Foot Locker, Inc.

Fiscal Year 2021

Delivering on Our Purpose Responsibly

IMPACT REPORT
Our **PURPOSE** is to **INSPIRE** and **EMPOWER**

**YOUTH CULTURE**

around the world by fueling a shared passion for self-expression and creating unrivaled experiences at the heart of the global sneaker community.
As a leading global retailer of athletically-inspired shoes and apparel, we are a house of brands and work with many branded and proprietary vendors.

This is our second Impact Report, which highlights the ESG topics that we deem as the highest priorities to our organization. These topics drive our global strategy, which demonstrates our commitment to making decisions that are good for the communities we serve and the environment, as well as our business. This Impact Report has been prepared in alignment with SASB and TCFD reporting standards and covers our global operations for FY21.

We believe that we have a unique opportunity and a responsibility to use our expertise, knowledge, and capabilities to help address the world’s most pressing ESG challenges.

Throughout this report, we highlight the four ways in which we deliver on our PURPOSE responsibly: Leveraging the Power of Our People and Communities; Strengthening the Sustainability of Our Supply Chain; Managing and Reducing Our Environmental Impacts; and Operating Ethically and Transparently.

We view reporting as an ongoing process and expect our public disclosures to continue to evolve. We invite your feedback on the contents of this Impact Report, as well as our approach to reporting, at esg@footlocker.com. For additional information, please visit investors.footlocker-inc.com/impactreport.

Foot Locker, Inc. (NYSE: FL) leads the celebration of sneaker and youth culture around the globe through a portfolio of brands, including Foot Locker, Kids Foot Locker, Champs Sports, atmos, WSS, and Sidestep, including approximately 2,800 operated stores, as well as websites and mobile apps, in 28 countries (excluding countries where all stores are operated by license partners) across North America, Europe, Asia, Australia, and New Zealand, in addition to 142 licensed stores in the Middle East and Asia.
## Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined Terms</td>
<td>3</td>
</tr>
<tr>
<td>Forward-Looking Statements</td>
<td>4</td>
</tr>
<tr>
<td>Message from Our Chairman and CEO</td>
<td>5</td>
</tr>
<tr>
<td>Independent Accountants' Review Report</td>
<td>7</td>
</tr>
<tr>
<td>Our ESG Strategy</td>
<td>9</td>
</tr>
<tr>
<td>Dashboard</td>
<td>12</td>
</tr>
<tr>
<td><strong>People</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Supply Chain</strong></td>
<td></td>
</tr>
<tr>
<td>Strengthening the Sustainability of Our Supply Chain</td>
<td>37</td>
</tr>
<tr>
<td>Protecting Human Rights</td>
<td>38</td>
</tr>
<tr>
<td>Supplier Sustainability and Engagement</td>
<td>39</td>
</tr>
<tr>
<td>Establishing Our Expectations</td>
<td>39</td>
</tr>
<tr>
<td>Verifying Suppliers</td>
<td>40</td>
</tr>
<tr>
<td>Sustainable Materials</td>
<td>41</td>
</tr>
<tr>
<td>Chemicals Management</td>
<td>42</td>
</tr>
<tr>
<td>Water Stewardship</td>
<td>42</td>
</tr>
<tr>
<td>Transportation System Efficiency</td>
<td>43</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td></td>
</tr>
<tr>
<td>Managing and Reducing Our Environmental Impacts</td>
<td>44</td>
</tr>
<tr>
<td>Energy Conservation and Climate Stewardship</td>
<td>45</td>
</tr>
<tr>
<td>Charting a Net Zero Future</td>
<td>45</td>
</tr>
<tr>
<td>Understanding and Reducing Our Emissions</td>
<td>46</td>
</tr>
<tr>
<td>Sustainability In-Store and Beyond</td>
<td>47</td>
</tr>
<tr>
<td>Understanding Our Climate-Related Risks and Opportunities</td>
<td>49</td>
</tr>
<tr>
<td>Reducing Waste and Encouraging Reuse</td>
<td>50</td>
</tr>
<tr>
<td><strong>Transparency</strong></td>
<td></td>
</tr>
<tr>
<td>Operating Ethically and Transparently</td>
<td>51</td>
</tr>
<tr>
<td>Governance</td>
<td>52</td>
</tr>
<tr>
<td>Governance Framework</td>
<td>54</td>
</tr>
<tr>
<td>Stakeholder Engagement</td>
<td>55</td>
</tr>
<tr>
<td>Internal Audit</td>
<td>56</td>
</tr>
<tr>
<td>Risk Management</td>
<td>58</td>
</tr>
<tr>
<td>Ethics and Compliance</td>
<td>58</td>
</tr>
<tr>
<td>Data Security</td>
<td>59</td>
</tr>
<tr>
<td>Political Contributions and Public Advocacy</td>
<td>60</td>
</tr>
<tr>
<td>Reference Tables</td>
<td>61</td>
</tr>
<tr>
<td>A. SASB–Apparel, Accessories, and Footwear</td>
<td>62</td>
</tr>
<tr>
<td>B. SASB–Multiline and Specialty Retailers, and Distributors</td>
<td>63</td>
</tr>
<tr>
<td>C. TCFD Framework</td>
<td>65</td>
</tr>
<tr>
<td>Notes on GHG Emissions Inventory</td>
<td>66</td>
</tr>
<tr>
<td>Supplemental Key Metrics and Criteria</td>
<td>73</td>
</tr>
<tr>
<td>Helpful Resources</td>
<td>75</td>
</tr>
<tr>
<td>Looking Forward</td>
<td>76</td>
</tr>
</tbody>
</table>
Defined Terms

**Annual Report** Form 10-K for the fiscal year ended January 29, 2022

**APAC** Asia Pacific

**BIPOC** Black, Indigenous, and People of Color

**Board** Board of Directors

**B.U.I.L.D.** Blacks United in Leadership and Development

**CANDE** Candidate Experience

**CBP** U.S. Customs and Boarder Protection

**CCPA** California Consumer Privacy Act

**CDP** Carbon Disclosure Project

**CDP Report** 2021 CDP Report

**COBC** Code of Business Conduct

**Company/Foot Locker** Foot Locker, Inc.

**CPSIA** Consumer Product Safety Improvement Act

**CTPAT** Customs-Trade Partnership Against Terrorism Program

**DEI** Diversity, Equity, and Inclusion

**DIBs** Diversity, Inclusion, and Belonging Strategy

**DIBs Index** Team Member Engagement DIBs index

**ELT** Executive Leadership Team

**EMEA** Europe, Middle East, and Africa

**EPA** U.S. Environmental Protection Agency

**ERG** Employee Resource Group

**ERM** Enterprise Risk Management

**ESG** Environmental, Social, and Governance

**ESG Leadership Team** a global cross-functional team with representation from Human Resources, Legal, Procurement, Product, Real Estate, Utilities, Sourcing, Supply Chain, and Internal Audit

**FDRA** Footwear Distributors and Retailers of America

**FEM** Facility Environmental Module

**Finance Committee** Finance and Investment Oversight Committee

**Foundation** Foot Locker Foundation, Inc.

**FSC** Forest Stewardship Council

**FY15** Fiscal year ended January 30, 2016

**FY18** Fiscal year ended February 2, 2019

**FY19** Fiscal year ended February 1, 2020

**FY20** Fiscal year ended January 30, 2021

**FY21** Fiscal year ended January 29, 2022

**FY22** Fiscal year ended January 28, 2023

**GDPR** General Data Protection Regulation (EU)

**GHG** Greenhouse gas

**GSG** Global Sourcing Guidelines

**GTS** Global Technology Solutions

**HBCU** Historically Black Colleges and Universities

**HiPo** High Potential, a talent designation for the top level talent in the Company

**Human Capital Committee**

**HVAC** Heating, Ventilation, and Air Conditioning

**IT** Information Technology

**IPI** Key Performance Indicator

**LGBTQ+** Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, and others

**LISC** Local Initiatives Support Corporation

**NACD** National Association of Corporate Directors

**NMSDC** National Minority Supplier Development Council Inc.

**NPS** National Promoter Score

**NYSE** New York Stock Exchange

**ORC** Organized Retail Crime

**OSHA** Occupational Safety and Health Administration

**POC** People of Color

**PII** Personally Identifiable Information

**Proxy Statement** 2022 Proxy Statement

**Proxy Statement** 2022 Proxy Statement - Nominating and Corporate Responsibility Committee

**RILA** Retail Industry Leaders Association

**RNG** Renewable Natural Gas

**SASB** Sustainability Accounting Standards Board

**SBTI** Science-Based Target initiative

**SEC** U.S. Securities and Exchange Commission

**SME** Small and medium-sized enterprise

**TCFD** Task Force on Climate-related Financial Disclosures

**TENIS** Latinx Empowerment Network in Sneakers

**UNCF** United Negro College Fund

**YoY** Year-over-Year
Forward-Looking Statements

This Impact Report contains forward-looking statements within the meaning of the U.S. securities laws. Other than statements of historical facts, all statements that address activities, events, or developments that the Company anticipates will or may occur in the future, including, but not limited to, statements regarding ESG and other business plans, initiatives, and objectives, are forward-looking statements. These forward-looking statements are based on many assumptions and factors, which are detailed in the Company’s filings with the SEC.

These forward-looking statements are based largely on our expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond our control. For additional discussion on risks and uncertainties that may affect forward-looking statements, see “Risk Factors” disclosed in the Annual Report and subsequent filings with the SEC. Any changes in such assumptions or factors could produce significantly different results. The Company undertakes no obligation to update forward-looking statements, whether as a result of new information, future events, or otherwise. Website references throughout this Impact Report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this Impact Report.
Message from Our Chairman and CEO

Our **PURPOSE** is to inspire and empower youth culture around the world by fueling a shared passion for self-expression and creating unrivaled experiences at the heart of the global sneaker community.

The call to focus on a broader group of stakeholders—stakeholder capitalism—reached a crescendo in recent years, with leaders recognizing that business as usual is no longer an option. One of the most meaningful ways in which we deliver on our **PURPOSE** is integrating ESG considerations across all areas of our business. Delivering for stakeholders expands how we define our impact to include positive outcomes for our team members, the communities we serve, our customers, suppliers, shareholders, and the planet. We have woven this holistic mindset into all facets of our business to achieve our goals while also creating long-term value for all stakeholders.

Last year, we published our inaugural Impact Report, which highlighted our progress toward identifying and understanding the ESG aspects that influence, and are influenced by, our business. These aspects are dynamic, and over the last year, our team members, communities, customers, suppliers, and landlords have continued to operate in a world of tremendous, and in many ways unprecedented, change.

On behalf of our nearly 50,000 team members and their incredible efforts, I am proud to share with you our FY21 Impact Report. Understanding that our ESG work is truly a journey, we are committed to identifying opportunities and continuing progress through establishing meaningful disclosures and goals that are important to our Company and benefit our stakeholders. Our commitment to our stakeholders goes beyond selling great athletic footwear and apparel. Our goal of delivering shareholder value must not come at the expense of our obligation to reduce our environmental footprint, nor can our passion for always putting our customers first diminish our ability to support and further develop our communities.

Since publishing our inaugural Impact Report last year, we have engaged with stakeholders, embraced feedback, positively evolved, and doubled down on our drive to be an even more transparent and responsible corporate citizen. In this report, you will find that we continue to make decisions and significant investments in support of our stakeholders. Despite our progress, investments, and accomplishments outlined in this report, there will always be room for us to do more, and we will not rest on our past performance, but rather use it as a springboard for further evolution and growth.

Over the past year, we have all witnessed great progress. The world has made significant strides learning to live with and manage COVID-19; social justice movements continue to strengthen; team members navigate a new flexible work-life balance between home and office; and renewed calls are being made for global emission reductions. We recognize the significant impact that our decisions and efforts can have in effecting positive change on these key societal challenges. As such, both management and our Board have established ESG as a priority for the Company. We are pleased to share our FY21 Impact Report, which details our priority initiatives during this period and our performance on key ESG matters.
From working toward a path to Net Zero, to strengthening health and education systems, to partnering on strategies to increase diversity and inclusion, we share some of the ways we are serving our stakeholders on some of the world’s most important challenges.

As we now passed the second anniversary of our LEED commitment to support the Black community, I am particularly proud to share some of our key accomplishments that we have achieved in the first two years through our pledge to invest $200 million over five years:

- Launched “open-to-buy program,” including over $17 million invested in Black-owned brands and creators;
- Enrolled nearly 100 team members in McKinsey & Company’s Black Leadership Academy, a development and mentorship program;
- Invested in seven Black-owned venture capital firms that invest in startups with diverse ownership;
- Granted $3 million through LISC to 16 community organizations focused on advancing equity for POC;
- Created an opportunity for underrepresented voices in the footwear industry through the “Designing with Sole” program powered by PENSOLE™ and New Balance;
- Expanded our team member scholarship program to 30 recipients; and
- Created pathways for over 70 POC to work in our corporate offices through our BRIDGE internship program.

We recently made our strongest environmental pledge to date. Unabated climate change presents risks for our business, industry, and society, but through active climate stewardship, we can unlock opportunities to innovate and strengthen our relationships with our stakeholders. We have an ambition to achieve Net Zero GHG emissions by 2050 or sooner, in alignment with climate scientists’ recommendations to transition toward a Net Zero state and avoid the worst impacts of climate change, and we will set a science-based target in line with the criteria established by the SBTi.

I could not be more proud of Foot Locker’s ability to balance record performance in FY21 with continued progress on our path toward a more sustainable future, and I look forward to continuing to strive for progress in these critical areas in the years ahead.

The stories in this report remind me of the way we brought our PURPOSE to life in the past year, renewing my optimism for what’s possible when we are confronted by unprecedented challenges and respond with the best of our skills—and spirit. I hope they are similarly inspiring for you.

“Let’s Continue to Do great things Together”

Richard A. Johnson
(he/him/his)
Chairman and CEO
Independent Accountants’ Review Report

Board of Directors and Management:
Foot Locker, Inc.

We have reviewed the FY21 metrics identified with the symbol “*” (the Selected Metrics) included in the accompanying Dashboard on page 12 of the Foot Locker, Inc. Fiscal Year 2021 Impact Report (Impact Report). Foot Locker’s management is responsible for presenting the Selected Metrics in accordance with the criteria set forth in the Supplemental Key Metrics and Criteria (the Criteria) on pages 73 and 74 of the Impact Report. Our responsibility is to express a conclusion on the Selected Metrics based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Selected Metrics in order for it to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether the Selected Metrics are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures we performed were based on our professional judgment and consisted primarily of inquiries of management to obtain an understanding of the methodology and inputs used in deriving the Selected Metrics, recalculating the Selected Metrics based on the methodology and inputs identified by management, and performing certain analytical procedures.

As described in Note 1, environmental and energy use data used in greenhouse gas (GHG) emissions calculations are subject to inherent limitations, given the nature and methods used for measuring such data. Obtaining sufficient appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the data. The selection by management of a different but acceptable measurement techniques could have resulted in materially different measurements.

Our review was limited to the Selected Metrics noted with the symbol “*”. Accordingly, we do not express a conclusion or any other form of assurance other than on the Selected Metrics with the symbol “*” on page 12.

Based on our review, we are not aware of any material modifications that should be made to the Selected Metrics identified with the symbol “*” included in the accompanying Dashboard on page 12 of the Impact Report in order for them to be in accordance with the criteria as set forth in the Supplemental Key Metrics and Criteria on pages 73 and 74 of the Impact Report.

New York, New York
August 24, 2022
Our PURPOSE
To inspire and empower youth culture

Our MISSION
To fuel a shared passion for self-expression

Our VISION
To create unrivaled lifestyle experiences for our customers

Our POSITION
To be at the heart of the sport and sneaker communities
Our ESG Strategy

Management and our Board understand that how we achieve our PURPOSE is just as important as what results we achieve. We have long established ESG as a priority for the Company and are continuing to improve the environmental and social impacts of our business, measure the impacts we are making, and communicate with and drive accountability to our stakeholders. Our global ESG strategy is focused on four pillars:

1. Leveraging the Power of Our People and Communities
2. Strengthening the Sustainability of Our Supply Chain
3. Managing and Reducing Our Environmental Impacts
4. Operating Ethically and Transparently

We Strive for CONTINUOUS IMPROVEMENT

Each of our initiatives is aligned under one of these four pillars. Leaders across our business consider all four pillars and evaluate our workforce, operations, products, and partners to identify opportunities for continuous improvement and innovation.

Prioritization Assessment

In FY21, we refreshed our ESG issue prioritization assessment to reconsider the highest priority issues for our Company and our stakeholders. The assessment included extensive engagement with our leadership team, industry benchmarking, and consideration of emerging global regulations and disclosure topics and metrics recommended by the SASB and TCFD reporting standards and supporting guidance.

Our resulting highest priority issues for FY21 are presented in the matrix below. Additional detail on each of our activities and initiatives towards management of each these aspects is presented in this report.

ESG Issue Prioritization Matrix
Strategic Alignment

ESG is embedded in our ability to achieve our four organizational strategic imperatives:

- Elevate the Customer Experience
- Invest for Long-Term Growth
- Drive Productivity
- Leverage the Power of Our People

Board Oversight

Our Board is actively engaged in overseeing our priority ESG issues and ongoing endeavors to make continuous positive impacts in these areas.

Each of the charters for the Committees of our Board outlines the Committee’s relevant ESG oversight responsibilities:

- Audit Committee Charter
- Finance Committee Charter
- Human Capital Committee Charter
- Responsibility Committee Charter

To learn more about our Board’s oversight of ESG, see Operating Ethically and Transparently beginning on page 51.

Policies and Statements

We convey our guiding principles and expectations for our operations and our partners through the following publicly-available policies and guidelines that we continue to develop and refine each year:

- Anti-Corruption Policy
- Code of Business Conduct
- Conflict Minerals Policy
- Corporate Governance Guidelines
- Global Environmental and Climate Change Statement
- Global Human Rights Statement
- Global Occupational Health and Safety Statement
- Global Sourcing Guidelines
- Global Water Stewardship Statement

To access each of the policies and statements above, see Helpful Resources on page 75.
**Metrics and Goals**

The nature of our business directs us to consider qualitative and quantitative disclosures and metrics from two SASB industry standards: (1) Apparel, Accessories, and Footwear, and (2) Multiline and Specialty Retailers, and Distributors. Disclosures from both standards have been included in this report based on (1) sector-specific guidance provided by SASB’s Sustainable Industry Classification System, and (2) an assessment of our business and ESG issues.

