

MADE in USA, Driven by Purpose

New Balance's Economic and Social Footprint





New Balance U.S. **MADE** reflects our deep commitment to U.S. manufacturing and supply chains. At our U.S. **MADE** factories in New England, our skilled **MADE** manufacturing Associates make our premium **MADE** in USA product line, which contain a U.S. value of 70% or more.



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A message from our President and CEO

Dear valued customers and stakeholders,

We are proud to share New Balance's inaugural **MADE in USA Economic and Social Footprint — a report that carefully examines our decades-long commitment to American manufacturing and quantifies our impact across the United States during the past two years (2023-2024).**

Our commitment to American manufacturing, which we call **MADE**, has always been an integral part of our company heritage and culture.

Our philosophy of combining skilled craftsmanship and innovation to produce high-quality athletic footwear has been the foundation of our success since we began producing shoes in 1938.

87 years later, our dedication to expanding our U.S. manufacturing employment and operations remains steadfast.

As the only major athletic shoe manufacturer to maintain U.S. footwear production, our New England-based factories are a clear differentiator for our business and the communities in which we operate.

We believe that when we think global but act local, we can better serve the local communities where our Associates live and work, while also enhancing our focus on the craftsmanship and quality integral to our global business.

With this report, I'm proud to share that our ongoing **MADE** investments are a key piece of our business success that has driven significant contributions to the U.S. economy and our New England communities.

Gross Domestic Product (GDP)¹: We are estimated to have contributed \$3.1 billion to U.S. GDP in 2024 (up from \$2.5 billion in 2023).

- In Massachusetts and Maine, we contributed \$844 million and \$144 million, respectively, in 2024.
- With the opening of our new factory in New Hampshire in 2026, we are projected to generate \$354 million in GDP in the Granite State between 2024 and 2033.
- Of the \$3.1 billion contributed to U.S. GDP in 2024, \$479 million is estimated to be attributable to New Balance **MADE**.

Investment¹: We have invested \$155 million in our **MADE** factories since 2021, expanding and upgrading our factories and integrating cutting-edge technologies like AI and robotics — which complement our century-long focus on skilled craftsmanship — into our manufacturing and distribution processes. This investment increased our U.S. production capacity and employment opportunities and unlocked a cumulative GDP contribution of \$196 million across the U.S. — approximately 84% of which is estimated to impact our three New England **MADE** manufacturing states.

Employment¹: In addition to the more than 5,000 Associates, including 1,200 **MADE** Associates, directly employed by New Balance in the U.S., our operations supported another 17,000 jobs across the United States in 2024 (with more than 4,200 attributable to **MADE**).

Our strong business growth meant the total number of jobs supported by New Balance grew 24% between 2023 and 2024, with almost 20% of these jobs attributable to our **MADE** operations and value chain.

- Our efforts led to more than \$1.7 billion in remuneration (total compensation received) for American workers in 2024 — not only for our New Balance Associates, but also for individuals whose jobs stem from our U.S.-based activities.
- In 2024, we supported an estimated 1,337 U.S. construction jobs through investments in our **MADE** manufacturing facilities.

Through our **MADE** commitment, we have helped power households, support local businesses, and sustain rural and urban economies in the New England communities that have been central to our industry for generations.

Beyond the numbers, **MADE** reflects our belief that U.S. manufacturing matters — that the benefits go beyond our great products to positively impact the communities in which we operate. Our factory presence in each city or town has driven our longstanding support of non-profits, community initiatives, and other opportunities that reflect our purpose-led values in the places we call home.

- In 2024 alone, New Balance and the New Balance Foundation donated more than \$28 million to charitable and community causes, with a focus on supporting youth sports and removing barriers to healthy lifestyles in the communities where our Associates live and work.

American manufacturing at large drives significant economic and social contributions, from job creation to sustaining and strengthening communities nationwide. New Balance's commitment to U.S. manufacturing has never been stronger and remains integral to our One NB culture and the future growth of our business.



Joe Preston
President and CEO



About New Balance & our commitment to **MADE** in USA



Our history

Founded by William Riley in 1906 as the New Balance Arch Support Company, our business began by creating foot arch supports for better comfort and balance. It was 32 years before our first running shoes debuted in 1938.

Under Anne and Jim Davis's leadership since 1972, we have grown from a small team of six in Massachusetts making 30 pairs of shoes a day, to a global brand known for performance, comfort and innovative designs.

From humble beginnings, our products are now sold in more than 115 countries around the world, generating \$7.8 billion in global sales in 2024, and directly employing more than 10,000 Associates.

While our customers typically only see the results of our craftsmanship, none of this would be possible without the supply chains we have carefully cultivated across the U.S. and beyond.

Our **MADE** philosophy

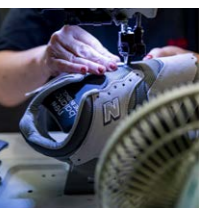
The New Balance **MADE** philosophy emphasizes American manufacturing, craftsmanship and community empowerment. We are deeply committed to producing in the U.S., where we own and operate multiple athletic shoe factories in New England, creating jobs and supporting local economies. Our relentless focus on innovation and responsible supply chain development extends this impact across the country.

We believe that U.S. manufacturing is a competitive advantage and allows us to be a better partner within our global supply chain as well as enabling innovation, agility and a more responsive approach to consumer needs and preferences.

We are especially proud of our U.S. Associates' continued ingenuity as well as our highly crafted and high-quality **MADE** in USA product line, which has at least 70% U.S. value and celebrates the tradition of skilled American craftsmanship. Our **MADE** range uses U.S. materials and components wherever possible, relying on a vast network of U.S. suppliers, impacting and supporting communities far beyond our **MADE** factories.

Though it accounts for a limited portion of our U.S. sales, **MADE** contributed an estimated \$479 million to U.S. GDP and supported 4,200 American jobs in 2024.

We continue to honor New England's shoemaking heritage and strive to use our legacy of innovation and craftsmanship to drive business growth. As a purpose-driven company that puts people at our center, we are firmly guided by our values of teamwork, integrity and total customer satisfaction.



1906	>	1972	>	1981	>	1982	>	2000	>	2015	>	2020	>	2022	>	2023	>	2024
WILLIAM J. RILEY FOUNDS THE NEW BALANCE ARCH SUPPORT COMPANY		JIM DAVIS ACQUIRES NEW BALANCE		NEW BALANCE FOUNDATION ESTABLISHED		990 LAUNCHES AS THE FIRST RUNNING SHOE TO RETAIL FOR \$100		NEW BALANCE ACHIEVES \$1 BILLION IN GLOBAL ANNUAL SALES		NEW BALANCE GLOBAL HQ OPENS AT BOSTON LANDING		NEW BALANCE CREATES GENERAL USE FACE MASKS DURING COVID PANDEMIC		THE TRACK @NEW BALANCE AND NEW BALANCE METHUEN OPEN		GROUNDBREAKINGS FOR 6TH U.S. MADE FACTORY IN LONDONDERRY, NH AND FACTORY EXPANSION IN SKOWKEGAN, ME		MORE THAN \$100M INVESTED TO GROW OUR U.S. MANUFACTURING OUTPUT

Our storied history does not stop here.

About this report

Economic and Social Footprint reports seek to examine, quantify and document the impact of a particular activity or organization on an economy and society across all levels of its supply chain. For New Balance, we wanted to effectively answer the question: What is the annual economic and social impact of New Balance's U.S. operations, and what is the impact of its MADE operations in the U.S.?

Report purpose

This report seeks to quantify New Balance's MADE economic and social impact, while also highlighting the value and extensive reach of U.S. manufacturing and its supply chains.

It underscores the significant economic and social contributions that the manufacturing sector makes — from creating jobs to sustaining and strengthening local communities — while emphasizing the potential value-at-risk without continued and increased support for manufacturing and specific textile industries.

It does this by quantifying the potential economic losses if these industries are not encouraged and supported.

This report also seeks to analyze the social impacts of New Balance's MADE operations, specifically assessing our contributions to our MADE manufacturing cities and towns, both urban and rural in New England. While some of this analysis is qualitative, we also seek to quantify the impacts of our training initiatives, environmental initiatives, philanthropic efforts and retail locations.

We aim to use our economic reach to promote New Balance's values of integrity, teamwork & total customer satisfaction.

