interest of our customers, Team Members, and communities.

From 2017 to 2019, we reduced the number of recordable safety incidents across all of our facilities by 23 percent and continue to work on several initiatives to improve shopping and workplace safety.





# Our Guiding Principles

At Academy, responsible leadership and integrity are important values that guide the governance of our business.

## CORPORATE GOVERNANCE

Our Board of Managers directs and oversees the management of our business and affairs in a manner it considers in the best interests of the Company and our stockholders and in accordance with applicable laws, rules, and regulations. The Board selects our Chief Executive Officer and oversees the members of our senior management, who are charged by the Board with conducting the business of our Company.

The Board and its Audit Committee and Compensation Committee exercise direct oversight of our strategic risks. In performing its oversight role, the Board serves as our ultimate decision-making body, except for those matters reserved to or shared with our owners. The Audit Committee reviews guidelines and processes governing management’s assessment and management of our company’s exposure to risk, including our major financial and operational risk exposures and the steps management takes to monitor and control such exposures. The Compensation Committee oversees risks relating to our compensation policies and practices. Each committee submits reports and recommendations to the Board on various matters.

Because we are a privately held company, our governance policies and committee charters are not publicly available.

## ETHICS AND COMPLIANCE

At Academy, our expectation for ourselves is simple: Do the right thing. We have built our reputation as the premier sports and outdoors retailer by adhering to the principles of honesty, fairness, and respect. Our commitment to these principles has created an environment where Team Members enjoy working for us, suppliers and vendors feel confident in partnering with us, and customers develop loyalty that keeps them coming back to our stores and website.

Our Ethics and Code of Conduct Policy captures the values that drive our business vision, mission, and philosophy, and provide us and our business partners with important direction for the way we and they should conduct business each day. It applies to all Academy Team Members, Board members, and anyone acting as an agent of Academy.

We require all Team Members to complete annual training regarding respectful and ethical conduct. This training covers not only conduct that may violate the law, but also conduct that runs afoul of Academy’s Ethics and Code of Conduct Policy.

One of our Team Members’ most important responsibilities is to report any concerns about any possible violation of our policies, procedures or standards, or the law. Team Members may report concerns regarding any possible noncompliance with any policy or any legal requirements, or any retaliation against employees or other persons who report concerns in good faith, openly, or confidentially and/or anonymously through several reporting channels, including our online and telephonic ethics (or Aware Line) hotline.

### The Ethics and Code of Conduct Policy covers the following topics, among others:

- Respectful work & shopping environments
- Diversity and inclusion
- Safety and health
- Discrimination and harassment
- Vendor expectations
- Bribes and improper payments
- Conflicts of interest
- Insider trading
- Antitrust and competition
- Political activity and contributions
- Reporting ethical concerns

# Academy has 172 private brand vendors in 18 countries around the world.

## DATA SECURITY

We are committed to protecting the information of our Team Members, customers, and business partners, ensuring appropriate controls are effective and align with current best practices. Our cybersecurity framework accomplishes this through three key measures:

- Risk management through clear accountability and decision-making processes
- Resource management by utilizing information security knowledge and infrastructure efficiently and effectively
- Performance measurement by reviewing and reporting information security objectives and key metrics to ensure that organizational goals are achieved

In addition, we ensure our information security practices are strategically aligned with business strategy through a three-tiered cybersecurity governance model. Our Cyber Security Committee, Cybersecurity Tactical and Implementation Sub-Committee, and Operational and Project Workgroups work together to ensure that reasonable and appropriate actions are taken to protect information assets and resources in the most effective and efficient manner, in pursuit of business goals.

## VENDOR MANAGEMENT

We expect our team to conduct business responsibly, and we expect our more than 1,600 vendors to do the same. We promote social and environmental responsibility through our Vendor Code of Conduct, which sets forth requirements that all vendors must comply with to do business with Academy. The Vendor Code of Conduct provides guidelines for vendors to act in a highly ethical and professional manner, respect the rights of Team Members, minimize their impact on the environment, provide a safe and healthy workplace, and follow all applicable laws and regulations.

Vendors are expected to raise any good faith concerns and report to Academy through several reporting channels, including Academy’s online and telephonic ethics (or Aware Line) hotline, all activity which may be a violation of applicable laws or may fail to comply with our Vendor Code of Conduct or any agreement with Academy.

We work with a third party to screen new factories and audit our current factories on an ongoing basis using robust industry-specific assessment criteria.

### The Vendor Code of Conduct covers the following topics, among others:

- Diversity and inclusion
- Discrimination and harassment
- Wages and benefits
- Working hours
- Forced labor and human trafficking
- Underage or juvenile workers
- Safety and health
- Trade compliance
- Environmental and sustainability
- Security
- Product safety and quality
- Conflicts of interest
- Anti-corruption and anti-trust
- Reporting ethical concerns

## OUR PRIVATE LABEL BRANDS





# Our Environmental Impact

We are committed to being an environmentally responsible corporate citizen, and we seek opportunities to minimize our environmental impacts and capture associated cost savings where possible.

## PRODUCT SUSTAINABILITY

Guided by our Product Sustainability Roadmap, we are working to increase the recycled material in our Academy-owned brand products, as well as the recyclability of our products themselves. In 2019, we completed the first phase of our Roadmap:

- 100 percent of private brand footwear is packaged in recycled cardboard boxes
- Product descriptions and hang tags on select styles have been updated to denote recycled content

We have set measurable goals for the next phase of our Product Sustainability Roadmap. By 2024, we aim for:

- 35% of our Academy-owned brand apparel to be made from recycled materials
- 50% of our Academy-owned brand apparel packaging to be made from recycled materials
- 50% of our Academy-owned brand footwear insole boards to be made from recycled materials

## OPERATIONS AND FACILITIES MANAGEMENT

Though we do not own any real estate, we continue to find ways to reduce the impact of our facilities operations.