In addition to the SASB metrics, we also measure and monitor relevant metrics from GHG Protocol and the TCFD and CDP climate reporting frameworks, questions received from stakeholders, and our own internal operational and value chain KPIs.

To learn more about certain KPIs we consider to be important to our business, see the Dashboard on page 12.

We have established goals for our ESG metric, NPS. Our NPS results, which inform the strength of our customer engagement, have been incorporated into the annual incentive compensation plan metrics for our executives since FY20. To learn more about key features of our NPS and further discussion about its integration into executive compensation, see NPS on page 21.

In addition, since FY20, we have also maintained an organizational DIBs goal within our performance management process. The DIBs goal includes four elements: DIBs index score from engagement survey, workforce make-up, succession readiness, and successfully completing quarterly DIBs learning series. Evaluation against this metric impacts the team member’s overall performance score and has a direct impact on the team member’s annual bonus (if eligible) and merit increase. To learn more about our DIBs, see DIBs on page 32.

We are also in the process of developing short-term and long-term emission reduction targets for our organization. We will continue to evaluate these topics in the future and our disclosures may evolve over time. To learn more about the SASB and TCFD disclosure standards, see the Reference Tables beginning on page 61.

**Acting Responsibly**

We are committed to managing our Company responsibly. We bring this commitment to life through our mission and values, our Code of Business Conduct, and our policies and practices related to the environment and climate change, human rights, health and safety, water stewardship, sourcing, conflict minerals, anti-corruption, and corporate governance.

**Raising Our Ambitions**

The challenges of FY21 illustrate just how vital and interconnected social and environmental issues are, and the critical role that business can play in building a more sustainable and inclusive society. To that end, we continue to seek ways to raise our ambitions and harness our capabilities to deliver positive societal impact. For example, we are actively expanding how we define impact to include positive outcomes for all stakeholders—our team members, the communities we serve, our customers, suppliers, shareholders and the planet. Last year, we collectively committed and paid $50 million in support of our LEED initiative. We also set an ambition to achieve Net Zero GHG emissions by 2050 or sooner, signaling our commitment to contribute to a more sustainable society and to increase transparency and accountability. To meet the rising expectations of our stakeholders, we continue to expand our public commitments to managing our Company responsibly.

**We believe that ESG directly supports long-term value creation**

Effective management of ESG can

- Create new sources of revenue
- Increase operational efficiency and reduce costs
- Drive innovation in products
- Reduce negative externalities
- Improve resilience to sources of disruption
- Improve understanding of stakeholder expectations to increase trust
We consider these KPIs as drivers of change for our business, value chain, and the communities we serve. In FY21, we continued to focus on sustained performance and positive continuous improvement against these metrics, and for the first time, third-party independent limited assurance was obtained for certain metrics presented for the FY21 period.

To learn more about the third-party independent limited assurance, see Independent Accountants’ Review Report on page 7.

<table>
<thead>
<tr>
<th>ESG pillar</th>
<th>Impact area</th>
<th>KPI</th>
<th>FY20 result</th>
<th>FY21 result</th>
<th>YoY trend</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leveraging the Power of Our People and Communities</strong></td>
<td>Attract, retain, and develop diverse talent</td>
<td>DIBs index&lt;sup&gt;1&lt;/sup&gt;</td>
<td>88%</td>
<td>83%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Executive success readiness population within next 12 months&lt;sup&gt;2&lt;/sup&gt;:</td>
<td>a) women (global)</td>
<td>33%</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) POC&lt;sup&gt;3&lt;/sup&gt; (U.S.)</td>
<td>34%</td>
<td>39%</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gender and racial representation of workforce</td>
<td>a) women (global)</td>
<td>49%</td>
<td>49%&lt;sup&gt;*&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) POC&lt;sup&gt;3&lt;/sup&gt; (U.S.)</td>
<td>85%</td>
<td>86%</td>
<td>86%</td>
<td></td>
</tr>
<tr>
<td><strong>Enhance the lives of our Black team members and community through $200 million LEED investment</strong></td>
<td>Economic development and education initiatives (committed)</td>
<td></td>
<td>$3.9 million</td>
<td>$50.0 million</td>
<td></td>
</tr>
<tr>
<td><strong>Create unrivaled lifestyle experiences for our customers</strong></td>
<td>Net Promoter Score&lt;sup&gt;4&lt;/sup&gt;</td>
<td></td>
<td>36.7%</td>
<td>106.7%&lt;sup&gt;*&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Strengthening the Sustainability of Our Supply Chain</strong></td>
<td>Actively manage our environmental impacts and risks across our supply chain</td>
<td>Global average shipping miles per package&lt;sup&gt;5&lt;/sup&gt;</td>
<td>826 miles&lt;sup&gt;6&lt;/sup&gt;</td>
<td>818 miles&lt;sup&gt;*&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Managing and Reducing Our Environmental Impacts</strong></td>
<td>Achieve Net Zero emissions by 2050 or sooner&lt;sup&gt;9&lt;/sup&gt;</td>
<td>Scope 1 emissions (tCO₂e)</td>
<td>6,588</td>
<td>5,775&lt;sup&gt;*&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scope 2 emissions (tCO₂e) – Location Based</td>
<td>76,471</td>
<td>85,893&lt;sup&gt;*&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scope 2 emissions (tCO₂e) – Market Based</td>
<td>65,839&lt;sup&gt;7&lt;/sup&gt;</td>
<td>69,292&lt;sup&gt;*&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Energy usage per gross square foot (kwh/ft²)&lt;sup&gt;8&lt;/sup&gt;</td>
<td>19.2</td>
<td>15.3&lt;sup&gt;*&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Operating Ethically and Transparently</strong></td>
<td>Integrate ESG risks and opportunities into business practices and enhance public disclosure</td>
<td>ESG strategy and public disclosure</td>
<td>Published inaugural FY19-20 Impact Report</td>
<td>Obtained third-party Independent Accountants’ Review Report for certain Dashboard metrics for FY21</td>
<td></td>
</tr>
</tbody>
</table>

---

1 Represents total number of favorable responses (Strongly Agree and Agree) to DIBs-related questions included in our annual team member engagement survey, divided by the total number of responses.
2 Calculation methodology change in FY21, as a fourth question was added to the DIBs Index.
3 Includes all persons who have self-identified as a POC. Information on Team Member race and ethnicity is only requested and retained for our U.S. workforce.
4 This represents our average performance payout percentage against our NPS target across three channels approved by the Board: store post-purchase, digital post-purchase, and post-fulfillment. NPS is an ESG metric because it measures customer satisfaction and brand perception, which are dependent on factors that include ESG.
5 Represents the average sum of miles that a shipment travels from: a distribution center to the customer, a store to the customer, and/or from the distribution center to a store to the customer. Note: Metric excludes data for Asia.
6 Restated FY20 results reported in FY19-20 Impact Report due to updates in calculation methodology.
7 The location-based method considers average emission factors for the electricity grids that provide electricity. The market-based method considers contractual arrangements under which we procure power from specific sources, such as renewable energy.
8 Includes all stores, offices, and distribution facilities.
9 Based on number of women and POC, as applicable, for grade levels 10 and up (grade levels range 1-12 and executive) for FY20, and grade levels 7 and up for FY21.
10 FY20 and FY21 results reflect a change in cadence of measurement dates (i.e., October 2020 with respect to FY20 and April 2022 with respect to FY21).
11 To learn more about GHG emissions, see Notes on GHG Emissions Inventory on pages 66 through 72.
Leveraging the Power of Our People and Communities
Serving Our Customers

Our customers are at the heart of everything we do. We are committed to fueling a shared passion for self-expression, creating unrivaled lifestyle experiences for our customers, and being at the heart of the sport and sneaker communities.

Store activations, including influencers, are an important part of our marketing strategy. These curated experiences—augmented by social media—help us stay fresh and relevant with our customers.

“We create spaces where customers can come to be their authentic selves and celebrate shared passions with our team members. It’s all about the love of the culture.”

George Jenkins (he/him/his)
Vice President, Customer Experience, North America
Community

We operate 62 Community and Power Stores across the geographies in which we operate. Community Stores are off-mall stores that focus on creating authentic trust with local customers and provide elevated shopping experiences within community spaces. Power Stores are stores that provide a seamless and convenient shopping journey for the full family. Community and Power Stores both provide pinnacle retail experiences that deliver connected customer interactions through service, experience, product, and a sense of community. Building from 10 Power Stores in FY20, an additional 27 Power Stores and 25 Community Stores were opened in FY21.

Our impact goes well beyond our stores as we support and work alongside the communities we serve and our team members and their families. These stories represent just some of the many grassroots and local outreach initiatives that we were proud to support in FY21.

Old Spanish Trail (Houston, TX)
The Foot Locker Community Store on Old Spanish Trail truly encompasses the expression “for the community, by the community.” The rapid-growth South Side has become the nucleus of Houston’s Black community, and home of global icons, such as Beyoncé. Upon arriving at the store, physical connection is established through the lens of local award-winning artist, Reginald Adam. As you step through the front door, you are welcomed by locally-hired staff—sourced from in-store job fairs—and offered a free haircut, refreshments, or even a job readiness training program. As you browse locally-curated collections, you’ll see community-based designers showcased, such as Diverscity Clothing Co. If you timed your arrival with one of our local holidays or events, such as “Screw Day,” you would hear Houston-inspired “Chopped and Screwed” music played by local DJs and “Screwston” Team Edition tees on display.

Crenshaw (Los Angeles, CA)
Crenshaw, the neighborhood known as the heart of Black commerce in Los Angeles, is home to global cultural icons and athletes, such as Ice Cube, Ice-T, and Baron Davis. The foundation of the Crenshaw Community Store is rooted within the core neighborhood values established by beloved community advocates like the late Nipsey Hustle. In establishing the store, we partnered with local customers, organizations, and influencers to establish an authentic connection and vision that reflects the values of the Crenshaw community. Local artists are honored throughout, with the storefront and murals created by Terrick Gutierrez and Gustavo Zermeno, and local brand designers featured, including Bad Girl Good Human, Something Out of Nothing, and YANG. The tastes of Crenshaw have also been showcased in this hyperlocal experience, as community staples, Slauson Donuts, Harun Coffee, and Hanks Mini Market distribute free groceries from a pop-up stand located outside the store.
We’re for health, wellness, and community resilience

Feelings First
We partnered with ex-athlete and psychotherapist Liz B Croft, and designer Drake Cereal, to create an exclusive apparel capsule that promotes mental health awareness among athletes. A financial donation was also made to the mental health non-profit, the Cheatcode Foundation.

We’re for kids
Reading With A Rapper (RWAR)
RWAR is an interactive learning program that uses rap songs with socially-conscious lyrics to teach English language arts skills. We renovated two RWAR classrooms in Houston and Atlanta, funded classes, and hosted surprise artists 2Chainz and Bun B.

We’re for sports
Atlanta
In partnership with the 4PF Label, we brought a basketball park to Oakland Park with one of today’s most prominent rappers, Lil Baby, who attended the unveiling of the basketball park and provided 200 bikes for kids in the neighborhood.
In FY21, WSS team members, through our WSS Cares! initiative, partnered with the International WeLoveU Foundation and LifeStream Blood Bank to activate a community blood drive outreach program at LAFC’s Banc of California Stadium in Los Angeles, California, as well as a blood drive at AT&T Stadium in Dallas, Texas.

The blood drives were huge successes. Local English- and Spanish-speaking media outlets covered the collection of an aggregate of over 1,550 units of blood, which equated to over 4,700 lives saved.

WSS Cares! goes above and beyond selling sneakers and apparel to truly give back to the communities we serve. WSS is proud to sponsor activities like these in the markets we serve. Other previous WSS Cares! initiatives include coordinated toy giveaways and free haircuts and styling.

WSS also participated in several much-needed backpack giveaways in the markets we serve. In all, WSS donated over 6,000 backpacks to school districts, charitable organizations and underprivileged kids that are apart of youth sport organizations.

WSS Cares!

GIVING BACK
to the Communities We Serve
Community-Driven Marketing
Our on-the-ground community marketing teams create deeper connections with our customers in certain key markets. We collaborate with local stars and content creators to create opportunity and exposure. Hyper-local extensions of national brand campaigns are also crafted and delivered to better tell the stories of our vendor partners. We further support these local efforts on social media dedicated to the experiences in specific markets.

Toronto
To further support and localize our “All City” Collection, we hosted an intimate round table discussion with Don C, creator of the sports-inspired Just Don label, and moderator Alicia Ace West. Don C discussed insights from his journey in creating and developing a successful streetwear brand with local businesses and homegrown brands.

Milan
We provide funding and content creation for Milan-based Da Move, a network of freestylers that perform as entertainment (i.e., TV, Events, and Grassroots) and skill sharing workshops. Basketball is their core discipline, and they deliver free training sessions to underprivileged immigrant youth as a way to integrate within the Italian society.

Philadelphia
To support the launch of Diadora x Rocky Vs by Philly-based artist Keith Shore, we connected with a local DJ, DJ Aktive, and professional boxer Danny Garcia at the DSG Danny Garcia Gym with teens from the “Passport to Manhood” after-school boxing program to discuss the collection, the 45th anniversary of the Rocky movie, and what it means to be a professional boxer from Philadelphia.
Leveraging Our Platforms to Showcase Diverse Communities and Leaders

In FY21, we launched our first annual “Sole List” for Black History Month, recognizing individuals who are leading and shaping sneaker culture. We partnered with Black-owned agency Ten35 and we awarded a diverse group of influencers, who represented many areas of the culture as leaders, creators, and innovators. Recipients were given a physical Sole List Award and featured across all our channels and additional media outlets in the sneaker culture space.

For Women’s History Month, we celebrated the achievements of women championing and advancing sneaker culture through:

- Announcing the appointment of Melody Ehsani as Creative Director of Foot Locker Women;
- Leveraging our Behind Her Label platform to deliver our “Women Run the Game” campaign, which highlighted the designers/brands Carla Cortijo, Olivia Anthony, and Daughters of an Immigrant; and
- Supporting the Nike Empower campaign, which celebrated BIPOC women in sneaker culture and sports.

Latinx

As part of Latinx Heritage Month, we launched our first ever campaign and list of honorees titled “Flow Original,” which included a variety of prominent individuals with an emphasis on designers from our Home Grown family. Our Campeones De Game platform also highlights Hispanic and Latino leaders via social, ecommerce, and digital channels in the sports world and real life activations in each of our key geographies.

LGBTQ+

During Pride Month, we highlighted two activists in the LGBTQ+ community, Ben O’Kofee and Raquel Willis, under our “Be Bold. Be Fearless. Be Fly. Be You!” campaign. The campaign was supported across all our channels, and four geographies developed locally-tailored events and content creation, which highlighted members of their local communities.

The Trevor Project

We proudly support The Trevor Project, the world’s largest suicide prevention and crisis intervention organization for lesbian, gay, bisexual, transgender, queer, and questioning (LGBTQ+) young people. According to research from the organization, more than 1.8 million LGBTQ+ youth in the United States seriously consider suicide every year.

We stand with the LGBTQ+ community and are committed to uplifting and investing in communities that for too long have been marginalized and placed at great risk for who they are and who they love.

Learn more about The Trevor Project, its mission, and impact here: www.TheTrevorProject.org.
**Collections**

**Space for Her**

In FY22, we embarked on a journey to create an elevated experience for women with the introduction of tailored women’s spaces. In a single year, we dedicated over 100 spaces to better connect with her across our family of brands in North America. FY21 brought continued growth across our women’s community, incorporating 47 additional spaces, bringing us to over 150 unique women’s experiences in our stores. In FY22, we plan to open an additional 29 dedicated spaces for her, and will showcase an expanded presence for her across our website and social media channels.

We continue to evolve how we serve women. Stores have been equipped with digital training playbooks guiding team members on how to serve her unique needs, including the introduction of women’s talent experts, fit techniques, and styling tips. We also began to create specialized experiences in-store to celebrate her during moments that matter the most, such as Mother’s Day and International Women’s Day. We evolved our team member dress code to encompass all brands, colors and styles we sell in-store to better connect with her and empower our team members to be their authentic selves and serve as an inspiration to women.

**Behind Her Label**

The “Behind Her Label” campaign in the United States represents our effort to narrow the considerable gap between men and women streetwear designers. We support young and talented women by stocking their brands in store and providing a platform to tell their story and explore the creative world behind the scenes to enrich the conversation of women in streetwear and share their experiences in an industry dominated by men.

On International Women’s Day 2021, we launched Powered By You – an inclusive platform, which is a response for “making a more progressive future for all, regardless of gender, race, sexuality, size, or ability,” featuring two successful collaborations with Afro Kickz and EIGHTLINES.

**Afro Kickz**

Aida Kiraya entered the sneaker customizing game in 2018, with the aim to create sneakers that were inspired by both traditional African imagery and modern Black culture, so that teenagers like her younger brother would be proud to wear them. Growing up in North London, Aida recognized that many of her peers shied away from embracing their African heritage. Afro Kickz was born to change that narrative. In the two years since starting Afro Kickz, Aida had the opportunity to coach Arsenal football players on how to customize sneakers for their fans, and has worked with major brands, including Nike and adidas.

**EIGHTLINES**

With her constant desire to transform ideas into reality and a passion for fashion, Giulia Marotta created the EIGHTLINES project, a streetwear clothing brand with a strong focus on fabrics, local production in Milan, Italy, and current trends. EIGHTLINES produces ready-to-wear capsule collections that are unique and made with a genuine artistic process.

**Home Grown**

Home Grown is our platform to support local, relevant fashion brands in the communities we serve. Leveraging our geo-merchant and marketing teams, we put local brands on shelves, offer marketing support, and monitor consumer engagement and spend to gauge which brands have a broader opportunity to scale across additional markets. Our recent growth success stories include our partnerships with Carrots by Anwar, Clan De Banlieue, Grady Baby, Abeille Creations, and Pro Standard.