Economic modeling approach

To quantify New Balance's impact on the U.S. economy and demonstrate the social value we have generated, we applied an 'Input-Output' (I-O) economic modeling methodology, leveraging U.S. federal government data through the IMPLAN model. I-O analyses examine the connections between the various industries in an economy, tracking the buy-sell relationships of all industries, households and governments.

This allows us to quantify economic activity supported by a given set of activities within a given region — in this case, New Balance's MADE operations and investments in 2023 and 2024.

Using industry, commodity and household spending data collected by the U.S. federal government, IMPLAN's I-O modeling system processes New Balance's operating data

to derive the economic impact of the company's operations on national and regional economies. This encompasses all of New Balance's manufacturing, distribution, retail, management, R&D and charitable activities in different parts of the country, including its network of U.S. supply chains.

Given the centrality of the New Balance supply chain to our economic modeling approach, this report is structured around our supply chain, tracing the flow of value from our suppliers to our factories and ultimately to our customers, measuring New Balance's direct, indirect and induced impacts at each stage.

The standard outputs for this type of analysis are Gross Value Added (GVA), employment, employee remuneration and tax. The values derived showcase New Balance's overall contribution to the U.S. economy.

Direct ECONOMIC IMPACT

Direct economic impact measures the effects generated by New Balance's own operations and the 3rd-party sales of its products.

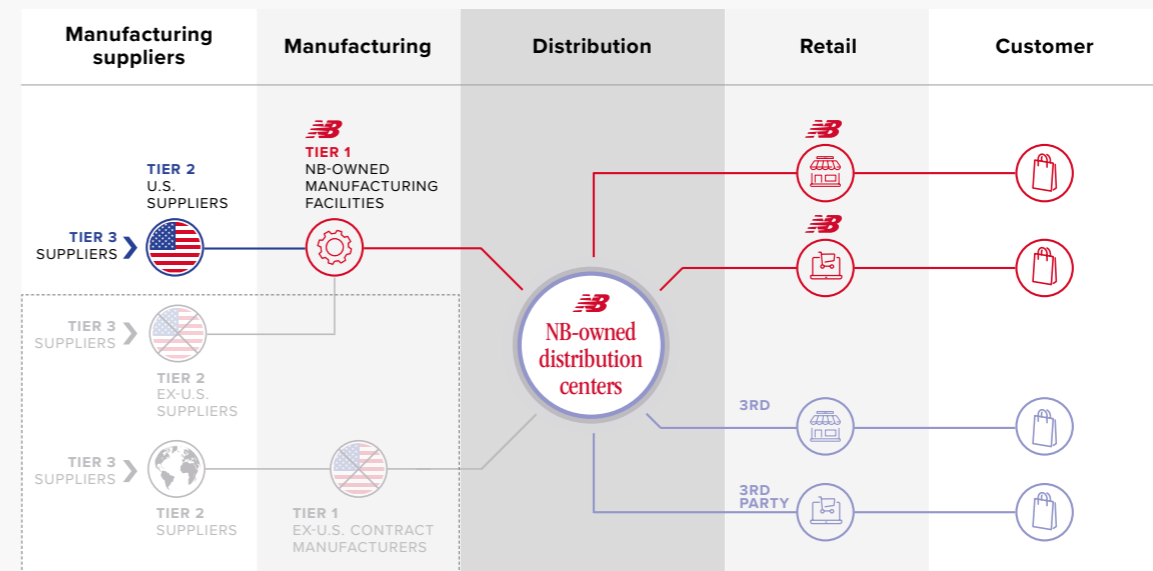
Indirect ECONOMIC IMPACT

Indirect economic impact measures the effects generated by business-to-business purchases by New Balance and its impacted 3rd-party retailers from their suppliers.

Induced ECONOMIC IMPACT

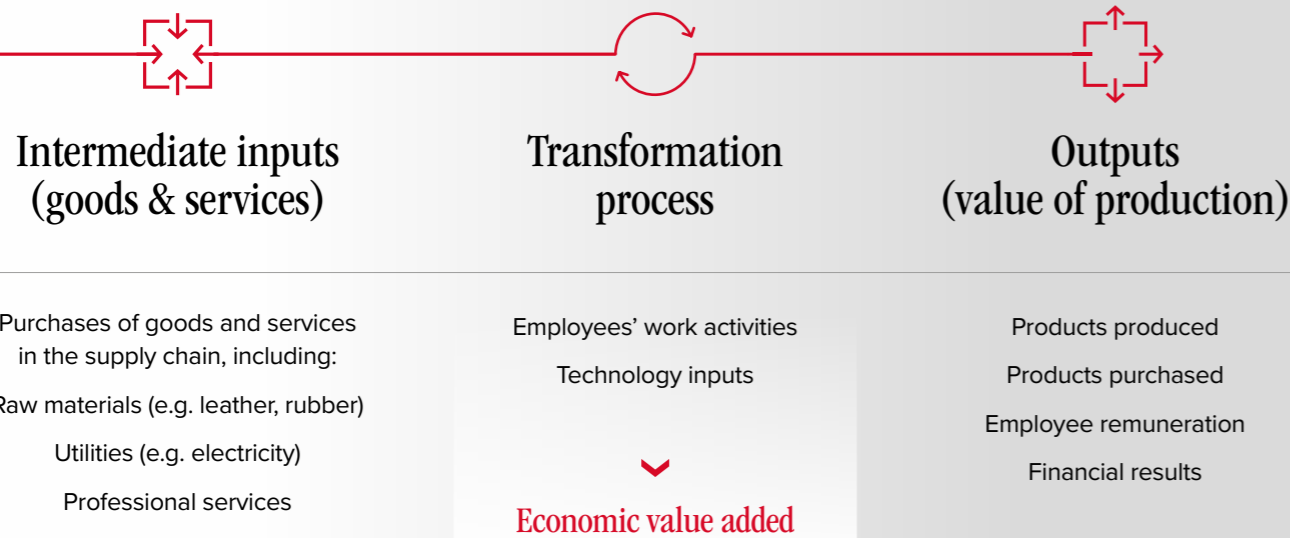
Induced economic impact measures the effects of employee remuneration being spent.

Figure 1: Illustrative overview of the New Balance supply chain



KEY: NEW BALANCE'S VALUE CHAIN

- Supply chain included in this analysis
- New Balance operations
- Supply chain not included in this analysis
- 3rd party retailers



Purchases of goods and services in the supply chain, including:
Raw materials (e.g. leather, rubber)
Utilities (e.g. electricity)
Professional services

Employees' work activities
Technology inputs
Economic value added

Products produced
Products purchased
Employee remuneration
Financial results

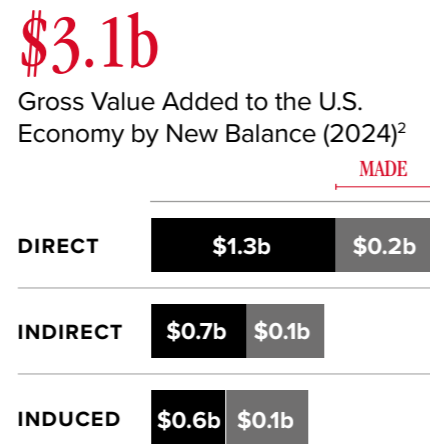
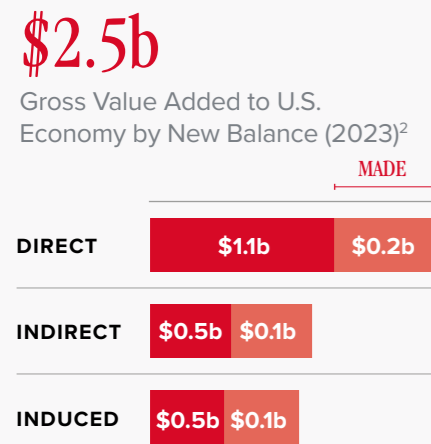
Our 2023 and 2024 **MADE** footprint snapshot

New Balance drives significant economic impact in the U.S., especially through our robust U.S. supply chains and commitment to local manufacturing. We directly and indirectly generate economic value and support strong employment opportunities at our New England factories and throughout our U.S. value chain.

As described earlier, this report measures the value New Balance added to the U.S. economy in 2023 and 2024, quantifying the specific impact of our U.S. **MADE** philosophy.

