

SUSTAINABILITY REPORT 2021

STEVE MADDEN



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About This Report

This report covers Steve Madden's progress toward its sustainability goals for the year 2021 (January 1, 2021 – December 31, 2021) and outlines new sustainability targets at the company. Our sustainability targets and strategic framework were informed by a materiality determination process and are aligned with the UN Sustainable Development Goals (SDG).

The scope of this sustainability report primarily focuses on our footwear business but also addresses our apparel and accessories businesses. It covers our corporate offices, distribution centers, warehouses, and retail stores directly owned and operated by Steve Madden in the United States and its subsidiaries, unless otherwise indicated. This report also covers our global supply chain and the impacts on our operations. Any reference to "Steve Madden" is a reference collectively to all of its business units and brands.

We take responsibility for the completeness, accuracy, and validity of the metrics contained in this report and for the conformity of the metrics with our reporting criteria. No external assurance has been obtained for this report.

About Steve Madden

Steve Madden is an iconic fashion powerhouse that makes footwear, apparel, and accessories available to stylish individuals across the globe. We are creative, bold, and tenacious in everything we do – including meeting customer demands for affordable, trend-right fashion, while maintaining a deep commitment to building a responsible and sustainable business.

Our owned brands include Steve Madden®, Dolce Vita®, Betsey Johnson®, Blondo®, GREATS®, BB Dakota® and Mad Love®. We are also a licensee of various brands, including Anne Klein® and Superga®, and design and source products under private label brand names for various retailers. In addition to operating our own retail stores and e-commerce websites, our wholesale distribution includes department stores, mass merchants, off-price retailers, shoe chains, online retailers, national chains, specialty retailers, and independent stores.



A Word From Our CEO

Over the last thirty years, our company has been defined by our people and their creativity, tenacity, and ambition in everything they do. Today, as we advance sustainable business practices at Steve Madden and throughout the entire fashion industry, we're applying the same level of relentless commitment to caring for our people, planet, and communities.

In 2021, we rallied behind *Let's Get Real*, a new sustainability strategy focused on our company's approach to critical issues impacting the fashion and footwear industries, including climate change, diversity and inclusion, and post-consumer waste management. Thanks to the collective power of our people, we made meaningful progress across all priority areas, positioning Steve Madden for sustainable success and long-term industry leadership.

Most urgently, we're taking a proactive approach to navigating the challenges of global climate change. In 2021, we laid the essential groundwork to set science-based carbon reduction targets to reduce our carbon emissions in alignment with the Paris Climate Accord.

We're also building deeply rooted partnerships to advance diversity and inclusion at Steve Madden and throughout the fashion industry. Our partnership with Howard University is just one example of how we're investing in BIPOC students and entrepreneurs and connecting them with resources and support to build successful careers in fashion.

Other major achievements were the launches of SM REBOOTED and Re:Vita, resale marketplaces for Steve Madden and Dolce Vita. Through our resale channels, we're taking an important initial step in our journey toward

circularity by extending the average life of our products and keeping them out of landfills. Looking ahead, we remain committed to innovating and exploring how products can be made to last longer and with circularity in mind.

Going forward, continuing to advance our sustainability goals will remain a critical part of our strategy. This means ensuring that corporate responsibility and sustainability are embedded into everything we do. While we recognize that the road ahead is long, the accomplishments of 2021 laid important foundations for our company to impact our people, planet, and communities in positive ways for years to come.



2021 Highlights

Invested \$100,000 in our partnership with [Howard University](#).

Established [De La Sole](#), a new ERG for Hispanic and Latinx employees.

Launched [SM Learning Sessions](#).

Launched the [Supply Chain Visibility Project](#).

Launched the [“Paily is for Everyone”](#) campaign.

Began measuring our [Carbon Footprint](#) across scopes 1, 2, and 3.

Became a member of the [Sustainable Apparel Coalition](#).

Introduced [Climate Action Training](#) for our compliance teams in China.

Recycled 3,456 lbs. of fabric scraps through our partnership with [FABSCRAP](#).

Established the [Steve Madden Corporate Foundation](#) with an initial \$1M donation.

Our Sustainability Vision

Gregg Meyer, CHIEF SUSTAINABILITY OFFICER, *Corporate Social Responsibility* outlines his views and vision for driving sustainability forward.

Q: How would you summarize the progress Steve Madden has made since the launch of its Let's Get Real strategy in 2020?

A: Our work in 2021 was all about strengthening the structural foundations necessary to realize our ambitious, long-term vision, which was defined in 2020 with the *Let's Get Real* strategy.

This year, with the launch of SM Learning Sessions, we created a high-impact learning and development venue, accessible to our global workforce, through which our employees have the opportunity to expand on their knowledge of the industry, their teammates, and their own personal development. Creating a culture of learning and curiosity is essential to innovation, inclusion, and belonging. With SM Learning Sessions, we've created a collective, ongoing conversation about the opportunities to grow and become better.

We also measured our CO2 emissions baseline across scopes 1, 2 and 3 and set science-based reduction targets, which were submitted to the Science-Based Targets Initiative (SBTi) in 2022.

This project was a herculean company-wide effort that has provided us with vital insights into our CO2 footprint and will define the future of our climate strategy.

And with the launch of two resale channels, SM REBOOTED and Re:Vita, we evolved our business model and infrastructure in ways that will ultimately make it possible for Steve Madden to realize its long-term commitments to long-lasting, circular fashion. I am incredibly proud of how quickly we've introduced resale channels that are fully integrated into our e-commerce websites. We hope that our work serves as an example of the power of brands to normalize resale and shift consumer behavior in positive ways.

Q: Which of Steve Madden's sustainability initiatives make you most excited about the future?

A: I'm excited to see even more of our employees and partners really take ownership of our sustainability vision. Evolving and transforming our company and industry will require full-fledged collaboration and opening lines of communication where they didn't exist before. I'm excited to see initiatives come to life that require people across all areas of our business to own and integrate sustainability into their everyday work.

For example, we launched Steve Madden's Responsible Materials collection in our European market in early 2022, which was made possible by design and production teams that are fully committed to learning more about sustainable alternatives to conventional materials. These teams are proving that it's possible to make our best-selling styles in a more responsible way, which will have a domino effect across the globe.

I'm also looking forward to launching initiatives that strengthen talent pipelines from our retail stores to our corporate offices. Our retail associates have a deep understanding of our brands, customers, and products and bring diverse perspectives and experiences to the table. I think that we have a real opportunity to cultivate this talent and to be a shining example of career development and upward mobility in the retail industry.

Q: How do you describe Steve Madden's sustainability vision today?

A: Steve Madden has always been about making fashion available to everyone. Today, our vision is to make *responsible* fashion choices available and accessible to more people than ever before. To fully realize this vision, we will explore radically new ways of making and selling product. It'll require building even deeper connections with our customers and actively seeking diverse perspectives. And it'll require industry-wide collaboration and long-term thinking on a global scale.

On a deeper level, our vision is to demonstrate what it looks like for a global fashion company to leverage every element of its business – its products, its workforce, its supplier relationships, its role in the community – to have a net positive impact on the world. Accomplishing this vision is how we'll stay relevant, and it's how we'll fulfill our inherent responsibility to future generations.

LET'S GET REAL

Last year, we released *Let's Get Real*: our strategy to create a more sustainable future for Steve Madden, for the fashion industry, and for the world. At the heart of our approach is a fundamental truth – that building a regenerative fashion industry requires real visibility to the impacts of our business and a real commitment to progress and transformation.

Our sustainability strategy is guided by four areas of focus: safe and equitable workplaces, inclusive and accessible fashion, reducing environmental impacts across our supply chain, and circularity. Within each pillar, we've defined clear targets to motivate our efforts and measure our progress.

We recognize our unique power and responsibility to define the future of fashion – to champion innovative thought and bring new solutions to scale. Through *Let's Get Real*, we're defining clear ambitions and holding ourselves accountable for the results. It won't always be easy, but things worth pursuing rarely are. In true Steve Madden fashion, we'll stay creative, hungry, and bold every step of the way.

01

LET'S THINK ABOUT YOU

Creating safe, diverse, and equitable workplaces for people across our stores, offices, and factories.



02

LET'S MAKE FOR ALL

Setting trends to ensure that fashionable products are accessible to people of all shapes, sizes, and abilities.



03

LET'S CHANGE THE GAME

Transitioning to more sustainable materials and reducing the environmental impacts in our supply chain.



04

LET'S KICK THE WASTE

Working hard to keep shoes and products out of landfills by extending their life and designing with circular principles in mind.





LET'S THINK
ABOUT **YOU**

Creating safe, diverse, and equitable workplaces for people across our stores, offices, and factories.

Each human being is inherently, uniquely, and beautifully powerful. The combination of our individual gifts, talents, and energy as part of a larger collective creates the conditions for us to accomplish amazing things – as partners, teams, communities, and as a company.

That's why we've committed ourselves to building intentionally safe and equitable workplace environments where people from all walks of life can express themselves openly, apply their strengths, and grow. In practice, this means building diverse teams, investing in employee well-being and professional development, and working with partners who share our values.

2025 GOALS

Diverse Representation

- Raise and advance all levels of underrepresented groups with a focus on leadership progression opportunities for all.
- Invest \$500,000 in local, national, and global programs that are making the fashion industry more inclusive and equitable.

Employee Engagement & Development

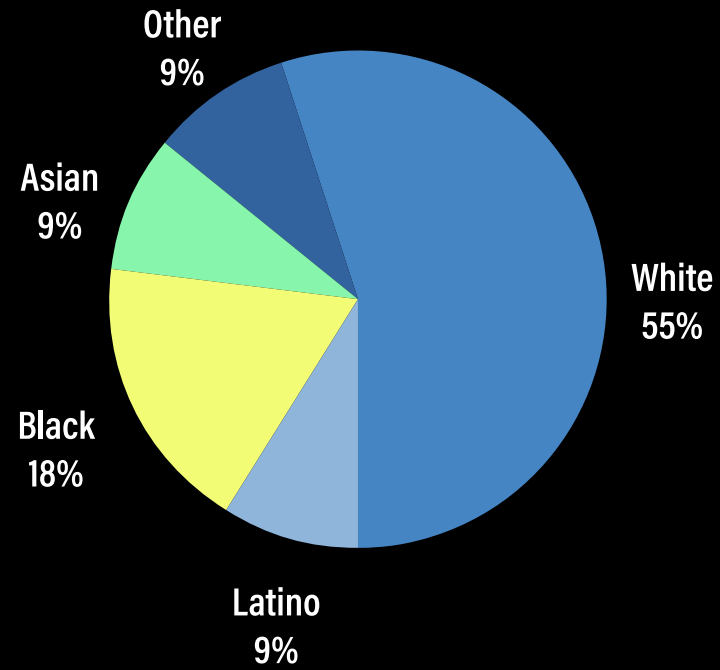
- Engage all U.S. corporate associates in professional development programs.

Fair & Inclusive Supply Chain

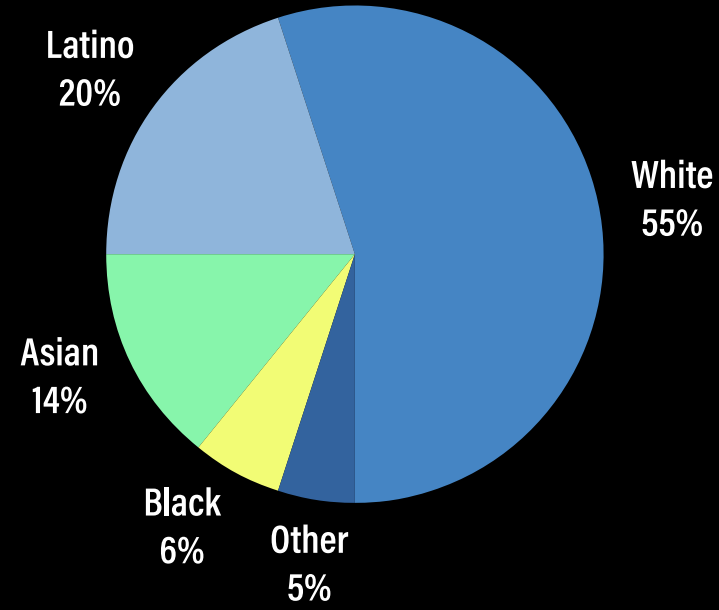
- Expand compliance training across Tier-1 strategic suppliers, which accounts for 80% of purchases.
- Continue to map our top-level supply chain factories and share our findings.

