

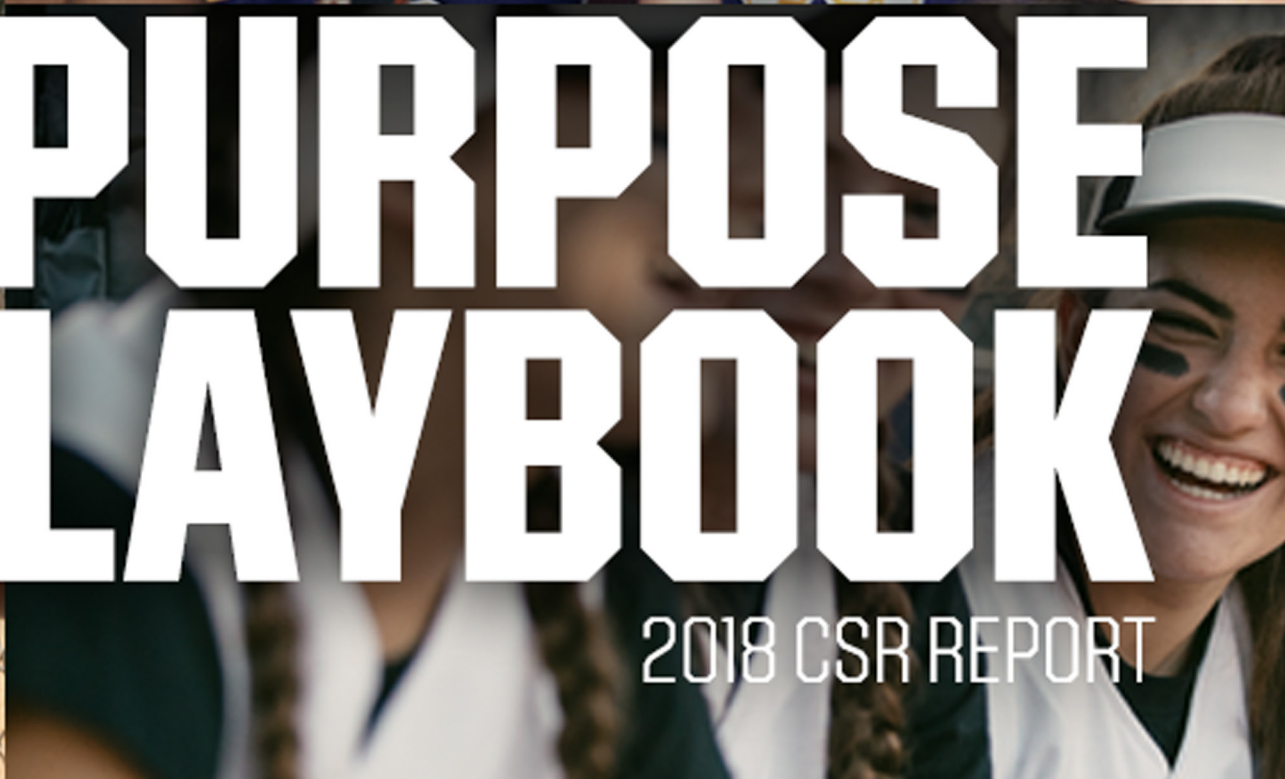


EVERY SEASON STARTS AT



# PURPOSE PLAYBOOK

2018 CSR REPORT



# TABLE OF CONTENTS

LETTER FROM CHAIRMAN & CEO ED STACK	03	<b>Commitment to Firearms Safety</b>	33
		Firearms Oversight and Policies	
OUR CORPORATE SOCIAL RESPONSIBILITY STRATEGY	04	<b>Protecting Data and Privacy</b>	36
Our Purpose Playbook	06	Investing in Data Technology	
Materiality & Stakeholder Engagement	07	Implementing Security Training and Testing	
<b>1 EMPOWERING TEAMMATES</b>	09	<b>3 CHAMPIONING COMMUNITIES</b>	38
Helping Talent Thrive	11	<b>Saving Youth Sports</b>	41
Training and Development		Donors Choose	
Teammate Engagement Survey		Sports Matter Community Grant Program	
Teammate Recognition		Community Sponsorships and Partnerships	
Teammate Volunteerism and Giving		Sports Matter Advisory Board	
<b>Diversity and Inclusion</b>	17	Raising Awareness Through Film	
Pay Equity		Providing Technology	
Unconscious Bias Training		Green Laces	
Looking to the Future		<b>Giving Back to Our Hometowns</b>	50
<b>Teammate Safety, Health and Well-Being</b>	19	Sponsoring Local Events	
Human Rights Policy		<b>Rebuilding Sports in Communities</b>	52
Comprehensive Benefits		Natural Disaster Support	
Safety and Security: Measures, Policies and Procedures			
<b>2 EQUIPPING ATHLETES</b>	23	<b>4 RESPECTING THE PLAYING FIELD</b>	54
Ensuring Quality Products for All	25	<b>Minimizing Our Energy Impacts and Greenhouse Gas Emissions</b>	56
Teammate Product Training		Our Energy Approach	
Supporting Athletes' Decision-Making		Our Emissions Approach	
Investing in Private Brands		<b>Increasing Recycling Efforts</b>	63
Size Inclusivity		Our Waste Policy	
<b>Responsible Sourcing and Product Safety</b>	28	Our Recycling Initiatives	
Product Safety and Compliance		Our Partnership With Waste Management	
Factory Social Compliance		<b>Investing in Green Building</b>	66
Stakeholder Engagement		<b>Creating Sustainable Products</b>	67
Looking Ahead			
		ABOUT THIS REPORT	68
		2018 GRI INDEX	69



# LETTER FROM CHAIRMAN & CEO ED STACK

Dear Stakeholders,

Our primary source of inspiration continues to be America's youth. Children truly are our nation's most precious resource and we are committed to doing all we can to support them and keep them safe. We envision a time when kids aren't worried about violence in their schools and communities and instead can focus on being kids—spending time with friends and engaging in extra-curricular activities. One of the most rewarding ways they can do these things is by engaging in sports.

At DICK'S, we truly believe that sports make people better. They build character, increase confidence, instill values, teach life lessons, help facedown adversity and motivate toward one's full potential in school and in life. Sports also keep kids busy and offer them a safe haven after school. We want all children to have the opportunity to play sports—and we work hard to make that possible through The DICK'S Sporting Goods Foundation and our Sports Matter program.

Being a responsible corporate citizen makes our teammates proud to come to work and athletes proud to shop with us. Sometimes that means taking a stand and doing what's right, even when it's unpopular. Our company took a major stand in 2018, removing assault-type rifles from all of stores permanently, stopping our sale of firearms and ammunition to anyone under the age of 21, and refusing to sell high-capacity magazines. The brave survivors of the Parkland shooting moved us. The actions we took were to prioritize safety and to show them, and all youth, that they have our ear and our support.

Our new firearms policy wasn't well-received by all. The hunting category of our business experienced an overall slowdown in sales. Despite this, we continue to know our decision was the right one for our athletes and communities. In fact, it's the same choice we would make today. And, ultimately, we were able to manage our business well throughout 2018, raising our earnings guidance three times.

Making choices that promote people and planet strengthen our business and contribute to a better world. Our desire and drive to ensure all kids have an opportunity to play sports gives us purpose and motivates our company to give back to our communities, to support our teammates at work and at play and to incorporate sound environmental practices into our business. These motivations inspired our inaugural "Purpose Playbook," our guide to ensuring the decisions we make have a positive impact. By sharing our First Corporate Social Responsibility report, we invite our stakeholders to be part of the long term journey we are beginning. Our Purpose Playbook areas of focus include:

- Empowering Teammates
- Equipping Athletes
- Championing Communities
- Respecting the Playing Field

Every day, we all have the opportunity to put more good in the world. Our unwavering commitment to do the right thing and manage our business in a way that reflects our corporate values bolsters our position as the leader in the sporting goods retail industry. As a team, we look forward to working together to further our CSR commitments in 2019 and beyond. It is our priority, and responsibility, to serve our teammates, athletes and communities.



Sincerely,

A handwritten signature in black ink, appearing to read "Ed Stack", written over a white background.

**EDWARD W. STACK**  
CHAIRMAN AND CEO, DICK'S SPORTING GOODS

# OUR BELIEF

We believe that sports make people better.

# OUR MISSION

We create an environment where passionate and skilled teammates thrive.

We create and build leading brands that serve and inspire athletes.

We make a lasting impact on communities through sport.

We deliver shareholder value through growth and relentless improvement.

# OUR COMMON PURPOSE

We create confidence and excitement by personally equipping all athletes to achieve their dreams.





## OUR BUSINESS

Established in 1948, DICK'S Sporting Goods, Inc. is a leading omnichannel sporting goods retailer offering an extensive assortment of authentic, high-quality sports equipment, apparel, footwear and accessories.

## OUR 2018 FINANCIALS

**\$8.4 BILLION**  
Total  
Revenue

**\$20 MILLION**  
Community Grants,  
Sponsorships and Partnerships

## OUR OPERATIONS AND SUPPLY CHAIN

**HEADQUARTERS**  
345 Court Street,  
Coraopolis, PA 15108

**40,633**  
employees we  
call teammates

**5**  
distribution  
centers

**858 RETAIL  
LOCATIONS**

**729** DICK'S Sporting Goods, Inc.  
**35** Field & Stream  
**94** Golf Galaxy

## OUR CORPORATE GOVERNANCE

- Our **board of directors** members are elected by our stockholders.
- Our board maintains three committees:
  - Compensation
  - Audit
  - Governance and Nominating

## FOR MORE INFORMATION, YOU CAN READ:

- Our **DICK'S Sporting Goods 2018 Annual Report**
- Our **Corporate Governance Guidelines**
- The Corporate Governance section of our **2019 DICK'S Proxy Statement**



# OUR PURPOSE PLAYBOOK

Our company is built on the belief that sports make people better. That giving back and doing what's right is ultimately what makes us successful. This has been engrained in our business since we sold our first bait-and-tackle product in 1948, and it will continue to be central to our business strategy going forward.