Our total impact is the sum of New Balance's direct, indirect and induced impact. Each of these impact types is quantified in terms of GVA¹, employment, employee remuneration and tax, providing a comprehensive view of New Balance's impact on the U.S. economy.

Gross Value Added to the U.S. economy (2023, 2024)^{1,2}



\$479m
Gross Value Added by **MADE** to the U.S. Economy (2024)³

15.5%
of New Balance's GVA attributable to **MADE** (2024)

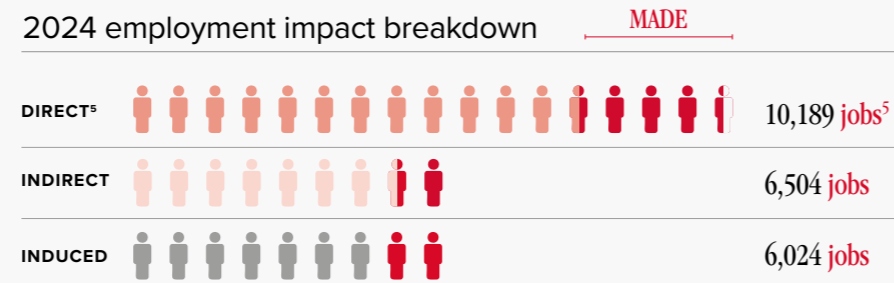
\$155m
Investment into **MADE** factories (2021 - 2024)

U.S. Employment contribution (2024)

1,200
Number of **MADE** Associates (2024), providing multi generational family-sustaining employment

22,716 +4,419 YoY
National employment supported by New Balance operations (2024)¹

4,220 +618 YoY
National employment supported by **MADE** operations (2024)¹



Direct jobs include not only New Balance Associates, but also jobs created in downstream industries, such as our 3rd party retail partners. Full definitions found on page 9.

1 in 4.4 (22.7%) Manufacturing and distribution Associates have over 10 years tenure

Employment multiplier (2024)

2.5x

In 2024, each U.S. **MADE** Associate supported 2.5x additional jobs across the country on average

Corporate charitable endeavours (2024)⁴

\$28.3m +39% YoY
Total value of New Balance's U.S. donations, inc. New Balance Foundation⁶

70%
Approximate share of 2024 NBF grants that were distributed to our **MADE** states of MA and ME

We know by thinking globally and acting locally, we can better serve the communities where our Associates live and work.

Our contributions to Massachusetts, Maine, and New Hampshire⁶



Massachusetts

\$844m

New Balance's GVA contribution to Massachusetts' economy (2024)²

5,402 jobs

Massachusetts employment supported by New Balance (2024)²



Maine

\$144m

New Balance's GVA contribution to Maine's economy (2024)²

1,635 jobs

Maine employment supported by New Balance (2024)²



New Hampshire

\$354m

Expected contribution to New Hampshire economy (2024-2033)³

265 jobs

Estimated annual New Hampshire employment supported by New Balance (from 2026)

Notes: All 2024 and multi-year monetary values are in 2024 USD\$, while 2023 values are in 2023 USD\$. This report demonstrates New Balance's gross impact. As such, it does not consider any potential displacement from New Balance's peers, nor any potential resource redeployments in New Balance's absence. 1) Gross Value Added (GVA), defined according to IMPLAN's National Income Approach as a measurement of Gross U.S. Product, or the sum of income generated by an organization or activity within a given region and given period of time. 2) Includes direct, indirect, and induced impacts. 3) Total does not equal New Balance's total employment contribution since only the top three supported industries are shown. 4) Does not include the value of product donations as they were not modelled in this report. 5) Direct jobs include both New Balance Associates, but also jobs created in Downstream industries, such as our 3rd party retail partners.

National economic contribution

Overview of New Balance's 2024 economic impact

New Balance's robust U.S. supply chain is comprised of five core groups of operations, which we will use to illustrate our U.S. economic impact:



As the only major athletic shoe manufacturer to maintain footwear production in the U.S., we view our American based operations not only as a legacy but a powerful differentiator.

Impact through our supply chain in 2024¹

New Balance's operations generate economic value across our supply chain — from our suppliers to our owned manufacturing facilities and distribution centers, as well as our direct and third-party retail locations.

Our offices and facilities like the TRACK@newbalance and the Warrior Ice Arena at Boston Landing also create employment opportunities, further stimulating economic activity.

	MANUFACTURING SUPPLIER IMPACT	TOTAL MANUFACTURING IMPACT ²	DISTRIBUTION IMPACT	RETAIL IMPACT ³	OTHER IMPACT (INC. OFFICES) ⁴
GROSS VALUE ADDED	\$101.9m	\$357.2m	\$138.7m	\$1.76bn	\$829.7m
EMPLOYMENT SUPPORTED (JOBS)	702	3,552	904	13,296	4,964
EMPLOYEE REMUNERATION	\$61.5m	\$236.2m	\$75.4m	\$763.5m	\$638.9m

Notes: 1) Includes direct, indirect, and induced impacts. 2) Includes manufacturing supplier impact. 3) Includes New Balance and 3rd-party retail activities. 4) Includes offices, construction resulting from manufacturing investments, charitable donations, The TRACK@newbalance, and The Warrior Ice Arena.

National economic contribution of MADE in 2024

Our MADE strategy is built on a deep belief in the power of American manufacturing. We remain committed to evolving this integral part of our business and strengthening our roots in the communities we serve — honoring our legacy and building a resilient foundation for the future. This commitment to local manufacturing delivers a strong positive impact on the U.S. economy. While our impact is greatest in New England, where our operations are focused, our partnership with suppliers from across the country and the sale of our MADE shoes across the U.S. extend our impact nationwide.

Our MADE factory operations, investments, suppliers and retail products account for about 18% of our Gross Value Added (GVA) and 19% of the employment we support.¹

This economic benefit is only possible because of our decision to maintain U.S. manufacturing as a portion of our global production operations.

Through our increasing and significant investment in our New England factories, we remain deeply committed to maintaining the craftsmanship New Balance has long been known for in the U.S.

\$479 m

Gross Value Added by MADE to the U.S. economy (2024)¹

4,220 jobs

Supported by MADE operations (2024)¹

\$106m

Investment in U.S. manufacturing (2024)



Overview of our 2024 social impact

As a purpose-driven company, we believe we have a responsibility to use our scale and reach to drive positive change. We aim to leverage our position as a business leader to positively affect communities where our Associates live and work, that's why New Balance and the New Balance Foundation donated **\$28.3 million** to charitable causes in 2024, with a focus on empowering underserved populations and removing barriers to healthy lifestyles.

Corporate charitable endeavours and the New Balance Foundation in 2024

New Balance is unwavering in its dedication to uplift the communities in which we operate, breaking down barriers to healthy lifestyles, championing our young people and improving equity of access for people from all backgrounds. Much of this work is achieved through the New Balance Foundation (NBF), whose philanthropic partnerships focus on long-term programs to drive change in communities nationwide, empowering underserved communities and championing the future success of today's youth.

\$28.3m +39% YoY
Total value of New Balance and NBF donations (2024)

\$35.2m +65% YoY
GVA generated by New Balance and NBF donations (2024)^{1,2}

\$11.8m
New Balance Foundation donations (2024)

New Balance donates products to the communities where our associates live and work. Between 2023-2024, our product donations to communities in Boston and Lawrence had a wholesale value of more than a million dollars.

\$1m
Product donations (2023-24)

Rooted in the capacity of sport and education to create lasting impact, New Balance is deeply committed to using our scale in Massachusetts and Maine to drive positive change in the communities we serve.

\$10m
Commitment to launch the Institute for Innovative Leadership in Sport at UMass Boston (2024)

\$7m
Donation to UMaine for new Track & Field and Soccer Complex



Contributions to our communities in 2024¹



New Balance takes pride in supporting the towns and cities that host the factories where our skilled manufacturing Associates craft our **MADE** in USA footwear. These local communities shape our identity and are vital to our ongoing success.

\$250K
Gift to the Kennebec Valley Community Action Program (KVCAP) in support of the Skowhegan Area Early Childhood Education Center built as part of the new MSAD 54 Margaret Chase Smith Community School. (2023/2024)



Note: 1) Includes direct, indirect, and induced impacts. 2) The impact of product donations were not modeled in this study, so GVA includes NBF and corporate cash donations only.

