

RESPONSIBILITY  
REPORT  
2015

WOLVERINE  
responsibility







**BLAKE KRUEGER**  
Chairman,  
Chief Executive Officer  
and President



Rooted in over 130 years of heritage, Wolverine Worldwide takes seriously the opportunity to support and promote sustainability across our family of brands. We believe that collectively we can make the world a better place.

As a company, we are firmly invested in our seven core values, which guide the way we conduct business. These seven values encompass our view of responsibility and act as guiding principles for our journey.

As a family of brands, we pride ourselves on each individual brand’s unique characteristics and consumers. Knowing this, we believe each brand has the opportunity to support sustainability in ways specific to its mission and consumers, whether it is Merrell’s involvement in the Conservation Alliance or Saucony’s Run for Good foundation. We believe our portfolio allows us to impact sustainability efforts across the board through each individual brand.

Over the last 132 years, our Company has quietly made a positive impact on people and our communities. When we decided to publicly share our sustainability efforts, we enacted a Responsibility Council with a focus on reporting the Company’s sustainability practices. This Council has helped us better assess our sustainability efforts and set benchmarks for our success. Since the enactment of the Council, the Company has also created a designated leadership position to focus on responsibility and drive a long-term strategy for the enterprise.

Our ultimate goal is to continually improve and evolve our responsibility initiatives, creating a lasting impact on our associates, our community and our planet.

*Blake W. Krueger*

Blake W. Krueger  
Chairman, Chief Executive Officer & President

### THE COUNCIL

In 2014, Wolverine Worldwide assembled the Responsibility Council, comprised of company associates across all levels of the organization, representing cross-functional areas of our business. The council’s initial focus was to inventory the great work already happening at Wolverine and compile it to produce our first Responsibility Report, which was published in 2015.

### THE VISION

As a council, our vision looking ahead is to lead continuous improvement initiatives within our responsibility focused areas and to share the information in a meaningful way. By identifying impact areas to focus on, as we evolve, we will be able to share progress through our annual Responsibility Report.

Our goal is to continue to validate those benchmarks, monitor and analyze the data, and create metrics and goals for continuous improvement.

### THE RESULT

This 2015 report focuses on the impact areas we have identified and shares what we have learned. We conducted associate surveys to gain input from the greater team in order to help us better identify where we stand overall and where we want to focus going forward. In an effort to further educate ourselves on best practices, we collaborated with experts and industry associations that specialize in sustainability-related fields.

### TABLE OF CONTENTS

Corporate Overview	pg 4
The Wolverine Way	pg 5
Environment	pg 6
Responsible Sourcing	pg 10
Community	pg 12
People	pg 16



ENVIRONMENT



COMMUNITY



RESPONSIBLE SOURCING



PEOPLE





With a commitment to service and product excellence, Wolverine Worldwide is one of the world’s leading marketers of branded casual, work, outdoor, athletic, children’s and uniform footwear and apparel.

Founded in 1883 by G.A. Krause, an innovative pioneer who believed in the possibility of opportunity, Wolverine today is home to a family of globally loved brands including Bates®, Chaco®, Hush Puppies®, Keds®, Merrell®, Saucony®, Sebago®, Sperry®, Stride Rite® and Wolverine®. The Company is also the global footwear licensee for popular brands Cat® and Harley-Davidson®. As the parent company to a portfolio of dynamic performance and lifestyle brands, Wolverine Worldwide markets footwear, apparel and accessories in nearly every corner of the world. Together, the Wolverine Worldwide portfolio has over 1,000 years of brand equity and heritage.

Committed to developing, marketing and distributing products that bring style to purpose, Wolverine Worldwide’s brands are carried by leading retailers in over 200 countries and territories. Through a strong global network of partners, the Company annually markets nearly 100 million units of footwear, apparel and accessories around the world, with sales over \$2.5 billion. With headquarters based in Rockford, Michigan, Wolverine Worldwide today employs over 6,000 global associates.