ETHNICITY

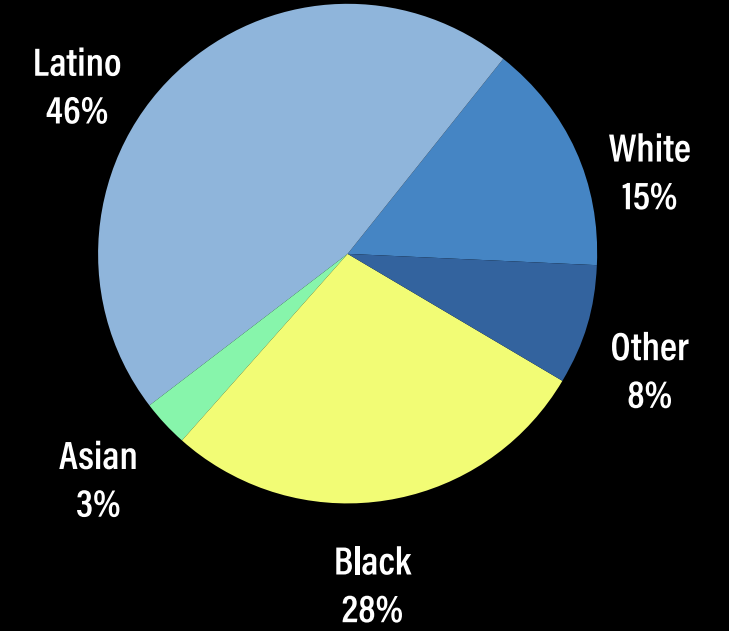
BOARD



CORPORATE

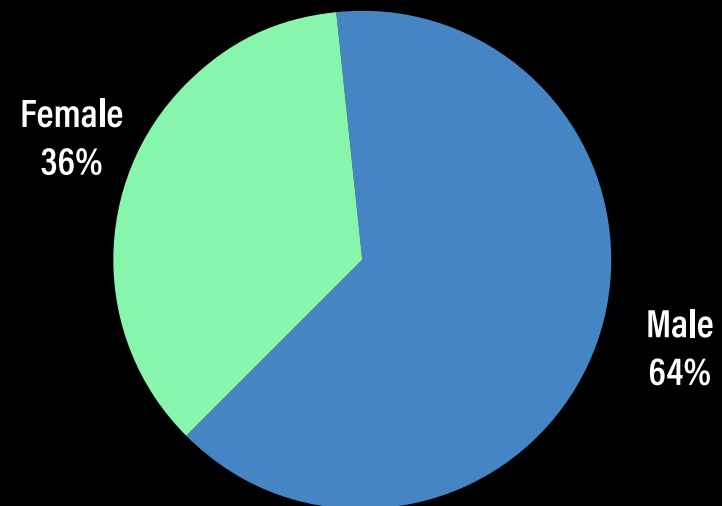


RETAIL

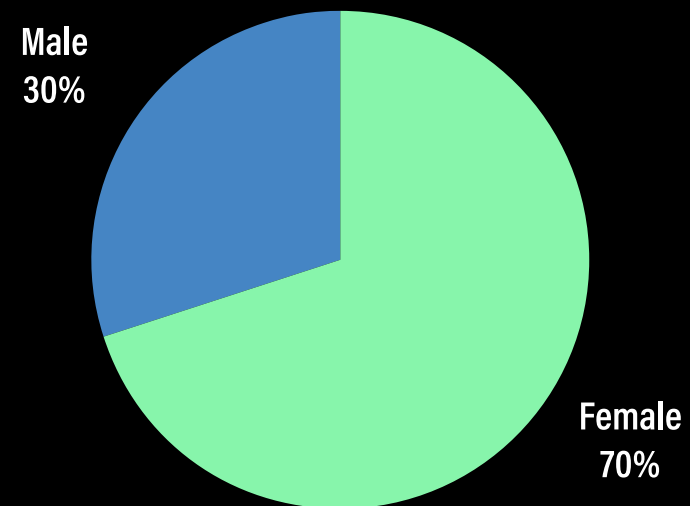


GENDER

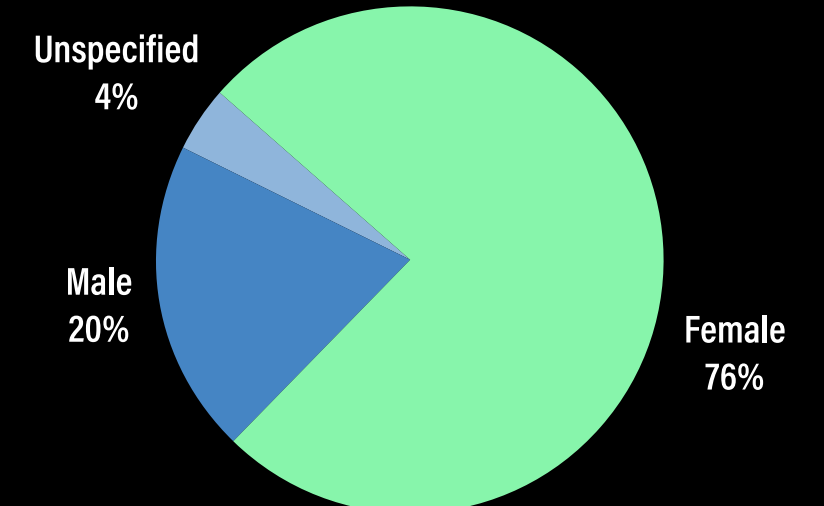
BOARD



CORPORATE



RETAIL





DIVERSE REPRESENTATION

**NEW PERSPECTIVES
IN THE BOARD ROOM**

It is critical that diverse perspectives are represented across all areas of our company, but especially where major decisions take place. In 2021, we were proud to welcome two new members onto our Board of Directors, both of whom bring diverse backgrounds, life experiences, and perspectives to the table. Our new members are Arian Simone Reed, President and Chief Executive Officer of Fearless Fund, and Peter A. Davis, a footwear and apparel industry veteran.

As head of the Fearless Fund, Arian Simone leads a venture fund that invests in businesses led by women of color. She also serves as a board member of the Birmingham Civil Rights Institute. Peter Davis, a former player in the NBA, has over 30 years of experience in the footwear and apparel industry, having held executive leadership positions in sales and marketing with companies including Skechers, Fila, Reebok, Joy & Mario, and Dynasty Footwear. He also founded The Infamous Black Sheep brand, an urban action sports lifestyle brand, and runs Pete Davis Basketball, a grassroots community youth basketball organization. Having both Arian and Pete as members of our Board of Directors since early 2021 has added fresh perspectives and new areas of expertise to the table.

OUR PARTNERSHIP WITH HOWARD UNIVERSITY

On the U.S. corporate level, we remain focused on creating the conditions that will allow us to recruit and retain employees that belong to U.S. ethnic minorities, with an emphasis on Black employees and job candidates. Through our partnership with Howard University, we can simultaneously share our industry expertise to inspire students to bring their excellence into the fashion industry and learn how we can do more to welcome more diversity into our company.

In 2021, we laid the groundwork for our ongoing relationship with Howard University, one of the top ranked Historically Black Colleges and Universities (HBCUs) in the United States. Through our work with the university, we aim to enhance the educational experience of Howard students and connect them with career and internship opportunities at Steve Madden. In August 2021, we kicked off the fall semester at Howard co-leading the "Retailing" class with the School of Business. Members of the Steve Madden leadership team presented on-campus as well as virtually to students offering real-world insights into visual merchandising, production and buying, digital commerce, and social media marketing.

The semester culminated in a capstone project with the students building and operating Steve Madden pop-up shops on campus. With the combination of academic and hands-on experience, students had a unique outlook on the rapidly evolving retail landscape as they connected the principles of retailing and merchandising learned in the classroom to real-life scenarios.

"I underestimated how powerful it would be to share my professional and personal insights with students in the retailing class at Howard University. The irony is that as much as we were there to teach, the students' energy, expression, and excellence taught all of us so much and reminded me how valuable it is to humbly listen and reflect on what I am doing as a leader and what we are doing as a company."

Vikki Lujano, Steve Madden Account Executive

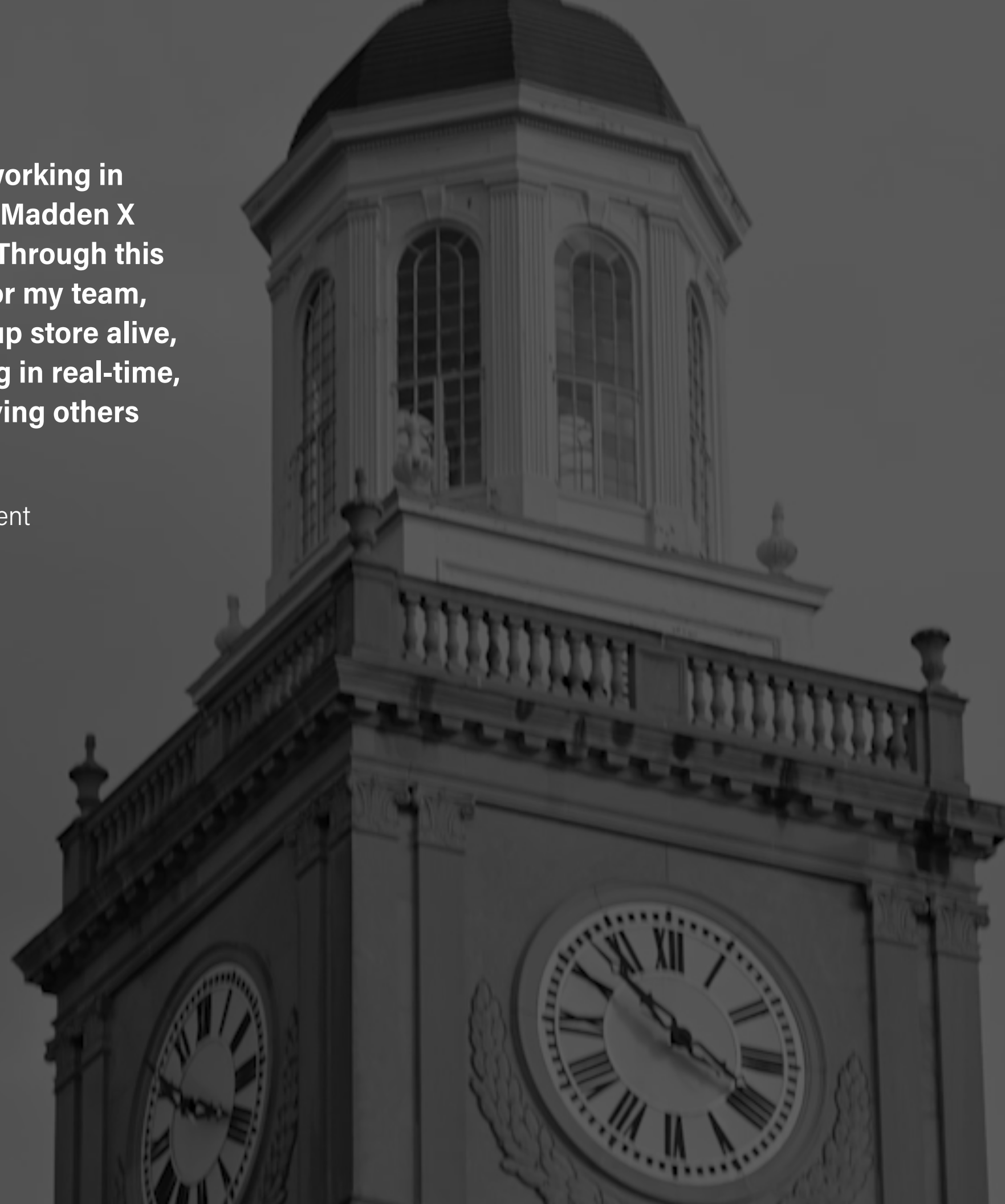
On the day that the pop-ups were in business, our Founder and Creative and Design Chief Steve Madden personally visited each store and spoke to the broader student body about entrepreneurship and fashion, along with Steve Madden Board member and the CEO of Fearless Fund, Arian Simone Reed.

As a result of the connections we made on campus, a number of students were asked to join our 2022 summer internship program.

In 2021, Steve Madden invested \$100,000 into our partnership with Howard University. We plan to expand upon our work with HBCUs and establish relationships with Hispanic Serving Institutions (HSIs) in the coming years.