Manufacturing suppliers

MADE shoe materials and components¹

In manufacturing our athletic footwear, we stimulate economic activity in three main ways:

- 1 Buying materials and components from other businesses; Our commitment to partnering with U.S. suppliers is strong — in 2024 alone, we maintained active partnerships with 28 American suppliers across 10 states to source materials, spending close to \$27 million in those states. Leveraging U.S. suppliers for materials and components not only supports a resilient U.S. supply chain but also creates unique job opportunities and sustains those communities in which they operate.
- 2 Compensating Associates and; This spend generates value and supports jobs in the U.S., as shown below.
- 3 Spending money with businesses that provide additional critical inputs to our operations such as utilities, machinery and other services.

MADE shoe materials and components¹



	LOCATION ²	MATERIALS SUPPLIED
Dela Inc	Ward Hill, MA	Laminated textile and foam components
Bixby International	Newburyport, MA	Counter and boxtoe materials
Sole Choice	Portsmouth, OH	Laces
Rogers Foam Corp	Somerville, MA	Upper kit components
Stephen Gould of N.E.	Tewksbury, MA	Labels and other packaging materials

In 2024, our investment in additional utilities, machinery and services was more than \$57 million in the U.S. Not including employee compensation, this brings our total spend with U.S. manufacturing suppliers to more than \$84 million.

Notes: 1) When there are not viable U.S. sourcing options, we import components for our MADE footwear. 2) Location of company headquarters.

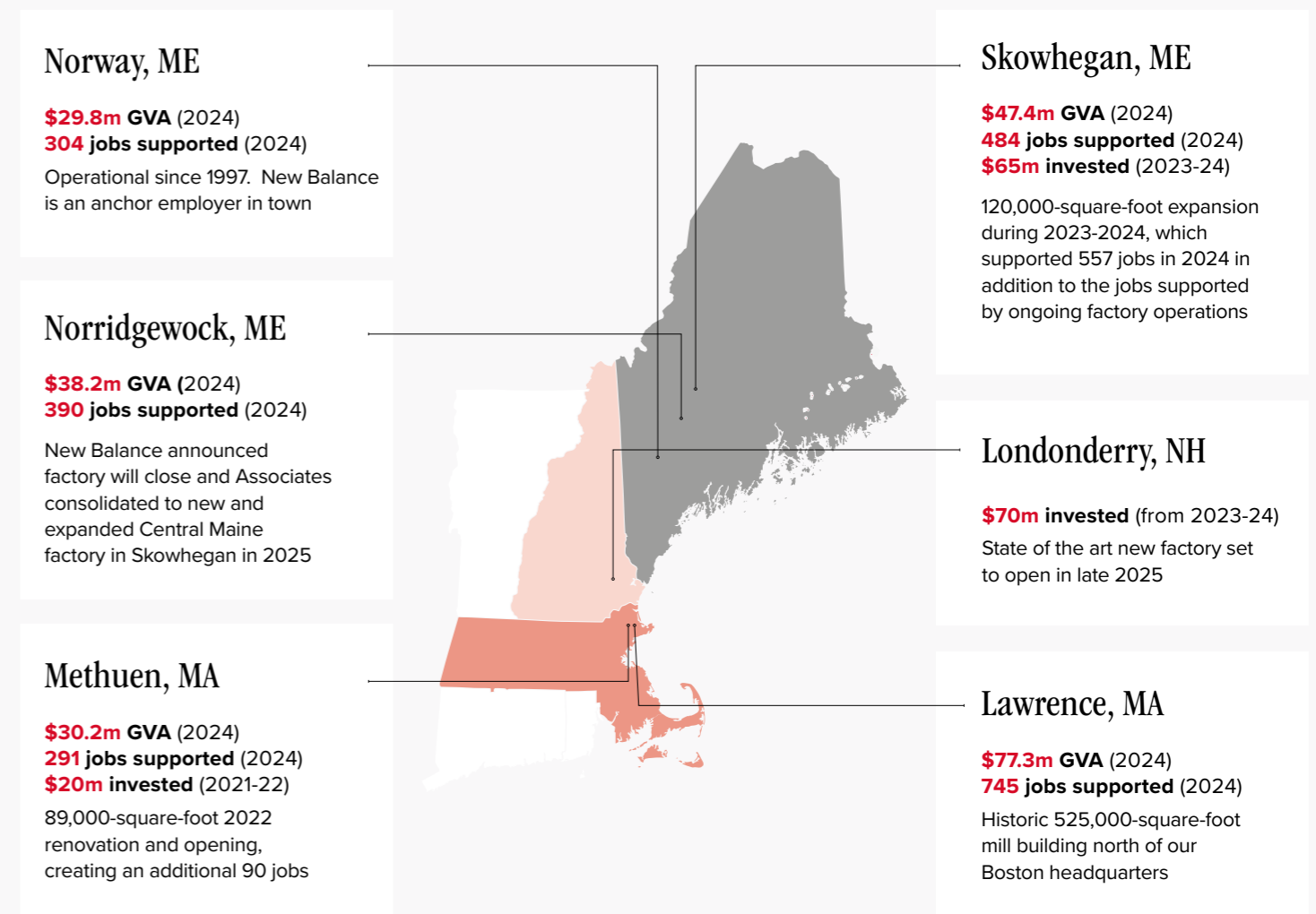
New Balance manufacturing facilities

We own and operate five **MADE** manufacturing facilities in the region, including: Skowhegan, ME; Norridgewock, ME; Norway, ME; Methuen, MA; and Lawrence, MA. Our Londonderry, NH facility is set to open later this year. Our **MADE** communities play an integral role in our success, and we're proud that our investments have resulted in commercial success that greatly benefits not only our customers, suppliers and partners, but also our communities.

In our **MADE** factories, the craftsmanship of our Associates sits at the core of every process. They prepare, cut and mold materials and components before sewing, pressing and assembling them into the shoes our customers around the world have come to love. New Balance has been central to the New England manufacturing community for more than 75 years, enabling the art of shoemaking to be passed down through generations.

As we continue to invest, we expect the economic impact of our **MADE** facilities to grow in the coming decades, especially benefiting the communities which are home to our operations.

Map of New Balance's U.S. manufacturing facilities, including those under construction¹



Other New Balance facilities

Alongside our manufacturing supply chain, New Balance owns and operates a variety of additional facilities dedicated to innovation, business-related activities and overall contribution to our local communities. Many of these are situated in the Allston and Brighton neighborhood of Boston, MA, which has been home to New Balance's

global headquarters for more than 45 years. Our recent investments in the Boston Landing campus have extended our overall economic footprint locally and played a key role in revitalizing the area. In 2024, three of our facilities there generated more than \$390 million GVA and provided or supported more than 2,200 jobs in Massachusetts.

Boston Landing HQ (2024 footprint)



Employing more than 870 people, our 250,000-square-foot, state-of-the-art campus at Boston Landing has been New Balance's global headquarters since opening in 2015.

Our global HQ is the cornerstone of Boston Landing's transformation by anchoring a vibrant hub which has grown to include eight restaurants, a residential building housing approximately 600 residents, offices, a world-class track and field center (as well as the Boston Bruins and Boston Celtics training facilities) and a dedicated commuter rail station — thereby further stimulating economic activity.