For every stage and every age, from first steps to first date, first job to first marathon – Wolverine Worldwide is proud to be with our consumers every step of the way.

THE WOLVERINE WAY

VALUES

- Consumers First

Begin and end with our consumers in mind  
Exceed our consumers’ expectations
- Play to Win

Act with passion and a sense of urgency  
Be decisive and move with speed
- Be a Great Partner

Collaborate and be trustworthy and fair  
Treat everyone the way you want to be treated  
Help our partners succeed
- Innovation –Think Forward  
and Think Big

Never settle  
Be courageous and creative
- Do the Right Thing – Always

Create an environment of honesty and transparency  
Act with integrity and never compromise
- Make the World a Better Place

Enrich our communities– Give back  
Advocate for the planet
- Our People Are the Difference

Value and develop our people  
Be inclusive and strengthen the team  
Be accountable – learn from our mistakes  
Have fun

VISION

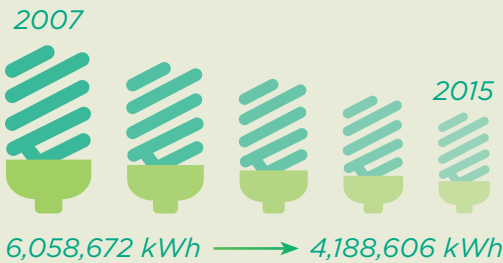
To build a family of the most admired performance and lifestyle brands on earth

MISSION

We empower, engage, and inspire our consumers – every step of the way







- Wolverine Worldwide has decreased kilowatt-hour usage each year since 2007

Wolverine Worldwide is committed to **making the world a better place** by advocating for the planet and protecting the environment.

By employing environmentally sustainable business practices that enhance our planet, as well as our business, we have made significant progress toward our commitment to reduce our current and future ecological footprint.

#### REDUCE ENERGY CONSUMPTION

- Our Boston and London campuses are both LEED certified.
- Non-recyclable materials collected at our U.S. distribution centers are taken to waste-to-energy plants instead of a landfill. In addition, cardboard is baled on-site, reducing the need for pickups.
- Our Michigan-based headquarters, factory and distribution centers are powered by renewable energy, placing us in the top tier of renewable energy users in the state.
- Most Wolverine Worldwide buildings are lit by energy-efficient bulbs, which are responsibly recovered and recycled at end of life.
- To reduce gas and electricity, our Michigan facilities are run by a computer-based energy management system.



Boston campus

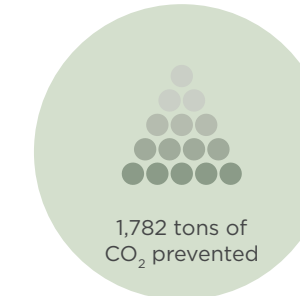
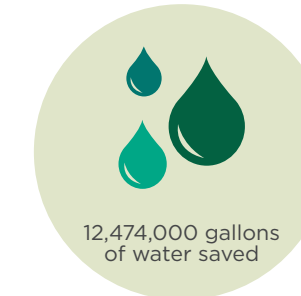


London campus

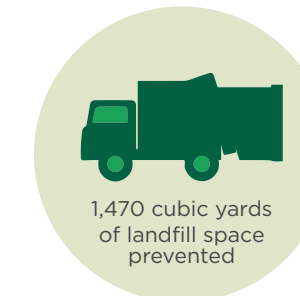
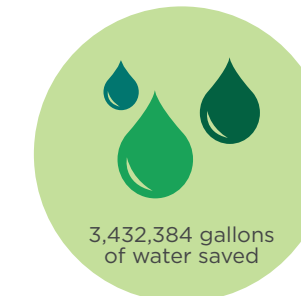
#### REDUCE WASTE

In 2015...

- 1,804 tons of cardboard were recycled.
- 5,390 lbs. of electronics and 450 lbs. of batteries were recycled.
- All shipping cartons were made of 100% recycled paper and resulted in...



