

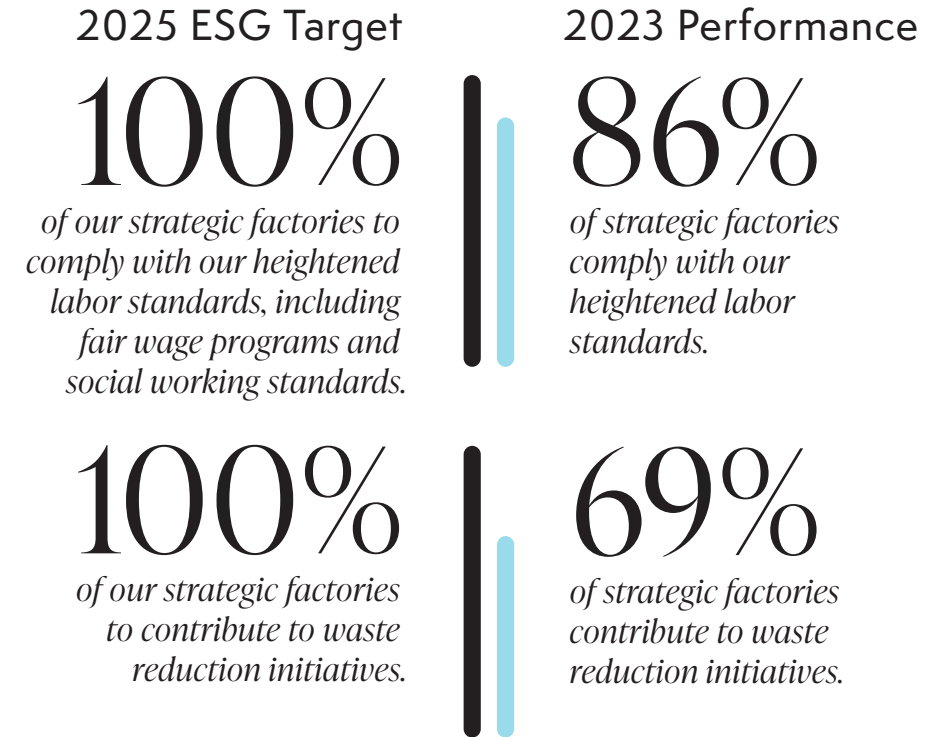
Caleres sets high standards for the factories that manufacture our products, collaborating with our partners to manage risk, uphold responsibility and promote sustainability as we strive to advance meaningful, positive progress both in our supply chain and the broader footwear industry.

GUIDING OUR SUPPLY CHAIN

At Caleres, we consider our suppliers as an extension of our business. All our brands share the same pool of manufacturers, allowing us to leverage our global reach and scale to drive efficiency and environmental and social progress throughout the value chain.

As we strive for continuous production improvements, we seek to ensure the partners we work with match our corporate values through programs and policies guided by the [Caleres Production Code of Conduct](#). This code sets forth our expectations on topics such as human rights, nondiscrimination and harassment, working conditions, health and safety, environmental stewardship, and more.

PROGRESS TOWARD OUR 2025 GOALS



CALERES' PRODUCTION CODE OF CONDUCT: FOUR KEY PRINCIPLES

Visit our [website](#) to access the full document.

- Human Rights**
Human Trafficking, Slavery, Forced Labor, Child Labor, Nondiscrimination, Abuse and Harassment, direct employment/no recruitment fees
- Working Conditions and Labor Rights**
Freedom of Association, Wages, Working Hours, Occupational Health and Safety
- Business Ethics**
Compliance with laws and regulations, compliance with anti-corruption legislation, transparency, and documentation
- Environment**
Compliance with all local environmental laws and regulations including those relating to a) storage, treatment, and disposal of hazardous materials and chemicals, b) discharge of wastewater and stormwater, and c) facility air emissions into the environment. In addition, Caleres encourages its suppliers to minimize waste, maximize recycling, and protect its workers.