The values we apply to operating our business—commitment, drive, skill and passion—extend to our corporate social responsibility strategy, which we've named our "Purpose Playbook." Through the Purpose Playbook, we work hard to empower our teammates, equip our athletes, champion our communities and respect our playing field. We are committed to supporting our teammates professionally and personally, readying our athletes to achieve their personal bests, saving and rebuilding youth sports in local communities, and minimizing the environmental impacts of our operations.

Our Purpose Playbook will guide our actions as a responsible corporate citizen. When we reflect on our end-of-year performance, it's about so much more than the numbers—it's about how we played the game.

# 1

**EMPOWERING  
TEAMMATES**

# 2

**EQUIPPING  
ATHLETES**

# 3

**CHAMPIONING  
COMMUNITIES**

# 4

**RESPECTING THE  
PLAYING FIELD**

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## SPOTLIGHT: MEET OUR DIRECTOR OF CORPORATE SOCIAL RESPONSIBILITY

In early 2019, James Rooney's role was expanded from leading The DICK'S Sporting Goods Foundation to overseeing our CSR efforts more broadly. James has a Sustainable Business Certificate from Pinchot University and a master's in public administration from the University of Washington. Prior to joining DICK'S, James oversaw the management and execution of the Technology for Social Impact grant work at Microsoft Philanthropies.



# MATERIALITY

In developing this report, we consulted the Global Reporting Initiative Standards Guidelines, the CDP framework, the Sustainability Accounting Standards Board (SASB) Consumer Goods sector guidelines, the UN Global Compact and the UN Sustainable Development Goals to determine material issues.

Our CSR material issues inform the contents of this report and represent our greatest economic, environmental and social impacts as well as the greatest significance to our stakeholders. The following illustrates how these issues are prioritized within our Purpose Playbook.

# STAKEHOLDER ENGAGEMENT

In addition to consulting global reporting frameworks, the content of this report was developed with input from DICK'S Sporting Goods executives, partners, suppliers, customers and investors. We are committed to maintaining regular and open communication with a broad range of stakeholders to address concerns and hear feedback to help us deliver on our CSR strategy.

To learn more about our approach, refer to our [Stakeholder Engagement](#) section in Equipping Athletes.

## CSR MATERIAL ISSUES

Training and Development

Diversity and Inclusion

Human Rights

Wages and Benefits

Teammate Safety, Health and

Well-being

**EMPOWERING  
TEAMMATES**

Product Quality

Firearms Safety

Responsible Sourcing

Supply Chain Responsibility

Chemical Safety and Management

Data Protection and Privacy

**EQUIPPING  
ATHLETES**

**CHAMPIONING  
COMMUNITIES**

Investing in Youth Sports

Disaster Relief

**RESPECTING THE  
PLAYING FIELD**

Sustainable Operations

Waste and Recycling

Product Sustainability

Packaging

# PURPOSE PLAYBOOK AT A GLANCE

## EMPOWERING TEAMMATES

51% of store management began as hourly teammates with additional areas of progress in 2018:

- 43% of hourly teammates were promoted or moved laterally
- 38% of salaried teammates were promoted or moved laterally
- 36% of store managers were promoted or moved laterally

5,748 volunteer hours by 1,189 teammates consisting of 81 projects and 10 events

100% median and 95% average female to male pay ratio

11,000 hours of unconscious bias training

## EQUIPPING ATHLETES

371 active factories making our products in more than 20 countries with 100,000 workers

All suppliers requested to join the Better Work program

CEO Ed Stack called on elected officials to enact common sense gun reform

## CHAMPIONING COMMUNITIES

\$105M in grants and sponsorships over the past 5 years with \$20M in 2018

\$10M in donations committed to DonorsChoose.org and \$5M pledged over the next three years

\$5.8M committed to communities impacted by disasters since 2017

## RESPECTING THE PLAYING FIELD

17% reduction in electricity use per square foot between 2014 and 2018

16% reduction in Scope 1 and Scope 2 greenhouse gas emissions per square foot between 2014 and 2018

70% waste diversion rate in 2018 representing 35,781 tons of materials recycled, an 18 percentage point increase from 2014

80% of our Alpine Design brand assortment will have a sustainability feature by the end of 2019



A photograph of two women in a retail clothing store. The woman on the left has dark curly hair and is smiling. The woman on the right has long dark hair and is also smiling, looking towards the first woman. She is wearing a blue t-shirt with a Nike logo and a Dick's Sporting Goods lanyard with an ID badge that says 'JEREBELLE'. In the background, there are clothing racks and a display case with a blue shirt. The text '1 EMPOWERING TEAMMATES' is overlaid in large white letters.

# 1 EMPOWERING TEAMMATES



# WE BELIEVE

in establishing a workplace where our teammates have the ability to excel in their careers and everyone works toward our vision of becoming the best sports company in the world. From the DICK'S Sporting Goods Customer Support Center (CSC) headquarters to our five distribution centers (DCs) and across more than 800 retail locations, we are one unified team. By inspiring, empowering and lifting each other up, we make great things happen.

We pride ourselves in helping our teammates build lives of financial, physical and emotional wellness. These principles are reflected in our benefits, compensation, training programs, scheduling options, tuition reimbursement program and volunteerism. We want our teammates to have a sense of belonging—to feel supported and safe serving our customers, which we refer to as athletes, while progressing in their own careers. We want our teammates to connect directly with our athletes by sharing their personal experiences, drive, passion, commitment and skill.

When our teammates know they are supported, empowered and valued, through word and by action, our team is ultimately stronger and better positioned to win.





# HELPING TALENT THRIVE

A key tenet of our mission is to create an environment where passionate and skilled teammates thrive. We support our teammates as they grow professionally, coach them through challenges and cheer them on during each effort and triumph.





# TRAINING AND DEVELOPMENT

Similar to athletic practice, career training and development improve performance and create opportunities for growth. We offer training programs throughout every step of the career path, as well as development programs for our teammates looking to put their skills to use in a new role or subject area. DICK'S offers our teammates the opportunity to push forward with passion and determination to progress their careers.

## TRAINING PROGRAMS

Examples of some of our training programs include:

### COMPREHENSIVE ON-BOARDING FOR RETAIL EXCELLENCE (CORE)

For all our store managers, as well as externally hired district managers and regional vice presidents, we provide Comprehensive On-Boarding for Retail Excellence, a facilitated 12-week on-boarding program focused on developing role-specific operational knowledge, leadership skills and understanding of the athlete experience. Leaders experience a blend of classroom-style learning and in-store experience, CSC Leadership Week and co-management training in their home district, where they're able to learn from seasoned pros at the CSC and in our retail stores. DICK'S conducts assessments at various points throughout the program to monitor progress and determine final placement.

### MBA EXECUTIVE DEVELOPMENT PROGRAM (EDP)

DICK'S offers an Executive Development Program for recent MBA graduates based in our CSC. The two-year program focuses on strategy and innovation, where the first year is spent in rotations in specific functional areas, including stores, merchandising and eCommerce. In year two, the

teammates' focus shifts from functional areas to enterprise strategy and innovation projects, allowing them to gain breadth of knowledge and build cross-functional capabilities. The EDP emphasizes professional development, with a rich network of mentors, exposure to senior leadership and participation in industry conferences and training opportunities.

### MERCHANDISING TRAINEE PROGRAM (MTP)

The Merchandising Trainee Program prepares recent college graduates for a role within our Merchandising division. Throughout this one-year program, participants receive training in seven key areas, which include Buying, Allocations & Replenishment, Stores, Product Development, eCommerce, Supply Chain and Merchandise Planning. This program exists to support the talent pipeline within Merchandising by developing holistic retail professionals.

### FINANCE DEVELOPMENT PROGRAM (FDP)

This two-year rotational program for recent college graduates provides exposure to the four key areas of the Finance Department: Accounting, Financial Planning and Analysis, Internal Audit and Non-Merchandise Procurement. At completion of the program, participants are placed in one of the four areas.

### THE MARKETING DEVELOPMENT PROGRAM (MDP)

This two-year rotational program prepares recent college graduates for a position in our Marketing organization. With a concentration on channel planning and brand strategy, participants explore a variety of roles across content, brand management, customer insights, digital media, social media and public relations/communications. In each rotation, participants are challenged to deliver a project that provides actionable recommendations, content and collateral in order to build brand differentiation.

### ANALYTICS DEVELOPMENT PROGRAM (ADP)

DICK'S also offers an Analytics Development Program, which allows recent college graduates with an interest and skill set in data analytics the opportunity to explore analytics within multiple areas of the company. The two-year program immerses ADP participants in our business through rotational roles in core departments, including Merchandising, Marketing, Finance, eCommerce, Human Resources and Supply Chain.

## ON-SITE MBA

For teammates interested in earning a higher education degree, we partner with the University of Pittsburgh Katz Graduate School of Business to offer a part-time MBA program on-site at the CSC. It is a general MBA with electives in several key business areas, including marketing, finance, accounting, operations, technology and strategy/organizational behavior. The program accepts one cohort between 15 and 45 teammates every three years. Candidates are selected by the University of Pittsburgh Katz Graduate School selection committee, which does not receive input from, nor have members employed, by DICK'S.

## RESPECT IN RETAIL

To ensure we provide exceptional customer service treating all athletes with respect, we require our teammates to complete Respect in Retail training. The curriculum features courses on identifying what constitutes a disruptive behavior by an athlete and how to work with athletes who may exhibit those behaviors. In 2018, we assigned Respect in Retail training to 25,313 teammates, including 7,323 stores leaders and managers.

## TUITION REIMBURSEMENT

Our tuition reimbursement program compensates participants for tuition and books. This is calculated based on grades received in a job-related degree program at an accredited college or university. All salaried, full-time teammates with satisfactory performance ratings are eligible for the program.

The program benefits are:

- Up to \$2,500 annually for undergraduate degrees
- Up to \$5,000 annually for graduate degrees
- Up to \$10,000 annually for the (CSC) on-site MBA. In addition, we issue a \$30,000 equity grant upon graduation.