In FY21, we made great progress in developing our Home Grown product strategy. Home Grown provided access and built awareness through our LEED initiative to support Black brands, designers, and entrepreneurs. Through our Home Grown platform, our Geo Marketplace Merchants identified and incubated local brands connected directly with the communities we serve, including Abeille Creations (ABL). ABL is a Black-owned women’s athleisure brand founded by Melissa A. Mitchell. Melissa is a self-taught artist and designer whose wearable art collection debuted in Foot Locker in FY21. With the initial success of the brand, ABL expanded nationally and into its first kid’s collection. We supported the designer with the vendor onboarding process and an elevated marketing experience, which included a Times Square digital billboard feature.

**Curating and Nurturing a**

**DIVERSE ASSORTMENT**
Convenience

NPS

NPS is an ESG metric because it measures customer sentiment and brand perception, which are influenced by the Company’s ESG strategy. Customer survey responses are gathered for each region across three equally-weighted touchpoints, including Store (in-store purchases), Digital (on-line purchases), and Post-Fulfillment (receipt of product after online purchase) and are aggregated globally.

Key features of NPS include:

• Connected to environmental programs: “Managing and Reducing Our Environmental Impacts” is one of the four pillars of our global ESG strategy focused on decreasing our environmental impact and charting the course toward a Net Zero future. Customer sentiment toward our organization is influenced by our environmental and climate stewardship.

• Linked to social initiatives: “Leveraging the Power of Our People and Communities” is one of the four pillars of our global ESG strategy focused on ensuring that our customers enjoy world-class engagement in the communities we serve and a diverse environment that encourages the pursuit of excellence every day in furtherance of our PURPOSE to inspire and empower youth culture.

• Reputational: NPS measures customer sentiment and brand perception, which we believe are influenced by customers’ views of our ESG strategy.

• Long term: Strong ESG performance is necessary for our success over the long term in attracting and retaining purpose-driven customers.

• Quantifiable: The customer surveys are measured on a scale from 0 to 10. NPS scores are scaled from -100 to 100.

• No discretion: NPS is formula-driven based upon our performance and does not provide for discretionary adjustments.

Reflecting our focus on both customer sentiment and accountability, we have incorporated NPS into our annual bonus program since FY20.

The evaluation of full-year NPS utilizes our global performance management rating scale, in which performance can range from 25% to 200% based on the relative achievement of the metrics. In FY21, we achieved an average performance payout percentage against our NPS target of 106.7% of our goal.

Emerging Stronger From the COVID-19 Pandemic

We recognize the human tragedy of the COVID-19 pandemic. Our foremost priority during the pandemic has been the health, safety, and security of our team members, our customers, and the communities we serve. Our approach is grounded in our Company’s PURPOSE.

We continue to put the safety of our team members and customers first by following guidelines from local, state, and national governments and agencies. For ongoing and current information on COVID-19 and our response, visit our website at footlocker.com/covid19.html.

To further enhance our health and safety practices, in FY21, we considerably leveraged our new “Launch App Reservation,” which can be used by customers to reserve a virtual place in line for highly sought-after releases, to ensure that our customers know in advance of hitting the store on launch day if they can purchase the release. The intent is to help avoid long physical lines and crowding in store, while also giving our team members the reinforcement they need to best serve our customers on popular launch days.

In cases in which supply chain headwinds have caused delays in receiving a release in time for launch day, we have used a Launch App Reservation to safely and fairly provide customers the opportunity to purchase the release after the launch date, creating a safer, more consistent process for high demand releases for our customers.
Connectivity

Sustainable Purchasing
Launched on Earth Day 2021, our online Sustainability Hub is designed to support our customers to make sustainable choices across the full shopping journey and product life cycle. Featuring the hottest brands in sustainable streetwear, the Hub is available in the U.K., France, Germany, the Netherlands, Spain, and Italy. As we look toward the future, we plan to use the Sustainability Hub to feature our Earth Day campaign.

FLX Loyalty Program
Our loyalty program, FLX, offers our customers who shop and engage across the Foot Locker family of brands with new benefits, exclusive rewards, and head starts on new product launches. These are just some of the ways in which we connect with our customers through this program, which is now live across the United States and six European markets, with five more countries planned for FY22. Overall, we saw over 50% growth in membership in FY21.

Through the FLX Rewards Center, members can redeem their points for items from our vendor partners, many of which have environmentally-preferred attributes, including sustainable bags made from recycled materials (e.g., pineapple leaf fiber, recycled plastic water bottles, and repurposed billboard vinyl).

#SUSTAINABILITY
We stand resolute in our commitment to fight racial inequality and injustice. This commitment extends beyond words. It is part of our culture and the way we operate as an inclusive and diverse organization. We recognize that Black Culture plays a pivotal role in shaping Sneaker Culture—the foundation of our business at Foot Locker. We believe we have an obligation to add our voice and actions to drive meaningful and lasting change across our company and within the communities we serve.

Richard A. Johnson
(he/him/his)
Chairman and CEO
Empowering People and Communities

LEED

We are committed to fighting racial inequality and injustice in the communities we serve. We have committed to spend $200 million over five years (FY20-25) toward enhancing the lives of our team members and customers in the Black community through LEED. This includes economic development initiatives and education initiatives. As of FY21, the amounts spent and contractually obligated total approximately $53.9 million.

Economic Development

<table>
<thead>
<tr>
<th>Description</th>
<th>FY21 Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Investments</td>
<td>Selected and vetted seven Black-founded and majority Black-led venture capital funds, with a commitment to funding start-ups founded by Black, Latinx, and women entrepreneurs and/or with business models serving the Black community.</td>
</tr>
<tr>
<td>Open to Buy</td>
<td>Invested almost $16 million with eligible brands, such as Pro Standard, Abelle Creations, Grady Baby, and Clan de Banlieu. Developed processes and tools across the organization to ease the on-boarding process, help brands plan their merchandise capsules, and enhance cashflow as local brands grow.</td>
</tr>
<tr>
<td>GTS</td>
<td>Shifted GTS spend to Black-owned business. Partnered with a Black-owned staffing firm and identified and onboarded a Black-owned professional services firm, in connection with the technology, design, and implementation of our new Reno, Nevada distribution center.</td>
</tr>
</tbody>
</table>

Breaking Barriers

<table>
<thead>
<tr>
<th>Description</th>
<th>FY21 Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breaking Barriers</td>
<td>Funded a Black-owned creative agency to design marketing assets that were shared with LEED brands for storytelling. Contracted a Black-owned public relations agency to create stories and opportunities highlighting LEED brands and venture capital fund partners.</td>
</tr>
<tr>
<td>Agencies and Creatives</td>
<td>Shifted marketing spend to Black-owned agencies, influencers, and talent, including utilizing Black-owned agencies for key campaigns.</td>
</tr>
<tr>
<td>Global Suppliers</td>
<td>Shifted spend to Black-owned suppliers. Championed training of buyers to query the NMSDC when sourcing procurement.</td>
</tr>
</tbody>
</table>
### Education

<table>
<thead>
<tr>
<th>Description</th>
<th>FY21 Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Scholarships</strong>&lt;br&gt;Commit, for all 5 years of the program, to double our annual contribution to UNCF and add 10 scholarships for our Black team members.</td>
<td>Met our goal of providing 10 additional scholarships to Black team members at $5,000 each for a total of $50,000.</td>
</tr>
<tr>
<td><strong>Designing with Sole Training Academy</strong>&lt;br&gt;Partner with Pensole Design Academy with support from New Balance to provide opportunities for Black creatives to develop skills and gain knowledge of industry roles, including apparel and footwear designer and color/material specialists.</td>
<td>Debuted in FY21 with a competitive submission process, where 160 participants were identified to partake in virtual design studios with feedback from Pensole’s professional educators. A one-year New Balance apprenticeship and a summer 2022 internship with Foot Locker’s Global Product Creation team was awarded to two recipients, each of whom will have their designs produced and sold at Foot Locker stores. Made a directed grant of $237,000 to the Pensole-Lewis College of Business and Design to manage the reopening of the HBCU in Detroit, Michigan and create, furnish, and maintain a creative space at the HBCU.</td>
</tr>
<tr>
<td><strong>Bridge Internship</strong>&lt;br&gt;Launch an annual internship program for our store team members with potential to transition into permanent roles with our corporate teams. This includes both pre- and post-professional development training, team building activities, and opportunities to engage with management.</td>
<td>Created a Bridge Internship program, which creates pathways to corporate office roles for store team members. In FY21, the program has expanded globally and provided more than 40 team members with intern positions in corporate functions such as marketing, finance, information technology, merchandising, buying, and customer experience.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>FY21 Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community Empowerment Grant Program</strong>&lt;br&gt;Fund an international, multi-city initiative to support community and youth empowerment in historically underserved communities. The program, funded through the Foundation, aims to bridge gaps in health, wealth, and opportunity, especially those driven by racial inequity.</td>
<td>Announced our partnership with an international grant management partner, Laureus Sport for Good Foundation, to bring the program to Canada and EMEA. Programs from seven cities across five countries will compete for grants to be awarded in FY22. Through the Foot Locker Foundation Community Empowerment Program, developed in partnership with LISC and Laureus Sport for Good, awarded 16 community organizations between $20,000 and $100,000 each to provide programs that advance health, wealth, and upward mobility in underinvested communities.</td>
</tr>
<tr>
<td><strong>Education and Resources</strong>&lt;br&gt;Fund and support professional and personal development resources for our store team members and celebrate Black History Month.</td>
<td>Partnered with our BUILD ERG to deliver a company-wide global celebration of Black History Month. Created a Store Team Manager Leadership Series in North America with training and workshops on Hiring 101, Effective Feedback, and Coaching. At the District Manager level, we offered Core Competency Workshops focused on Effective Communication and Market Expertise. Selected the Society for Financial Education and Professional Development, a nonprofit financial literacy education provider, in FY21 for training to be offered in FY22.</td>
</tr>
</tbody>
</table>
Community Giving

As a company, we are deeply committed to enhancing the communities we serve. In addition to our work with LEED, the Foundation funds our external scholarship programs, as well as our recurring donations to the Boys and Girls Club, UNCF, and the Two Ten Footwear Foundation. Through the Foundation, our mission is to promote a better world for today’s youth through two pillars of support: education and health and well-being through physical activity. Also, many of our executives sit on charitable boards and many of our team members devote their time to give back to their communities.

Reimagining Learning and Education

The Foot Locker Scholar Athletes Program reflects our Company’s core values and embraces our deep commitment to education and excellence. Each year, the Foot Locker Scholar Athletes Program awards college scholarships of $20,000 to outstanding student athletes who demonstrate academic excellence and exemplify strong leadership skills both in sports and within their communities. In addition, one of the 20 students selected is awarded the Ken C. Hicks Scholarship in honor of the Company’s former Chairman and CEO and receives an additional $5,000 for exemplifying superior academic achievement, personal passion, and a true love of the game. To date, the program has awarded approximately 230 scholarships, totaling over $4 million.

In addition, we are proud of our long-standing partnership with the UNCF and the scholarship program we’ve created through our annual “On Our Feet” fundraising event. Over the years, the Foundation has contributed over $7 million in scholarships to more than 900 extraordinary students attending UNCF-member colleges or HBCUs nationwide. The “On Our Feet” event benefits Foot Locker’s educational initiatives, as well as other programs supported by the Foundation, to help young people.

We also donate significant resources to many charitable organizations, including the Fred Jordan Missions, the Johan Cruyff Foundation (The Netherlands), Kika Foundation (The Netherlands), Make a Wish (Europe), RSPCA Australia, and Brisbane Youth Service (Australia).

To learn more about Foot Locker’s philanthropic efforts, please visit footlocker-inc.com/philanthropy.
We turned insights into action by helping deliver societal impact, while also giving back as a company to strengthen the communities we serve.

Strengthening Our Communities

Soles4Souls turns unwanted shoes and clothing into opportunity by keeping them from going to waste and putting them to good use: providing relief, creating jobs, and empowering people to break the cycle of poverty. Soles4Souls repurposes product to supply its micro-enterprise, disaster relief, and direct assistance programs. With locations and warehouses across three continents, Soles4Souls has been able to distribute more than 40 million pairs of shoes in 129 countries since 2006.

We support the Soles4Souls “4everyKid” program, which provides new sneakers to kids without permanent shelter. In FY21, we provided more than 11,000 pairs of new sneakers to help support this program.

Strengthening Our Communities

We turned insights into action by helping deliver societal impact, while also giving back as a company to strengthen the communities we serve.
Human Capital Management

Our people strategy focuses on three key priorities, which are underpinned by our “Always-On Transformation” mindset. We are agile and adaptable, and as our external customers’ needs change, we adapt and evolve as an organization to exceed expectations.

Build the Organization of the Future
We build critical skills and competencies that enable the business to deliver against strategic imperatives. We foster a culture of continuous learning that equips the workforce to adapt as changing skills are needed. Through strategic workforce planning, global culture shaping initiatives, and leading with data to unlock decision making, we are building the organization of the future.

Deliver Service Excellence
Our internal customers—our team members—expect great employee experiences. In delivering service excellence, we elevate the team member experience, driving to exceed expectations across the team member lifecycle.

Unite Our Communities of Talent
We strive to unite team members through their similarities while celebrating what makes them unique. Through our DIBs, we attract, hire, grow, develop, promote, and retain valued team members with diverse backgrounds, perspectives, and experiences.

“Our strategy for DIBs is fundamental to our core values. We value and respect all facets of diversity, including race, ethnicity, color, sex, religion, national origin, age, physical abilities, sexual orientation, gender identity, gender expression, and military service. We believe that when we listen, learn, and celebrate all facets of diversity, we will be a more inclusive and stronger organization.

I am proud of our progress together with our Global DIBs Council and the leaders across the organization to focus on key organizational opportunities and in unifying our communities of talent.”

Elizabeth S. Norberg (she/her/hers)
Executive Vice President and Chief Human Resources Officer

OUR TALENT STRATEGY CONTINUES TO ENABLE ACHIEVEMENT OF OUR STRATEGIC IMPERATIVES

COMPANY VALUES

INTEGRITY  LEADERSHIP  SERVICE  TEAMWORK  INNOVATION
Build the Organization of the Future

Total Rewards

Our 16,555 full-time and 33,378 part-time team members across our offices, stores, and distribution centers are all critical in ensuring that we provide unparalleled customer experiences. To support our team members, we provide competitive compensation and benefits, including:

• Health and wellness benefits (e.g., medical, dental, and vision coverage);
• Financial benefits (e.g., 401(k) Plan with Company matching contribution, life and disability coverage, Employee Stock Purchase Plan at a 15% discount, tuition reimbursement, and commuter benefits);
• Work-life balance and lifestyle benefits (e.g., paid time off for full-time team members, Community Service Day, and Employee Discount Program for all team members); and
• Outside the United States, we may offer supplemental health and wellness, as well as retirement benefits, based on local competitive practices.

Over the past year, we have made a number of improvements to our global total rewards program. With an aim to build and protect wealth, these include:

• Enhanced retirement tools offered through Principal Financial;
• Addition of a Roth contribution option in the 401(k) Plan;
• Student Loan Refinancing offered through GradFin; and
• ID Watchdog (identity theft) protection plans.

16,555 + 33,378 = 49,933

Full-Time Team Members
Part-Time Team Members
Total Global Team Members
Development
We believe that a positive team member work experience is critical to both personal and team success. These experiences can come from multiple aspects of one's role, which is why we call this the Omni Team Member Experience. Annual personal development plans are required for all non-store/distribution center team members. Team members collaborate and connect with their managers regarding their personal goals, performance expectations, and career development through the technology platform, SuccessFactors. In FY21, the core people processes of Performance, Development, and Succession Planning were combined to ensure a more holistic view and the ability to influence greater overall success, individually and collectively. Virtual instructor-led training was offered to provide an overview of this upgraded integrated process, system enhancements, and related resources.

Wellness
We have always been committed to the well-being of our team members; however, the last few years have brought an even greater focus on communicating what programs and services we offer, and how team members can leverage them for their specific needs.

Our “Live Well. Work Well.” initiatives included virtual interactive workshops and guest speakers, which continued to prioritize health and safety, while introducing resources and initiatives to support team members in creating a more balanced lifestyle inside and outside of work.

We also reimagined what wellness means to our team members. Gathering input from team member surveys led to several key actions to help bring this focus to life:

1. Creating a wellness site within myLockerRoom (our corporate intranet) to provide easy wellness tips, including how to setup a home work station to ensure proper ergonomics, staying hydrated, and planning breaks during the day;
2. Reminding our team members of the support available to them through our Employee Assistance Program;
3. Hosting educational sessions with experts to discuss vaccines and mental health;
4. Encouraging team members to use their time off, disconnect from the office, and where possible, allow for modifications in work schedules; and
5. Developing an internal group of Global Wellness Champions to lead strategies and initiatives to pilot and operationalize.

We also began offering our team members access to Sanvello, an on-demand high-quality virtual coaching and care service. Further, to ensure that our team members were provided with accurate and high-quality information about the COVID-19 pandemic, we encouraged team members to view a webinar on managing stress during COVID-19, which was offered by UnitedHealthcare.

To help track team member wellness, we use an annual survey that consists of four questions related to well-being.
Deliver Service Excellence

Locker Learning Academy
We leverage the power of our people by investing in our team members’ development and creating a culture of learning. Through Locker Learning Academy, launched in FY21, we provide a one-stop shop for all team member development needs where they can find content through our three “schools of learning.” These schools include (1) functional and technical, (2) business, and (3) leadership courses that provide opportunities for continuous growth so all team members can thrive. Within the Locker Learning Academy, we leverage multiple modalities of learning to drive development:

Lace Up
Lace Up is our global learning and communication platform designed to engage, educate, and empower team members through micro-learning and gamification, including introductions of our DIBs Learning Series, made up of Unconscious Bias, Belonging, Microaggressions, and Privilege. Through Lace Up, team members have answered more than 35 million questions.

LinkedIn Learning
For on-demand education, reinforcement of critical capabilities, as well as creation of tailored learning paths based on job role, we utilize LinkedIn Learning. In FY21, over 150,000 videos were watched through LinkedIn Learning.

