CALERES

EST ✦ 1878

Second Quarter Earnings

August 23, 2022









Safe Harbor Statement

UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

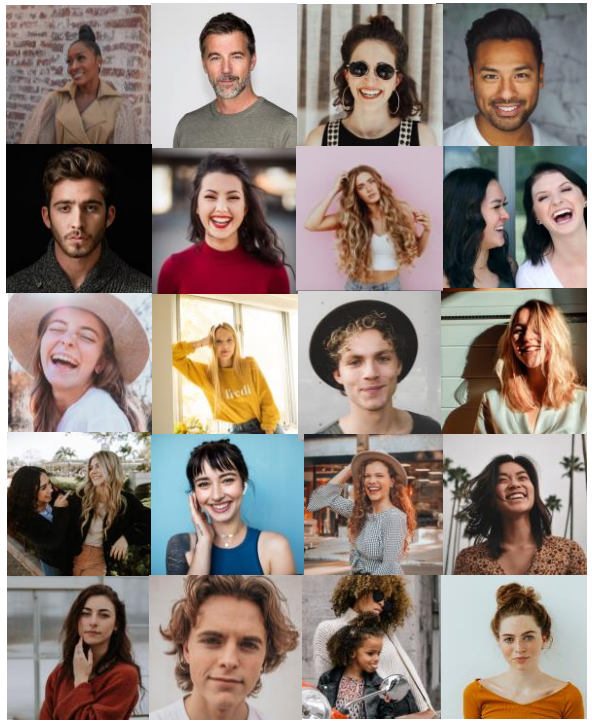
This presentation contains certain forward-looking statements and expectations regarding the company's future performance and the performance of its brands. Such statements are subject to various risks and uncertainties that could cause actual results to differ materially. These risks include (i) supply chain disruptions and inflationary pressures; (ii) the coronavirus pandemic and its adverse impact on our business operations and financial condition (iii) changing consumer demands, which may be influenced by general economic conditions and other factors; (iv) rapidly changing consumer preferences and purchasing patterns and fashion trends; (v) customer concentration and increased consolidation in the retail industry; (vi) intense competition within the footwear industry; (vii) foreign currency fluctuations; (viii) political and economic conditions or other threats to the continued and uninterrupted flow of inventory from China and other countries, where the company relies heavily on third-party manufacturing facilities for a significant amount of its inventory; (ix) cybersecurity threats or other major disruption to the company's information technology systems; (x) the ability to accurately forecast sales and manage inventory levels; (xi) a disruption in the company's distribution centers; (xii) the ability to recruit and retain senior management and other key associates; (xiii) the ability to secure/exit leases on favorable terms; (xiv) the ability to maintain relationships with current suppliers; (xv) transitional challenges with acquisitions and divestitures; (xvi) changes to tax laws, policies and treaties; (xvii) compliance with applicable laws and standards with respect to labor, trade and product safety issues; and (xviii) the ability to attract, retain, and maintain good relationships with licensors and protect our intellectual property rights.

The company's reports to the Securities and Exchange Commission contain detailed information relating to such factors, including, without limitation, the information under the caption Risk Factors in Item 1A of the company's Annual Report on Form 10-K for the year ended January 29, 2022, which information is incorporated by reference herein and updated by the company's Quarterly Reports on Form 10-Q. The company does not undertake any obligation or plan to update these forward-looking statements, even though its situation may change.

CALERES

CUSTOMER FOCUSED

We Put the Consumer
at the Center of Everything
We Do



DIVERSIFIED & RELEVANT

We Have a Portfolio of
Footwear Brands that are
Authentic and Differentiated

FAMOUS footwear
NATURALIZER
ALLEN EDMONDS 1922 PORT WASHINGTON
Sam Edelman
VIONIC
ryka
Bzees
Circus·ny
VINCE.
Zodiac
VERONICA BEARD
FrancoSarto
LifeStride
Dr.Scholl's SHOES
Blowfish MALIBU