## YOUTH HIRING PROGRAM

We value the role that youth teammates play in our retail locations and are proud to create job opportunities for the more than 1,000 minors on our roster. Our youth teammates are passionate about sports and typically work in cashier and sales roles in our stores. We have expanded our youth hiring program to all 47 states where we operate. In 2018, we piloted a small program that gave five at-risk high school students the opportunity to participate in a rotational program at CSC, with program expansion under consideration.

## CAREER PROGRESSION

Training and development, along with drive, passion, commitment and skill, have helped many teammates propel their careers forward at DICK'S.



**51 percent** of our current management in stores have been promoted from hourly positions

In 2018, we continued to see progress:



**43 percent** of our hourly teammates were either promoted or moved laterally



**38 percent** of our salaried teammates were either promoted or moved laterally



**36 percent** of our store managers were either promoted or moved laterally



# TEAMMATE ENGAGEMENT SURVEY

To gather insight on what our teammates think about our business and their experiences at DICK'S we conduct a Teammate Engagement Survey each year. Based on our January 2019 engagement survey, our company-wide total survey response rate was 75 percent, and out of those responses, 82 percent strongly agreed or agreed that they are satisfied with their job.

We learned that our teammates are personally committed to their jobs, proud to work at DICK'S, know what is expected in their roles and feel that their opinions and feedback are valued. We also learned that teammates would like to be recognized more often for positive performance; for poor performance issues to be addressed appropriately; and for functional area concerns, such as scheduling shifts, to have solutions.

As part of the engagement survey, teammates have the opportunity to rate their managers. All managers with five or more responses to the survey receive the results of their team's feedback, along with coaching and suggested approaches to improve in their leadership opportunity areas. Finally, we made adjustments to provide teammates with more stability and insight into their schedules. In conjunction with the changes made in response to our engagement survey, our hourly teammate turnover decreased seven percent in 2018.





# TEAMMATE RECOGNITION



It's important for us to celebrate wins and support our teammates in our performance-driven culture.

In 2018, we introduced a service program with HIGH FIVE! cards that empower company leaders to give \$10 DICK'S gift cards, along with a personalized note of appreciation, to teammates in recognition of outstanding performance. We also began giving Service Awards to recognize teammates' work anniversary milestones. In addition to our new HIGH FIVE! cards and Service Awards, we recognize teammates in many other ways.

**THE PRESIDENT'S AWARD** is given quarterly to the top DICK'S store per district, top DICK'S store per region and top national-level chain (DICK'S, Field & Stream or Golf Galaxy) based on financials, customer service, process execution and our store talent processes.

We recognize our stores that **GO FOR THE GOLD**, awarding gold, silver and bronze lanyards to all teammates whose overall satisfaction (OSAT) scores achieve 75 percent or higher. Every quarter, the district manager schedules a Changing of the Lanyard Ceremony to celebrate stores that have achieved the goal, and every teammate is presented with a new lanyard.

The **QUARTERLY GAME BALL AWARD** is awarded to the teammate(s) who shows exemplary achievement, with performance above and beyond reasonable expectation of job scope, and demonstrates our brand values. Directors through vice presidents are eligible to receive this award.



# TEAMMATE VOLUNTEERISM AND GIVING

Since 2014, CSC teammates have participated in DICK'S Days of Giving. On designated days, during business hours, teammates are encouraged to participate in a planned volunteer activity to support our Pittsburgh-area community.

From 2014 through 2018, we have completed approximately 400 projects with 5,000 teammate volunteers giving 20,000 hours of service. During our 2018 Days of Giving alone, we completed 81 projects and 10 events, with 1,189 teammate volunteers giving 5,748 hours of service to organizations and events, including:

- **Pittsburgh Marathon Expo**
- **Kayak Pittsburgh with Venture Outdoors**
- **Mel Blount Youth Home**
- **Academy Charter School**
- **Camp Gyasuta**
- **First Tee of Pittsburgh**
- **Best of the Batch**
- **Millville Takeover**
- **The Woodlands Foundation**
- **McKees Rocks Takeover**

As an extension of our Days of Giving, we participate in Giving Tuesday, a global day of giving fueled by the power of social media and collaboration, where we focus on helping make the holiday season brighter for local youth athletes in underprivileged areas.

Our Teammate Giving Program enables teammates to financially contribute directly from their paycheck to The DICK'S Sporting Goods Foundation, which raises awareness for the youth athletics funding crisis and donates money to teams facing budget cuts through our Sports Matter program. Participants of the Teammate Giving Program may receive special rewards and perks.

Beyond the CSC and DCs, teammates in Hong Kong are also giving their time and passion to volunteer efforts. In 2018, 114 teammates volunteered 276 hours across three projects: Silver Age Group Tour, which supports the elderly in pursuing abundant lives; Guide Dogs Seminar, aimed to improve our teammates' knowledge about guide dogs and guide dog owners; and Make a Wish Come True, focused on preparing sporting goods holiday gifts to people in disadvantaged circumstances.



# DIVERSITY AND INCLUSION

From our retail locations to our CSC and DCs, we are a team. We believe the best teams not only share common goals and values, but they also need a diverse set of skills, perspectives and experiences to truly succeed. It's important that our teammates reflect the athletes and communities we serve, and we're working hard to make sure they do.

We actively seek to hire a diverse workforce to promote and celebrate diversity and inclusion. Doing so strengthens our ability to serve all our athletes, drives innovation and growth and enables us to attract and retain the best talent.

Our head of diversity and inclusion is charged with overseeing our diversity and inclusion strategy and programs, including building a culture of strong understanding, respect and empowerment across the company.





# PAY EQUITY

We are committed to equal pay for equal work regardless of any demographic, including gender and race, when establishing and maintaining wages. In June of 2018, we removed the compensation history question from our application. In addition, our process for making compensation recommendations is to align each recommendation to market trends and analysis.

In May 2019, a review of our unadjusted pay numbers for all 40,000+ teammates showed:

- Median pay for females at 100% of males
- Average pay for females at 95% of males

Our goal is to maintain an even ratio going forward.

# UNCONSCIOUS BIAS TRAINING

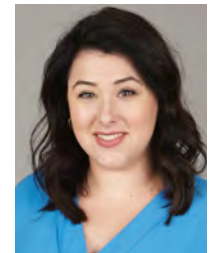
It's our goal to treat all teammates and athletes fairly and respectfully. We are aware that unconscious bias can affect hiring, promotions, job assignments, evaluations, customer service and more. To help our teammates learn practical, relevant tools to acknowledge, recognize and manage their own biases, we provided unconscious bias training to all our store managers at our 2018 store leadership meeting and continued to offer education to teammates across all of our stores throughout the year. In total, we invested more than 11,000 hours of training in the classroom, online and through teammate conversations.

# LOOKING TO THE FUTURE

To further our diversity and inclusion commitment, we have set several short-term goals. By the end of 2019, we expect 100 percent of our teammates employed one year or more will have completed our unconscious bias training. In addition, we will create a Diversity and Inclusion Council, made up of teammates who represent a variety of backgrounds, roles and communities. This Council will meet quarterly to help foster an open dialogue within our diverse and broad teammate population. Finally, Ed Stack, our Chairman and CEO, will be joining [CEO Action for Diversity and Inclusion](#), the largest CEO-driven business commitment to advance diversity and inclusion in the workplace.

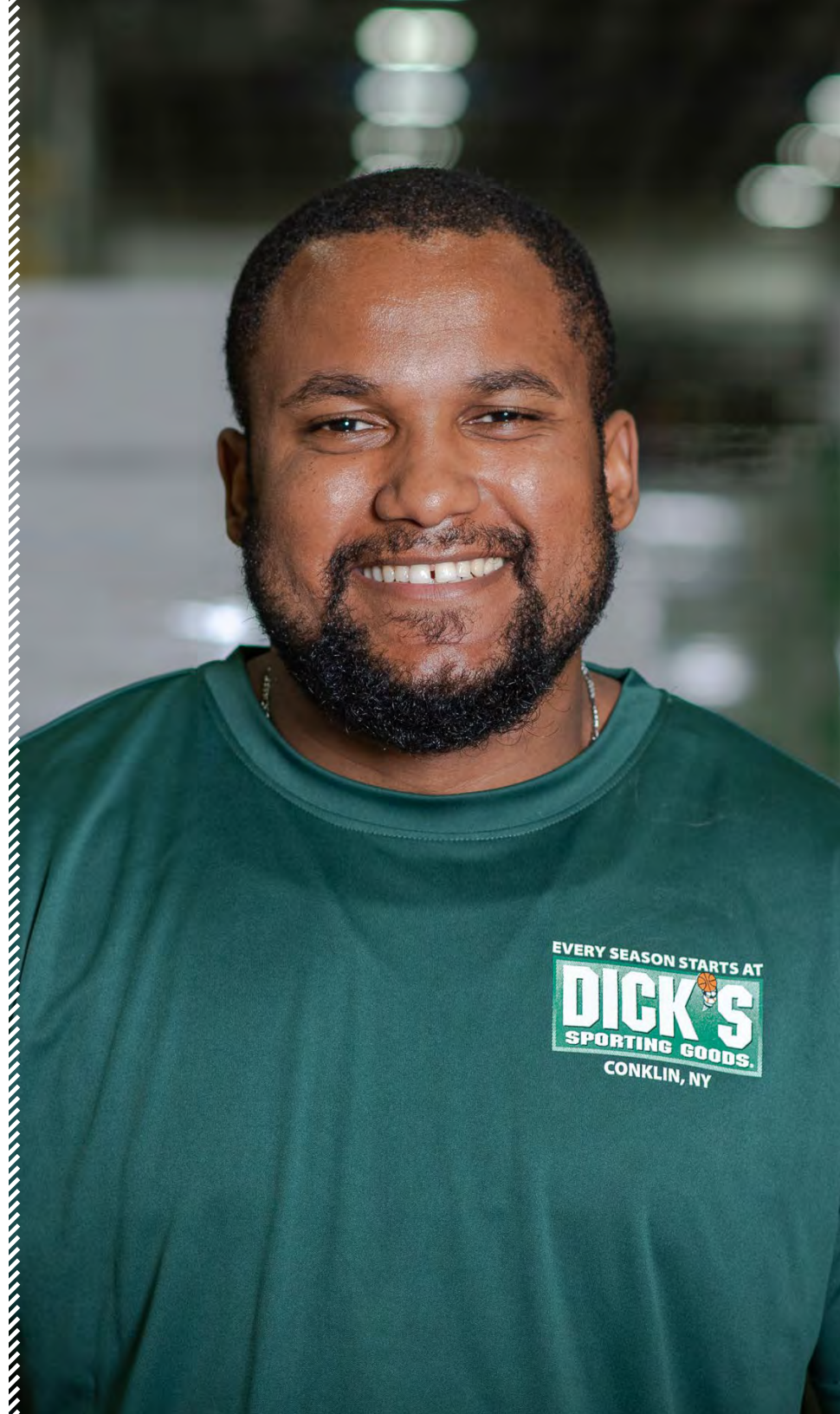
## SPOTLIGHT: PALOMA DENARDIS APPOINTED AS DICK'S HEAD OF DIVERSITY AND INCLUSION

Paloma DeNardis was appointed as DICK'S Sporting Goods head of diversity and inclusion in early 2019. In this position, she oversees the company's diversity and inclusion programs, and works to create a culture of understanding and respect for diverse people and perspectives.