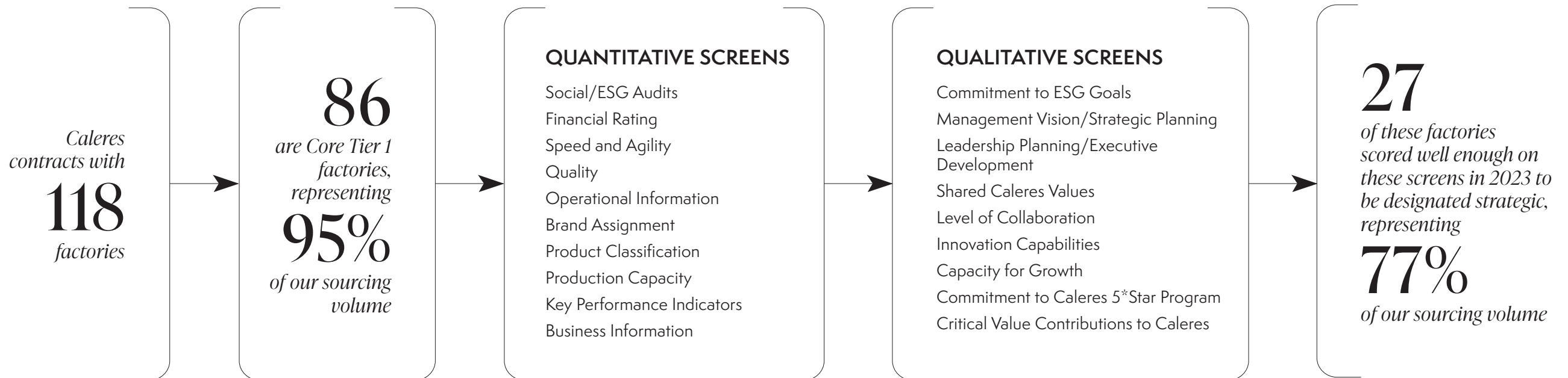
DEEPENING SUPPLY CHAIN TRANSPARENCY

Transparency into our supply chain is vital to our ESG and risk management strategies. Through a combination of on-site factory audits, partner self-assessments, and advanced data tools, we strive to maximize our visibility into our supplier footprint. Our primary supply chain consists of 118 Tier 1 factories, 86 of which are considered core and represent 95% of our sourcing volume. Of these, 27 are considered strategic and represent 77% of our sourcing volume. Our strategic factories receive a higher percentage of order volume (business), greater access to innovations, direct support, and technical benefits.

Central to our activities is the direct business relationship we hold with the Tier 1 factories across our global sourcing network, enabling visibility across our shoe suppliers, as well as suppliers of fabric, polyurethane, and leather.

Tier 1 factories all agree to comply with Caleres' Production Code of Conduct as part of their contractual agreements, and are expected to ensure that Tier 2 and Tier 3 suppliers contracted by our Tier 1 partners are made aware of and comply with the labor and compliance practices defined within our code.

SEEING INSIDE THE CALERES SUPPLY CHAIN



To help ensure compliance with our Production Code of Conduct, we work with leading independent auditor, ELEVATE Responsible Sourcing, to audit new and existing suppliers on practices ranging from transparency and regulatory and environmental compliance to hiring practices, wages, and benefits in accordance with our Production Code of Conduct. Additionally, ELEVATE's EiQ analytics platform supplies data to evaluate and manage against country supply-chain risks, sector risks, and specific issues in global supply chains covering key environmental, social, and governance topics. Together, these micro and macro strategies provide supply chain transparency that is industry leading.

All Tier 1 facilities are evaluated through an ERSA/ EiQ or another accredited audit. Our core Tier 1 factories are also assessed twice a year on five key areas: supply chain risk, speed and agility, quality, sustainability, and operations. This assessment, combined with EiQ analytics and other inputs, enables us to segment all core Tier 1 factories based on risk scores incorporating their role in the supply chain, product category, spend volume, contract type, and strategic importance.

Within our 118 Tier 1 factories, we have designated 27 as strategic, representing 77% of our sourcing volume. To be considered strategic, these factories are subject to further screenings, including on qualitative factors such as:

- Commitment to ESG goals
- Contribution to Caleres' business and success
- Innovation capabilities
- Shared Caleres' values and level of collaboration

Since 2018, we have worked to deepen supply chain visibility through self-assessments for all Tier 1 and Tier 2 suppliers, as well as third-party subcontractors, inquiring about upstream suppliers. These surveys have helped further our understanding of the sources for critical raw materials, as well as supplier capabilities and their participation in ESG initiatives.

STRENGTHENING ACCOUNTABILITY THROUGH ACTION

We take our responsibilities to uphold human and labor rights, business ethics, and environmental sustainability seriously, and when we identify problems through our auditing program, we take immediate steps to correct them.