- Since 2010, we have shredded and recycled 490 tons of paper, which has resulted in...



*For a second year in a row, Wolverine Worldwide received an Environmental Impact Award from Pratt Industries for its pursuit of sustainable solutions.*





Wolverine Worldwide supports environmental efforts through financial donations, internal programs and volunteer opportunities. Our associates participate in many projects and activities in support of protecting the outdoors. They regularly participate in local trail maintenance, tree plantings, and waterway, beach and highway clean-ups.



Employees planted nearly 100 trees in 2015.



As outdoor enthusiasts, our team members donate their time to build and maintain local trails.



Wolverine celebrated its 25<sup>th</sup> year as a community partner to Adopt A Highway.



The Merrell Trail is West Michigan's only true flow trail. Designed and built in a sustainable way, it protects sensitive areas and minimizes erosion on switchbacks.

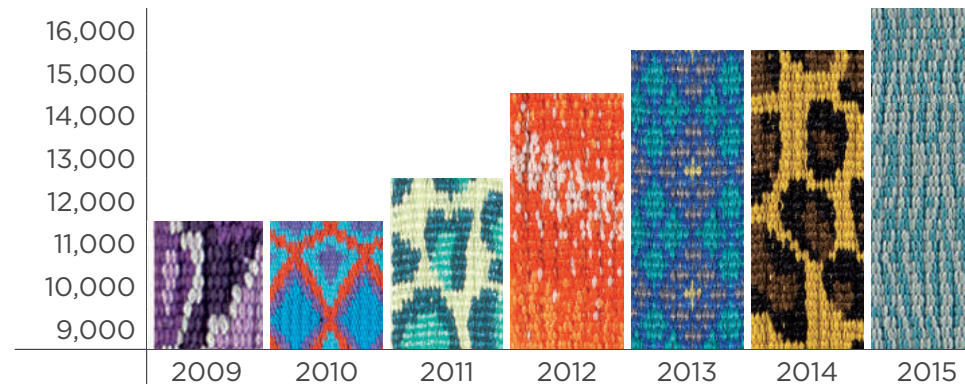


There's no doubt Chaco has a loyal following. Chaco consumers, or Chaconians, love the brand, and they love their shoes. While Chaco sandals are built to last, they are also designed to be repaired when needed. If you know that feeling of breaking in a great pair of shoes until they are so comfortable that you just can not part with them, then you will love the idea of being able to keep them long after they have been well worn. Enter "ReChaco."

The ReChaco program allows customers to have their well-trodden sandals repaired by a team of footwear experts. Not only does this program help prevent putting product in a landfill, it reunites the customers with their well-loved Chacos. ReChaco also reuses boxes sent in by customers and donates any accompanying packing materials.

Each pair of sandals is as unique as the person wearing them, and customers love to share stories about their favorite sandals. Many send photos of the adventures or tell a story about where they went or what they did while wearing their Chacos.

Over 100,000 pairs of Chacos recycled since 2009



ReChaco Fan Mail Wall



KEY UPDATES FOR 2015 INCLUDE:

- Adopted new Production Code of Conduct in May 2015
- Created new social compliance audit format and scoring system
- All internal auditors became SA8000 certified
- Conducted over 300 social compliance audits

CONTINUOUS IMPROVEMENT

We are focused on continuous improvement both in our production partners and in our compliance program. We are very proud of the updates we made in 2015, which we believe will further the transparency we strive for as well as develop our partnership by investing in training and education at production partner facilities.

WORKING WITH OUR PARTNERS

Our Production Code of Conduct (“Code of Conduct”) establishes standards that factories, manufacturing products for us (our “production partners”), are expected to satisfy in conducting their business. Our Code of Conduct emphasizes voluntary labor, fair wages, clean and safe working and living environments, legal compliance, minimizing adverse environmental impact, and maintaining accurate records. We seek to engage production partners who are aligned with our strategic goals and with whom we can cultivate long-term productive relationships. We utilize a multi-tiered monitoring system that includes inspections by our internal team, third-party audits, training events, and written agreements to ensure production partners are focused on continuous improvement.