On-the-Job Development
Experiences like job shadowing, stretch assignments, educational seminars, cross-functional projects, mentorship, and coaching all foster on-the-job development.

Financial Literacy
The LEED-BUILD team has partnered with the Society for Financial Education and Professional Development, a Black-founded nonprofit organization, to develop and deliver training to store team members and BUILD corporate team members. The training program contains six modules, each covering a key personal finance topic:
- Budgeting, Values, and Financial Goal Setting;
- Credit and Debt Management;
- Investing and Retirement Planning;
- Risk Management (Insurance);
- Estate Planning; and
- Home Ownership.

Looking forward, we will continue to ensure that learning and development is at the core of attracting, developing, and retaining top talent needed to propel the Company forward.

Team Member Recognition
We motivate team members and enhance their sense of feeling valued through meaningful rewards, incentives, and activations around key moments. This commitment led to the introduction of our Recognition and Engagement Hub in FY21, a collection of programs, tools, and resources empowering leaders to celebrate team members for both personal and professional achievements. Examples of our recognitions include:

Team of the Quarter
One store in North America is recognized each quarter with a trophy for being the top performer against certain KPIs and showing results by driving our customer engagement strategy.

Super Sneaker Award
This exclusive recognition is awarded to team members for exemplifying our Company’s core values.

Team Member of the Quarter
Each store in North America recognizes one team member for exemplifying excellence each quarter.

Lace Up Recognition
Leaders celebrate and showcase team members to their peers for personal and professional achievements.

Elite Pin
This award recognizes team members for exemplifying the connection to our PURPOSE through our Leadership Competencies and awards each winner with a pin and gift card.

BRING YOUR FULL SELF to WORK
**Unite Our Communities of Talent**

**DIBs**

We are a great place to work by cultivating a culture that celebrates different perspectives, backgrounds, and experiences, and helps team members feel valued, more engaged, and that they belong. We also seek to attract, hire, develop, promote, and retain valued team members with diverse backgrounds, experiences, and perspectives.

These are our five pillars of DIBs:

1. **Model the Way**
2. **Educate Team Members**
3. **Acquire Great Talent**
4. **Create a Diverse Succession Pipeline**
5. **Support and Develop ERGs**

We created our DIBs Index to understand and influence our DIBs efforts globally within the organization. The index provides a quantitative score reflecting the perception of leadership and the team's commitment to fostering a diverse and inclusive work environment and encourages individuals to constructively express different thoughts and ideas. This data is utilized for internal benchmarking and in connection with coaching and development opportunities.

In FY21, our DIBs Index was scored based on the following four survey questions:

1. **My leadership’s decisions and behaviors show a commitment to our DIBs.**
2. **My team is committed to creating a diverse and inclusive work environment where everyone belongs.**
3. **I feel free to express different thoughts and ideas with the people I work with.**
4. **I feel like I really belong at our Company.**

In FY21, our DIBs Index was 83% based on responses from 96% of our team members.

Since FY20, we have utilized an organizational DIBs goal as part of our performance management process. Evaluation against this metric impacts each team member’s overall performance score and has a direct impact on the team member’s annual bonus and merit increase. This goal varies based on the team member’s level within the organization. Team members, however, are expected to satisfy a DIBs learning series training goal.

Senior leaders have additional goals around workforce composition. For FY22, we have determined that senior leaders (director level and higher) will have a Diversity Workforce Makeup goal, which will be measured by YoY improvements in workforce DEI. Additionally, engagement survey overall favorability is also factored into senior leaders’ performance. This is measured by YoY improvement based on targets set at the beginning of the year.

**Racial and Social Equity**

Over the past few years, we have reflected on many events that have unfolded in our communities and listened to the voices of our diverse colleagues to shape our commitment to do more to work for racial and social equity—within and beyond our organization.

To drive upward mobility, we ensure underrepresented talent (i.e., women and POC) is included on candidate slates and succession pipelines. We identify and develop team members to fill future roles within the organization to ensure diverse representation, and senior leaders play a key role in helping identify targets specific to their functional areas while identifying any opportunities for growth. In FY21, we increased the gender and racial diversity of our candidate slates and succession pipelines by 7% and 6%, respectively.

We are also enhancing our disability hiring practices. For example, in France we are partnering with Les Papillons de Jour, which is comprised exclusively of disabled professionals, to provide us with leading services training, communication, and wellness at work. We also partner with Les Resonances, which specializes in the follow-up and assistance to hard of hearing people.

As part of our effort to expand our commitment to promote racial and social equity beyond our organization, we added Ariel Investments, LLC, the first Black-owned investment management firm in the U.S. founded in 1983, to our pension plan investment portfolio. Ariel Investments, LLC has launched various programs to increase inclusiveness in the world of business and finance, and close the racial wealth gap by generating jobs, economic growth, and equality with underrepresented populations.

**Pay Equity**

We are committed to pay equity and regularly review our pay practices, as well as our team members’ pay, to ensure we are providing equal pay opportunities for equal work, regardless of gender or race.

The interconnection of the key people imperatives is what create the omni-team member experience:

- **Performance**
  - Targeted focus on driving performance, embedding continuous feedback, and marrying the “what,” we accomplish it with the “how” (goals/leadership behaviors)

- **Development**
  - Multi-faceted learning to build critical skills and competencies in business (technical and leadership); create mentorship and sponsorship opportunities

- **Succession**
  - Intentional action on career preparation, professional development and pathways to realize full potential at all levels; create impactful HiPo strategy
ERGs

EMBRACE DIVERSITY.
BUILD COMMUNITY.
DEVELOP LEADERS.

We embrace diversity by welcoming all people, encouraging different philosophies, and valuing the ideas and opinions of others. Our ERGs help us create a welcoming environment for new and existing team members. Our global ERGs empower communities with a collective understanding and commitment to drive an inclusive company culture, in which everyone can bring their authentic self to the workplace. ERGs are founded by the interest and passion of team members with support from the organization to serve as powerful platforms to unite our Communities of Talent.

ERGs are open to everyone. They provide networking, mentoring, community engagement, and learning opportunities and support our efforts to attract, engage, retain, and develop diverse talent. All events and activities across each of the ERGs are open to interested team members at all levels.

Each ERG is supported by an executive of the Company, who serves as the executive sponsor and volunteers their time to advise, guide, and champion DIBs efforts.

FY21 Program
McKinsey Partnership virtual leadership program to accelerate the capability and impact of our Black leaders.

FY21 Program
Mentorship pilot program to drive professional development and build relationships through access, exposure, and visibility.

FY21 Program
The Trevor Project – Delivered Allyship Training for leaders.

FY21 Program
Conversation on Afro Latinidad in the U.S., featuring guest speakers Victor Cruz, former NFL player, and Elisabeth Rosario, Founder, The Latinx Collective.

FY21 Program
Panel series, including Working with Disabilities, Building Consciousness, Building a Future for All, Mental Health and Bullying.

FY21 Program
Partnership with Asian American Advancing Justice – Chicago to support bystander intervention training.

Champions and empowers the Latinx community and their allies through team member engagement, professional development, and cultural awareness to drive internal transformation through thought leadership and strategic counsel.

Creates visibility, raises awareness, and strives to empower persons with disabilities (i.e., physical, mental, and learning) and their allies through safe spaces, open dialogue, educative resources, and recruitment support to attract and hire persons with disabilities.

Provides a forum for education and awareness supporting the professional growth of LGBTQ+ individuals and their allies for all to be authentic in the workplace.
Company Recognition
We have been recognized by numerous platforms for our industry-leading practices, including awards from NACD, Forbes, Indeed.com, Fortune, the Great Place to Work Institute, Talent Board, and the Human Rights Campaign Foundation.

LGBTQ+
We are proud that we received a score of 90 out of 100 on the Human Rights Campaign Foundation's 2022 Corporate Equality Index, the nation’s foremost benchmarking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality.

TOP WORKPLACE FOR EQUALITY
Our Team in Numbers as of FY21 Year-End

Our team member head count includes our directly operated stores, offices, and distribution centers. With the completion of the WSS and atmos acquisitions in FY21, team members from these banners have been included in our FY21 totals, unless otherwise noted.

### Team Member Headcount

<table>
<thead>
<tr>
<th>All team members</th>
<th>49% Female</th>
<th>51% Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1% Not Available/Not Disclosed</td>
<td>87% POC</td>
<td>13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Executives</th>
<th>21% Female</th>
<th>79% Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>29% POC</td>
<td>87%</td>
<td>13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Directors</th>
<th>40% Female</th>
<th>60% Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% POC</td>
<td>87%</td>
<td>13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Team Member Headcount</th>
<th>North America</th>
<th>EMEA</th>
<th>Asia Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Stores</td>
<td>44,690 Team Members</td>
<td>33,727</td>
<td>8,445</td>
</tr>
<tr>
<td>Distribution Centers</td>
<td>1,705 Team Members</td>
<td>1,511</td>
<td>189</td>
</tr>
<tr>
<td>Offices</td>
<td>3,538 Team Members</td>
<td>2,838</td>
<td>528</td>
</tr>
</tbody>
</table>

### Minimum Wage

<table>
<thead>
<tr>
<th>Percentage of in-store team members earning minimum wage</th>
<th>100% at or above</th>
<th>100% at or above</th>
<th>100% at or above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of distribution center team members earning minimum wage</td>
<td>100% at or above</td>
<td>100% at or above</td>
<td>N/A</td>
</tr>
</tbody>
</table>

---

12 We ask our team members to self identify their gender upon commencement of their employment. As of FY21 year-end, 87 individuals chose not to disclose their gender or identified as non-binary.
13 Excludes atmos.
14 Represents POC in U.S. only.
15 There are no Foot Locker operated distribution centers in the APAC region.
We are committed to our DIBs and the constructive expression of differing ideas.

We aspire to be a great place to work by cultivating a culture that promotes our DIBs. Celebrating different perspectives, backgrounds, and experiences helps team members feel valued and more engaged. Our People Strategy includes a strategic pillar focused on “Uniting Our Communities of Talent” around the world to drive innovation and elevated performance in our dynamic organization.

By promoting our DIBs, we are able to attract, hire, develop, promote, and retain valued team members with diverse backgrounds, experiences, and perspectives.
Strengthening the Sustainability of Our Supply Chain
Protecting Human Rights

Our human capital is our most important asset. Protecting our team members, our customers, and the communities we serve is one of the most pressing priorities we face. We are proud to create jobs and secure livelihoods for our team members, provide products and engagement for our customers, support community development, and provide tax revenue for governments around the world to invest back into society. Specifically, we have policies in place to ensure that we and our partners maintain work environments that respect and support human rights for everyone in our value chain around the world. This is a public good for all stakeholders.

Our Guiding Principles

In addition to our Global Sourcing Guidelines, our Global Human Rights Statement serves to reinforce our core values as an employer: integrity, leadership, service, teamwork, and innovation. Our Global Human Rights Statement applies to all of our team members and we expect any parties who do business on our behalf to also conduct their business in ways that uphold these principles.

Our Global Human Rights Statement establishes that:

We are committed to maintaining a work environment that respects and supports the provision of basic human rights to all of its team members around the world, regardless of the country in which they work, to the full extent permitted by law. To this end, we:

• Strictly prohibit all forms of labor in the workplace that are detrimental to the health or safety of any team members;
• Strictly prohibit forced or compulsory labor for any team members; and
• Promote, protect, and help ensure the full and equal enjoyment of human rights by all persons, including those with disabilities.

Empowering Our Team Members

The safety of our team members is paramount to their trust in us as an employer of choice, and for customers to continue to see retail stores as their preferred shopping method. However, an unfortunate development that we have seen in recent years, which threatens community safety, is an increase in ORC, which includes personal shoplifting, but may also extend into sophisticated criminal rings that facilitate the stealing and reselling of products. We are not immune to these societal challenges, and while the economic impact to our business is concerning, our key concern is assuring the safety of our team members who may observe theft in action. We protect our store team members and security contractors through policies and communication that teach situational de-escalation practices to reduce the risk of disruption and potential violence.

We Have a Long-Standing Commitment to Adhere to the HIGHEST SOCIAL STANDARDS in the Manufacturing of the Products We Sell
Supplier Sustainability and Engagement

Establishing Our Expectations

Our Commitment to Universal Employment Standards
We have developed GSG, which are distributed annually and require all branded and private-label vendors and suppliers globally to respect certain standards. Our branded vendors must acknowledge annually that their manufacturing practices are conducted in alignment with our GSG. In the United States, we also share additional requirements concerning the Foreign Corrupt Practices Act, the Consumer Product Safety Commission, and Conflict Minerals reporting under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Day-to-day responsibility of the GSG is jointly managed by Supply Chain and Legal, while our CEO ultimately signs off on any actions.

Ensuring Worker Dignity
We ensure compliance with our GSG by performing factory audits for our private-label vendors and suppliers. We source our merchandise from two types of suppliers—(1) brand partners, who produce the branded footwear and apparel, which as of FY21 accounted for approximately 99% of our global sales, and (2) proprietary brand vendors who we contract to manufacture merchandise, apparel, and accessories under our LCKR, COZI, CSG, EASTBAY, All by Just Don, Melodi Eshani, and MTAA (More Than an Athlete) brands (approximately 1% of sales).

The GSG set out the standards applicable to all suppliers who manufacture products sold in our stores. As stated in the GSG, we only work with suppliers whose workers are present voluntarily, compensated fairly, allowed the right of free association, and who are not subject to harassment and abuse. These are the values we uphold as a company and the expectations we set for all of our suppliers globally.

We form deep strategic relationships with our proprietary brand vendors to ensure a high quality product and build a supply chain that is resilient and respectful of the environment and working conditions of its team members. All Tier 1 suppliers (primary vendors and subsidiary factories) must adhere to our GSG, and all factories are subject to site verifications against these standards on an annual basis. Tier 1 suppliers are required to share the GSG with suppliers with whom they subcontract (Tier 2) if they enter our value chain, and such subcontractors are required to adhere to the GSG. To learn more about our supplier audit practices, see Verifying Suppliers on page 40.

Understanding Our Value Chain

Brand Partners
We have a streamlined supplier profile—our top 20 brands generate approximately 97% of our sales, and our top 10 of those brands account for approximately 80% of our sales.

Strategic and preferred partners – Represent major global sportswear brands, such as Nike, Jordan, adidas, and Puma. Our buyers work with these partners to curate special product assortments and marketing content. In addition, we collaborate on co-creating new products for consumers, launching products, and developing immersive brand connections through our Community Stores and Power Stores.

Valued partners – Represent up-and-coming brands that are connected to youth culture or have a niche product assortment in the athletic or lifestyle space.

Proprietary Brands16
Tier 1 suppliers – Represent our primary vendors and their subsidiary factories. Approximately 80% of our proprietary brand merchandise, apparel, and accessories are sourced from approximately 10 suppliers located across China, Pakistan, Vietnam, Thailand, Turkey, Portugal, and the United States.

Tier 2 suppliers – Represent the raw material suppliers that directly subcontract with our main suppliers, which may include fabric mills or fabric suppliers.

16 Our definitions for Tier 1 and Tier 2 suppliers are based on parameters defined by the SASB Apparel, Accessories, and Footwear standard. Tier 1 suppliers are defined as suppliers that transact directly with the entity, such as finished goods manufacturers (e.g., cut and sew facilities). Suppliers beyond Tier 1 (referred to as Tier 2) are the key suppliers to the entity’s Tier 1 suppliers, including manufacturers, processing plants, and raw materials providers.
Verifying Suppliers

Key supply chain challenges in the value chains of the merchandise we sell could include human rights risks, such as child labor, forced labor, unfair wages and benefits, poor working conditions, and health and safety risks, such as high temperatures in factories, extreme noise levels, and potential impacts from cleaning agents.

In the selection of our suppliers, we work hard to find reputable business partners who are committed to ethical standards and business practices consistent with our values. Each of our suppliers agrees that, by accepting orders from us or any of our subsidiaries, it will abide by and implement the terms of our GSG and require the same from each of its subcontractors. Each of our suppliers acknowledges that its failure to honor this agreement will compel us to reevaluate, and possibly terminate, our business relationship with them.

Each of our contracted factories is required to undergo periodic audits to ensure adherence to the criteria set forth in our GSG and local legal requirements. In FY21, audits were conducted by ELEVATE, a business risk and sustainability solutions provider, and other accredited third-party sources, including amfori’s Business Social Compliance Initiative, Worldwide Responsible Accredited Production, and Sedex Members Ethical Trade Audit.

These audits, whether in-person or remote, include the following factors:

- Transparency and business integrity
- Hiring, disciplinary, and termination practices
- Child labor and forced/slave labor indicators
- Harassment and discrimination policies
- Freedom of association and grievance mechanisms
- Wages and benefits
- Hours of work
- Health and safety

There are several issues for which we have a “zero tolerance” policy, including bribery/corruption, child labor and forced or slave labor, human trafficking, and factory safety.

The outcome of each audit is shared with a cross-functional team, including Trade Compliance, Sourcing, and Legal. If critical issues are identified, we partner with the vendor to remediate the issue(s). Depending on the severity of the issue(s), follow-up audits may be conducted to validate that the critical issue(s) are resolved. We are invested in partnering with our suppliers to build a more sustainable and compliant supply chain.

In FY21, we audited 100% of our Tier 1 proprietary brand suppliers. We did not identify any serious violations of our GSG or local laws during the audits.

Global Security and Compliance Programs

We are an active member of several voluntary global security and compliance government programs.

In the United States, we have been a member of the CTPAT, a voluntary supply chain security program led by CBP, since 2003. The program is focused on improving and strengthening security processes globally. As a member, we are required to update our supply chain security profile annually, as well as undergo a foreign and domestic site visit every four years with CBP. We are also a member of the Trade Compliance Program f/k/a Importer Self-Assessment Program, a voluntary self-auditing compliance program in cooperation with CBP, since 2014. As a member, we have demonstrated our commitment to managing and monitoring important compliance through self-assessment.

In Europe, we have been an active member of the Authorized Economic Operation Program, a voluntary supply chain security and customs simplification program, in partnership with Dutch Customs (Belastingdienst/Douane), since 2013. The program is focused on mutual transparency, security, and financial responsibility, as well as safe and secure trading partnership. As a member, we are required to undergo an audit every three years with Dutch Customs.