MA¹

\$380.9m GVA

2,087 jobs supported

\$94.8m tax generated in MA²

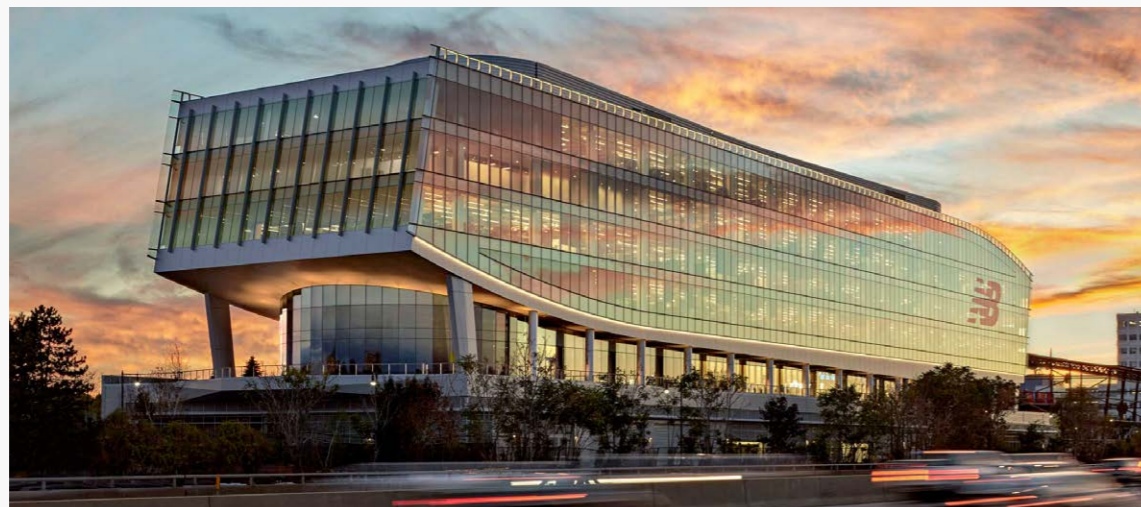
U.S.¹

\$400.9m GVA

2,231 jobs supported

\$99.4m national tax generated³

Our recent investments in the Boston Landing campus have extended our overall economic footprint locally and played a key role in revitalizing the area



The TRACK@newbalance (2024 footprint)



Opened in 2022, the TRACK@newbalance is designed to be the fastest running track in the world and has already set numerous records. The facility can accommodate up to 5,000 spectators for events and has a separate live music venue attached.

This has led to it already becoming an integral part of Boston's athletic and artistic life, hosting events such as the World Athletics Indoor Grand Prix, the New Balance Nationals Indoor Championship and the NCAA Division I Indoor Track and Field Championships.

More than 20 athletic records have been set at the facility, and the complex also hosts sports like basketball, soccer, lacrosse and volleyball. Additionally, the TRACK@newbalance has an on-site sports research lab that enables New Balance to work directly with athletes to create customized products for better performance, further advancing the company's innovation pipeline.

MA¹

\$9.0m GVA

73 jobs supported

\$1.7m tax generated in MA²

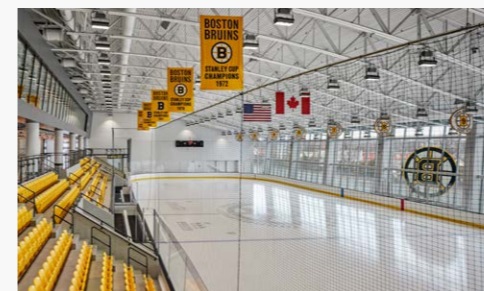
U.S.¹

\$10m GVA

81 jobs supported

\$2m national tax generated³

Warrior Ice Arena (2024 footprint)



The Warrior Ice Arena is the official practice facility of the Boston Bruins. The arena is also open for recreational and community use, hosting college, high school, youth and amateur hockey players in a variety of events and programs throughout the year to reduce the sport's financial and access barriers.

Opened by New Balance in 2016, it currently employs 70 Associates and holds up to 650 spectators.

MA¹

\$9.0m GVA

112 jobs supported

\$1.7m tax generated in MA²

U.S.¹

\$10m GVA

120 jobs supported

\$2m national tax generated³

Advanced manufacturing & our **MADE** Innovation Center

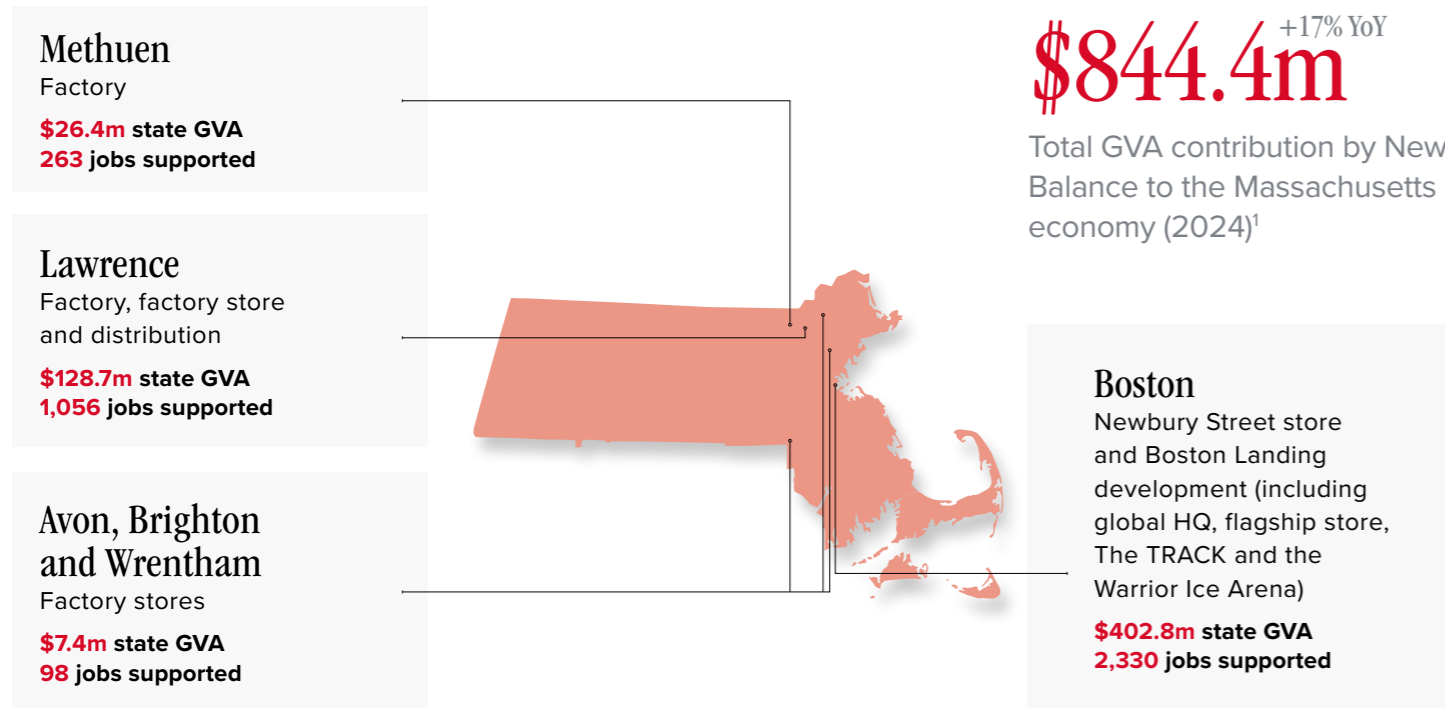
A primary driver behind the investments in our manufacturing plants is improving Associate safety and efficiency. We are developing new capabilities at our newly opened **MADE** Innovation Center in Allston, merging craftsmanship and technology to propel our business operations forward and ensure we are adopting the best possible processes in the coming decades.



Note: 1) Includes direct, indirect, and induced impacts. 2) Tax generated in MA means the total county, state and federal taxes generated within MA through direct, indirect, and induced impacts, not just state taxes. 3) National tax generated means all taxes generated across the U.S. through direct, indirect, and induced impacts, not just federal taxes.

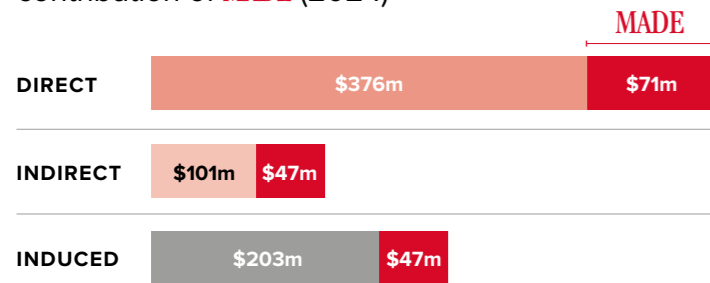
Our economic contribution to Massachusetts

New Balance facilities and their impact in Massachusetts in 2024



\$844.4m ^{+17% YoY}
 Total GVA contribution by New Balance to the Massachusetts economy (2024)¹

New Balance GVA to the Massachusetts economy by impact type, including the contribution of **MADE** (2024)

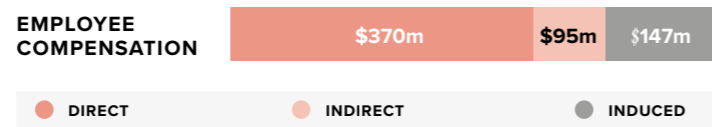


\$209.2m State taxes generated by New Balance in Massachusetts (2024)¹

\$612.9m Employee remuneration supported in Massachusetts (2024)¹

Massachusetts has been our home since William J. Riley founded the New Balance Arch Support Company in the Boston area in 1906. Since its earliest days, the state has been famed for its shoemaking expertise, a tradition New Balance is proud to continue to this day.