MANUFACTURING

SELECTING PRODUCTION PARTNERS

Wolverine considers numerous factors in selecting new production partners, such as location, manufacturing capabilities, reputation, and most importantly the ability to comply with our Code of Conduct. We carefully consider geopolitical, infrastructure, human rights, and similar risks associated with regions where we have or are seeking to expand production to ensure alignment with our long-term sourcing strategy. Many of our production partners have operations in multiple locations to minimize potential production disruptions.

ENGAGING PRODUCTION PARTNERS

When a potential production partner is identified, our assessment process commences and a series of inspections are carried out by our internal teams and third parties. These inspections review manufacturing capabilities, compliance with our Code of Conduct, and the ability to satisfy our C-TPAT (Customs - Trade Partnership Against Terrorism) Tier III status. If a deficiency is discovered, we work with the production partner to establish a measurable corrective action plan and conduct periodic reassessments to ensure it is continually improving.

MONITORING PRODUCTION PARTNERS

Wolverine is committed to long-term partnerships rooted in trust, open communication and a shared vision that fosters continual improvement and compliance with our Code of Conduct. We value all of our production partners, particularly our 33 core production partners, who account for a significant majority of our footwear production, and are in constant communication with them regarding best practices and current events impacting the industry. We also hold an annual summit with our core production partners. In addition to open communication, we routinely conduct social compliance audits through our internal teams and third parties to monitor compliance with our Code of Conduct. In 2015, we conducted more than 300 social compliance audits. We also proactively work with our production partners to address issues such as geopolitical and regional risks. We offer our production partners training programs that help better understand our compliance standards and we assist in developing procedures to them.

PRODUCTION CODE OF CONDUCT

The Production Code of Conduct clarifies the minimum standards that factories and suppliers with whom Wolverine Worldwide conducts business are required to satisfy in conducting their operations. The Production Code of Conduct includes the following categories:

BUSINESS INTEGRITY

- Anti-Bribery
- Subcontracting

ENVIRONMENT

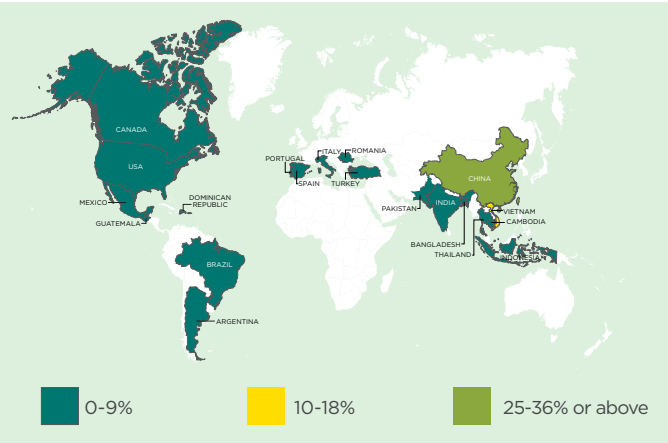
SECURITY

RECORDS AND INSPECTIONS

LABOR

- Employment is freely chosen
- Collective bargaining
- Working conditions
- Child labor
- Wages and benefits
- Working hours
- No discrimination
- Regular employment
- No harsh or inhumane treatment

SOURCING COUNTRY OF ORIGIN



MADE IN THE USA



One of our early factories, opened in 1945, is still in use today. Located in Big Rapids, Michigan, 600 employees primarily produce U.S. military footwear and our signature Wolverine 1,000 Mile boots.



Our Production Code of Conduct was updated to align with that of the FDRA (Footwear Distributors and Retailers of America), which was created to establish a common, baseline code of conduct that will help drive uniformity within the footwear industry and uphold the values and ideals commonly held by FDRA members. FDRA's Code of Conduct was created with the help and input of the Factory Enhancement and Sourcing Committee, FDRA's social compliance working group and the industry as a whole.