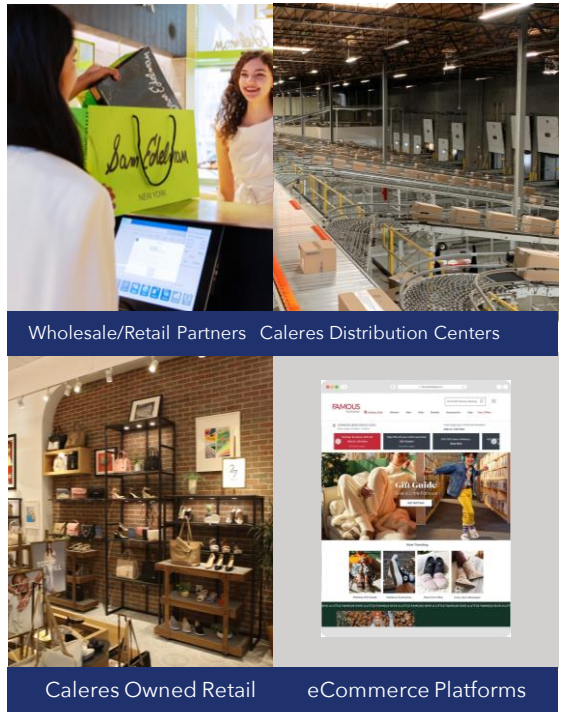
FOOTWEAR EXPERTS

We Have Unmatched
Commitment to Continued
Innovation



FULFILLMENT LEADERS

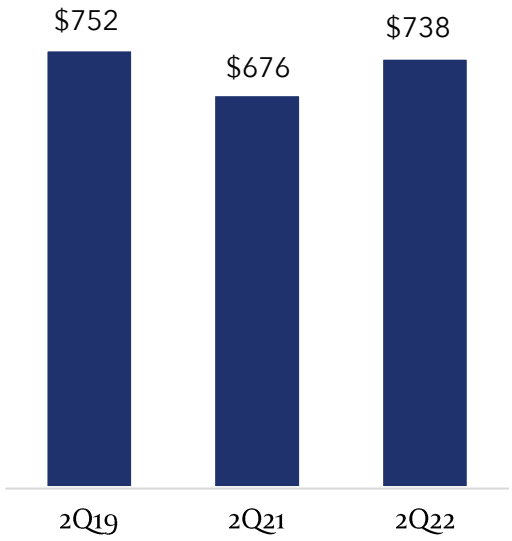
We Deliver Footwear
Any Way
You Want to Shop



Caleres in Brief – Fiscal Second Quarter 2022

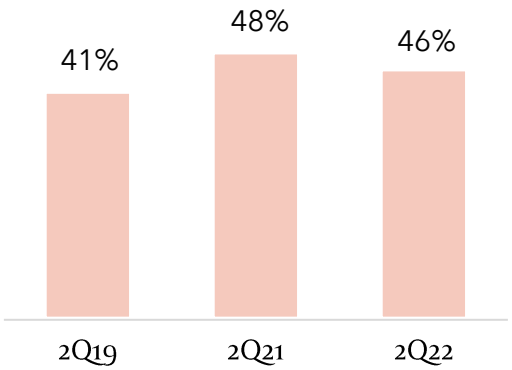
Revenue

in millions of dollars

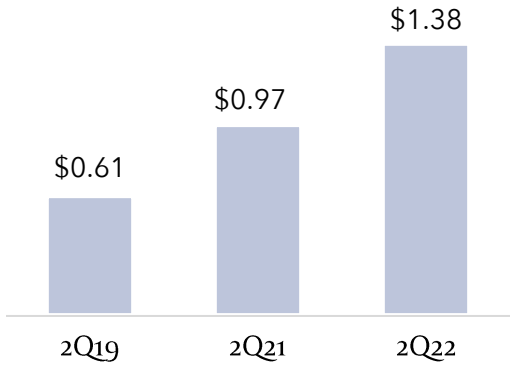


Gross Margin Rate

% of net sales

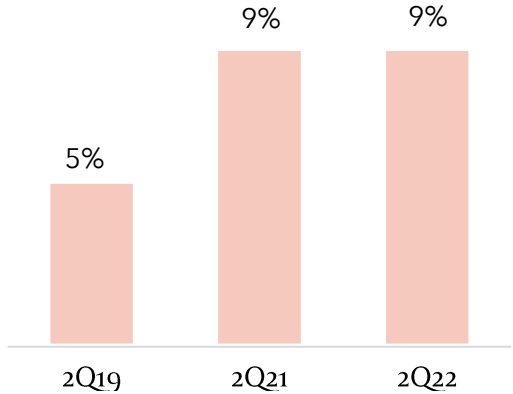


Earnings per share



Return on Sales

% of net sales



OUR PURPOSE

To inspire people to feel great…feet first.

OUR VISION

A dynamic and growing portfolio of authentic footwear brands built on deep consumer insights, generating unwavering loyalty and trust.