# TEAMMATE SAFETY, HEALTH AND WELL-BEING

It's important that we support our teammates professionally and personally. Our holistic approach centers on helping teammates maintain and improve their financial, physical and emotional well-beings. Our programs and policies aim to keep our teammates and their families healthy and our workplaces safe.





# HUMAN RIGHTS POLICY

At DICK'S, we believe adhering to the highest possible standards of integrity and ethical behavior is the only way to succeed. An important component of ethical behavior is respect for human rights. We respect human rights as defined by the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights. Our [Human Rights Policy](#) outlines our beliefs, as they support our business practices and govern our relationships with our private-brand manufacturing partners and teammates.

DICK'S teammates are based in the United States and Hong Kong, and we respect the basic rights of teammates as protected under applicable laws. Further detail on our commitment to our teammates, including fair treatment in employment, fair time and pay, health and safety and more, is contained in our [Code of Business Conduct and Ethics](#).



# COMPREHENSIVE BENEFITS

We are proud to offer competitive benefits for the retail sector, including comprehensive benefits and compensation packages. DICK'S benefit plans extend to eligible teammates and their spouses, domestic partners and dependents. For salaried and full-time hourly teammates, our benefits include, but are not limited to:

- Medical, dental and vision coverage
- Health and dependent day care flexible spending accounts
- Life insurance
- 401(k) retirement plan
- Store discounts
- Short-term, long-term, and supplemental long-term disability
- Employee assistance program
- Workers' compensation
- Leaves of absence
- Parental leave
- Adoption assistance
- In vitro fertilization
- Gender reassignment
- Vendor partner discounts
- College savings plans
- Vacation days
- Personal days
- Holidays
- Bereavement leave
- Jury duty

In 2018, we expanded our parental leave policy to include paid parental leave to eligible hourly and salaried teammates, including birth and nonbirth parents, for birth or adoption. This benefit is available to employees after 30 days of employment. In addition, we provide eight weeks of short-term disability for the birth parent. We also offer reimbursement of eligible adoption-related expenses up to a maximum of \$2,000 per adopted child.

Additionally, in 2018, we set a preliminary plan to have an on-site CSC day care operational in 2020. The 10,000-15,000 square foot free-standing child care facility will be newly constructed and serve children of CSC teammates. An internal cross-functional CSC team will design, locate and build the center, and select the provider. An advisory group of parents of young children will provide input and perspective on the design of the facility and programs for the center.

Part-time hourly teammates are eligible for dental coverage, short-term disability, life insurance, a 401(k) retirement plan, a college savings plan, an employee assistance program, leaves of absence, workers' compensation and store discounts.

Our teammates have access to discounted products and services from various corporate partners. We also offer discounts on museums, galleries and zoo memberships through local partnerships in Pittsburgh, PA.

## WELLNESS BENEFITS

As a sports company, we know how important it is to lead a healthy lifestyle. To facilitate our teammates' ability to access wellness benefits, at the CSC, we offer subsidized memberships to our on-site two-story fitness center with strength training equipment and free weights; cardio equipment; and basketball, volleyball, racquetball, squash and wallyball courts, as well as outdoor basketball and tennis courts, softball fields and a running trail. We offer group fitness classes, such as yoga and spin, as well as personal training and participation in recreational leagues and events. Our DCs also have on-site basketball courts and gyms.

Complementary to our physical wellness perks, we have a DSG Wellness website that shares information across the wellness spectrum, including physical, financial, intellectual, emotional and social wellness. The site also features health-related articles, tips, events, resources and a wellness blog.

# SAFETY AND SECURITY: MEASURES, POLICIES AND PROCEDURES

The safety and security of our teammates, athletes, visitors and contractors is our top priority. Throughout all of our locations, we employ policies, procedures and training to ensure safe work environments.

## STORE EMERGENCY PROCEDURES

Our emergency procedures program is designed to maximize DICK'S resiliency in the event of a disaster or crisis. It covers preparedness and procedures for emergencies such as severe weather, fire, civil disturbances or workplace violence. Retail managers are also prepared to respond to events such as bomb threats, robberies and athletes demonstrating disruptive behaviors. Overall, the program seeks to first and foremost protect the safety and well-being of our teammates, athletes, contractors, visitors and community members in or near all of our facilities.

## CRISIS MANAGEMENT

DICK'S Sporting Goods maintains a Crisis Management Plan (CMP) for our Crisis Management Team (CMT) to use in response to critical incidents involving people, company assets, businesses and reputation. The CMT is prepared to assemble and begin implementing predetermined actions promptly, even as the severity of an incident is still being confirmed. The CMP provides a framework, organization and operating concepts for crisis response by providing response command and control, resource support and strategic direction from DICK'S leadership.

## ACTIVE VIOLENCE RESPONSE

We believe our teammates are our most valuable resource, and our success is dependent upon protecting this resource. Although it is statistically unlikely, we have worked to ensure that our teammates are prepared to recognize and react to active violence events that could occur inside or outside of the workplace.

Throughout our organization, we provide knowledge-based training to our teammates grounded in the nationally recognized program "Run, Hide, Fight," developed by the Department of Homeland Security. Using our computer-based learning management system, we demonstrate best practices to maximize the survivability of an active-shooter event. This training is refreshed for all teammates annually.

## CSC EMERGENCY RESPONSE TEAM

At the CSC, we maintain an all-volunteer Emergency Response Team (ERT). Represented in all buildings and on every floor, these teammates are committed to helping fellow teammates in need and supporting our overall emergency response activity. All ERT members are trained and certified in first aid, CPR and automated external defibrillator (AED) use. Many have also received advanced "stop the bleed" training. Our teams in the fitness center, lab store and café have similar personnel, training and tools in place. In addition to supporting the safe execution of our facility evacuation plan, ERT members participate in regular, coordinated training and other organized meetings to discuss drill performance, incident review and areas of improvement.



# 2 EQUIPPING ATHLETES



# WE BELIEVE

it is our role to personally equip all athletes with what they need to achieve their dreams. There's no stronger relationship than the one we share with athletes and those who support them. Our corporate values—passion, commitment, skill and drive—reflect those of the true athlete and define who we are as a company.

We want all athletes to be confident in the products they purchase from us, which is one of the many reasons we're committed to responsible sourcing and product safety. Through this commitment, we extend our sportsmanship and ethical standards beyond our athletes to the companies and people that make our products.

We purposefully design our stores to inspire athletes to be their best, offering high-quality, fairly priced products through an elevated in-store experience and user-friendly eCommerce sites. Athletes can count on encouragement and enthusiasm from our teammates, who are knowledgeable and offer trustworthy expertise. We take their safety and security very seriously and work hard to ensure our products, retail experience and handling of personal information is best in class.

Knowing and believing in our athletes is the cornerstone to our Purpose Playbook. We want every athlete to succeed just as much as they do, and we are here to support them through every step in their journey. Every season starts at DICK'S.





# ENSURING QUALITY PRODUCTS FOR ALL

When considering vendors and developing our own private brands, athletes are at the center of every decision we make. We want our products to be accessible to all athletes, which is why we offer high-quality options at a variety of price points and design products for athletes at all levels, from beginner to enthusiast. Our teammates work with athletes to understand their goals and to help find the best products in order to meet those needs. They are able to provide this guidance based on experience, teammate support and information gleaned during training sessions—all backed by our Common Purpose, Service Standards and expectation that when possible, our teammates will give an extra 1 percent to athlete service.





# TEAMMATE PRODUCT TRAINING

Our Common Purpose, introduced in 2018, is to create confidence and excitement by personally equipping all athletes to achieve their dreams. Our Service Standards—to engage, excite and execute—drive consistency in the athlete experience and empower teammates. They ask teammates to:

- Engage every athlete, every time
- Use their power of opinion to create confidence
- Proactively seek to improve knowledge of products, processes and services;
- Execute the basics to create a hassle-free shopping experience

In 2018, we hosted our first Running Footwear Summit at the CSC to educate our teammates on running gear so they could provide enhanced service to athletes. Vendor partners adidas, Asics, Brooks, Nike and Under Armour held informational sessions for 44 manager-selected, footwear-focused teammates from across the country to share the history of their brands, the technology behind their products, and the features and benefits of their running shoes. Attendees were gifted several pairs of shoes to get familiar with the products they sell, including a pair of publicly unavailable Nikes. Following the Running Footwear Summit, teammates hosted district-and store-level training sessions with fellow teammates to pass on their knowledge.

## SUPPORTING ATHLETES' DECISION-MAKING

Our services and stores are designed to help athletes make smart decisions about the products they purchase. Running PROS teammates, for example, conduct gait analysis to examine athletes' running mechanics and identify the appropriate shoe for their running activities. Equipping athletes with the proper shoe optimizes performance and reduces risk of injury. From May 2018 to May 2019, we performed 34,000 gait analyses for athletes, a 218 percent increase over the previous 12 months.

