

MODERN SLAVERY REPORT 2021

WHO WE ARE

- **Brick and Mortar:** Foot Locker, Inc. (“Foot Locker”), a specialty athletic retailer headquartered in New York, New York, leads the celebration of sneaker and youth culture around the globe through a portfolio of brands, including Foot Locker, Kids Foot Locker, Footaction, Champs Sports, Eastbay, and Sidestep, including approximately 3,000 retail stores across North America, Europe, the Middle East, Asia, Australia, and New Zealand.
- **Digital:** Foot Locker offers athletic footwear, apparel, and equipment through the internet channels for each brand.
- **Private Label:** A small percentage of our products are sourced directly by Foot Locker. For this sourcing, we have in place a system of factory inspections and monitoring to ensure compliance with our Guidelines and applicable laws.
- **United Kingdom:** In the United Kingdom, Foot Locker operates its business through Freedom Sportsline Ltd. with over 60 retail stores under the Foot Locker banner, and through the internet channel footlocker.co.uk. through Foot Locker Europe.com B.V.

POLICIES

- **Impact Report:** Foot Locker published an Impact Report, which provides details on our global Corporate Social Responsibility (“CSR”) program and is presented consistent with the Sustainability Accounting Standards Board (“SASB”) and Task Force on Climate-related Financial Disclosures (“TCFD”) reporting standards. The Impact Report also includes our priority initiatives during this period and our performance on key environmental, social, and governance (“ESG”) topics. To learn more about our global CSR program, please see our Impact Report on our corporate website at footlocker.com/corp.
- **Foot Locker’s Core Values:** Foot Locker strives to operate in accordance with our five core values:



Our commitment to conducting business honestly and ethically extends to the selection of suppliers within our supply chain.

- Code of Business Conduct: Our core values are captured in our Code of Business Conduct (“COBC”). The COBC serves as our play book. It provides us with the standards that guide our work and how we demonstrate Leadership with our stakeholders, including our customers, our business partners, the authorities and our competitors. It is an important resource that provides information on what behaviors are expected from each of us, as well as guidance on where to go for help and details on certain risk areas. The COBC is applicable to all associates working at Foot Locker.
- Foot Locker’s Global Sourcing Guidelines: Foot Locker fosters responsible business practices of our branded vendors and private label suppliers with the annual distribution of the Global Sourcing Guidelines (“Guidelines”). The Guidelines contain, among other requirements, the following:
 - Child Labor. Child labor is not permissible. Workers may not be younger than 15 years of age (or 14 where local law permits) or the age for completing compulsory education, if higher.
 - Forced Labor. Forced labor, whether in the form of prison labor, slave labor, indentured labor, bonded labor or otherwise is not permissible. Employment must always be on a voluntary basis.
 - Wages and Benefits. Foot Locker will only deal with suppliers who compensate their employees fairly by providing wages, overtime premiums and benefits that, at very least, comply with legally mandated minimum standards.
 - Harassment and Abuse. Foot Locker expects all employees to be treated with respect and dignity. Thus, Foot Locker will not deal with suppliers whose employees are subjected to physical, sexual, psychological or verbal harassment or abuse.

Foot Locker’s Guidelines require all vendors and suppliers globally to respect certain stated standards. Foot Locker’s Guidelines:

- are distributed annually to both our branded vendors and private label suppliers.
- reflect Foot Locker’s abiding commitment to the safety and fair treatment of the workers who manufacture the products we sell. Foot Locker is paying attention to the working conditions and employment standards of manufacturing employees worldwide.
- are designed to make clear that we expect the product that we sell in our stores to be manufactured in compliance with local laws, under working conditions that meet certain standards, and without the use of child labor, prison labor, or any form of slave labor.
- make it clear that Foot Locker is committed to sourcing components and materials from companies that share our values regarding human rights and environmental responsibility.
- are incorporated into our Vendor Standards Manual.