Second Quarter 2022 Accomplishments

$738.3
million
in total revenue – a record for the second quarter

45.6%
consolidated gross margin

$51.2
million
in net earnings – a record for the second quarter

$1.38
earning per share – a record for the second quarter

72%
total direct -to-consumer business

1.1
million shares repurchased in the second quarter, for $27 million and representing ~3 percent of shares outstanding

9% return on sales



Famous Footwear

Quarterly net sales of $436.4 million, representing a 3.8 percent decline over 2Q21

Second quarter record gross margin of 48.9 percent, in-line with the strong margin performance in 1Q22

Delivered second quarter operating earnings of $62.5 million

14% return on sales, sixth consecutive quarter of double-digit ROS

Inventory up 18 percent compared to 2Q21, but down 15 percent when compared to 2Q19

Invested in consumer marketing with a modern Back-to-School campaign – *view the TV commercial* here



Brand Portfolio

Record Quarterly net sales of $324.1 million, representing a 35.6 percent improvement over 2Q21

Second quarter gross margin of 38.3 percent

Record quarterly operating earnings of $29.4 million, representing a $13 million increase over 2Q21

Direct-to-consumer up 30 percent year-over-year

27 percent increase in new consumers

Inventory up 64 percent when compared to 2Q21 due to replenishment of core and fall goods and up 14 percent compared to 2Q19

Sam Edelman fall catalog here

AE 100 fall catalog here



2022 Outlook

Full Year 2022 expectations

- Consolidated sales, up 4 percent to 6 percent vs. fiscal 2021, up from 2 percent to 5 percent
- Earnings per diluted share of between $4.20 and $4.40

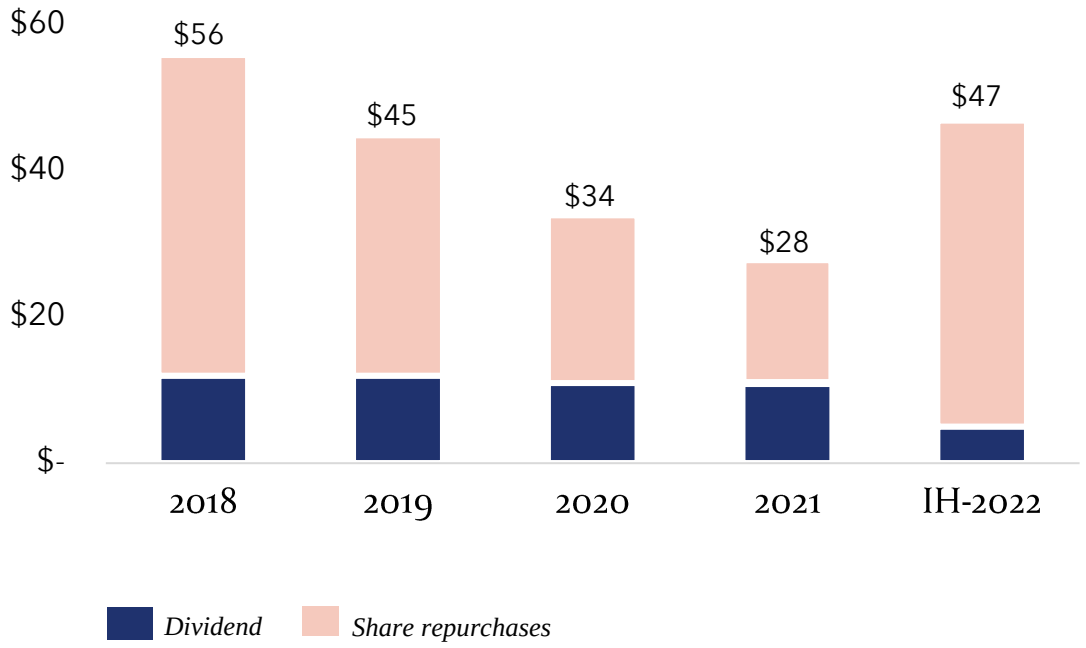
Third Quarter 2022 considerations

- Consolidated sales in-line with 3Q21
  - Famous Footwear down approximately 4 percent vs. 3Q21
  - Brand Portfolio up 7 percent to 10 percent vs. 3Q21
- Consolidated gross margins flat to 3Q21
- SG&A expense approximately 36 percent of sales, including investments in store experience and customer acquisition. Also, compared to 2021 there is timing of approximately $10 million of stock and incentive compensation expense that is occurring in Q3 of 2022 that occurred in Q2 of 2021; and
- Earnings per diluted of between $1.05 and $1.15

Caleres carefully and constantly evaluates the most value-enhancing avenue for its free cash flow

Caleres Shareholder Return History

in millions of dollars



CAL is committed to a flexible approach to capital allocation including:

1. Returning cash to shareholders
2. Investing in organic growth
3. Funding strategic bolt-on or add in opportunities
4. Selective debt reduction

- Caleres Board of Directors approved an incremental 7 million shares to the company's repurchase program in March 2022
- To-date, CAL has repurchased 1.8 million shares – or 5 percent of the company's total shares outstanding



Why Invest Now?