100% of our proprietary brand suppliers are audited to maintain compliance with these programs.

**ZERO TOLERANCE**

on bribery/corruption/child labor and forced or slave labor, human trafficking, and factory safety
Sustainable Materials

Understanding and improving the ESG impacts associated with raw materials sourced through our suppliers are priorities. We are evaluating numerous initiatives to prioritize the procurement of less impactful material options and educating our consumers on product options with ESG-preferred attributes.

We are continuing to expand our network of sustainable suppliers. For example, we continue to explore the use of more sustainable cotton for our proprietary brand apparel, such as organic, recycled, and certified producers. We are also establishing a process to consider the use of sustainable fabric and trims in the development of our proprietary brand products. We are currently working with a zipper supplier that is a Bluesign-certified company.

To better understand the sustainability performance of our value chain suppliers, in FY21, we introduced a new questionnaire to our European procurement process. For larger store procurements (which could include fixtures, mannequins, or other items) we require vendors to respond to around 30 questions covering various ESG topics, which may include for example:

- Do you use any sustainable or eco-friendly materials?
- Do you measure Scope 1 and 2 emissions? How much are they?
- Are raw materials used in the product or production sourced from legal and sustainably-managed sources?
- How does your company ensure it complies with ethical workplace, labor, and human rights standards? Do you have a policy?

A condensed version of these questions is also required for service providers such as architects, project managers, and general contractors.

Our Conflict Minerals Policy reaffirms our commitment to sourcing components and materials free of conflict minerals (defined as tin, tantalum, tungsten, and gold).

Our branded partners are also increasing the number of sustainable footwear and apparel products they offer, including vegan products, recycled content (e.g., rubber, polyester, and ocean plastics), organic and sustainably-sourced cotton and yarns, and products certified through sustainable supply chains (e.g., the Better Cotton Initiative).

Nike Terrascape

To help protect the future of sports, Nike reconstructed a bold icon to introduce the new Air Max Plus™N Terrascape. In addition to delivering premium stability and cushioning, the Terrascape is crafted with at least 20% recycled content by weight. This sneaker defies the status quo with an eye to a better future for our planet. By turning what was once considered waste into new opportunities to create, Nike is changing the game from the ground up. The speckles in the rubber outsole are made from Nike Grind. Manufacturing scrap, unused manufacturing materials, and end-of-life footwear—including rubber, foam, fiber, leather, and textiles that are collected, separated, and reused—are processed into new Nike Grind materials that provide a premium foundation to build great sneakers (and more) while driving toward a more circular future.

Celebrating Brands’ Positive Impact
Chemicals Management

Chemicals management is a complex and important part of our processes to protect the environment, as well as team member and customer health. For every chemical product that is present in our own facilities or proprietary brand vendor factories, as part of the Globally Harmonized System, we require a Safety Data Sheet, which provides information about potential hazards and necessary safety precautions.

As part of our management processes, we:

- Manage site health and safety policies and strategic plans;
- Coordinate safety training for all team members who handle chemicals;
- Maintain a chemical inventory in printed and electronic copy;
- Conduct regular site audits to test storage, labelling, and usage conditions of hazardous chemicals;
- Provide recommendations to factory owners at Tier 1 vendor sites to ensure proper training is provided to their team members;
- Ensure appropriate personal protective equipment is available at our facilities and is provided by factory owners at Tier 1 vendor sites; and
- Confirm proper storage and disposal methods are followed at our facilities and at Tier 1 vendor sites.

In addition, in compliance with the air permit requirements of certain U.S. facilities, we conduct air quality testing annually based on OSHA permissible exposure limits. To date, the results of air quality tests have been significantly below the permitted thresholds in our permits.

Water Stewardship

In FY21, we published our Global Water Stewardship Statement, which states our commitment to a long-term sustainable approach for safeguarding the human right to water and sanitation.

In our direct operations, we seek to operate our business in a manner that does not encroach on the human right to water and sanitation in the communities we serve. This includes providing a safe and healthy work environment, including safe water for drinking and hygiene in our stores, distribution centers, and offices, as well as appropriately managing wastewater discharge in compliance with applicable environmental laws and regulations.

For U.S. sites undergoing a remodel or relocation, we require that bathroom fixtures adhere to the voluntary guidelines of the U.S. EPA WaterSense program, including 1.5 gallons per minute for faucets, and 1.1 gallons per flush for toilets. High efficiency water heaters are also installed where possible.

From FY21 through the start of FY22, 148 stores in our fleet have been fitted with water efficient toilets and faucet fixtures. This brings the total to 313 stores from FY19-21.

For some products (from both our private-label and branded partners), we perform screen-printing of graphics onto apparel (e.g., t-shirts). This process can use large amounts of water and result in wastewater discharge as inks are cleaned from screens and are prepared for reuse. We have a Health and Safety Policy and Strategic Plan and Waste Disposal Program in place to cover our screen-printing practices.

In FY21, we altered the cleaning tanks at our Team Edition facility to enable us to recycle and reuse mineral spirits, which enabled the site to no longer be considered a hazardous waste generator according to the EPA. For Eastbay, we reconfigured our daily operating structure to have only two shifts instead of three, which enabled us to reduce our water use by over 2% and to reduce our natural gas usage by nearly 9% as dryers were run for shorter periods each day.

We test our embellishment processes annually for compliance with CPSIA regulations and Nike’s restricted substance list. Testing is conducted by Intertek Testing Services and includes an evaluation of our ink systems and heat seal embellishments for safety, sustainability, and performance standards.

As part of our continuous improvement efforts to minimize our environmental impacts, we continue to actively evaluate best practices and digital printing technologies for dyeing and screen-printing to identify opportunities to reduce energy, water, and chemical usage, while simultaneously reducing costs. In FY21, we purchased a direct-to-garment printer for a small volume of private label apparel products that reduces labor and screen cleaning, thus reducing energy usage, ink usage, and wastewater.

In FY21, Team Edition self-completed the Higg Facility Environmental Module (FEM) assessment, which verified zero instances of the facility being out of compliance with legal requirements, which resulted in an overall score improvement of 14% over verified FY20 FEM results. Actionable improvements from FY20 to FY21 included eliminating the facility’s small quantity generator hazardous waste status and improving the chemical management process.

CPSIA Compliance

Because we value our vendors’, team members’, and customers’ safety, we conduct regular chemicals testing on embellished products in our facilities and in our vendor factories. Our FY21 testing results—completed by Intertek—indicate 100% compliance with lead and phthalates levels established in the CPSIA.
Transportation System Efficiency

Our global supply chain team seeks strategies and technology solutions to help increase the efficiency of our transportation operations. We are implementing a number of measures that seek to improve our fuel efficiency and reduce our GHG emissions. For example, we are:

- Using modeling software to improve the efficiency of our store delivery network;
- Utilizing trailer space more efficiently and shipping trucks and containers once full;
- Increasing the amount of freight we ship within each carrier;
- Prioritizing cleaner modes of transportation (e.g., ocean ships using liquified natural gas);
- Encouraging the use of fuel-saving strategies and technologies (e.g., our trucks frequently run overnight to reduce idling time and pollution);
- Seeking carrier partners that are SmartWay certified and make sustainability a priority (95% of outbound loads in FY21); and
- Shipping intermodal when available.

We are also enhancing our data collection capabilities to better measure results.

Localizing Distribution

We were pleased to recently announce that we are adding our first west coast distribution center, which will be our second largest facility by volume. Located just outside of Reno, Nevada, the new facility will employ 200 new team members, and will provide closer access to our major shipping ports in California, while serving our western, southwest, and northwest markets across the United States. Ultimately, this investment will enable us to optimize our shipping network, reduce delivery times, and lower GHG emissions as we reduce the distance each of our packages travels.

Measuring the Efficiency of Our Network

We have created a global average shipping mile per package KPI to help monitor the efficiency and sustainability of our global supply chain network. As this becomes an increasingly critical component of our ESG strategy, we are investigating future uses for this KPI.

For the first time in FY21, we assessed the carbon footprint of our global outbound transportation network from our distribution centers to stores, and direct to our customers’ homes. Leveraging the transactions that underpin our global average shipping mile per package KPI calculations, we overlayed fuel consumption estimates based on the transport mode type and the estimated efficiency of that transportation mode. In FY21, we estimate these emissions to be 132,460 tons CO₂e. We endeavor to refine this calculation in future years through the inclusion of actual vendor emission factors and expand the calculations to include additional geographies.

Understanding Our Vendor Fleets

As we continue to seek alternatives to lower the environmental impact of our distribution activities, we are also partnering with our transportation providers to understand the composition of their fleets and any planned investments they may have in low carbon vehicles.

17 Metric tons of carbon dioxide equivalent.
Managing and Reducing Our Environmental Impacts
Energy Conservation and Climate Stewardship

Charting a Net Zero Future

We are committed to helping our planet remain a sustainable home for current and future generations. We recently announced our ambition to achieve Net Zero GHG emissions by 2050 or sooner, in alignment with climate scientists’ recommendations to transition toward a Net Zero state to avoid the worst impacts of climate change. This announcement marks an important milestone in our ESG journey. We are committed to building on this progress and strengthening our vision for a more sustainable world.

Answering the call to limit the global temperature rise to 1.5°C, we have also committed to setting a science-based target in line with the criteria established by the SBTi. Our next step is to set near-term and long-term targets over our operational and value chain emissions in line with the criteria established by the SBTi, and to develop a Net Zero Transition Plan (in alignment with a 1.5°C world) which will outline our intended approach for achieving these targets.

The Company recently announced its ambition to achieve **NET ZERO** GHG emissions by 2050 or sooner.

To learn more about our efforts to power a more sustainable future, see our Global Environmental and Climate Change Statement, which is available at investors.footlocker-inc.com/climate.
Understanding and Reducing Our Emissions

The GHG Protocol classifies emissions into three categories:

Scope 1: Direct GHG emissions from company-owned and controlled resources. For us, this includes emissions from stationary and mobile sources using gasoline, propane, diesel, and natural gas.

Scope 2: Indirect GHG emissions from consumption of purchased electricity, heat, or steam. For us, this includes purchased electricity for retail stores, offices, warehouses, and distribution centers.

The GHG Protocol Scope 2 Guidance provides two methods by which a reporting company’s Scope 2 emissions can be calculated: the Location-Based Method and the Market-Based Method. The Location-Based Method reflects the average emission intensity of the grids where the Company’s energy consumption occurs, whereas the Market-Based Method reflects the Company’s procurement choices, such as renewable-energy purchases via contractual mechanisms.

Scope 3: Other indirect emissions from the Company’s operations.

Helping to Fight Climate Change and Reduce Our Carbon Footprint

SCOPE 1

<table>
<thead>
<tr>
<th>Year</th>
<th>tCO2e</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>6,588</td>
<td>-12%</td>
</tr>
<tr>
<td>FY21</td>
<td>5,775</td>
<td></td>
</tr>
</tbody>
</table>

SCOPE 2

<table>
<thead>
<tr>
<th>Method</th>
<th>Year</th>
<th>tCO2e</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location-Based</td>
<td>FY20</td>
<td>76,471</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>FY21</td>
<td>85,893</td>
<td></td>
</tr>
<tr>
<td>Market-Based</td>
<td>FY20</td>
<td>65,839</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>FY21</td>
<td>69,292</td>
<td></td>
</tr>
</tbody>
</table>

SCOPE 3

<table>
<thead>
<tr>
<th>Category</th>
<th>Year</th>
<th>tCO2e</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Travel</td>
<td>FY20</td>
<td>2,486</td>
<td></td>
</tr>
<tr>
<td></td>
<td>FY21</td>
<td>1,649</td>
<td></td>
</tr>
<tr>
<td>Franchises</td>
<td>FY20</td>
<td>6,588</td>
<td>-12%</td>
</tr>
<tr>
<td></td>
<td>FY21</td>
<td>5,775</td>
<td></td>
</tr>
<tr>
<td>Downstream</td>
<td>FY20</td>
<td>132,460</td>
<td>7%</td>
</tr>
<tr>
<td>Distribution</td>
<td>FY21</td>
<td>3,009,922</td>
<td>10%</td>
</tr>
</tbody>
</table>

Global Energy and Emissions Profile

ENERGY

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Consumption (MWh)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>183,665</td>
<td></td>
</tr>
<tr>
<td>FY21</td>
<td>196,733</td>
<td>7%</td>
</tr>
</tbody>
</table>

Electricity Consumption - Grid

<table>
<thead>
<tr>
<th>Year</th>
<th>MWh</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>897,974</td>
<td></td>
</tr>
<tr>
<td>FY21</td>
<td>985,497</td>
<td></td>
</tr>
</tbody>
</table>

Electricity Consumption - Renewables

<table>
<thead>
<tr>
<th>Year</th>
<th>MWh</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>28,755</td>
<td></td>
</tr>
<tr>
<td>FY21</td>
<td>45,200</td>
<td></td>
</tr>
</tbody>
</table>

Total Energy Consumption (GJ)

<table>
<thead>
<tr>
<th>Year</th>
<th>GJ</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>99,936</td>
<td></td>
</tr>
<tr>
<td>FY21</td>
<td>107,346</td>
<td>7%</td>
</tr>
</tbody>
</table>

Notes on GHG Emissions Inventory

Footnotes:
18 The Greenhouse Gas Protocol (https://ghgprotocol.org/) is a set of global standardized frameworks that organizations can use to measure their GHG emissions. To learn more about our GHG emissions inventory, see Notes on GHG Emissions Inventory on pages 66 through 72.

22 Renewable sources present in the grid.

24 Only Emissions calculated for this category cover global merchandise spend for Foot Locker, Inc. (excluding WSS and atmos). Non-merchandise goods/services or capital goods spend have not been mapped.
Sustainability In–Store and Beyond

We were pleased to be able to open our stores for longer hours during FY21 due to the abatement of COVID-19 and the associated health protocols, which increased our Scope 1 and 2 emissions from our FY20 baseline.

During the COVID-19 pandemic, we amended our business travel policy to protect our team members. For travel to be approved, we required that there must be significant adverse consequences if travel were not to occur. As a result of this policy, our travel-related GHG emissions declined significantly in FY19-20, reflecting restricted office-to-office, air, rail, and public transportation. Similarly, our Scope 3 Business Travel emissions decreased in FY21 as more of our team members were able to attend business critical meetings and events.

This year, we calculated 5 additional Scope 3 emissions categories to improve our understanding of our value chain impacts.

Green Friday

We are piloting ways in which we can engage our customers in our Net Zero ambition. Turning the Black Friday tradition into a “Green Friday,” SIDESTEP committed to plant a tree for every footwear purchase through Eden Reforestation Projects for the period of November 24 through 29, 2021. Eden’s vision is to develop a global restoration network that creates livelihoods for millions of people living in extreme poverty by empowering them to restore and protect forests on a large scale. Their main areas of operations are Madagascar, Haiti, Nepal, Indonesia, Mozambique, and Kenya. As a result of this initiative, 23,000 trees were planted. Our tree planting program would equate to offsetting 7,084 tons of CO₂.

NET ZERO AMBITION
Energy Efficiency

We have regional energy management teams that are responsible for managing our energy consumption and costs, analyzing, and improving current operational performance, and testing, prioritizing, and implementing energy efficient technologies and products. We continuously look for opportunities and technologies to lower our global operational energy use from lighting, heating, ventilation, and air conditioning systems across both our owned and leased premises.

In FY21, we completed LED lighting replacements across 100 front- or back-of-house of stores which will result in estimated energy reductions of 748,467 kWh/year. Further, from proactive HVAC retrofitting efforts in the U.S., we saved approximately 641,351 kWh. We continue to enhance this program.

Under an EU energy efficiency directive, all non-SMEs are required, at least every four years, to audit high quality and cost-effective energy. Currently, the following countries require on-site store visits from certified auditors: Spain, Netherlands, the United Kingdom, Germany, Italy, and France. In Hungary, registration with the appropriate energy and utilities regulator is required. The first round of energy audits was completed by certified third parties in FY15, and a second round was completed in FY19-20. Typical information that may be evaluated during these audits includes energy consumption invoices, store drawings, and leased company car fuel consumption.

In France, our stores will also be required in FY22 to begin to implement a series of national energy reduction targets (40% by 2030, 50% by 2040, and 60% by 2050). We expect to primarily undertake LED lighting retrofits and installation of smart meters to help monitor and reduce our consumption.

Renewable and Low Carbon Energy Procurement

We are also delivering on our environmental sustainability strategy by actively increasing our use of renewable energy through new regional green power contracts. As of FY21, we now have operations in nine countries across Europe sourcing 100% renewable energy, representing 700 sites and 85% of our total electricity use (in MWh). Further, green power comprises 23% of our power sourced in APAC (34 sites) and 6% of our power sourced in North America (137 sites).

Building from our contracting in FY20 for nuclear energy to supply the electricity of our retail stores in Ohio, in FY21, we began participating in a Natural Gas Balance Program with DTE Energy in Detroit. This program offsets 100% of our natural gas usage, with carbon offsets generated from methane from landfills, the proceeds of which are used to procure additional RNG into DTE's supply mix which helps to significantly reduce the GHG impact of methane. Our FY21 participation in the program helped to negate 24 metric tons of natural gas-related CO₂e emission (from both offsets and acquisition of RNG) for the HVAC used in our 14 stores in Detroit.

In FY21, we decommissioned our aging Milwaukee data center and replaced the capacity with two new energy-efficient hosted facilities in Illinois and Texas. The new generation of our server systems is 29% more energy-efficient than the previous generation, allowing us to use fewer servers to accomplish the same workload. They consume 14% less electricity for the same amount of storage space with 10x the performance.

The new facilities are also designed with many energy- and cost-saving features, such as high-efficiency Uninterruptible Power Supplies, Power Distribution Units, and variable-speed fan drives. Building management systems, sensors, and flexible infrastructure allow precise delivery of the right cooling at the right time to the right space. This cooling process is also water-free, while minimal amounts of water are used for humidification and facility maintenance.