In-store HitTrax® batting cages, available at select stores, give athletes a space to test-drive our bats and receive real-time stats. The HitTrax® technology offers performance metrics with each hit, along with video analysis and trend reports, and issues a personalized bat fitting report at the end of the session.



# INVESTING IN PRIVATE BRANDS

Our private brands go through quality testing to ensure functionality, design and performance will meet athletes' needs. Furthermore, we are continuously seeking improvement, staying in constant communication with athletes to gain their feedback and input, and informing enhancements.

Some examples of our private-brand products include:

- **CALIA**, our fitness and lifestyle brand with country-music star Carrie Underwood, is designed to take our female athletes from their workout sessions to daily life. The athleisure brand, which has become our second-largest athletic women's label, features luxe fabrics, unique designs and athletic technology, created to make it easier for women to include a fitness routine in their busy lives.
- **Field & Stream**, our line designed for outdoor experiences, includes a vast assortment of outdoor equipment, accessories and services in hunting, fishing, archery, camping and more.
- **DSG**, our new brand launching July 2019, will include performance gear and apparel that provide the quality athletes expect from DICK'S Sporting Goods at a price that fits any budget.

# SIZE INCLUSIVITY

Being inclusive is an important part of our work. In everything we do and say, we hope to make everyone feel welcome and a part of our community. We know that our athletes shop in variety of sizes and we believe everybody should have the opportunity to purchase athletic wear that helps them perform better and feel confident while doing so. That's why we provide quality, size-inclusive athletic apparel through our private-label brands: DSG (launching July 2019), CALIA by Carrie Underwood, Field & Stream and our golf lines, Walter Hagen and Lady Hagen & Slazenger. Extended sizes are available for women, men and children across several categories including tops, bottoms, outerwear, swim, bras, hunt, fish and casual. We will continue to seek new ways to outfit all of our athletes.



# RESPONSIBLE SOURCING AND PRODUCT SAFETY

We integrate policies and programs into our private-brand business and aspire to form partnerships across the industry to ensure that the people in our supply chain work in safe, fair conditions.

Our Responsible Sourcing Group supports product development and private-brand business growth, while working to improve alignment within our industry, with a focus on product safety and compliance, factory social compliance and supporting the increased use of sustainable raw materials in our private brands. Private-brand vendors and factories are given and expected to comply with our global sourcing compliance guidelines, which cover these areas.



# PRODUCT SAFETY AND COMPLIANCE

We want our athletes to feel safe and confident when buying from us, so we set and enforce requirements with our suppliers and vendors to ensure we are delivering the products athletes need and deserve.

## GOVERNANCE

Our Human Rights Policy, which is based upon internationally accepted standards, including the [International Labour Organization \(ILO\)'s core conventions](#) and the [Universal Declaration of Human Rights](#), outlines the minimum standards required of our suppliers. In addition, suppliers must comply with all legal regulations of the countries where they operate and are encouraged to incorporate best practices into their workplaces. When issues of noncompliance are identified, we expect suppliers to take immediate steps to remediate and to demonstrate continuous improvement.

Our Product Safety & Regulatory Compliance program provides oversight to ensure business compliance with product regulatory requirements; to identify, investigate and, if necessary, remove unsafe products from the marketplace; and to continuously improve the efficiency and efficacy of our process, including the implementation of preventative measures to improve safety of our products.

The Product Safety program's main concentrations are integrating safety into design, monitoring for and addressing issues associated with potentially hazardous products and handling the extensive process of product recalls. The Product Integrity team trains relevant teammates and private brand vendors annually on product safety policies, procedures and requirements; changes and updates to program elements; and applicable state and federal regulatory requirements.

In 2018, we established a formal restricted substances list (RSL), which bans 22 substance categories, including disperse dyes, heavy metals and volatile organic compounds, in the products we sell. The RSL is distributed

to and acknowledged by licensed and private-brand product manufacturers. In 2019, we will begin random product testing to ensure our products comply. Failures in validation will result in a corrective action plan and potential reformulation of the product.

## PRODUCT RECALLS

In 2018, there were not any private brand products manufactured for us that were recalled; however, there were 10 national-brand product recalls for product safety matters. When a recall is determined to be warranted or recommended, the Product Integrity team coordinates internal and external stakeholders and ensures accountability for all parties involved. The course of action varies case by case, depending on the product and the severity of the issue, but corrective actions typically include initiating a “stop sale”; introducing claims to stores; determining proper disposition or destruction of products, if necessary; engaging in dialogue with industry associations, product safety groups and regulators; and executing all regulatory agency requirements.

## NEW PRODUCT DEVELOPMENT

We take measures to ensure that the products we design are safe. Early in the design process, teammates must perform a design hazard analysis (DHA) and evaluate hardline product prototypes to identify potential risks. We review emergency room database information, product recall histories and risks for pinch points, sharp edges, chemicals, flammability and more. We also consider intended and possible unintended uses of our products. This early analysis is designed to allow for updates and revisions to the design of the product, versus having to terminate an idea or project at a later point.

Another example of how we ensure safety and performance in our private-brand products is through the development of test protocols and standards. When we launched the new adidas Captain Jaw Guard batting helmet, for example, we conducted performance testing against baseballs and softballs to confirm the product passed the [National Operating Committee on Standards for Athletic Equipment's](#) standards. The introduction of our commercially rated ETHOS Power Rack 1.0 was tested with four times the maximum weight capacity. This increased level of durability enables this product to be used in commercial settings and withstand extended use.





# FACTORY SOCIAL COMPLIANCE

Our Responsible Sourcing teammates, when possible, work directly with our suppliers and live in the places where our products are produced. In areas where we don't have our own teams, we engage with third-party service providers or seasoned independent professionals, who serve as an extension of our team to give us local insight. Having local teammates and partners is most effective in helping detect issues and ensure compliance with our global sourcing compliance guidelines, which is aligned with our Human Rights Policy.

We aspire to work with factory partners who share our philosophy that when workers are valued, they contribute more. Our supply chain focus is on factories that produce our private-label brands—the area where we have the strongest leverage due to our direct relationships. At the end of 2018, there were 371 active factories that make our products in more than 20 countries and employ more than 100,000 workers.

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**“I SEE OUR ROLE AS A RESPONSIBLE SOURCING TEAM AS ONE OF KEEPING PEOPLE SAFE—FROM THE CUSTOMERS WHO PURCHASE AND USE OUR PRODUCTS TO THE WORKERS WHO MAKE THEM IN FACTORIES AROUND THE WORLD.”**

— Chris Berezney, Director, Responsible Sourcing, DICK'S

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# WORKPLACE STANDARDS

Since we do not own or operate any factories, it is important that we develop trusted relationships with our suppliers to make our products responsibly. We expect our suppliers and their subcontractors to adhere to the terms of our Global Sourcing Compliance Guidelines and follow business practices consistent with our Human Rights Policy beginning in 2019. In-scope factories are eligible for social compliance assessments on an annual basis in accordance with our factory compliance policy.

We require all our private-brand vendors to hold their respective factories to our highest standards and expect them to be in compliance with our Human Rights Policy, RSL, and our Global Sourcing Compliance Guidelines. Suppliers must disclose certain material subcontractor relationships. In the event we identify that a vendor or factory is working with an unauthorized subcontractor, significant penalties and/or termination of the business relationship will be enforced per our policy. To ensure our suppliers follow this process, as one of our measures, our Responsible Sourcing team employs checks during the audit process. We also periodically validate our import documentation and commercial invoices against our active factory base which can help to identify whether any unauthorized factories have been used in the manufacturing process.

Our Responsible Sourcing team conducts announced and semi-announced supplier visits to assess performance, help remediate issues and provide consulting assistance through educational and outreach training sessions. We aim to help suppliers improve, though when necessary, we will terminate relationships if we see evidence of serious or persistent poor compliance performance or lack of transparency and management cooperation.

In 2018, 43 percent of active private-brand suppliers, or 159 factories, were in scope for social compliance audits. One hundred twenty-three suppliers were audited by DSG team members or designated third parties. Twenty-four were noted as high risk due to issues relating to transparency, auditor bribery, unauthorized

subcontractors and underage workers. To help suppliers move from high risk to medium or low risk, our team conducts regular follow-up audits, where we coach and train suppliers on root cause analysis and implementation of management systems, and continuously reassesses until the factory has successfully improved conditions.

Our monitoring scope also included 36 factories producing licensed product sold by us for other large, well-known brands, which were managed in accordance with the licensor's social compliance requirements, utilizing their designated third-party auditors. Factories in low-risk countries with strong government enforcement and inspectorate systems are not audited. Factories participating in the **Better Work program** undergo full compliance assessments so are excluded from our auditing program. Better Work is a global initiative in partnership with the ILO mobilizing brands, governments, factory owners and workers to improve working conditions in the garment industry. We request that all our suppliers join Better Work where it is operational—including Bangladesh, Haiti, Indonesia, Jordan and Vietnam. The **Better Work program** has shown that factories that participate steadily improve compliance with ILO core labor standards and national legislation covering compensation, contracts, working time, and occupational safety and health.

One key driver for issues related to factory social compliance is factory turnover. As we work to reduce the number of suppliers we engage to maximize business gains and increase influence in our supply chain, we engage with our partners to understand and potentially rectify the costly turnover trend, which reached 29.4 percent in 2018.

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## SPOTLIGHT: EXPANDED SELF-GOVERNANCE PROGRAMS

Beginning in 2018, private-brand factories and vendors are now able to work toward qualifying for self-governance status. Self-governing factories manage their own social compliance programs and are subject to be randomly audited once every two years instead of undergoing an annual audit by DICK'S or our third-party partners. The criteria are challenging to qualify for self-governance, but by end of 2018, we had six self-governing vendors with 19 factories, which equates to 5.2 percent of our active factories.





# STAKEHOLDER ENGAGEMENT

We have many key stakeholders: athletes, the people who make our products, suppliers and factories, teammates, unions, governments, multilateral institutions, nongovernmental organizations (NGOs), industry associations, investors, communities and others. Engaging with these groups helps us improve our responsible sourcing efforts and, in some cases, allows us early identification of emerging factory issues before they gain momentum. One way we have approached improved collaboration with stakeholders is through the [Better Work program](#).