"I never knew how much I loved working in the Retail industry until the Steve Madden X Howard University collaboration. Through this course I was able to be a leader for my team, help bring our vision for the pop-up store alive, apply the knowledge I was gaining in real-time, and experience a euphoria of serving others through fashion."

Syera Dunlap, Howard University Student



EMPLOYEE RESOURCE GROUPS

An Employee Resource Group (ERG) is a group of employee-volunteers who join together based on shared life experiences or identities to help foster a diverse and inclusive workplace in partnership with their companies. Many top organizations – including 90% of Fortune 500 companies – have ERGs to build community, support employees, and provide feedback to the organization.

At Steve Madden, ERGs play a critical role in fostering a company culture where all employees feel a sense of belonging and envision a bright future for themselves.

Each group supports our commitment to diversity and inclusion in unique ways, from influencing internal programming and external messaging, to holding affinity spaces for community support, to supporting the professional development of its members.

In 2021, all ERGs participated in a day-long retreat to establish a shared understanding of how ERGs operate and to create individual strategies that advance our three pillars: career, community, and self-care.

We also published a comprehensive ERG Program Guide, which provides a one-stop-shop for ERG leads and executive sponsors, including ERG program policies, best practices, and resources. As a living document, the program guide will be reviewed and updated periodically with new programs, policies, and resources. Additionally, the document will be a helpful guide for new ERGs at Steve Madden, as they establish themselves at the company.

As their influence widens throughout the organization, our ERGs continue to learn and grow, developing and refining plans that support members, the company's global strategy, and our commitment to providing a work environment where people are free to be themselves and achieve their professional goals.



CAREER Actively engaging in efforts to recruit, retain, and advance employees while showcasing the gifts and talents of the community at all levels of leadership.

COMMUNITY Building a strong sense of togetherness for affinity group members and allies.

SELF - CARE Recognizing and supporting self and collective care.

EST. 2019

SM PRIDE

The mission of SM pride is to create a more equitable workplace for LGBTQ+ employees and engage the broader community in a meaningful way.

In 2021, SM Pride members:

- Shaped a SM Learning session focused on elevating the company's understanding of how to better create a welcoming environment for members of the LGBTQ+ community.
- Drove our external messaging surrounding Pride Month in June.

EST. 2020

BLACK SOLE

The mission of Black Sole is to create a community of caring and celebration focused on networking, professional development, self-care, and leadership opportunities with a focus on inspiring an anti-racist culture of inclusion, belonging, and advancement at Steve Madden.

In 2021, Black Sole members:

- Engaged with the marketing team to craft external messaging for Black History Month.
- Presented as part of our Howard University partnership, bringing their knowledge to students at the School of Business.

EST. 2021

DE LA SOLE

The mission of De La Sole is to create a community of celebration and recognition for our Hispanic and Latinx employees and to share these unique cultures with the entire corporation.

In 2021, De La Sole members:

- Established their mission and leadership team.
- Participated in a SM Learning Session in honor of Hispanic Heritage Month.

CULTURAL HOLIDAYS & HERITAGE CELEBRATIONS

At Steve Madden, cultural holidays and heritage celebrations serve as touchstones throughout the year as we connect with diverse members of our community and create opportunities for conversation, dialogue, and learning – throughout our corporate offices, in our stores, and across our online communities. By honoring specific heritage months, we strengthen the spirit of celebration of the beautiful cultures represented at Steve Madden throughout the year.

During Pride Month, for example, our brand leaders, ERGs, and retail associates came together to provide a platform to members of the broader LGBTQ+ community and to deepen the sense of belonging that our LGBTQ+ employees experience.

Steve Madden Gives

At checkout on SteveMadden.com, customers had the option to add a donation to LGBTQ+ organizations hand-selected by SM Pride. Steve Madden matched all donations, raising funds and awareness for Callen-Lorde, a global leader in LGBTQ+ healthcare; the Ali Forney Center, which protects LGBTQ+ youth from homelessness; and the Marsha P. Johnson Institute, which protects and defends the human rights of Black transgender people.

Let's Talk Pronouns

To create a welcoming environment for our gender expansive colleagues and partners, we hosted a learning session for corporate employees led



by a representative from Callen-Lorde. The session introduced transgender cultural competency, addressing gender identity, personal pronouns, and much more. Following the session, we introduced a new company-wide email signature that includes personal pronouns in the standardized design.

Celebrating Our Community

We love a good party. And in celebration of Pride Month, SM Pride brought corporate employees together at a local, LGBTQ+ owned bar for dancing, drag performances, and raffle prizes. All proceeds from the event benefitted the Ali Forney Center.

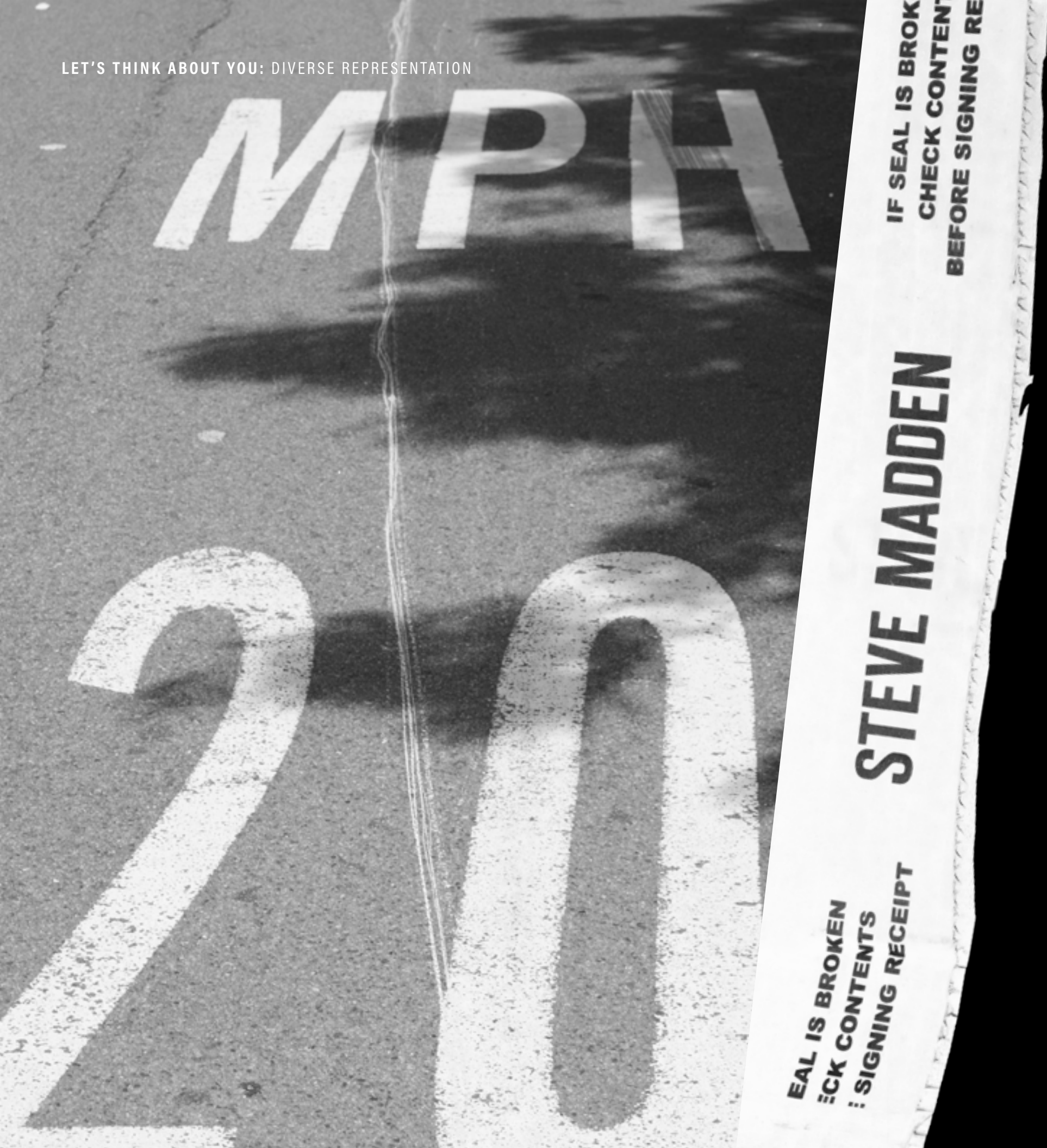
#MyFirstPride

The first time at Pride is a monumental occasion and a chance for authentic self-expression. To celebrate, creators and activists across the LGBTQ+ community shared stories about their first time at Pride through Steve Madden's social media feeds.

Walk With Pride

As part of the brand's ongoing partnership with The Trevor Project, Dolce Vita designed a limited-edition Pride collection along with the organization.

Dolce Vita has donated \$160,000 to The Trevor Project to-date.



LOOKING AHEAD : STRENGTHENING DIVERSITY

In 2022, we will take several important steps to further strengthen diversity, equity, inclusion, and belonging throughout our organization.

To start, we will continue to strengthen and improve internal systems that lie at the foundation of equitable recruitment, retention and advancement, including our hiring and performance management processes.

We will also begin to design a career progression program for retail associates to explore and transition into corporate-level jobs, an initiative that will enrich our organization with valuable front-line insights and diversify the perspectives and lived experiences represented at the corporate level.

We will also begin to introduce standardized management training, focused on the foundational skills that managers need to coach and develop employees across all levels of our organization.

EMPLOYEE ENGAGEMENT & WELL-BEING

ASSESSING EMPLOYEE ENGAGEMENT

Continued improvements to the Steve Madden employee experience must be rooted in honest, comprehensive feedback from employees. In 2021, we conducted our second annual employee engagement survey, which was designed, launched, and analyzed in partnership with third-party experts in organizational psychology and data analytics. One month after the survey closed, our CEO and Vice President of Human Resources shared a candid overview of the survey results and takeaways with our global workforce.

Our overall employee engagement score increased two percentage points in 2021 from the previous year, from 71% to 73%. This places us slightly above the peer benchmark. In their responses to the survey, employees reported having a clear understanding of their roles, confidence in the company's growing potential for success, and strong connections with their colleagues. Looking ahead, we've identified three focus areas that will have the biggest impact on long-term engagement and have taken initial steps to improve in those areas:

- Demonstrate to employees that their participation in feedback programs, such as the annual engagement survey, results in meaningful action.
- Connect employees with our company's big picture vision and purpose.
- Enhance communication and cross-functional collaboration throughout the organization by cultivating foundational communication and teamwork skills and bridging connections between teams and departments.



CONTINUED EDUCATION & DEVELOPMENT

Cultivating a culture that values lifelong learning makes us more innovative and collaborative. That's why we're investing in learning and development programs that emphasize curiosity, introspection, and continuous growth.

Tuition Reimbursement

For those looking to broaden their education in their field, tuition reimbursement is available to all full-time corporate employees who have completed six months of employment. **The company reimburses up to \$2,500 in continued education expenses per employee, per calendar year.**

We also offer a Full Tuition Grant Program in partnership with Ashford University, which provides up to \$5,000 in tuition reimbursement per calendar year.

Tune-In Tuesdays

Employees have expressed a desire to learn more about available job opportunities at Steve Madden. As a result, this year, our Human Resources team began sending weekly emails across the company, providing an updated listing of internal job opportunities as they arise. The objective is to encourage employees to assess growth opportunities and advance their careers internally.



SM LEARNING SESSIONS

In March 2021, we launched Steve Madden Learning Sessions, a regular series of live virtual keynotes and panel discussions, led by internal and external experts to spark conversations and build new knowledge and capabilities across our workforce.

Throughout 2021, 558 employees registered for SM Learning Sessions. Cumulatively, employees rated the sessions 4.78 on a five-point scale through post-session surveys.

Subjects of the 2021 learning sessions included:

Connecting Authenticity & Success

Participants learned how to broaden definitions of success by identifying core values, real-life practices to build up emotional intelligence, the basics of developing a growth mindset, and how to use a prioritization matrix to focus on measures of success that matter most.

Fixed Vs. Growth Mindset

This course provided a sense of empowerment over our ability to choose a growth mindset by equipping attendees with tips, tools, and techniques to help manage our mindset that can be implemented into daily life.

Mandarin 101

Through this hands-on introduction to Mandarin, participants had the opportunity to build confidence in their ability to pronounce Chinese names and common words and learn the basics of Pinyin, a system used to spell and pronounce Chinese words using the Latin alphabet.