These new third-party facilities also utilize features of the local environment to further decrease their carbon footprint; the Texas facility utilizes 100% renewable energy from solar power, while the Illinois facility utilizes outside air for cooling during the winter. In total, the decommissioning of the Milwaukee site has reduced our data center power usage by 54 kWh/month, or 48% overall.
Understanding Our Climate-Related Risks and Opportunities

Climate risk continues to be a focus of our enterprise-wide risk identification, assessment, and management. Internal Audit facilitates an annual risk assessment and meets with management regularly to review risk monitoring activities. Risk and risk mitigation activities are reported to the Audit Committee quarterly and to the full Board annually.

Our property insurer combines climate change data and its portfolio claim loss history with our global exposures to catastrophic events and our physical property location data to identify the regions and sites where we may be most exposed to climate hazards and risks. Once they have identified these critical locations, they analyze the hazards in depth and assess the impact. On a periodic basis, they perform physical on-site risk assessments for certain high value locations, such as distribution centers, and provide recommendations for improvements, if any, to ensure we have taken all reasonable steps to protect against possible risks.

Additionally, in FY21, energy efficiency policies in China resulted in production changes across our supply chain, as our suppliers’ factories were required to shift to nighttime operations to reduce demand on local electricity grids.

We use sophisticated market planning models to select physical store locations that are convenient to our target customers in each market. Distribution centers are located in areas that facilitate speedy delivery services to customers and stores. While customer proximity is the primary driver, flooding risks and other natural hazards play a role in site selection, although that could change in the future as climate risk and related modeling become more sophisticated. Further, most retail store leases have 10-year lease terms such that if climate risk substantially increases in a given area, we can mitigate the risk by locating a subsequent physical store in a less flood-prone area.

Our property insurer has classified 12% of our property portfolio in the high-risk flood determination, and an additional 16% of our locations are in the medium-risk flood determination. The balance of our global property portfolio is in a low-risk flood determination area. Most of the high and medium risk locations are individual retail store locations with total insurable values less than our per location deductible.

We are committed to managing our Company in ways that are socially responsible and environmentally sustainable.
Reducing Waste and Encouraging Reuse

As legislation regarding single-use plastics continues to evolve around the world, we are actively working with local stores and suppliers to transition the composition of our merchandise bags. Globally, our plastic carrier bags are made of at least 85% post-consumer recycling material. This uses 80% less fossil fuels, corresponding to a 40% reduction in CO₂e emissions during manufacture over virgin material carrier bags. We are also planning to launch a sustainable reusable bag in EMEA in FY22.

Plastic hangers are another way in which the Company is creating a positive environmental impact. In partnership with Arch and Hook, BLUEWAVE hangers, a thermoplastic material, made from 100% recycled ocean bound plastic, marine plastic and recycled post-consumer plastic, were piloted in our new, high-profile Barcelona and Brussels stores. BLUEWAVE thermoplastic material is created from 100% recycled ocean bound, marine plastic and recycled post-consumer plastics. We have purchased more than 750,000 BLUEWAVE hangers and accessories for FY22, which equated to 53 tons of plastic being removed from the waterways.

We have begun to procure sustainable mannequins. The first step in doing so was partnering with Hans Boodt Mannequins, which incorporates Nike Grind, which is comprised of ground sneaker sole bits, into the mannequin forms. Repurposing sneakers that would have otherwise ended up in landfills or incinerated is a step toward our sustainability goals. Looking forward, we are researching options to make additional display items from ground mannequins with the goal to have mannequins that are 100% circular by FY23.

We proactively address the ways in which we handle the waste generated by our business operations and are working to divert less waste to landfills across our global footprint. For example, our distribution centers are focused on increasing onsite reuse of corrugated boxes. We are proud to share that across our distribution sites, we increased the number of boxes we reuse by 19% from FY20 through FY21 and the volume of corrugate boxes we recycle also increased by 22% from FY20 through FY21. What we are not able to reuse, we recycle.

### Recycling of Corrugated Boxes

<table>
<thead>
<tr>
<th></th>
<th>TOTAL RECYCLED (U.S. short tons)</th>
<th>TOTAL REUSED (boxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY21</td>
<td>6,321</td>
<td>2,059,903</td>
</tr>
<tr>
<td>FY20</td>
<td>5,191</td>
<td>1,734,091</td>
</tr>
<tr>
<td>FY19</td>
<td>5,945</td>
<td>1,635,372</td>
</tr>
</tbody>
</table>

22% YoY CHANGE

20% YoY CHANGE

In FY21, we continued partnering with Mind Your Waste Foundation to expand our store recycling efforts in Europe. This helped us collect waste from 103 stores that were not already part of the program, totaling 107 tons of waste and 6.5 tons of materials for recycling.

25 Our Milton facility first began tracking this data in 2021. Its total recycling figure comprises 1% of the total, and YoY change would be 20% if the Milton data is excluded.

26 Data for Eastbay first became available in FY21. Its total reused boxes figure comprises 2% of the total, and YoY change would be 17% if the Eastbay data is excluded.
Operating Ethically and Transparently
Governance

Our primary corporate governance objectives are to maximize long-term business success and increase shareholder value, while adhering to the laws of the jurisdictions where we operate and conduct our business with the highest ethical standards. We are committed to best practices in terms of corporate governance as a key to maintaining the trust of our stakeholders. We comply with all applicable requirements outlined in the New York Stock Exchange Corporate Governance Listing Standards.

Our corporate authority resides in our Board as the representative of the shareholders. Our Board has adopted Corporate Governance Guidelines charters for each of its standing committees (i.e., Audit, Finance, Human Capital, and Responsibility), and policies to lead our governance practices. Our Board uses its business judgment and due care in its oversight of management to ensure appropriate procedures are in place to identify and mitigate risks.

We recognize the importance of DiBs in conducting our business, and we extend these values by nominating directors from diverse backgrounds. This ensures that our Board has a variety of experiences, business judgment, and perspectives that contribute to an effective decision-making process. Our directors are diverse: 70% are women or POC; their median tenure is 7 years; and their median age is 63.

To learn more about our Corporate Governance practices, policies, and procedures, visit footlocker.com/corp.
INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.

INDEPENDENCE

9 of 10 directors are independent. All directors are independent, except the CEO.

REFRESHMENT

Over past 5 years, 5 new directors added and 5 directors retired.
**Governance Framework**

We recognize the need for a strong governance framework to connect individuals and teams across our Company and include various levels of oversight through the organization.

<table>
<thead>
<tr>
<th>Board</th>
<th>Our Board is a trusted fiduciary of our shareholders’ interests. Our Board seeks to promote the best interests of the Company and our continued high performance by approving and monitoring Company strategy, providing advice and counsel to senior management, overseeing risk management responsibilities, and observing the highest ethical standards at all times. Our Board exercises many of its responsibilities through its committees. Each committee has ESG oversight responsibilities. The Responsibility Committee oversees our ESG strategy, primarily through approval of sustainability-related metrics, initiatives, and public disclosures, and oversight of identified ESG and climate-related risks and opportunities, as raised by the ESG Leadership Team. The Human Capital Committee has a role in ensuring that key ESG performance metrics are actively managed by our executives. NPS and our DIBs Index are incorporated into executive annual incentive compensation and this is overseen by this committee. The Finance Committee considers relevant ESG implications within our overall ESG framework in its review of corporate development initiatives. Finally, the Audit Committee assists our Board in overseeing the Company’s compliance with legal and regulatory requirements, including risk assessments regarding ESG-related risks, ESG metrics and attestations, and cybersecurity oversight. All Committees provide reports and feedback to the full Board for its collective review and discussion. Our Lead Independent Director, General Counsel, and Deputy General Counsel engage directly with shareholders on ESG matters to understand their priorities and feedback. Over the past year, they have engaged individually with shareholders representing approximately 30% of our total shares outstanding, as well as proxy advisory firms, to discuss ESG matters.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>Our CEO is responsible for developing and executing our strategy. In doing so, he ensures our Board receives complete and transparent information regarding our ESG practices so they may exercise their oversight responsibility to the fullest. He also ensures our ESG Leadership Team has the appropriate composition and resources to make effective progress.</td>
</tr>
<tr>
<td>Executive Leadership Team</td>
<td>Our ELT, which is made up of our CEO and his direct reports, provides oversight of our ESG practices. This ensures that the overall program receives strategic direction and that our practices align with longer-term initiatives. The ELT also helps ensure our program is appropriately prioritized within the Company.</td>
</tr>
<tr>
<td>Executive Sponsor</td>
<td>Our Deputy General Counsel serves as the Executive Sponsor of our ESG Leadership Team. In this role, he ensures the program receives the necessary attention at all levels of the Company. Our Deputy General Counsel presents the activities of the ESG Leadership Team to our Board (through the Responsibility Committee), or the full Board, as appropriate, on a quarterly basis.</td>
</tr>
<tr>
<td>ESG Leadership Team</td>
<td>A cross-functional group provides day-to-day leadership of our ESG strategy to ensure we make continued progress and remain current with evolving rules, guidance, and best practices, particularly as they relate to our four pillars:</td>
</tr>
</tbody>
</table>
  1. Leveraging the Power of Our People and Communities
  2. Strengthening the Sustainability of Our Supply Chain
  3. Managing and Reducing Our Environmental Impacts
  4. Operating Ethically and Transparently

The ESG Leadership Team is convened at least monthly to support regular communication and collaboration across our global functions.
We value an open dialogue with our stakeholders and believe that communication is a critical part of our long-term success.

**Stakeholder Engagement**

An important part of our ESG strategy is stakeholder engagement. We engage regularly with our customers, team members, communities, investors, and vendor partners to understand their perspectives and what is important to them.

During the 2021–22 season, our Lead Independent Director, General Counsel, and Executive Sponsor met individually with shareholders representing approximately 30% of our total shares outstanding, as well as proxy advisory firms.

Each Committee of our Board has specific ESG oversight responsibilities in its charter:

- **Audit Committee**
  - Reviews risk assessments regarding ESG-related risks
  - Reviews ESG metrics and attestations

- **Responsibility Committee**
  - Oversees ESG initiatives and public reporting, including Impact Report

- **Human Capital Committee**
  - Considers ESG implications in review of compensation, benefits, and employment arrangements

- **Finance Committee**
  - Considers ESG implications of corporate development initiatives

We Heard YOU

We value an open dialogue with our stakeholders and believe that communication is a critical part of our long-term success.

**SPEAK**

Each Committee of our Board has specific ESG oversight responsibilities in its charter:
Internal Audit

Internal Audit serves an important role in our ESG strategy. Internal Audit provides independent, objective assurance and consulting designed to add value and improve our ESG reporting, and reports to the Audit Committee.

The Role of Internal Audit Within Our ESG Strategy is Evolving

Internal Audit maintains a sound working relationship with management regarding ESG. Internal Audit serves as an independent resource to management by providing objective evaluations and consulting on the design of ESG controls and implementation of recommendations and controls.

As part of the ESG Leadership Team, the Vice President, Internal Audit collaborates with many internal and external stakeholders.

Internal Audit works cross functionally with groups, such as Human Resources, Legal, Procurement, Product, Real Estate, Utilities, Sourcing, and Supply Chain.

Internal Audit objectively and independently gathers, evaluates, and communicates information concerning our ESG program, including the progress of the processes examined.

Internal Audit Enhances Our ESG Performance

Internal Audit is a strategic partner to our ESG strategy by increasing the level of trust in managing risks and opportunities, measuring and reporting progress, and achieving ambitions.

Provides assurance that the organization has effective ESG oversight and controls, addresses material ESG risks and opportunities, maintains compliance with applicable regulations, and ensures reliable ESG reporting.

Provides advice and recommendations to improve ESG strategy, governance, risk management, internal controls, data and technology solutions, and reporting.

Provides advocacy for the ESG strategy, approach, risk tolerance, and reporting.

Provides insights gained through analysis of data and information from internal and external sources to improve ESG performance and risk management.

Scope of responsibilities

- Examines and evaluates the adequacy and effectiveness of ESG internal controls and ensures the integrity of the ESG governance program
- Partners with management regarding our ESG reporting strategy
- Monitors regulatory reporting requirements and advises on the implementation of new disclosures
- Provides assurance of reported priority ESG data and KPIs
- Serves as one of the points of contact concerning ESG matters within the Finance organization
<table>
<thead>
<tr>
<th>Purpose</th>
<th>Governance</th>
<th>Performance</th>
<th>Risk Management</th>
<th>Data</th>
<th>Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assesses whether ESG strategy addresses key stakeholder expectations and is aligned to corporate purpose and strategy</td>
<td>Assesses the effectiveness of ESG governance, such as through leadership and board commitment</td>
<td>Reviews the availability, consistency, reliability, and trends of ESG to measure the effectiveness of ESG initiatives across the organization</td>
<td>Assesses and advises on the integration of ESG issues into ERM framework to identify, assess and prioritize ESG risks</td>
<td>Evaluates data framework, internal controls, and processes to collect, aggregate, calculate, and analyze ESG data</td>
<td>Assesses whether ESG reporting is reliable, timely, consistent, and aligned to relevant regulations</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Advises on developing internal controls over ESG reporting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Assesses preparedness to obtain external assurance</td>
</tr>
</tbody>
</table>

Internal Audit Plays a Role Across Several Dimensions of Our ESG Strategy
Risk Management

In coordination with the General Counsel, the Internal Audit team leads enterprise-wide risk identification, assessment, and management. Procedures are well established for regular risk monitoring by management, quarterly risk reporting to the Audit Committee (including any ESG-related risks, if applicable), and the submission of an annual risk report to our Board.

The organizational annual enterprise risk assessment identifies ESG as an emerging risk, particularly due to shifts in customer preferences for more sustainable products and increasing requests from stakeholders for greater transparency in ESG disclosures. This risk continues to be monitored by our Board and ranked on an annual basis.

Our Asset Protection team is an active participant in the RILA Crimes Against Business Committee, which is a group of leading retail industry partners that convene to strategize on ways to combat the various criminal activities facing the industry, as well as the RILA ORC TEAMs resource group on which we collaborate with other retailers on ORC trends.

In FY21, the Company continued to focus on sustained performance and positive continuous improvement against its KPIs, and for the first time, third-party independent limited assurance was obtained for the metrics presented. Assurance gives the Board and management added confidence to speak to the Company’s progress against these important KPIs. To learn more about the third-party independent limited assurance, see Independent Accountants’ Review Report on page 7.

Guillermo G. Marmol (he/him/his)
Chair, Audit Committee

Ethics and Compliance

The COBC serves as our ethical compass for the commitment we make to our stakeholders and one another. We distribute the COBC to our team members annually, and provide ongoing compliance training throughout the year, either online or in-person. We also offer online courses on a variety of topics, including COVID-19 safety; workplace safety; non-discrimination and harassment, including sexual harassment; unconscious bias; allyship; microaggressions; belonging; privilege; and data privacy, including GDPR and CCPA. The COBC is periodically reviewed and revised, as appropriate.

The COBC, or a summary, is available in all our offices, stores, and distribution centers, as well as on footlocker-inc.com.

Team members are also required to comply with our Anti-Corruption Policy, which supplements the COBC and underscores our commitment against corruption and bribery.

We encourage all team members to feel comfortable raising concerns without fear of retaliation if violations of Company policies are suspected. Team members can submit concerns to the COBC Hotline, which is managed by an independent third party, and is available 24 hours a day, 7 days a week in multiple languages. Concerns can be submitted anonymously, where permitted by local law. Team members also have the option of submitting concerns online at footlocker.ethicspoint.com.

We are a member of RILA, the U.S. trade association for retailers that have earned leadership status by virtue of their sales volume, innovation, or aspiration. RILA convenes decision-makers to collaborate and gain from each other’s experience and advances the industry through public-policy advocacy and promotion of operational excellence and innovation. Through research and thought leadership, RILA propels developments that foster both economic growth and sustainability. We participate in its committees and councils, including its ESG Executive Committee, which allow us to benchmark and collaborate with peer companies on issues essential to long-term preparedness and resilience to withstand critical events. Our CEO is also Chairman of RILA.

Our Asset Protection team is an active participant in the RILA Crimes Against Business Committee, which is a group of leading retail industry partners that convene to strategize on ways to combat the various criminal activities facing the industry, as well as the RILA ORC TEAMs resource group on which we collaborate with other retailers on ORC trends.

In FY21, the Company continued to focus on sustained performance and positive continuous improvement against its KPIs, and for the first time, third-party independent limited assurance was obtained for the metrics presented. Assurance gives the Board and management added confidence to speak to the Company’s progress against these important KPIs. To learn more about the third-party independent limited assurance, see Independent Accountants’ Review Report on page 7.

Guillermo G. Marmol (he/him/his)
Chair, Audit Committee
Data Security

We are committed to implementing measures designed to keep our customers' and team members' data safe and secure, and have multiple systems in place to help ensure customers' and team members' data and privacy are protected. Our data security program is aligned to ISO/IEC 27000 (Information Security Management Systems standards) and leverages best practices from other frameworks, such as the National Institute of Standards and Technology.

Additionally, we evaluate our vendors through our Vendor Technical Questionnaire to help ensure that they can meet technical and security guidelines and require certain protective clauses in our vendor agreements, as appropriate. We routinely test our systems and disaster recovery processes to test for anomalies, reduce false positives, and help ensure efficient reaction to potential vulnerabilities.

Cybersecurity

To mitigate against certain technology risks, including failures, security breaches, and cybersecurity risks that could harm our business, damage our reputation, and increase our costs, our cybersecurity program includes the following elements:

- **Technology** – We employ a layered “defense, detect, and respond” strategy.
- **Benchmarking and External Engagement** – We benchmark our security practices against other organizations and are active in the information security community.
- **Third-Party Assessments** – We engage a range of outside experts to regularly assess our organizational security programs, processes, and capabilities.
- **Internal Assessments** – We regularly test and improve our information systems through security risk and compliance review, user access campaigns, and other strategies.

To actively monitor this changing landscape, our Chief Information Security Officer, and outside experts on cybersecurity risk and cyber risk oversight, provide regular briefings to the Audit Committee.

We take cybersecurity very seriously, and our approach consists of closer alignment to well-known and established cybersecurity frameworks. We use and continue to improve our cyber defense-in-depth strategy that uses multiple layers of security for holistic protection.