# LOOKING AHEAD

Although we are proud of our progress over the years, we recognize that a growing private-brand business will mean more suppliers in the future—potentially in countries with even more challenging issues.

We plan to continue to grow our self-governance programs and support and coach our suppliers to develop their own social compliance programs. We will leverage supplier input to identify and develop strategies to address purchasing-practice-related compliance impacts. We plan to continue to expand our external stakeholder engagement efforts in order to stay relevant and participate in the social dialogue in regions we impact. Additionally, we will expand our factory programs to include environmental assessments, which will help identify ways to reduce negative impacts to the environment.

# COMMITMENT TO FIREARMS SAFETY

We take our responsibilities as a federal firearms licensee seriously. Our commitment to running a responsible firearms business starts with our best-in-class in-store practices.

We have dedicated DICK'S teammates responsible for compliance, safety, physical security and training on the sale and transfer of firearms and ammunition. We fully comply with federal, state and local laws, and we monitor these regulations on an ongoing basis to ensure our programs remain in strict compliance. We also maintain an audit process to ensure all requirements are followed.







# FIREARMS OVERSIGHT AND POLICIES

Our firearms compliance and safety policies include:

- Background checks and training for teammates who showcase and sell firearms
- Physical security measures for firearms in transit and in inventory to protect against theft
- Use of an electronic inventory management system to maintain custody
- Sales processes and procedures that go beyond the required completion of federal forms

Firearms safety will always remain a top priority. We have made significant investments to ensure that each of our stores meets or exceeds the required standards related to safety, security, training and compliance around the sale of firearms.

## SPOTLIGHT: TAKING A STAND TO HELP END GUN VIOLENCE

There is no product or purchase that is more important than the safety of our athletes, teammates and communities. In 2018, following the tragic school shooting in Parkland, FL, we made a bold decision to end sales of all assault-style rifles and removed them from all Field & Stream stores where they were sold. Additionally, we no longer sell firearms or ammunition in any of our stores to anyone under 21 years of age. We have never sold bump stocks that allow semiautomatic weapons to fire more rapidly, and we will never sell high-capacity magazines. Additionally, we called upon our leaders in Washington, D.C., to come together with the intent to solve this issue of gun violence in our country.

**“AT DICK’S, WE SUPPORT AND RESPECT THE SECOND AMENDMENT, AND RECOGNIZE AND APPRECIATE THAT THE VAST MAJORITY OF GUN OWNERS IN THIS COUNTRY ARE RESPONSIBLE, LAW-ABIDING CITIZENS. BUT WE HAVE TO HELP SOLVE THE GUN VIOLENCE PROBLEM. IT IS AN EPIDEMIC THAT HAS TAKEN THE LIVES OF TOO MANY PEOPLE, INCLUDING THE BRIGHTEST HOPE FOR THE FUTURE—OUR KIDS. SOME MEMBERS OF CONGRESS ARE COMMITTED TO CHANGE, BUT NOT ENOUGH ARE WILLING TO SET ASIDE PARTISANSHIP TO FIND A SOLUTION. I CONTINUE TO CALL ON LAWMAKERS ON BOTH SIDES OF THE AISLE TO TALK WITH EACH OTHER WITH THE EXPRESSED INTENT TO SOLVE THE PROBLEM. THIS ISSUE TRANSCENDS OUR COMPANY’S BOTTOM LINE. OUR STANCE WAS IN LINE WITH OUR VALUES AND ULTIMATELY STANDING UP FOR WHAT WE THINK IS RIGHT.”**

— Ed Stack, Chairman and CEO DICK’S Sporting Goods



## CALLING FOR POLICY REFORM

In addition to the changes we made at our DICK’S stores, Chairman and CEO Ed Stack called on elected officials to enact commonsense gun reform and pass the following regulations:

- Ban assault-style firearms.
- Raise the minimum age to purchase firearms to 21.
- Ban high-capacity magazines and bump stocks.
- Require universal background checks that include relevant mental health information and previous interactions with the law.
- Ensure a complete, universal database of those banned from buying firearms.
- Close the private sale and gun show loophole that waives the necessity of background checks.

## UNITING FOR CHANGE

After we announced our new firearms policy, we were proud that Walmart, Kroger, L.L. Bean and REI showed courage and leadership by announcing their own similar policies. While not a popular choice with everyone, a group of us in corporate America believed we needed to take a stand, make hard choices and enact reforms because we firmly believe it’s the right thing to do for the safety and future of our nation’s children.

In February 2019, Ed Stack, along with a handful of other CEOs, signed a letter sent to Congress in support of the H.R.8 background check bill. It became the first major gun measure in decades to pass in the House of Representatives. He also recently joined Everytown Business Leaders for Gun Safety to raise awareness of, support and help implement responsible measures to reduce gun violence across the United States.



# PROTECTING DATA AND PRIVACY

At DICK'S, we are committed to being good stewards of our athletes' data and are dedicated to ensuring appropriate controls are effective and align with current best practices. Our governance framework follows the [National Institute of Standards and Technology's \(NIST\) Cybersecurity Framework](#) and other control practices to ensure confidentiality, integrity and accountability of athlete and teammate information.



# INVESTING IN DATA TECHNOLOGY

We have invested resources in protective technologies to understand where data resides within our systems and in the systems of any outside parties we engage.

Our security system utilizes tokenization and point-to-point encryption in conjunction with Chip and Pin technology for card users, which significantly reduces the chance of customer payment information exposure. In 2018, we expanded our insight into anomalous behaviors with Security Orchestration and Automation Response (SOAR)-compatible software programs that collect data from multiple sources about security threats and respond to low-level threats without human assistance. We will continue to develop SOAR in 2019.

# IMPLEMENTING SECURITY TRAINING AND TESTING

As with many companies, we sometimes see malicious phishing emails and other attempts to access our data. We require Security Awareness Training for all teammates and routinely issue company-sponsored phishing training emails so our teammates can identify and understand this threat and know how to respond accordingly. We also sponsor training events throughout the year around various cybersecurity topics and conclude the trainings with an on-site event featuring security vendors, giveaways and games to coincide with Security Awareness Month.

Furthermore, we consistently engage external partners to conduct reconnaissance of malicious cyber activities to gauge our implementation of controls internally and externally, and to test our Cyber Security Operations Center and Incident Handling response. Through these third-party analyses, we are able to proactively identify weaknesses, gaps and other issues so we can strengthen and improve our security of athlete and teammate data.





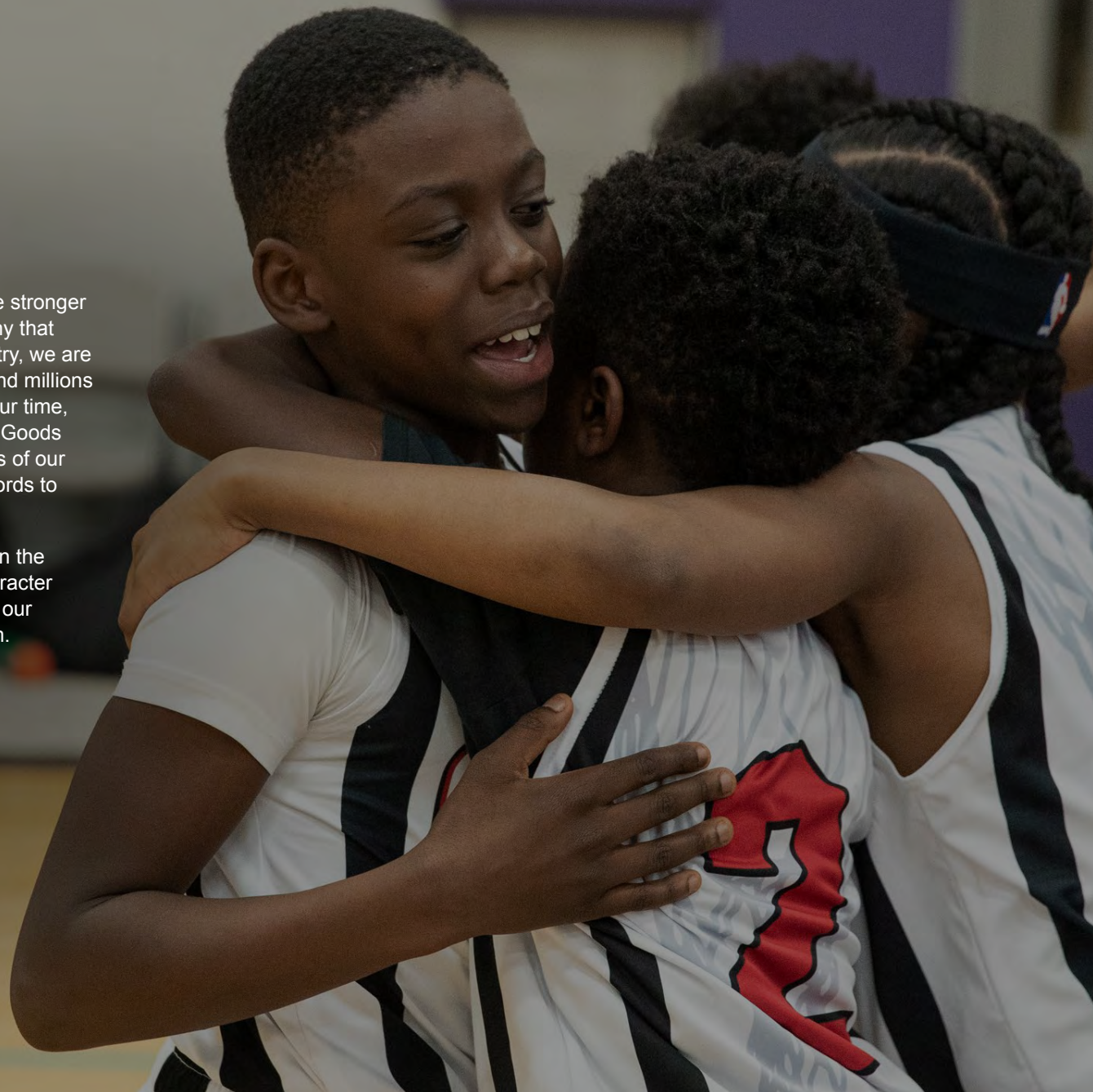
# 3 CHAMPIONING COMMUNITIES



# WE BELIEVE

that sports make people better and that communities are stronger when everyone plays together. As a 70-year-old company that operates 858 stores in cities and towns across the country, we are proud to have championed thousands of communities and millions of athletes since our founding. To most effectively give our time, resources and talents, we created The DICK'S Sporting Goods Foundation and the Sports Matter program. These pillars of our community outreach ensure our programs go beyond words to action and beyond donation to impact.