Our Production Code of Conduct is posted in all factories in the local language. Factory workers have access to a telephone hotline to report any non-compliance matters in their workspaces.

We are actively involved in the FDRA's Recognized Responsible Footwear Manufacturer Program, which is a robust and comprehensive program designed to enhance factory compliance at footwear factories all over the world.







## TWO TEN FOUNDATION

Wolverine Worldwide has a long-standing relationship with the Two Ten Footwear Foundation. Founded in 1939 by a group of shoe salesman, Two Ten provides aid to employees within the shoe business through scholarships, programs and financial support. Wolverine Worldwide supports Two Ten by hosting an employee giving campaign, which begins with the annual Footwear Cares month, during which our Wolverine Worldwide employees volunteer through various organizations in the community.

## OUR CULTURE OF GIVING BACK

At Wolverine, we have a long history of serving and engaging our communities, and we are proud of our legacy. We believe it is our responsibility to enrich the communities in which we work and live. Our associates around the globe give their time, talent, and treasure to support these communities. We encourage our brands to find a cause they believe in and support them in their activities. Additionally, Wolverine leaders serve as Boards of Directors in both the community and the industry.

## WOLVERINE WORLDWIDE FOUNDATION

In 1959, The Wolverine Worldwide Foundation was established on the belief that as we help each other, we build stronger communities and nurture brighter futures. The Foundation actively supports a multitude of charitable organizations with a focus on education, the environment, arts & culture and human aid & service. In 2015, the Foundation provided over \$1 million in support to over 100 organizations.



Bates Footwear volunteers for Michigan Veteran's Home.



Richmond associates donated canned and non-perishable food items.



Mitchell's Run through Rockford.

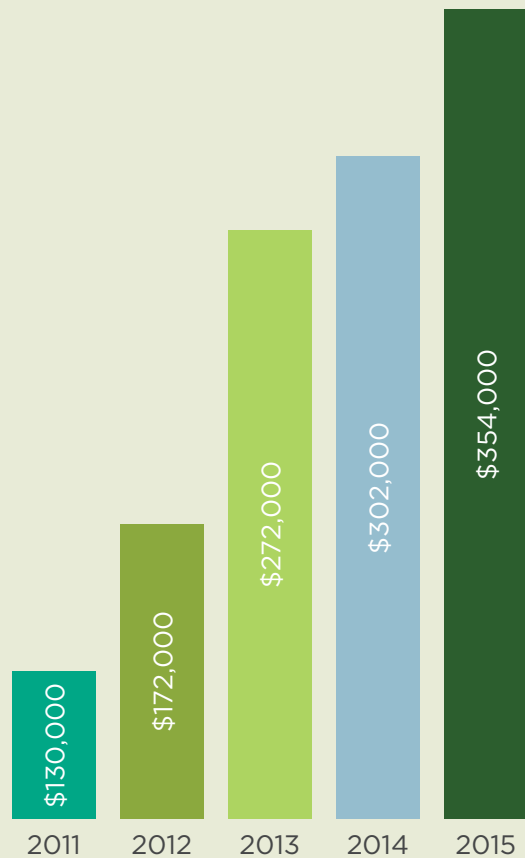
## UNITED WAY SAMPLE SALE

Each year, a large group of Wolverine volunteers organize a United Way Sample Sale at our Michigan headquarters. The local community is invited to purchase products and 100% of the proceeds are donated to the United Way of West Michigan. The event kicks off the United Way fundraising season, providing our associates an opportunity to give back through various organized events such as silent auctions, outdoor competitions, and a highly anticipated trivia contest.

The shoe sale has become so popular in the community, it has inspired us to organize similar events at additional Wolverine office locations.