We have clearly defined capital allocation strategy built around returning a significant percentage of free cash flow to shareholders

We believe that the Brand Portfolio is well-positioned to exceed our pre-pandemic earnings levels in 2022

We are targeting another strong earnings year for Famous Footwear

We are sharply focused on expanding our consumer reach and enhancing margins by increasing our direct-to-consumer sales, particularly through our owned websites

We will continue to manage our expenses and control the variables within our control to maintain our SG&A rate

We are leveraging our customer file – a differentiating strategic asset – to strengthen our customer acquisition and retention to drive incremental omnichannel growth



Caleres Value Proposition

We leverage our powerful portfolio of trusted brands to generate strong and durable margins – enterprise-wide

We operate a large and successful direct-to-consumer business,

We generate significant amounts of free cash flow throughout the market cycle

We have knowledge of, expertise in and visibility across the entire footwear landscape

We are well-positioned to capitalize on consumer and market opportunities by leveraging our diversified portfolio of brands, well-developed retail network, well-capitalized digital presence, extensive consumer database and enhanced operating capabilities

The Brand Portfolio is poised for a strong earnings performance in 2022













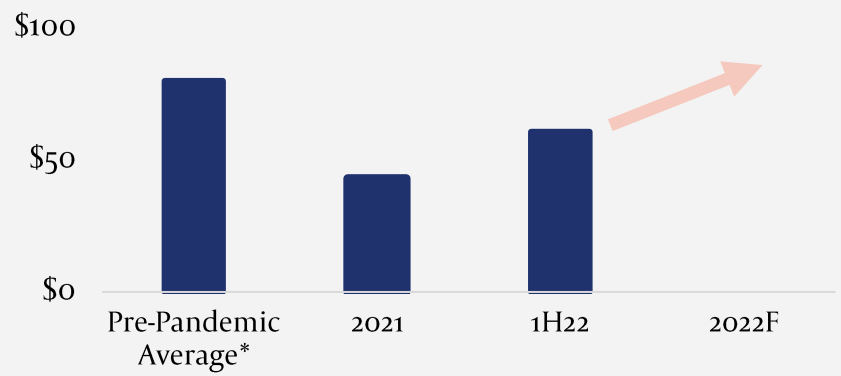
The Brand Portfolio is well positioned to exceed pre-pandemic earnings levels in 2022

Strong brand performances up down the portfolio with strong increase in its DTC business

Diversified portfolio with category and price point versatility

Improved inventory position, behind the right brands and styles

Caleres Brand Portfolio
Adjusted Operating Earnings
(in millions of $)



**average of Brand Portfolio earnings for 2016-2019*

We are targeting another strong earnings year for Famous Footwear

Famous Footwear 2022 Priorities

Distort big brands and explore new and emerging brands	Continue to limit promotional activity	Continued growth of FamousFootwear.com
Maintain double-digit ROS	Leverage nationwide store network	Elevate consumer experience with new store prototype and store refreshes

Famous is expected to achieve 2022 earnings in excess of historical levels



Environmental, Social, Governance (ESG) at Caleres

When inspiring people to feel great…feet first, how we do business is as important as how much business we do - an approach that arises from our five-star promise for delivering ESG excellence.

ENVIRONMENT



100%
of Caleres' products will use environmentally preferred materials by 2025. As of 2021, 100% of Caleres brands' shoeboxes and 51% of our products have met this achievement.

Industry Leader
in responsible manufacturing through our work with Footwear Distributors and Retailers of America (FDRA) to advance the use of environmentally preferred materials and reduce shoe waste.

95%
of waste was recycled at all of our U.S. distribution centers, averaging ~4,000 tons of recyclables per facility in 2021.

SOCIAL



Diverse Candidate Slate
ensured for every position, with leadership accountability for recruiting diverse talent.

Perfect Score
on the Human Rights Campaign Foundation's Corporate Equality Index for LGBTQ+ Equality.

Annual Review
of the Caleres Cares Charitable Trust and its support of causes related to ESG, which led to increased funding for organizations focused on DE&I in 2021.

GOVERNANCE



6 out of 10
of our Board of Directors members are women and two members self-identify as racially and/or ethnically diverse. Caleres is one of just a few U.S. companies with a majority female board.

Senior-Level ESG Steering Committee
oversees our approach to ESG and develops programs, goals and metrics to support our initiatives, ensuring that we meet our targets.

Biannual ESG Report
prepared in accordance with the Global Reporting Initiative and the Sustainability Accounting Standards Board standards.