There is no question that sports have an important role in the development of our youth. The individual benefits of character building, confidence and motivation are magnified when our passion is reflected from person to person, team to team. Sports give people purpose and a place to belong, unifying and enriching us all.







# OUR GIVING

Over the past five years alone, DICK'S and The DICK'S Sporting Goods Foundation have given a total of \$105 million in grants and sponsorships to raise awareness and address the growing issues of underfunded youth sports programs nationwide. In 2018, with \$20 million for monetary and equipment donations, team sponsorships and community support, we focused our efforts on saving youth sports, supporting our hometowns of Pittsburgh, PA, and Binghamton, NY, and rebuilding sports in communities after natural disasters.

From the beginning, we set out to make a positive impact on the communities we serve and to support millions of young athletes on their way to achieving their dreams. We're proud of our record and will continue to focus on new strategies and programs aimed at giving kids the chance to play.

## TYPE OF COMMUNITY SUPPORT

## SUPPORT LEVEL IN 2018

Community Partnerships + Sponsorships	\$16.2M
DonorsChoose.org Grants	\$2.1M
Sports Matter Community Grant Program	\$833K
Rebuilding Sports After Natural Disasters	\$716K
Sports Matter Advisory Board Grants	\$125K
<b>Total</b>	<b>\$20M</b>

# SAVING YOUTH SPORTS

Increasing access to and participation in sports allows kids to become the best version of themselves by increasing their self-esteem, creating positive habits and cultivating leadership skills. Opportunities such as these teach teamwork, discipline, hard work and resilience.

Despite the clear benefits, youth sports are in crisis. According to RAND Education, 63 percent of school sports budgets are stagnant or decreasing and, not surprisingly, these funding cuts disproportionately affect underprivileged youth.

Knowing that the kids with the least access are likely the ones who need sports the most motivates us to help create equal access for all kids. Through The DICK'S Sporting Goods Foundation and our Sports Matter program, we've been hard at work doing just that.





## CHALLENGES

Unfortunately, many schools and communities still face the following challenges related to youth sports:

- **58%** of community-based sports fees are rising<sup>1</sup>
- Annual participation cost for the majority of youth sports is **\$100-\$500**<sup>2</sup>
- **42%** of low-income families cite cost as the main reason for their child not participating in sports<sup>3</sup>
- High-poverty schools are **2.5x** more likely not to offer sports than low-poverty schools<sup>4</sup>
- **25%** participation gap exists between children of lower and higher income families<sup>5</sup>

## OPPORTUNITIES

High levels of involvement in school-based athletics have positive results and student athletes are:

- **7%** more likely than non-athletes to have an average grade of an 'A'<sup>6</sup>
- **74%** more likely than non-athletes to aspire to graduate from college<sup>7</sup>
- **89%** less likely than non-athletes to be depressed<sup>8</sup>
- **10%** more likely than non-athletes to report higher self-esteem<sup>9</sup>
- **91%** less likely than non-athletes to report feeling inadequate<sup>10</sup>

1, 2, 3, 5: *Who Plays, Who Pays? Funding for and Access to Youth Sports*, RAND 2018

4, 6, 7, 8, 9, 10: *State of High School Sports in America*, WSF, 2019

# DONORS CHOOSE

The DICK'S Sporting Goods Foundation is proud to partner with DonorsChoose.org, a teacher-driven, crowdsourcing platform, through which Sports Matter enables youth sports teams to raise half of the funds they need and earn a matching grant from The DICK'S Sporting Goods Foundation. Since 2015, we have helped teachers and coaches secure the funding they need to keep sports programs alive.


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**“THE SUPPORT FROM THE DICK’S SPORTING GOODS FOUNDATION HAS HELPED BRING TEAM SPORTS DREAMS TO LIFE FOR COACHES, TEACHERS AND STUDENTS ALL OVER THE COUNTRY. OUR PARTNERSHIP WILL CONTINUE TO MAKE A DIFFERENCE FOR STUDENTS ON AND OFF THE FIELD AND HELPS FURTHER OUR MISSION OF ENSURING STUDENTS IN EVERY COMMUNITY HAVE THE TOOLS AND EXPERIENCES THEY NEED TO SUCCEED.”**

– Charles Best, DonorsChoose.org Founder and CEO

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## SPOTLIGHT: OUR IMPACT



Through this partnership we have committed, through athlete and teammate donations, as well as funds provided by DICK'S Sporting Goods, more than **\$10 million** in donations.

In 2018 alone, we helped fund more than **\$2.8 million** in youth sports projects, with more than **\$2.1 million** matched by The DICK'S Sporting Goods Foundation.

These efforts funded **3,548** teams, helped **106,440** youth athletes, served **1,731** schools and supported **2,162** teachers and coaches.

Funding has gone toward facility rentals, transportation, scrimmage jerseys, basketballs, footballs, soccer balls, volleyballs, goal posts, track shoes, stopwatches, whistles, tumbling mats, uniforms, field masks, shin guards and more.

In 2018, we renewed our partnership with DonorsChoose.org and pledged **\$5 million** over the next three years to fund sports programs across the United States.

This commitment will more than double our already impactful support and provide access to public school youth sports programs for more than **one million** kids by 2021.





# SPORTS MATTER COMMUNITY GRANT PROGRAM

Our DICK'S teammates have a strong perspective on local community needs. In 2018, we launched a new Sports Matter Community Grant Program that provides each store the opportunity to nominate a local youth sports team, league or school lacking in resources to receive a \$1,000 cash grant. In 2018, we gave more than \$833,000 to those in need in communities near our stores and DCs through this new program. In 2019, The DICK'S Sporting Goods Foundation plans to celebrate the anniversary of this local-giving program by increasing the total donation to \$1.5 million.

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## SPOTLIGHT: ENABLING STUDENTS TO KICK OFF THE SOCCER SEASON

When DICK'S teammates at our Schaumburg, IL, store learned their neighbors at the Michelle Obama School of Technology in Park Forest were the only school in the district that couldn't afford to have a soccer team, they took action. In early 2019, our teammates provided the school with a Sports Matter Community Grant for \$1,000 and visited the school to meet the students and teachers who would benefit from it. They also conducted basic soccer drills with the students that included passing techniques and cone exercises. Go Schaumburg teammates!



# COMMUNITY SPONSORSHIPS AND PARTNERSHIPS

Across the hundreds of communities where we live and work, we partner with community organizations and groups that support youth and help make sports more accessible. We also provide sponsorships to thousands of youth sports teams, school programs and leagues in the form of product donations, gift certificates to our stores and other types of funding.



# 2018 HIGHLIGHTS

## CHUCK NOLL GAME FOR LIFE AWARD

During the summer of 2018, DICK'S and The DICK'S Sporting Goods Foundation teamed up with the Pro Football Hall of Fame, USA Football, Riddell and adidas to launch the Chuck Noll Game for Life Award. This award recognizes youth football leagues around the country for embracing the attributes that legendary Hall of Fame Coach Noll exemplified during his career, including commitment to coaching education; player safety; a culture of preparation; discipline; accountability and respect and, most importantly, an understanding of how the fun and fitness of football applies to success beyond the field. Through the Game for Life Award, 50 youth leagues received a \$500 gift card to DICK'S Sporting Goods, a \$500 equipment grant from Riddell and USA Football and a \$500 gift card from adidas. One of the teams, the Dakota Ridge Youth Sports Association of Colorado, also received a \$10,000 Sports Matter Community Grant, along with an equipment grant from Riddell.

## PGA JR. LEAGUE

The DICK'S Sporting Goods Foundation and Professional Golfers' Association (PGA) of America have partnered to bring the game of golf to thousands of underprivileged youth across the country through scholarships with PGA Jr. League. From 2017 through 2020, The DICK'S Sporting Goods Foundation has committed \$500,000 to provide thousands of underprivileged youth at Boys & Girls Clubs, The First Tee and other community organizations with the opportunity to learn to play golf. Through this partnership, we are helping offset participation fees, providing coaching from PGA and Ladies Professional Golf Association (LPGA) professionals and allowing more kids the opportunity to gain life lessons such as humility, focus, patience and respect.

## NUBABILITY ATHLETICS

The DICK'S Sporting Goods Foundation partnered with Nubability Athletics, a nonprofit dedicated to coaching kids with limb difference with the goal to get them into the game of mainstream, organized sports. Through Nubability's sports camps across the United States, kids are taught unique adaptive skills that help them to be competitive on and off the field with their

peers. In 2018, The DICK'S Sporting Goods Foundation provided a \$24,000 Sports Matter Community Grant to the organization, which was used to purchase sports equipment.

## YMCA BASKETBALL PROGRAMS

DICK'S Sporting Goods partnered with Spalding and NBA Cares to support YMCA basketball programs across the country. During May 2018, customers could donate a basketball to YMCA programs by purchasing a Spalding/NBA composite ball. Through this Sports Matter partnership, we were able to donate more than 18,000 basketballs to 150 YMCA branches in 37 states.

## SMALL CONTRIBUTIONS THAT MAKE A BIG DIFFERENCE

Not every community request that comes to DICK'S is a large one. In fact, we receive a lot of small requests from across the country, and we're honored to assist.