### Resource Efficiency

Improvements to our corporate campus, distribution centers, and retail stores enable us to minimize energy use and associated emissions, use water more efficiently, and divert waste from landfills. For example, one of our corporate campus buildings is certified LEED Silver. And all new retail locations are equipped with environmentally friendly design elements that help conserve resources, including, among others:

- Automatic sensors on restroom sinks
- Hand dryers in all restrooms
- LED lighting and dimming system
- Daylight harvesting via clerestories and skylights
- Occupancy and vacancy sensors
- Exterior lighting on a timing schedule
- Variable speed HVAC systems

In addition, we work with a third party to manage our energy use and find opportunities to increase efficiency.

18,344,917 ft<sup>2</sup>

Total Retail Space Area\*

5,511,344 ft<sup>2</sup>

Total Distribution Center Area\*

\*Academy does not own any retail space or distribution centers.



Retail Waste

Recycling is one of the most effective ways to divert waste from landfills. We have been working to increase recycling programs in our retail and distribution facilities, and have formalized a

recycling procedure that details the process of identifying recyclables, the supplies needed for proper recycling, and all facility-specific procedures.

In 2019, we recycled 46.5 percent of our waste, including cardboard, plastic hangers and boxes, wood pallets, shrink wrap, and plastic packaging. The impact of our recycling effort amounts to big savings:

232,577

Trees

42,866,028 kWh

Energy

95,767,000 gallons

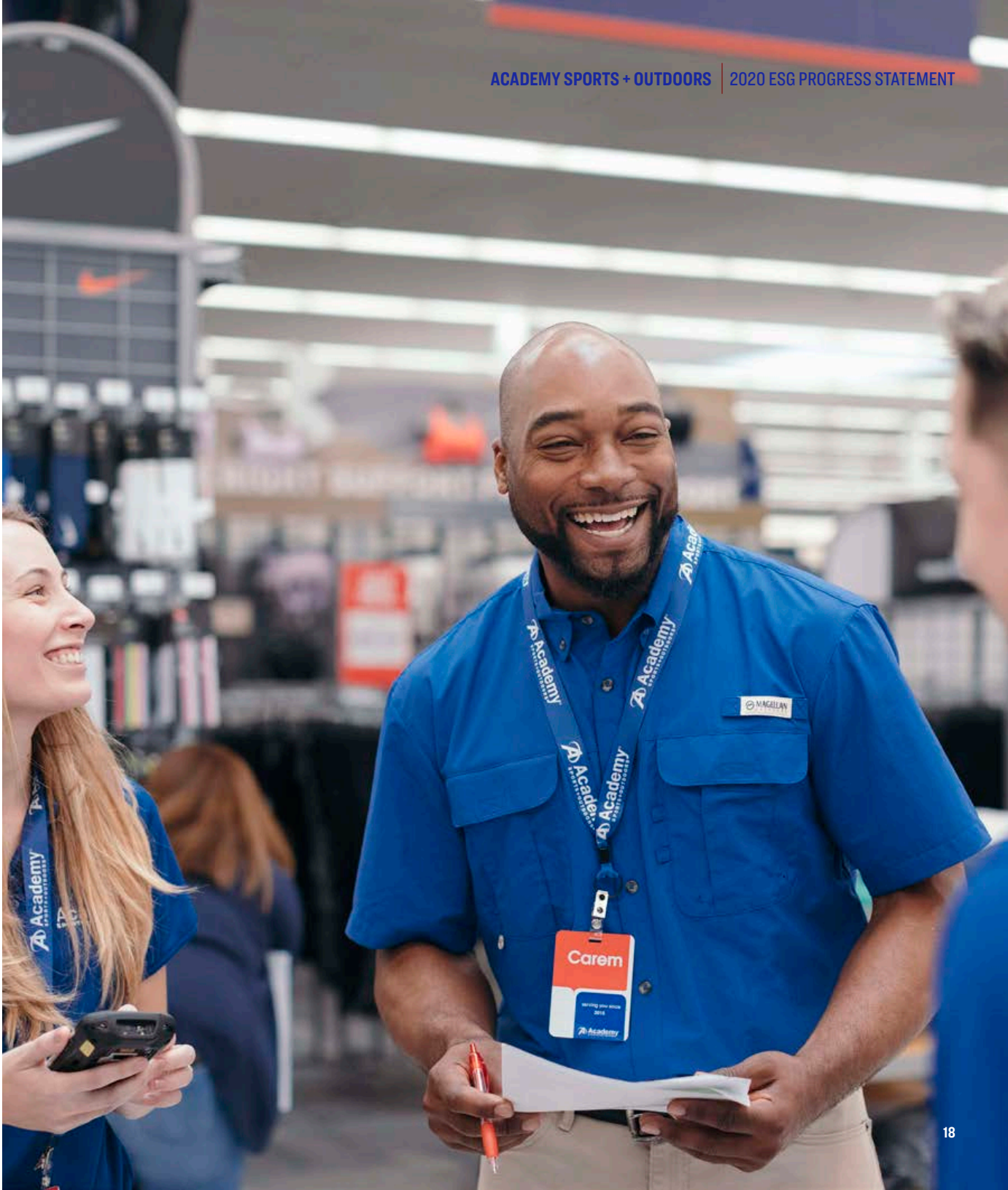
Water

152,870 barrels

Oil

48,415 cubic yards

Landfill







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