Massachusetts is now home to our global headquarters, six New Balance stores, two New Balance footwear factories and a major distribution center, as well as being the state in which we spent the most with **MADE** materials suppliers in 2024 (\$22.2 million). This sprawling footprint means that New Balance has a particularly significant economic impact in the state, which has increased substantially (by 17%) from 2023 to 2024.



County deep-dive: Essex County, MA

New Balance is particularly proud of our role as an anchor employer in our manufacturing towns of Lawrence and Methuen in Essex County. These towns have served as centers for the American textiles industry since the early 19th century and remain an integral part of Massachusetts' shoemaking heritage.

New Balance is now one of the only major companies manufacturing footwear in the area. We remain deeply committed to maintaining and expanding our Massachusetts manufacturing capabilities, driving economic value and supporting employment for the Merrimack Valley where our operations are present.

891 jobs

Total employment supported by **MADE** manufacturing operations in Essex county (2024)¹

\$81.1m

Total GVA contribution of **MADE** manufacturing operations to Essex county (2024)¹

SUPPLIER CASE STUDY

Dela Incorporated, Ward Hill, MA

Since the late 1980s, Dela Inc., a foam components manufacturer, has partnered with New Balance **MADE** to provide laminated textile and foam components designed to enhance the performance and comfort of our athletic footwear.

In 2024, our partnership with Dela continued to grow, contributing to the continued success of their business and helping to sustain high productivity jobs for their employees.

Dela is based in Ward Hill in Haverhill, MA, a city where more than 10% of residents live below the poverty line.² We are proud of the role we play in helping to create a positive impact in Dela's community.



Our strong and enduring partnership with New Balance **MADE** is rooted in mutual values of quality, innovation, sustainability, and a shared commitment to manufacturing in America. Together, we have navigated the challenges of a dynamic industry, working closely to deliver exceptional products that exemplify craftsmanship and excellence.

During the COVID-19 pandemic, our partnership demonstrated its strength and shared sense of purpose. Together, we pivoted to produce masks — not for profit, but to support our community during a time of urgent need while keeping our workforce employed. This effort highlighted the resilience and commitment that define our collaboration.”

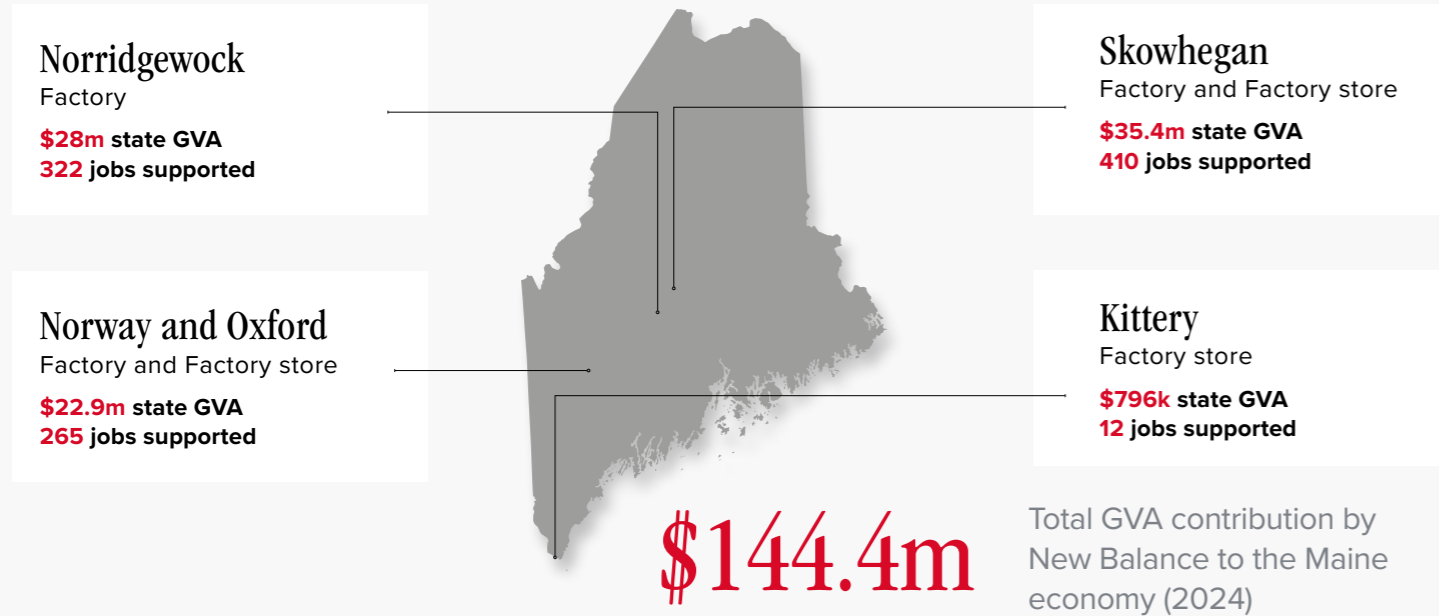
CHARLES J. ABRAMS, CEO, DELA INC.



Notes: 1) Includes direct, indirect, and induced impacts. 2) Source: U.S. Census Bureau.

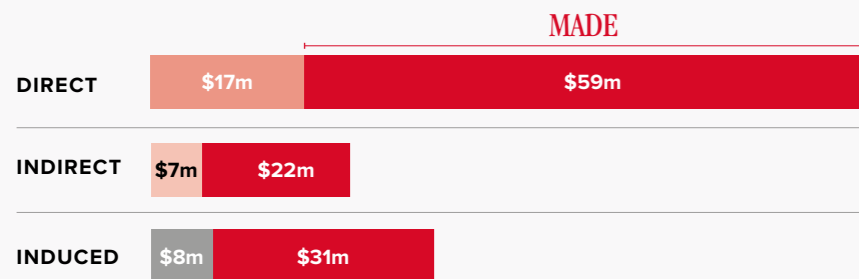
Our economic contribution in Maine

New Balance facilities and their impact in Maine in 2024¹



In 2024, New Balance operated three factories in Maine along with three factory retail stores, proudly employing hundreds of Maine Associates.

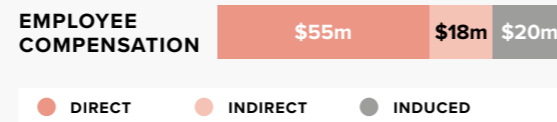
New Balance GVA to the Maine economy by impact type, including the contribution of **MADE** (2024)



\$112.1m
Contribution of **MADE** to the Maine economy (2024)¹

\$47.4m
State taxes generated in Maine by New Balance (2024)¹

\$92.6m
Employee remuneration supported in Maine (2024)¹



Notes: 1) Includes direct, indirect, and induced impacts. 2) Skowhegan and Norridgewock factories are in the process of being consolidated into the expanded Central Maine facility. 3) Includes Central Maine jobs supported and GVA from 2024. 4) Includes impact from all MADE manufacturing operations and investments, including the indirect and induced impact from manufacturing activities outside the county.

Central Maine manufacturing investment

New Balance invested \$65 million to advance a 120,000-square-foot expansion of our Skowhegan factory throughout 2023 and 2024, leading to the creation of our new Central Maine factory for 2025. This expansion showcases our pride in American craftsmanship and the innovation of our Maine Associates, reinforcing our long-term investment in U.S.-based footwear production. The renovated factory's increased production capabilities ensure our economic impact in Maine will endure for many years to come.

\$38.9m

GVA contribution to the Maine economy from our central Maine investment (2024)¹

“American manufacturing has always been at the core of who we are. Our Maine Associates have proven for more than 40 years that high-quality athletic footwear can be produced in the U.S. Our Central Maine factory expansion ensures their skilled craftsmanship will serve the significant U.S. and global demand for our products for generations to come.”