We conducted factory assessments across our 86 core Tier 1 factories that comprise 95% of our volume from Jan. 29, 2023, to Feb. 3, 2024. Whenever we identify areas of noncompliance, we provide our partners with corrective action plans with increasing degrees of intensity depending on the type and seriousness of violations. These plans include a number of required response actions, such as required training, additional reviews, and follow-up audits. We are expanding these protocols in 2024 to include additional disciplinary actions for serious or repeat violations.



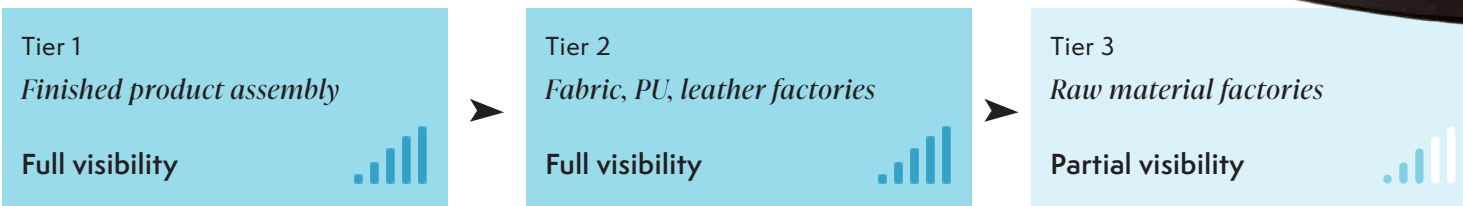
IMPROVING SUPPLIER PERFORMANCE

In 2023, we experienced a

14%

improvement

in audit scores among our Tier 1 factories, underscoring the effectiveness of our supply chain strategy.



PROTECTING PEOPLE AND PLANET THROUGH MATERIALS SELECTION

Through our endeavors to adopt more sustainable supply-chain practices, we seek to make a positive difference in the communities in which our factories operate. Some of this impact comes to life in our adoption of the standards set forth by the Leather Working Group, which leads the industry in the responsible production of materials we use in our footwear.



In 2023, 93% of the leather we purchased was sourced from tanneries certified LWG Gold or Silver, and 60% of the materials found in our products used at least 20% certified recycled content. This represents 36% of our total material supply spend in 2023.

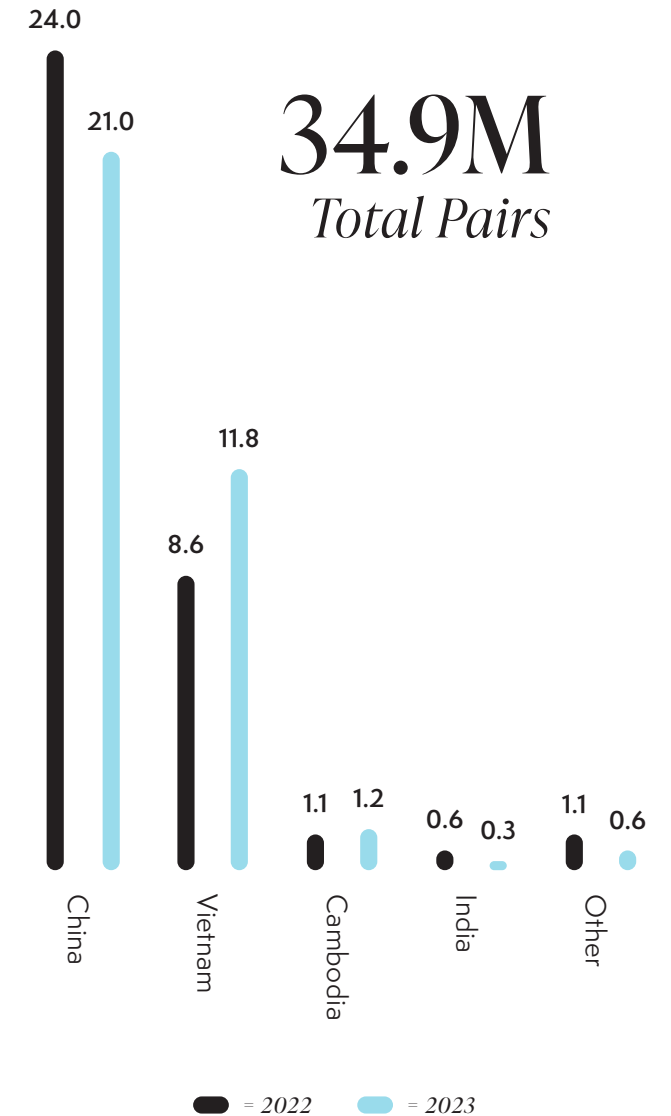
Our choice of materials has a significant impact beyond the waste and resource consumption of our operations. Because the LWG standards also cover social aspects, including fair labor practices and wages, worker health and safety, and policies on child labor and working hours, we help support workers' quality of life and well-being across the industry through our use of LWG certified materials and best practices.