From Ballot Boxes To Board Rooms

Maria Teresa Kumar, Steve Madden Board Member and Voto Latino Founder and CEO, joined Vikki Lujano, Steve Madden Account Executive and Executive Sponsor of De la Sole, to discuss the impact of the Latino community, the second largest demographic in the country, and how this growing community will help shape a more diverse America.

Race, Equity & The Marketplace

Efua Obeng, Associate Professor of Marketing and Chair of the Marketing Department at Howard University's School of Business, explored how society has shifted its focus from equality to equity and what this means for businesses.

Saving Young LGBTQ+ Lives

Led by The Trevor Project, participants learned about the urgency of this mission, gained access to the latest data and insights on LGBTQ+ mental health, and learned how colleagues can join in the fight to save young LGBTQ+ lives.

Finding Stability While Managing Change

This course introduced an approach to leadership and personal development based in positive psychology. Attendees walked away with tools to gain perspective and clarity while navigating change.

Transgender Cultural Competence

Participants gained a better understanding of the transgender community and transgender sensitivity and walked away with concrete strategies for creating a welcoming environment for transgender workers and clients.

Let's Get Real About What Makes Us Strong

In this three-part series led by author and positive psychologist, Dr. Maria Sirois, we explored the foundational elements of leadership, culture, and community.

WELLNESS & WORK-LIFE BALANCE

When we can be our best as individuals, we can be our best as a team. At Steve Madden, we're committed to providing benefits and resources that employees need to live healthy, balanced lives.

Annual Wellness Week

Preventive care shifts the focus of health care from treating sickness to maintaining wellness and good health. In the spirit of emphasizing preventive care, we host annual Health Fairs at our office locations in New York to promote the health and wellness resources available to employees, featuring in-person meetings with our benefits providers, on-site chair massages, wellness goodie bags, and more.

Employee Assistance Program

Knowing that you're not in it alone means greater peace of mind. Through our Employee Assistance Program, Steve Madden employees can access confidential personalized counseling for work and life issues, 24 hours a day, seven days a week.



Finding The Right Support

To find the right resources, Steve Madden employees have unlimited access to Care.com, the world's largest online community for finding quality care. Employees can search and connect with local caregivers to care for children, adults, and pets, as well as to find housekeepers, tutors, and more.

Supporting Footwear Industry Workers

Steve Madden has been a proud supporter of the Two Ten Footwear Foundation since 2010. Two Ten provides financial assistance, resources, counseling, and scholarships for footwear industry workers and their families. **In 2021, we donated \$50,000 to help footwear industry families in need.** For Steve Madden employees, the foundation remains a valuable resource and provides an extra level of safety and support.

Steve Madden also sponsored the FDRA's BFF (Black Footwear Forum) and donated \$25,000 to the D&I initiative in December of 2021.

INVESTING IN OUR COMMUNITIES

Strong communities are the foundation of our society and our company, and we believe wholeheartedly in every individual's power to be of service to the world and the people around them.

To start, we encourage our employees to build meaningful relationships in their communities by volunteering with organizations they love. Each year, corporate U.S. employees have the option to use one workday to volunteer with an organization of their choice.

In 2021, we began highlighting community organizations through the checkout process on [SteveMadden.com](https://www.stevemadden.com), [DolceVita.com](https://www.dolcevita.com), [GREATS.com](https://www.greats.com), and [BetseyJohnson.com](https://www.betseyjohnson.com), raising funds and awareness for causes that we admire. To select the featured organizations, we turned to our employees and ERGs to nominate organizations that mean the most to them. Take a look at a complete list of organizations that were highlighted in our e-commerce giveback programs which raised a total of \$69,450 throughout 2021.

STEVE MADDEN

Memorial Sloan Kettering Cancer Center
 East Harlem Council for Human Services
 Callen-Lorde Community Health Center
 Changing the Face of Beauty
 Latinas Contra Cancer
 Hispanic Federation
 Runway of Dreams
 Global Green USA
 Ali Forney Center
 Open Style Lab
 Shoes That Fit
 Miss Amazing
 Voto Latino

GREATS

The Hetrick-Martin Institute
 Conservation Society
 Parley Foundation
 Global Green USA
 Ali Forney Center
 One Tree Planted
 Sea Shepherd
 Uprose Inc.

dolce vita

One Tree Planted
 Feeding America
 Trevor Project

Betsey Johnson

Susan G. Komen



CLEAN ENERGY BENEFITS

As part of our commitment to reducing our environmental impact, we have sought new initiatives that enable our employees to do the same independently. Starting in 2021, Steve Madden partnered with Common Energy, a solar energy provider, to offer our employees incentives for purchasing clean energy. Steve Madden employees have the ability to sign up to support a local clean energy project that will replace fossil fuels and lower carbon emissions. **The energy will then appear as a credit on the employee's electricity bill to help lower their energy costs. In 2021, 91 metric tons of CO2e were avoided with this project.**



FAIR & INCLUSIVE SUPPLY CHAIN

SOCIAL COMPLIANCE & SUPPLY CHAIN TRANSPARENCY

Human rights apply to everyone in the world, including our supply chain workers who must be free to express themselves openly and work productively in a safe and fair environment. As such, we manage our supply chain in accordance with the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and the United Nations (UN) Guiding Principles on Business and Human Rights.

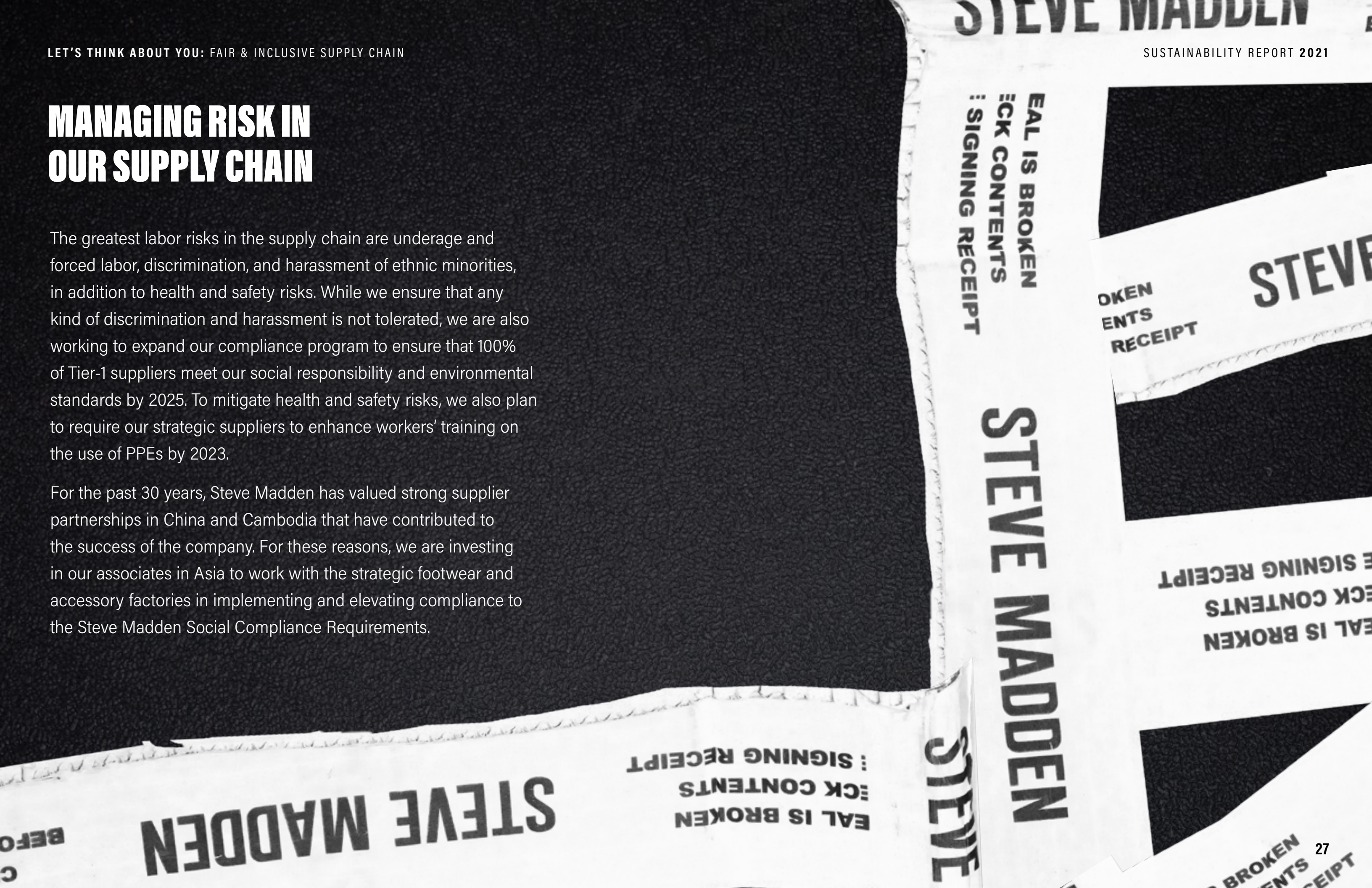
Additionally, we developed formal Steve Madden Social Compliance Requirements based on industry best practices and our Vendor Code of Conduct. These requirements provide guidelines for measuring supplier social responsibility performance and aiding the factories in implementing sustainable improvements. We encourage open, ongoing discussion of compliance challenges and promote transparency and continuous improvement.



MANAGING RISK IN OUR SUPPLY CHAIN

The greatest labor risks in the supply chain are underage and forced labor, discrimination, and harassment of ethnic minorities, in addition to health and safety risks. While we ensure that any kind of discrimination and harassment is not tolerated, we are also working to expand our compliance program to ensure that 100% of Tier-1 suppliers meet our social responsibility and environmental standards by 2025. To mitigate health and safety risks, we also plan to require our strategic suppliers to enhance workers' training on the use of PPEs by 2023.

For the past 30 years, Steve Madden has valued strong supplier partnerships in China and Cambodia that have contributed to the success of the company. For these reasons, we are investing in our associates in Asia to work with the strategic footwear and accessory factories in implementing and elevating compliance to the Steve Madden Social Compliance Requirements.

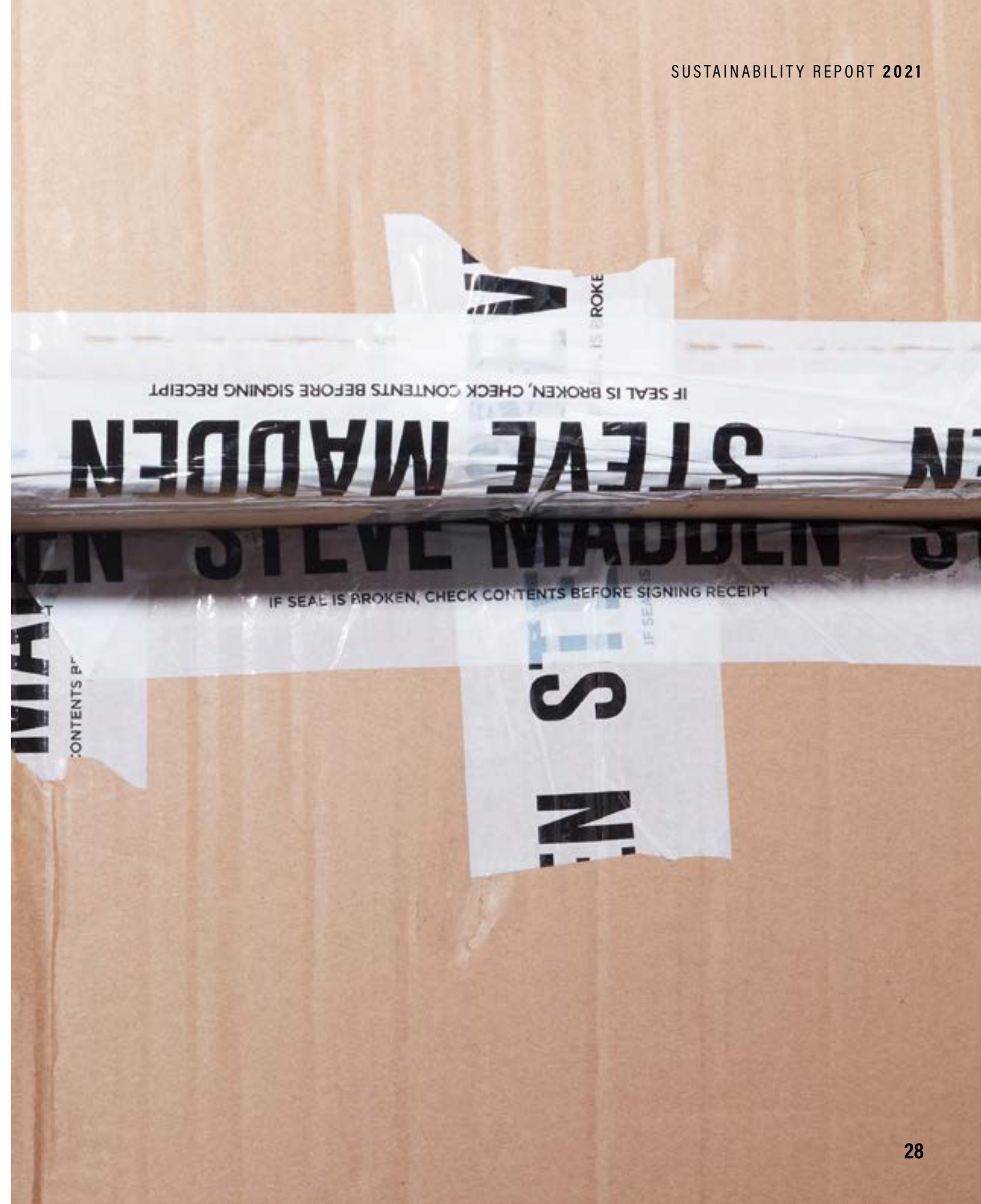


SUPPLY CHAIN VISIBILITY PROJECT

In May 2021, we expanded our supply chain compliance team in China and launched the Supply Chain Visibility Project. We want to ensure that factories understand and have the support they need to achieve Steve Madden's social compliance requirements. As a result, we have a clear focus on how to engage with our suppliers to ensure alignment with our Vendor Code of Conduct.