## MONEY RAISED FOR THE UNITED WAY THROUGH THE SAMPLE SALES







### SAUCONY'S RUN FOR GOOD

Saucony established the Run for Good foundation in 2006 to fight the childhood obesity epidemic. Since its inception, the foundation has donated over \$1 million to benefit more than 100 programs aimed at teaching healthy habits to kids.



Saucony Germany Run for Life.

### PHILANTHROPY

At a corporate, brand or individual level, "philanthropy" has become entrenched in our vocabulary. It is one of the ways we **make the world a better place**. Each year, millions of dollars, many volunteer hours and large quantities of product are donated to support the many causes we believe in.



The Big Rapids facility collects donations for The Salvation Army and Project Starburst.



Employees volunteer at Cradles to Crayons.



Community members participate in American Cancer Society's Relay for Life.



Wolverine Worldwide is a large supporter of American Cancer Society's Relay for Life.



Wolverine employee participates in an United Way event.



Big Rapids employees hold a Halloween costume contest to support United Way.

### SOLES4SOULS

Soles4Souls is a not-for-profit global social enterprise committed to fighting poverty by collecting and distributing shoes and clothing to those in need. Wolverine's Stride Rite brand offers a 5% discount on newly purchased shoes when customers donate a previously worn pair to any of their store locations.



### KEDS BRAVE LIFE PROJECT

In 2014, Keds kicked off the Brave Life Project with the purpose of inspiring girls to follow their dreams. The Keds Brave Life Project provides girls with opportunities to take positive risks, develop the confidence to be true to themselves and build supportive networks. In 2015, Keds provided girls with tools, resources and \$50,000 in grants to support their career goals.



Wolverine Worldwide employees participate in Adopt A Highway.



The Adopt A Highway team celebrates their success.



The Boston Campus celebrates the third annual Breast Cancer Awareness Run.



An employee volunteers time for trail maintenance.



Cat Footwear employees volunteer for Habitat for Humanity.



The Cat Footwear team shows their progress.







At Wolverine, we believe **our people are the difference**. Our company, our culture and our products are all reflections of the amazing talent that makes up Wolverine. We strive to hire world-class talent and provide an enriching environment that will improve the quality of their lives both professionally and personally. We continually look for ways to make Wolverine an even greater place to work. By leveraging culture survey data and encouraging feedback from associates across the globe, we are able to respond to our associates' needs in a meaningful way.

We provide wellness programs to help our team be their best. Whether it is offering annual flu shots or financial education programs, we look to provide a host of activities that our associates can leverage to live better. Varying by the needs and feasibility of each location, our teams have access to on-site farmers markets, fitness centers, fitness & nutrition classes, on-site daycare access and an employee assistance program.



Wolverine Worldwide recognizes the amazing achievements of our associates by providing Management Awards to employees. We recognize excellence in business results, living our values, and overall contribution to the organization.



Women's Network Leadership Forum leads discussion with members of the company's Board of Directors.



The Wolverine France team members participate in the newly found running club.



The Human Resources team takes part in on-site classroom training.



Employees take part in one of the company's many footwear education sessions available.

Professionally, we support our associates through several talent development programs and ensure strong leadership bench strength through a proven curriculum. Programs at Wolverine include mentoring opportunities, networking activities and individual development plans. When filling open positions, we look to our internal associates first in order to provide advancement opportunities as well as assignments in other Wolverine locations around the globe. Our annual talent review process raises awareness of the strengths, career opportunities and development investments needed to fill our leadership pipeline. We also offer "Shoe School" to help those new to our business learn from our valuable, experienced team members.

In 2015, the Learning & Development team launched the global "My Learning" platform to communicate and track global learning content. Associates spent over 14,000 hours in training during 2015.



Two of our U.S. campuses have women's networking groups, which serve to provide mentoring programs, networking opportunities and leadership development for our female employees.



Wolverine Worldwide supports the Two Ten footwear foundation's Women in Footwear Industry (WIFI) organization.



**WOLVERINE**  
responsibility