DIVERSIFYING OUR SUPPLY CHAIN

A geographically diverse supplier base strengthens the resiliency of our supply chain, while bringing jobs and opportunities to new regions. As we fully resume the diversification strategy that slowed due to the COVID-19 pandemic, we continue to see opportunities to improve practices that help us advance our ESG goals.

TIER I FACTORY FOOTPRINT

Pairs of Shoes
(in millions)



To help ensure the quality of our footwear, Caleres maintains stringent standards over the use of chemicals in our shoes.

BOLSTERING CHEMICAL MANAGEMENT

To help ensure the quality and safety profile of our footwear, Caleres maintains stringent standards regarding the use of chemicals, including a Restricted Substances List (RSL). The RSL is reviewed considering the latest legal regulations related to restricted substances. Chemicals that can be found in production are subject to either mandatory tests (lead, cadmium, chromium (VI), azo dyes, nickel, phthalates, and PFAS), or random tests (arsenic, arylamine salts, azo dyes, chromium VI, disperse dyes, formaldehyde, mercury, nickel, PAHS, phthalates and solvents).

Rigorous testing procedures ensure compliance with global regulatory requirements concerning chemical content in shoes. At the production stage, all Caleres shoe factories and suppliers must test chemicals per the Caleres Testing Protocol, which includes shoe components and finished product testing to ensure compliance with regulatory requirements. Subsequently, random testing on select styles of finished shoes are conducted from their first production or cutting die test each month. If there is a failure at the finished goods stage, suppliers are required to address and resubmit for testing to ensure compliance. All of Caleres' products are subject to these stringent requirements.

In 2023, Caleres updated its Testing Protocol to align with international industry best practices. The protocol includes detailed requirements and procedures for mandatory testing, both scheduled and random, helping to ensure that suppliers are meeting our rigorous standards.



COLLABORATING WITH SUPPLIERS TO REDUCE EMISSIONS

As we strive to reach our sustainability goals, we are committed to helping our suppliers reduce their own environmental footprints. That's why we expanded our pilot efforts in 2023 to collect and verify GHG emissions, waste, and water data from Tier 1 factories as part of our annual audits.

To date, 100% of our strategic Tier 1 factories provide this data – up from 10% in 2022 when we launched this pilot. This participation represents 77% of our total supply chain volume and is vital as we continue to evaluate approaches for estimating the Purchased Goods and Services portion of our Scope 3 emissions.

TRACKING SHIPPING EMISSIONS

Transportation is among the most significant contributors to our Scope 3 emissions and presents a great opportunity for Caleres to reduce costs and environmental impact. We partner with Expeditors, a global logistics company, to help us monitor and calculate emissions from our shipping activities, including truck, rail, air, and ocean modes, using EcoTransIT software. The availability of this data allows us to identify trends and balance opportunities for business optimization and sustainability improvements. In 2022 we utilized ship, freight train, and truck – less carbon intensive forms of transportation – for 95% of our movements. We will continue to evaluate mode conversion as well as other avenues to reduce emissions. The availability of this data allows us to identify trends and balance opportunities for business optimization and sustainability improvements.

GREENHOUSE GAS EMISSIONS PER ONE-TON MILE

	<i>Airplane</i>	47x
	<i>Truck</i>	10x
	<i>Freight Train</i>	1.6x
	<i>Cargo Ship</i>	1x

20%
of our suppliers
use some form
of renewable
energy.

FACTORY SPOTLIGHT:
EMBRACING SOLAR ENERGY

Serena Shoe Co Ltd in China
Solar photovoltaic (PV) power generation equipment on the factory building's rooftop has potential to generate 1 million kWh of electricity annually over the next 25 years.

The project has contributed to energy savings and contributes to 37% of the factory's total electricity usage.