In 2021, 70% of our Level 1 footwear factories (top 80% of purchase volume) were trained and audited at least once. Due to China's COVID-19 travel restrictions, our teams were limited in their ability to conduct on-site visits. We hope to increase coverage in the coming year. With increased visibility, we aim to build sustainability into our onboarding process for all new factories that become a part of our supply chain.

In 2021, we contracted with a third-party warehousing and transportation platform supplier to develop their Trading Partners Management (TPM) module which will support supply chain visibility and collaboration. TPM is designed to allow new suppliers and factories to complete on-boarding questionnaires, acknowledge compliance documentation, and store a comprehensive record of supplier engagement to enhance transparency, compliance, and sustainability efforts across our supply chain.





LET'S MAKE FOR ALL

Setting trends to ensure that fashionable products are accessible to people of all shapes, sizes, and abilities.

We want to make sure our products are inclusive and accessible, and that all people from all walks of life are welcomed in our stores and on our websites, can find products that look and feel good, and see themselves reflected in our brand.

In this spirit, we've set our sights on being one of the world's most inclusive fashion brands. This means adapting our shoes for people with disabilities and making the shopping experience as inclusive as possible.

2025 GOALS

Accessible & Inclusive Fashion

- Train 100% of designers on inclusive and sustainable design principles.
- Offer accessible options, adaptive styles, and extended sizes across Steve Madden's branded portfolio.
- Ensure that the entire online and in-store shopping experience is accessible to and welcoming for all audiences and abilities.
- Represent BIPOC, LGBTQ+, and diverse body types and abilities in all Steve Madden-owned and licensed brand advertising and communications.



ACCESSIBLE & INCLUSIVE FASHION

SM ADAPTIVE

For many people living with disabilities, finding accessible shoes, let alone stylish accessible shoes, has been nearly impossible. An estimated one-fifth of all children need adaptive footwear. The adaptive fashion market is expected to be worth \$400 billion by 2026 and requires forward-thinking design and partnerships that will help us make accessible fashion possible for millions of individuals currently left out.

To meet this need, we began working with orthopedic doctors and children with disabilities to create and test multiple iterations of adaptive designs. In the development process, we learned that features like extra-long velcro, additional hook and loop closures, and elastic laces make it easier for kids to get in and out of their shoes independently. And that removable insoles and wider widths can make it possible for those who use Ankle Foot Orthoses (AFOs) to wear the same fashion-forward sneakers as their friends.

In Spring 2021, we launched Steve Madden Kids Adaptive, a line that includes our best-selling kids' styles with unique features designed to be more accessible for children with disabilities. These features include outsoles with extra-wide widths, easy-on-and-off zippers with extra-long pull tabs, velcro closures, longer velcro straps, and elastic uppers.

We expect to have adaptive styles for adults available by 2023.

INCLUSIVE SIZES & SHADES

Fashion is one of our most powerful tools for self-expression. That's why inclusive design matters – and why we strive to design everything we make with a commitment to the diversity of our customers.

In 2021, Dolce Vita made significant strides in inclusive design. The brand now offers a range of extended sizes (women's sizes 12-15) and wide widths across the brand's core products.

Extended sizes and wide widths sell out almost immediately, indicating a consumer need and proving that inclusive sizing presents a promising growth opportunity.

The brand also made its best-selling style, the Paily shoe, available in a larger variety of shades, making the "nude" shoe even more inclusive. To promote Paily's inclusive sizing and colors, Dolce Vita launched the "*Paily is for Everyone*" campaign on social media and through street-level advertising in New York City, including models that represent diverse sizes, gender identities and expressions, and ethnicities.



FEARLESS **fund**

X

STEVE MADDEN

#SELFMADE: COLLABORATING WITH DIVERSE CREATORS & ENTREPRENEURS

We believe that our brands have an incredible power to celebrate the beauty and diversity of humankind – each in their own unique style and voice. For this reason, approaching advertising, marketing, partnerships, and collaborations with diversity and inclusion in mind is just as important as making our products accessible to all.

By partnering with Fearless Fund, the Steve Madden brand supported and built relationships with emerging businesses led by women of color, some of which turned into product collaborations in 2022.

Fearless Fund invests in women of color led businesses seeking pre-seed, seed level or series A financing. Their mission is to bridge the gap in venture capital funding for women of color founders building scalable, growth aggressive companies. In continuing our partnership with the Fearless Fund, we highlighted several founders from Fearless Fund's portfolio companies through our social media channels in March 2021, inviting each entrepreneur to share more about their business and life as a WOC founder.

In 2022, Steve Madden launched product collaborations with two Fearless Fund portfolio companies: Hairbrella and Slutty Vegan.

LOOKING FORWARD: INTEGRATING INCLUSIVE DESIGN

By 2025, we aim to offer accessible options, adaptive styles, and extended sizes across Steve Madden's branded portfolio. We also want to ensure that the entire online and in-store shopping experience is accessible to and welcoming for all audiences and abilities.

To start, we will continue to train our product teams, web and graphic designers, and marketing strategists on inclusive design principles. These internal workshops and trainings will spark conversations about ways to design products and shopping experiences to serve the needs of a diverse customer base – starting with adaptive and disability-inclusive design and gender-inclusive design.



LET'S CHANGE THE **GAME**



Transitioning to more sustainable materials and reducing the environmental impacts in our supply chain.

Fashion today and tomorrow is about style, comfort, pleasure, and protecting our planet.

Given the serious concerns about the health of our planet, the fashion industry has reached a turning point where products must be made responsibly, ethically, and sourced increasingly with materials that are better for the environment – stylish and sustainable.

Steve Madden has been working hard to meet these environmental challenges by mapping the entire supply chain, incorporating more sustainable materials into our products and packaging, reducing and offsetting our transportation carbon emissions, and reclaiming used products and materials once they've served their purpose.

By the end of 2022, all Steve Madden designers will be trained on sustainability, life cycle impacts and circularity, and share knowledge through the Sustainable Design Action Group which was established internally in 2020.

We will also continue to partner with the Footwear Distributors and Retailers of America (FDRA) as well as collaborate with our industry peers, suppliers, and partners to measure our environmental impact across the supply chain and innovate across product design, sourcing, and production.

2025 GOALS

Responsible Materials

- 100% of our packaging to be made with recycled and renewable materials that are recyclable.
- 50% of our products to contain environmentally preferred materials by replacing conventional materials with recycled, bio-based or solvent free components.

Operations & Manufacturing

- Establish water-use baseline and partner with strategic suppliers to reduce water usage and support local solutions in water-stressed communities.
- Train 100% of our strategic suppliers in waste reduction.
- Set science-based targets for scopes 1, 2 and 3 and establish an abatement strategy to reduce Greenhouse Gas (GHG) impact.
- Require suppliers to self-assess and report environmental performance.

RESPONSIBLE MATERIALS

OUR CARBON FOOTPRINT

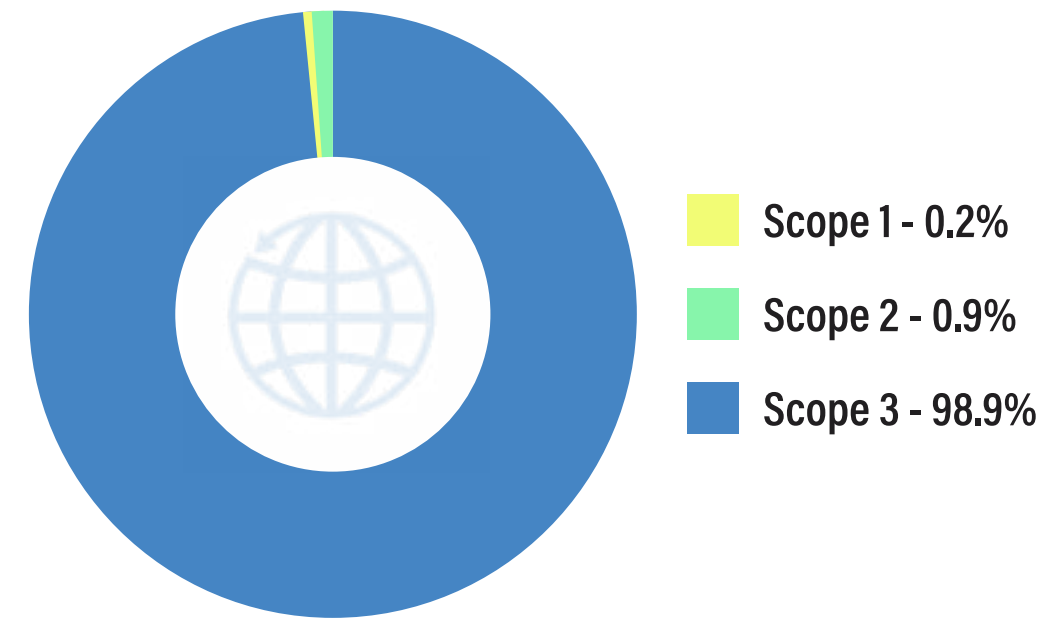
In 2021, we set out to collect the data for both direct and indirect carbon emissions of our Greenhouse Gas (GHG) inventory in partnership with a leading global consulting firm specializing in climate change and sustainability. With this carbon accounting process, we were able to establish the baseline year for our carbon footprint to know how much carbon the company is emitting. The carbon footprint also provides insights into the areas of the value chain that are contributing to our carbon emissions so that we can make strategic decisions in establishing a remediation strategy.

The following GHG emission scopes were considered to calculate our GHG emission data:

Scope 1: Direct emissions from sources we own or operate – Steve Madden offices, showrooms, retail stores, fleet vehicles, and distribution centers.

Scope 2: Indirect emissions (electricity) from sources we own or operate – Steve Madden offices, showrooms, retail stores and distribution centers.

Scope 3: All other indirect emissions from sources we do not own or operate, such as production factories and material suppliers.

**Setting Science-Based Targets**

We began to measure and set GHG reduction targets that are aligned with the Science-Based Target Initiative (SBTi). The SBTi is a partnership between the CDP (an organization that runs the global environmental disclosure system), the UN Global Compact, the World Resources Institute, and the World Wide Fund for Nature (WWF) that defines and promotes best practices in emission reductions and net-zero targets in line with climate science.

From this work, we learned that Scope 3 (Value Chain) dominates the footprint, accounting for over 98% of the total emissions, followed by Scope 2 (Purchased Energy) that is 0.9%. Scope 1 contributes only 0.2%.