JOE PRESTON, PRESIDENT & CEO, NEW BALANCE

County deep-dive: Somerset County and Oxford County, ME

New Balance is proud of our large contribution in our **MADE** manufacturing towns of Norway (Oxford County) and Skowhegan and Norridgewock (Somerset County).²

Between 2022 and 2024, approximately 500 manufacturing jobs (nearly 1% of the State's total) were lost elsewhere in Maine, but New Balance remains committed to providing specialist employment opportunities in some of the state's most underserved rural communities.

Oxford County^{1,3,4}

\$15.3m

Total GVA contribution by **MADE** manufacturing operations to Oxford county (2024)

203 jobs

Total employment contribution by **MADE** manufacturing operations to Oxford county (2024)

Somerset County^{1,3,4}

\$75.0m

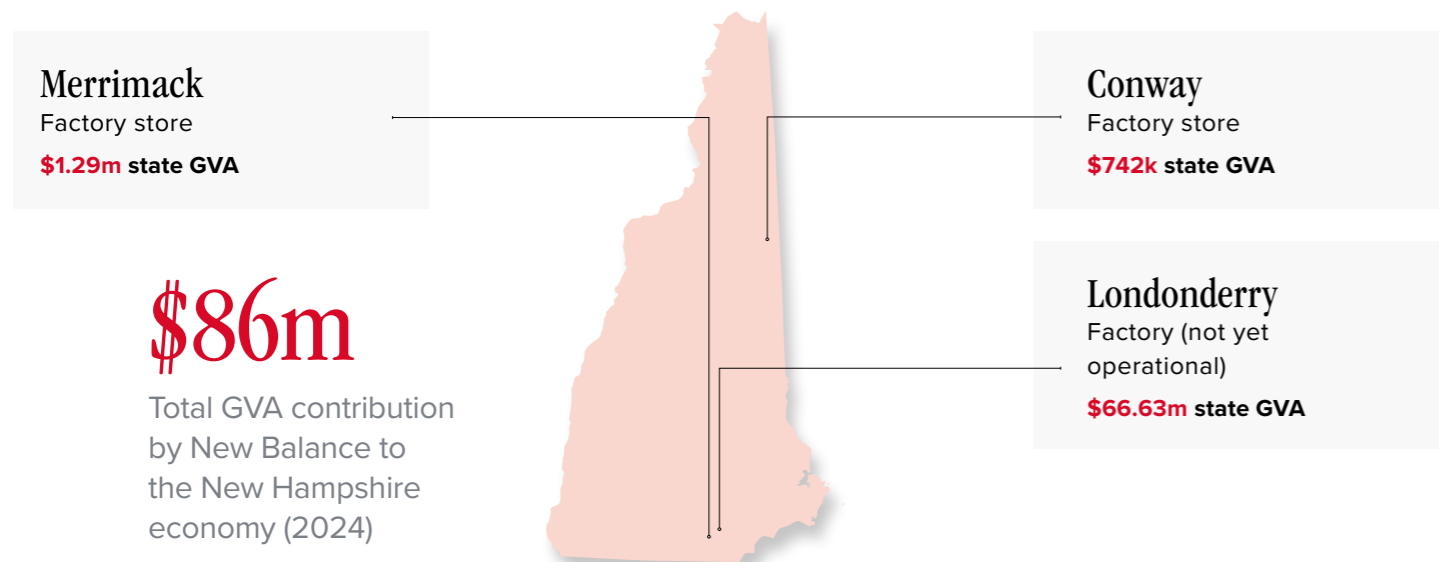
Total GVA contribution by **MADE** manufacturing operations to Somerset county (2024)

951 jobs

Total employment contribution by **MADE** manufacturing operations to Somerset county (2024)

Our economic contribution in New Hampshire

New Balance facilities and their impact in New Hampshire in 2024¹



In late November 2023, New Balance broke ground on our innovative new factory in Londonderry, NH, marking the beginning of our manufacturing presence in the state. Our \$70 million investment in this 102,000-square-foot factory has created significant economic value for New Hampshire during the construction of the factory.

Once the factory begins production in late 2025, it is expected to increase the economic impact of New Balance's ongoing operations in New Hampshire by 65%.⁴

\$70m
Investment in new Londonderry factory (2023-24)¹

\$90.1m
GVA contribution of this investment^{2,3}

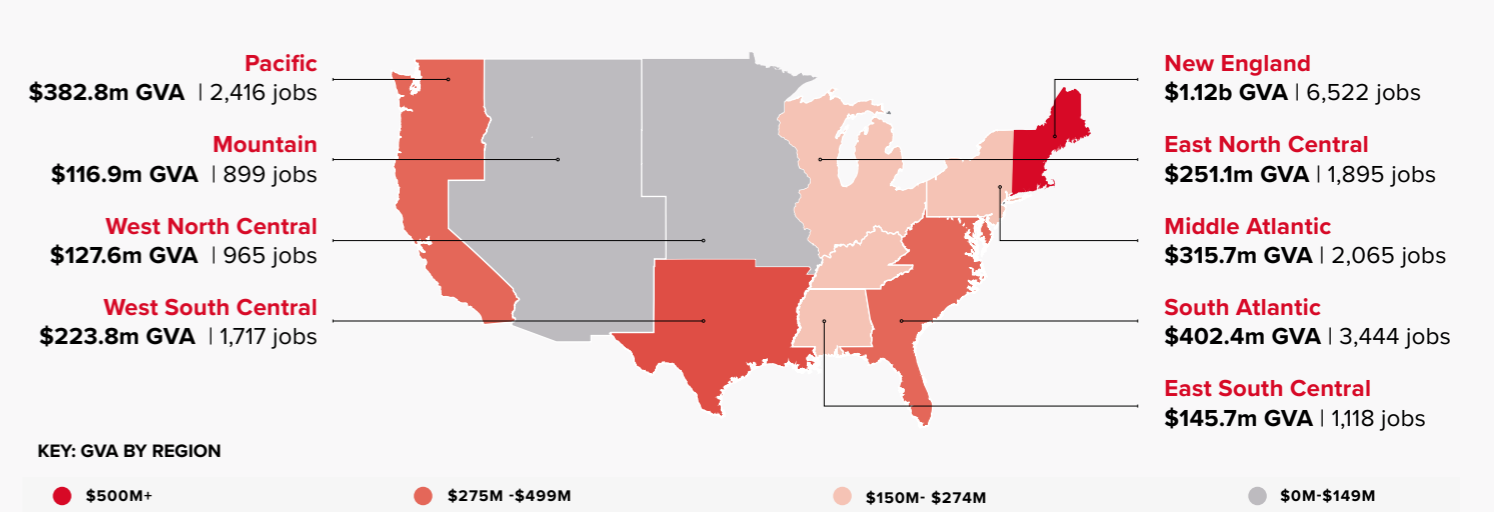
\$168.8m
Expected cumulative **GVA contribution** by the Londonderry factory to the New Hampshire economy over the next decade (2024 - 2033)^{2,3}

\$110.7m
Expected cumulative **employee remuneration** supported by the Londonderry factory to the New Hampshire economy over the next decade (2024 - 2033)^{2,3}

Notes: 1) Includes direct, indirect, and induced impacts. 2) In 2023 USD\$. 3) Baseline includes normal operations (e.g., stores and other retail activities) but does not include the impact of investment in the new factory at Londonderry, i.e. this is the GVA without any investment in the new factory in Londonderry. 4) Impact driven by investment in new manufacturing facility only, with no normal factory operations.

Our 2024 impact by region

New Balance's impact by region and state in 2024



Top 10 states by New Balance Gross Value Added (2024)²

	STATE	GVA ⁶	JOBS		STATE	GVA	JOBS
1	Massachusetts	\$844.4m	5,402	6	Florida	\$140.3m	1,233
2	California	\$280.6m	1,753	7	Tennessee	\$95.5m	694
3	Texas	\$175.0m	1,322	8	New Hampshire	\$86.0m	819
4	New York	\$174.4m	988	9	Pennsylvania	\$78.1m	617
5	Maine	\$144.4m	1635	10	Illinois	\$77.5m	547



Notes: 1) Includes direct, indirect, and induced impacts. 2) This list is not exhaustive and may include materials and components sourced from outside the U.S. 3) Location of company headquarters. 4) Employee headcounts are approximate. 5) Amount spent by New Balance. 6) Includes direct, indirect, and induced impacts.