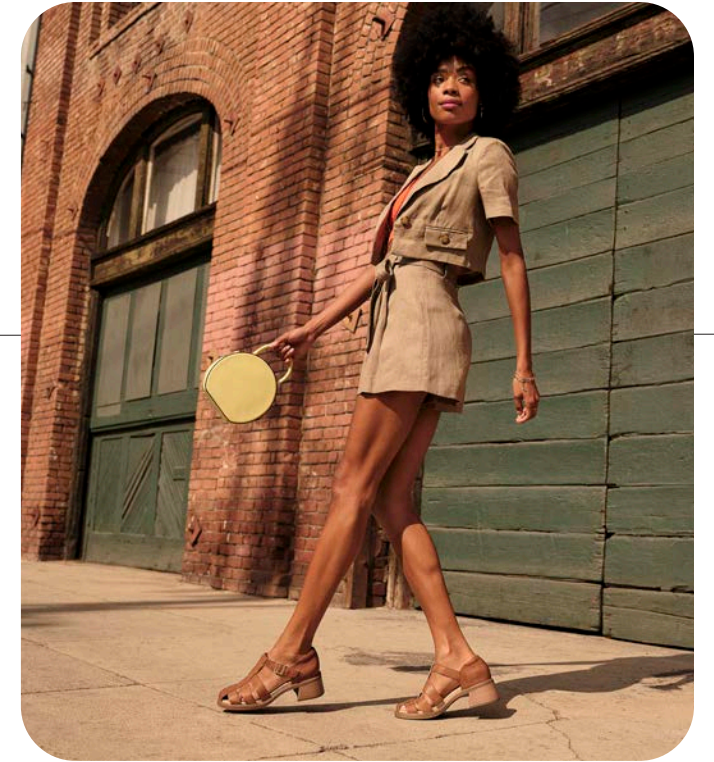
Tai Loc in Vietnam
An on-site solar energy generator produced 100% of the energy used in 2022.

Between 2021 and 2022, Tai Loc saved 1,900 metric tons of carbon dioxide emission and has potential to avoid 1,000 metric tons of carbon dioxide emission annually.

FURTHERING INDUSTRY
SUSTAINABILITY

Through our participation in industry initiatives, we aim to contribute innovative solutions and best practices that can lead to more socially and environmentally responsible outcomes across footwear manufacturing as a whole. These efforts extend to our leadership in key programs of the Footwear Distributors and Retailers of America (FDRA), including:

- The **FDRA Footwear Environmentally Preferred Materials Guide**, which establishes clear standards to guide materials decision-making throughout the manufacturing process.
- The **FDRA Shoe Factory Waste Program**, which seeks to optimize the efficient use of materials throughout the manufacturing process.
- The **FDRA Shoe Sustainability** initiative, which works to advance sustainable, safe, and economically sound shoe development, distribution, and selling through a focus on reducing the industry's direct and indirect contributions to climate change via carbon pricing and other incentives designed to encourage reduced emissions throughout industry value chains.



SUPPORTING CROSS-INDUSTRY INNOVATION

The Footwear Innovation Foundation was established as a scientific 501(c)(3) nonprofit organization in 2023 to broker ideas, accelerate innovation, and act as a knowledge center for the future of footwear.



— ANDEE BURTON
Caleres Director,
Product and Sourcing Sustainability
*Serves on the Foundation Board
alongside other industry leaders.*



EXPANDING WASTE REDUCTION EFFORTS THROUGH INDUSTRY INITIATIVES

Since 2021, Caleres has participated in the FDRA Shoe Factory Waste Program, an industrywide initiative working to eliminate manufacturing waste in shoe factories through training, capacity building, and data monitoring.

ZEROING IN ON WASTE

In 2023, strategic factories participating in the FDRA Shoe Factory Waste Program achieved an average waste diversion rate of 61%. All participants that completed the 12-month program also improved their waste management system grades and now meet national standards and best practices.

2,622
MT CO₂

*saved in 2021 and 2022 through the
FDRA Shoe Factory Waste Program.*

In 2023, 11 more factories joined this program, five of which are strategic factories. This brings the total number of participating locations to 37 factories, including 20 strategic factories. This constitutes 74% of Caleres' strategic Tier 1 supplier factories and 54% of our annual order volume. These factories had significant achievements, from improving their internal factory waste management to increasing their waste diversion rate and reducing waste-related GHG emissions.

Factories that join the program receive 12 months of training, where they learn to identify, sort, and recycle waste while collecting greenhouse gas emissions and waste-generation data. Following this training, they continue to assess improvements with monitoring by Caleres.

We aim to see 100% of our strategic Tier 1 suppliers participate by 2025.