RESPONSIBLE MATERIALS

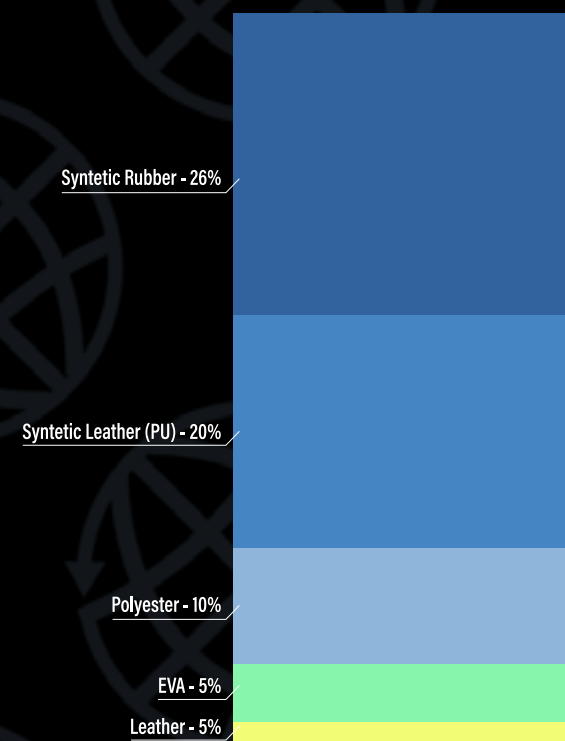
Within Scope 3, Purchased Goods and Services account for 88% of the total emissions with the majority from footwear materials, followed by accessory materials and packaging. We also found from our data collection that our **non-packaging materials account for approximately 73% of our total Scope 3 emissions**. The top five emitting materials across all product categories make up 66% of total mass but result in 77% of emissions.

Key Findings

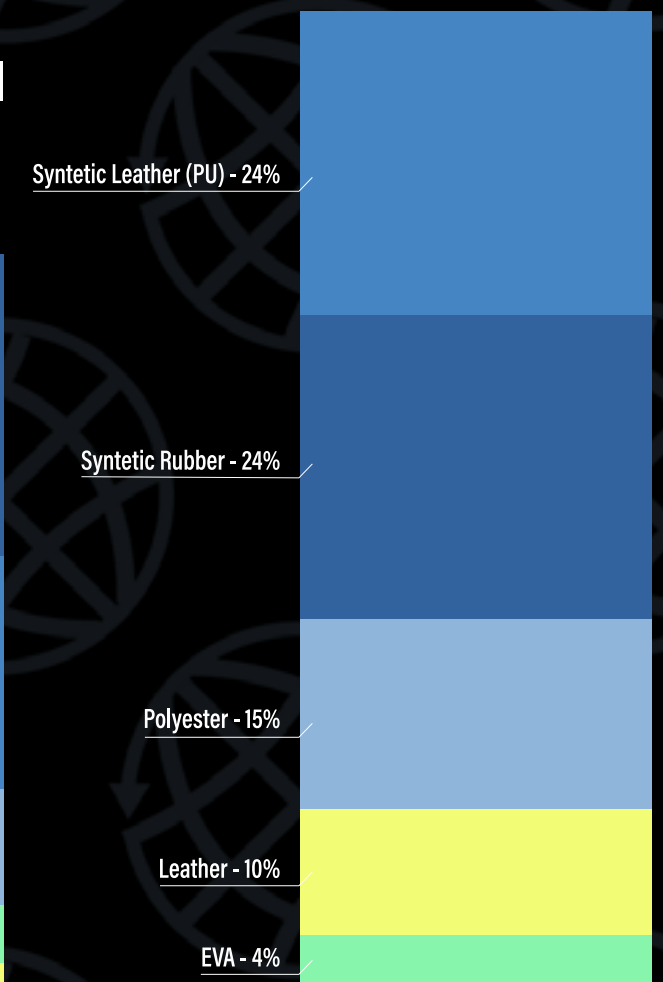
- Synthetic Leather (PU) and Synthetic Rubber (TPE/TPR/TPU/SBR) are the most common materials used and make up 50% of material emissions overall.
- Polyester is the third-highest emitting material across all divisions.
- Leather is the ninth-most used material by weight, but the fourth-highest emissions source.
- Footwear's top three emitting materials are synthetic leather, synthetic rubber, and polyester.
- Accessories top three emitting materials are synthetic leather, polyester, and metals.

This data confirms just how critical it is to shift conventional materials to environmentally preferred materials (EPMs) to reduce our Greenhouse Gas (GHG) emissions towards the Paris Agreement's 1.5° C ambition level and to prevent the worst effects of climate change.

66% Total Material by Weight



77% Total Material by CO₂ Emissions



**The information presented here encompasses footwear, accessories, and apparel for the company's wholesale and footwear business.*

TRANSITIONING TO ENVIRONMENTALLY PREFERRED MATERIALS

EPMs are alternatives to conventional materials that, for unique reasons, lower environmental and/or social risk. At Steve Madden, we've concentrated our focus on more responsible alternatives to the five materials responsible for the highest percentage of Scope 3 emissions: PU, synthetic rubber, polyester, leather, and EVA.

Recycled Materials

These are materials from pre-existing products and materials that have been recovered or diverted from the landfills and incineration, lowering carbon emissions. Recycled materials conserve natural resources and energy, while reducing air and water pollution.

Leather, synthetic leather (PU), synthetic rubber (TPE/TPR/TPU/SBR), polyester and nylon are all common recycled materials found in our products.

For example, OrthoLite® foams are Intertek Green Leaf Certified to contain pre-consumer recycled content materials, helping keep hundreds of tons of waste out of landfills each year among other features and benefits – for an uncompromised performance with less impact on the planet.

In 2021, Madden NYC incorporated OrthoLite® UltraLite™ into their insoles. In addition to being made with recycled content, this formulation creates a cooler, drier environment inside the shoe for long-term cushioning, high-level breathability, and lightweight comfort.



Bio-Based Materials

Bio-based materials are derived from raw materials such as plants and other renewable agricultural, marine, and forestry materials. They typically provide a higher reduction of GHG than other EPMs due to CO₂ sequestration from the atmosphere during the plant growth cycle. Because Steve Madden is committed to supporting a sustainable and circular economy, we are actively searching for bio-based EPMs to replace conventional fossil-based materials.

Take Algix, LLC's BLOOM algae foam, for example. The rise in global temperatures and human activities have contributed to rampant algae growth. Algix, LLC harvests, dries, and grinds algae into powder, which is then blended with other polymers, such as EVA and TPR, that would otherwise pollute local waterways. In this process, BLOOM uses algae to create materials that generate clean water and air working to maintain healthy ecosystems.

In 2021, Cool Planet by Steve Madden was the registered buyer of 1482 kgs of BLOOM materials from Algix, LLC and was responsible for 3.3 million liters of water cleaned, and 1526 kgs of CO₂ removed from, the atmosphere. Beginning as a laboratory brand for sustainability, learnings from Cool Planet by Steve Madden will be incorporated into the flagship Steve Madden brand on a go-forward basis.

Materials Without Harmful Solvents

Some materials are manufactured with potentially harmful solvents, but EPM alternatives offer more responsible solutions.

Water-based or DMFa-free PU is a resin that is free of Dimethylformamide (DMFa), which is a toxic solvent that may be harmful to humans and the environment. These more responsible alternatives to conventional PU can reduce the energy consumption in the production process without producing exhaust fumes and wastewater.

Additionally, chrome-free leather is tanned without the use of Chromium III salts, which may oxidize into Hexavalent Chrome VI and produce allergic reactions in some people.

VALIDATING EPMS

Lab Testing

Both DMFa and chrome-free materials are lab tested to ensure that relevant harsh solvents are not present to meet the established restricted substances levels. Suppliers are required to submit a lab report as proof of these requirements prior to shipping.

Bio-based materials may be validated using carbon dating techniques to evaluate new carbons from plants vs. old fossil carbons.

Chain Of Custody Certification

We are committed to ensuring that our EPM claims are truthful and validated in line with the Federal Trade Commission guidance and Truth in Advertising Rules. For this reason, we have undergone the rigorous Global Recycled Standard (GRS) certification in one U.S. distribution center as well as the Madden International, Adesso International and Steve Madden Europe offices.

GRS is a voluntary international standard that sets requirements for third-party certification of recycled content through each stage of production, including social, environmental, and chemical restrictions. By certifying these four entities, Steve Madden can complete the full chain of custody certification in the U.S. as well as Europe, which establishes the basis for claiming and labeling GRS-Certified products upon approval by the last Certifying Board.

We are working closely with our overseas suppliers to train and provide guidance to make sure they are meeting the requirements of the Textile Exchange GRS Chain of Custody Certification. **All recycled materials are purchased from GRS-Certified material suppliers and must contain at least 20% recycled content.**

As we strive to increase the penetration of recycled materials, our network of GRS production factory partners has expanded, which increases flexibility in growing our EPM product collections and the fully GRS-certified products that must contain at least 50% recycled content.

Footwear and accessories have many components, and we are taking steps to accelerate the use of EPMS, which lower the impact on human health and the environment while reducing our carbon emissions. We recognize that our program must continue to evolve, and we want to continue challenging ourselves to do more and do better.

RESPONSIBLE PACKAGING

Being mindful of our environmental impact also requires us to be mindful of how our products are packaged. Starting in 2018, we replaced all retail shopping bags in Steve Madden stores with reusable bags.

By the end of 2025, all shoe boxes across our owned brands will be 100% recyclable, made with at least 85% post-consumer waste and 15% virgin pulp farmed from sustainably managed forests. Our boxes and tissue paper will also incorporate only natural dyes and adhesives, with no chemical finish. While many of our shoe boxes and packaging materials already reflect these sustainability standards, we are working to expand the initiative to encompass all of our owned brands. We are also putting supplier accountability measures in place to ensure that our packaging standards are upheld.

Through our efforts over the last year, we are already starting to see the positive impacts of transitioning to more sustainable packaging. While this is a notable achievement, we plan to do even better by switching all box production to Forest Stewardship Council (FSC)-sourced paper by 2025.



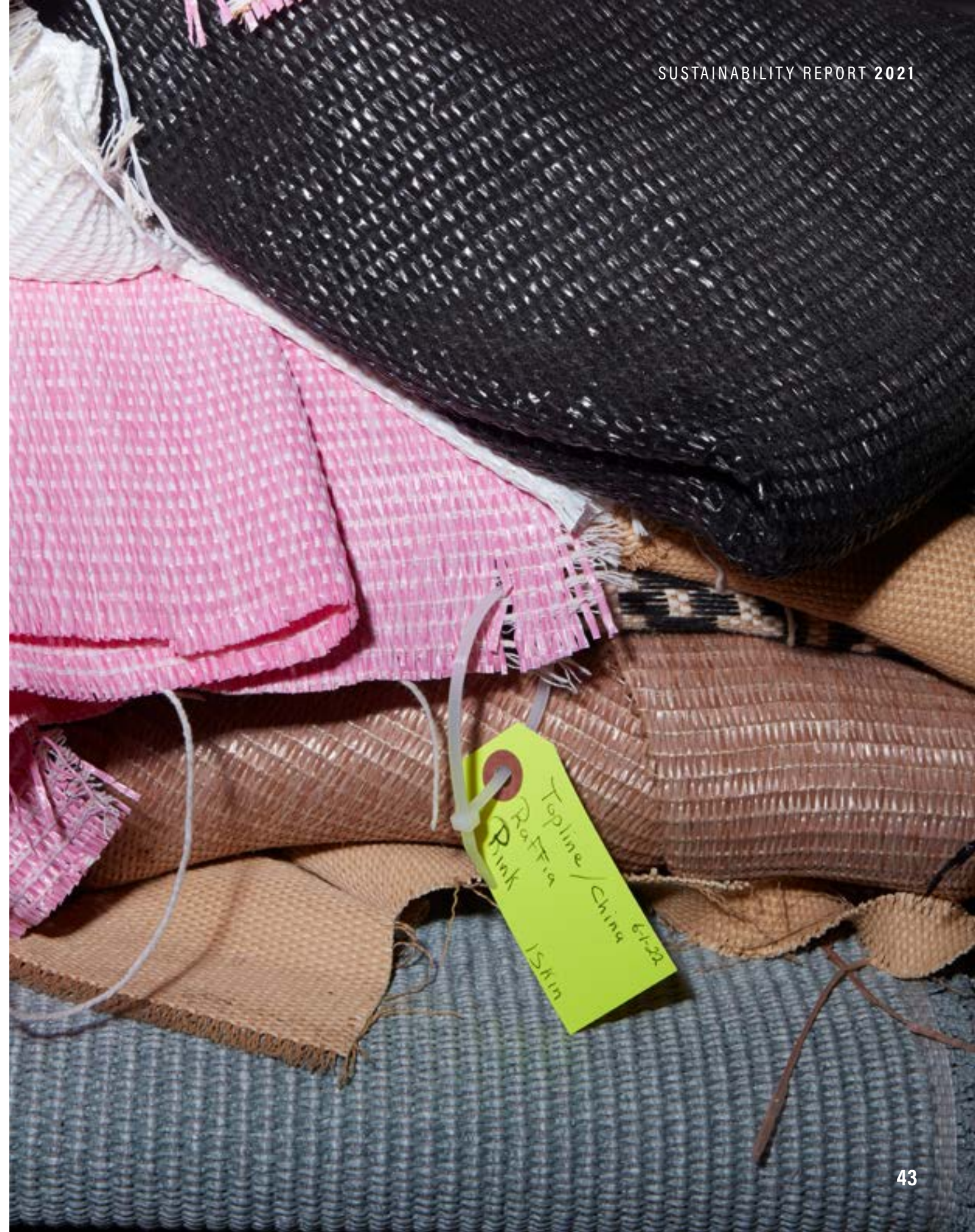
OPERATIONS & MANUFACTURING

SUSTAINABLE APPAREL COALITION

In October 2021, Steve Madden joined the Sustainable Apparel Coalition, which provides access to the Higg suite of tools to measure our environmental and social sustainability performance. More than 200 facilities in our supply chain shared their 2021 Facility Environmental Module (FEM) and Facility Social and Labor Module (FSLM) self-assessment performance with the company.