- Global Human Rights Statement: The Global Human Rights Statement (“Statement”) emphasizes Foot Locker’s commitment to basic human rights as a core component of the way it does business and how it engages its employees. This Statement supports Foot Locker’s Core Values by guiding employees toward the fundamental principles and requirements for upholding basic human rights in the workplace. This Statement supports employees in creating and maintaining a work culture that prohibits unhealthy or unsafe work conditions and forced labor, as well as supporting the provision of equal human rights to all persons. This Statement provides direction and guidance to employees to ensure that all practices and processes support the fundamental principles of basic human rights and are developed and implemented in a manner that complies with Foot Locker’s Core Values around human rights and respects the inherent value of each individual. This Statement helps ensure that employees engaged in company business understand their responsibility for upholding human rights and equality in the workplace. This Statement applies to all company employees.
- Anti-Corruption Policy: Foot Locker is committed to conducting its business in an honest and ethical manner. We are committed to complying with all anti-corruption and bribery laws, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.
- Conflict Minerals Policy: Foot Locker is committed to maintaining a socially responsible supply chain and to sourcing components and materials from companies that share our values regarding human rights, ethics, and environmental responsibility. The use in Foot Locker products of “conflict minerals” from the Democratic Republic of Congo or an adjoining country that finances armed conflict would be inconsistent with this commitment. Conflict minerals are defined as tin, tantalum, tungsten and gold (commonly referred to as 3T&G), regardless of where they are sourced, processed or sold (“Conflict Minerals”). Conflict Minerals can make their way into the supply chains of various products used by consumers and businesses around the world. Foot Locker strives to use only materials in Foot Locker sourced products that do not finance armed conflict, and we will work within our supply chain to take steps to comply with the U.S. Conflict Minerals requirements.

PRIVATE LABEL FACTORY AUDITS

- Foot Locker is concerned with the safety and fair treatment of all workers involved in our supply chain, wherever the workers are located globally. It is Foot Locker’s policy to choose reputable business partners who are committed to ethical standards and business practices. Foot Locker will only do business with suppliers whose workers are present voluntarily, compensated fairly, allowed the right of free association and who are neither put at risk of physical harm, discriminated against, nor exploited in any way.
- What do we do?
 - Foot Locker conducts social compliance audits for direct suppliers of private label product on a regular basis. During the social compliance audit, a verified third party evaluates the factory on compliance in Forced Labor, Child Labor, Wages & Working Hours, Harassment & Discipline, Health & Safety, Freedom of Association, Discrimination, Sub-Contracting, Basic Environmental standards. Auditors evaluate compliance with these standards through document review, worker & management interviews and factory tours. Auditors are trained in identifying potential risks of forced labor or human trafficking.

- Foot Locker reserves the right to make periodic, unannounced inspections of our private label suppliers' facilities to verify compliance with our Guidelines and other requirements. Such on-site inspections are conducted by our internal team or by a third-party company.
- Suppliers agree to maintain and provide, upon request, all documentation necessary to demonstrate and to assure compliance.
- In recent years, we have taken steps to consolidate our supplier base so that we are working more closely with fewer suppliers to deepen our partnerships to forge a more collaborative approach grounded in continuous engagement and improvement.

FOOT LOCKER SOCIAL COMPLIANCE DUE DILIGENCE

- Foot Locker's efforts include setting policies and operating guidelines for suppliers, identifying risks to workers health and safety through social compliance audits, and by participating in industry groups that collaborate to set policies and approaches to social and environmental risks within the supply chain, such as Retail Industry Leaders Association ("RILA").

FOOT LOCKER SECURITY COMPLIANCE DUE DILIGENCE

- Foot Locker continues its partnership with U.S. Customs & Border Protection in the area of border security and is a validated member of Customs-Trade Partnership Against Terrorism ("CTPAT").
- Each supplier is responsible for the security of the merchandise, and we expect each supplier to take the necessary steps to assure all shipments of merchandise to Foot Locker are secure and do not contain contraband or other illegal materials.
- Foot Locker continues its partnership with Dutch Customs and U.S. Customs & Border Protection in the area of border security and international trade control. Foot Locker is a validated member of CTPAT in the United States and Authorized Economic Operator ("AEO") in Europe.

NON-COMPLIANCE

- When non-compliance is identified during an audit, Foot Locker partners with the supplier to develop and implement an improvement plan for the facility. The outlined corrective actions must be taken by the supplier to remediate the issue. Foot Locker works with factory management to ensure they properly address issues which present a risk to the supply chain.
- In some cases, Foot Locker will require a follow-up audit within the same year to return to the factory and re-evaluate records after corrective actions have been taken.
- Foot Locker reserves the right to terminate the relationship with any supplier who fails to comply with our Guidelines.