Annual cybersecurity training is mandatory for both corporate and field team members based on job function. In FY21, 100% of corporate team members, and 96% of field team members (due to turnover) completed this training.

In FY21, we employed the services of ReliaQuest to improve our security posture using advanced correlation techniques, machine learning, and automated attack simulations. Their services allow us to continuously validate our cybersecurity controls, identify potential gaps, and prioritize remediations based on business risk. ReliaQuest is able to correlate various activities to help identify any irregular events which may be required to be blocked or further investigated.

Privacy

Over the past few years, customer data privacy has continued to gain further importance as our customers share an increasing amount of their personal information with us online and in our stores.

In FY21, we formed a Data Governance function, and in FY22, we created a Chief Privacy Officer role. This team employs a variety of tools and strategies to help track and secure data within the organization and with third parties. By improving our understanding where data is stored and who accesses it, we can minimize risk. We are finalizing a refresh of role-based access across our organization to increase automation and allow our professionals to access the data they need to perform their jobs and adapt that access as their role changes.

We have also made strides in process improvement and due diligence. When working with third parties, we have processes in place to help identify if personal data will be processed by such third parties. If it is identified that our third parties process personal data, our privacy and legal professionals help ensure that appropriate data processing agreements are put in place and, when appropriate that data privacy impact assessments are conducted to identify potential privacy risks and risk mitigation strategies. Such risk mitigation strategies may include data minimization measures, masking personal data, and reducing retention periods and others to help reduce risk to customers.

Our Privacy Policies and Statements are available on the direct-to-consumer websites of our various banners around the world. Our Privacy Policies and Statements govern our treatment of customer data. They outline the types of personal information we collect, how we use and share the information, and the measures we take to protect their security. Multiple points of contact are provided through which customers may initiate inquiries and raise concerns to us regarding our collection, sharing, and use of their personal data.

Our privacy policies and practices in the European Union were updated in FY18 in response to the GDPR requirements. Similarly, our privacy statements and practices in the United States were updated in response to the CCPA in FY19. With recent legislative changes, we are also dedicated to revising our policies to align with legislative developments.
Political Contributions and Public Advocacy

Our COBC prohibits making contributions on behalf of the Company to political parties, political action committees, political candidates, or holders of public office.

The Company is a member of certain trade associations, which support their member companies by offering educational forums, public policy advocacy, networking, and advancement of issues important to the retail and footwear industries, as well as the business community generally. Given the diversity of interests, viewpoints, and broad membership represented by these trade associations, the positions they take may not always reflect the Company’s positions. Also, we monitor the use of membership dues paid to trade associations for consistency with the Company’s values and business objectives.

During FY21, the Company was a member of, and paid membership fees to, the following organizations which, as part of their overall activities, may engage in advocacy activities with regard to issues important to the retail or footwear industries or the business community generally, as applicable:

- FDRA
- RILA
- U.S. Chamber of Commerce

Our CEO is a director of FDRA and Chairman of RILA.

Political and Public Advocacy Oversight

Our Board has political and public advocacy oversight responsibility, including ensuring that management’s political and lobbying expenditures are aligned with the Company’s strategy. Our Board has adopted policies and procedures to oversee political and lobbying expenditures. As part of its ESG oversight responsibility, the Responsibility Committee reviews annually our Board’s policies and procedures regarding politics and public advocacy and that the Company’s publicly-stated positions are aligned with its related activities and spending.
REFERENCE TABLES
### A. SASB–Apparel, Accessories, and Footwear

<table>
<thead>
<tr>
<th>ACTIVITY METRICS</th>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA AND/OR REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of (1) Tier 1 suppliers, and (2) suppliers beyond Tier 1</td>
<td>Quantitative</td>
<td>Number</td>
<td>CG-AA-000.A</td>
<td>Data: As of January 2022, we sourced from approximately 20 Tier 1 vendor partners. Tier 2 information is not currently provided, but will be considered for future reporting. Reference: Supplier Sustainability and Engagement (page 39)</td>
</tr>
</tbody>
</table>

**MANAGEMENT OF CHEMICALS IN PRODUCTS**

| Discussion of processes to maintain compliance with restricted substances regulations | Discussion and Analysis | n/a | CG-AA-250a.1 | Reference: Chemicals Management; Water Stewardship (page 42) |
| Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | Discussion and Analysis | n/a | CG-AA-250a.2 | Reference: Chemicals Management; Water Stewardship (page 42) |

**ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN**

| Percentage of (1) Tier 1 supplier facilities, and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement | Quantitative | Percentage (%) | CG-AA-430a.1 | Data: 100% of Tier 1 suppliers and factories met all applicable legal compliance requirements in FY21. Reference: Verifying Suppliers (page 40) |
| Percentage of (1) Tier 1 supplier facilities, and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (higg FEM) assessment or an equivalent environmental data assessment | Quantitative | Percentage (%) | CG-AA-430a.2 | Data: This information is not currently provided, but will be considered for future reporting. |

**LABOR CONDITIONS IN THE SUPPLY CHAIN**

| Percentage of (1) Tier 1 supplier facilities, (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, and (3) percentage of total audits conducted by a third-party auditor | Quantitative | Percentage (%) | CG-AA-430b.1 | Data: In FY21, 100% of Tier 1 supplier facilities were audited by an independent third-party auditor. Tier 2 information is not currently provided, but will be considered for future reporting. Reference: Verifying Suppliers (page 40) |
| Priority non-conformance rate and associated corrective action rate for suppliers’ labor code of conduct audits | Quantitative | Rate | CG-AA-430b.2 | Data: In FY21, we did not identify any serious violations of our GSG or local laws in the audits of Tier 1 factories. When issues are found, Tier 1 suppliers are given the opportunity to remediate any findings after the audit. Our Compliance Team (with collaboration from our Sourcing team) communicates deficiencies identified and then partners with our suppliers to develop a timeline to implement corrective actions. Reference: Verifying Suppliers (page 40) |
| Description of the greatest (1) labor, and (2) environmental, health, and safety risks in the supply chain | Discussion and Analysis | n/a | CG-AA-430b.3 | Reference: Verifying Suppliers (page 40) |
### ACTIVITY METRICS

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA AND/OR REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>RAW MATERIALS SOURCING</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description of environmental and social risks associated with sourcing priority raw materials</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
<td>CG-AA-440a.1, Reference: Sustainable Materials (page 41)</td>
</tr>
<tr>
<td>Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard</td>
<td>Quantitative</td>
<td>Percentage (%), by weight</td>
<td>CG-AA-440a.2, Data: This information is not currently provided, but will be considered for future reporting. At this time, we are working internally to explore sustainable fabric and trims in our proprietary brand product development.</td>
</tr>
</tbody>
</table>

---

### B. SASB–Multiline and Specialty Retailers, and Distributors

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA AND/OR REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTIVITY METRICS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of (1) retail locations, and (2) distribution centers</td>
<td>Quantitative</td>
<td>Number</td>
<td>CG-MR-000.A, Data: As of January 29, 2022, the Company’s 2,858 stores were located in 28 countries. We have an additional 142 licensed stores located within the Middle East and Asia. We operate six distribution centers directly and contract 11 through third-party supply chain providers.</td>
</tr>
<tr>
<td>Total area of (1) retail space, and (2) distribution centers</td>
<td>Quantitative</td>
<td>Square meters (m²)</td>
<td>CG-MR-000.B, Data: Our domestic stores have an average of 3,000 selling square feet per store, and our international stores have an average of 1,900 selling square feet per store.</td>
</tr>
</tbody>
</table>

---

### ENERGY MANAGEMENT IN RETAIL AND DISTRIBUTION

<table>
<thead>
<tr>
<th>UNIT OF MEASURE</th>
<th>CODE</th>
<th>DATA AND/OR REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Total energy consumed, 2) percentage grid electricity, and (3) percentage renewable</td>
<td>Quantitative</td>
<td>Gigajoules (GJ), Percentage (%)</td>
</tr>
<tr>
<td>ACTIVITY METRICS</td>
<td>CATEGORY</td>
<td>UNIT OF MEASURE</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td><strong>DATA SECURITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Description of approach to identifying and addressing data security risks</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
</tr>
<tr>
<td>(1) Number of data breaches, (2) percentage involving PII, and (3) number of customers affected</td>
<td>Quantitative</td>
<td>Number, Percentage (%)</td>
</tr>
<tr>
<td><strong>LABOR PRACTICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Average hourly wage, and (2) percentage of in-store team members earning minimum wage, by region</td>
<td>Quantitative</td>
<td>Reporting currency, Percentage (%)</td>
</tr>
<tr>
<td>(1) Voluntary, and (2) involuntary turnover rate for in-store team members</td>
<td>Quantitative</td>
<td>Rate</td>
</tr>
<tr>
<td>Total amount of monetary losses as a result of legal proceedings associated with labor law violations</td>
<td>Quantitative</td>
<td>Reporting currency</td>
</tr>
<tr>
<td><strong>WORKFORCE DIVERSITY AND INCLUSION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of gender and racial/ethnic group representation for (1) management, and (2) all other team members</td>
<td>Quantitative</td>
<td>Percentage (%)</td>
</tr>
<tr>
<td>Total amount of monetary losses as a result of legal proceedings associated with employment discrimination</td>
<td>Quantitative</td>
<td>Reporting currency</td>
</tr>
<tr>
<td><strong>PRODUCT SOURCING, PACKAGING AND MARKETING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from products third-party certified to environmental and/or social sustainability standards</td>
<td>Quantitative</td>
<td>Reporting currency</td>
</tr>
<tr>
<td>Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
</tr>
<tr>
<td>Discussion of strategies to reduce the environmental impact of packaging</td>
<td>Discussion and Analysis</td>
<td>n/a</td>
</tr>
</tbody>
</table>
## C. TCFD Framework

<table>
<thead>
<tr>
<th>RECOMMENDED DISCLOSURE TOPIC</th>
<th>REPORT REFERENCE</th>
<th>ADDITIONAL COMMENTS OR SOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>Describe the Board’s oversight of climate-related risks and opportunities</td>
<td>Operating Ethically and Transparently (pages 51-60)</td>
</tr>
<tr>
<td></td>
<td>Describe management’s role in assessing and managing climate-related risks and opportunities</td>
<td>CDP Report</td>
</tr>
<tr>
<td>Strategy</td>
<td>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term</td>
<td>Understanding Our Climate-Related Risks and Opportunities (page 49)</td>
</tr>
<tr>
<td></td>
<td>Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning</td>
<td>CDP Report</td>
</tr>
<tr>
<td></td>
<td>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</td>
<td>CDP Report</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Describe the organization’s process for identifying and assessing climate-related risks</td>
<td>Understanding Our Climate-Related Risks and Opportunities (page 49)</td>
</tr>
<tr>
<td></td>
<td>Describe the organization’s processes for managing climate-related risks</td>
<td>CDP Report; Proxy Statement</td>
</tr>
<tr>
<td></td>
<td>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management</td>
<td>CDP Report; Proxy Statement</td>
</tr>
<tr>
<td>Metrics and Targets</td>
<td>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk-management process</td>
<td>Energy Conservation and Climate Stewardship (pages 45-49)</td>
</tr>
<tr>
<td></td>
<td>Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks</td>
<td>CDP Report; Proxy Statement</td>
</tr>
<tr>
<td></td>
<td>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</td>
<td>CDP Report; Proxy Statement</td>
</tr>
</tbody>
</table>
Notes on GHG Emissions Inventory

Note 1 – Company

The Notes on the FY21 GHG Emissions Inventory have been prepared based on the fiscal year ended January 29, 2022.

Scope 1

GHG emissions calculation has been prepared in accordance with the WRI/World Business Council for Sustainable Development WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. Scope 1 represents direct GHG emissions that occur from sources that are owned or controlled by the Company.

- Scope 1, Facility Heating and Cooling: Where natural gas fuel quantity is known, stationary combustion source methodology is used based on actual consumption during the year. Estimation techniques may be applied for any months in which data may be unavailable, through averaging monthly consumption data where information is available.
- Scope 1, Stationary Fuels: Where diesel and heating oil fuel quantity is known, stationary combustion source methodology is used based on actual purchases during the year, or actual consumption in instances where fuel was not purchased. Where fuel quantity is unknown, it is estimated using equipment operating hours and an average hourly consumption (e.g., running of on-site generators).
- Scope 1, Transport Fuels: Where diesel and petroleum fuel quantity is known, mobile combustion source methodology is used based on actual purchases during the year, or actual consumption in instances where fuel was not purchased. Where vehicle fuel quantity is unknown, estimation methodology is based on similar vehicles with known fuel usage.

Scope 2

GHG emissions calculation has been prepared in accordance with the WRI/WBCSD GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard. Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the Company.

- Scope 2, Facilities: Emissions are calculated based on actual electricity consumption during the year and state and country-level energy grid emission factor datasets from the U.S. Environmental Protection Agency (EPA) eGRID, The Climate Registry, and the European Investment Bank. Location-based emissions are calculated using these grid factors by location for the Company's global facilities portfolio. Where electricity use data is unknown for retail stores, estimates are based on an energy intensity proxy developed from the size of occupied space and type of operation using available full-year information on the Company's stores in the same region. Where electricity use data is unknown for offices, energy consumption energy intensity factors from the U.S. Energy Information Administration (EIA) Commercial Buildings Energy Consumption Survey (CBECS) data are utilized. The Company also calculated market-based emissions based on renewable electricity procurement contracts for selected locations in North America and Europe.
Scope 3

GHG emissions information has been prepared in accordance with the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3), Accounting and Reporting Standard. Scope 3 includes indirect GHG emissions (not included in Scope 2) that occur in the Company’s value chain, including both upstream and downstream emissions categories listed below:

- Category 1: Purchased Goods and Services
- Category 3: Fuel- and Energy-related Activities (not included in Scope 1 or 2)
- Category 5: Waste Generated in Operations
- Category 6: Business Travel
- Category 9: Downstream Transportation and Distribution
- Category 14: Franchises


Estimation Uncertainties

The Company obtains energy use data from across its global operations for the calculation of its GHG inventory in accordance with the GHG Protocol. There are estimation uncertainties resulting from the limitations inherent in the methodologies used to calculate energy and emissions for the subset of facilities and activities in which actual use data is not available. These methodologies are described within this Note 1 – Company.

Note 2 – GHG Reporting Organizational Boundaries

The Company has selected the control approach and operational control as the organizational boundary. The Company includes emissions from operations across its global operating units (which includes subsidiaries that are 100% owned, directly or indirectly, by the Company).

Two new operating entities (WSS and atmos) were acquired by the Company in the fourth quarter of 2021; emissions for these entities will be incorporated into future years’ GHG emissions inventories. Direct equity investments in other companies (e.g., GOAT Group, Pensole, NTWRK) are outside the organizational boundary, as the Company does not have operational control over these entities and their activities.

Licensee stores in the Middle East region are also deemed to be outside of the organizational boundary for Scope 1 and 2 emissions, as the Company does not have operational control of these entities and their activities, however, emissions associated with these stores have been estimated under Scope 3, Category 14 (Franchises).
Operational Boundaries

The Company's operational facilities are comprised primarily of offices, distribution centers, and retail stores through a combination of ownership and leases across North America, EMEA, and APAC.

Scope 1 and 2 Operational Boundaries: The Company includes Scope 1 emissions from the combustion of stationary and transport fuels on-site at its facilities, including natural gas, diesel, and petroleum. Scope 2 includes emissions from the purchase of renewable and nonrenewable electricity used on-site across its global facility portfolio. For both Scope 1 and 2, the Company includes both owned and leased facilities, and owned vehicles and equipment. Emissions associated with company-leased vehicles for business and private usage are included under Scope 3 Category 6, Business Travel.

Scope 3 Operational Boundaries: The Company’s Scope 3 operational boundary has been expanded from the prior year. Beyond Category 6 business travel emissions, the Company also estimates emissions associated with Category 1 for purchased merchandise, Category 3 for electricity grid line losses, Category 5 for operational waste, Category 9 for transportation and distribution of merchandise to stores and customers, and Category 14 for the operation of licensed stores in the Middle East. Additional Scope 3 categories will be considered for future reporting.

GHG Covered

Emissions data is provided in metric tons of carbon dioxide equivalent (CO₂e) in accordance with the GHG Protocol. Individual emissions sources may measure the relevant GHG separately (e.g., carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) prior to conversion to CO₂e.

Market-Based Emissions Approach

The Company’s Scope 2 market-based emissions calculation approach incorporates the carbon emission reductions associated with the Company’s electricity procurement decisions that include the sourcing of 100% renewables and zero-emissions energy sources, such as nuclear. Details from energy supplier contracts are used to determine appropriate emission factors for these products that are applied to the part-year or full-year electricity consumption of each site under the relevant contract.