87% of the Higg FEM self-assessments received from our factory partners scored at least Level 1 in energy and water sections; 72% of the FSLM self-assessments scored more than 70%.

The collected information will support our understanding, identify improvement opportunities, and pave the way for our own projects, while expanding the fashion industry's collective ability to address sustainability goals. Our teams will continuously promote training and work with our suppliers to establish an effective process for collecting factory data on air emissions, energy, waste, water, wastewater, and chemicals management – a critical step in reducing environmental impact.





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CLIMATE ACTION TRAINING FOR FACTORY PARTNERS

To support our long-term commitment to reducing carbon emissions, approximately 90% of our China compliance team have taken a comprehensive 15-hour online course called "Climate Action Training for the Fashion Industry," which consists of several modules: Why climate action matters, GHG emissions, GHG accounting, target setting, energy efficiency measures, and renewable energy and biomass.

After passing a final exam, attendees received a certificate of completion. In 2022, we expect all of our strategic suppliers from our global supply chain to participate in this training.

Steve Madden: The Giga - Guru

In 2021, Steve Madden's footwear and accessories businesses were recognized by Walmart as a Giga-Guru – based on our achievements thus far. Walmart's Project Gigaton is helping to eliminate one billion tons (giga) of GHG by 2030. We set specific, timely, and measurable goals every year to implement sustainability projects in three areas: energy, waste, and packaging.

MANAGING & REDUCING WASTE

As part of our environmental scope, it's essential that we become more diligent in disposing of waste. To do so, Steve Madden and the fashion industry are striving to move from a linear to a "circular economy," where waste is considered a resource. Such reintegration and reuse of materials, footwear, and accessories will reduce waste sent to landfills and incineration.

Reducing Waste Through The FDRA Program

FDRA Footwear Factory Zero Waste Program is an industry-wide initiative aimed at eliminating manufacturing waste in shoe factories. This program provides the tools to train factories on identifying, sorting, and recycling waste to keep it out of landfills, while increasing sustainability awareness at the facility. As a sponsoring brand of the program, Steve Madden subsidized and supported selected production factories to participate in Phase Two of the program.

In Phase Two, seven of our key China factories located in three different regions – representing the production of 20.9 million pairs of shoes – participated in the FDRA waste management program. **These factories achieved a 31% increase in waste diversion, which otherwise would have been directed to landfills, and a 1,150 MT CO2e carbon emissions reduction due to Reuse and Recycling waste management.**

Accelerating Change With Our Own Waste

Meanwhile, we have since started our own Waste Management Program, similar to the FDRA's, to increase waste reuse and recycle rates and consequently reduce waste directed to landfills and incineration. So far, 48 factories are participating in this program with more factories expected to join in the coming years. Operated by our sourcing team in China, the Steve Madden waste program is designed to extend training and implementation opportunities to more factories free of charge.

Our Waste Management Program is a vital first step toward building our internal capacity to lower emissions and drive waste reduction across the factories in our supply chain. This includes encouraging our supply chain to adopt more renewable energy. For example, one of our Tier-1 factories invested in the installation of solar PV capable of generating one million kWh of electricity per year, which corresponds to the reduction of about 700 metric tons of CO2e per year.

2025 Waste Targets:

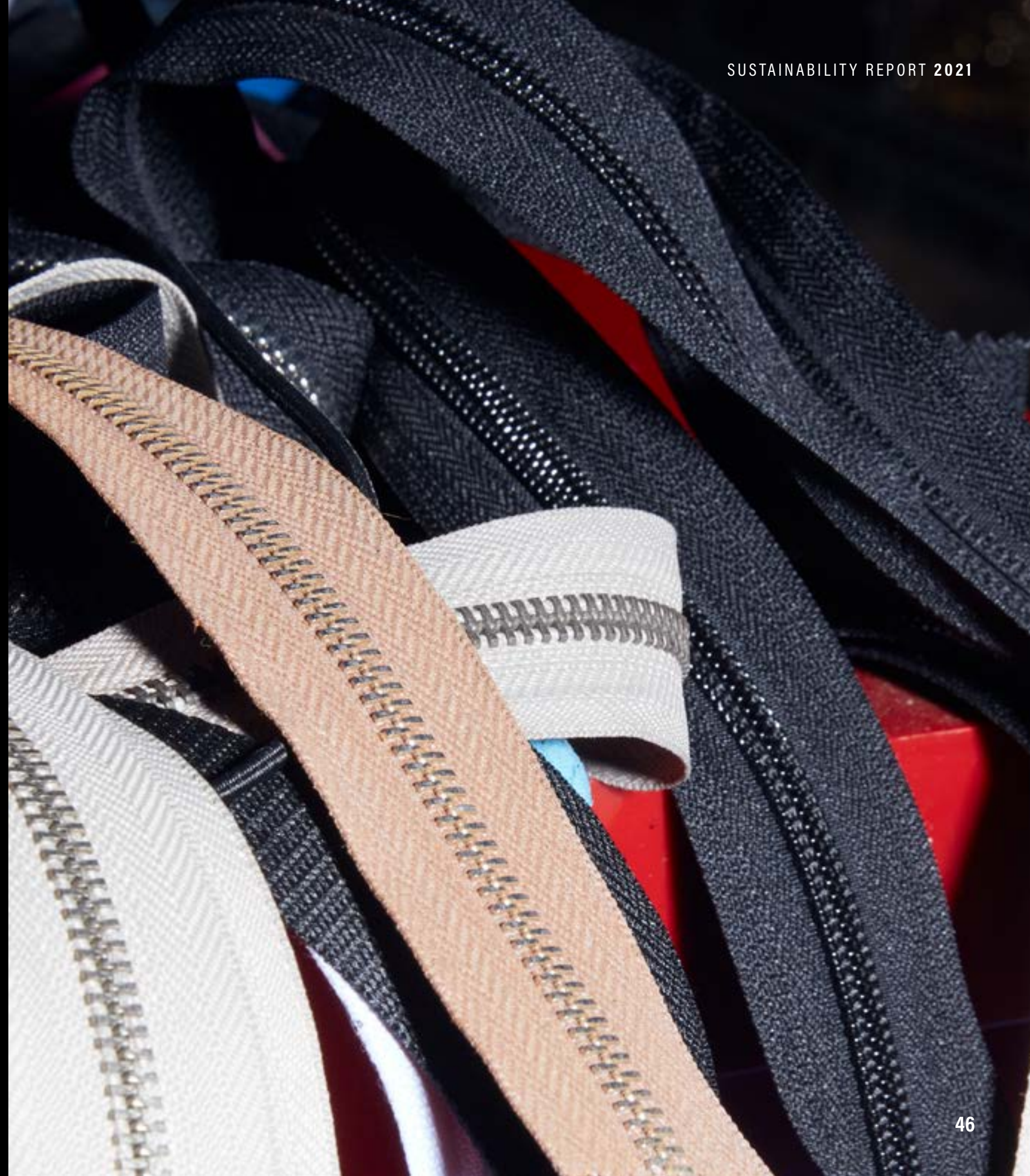
- Train 100% of our strategic suppliers in waste reduction.
- Reduce waste in landfills and incineration per pair of shoes by 40%.
- Increase waste segregation for an additional five types of materials to be recycled.

THE FABSCRAP INITIATIVE CONTINUES

In September 2019, Steve Madden began working with FABSCRAP, a Brooklyn-based non-profit whose mission is to end commercial textile waste and maximize the value of unused fabric.

All Steve Madden teams based in NYC are directed to recycle swatches, headers, cuttings, production scrap, and yardage left over from the design and production process through our recycling program with FABSCRAP. Once materials are sent to FABSCRAP, the organization sorts and prepares them for downcycling or upcycling. Downcycled materials are shredded for industrial use in insulation, carpet padding, felt carpeting, etc. Upcycled materials are reused in creative partnerships with local designers, students, and artisans or may be sold in bulk.

Since beginning our partnership, we have recycled 3,456 pounds scraps across all brands, which saved an estimated 23 tons of CO2.



OFFSETTING EMISSIONS

While we deploy ambitious climate abatement strategies to reduce our emissions in areas where we have the most influence and power, we will also work to offset emissions that are currently unavoidable. This approach was integrated into the very DNA of Cool Planet by Steve Madden. In addition to integrating more responsible materials into its products, Cool Planet by Steve Madden partnered with One Tree Planted to support its reforestation projects. For every pair of shoes purchased, Cool Planet planted a tree to help repopulate forests in need of renewal.

In 2021, Cool Planet by Steve Madden planted 22,000 trees through multiple reforestation projects across the globe. One tree planting project in Mexico concentrated on Querétaro and the municipality of Ameca in Jalisco, two regions that have lost trees due to animal grazing, soil erosion, and illegal logging. By funding local teams who restored vegetation in this area, we helped maintain the integrity of the local ecosystem, which will benefit the health of the area for years to come.

Throughout 2021, we also worked with CarbonFund.org to offset all carbon emissions (339 metric tons of CO₂) associated with shipping e-commerce orders in the U.S. placed through SteveMadden.com.

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LET'S KICK THE **WASTE**

Working hard to keep shoes and products out of landfills by extending their life and designing with circular principles in mind.

According to the latest available information provided by the EPA, the U.S. generates around 29 billion pounds of textile waste each year, but only 13% is recycled. Around 87% is either sent to landfills or incinerated.

To combat this problem, we need to rethink the ways we design and sell products – and consider where products go at the end of their lifecycle.

2025 GOALS

Long-Lasting Fashion & End-of-Life Recovery

- Establish multiple channels to recycle, resell, or repair pre-loved shoes.
- Introduce a range of innovative products designed with circularity in mind.

LONG-LASTING FASHION & END-OF-LIFE RECOVERY

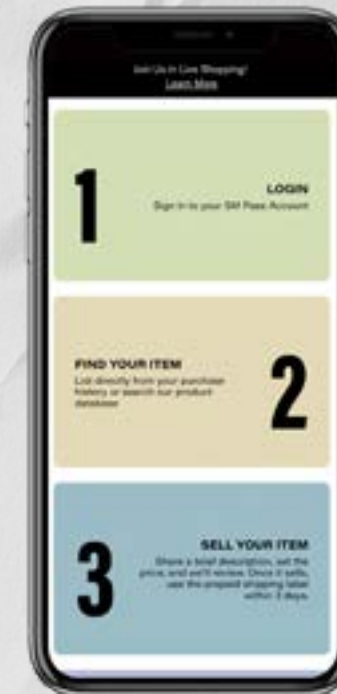
SM REBOOTED & RE:VITA

In January 2022, we launched SM REBOOTED and Re:Vita, two peer-to-peer resale channels available through [SteveMadden.com](https://www.stevemadden.com) and [DolceVita.com](https://www.dolcevita.com), respectively. Through each resale channel, customers can buy and sell pre-loved items that are in good condition, giving a new life to Steve Madden and Dolce Vita styles.