Appendix: Methodology, Data Sources, Definitions

This Appendix sets out the methodology used in this report and discusses the data sources used to derive or estimate New Balance's impact on the U.S. economy. It describes the use and adjustment of the IMPLAN model to capture a complete estimate of New Balance's overall impact, measured in terms of Gross Value Added (GVA), employment, employee compensation, and tax contributions generated.

Input-output economic modelling

This study was conducted using an economic modeling technique called input-output (I-O) analysis, leveraging the IMPLAN model. IMPLAN is a leading economic modeling platform used to analyze how organizational activities, ranging from operations and employment to manufacturing investment and local spending, affect broader economic systems.

Based on the chains of buy-sell relationships in an economy and utilizing U.S. federal government data, the IMPLAN model uses input-output tables to examine the connections between various industries and calculate the ripples of economic activity which result from an organization's activities.

This enables the quantification of economic impacts generated by a specific set of activities within a given region and period of time.

For this study, we predominantly quantified the impact of New Balance's U.S. operations in 2023 and 2024, with an additional focus on their operations in three key states in New England (Massachusetts, Maine, and New Hampshire) as well as selected counties (Essex, Somerset, and Oxford) within these states.

Data sources

Data on employment numbers, employee compensation, supplier spending, company financials and investment values provided by New Balance were used to estimate New Balance's economic impacts in its various areas of operation.

This includes activities in manufacturing, distribution, retail (including wholesale), office operation, research and development, construction, charitable donations (including via the New Balance Foundation) and sporting facilities. The employment data used includes both full-time and part-time workers, while employee compensation incorporates wages, salaries and benefits.

Federal government data on industry, commodity and household spending (including industry output, labor and foreign and U.S. imports by commodity) was also utilized in this study to benchmark and provide additional inputs to improve the accuracy of the overall results. Most of the modeling was conducted using the Industry Impact Analysis (Detailed) input types, which allows the application of New Balance's operating data, tailoring the analysis for New Balance's operations and maximizing the accuracy of the results.

Employment figures were provided by New Balance for all modeled activities excluding third-party retail, construction, New Balance's e-commerce operations and charitable donations.

Employment compensation figures were also provided for New Balance's manufacturing and overall U.S. operations. The remaining employment inputs were derived using Federal government data held by IMPLAN, with minor adjustments to the estimated employee compensation of New Balance's office workforce¹ to ensure an accurate estimation of New Balance's U.S. economic impact.

Data on the net sales received by New Balance from its different sales channels (including New Balance retail and e-commerce operations, and third-party wholesale) were used to estimate the output from different aspects of its operations, including its retail sales within each U.S. state.

Estimates for most of the indirect and induced economic impacts from New Balance's operations and downstream sales were derived through IMPLAN based on federal government data. The exception is for New Balance's U.S. manufacturing activities, where supplier data provided by New Balance was used to generate results that accurately demonstrate the indirect impacts of manufacturing on local and national economies.

Modeling approach & key assumptions

Impacts generated by third-party activities from the sale of New Balance products are modeled in addition to New Balance's own retail activities.

These are aggregated to count toward New Balance's direct impacts, as they represent downstream economic activities that are directly dependent on New Balance's operations.

Inputs for these activities utilize gross margins assumed from IMPLAN's commodity trading averages for physical stores and e-commerce, respectively, as well as employee information for the relevant industries in each U.S. state.

New Balance's third-party and e-commerce sales per capita are assumed to be constant across the country, reflecting the business' global scale and presence.

While much of New Balance's overall trading activities would take place at the headquarters, modeling as such would disproportionately underestimate the values leaked into the local economies from New Balance's non-headquarter operations and sites.

Therefore, this study utilizes IMPLAN's commodity margin data and New Balance's revenue data to estimate the total output for New Balance's retail (including wholesale), e-commerce and manufacturing operations in each U.S. state.

The remaining modeling outputs are derived using federal government data held by IMPLAN and estimated or provided employment inputs for each of New Balance's activities, with minor adjustments to the estimated output of its office sites¹ to ensure a more accurate representation of its U.S. impact.

The inputs and output from New Balance's total U.S. manufacturing operations have been assigned to its **MADE** factories according to their respective employee headcounts, allowing an estimation of the individual factories' economic impact at a national, state and county level.

New Balance has provided the anticipated headcount of its Londonderry factory (which is currently under construction). This data has been combined with the per-employee inputs and output from New Balance's existing U.S. manufacturing operations and expectations on the Londonderry plant's productivity² to estimate its future economic impact, with a focus on the GVA in the New Hampshire region.

Notes: 1) The estimated output of New Balance's office sites has been marginally adjusted to match its residual U.S. revenue after its retail and wholesale revenue is excluded.
2) It is assumed that all factory inputs (excluding employee compensation) and output on a per-employee will be 25% higher for the Londonderry factory when compared to New Balance's existing U.S. manufacturing operations, due to an increased use of technology and automation at the site.

Appendix: Methodology, Data Sources, Definitions

Regional analysis

To estimate the national and state-level impacts of New Balance's U.S. operations, we have used an IMPLAN Multi-Regional Input-Output analysis with the modeled regions representing each U.S. state. This analysis type incorporates the dispersion of an economic event's impact into the surrounding area to account for additional local effects and involves assigning events to the region in which the activity occurs.

To estimate the county-level impacts of New Balance's U.S. manufacturing operations and investments, we have utilized a similar IMPLAN Multi-Regional Input-Output analysis with the modeled regions representing the counties within New England' and factory spending events assigned to the county in which the activity occurs.

MADE modeling and definitions

Throughout this report, we refer to the impact of **MADE**. At its broadest, **MADE** refers to New Balance's commitment to U.S. manufacturing and supply chains.

We refer to **MADE** U.S. suppliers (U.S.-based suppliers providing materials, components and other inputs for **MADE** products); **MADE** factories (New Balance-owned factories in the U.S.); **MADE** manufacturing Associates (those employed in **MADE** factories); and New Balance's **MADE** in USA product line (products made or assembled by New Balance in the U.S. and containing a U.S. value of 70% or more).

To model the impact of **MADE**, we have analyzed its impact across New Balance's areas of operation, including suppliers, manufacturing, distribution, retail, investment and offices, and quantified the impact at each stage of operation.

Impact metrics

This report considers New Balance's impact on the U.S. economy, where impact refers to the economic activities generated by New Balance's operations. Therefore, when we refer to New Balance's impact, we use terms such as 'employment supported,' 'employee remuneration supported,' and 'tax generated.' Equally, all uses of GVA in this report should be in reference to the impact generated by New Balance's operations and investments.

The standard metrics for this type of analysis are: 1) GVA, defined according to IMPLAN's National Income Approach as a measurement of Gross U.S. Product, or 2) the sum of income generated by an organization or activity within a given region and given period of time. It is a measure of the value that organizations or activities add to the goods and services they buy and sell and is calculated by subtracting the cost of intermediate inputs from the value of an organization or activity's outputs.

For manufacturers, output value is sales plus or minus any change in inventory. For retail sales and wholesale, output value is the: 1) gross margin on the final product delivered to consumers or other organizations;

2) employment, measured in terms of employment headcount or number of jobs supported; 3) employee compensation, defined in IMPLAN as labor income, and including salaries, wages, and other benefits; 4) tax, including federal, state, county, and sub-county taxes.

Types of impact

Input-output analyses consider three types of impact: direct, indirect and induced. The sum of these types of impact is equal to total impact.

Direct impact measures the effects generated by New Balance's operations and the sale of its products. This includes the sale of New Balance products by third parties.

Indirect impact measures the effects of business-to-business purchases by New Balance from its suppliers at all stages of value creation. This also includes the business-to-business purchases made by third-party retailers selling New Balance products to the extent to which they are attributable to New Balance.

Induced economic impact measures the effects of employee remuneration being spent by New Balance Associates, and the employees supported directly and indirectly by New Balance's operations.

Additional notes

This report uses 2022 IMPLAN data to maintain consistency across 2023 and 2024 analyses. IMPLAN's built-in deflators are used to convert nominal USD\$ into real 2023 or 2024 USD\$, depending on the year of operations being analyzed.

All forward-looking estimates are presented in 2024 USD\$ to demonstrate New Balance's total impact over time, using 2024 as a reference year.

This report demonstrates New Balance's gross impact. As such, it does not consider any potential displacement from New Balance's peers, nor any potential resource redeployment in New Balance's absence.

New Balance commissioned Teneo to conduct this economic and social footprint report.



new balance