Global Warming Potentials

In accordance with the guidance of the GHG reporting standards under the United Nations Framework Convention on Climate Change (UNFCCC), the Company has opted to calculate GHG emissions using the Global Warming Potentials (GWP) from the International Panel on Climate Change (IPCC) Fourth Assessment Report (AR4 – 100 year), published in 2007. The EPA also recommends that the use of AR4 GWPs can improve the “ability to analyze corporate, national, and sub-national GHG data consistently, enhances communication of GHG information between programs, and gives outside stakeholders a consistent, predictable set of GWPs to avoid confusion and additional burden.”
# Note 3 – Calculation Methodologies

<table>
<thead>
<tr>
<th>EMISSIONS SCOPE</th>
<th>SOURCE</th>
<th>CALCULATION METHODOLOGY</th>
<th>DATA USED</th>
<th>EMISSIONS FACTORS</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Scope 1</strong></td>
<td>Facilities</td>
<td>Natural gas</td>
<td>Average-data methodology based on actual and estimated consumption for each facility where onsite natural gas usage is expected.</td>
<td>Activity data - Natural gas measured in (or converted to) therms as billed by utility providers.</td>
<td>United States - EPA Emission Factors for GHG Inventories (Table 1), April 1, 2022.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Emissions factors - Stationary combustion factor for natural gas was obtained from the EPA.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Equipment</td>
<td>Diesel</td>
<td>Average-data methodology based on actual and estimated consumption for each facility where onsite diesel usage is expected (primarily in backup generators at distribution centers).</td>
<td>Activity data - Diesel gallons purchased or estimated based on annual equipment usage.</td>
<td>United States - EPA Emission Factors for GHG Inventories (Table 1), April 1, 2022.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Emissions factors - Stationary combustion factor for distillate fuel oil was obtained from the EPA.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vehicle</td>
<td>Diesel, gasoline/petrol</td>
<td>Average-data methodology based on actual and estimated consumption for vehicles at each facility where transport fuels usage is expected.</td>
<td>Activity data - Gallons purchased or estimated based on annual vehicle usage.</td>
<td>United States - EPA Emission Factors for GHG Inventories (Table 2 and Table 3), April 1, 2022.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Emissions factors - Stationary fuel combustion factors for light-duty trucks and passenger cars obtained from the EPA.</td>
<td></td>
</tr>
<tr>
<td><strong>Scope 2</strong></td>
<td>Facilities</td>
<td>Electricity</td>
<td>Location-based method based on actual and estimated purchased electricity consumption for all facilities in the reporting boundary. Estimations are based on a calculated average kWh/year based on actual consumption of the Company’s stores in similar size range and region.</td>
<td>Activity data - Purchased or estimated kWh/year consumption per facility.</td>
<td>EPA eGRID2019, State Output Emission Rates, February 2021.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Market-based method</td>
<td>Market-based method based on actual and estimated purchased electricity consumption (per location-based method calculations) and grid emission factor associated with renewable energy contracts in place for a facility.</td>
<td>Activity data - Purchased or estimated kWh/year consumption per facility.</td>
<td>Based on supplier-specific contractual instruments.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Emissions factors - Supplier-specific emission rates associated with procured renewable energy products according to best available information.</td>
<td></td>
</tr>
<tr>
<td>EMISSIONS SCOPE</td>
<td>SOURCE</td>
<td>CALCULATION METHODOLOGY</td>
<td>DATA USED</td>
<td>EMISSIONS FACTORS</td>
<td>NOTES</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>-------------------------</td>
<td>-----------</td>
<td>-------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Category 1: Purchased Goods and Services</td>
<td>Spend-based Environmentally Extended Input-Output (EEIO) methodology. Direct spend is mapped to an EPA Commodity Name and adjusted for inflation to the base year (2018) of the EPA supply chain emission factors (with margins). Emissions = (spend by Commodity Name) x inflation adjustment factor x (mapped Commodity emission factor)</td>
<td>Activity data - Direct purchasing activity in the reporting year. Inflation adjustment factor - U.S. Bureau of Labor Statistics Consumer Price Index (CPI) inflation calculations from reporting year to base year. Emissions factors - Cradle-to-gate emission factors for purchased goods and services were obtained from EPA Supply Chain GHG Emission Factors for U.S. Industries and Commodities.</td>
<td>EPA Supply Chain GHG Emission Factors for U.S. Industries and Commodities, v1.1 2020. U.S. Bureau of Labor Statistics, CPI Inflation Calculator, 2022.</td>
<td>Includes all spend related to sourcing of finished merchandise products (e.g., apparel and footwear). Does not include indirect spend, which will be considered for future reporting.</td>
</tr>
<tr>
<td>Category 2: Capital Goods</td>
<td>Not reported</td>
<td>Not reported</td>
<td>Not reported</td>
<td>This category will be considered for future reporting.</td>
<td></td>
</tr>
<tr>
<td>Category 3: Fuel- and Energy-related Activities (not included in Scope 1 or Scope 2)</td>
<td>Average-data methodology, based on Scope 2 location-based emissions by country and percentage of upstream energy loss from transmission and distribution grid loss rates. Emissions = (total Scope 2 location-based emissions by country) x (country-level grid gross loss rate)</td>
<td>Activity data - Total calculated Scope 2 location-based emissions for the reporting year, by country. Grid loss rates - Country-level grid loss rates were obtained from the EPA eGRID and The World Bank.</td>
<td>EPA eGRID Data Explorer, grid gross loss rates, 2020. The World Bank, Electric power transmission and distribution losses (% of output), OECD/IEA 2018.</td>
<td>Includes transmission and distribution line losses associated with Scope 2 electricity consumption. Upstream emissions associated with Scope 1 natural gas and liquid fuels consumption are not included and will be considered for future reporting.</td>
<td></td>
</tr>
<tr>
<td>Category 4: Upstream Transportation and Distribution</td>
<td>Not reported</td>
<td>Not reported</td>
<td>Not reported</td>
<td>This category will be considered for future reporting.</td>
<td></td>
</tr>
<tr>
<td>Category 5: Waste Generated in Operations</td>
<td>Waste-Type-Specific methodology based on actual and estimated waste volumes across all facilities. Where data is unavailable, activity data is extrapolated considering facility type, size, and regional end-of-life disposal practices. Emissions = (emission factor by waste type and disposal method) x (amount of waste by type and regional disposal methods)</td>
<td>Activity data - Quantities of hazardous, nonhazardous, recycled, and e-waste generated during operations were obtained from waste management partner for U.S. facilities. Emissions factors - Obtained from the EPA and the UK Department of Environment, Food, and Rural Affairs (DEFRA).</td>
<td>United States - EPA Emission Factors for GHG Inventories (Tables 9), April 1, 2021. DEFRA 2021. UK Government GHG Conversion Factors for Company Reporting 2021, v 1. Waste Disposal Table.</td>
<td>Regional end-of-life methods (e.g., recycling, composting, landfill, and incineration rates) were obtained from U.S. waste management supplier information and World Bank, What a Waste 2.0: A Global Snapshot of Solid Waste Management to 2050, 2018.</td>
<td></td>
</tr>
<tr>
<td>EMISSIONS SCOPE</td>
<td>SOURCE</td>
<td>CALCULATION METHODOLOGY</td>
<td>DATA USED</td>
<td>EMISSIONS FACTORS</td>
<td>NOTES</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>-------------------------</td>
<td>-----------</td>
<td>------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Category 6</td>
<td>Business Travel</td>
<td>Distance-based methodology for all air, rail, and rental car business travel, and spend-based methodology for out-of-pocket business travel reimbursement expenses.</td>
<td>Activity data - Distance per mode of transportation in the reporting year as collected by global travel management partner and preferred rental car providers.</td>
<td>United States - EPA Emission Factors for GHG Inventories (Tables 2 and 10), April 1, 2021.</td>
<td>Mileage reimbursement emissions = ( \sum ) Total annual value of reimbursements (USD) x U.S. Internal Revenue Service reimbursement rate (cents/gallon) = Total gallons/year x EPA emission factor.</td>
</tr>
<tr>
<td>Category 7</td>
<td>Employee Commuting</td>
<td>Not reported</td>
<td>Not reported</td>
<td>Not reported</td>
<td>This category will be considered for future reporting.</td>
</tr>
<tr>
<td>Category 8</td>
<td>Upstream Leased Assets</td>
<td>Not relevant</td>
<td>Not relevant</td>
<td>Not relevant</td>
<td>Energy use associated with the operation of leased facilities is included under Scope 1 and 2 calculations, and fuel use associated with company-leased vehicles are included under Scope 3 Category 6 (Business Travel).</td>
</tr>
<tr>
<td>Category 9</td>
<td>Downstream Transportation and Distribution</td>
<td>Distance-weight methodology based on global shipments from the Company’s distribution centers (primarily to stores and customers).</td>
<td>Activity data - Details from the Company’s transportation management system, including the origin and destination of the shipment, and weight of shipments.</td>
<td>United States - EPA Emission Factors for GHG Inventories (Tables 2 and 10), April 1, 2021.</td>
<td>Emissions = ( \sum ) (distance traveled by vehicle type (vehicle-mile) x vehicle specific emission factor (kg CO\textsubscript{2}e/vehicle-mile).</td>
</tr>
<tr>
<td>Category 10</td>
<td>Processing of Sold Products</td>
<td>Not relevant</td>
<td>Not relevant</td>
<td>Not relevant</td>
<td>This category is not relevant as the Company does not produce and sell intermediary products for further processing.</td>
</tr>
<tr>
<td>Category 11</td>
<td>Use of Sold Products</td>
<td>Not reported</td>
<td>Not reported</td>
<td>Not reported</td>
<td>This category will be considered for future reporting.</td>
</tr>
<tr>
<td>EMISSIONS SCOPE</td>
<td>SOURCE</td>
<td>CALCULATION METHODOLOGY</td>
<td>DATA USED</td>
<td>EMISSIONS FACTORS</td>
<td>NOTES</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>--------------------------</td>
<td>-----------</td>
<td>-------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Category 12</td>
<td>End-of-life Treatment of Sold Products</td>
<td>Not reported</td>
<td>Not reported</td>
<td>Not reported</td>
<td>This category will be considered for future reporting.</td>
</tr>
<tr>
<td>Category 13</td>
<td>Downstream Leased Assets</td>
<td>Not relevant</td>
<td>Not relevant</td>
<td>Not relevant</td>
<td>This category is not relevant as the Company does not lease any owned real estate or equipment assets to third parties.</td>
</tr>
<tr>
<td>Category 15</td>
<td>Investments</td>
<td>Not reported</td>
<td>Not reported</td>
<td>Not reported</td>
<td>This category will be considered for future reporting.</td>
</tr>
</tbody>
</table>
Supplemental Key Metrics and Criteria

The following KPIs are presented as of and for the year ended FY21, unless otherwise noted:

<table>
<thead>
<tr>
<th>IMPACT AREA</th>
<th>KPI</th>
<th>METHODOLOGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attract, retain, and develop diverse talent</td>
<td>DIBs index</td>
<td>Represents the average score of four DIBs-related questions included in the Company's annual team member engagement survey. The score for each question is calculated by dividing the total number of favorable responses (Strongly Agree and Agree) by the total number of responses. In FY21, our DIBs index was 83% based on responses from 96% of our team members, up from 85% in FY20. In FY21, our DIBs Index was scored based on the following four survey questions: 1. My leadership’s decisions and behaviors show a commitment to our DIBs. 2. My team is committed to creating a diverse and inclusive work environment where everyone belongs. 3. I feel free to express different thoughts and ideas with the people I work with. 4. I feel like I really belong at our Company.</td>
</tr>
<tr>
<td></td>
<td>Executive succession readiness population within next 12 months</td>
<td>a) Represents total number of women, grade level 7 and up (grade levels range 1-12 and executive), as of FY21, designated as ready now or within 12 months, to be promoted within the organization divided by the total population of team members designated as ready now or within 12 months, to be promoted within the organization. b) Represents total number of POC, grade level 7 and up (grade levels range 1-12 and executive), as of FY21, designated as ready now or within 12 months, to be promoted within the organization divided by the total population of team members designated as ready now or within 12 months, to be promoted within the organization. (Includes all persons who have self-identified as a POC. Information on Team Member race and ethnicity is only requested and retained for the Company’s U.S. workforce). FY21 results reflect a change in cadence of measurement dates from FY20 results (i.e., October 2020 with respect to FY20 and April 2022 with respect to FY21).</td>
</tr>
<tr>
<td></td>
<td>Gender and racial representation of workforce</td>
<td>a) Represents total number of women in the workforce, divided by the total population of the workforce. b) Represents total number of POC in the workforce, divided by the total population of the workforce. (Includes all persons who have self-identified as a POC. Information on team member race and ethnicity is only requested and retained for the Company’s U.S. workforce).</td>
</tr>
<tr>
<td></td>
<td>Create unrivaled lifestyle experiences for our customers</td>
<td>Net Promoter Score is an ESG metric because it measures customer satisfaction and brand perception, which are dependent on factors that include ESG. Every customer who makes a purchase has an opportunity to take a survey. Each customer survey is measured on a scale from 0 to 10. NPS is calculated by aggregating the number of promoters (i.e., scores of 9 or 10) less detractors (i.e., scores of 0 to 6) on a 200-point scale (i.e., -100 to 100) compared to the target score as approved by the Board for the three-channels (i.e., store post-purchase, digital post-purchase, and post-fulfillment), and then averaging those three scores.</td>
</tr>
<tr>
<td>IMPACT AREA</td>
<td>XPI</td>
<td>METHODOLOGY</td>
</tr>
<tr>
<td>-----------------------------------------------------------------</td>
<td>----------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Actively manage our environmental impacts and risks across our supply chain</td>
<td>Global average shipping miles per package</td>
<td>Distance-weight methodology based on shipments from the Company’s distribution centers (primarily to stores and customers) from the Company’s transportation management system, including the origin and destination of the shipment, and weight of shipments. As mode of transport is unable to be determined at this time, a 17% increase adjustment factor was applied to origin and destination locations to account for assumed inefficiency in road haulage. Total ton-miles are divided by total number of shipments to determine the average shipping miles per package.</td>
</tr>
<tr>
<td>Achieve Net Zero emissions by 2050 or sooner</td>
<td>Scope 1 emissions (tCO₂e)</td>
<td>GHG emissions calculation has been prepared in accordance with the WRI/World Business Council for Sustainable Development WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition.</td>
</tr>
<tr>
<td></td>
<td>Scope 2 emissions (tCO₂e) - location based</td>
<td>GHG emissions calculation has been prepared in accordance with the WRI/WBCSD GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard. Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the Company.</td>
</tr>
<tr>
<td></td>
<td>Scope 2 emissions (tCO₂e) - market based</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Energy usage per gross square foot (kWh/ft²)</td>
<td>Includes total annual energy consumed (converted to MWh) for all Scope 1 and 2 energy sources, divided by the total square footage of all facilities in the operational boundary for the reporting year.</td>
</tr>
</tbody>
</table>
## Helpful Resources

<table>
<thead>
<tr>
<th>Board of Directors</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Committees</td>
<td>investors.footlocker-inc.com/board</td>
</tr>
<tr>
<td>Committee Charters</td>
<td>investors.footlocker-inc.com/bcommittees</td>
</tr>
<tr>
<td>Audit Committee</td>
<td>investors.footlocker-inc.com/audit</td>
</tr>
<tr>
<td>Finance Committee</td>
<td>investors.footlocker-inc.com/finance</td>
</tr>
<tr>
<td>Human Capital Committee</td>
<td>investors.footlocker-inc.com/comp</td>
</tr>
<tr>
<td>Responsibility Committee</td>
<td>investors.footlocker-inc.com/gov</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ESG Impact Report</th>
<th>investors.footlocker-inc.com/impactreport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Report</td>
<td>investors.footlocker-inc.com/ar</td>
</tr>
<tr>
<td>Proxy Statement</td>
<td>investors.footlocker-inc.com/22proxy</td>
</tr>
<tr>
<td>Foot Locker, Inc.</td>
<td>footlocker.com/corp</td>
</tr>
<tr>
<td>Corporate Website</td>
<td>investors.footlocker-inc.com/management</td>
</tr>
<tr>
<td>Leadership Team</td>
<td>investors.footlocker-inc.com/ir</td>
</tr>
<tr>
<td>Investor Relations</td>
<td>investors.footlocker-inc.com/investorrelations</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Governance Documents</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anti-Corruption Policy</td>
<td>investors.footlocker-inc.com/acp</td>
</tr>
<tr>
<td>By-Laws</td>
<td>investors.footlocker-inc.com/by-laws</td>
</tr>
<tr>
<td>Certificate of Incorporation</td>
<td>investors.footlocker-inc.com/co</td>
</tr>
<tr>
<td>Code of Business Conduct</td>
<td>investors.footlocker-inc.com/cobc</td>
</tr>
<tr>
<td>Code of Business Conduct Waivers</td>
<td>investors.footlocker-inc.com/cobcwaivers</td>
</tr>
<tr>
<td>Conflict Minerals Policy</td>
<td>investors.footlocker-inc.com/conflictminerals</td>
</tr>
<tr>
<td>Conflict Minerals Report</td>
<td>investors.footlocker-inc.com/formsd</td>
</tr>
<tr>
<td>Corporate Governance Guidelines</td>
<td>investors.footlocker-inc.com/cgg</td>
</tr>
<tr>
<td>Global Environmental and Climate Change Statement</td>
<td>investors.footlocker-inc.com/climate</td>
</tr>
<tr>
<td>Global Human Rights Statement</td>
<td>investors.footlocker-inc.com/humanrights</td>
</tr>
<tr>
<td>Global Occupational Health and Safety Statement</td>
<td>investors.footlocker-inc.com/safety</td>
</tr>
<tr>
<td>Global Sourcing Guidelines</td>
<td>investors.footlocker-inc.com/gsg</td>
</tr>
<tr>
<td>Global Water Stewardship Statement</td>
<td>investors.footlocker-inc.com/water</td>
</tr>
<tr>
<td>Procedures for Communications with the Board</td>
<td>investors.footlocker-inc.com/boardcomms</td>
</tr>
</tbody>
</table>

### Board or General Counsel
sclarke@footlocker.com

### ESG
esg@footlocker.com

### Investor Relations
ir@footlocker.com

### Corporate Headquarters
Foot Locker, Inc.  
330 West 34th Street  
New York, New York 10001  
212-720-3700

**CEO’S MESSAGE**

## OUR ESG STRATEGY

## DASHBOARD

## PEOPLE

## SUPPLY CHAIN

## ENVIRONMENT

## TRANSPARENCY

## REFERENCE TABLES
Looking Forward

As we reflect on our ESG efforts to date, we feel a sense of accomplishment and excitement for the future, as well as humility. We are in the early stages of our ESG journey, and we are laying the foundation upon which we will accomplish our ESG ambitions today, tomorrow, and in the future. We’re committed to delivering a better world for our stakeholders.

Because our ESG strategy is core to our business, we know that these efforts go hand in hand with delivering high-quality product and experiences to our customers. In the years ahead, we hope to continue growing a company that is more diverse at all levels, fuels an inclusive culture, and stands on uncompromising, equitable practices. We hope to see our communities and our planet thrive, fueled in part by our ESG strategy.

There is so much to do, but this past year demonstrates clearly that the wheels are already in motion. The future of our company relies on a strong ESG foundation, and we look forward to more efforts that inspire and empower youth culture.

We welcome your comments and questions regarding this report. Please contact us at esg@footlocker.com.

FOOT LOCKER, INC.
We Are on a PURPOSEFUL JOURNEY!