We see an opportunity in resale as consumer interest grows. The secondhand apparel market is valued at about \$28 billion today and forecast to reach \$64 billion within the next five years (source: CNBC). The trend's growth is reflected in the demographic shifts with 37% of Gen Zers shopping resale, compared to 27% of millennials and 19% of baby boomers (source: Forbes).

By building resale channels that are native to our existing e-commerce environments, we are simplifying and normalizing the process for customers to buy and sell pre-loved products, which will prolong product lifespans over the long-term.

Rebooted



Re:Vita



EXPLORING OPPORTUNITIES FOR PRODUCT RECOVERY

In 2020, we launched a pilot of the “*SHOECYCLE*” shoe take-back program in three of our New York City Steve Madden retail locations. Through the program, customers dropped off pre-loved shoes of any brand at collection boxes staged in our retail stores. These shoes were then sent to our third-party partner to be recycled or resold into secondary markets.

While the *SHOECYCLE* program was put on pause throughout the first years of the COVID-19 pandemic, we anticipate relaunching the program by 2023.



Steve Madden Corporate Foundation

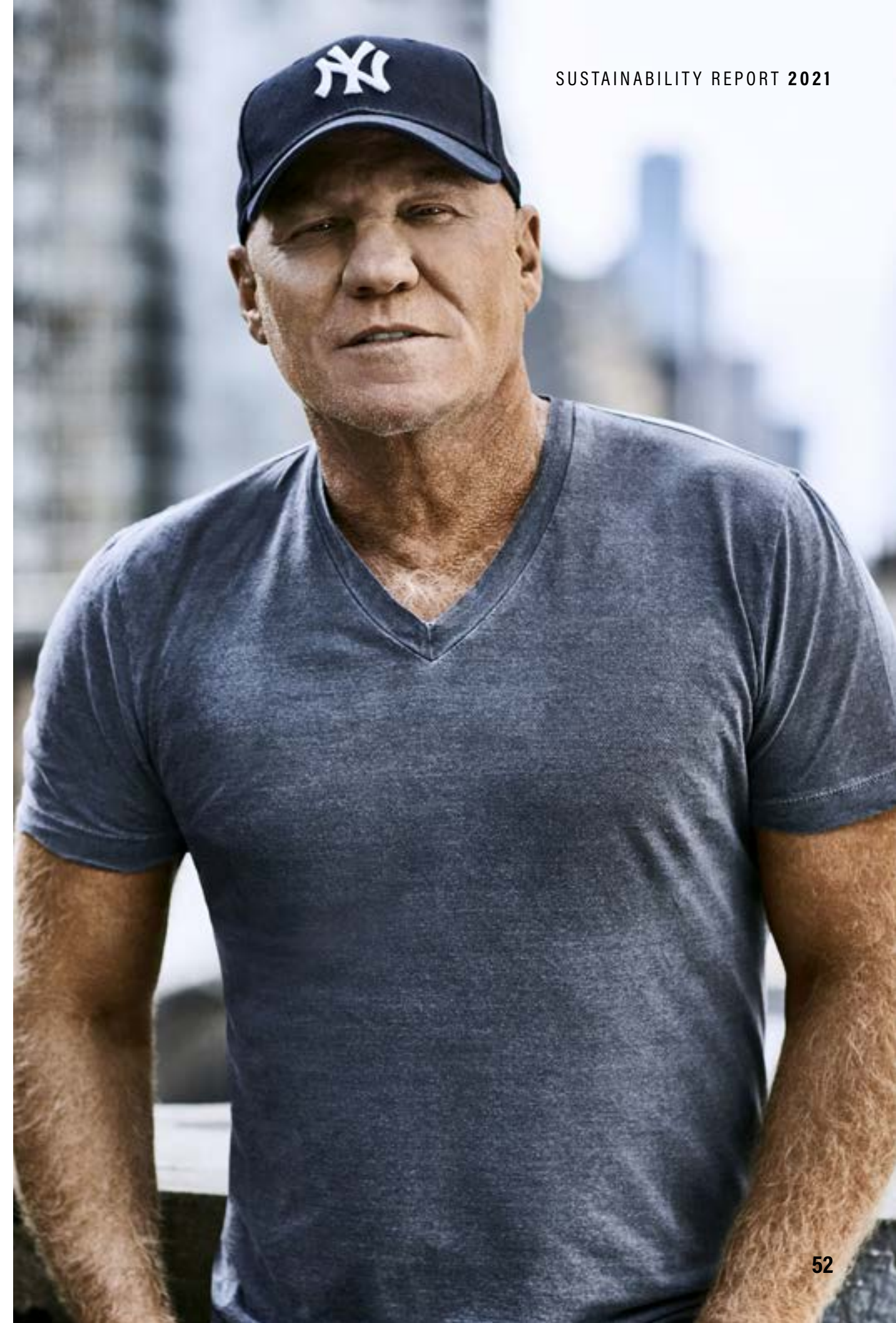
Steve Madden has a long history of investing in the communities in which we live and work. In December 2021, the Company formed The Steve Madden Corporate Foundation and made a \$1 million contribution, which will support the company's charitable giving strategy. Our charitable giving strategy is designed to:

Support Equal Opportunities In Fashion: Connect young people who are underrepresented across the fashion industry with education and professional development opportunities needed to gain employment and to excel throughout their careers.

Discover Better Ways To Create: Advance projects that are evolving the way that we design and manufacture to be increasingly more inclusive and sustainable.

Build Generational Wealth: Support individuals and communities of color to achieve financial success and build generational wealth.

Strengthen Our Communities: Invest in the health and development of communities where we live and work.



Sustainability Governance

Achieving our sustainability goals will take time, planning, good management, open communications, and information-sharing among the Board of Directors and senior leaders and engagement across all levels of the company. The following information outlines how Steve Madden oversees and governs its sustainability initiatives.

Board Committees

Our Board of Directors has four committees to help guide its oversight and decision-making responsibilities in advancing the company's commitments and values – the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and, most relevant to this report, the Corporate Social Responsibility (CSR) Committee.

CSR Board Committee

As noted above, the CSR Board Committee is dedicated to overseeing and directing all of our initiatives and practices with respect to (a) diversity, equity, and inclusion; (b) talent development and well-being; (c) ethical and sustainable sourcing; (d) international and local labor and employment conditions; (e) global climate change; (f) community partnerships; (g) charitable giving, and others. Members of the committee have extensive corporate and retail experience, with a strong commitment to sustainability and social responsibility.

Information Security & Technology

The privacy of our customers' information is paramount to us. We have a robust, proactive, and multi-pronged approach to ensuring the safety and privacy of our customers' information. We continue to implement best practices around cyber security, which include compliance, training and awareness, constant monitoring, and the use of advanced security tools with redundancies.

We continue to strengthen these practices as we go forward. We hold annual security awareness trainings during October, which is Cyber Security Awareness Month. All onboarded employees are automatically enrolled in the security awareness training program and meet with senior security staff personally. The Audit Committee, among other matters, is responsible for reviewing and overseeing our information security and technology. Our Chief Information Security Officer presents quarterly updates on cybersecurity to the Audit Committee.

Further, we entered into an information security risk insurance program beginning in 2013. In the last three years, we have not incurred expenses from information security breaches, penalties or settlements, and have had no information security breaches over the same time period.

Our Code of Conduct

Our Code of Conduct ensures that we live up to our culture and values of Individuality, Teamwork, Respect, Passion, and Responsibility, which are also at the center of our CSR and sustainability efforts. The Code reflects our commitment to operate responsibly and ethically, to protect the interests of our stakeholders, and to support our local, national, and global communities. It applies to all officers, directors, and employees, and to our global business partners, subsidiaries, and all their respective employees.

Grievance Mechanisms

All employees may report their concerns through a 24/7 whistle blower hotline operated by an independent third-party or through internal channels to Human Resources and the General Counsel's office. We have a strict policy of non-retaliation for any concerns reported. The hotline is free, confidential, and available 24 hours a day to every Steve Madden employee around the world. Human Resources is alerted via email in the event of a hotline inquiry. Below are the hotline contact numbers by country: United States: (844) 714-0950; Canada: (844) 995-4936; Mexico: (844) 995-4937; Netherlands: 0800 0225519; China: 400-120-049

Sustainability Management

In 2019, we formally committed to building upon our long-standing efforts in CSR and sustainability by establishing a CSR Department. Our Chief Sustainability Officer heads the department, reporting directly to the CEO, and has broad authority to shape and advance our CSR and sustainability strategy. The CSR Department is the driving force behind the ongoing initiatives outlined in this report.

Global Human Rights Policy

Provides guidance to our employees and partners around the world to ensure that our business practices and processes reflect our commitment to human rights.

Environmental, Health, & Safety Policy

Demonstrates our commitment to sustainable development, caring for the environment, and providing a safe and healthy workplace for all our employees and partners based in the U.S. and throughout the world.

Solid Waste, Recycling & Water Policy

Demonstrates our commitment to managing our waste responsibly, reducing the volume of waste sent to landfills, and maximizing reuse and recycling where possible.

Carbon & Climate Policy

Demonstrates our commitment to help mitigate global warming trends and environmental degradation. All policies apply to all our employees and global business partners, vendors, and suppliers, and align with international standards for responsible business from the United Nations, the International Labor Organization, and others.

Ethics & Integrity

Our Chief Executive Officer and all senior financial officers comply with the Code of Ethics for The Chief Executive Officer and Senior Financial Officers, which outlines how to address conflicts of interest, compliance, and reporting. Our Board of Directors adheres to its own Code of Business Conduct and Ethics for The Board of Directors, which addresses its fiduciary duties to shareholders, confidentiality, legal compliance, and reporting.

Product Quality & Safety

We currently test all products for chemicals and restricted substances in compliance with federal, state, and regional laws and regulations. Our Quality Control teams also ensure that products meet the highest quality standards that we have set for our brands and that our customers expect when they buy our products. In addition, we have established a robust process to ensure that no shipment leaves the factory without validating compliance with Steve Madden protocol.

Stakeholder Engagement & Materiality

We continue to strengthen our existing governance structures (see Sustainability Governance, page 53) to advance our sustainability strategy and goals by engaging with external and internal stakeholders for strategic guidance, and further integrating sustainability into our business operations.

Internal Diversity Council

Our Internal Diversity Council, formed in 2020, is made up of senior management from Human Resources, CSR, Legal, Design, Marketing, and other areas of the company to review, enhance, and expand our existing diversity efforts in hiring, marketing, promotion, and sourcing.

Employee Resource Groups (ERGs)

We now have three existing ERGs – SM Pride, representing our LGBTQ+ community, Black Sole, representing our Black employees, and De La Sole, representing our Latinx employees – with more on the way. ERGs have become essential to the Steve Madden community by providing insights and guidance on diversity issues that help us strengthen our commitments, create more accountability, and ultimately, reach our goals.

Internal Sustainability Training

Design, sourcing, and production teams were provided access to and encouraged to participate in the FDRA Shoe Sustainability Summit. The Summit covered circular footwear design, innovations in footwear recycling technology, and emerging EPMs.

Accountability Structures

Our formal accountability structures include policies and procedures that encourage and inspire all employees to help advance our sustainability agenda.

As such, employees become more knowledgeable about the company's short, medium, and long-term sustainability plans and their role in carrying them out, as senior leaders work to ensure that sustainability goals and targets are advanced throughout our operations.

Materiality

In 2019, we carried out a materiality assessment which has enabled us to identify those issues considered material to our business through internal stakeholder engagement. Below is the list of issues mapped against our sustainability priorities:

High Priority

- *Diversity Equity and Inclusion (DEI).*
- *Employee engagement and well-being.*
- *Responsible materials:* transition to EPMs in all product categories thereby increasing the use of recycled and bio-based materials as well as adopting conventional materials with processing methods that have a lower impact on the environment.
- *Operations and manufacturing less impactful on the environment:* carbon emissions, water consumption, and discharges in the supply chain; treatment and disposal of chemicals/hazardous waste in the supply chain.
- *Fair and inclusive supply chain:* increasing transparency and engagement across our supplier base.
- *End-of-life recovery and long-lasting fashion:* including circular business models, reclamation/reuse of products at end of life.

Medium Priority

- *Governance (including customer privacy and design quality and safety).*
- *Operations and manufacturing less impactful on the environment:* waste management in the supply chain including our direct operations.
- *Investing in communities:* including social investment and economic value creation.



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