- Located in a low-income area on the outskirts of Salt Lake City, Glendale Middle School was looking for after-school program ideas to keep students engaged in positive activities. The Health teacher Jeremy Clark suggested creating a CrossFit-type class, which the school supported in spirit, but wasn't able to support with funding. DICK'S provided a \$500 gift card so the teacher could purchase the necessary equipment to conduct the class.
- When two kids in Austin, who founded Cleat Closet, a nonprofit that provides cleats to kids and families who can't afford them, requested a cleat donation, their local DICK'S team provided 10 pairs of new cleats through an in-store event, along with a \$500 gift card to help the kids continue their winning efforts.
- During 2018, we hosted 22 "Shop with a Pro" events for hundreds of kids from various nonprofit organizations. Professional athletes such as Patrick Mahomes, Josh Allen, Joey Sindelar and Derrick Henry surprised kids at their local DICK'S Sporting Goods by joining them on shopping sprees in store courtesy of DICK'S Sporting Goods. DICK'S donated more than \$7,000 to support these local events.

Working together with athletes, teammates and other partners, we can fulfill small requests that make a big difference.



# SPORTS MATTER ADVISORY BOARD

Our Sports Matter Advisory Board, comprised of five people in 2018, invites celebrity advisors to be voices for the program, helping us to increase contributions and raise awareness of the importance of youth sports.

To kick off the 2018 football season, Sports Matter Ambassador Jon Gruden, in partnership with the Oakland Raiders and The DICK'S Sporting Goods Foundation, surprised four Oakland, CA, football teams with donations, providing McClymonds High School and Oakland Technical High School each with a \$15,000 grant.

Also in 2018, The DICK'S Sporting Goods Foundation welcomed LPGA legend, Annika Sörenstam, to the Sports Matter family. She was the first female ambassador on the Advisory Board. We announced her participation with a \$50,000 donation to the ANNIKA Foundation's Share My Passion clinics, which introduce young girls, ages six to 12, to the game of golf.

## OUR 2018 ADVISORY BOARD

### LARRY FITZGERALD

Arizona Cardinals wide receiver

### JON GRUDEN

Oakland Raiders head coach

### KERRI WALSH JENNINGS

U.S. Olympian and professional beach volleyball player

### JALEN ROSE

Former professional basketball player and current sports analyst for ESPN

### ANNIKA SÖRENSTAM

Retired professional golfer





# RAISING AWARENESS THROUGH FILM

Over the past few years, we have created and released several documentaries that highlight the struggles associated with funding youth sports programs. These include:

**"We Could be King"** – This documentary, which won a Sports Emmy for Outstanding Sports Documentary, depicts two rival Philadelphia high schools that were forced to merge due to severe budget cuts and how they learned to work together.

**"Sports Matter – A Holiday Assist"** – This short documentary captures the story of the funding struggles of the Anchorage (AK) School District girls' ice hockey program and how DICK'S funded the team for three seasons.

**"Keepers of the Game"** – This documentary celebrates the strength and perseverance of the young women of the Salmon River lacrosse team from the Akwesasne Mohawk Territory in upstate NY.

**"Harlem Lacrosse"** – This short documentary captures the story of a lacrosse team in Harlem funded by the Sports Matter program. Program Director Joel Censer calls Harlem Lacrosse and Leadership an "intervention" program to get kids to stay in school and become motivated beyond the playing field.

# PROVIDING TECHNOLOGY

Through DICK'S Team Sports HQ, our all-in-one digital platform, including GameChanger, we serve nearly 7 million athletes, coaches and fans through partnerships with Little League Baseball and Softball; National Flag Football; PONY Baseball and Softball; Pop Warner Little Scholars, Inc.; American Youth Soccer Association (AYSO) and Soccer Association for Youth (SAY). We also have a national governing body partnership with National Association of Police Athletic/Activities League, Inc. (PAL). Our platform enables teams and associations to create smart, personalized websites with online registration, order custom uniforms and FanWear, and access donations and sponsorships.

In addition to the technology we offer these organizations, we are their official sponsor and sporting goods retailer. This includes supporting events, making donations, hosting in-store discount days and creating opportunities to convene off the field for many of these organizations.





# GREEN LACES

Sometimes it helps to get creative to engage and remind people that youth sports need our support. Beginning in 2016, we created a Sports Matter symbol to serve as a rallying cry and badge of honor. This symbol took various forms, including green laces to wear on the field, a green ribbon pin and green incorporated onto product packaging through vendor partnerships. The shoelaces are a physical reminder to pull up your laces and get to work helping to save youth sports. For every Sports Matter green laces purchase, \$2 are donated to The DICK'S Sporting Goods Foundation to further the Sports Matter program.

## SPOTLIGHT: LIFTING UP OUR LITTLE LEAGUES

Little League® Baseball and Softball and DICK'S Sporting Goods teamed up during the 2018 Little League Baseball® World Series (LLBWS) to celebrate Sports Matter Monday.

LLBWS participants wore specially made green Sports Matter caps to raise awareness for the program, and a unique baseball featuring the Sports Matter logo was used for all associated games. In addition, players were provided with a set of green laces to wear for the entirety of the 10-day tournament, during which time fans had the opportunity to visit one of the DICK'S Sporting Goods Sports Matter booths and trade in their shoelaces for a pair of green laces to show their support.

The event builds on DICK'S established partnership with Little League® International as the official and exclusive partner, providing technology services through DICK'S Team Sports HQ youth sports platform. In 2017, The DICK'S Sporting Goods Foundation made a five-year \$500,000 commitment to Little League Baseball and Softball to help provide facility improvements, uniforms and equipment to Little League® programs in need.



# GIVING BACK TO OUR HOMETOWNS

We believe it is important to support events and programs close to our headquarters in Pittsburgh, PA, and in Binghamton, NY, where our company was founded. After all, these places are a significant part of our history and everyday lives. We're proud to support both of our hometowns.







# SPONSORING LOCAL EVENTS

In 2018, we were proud to support the following events:

## THE DICK'S SPORTING GOODS PITTSBURGH MARATHON

For the 10<sup>th</sup> year, in 2018, we were the title sponsor of the DICK'S Sporting Goods Pittsburgh Marathon because we admire the race benefits that extend past the finish line. Approximately 40,000 runners, including more than 250 teammates in the Pittsburgh area, participated in the event. Since 2009, the event has raised more than \$10 million for charity and engaged the participation of more than 24,000 children in related physical activity and nutrition programs. We have proudly committed to sponsor the marathon through 2021.

## SPECIAL OLYMPICS

From 2015 to 2018, DICK'S has sponsored Special Olympics Pennsylvania's annual Winter Games at Seven Springs Resort. Hundreds of athletes, coaches, families and friends, representing all corners of Pennsylvania, participate in three days of exciting winter sports. We also committed to sponsoring the Special Olympics' Unified Sports program, which brings people with and without intellectual disabilities together to compete on the same team because training together and playing together is a quick path to friendship and understanding.

## HOCKEY STICKS TOGETHER

We are proud to support our local hockey team, the Pittsburgh I.C.E., and the Hockey Sticks Together, which provides leadership, strategic direction, fund development and organizational resource support to nonprofit special needs and inner-city hockey programs in Western Pennsylvania. With a mission of embracing individuals with disabilities and supporting the inclusion of athletes of different genders, age, ethnicity, ability, income and race in all aspects of hockey, the organization is helping to ensure access to play for all.

## DICK'S SPORTING GOODS OPEN

The DICK'S Sporting Goods Open is a PGA TOUR Champions event that takes place in the Greater Binghamton area, the same community where our first store was opened in 1948. In 2018, the tournament helped raise more than \$830,000 for Broome Country Community Charities and since 2007, when DICK'S first began sponsoring the golf tournament, the event has helped raise \$17.5 million for the organization, which focuses on funding healthcare-related organizations within the community and also gives to various youth service projects.



# REBUILDING SPORTS IN COMMUNITIES

Each year, communities across the country face natural disasters that cause significant damage and negatively impact many lives. People are displaced from homes, face financial and medical hardships, lack access to essential resources and face rebuilding challenges. We are here for our communities in times of need—helping to get basic necessities to them in the short term and helping them put the pieces back together over the long term.

Of the many things that need rebuilding after a natural disaster, playing fields and athletic facilities often require significant support. In addition, practice time is refocused on rebuilding efforts, and sports funding is cut to address more immediate needs. We believe sports can serve as a positive focus for children during difficult times, so we work to ensure they regain access to sports as soon as possible.





# NATURAL DISASTER SUPPORT

Through our rebuilding fund, discretionary grant fund and our DonorsChoose.org partnership, we are proud to help communities get back on the playing field. Our support includes the following:

- In 2017, DICK'S, along with The DICK'S Sporting Goods Foundation, made a \$5.5 million commitment to support communities impacted by Hurricanes Harvey and Irma. These funds, spent in 2017 and 2018, provided support for short-term emergency requests and long-term recovery efforts and included monetary donations, equipment, apparel and other much needed supplies distributed in partnership with the American Red Cross and local authorities.
- In 2018, we became a proud supporter of the American Red Cross Disaster Responder Program with a \$250,000 donation. By providing donations in advance of major disasters, the American Red Cross can more immediately and efficiently respond with comfort and care, providing services such as food, shelter, emotional support and other essential assistance.
- As needed, we also support first responders during rescue and relief efforts and have donated personal flotation devices, hip waders, shoes, socks and other products directly from stores in locally impacted communities.

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## REBUILDING THE BOBCATS

When Hurricane Harvey hit Refugio, TX, the town was devastated. As residents faced recovery challenges, it was the local high school football team, the Bobcats, that provided respite from the rebuilding realities. Though an estimated 50 percent of the football players were displaced by the storm, the Bobcats won nearly all of their season games, giving a positive focus for residents and hope for Refugio's recovery. To give more students the opportunity to get back in the game, The DICK'S Sporting Goods Foundation gave a \$75,000 grant to the Refugio High School for work on the school's softball field, baseball field and tennis courts. For Refugio, sports are a special part of the community. Bringing sports back has been about more than rebuilding fields and courts; it's also about rebuilding spirits.





# 4 RESPECTING THE PLAYING FIELD





# WE BELIEVE

the playing field extends beyond the court, field and rink to our neighborhoods, communities, and outdoor spaces around the world. We recognize climate change and our responsibility to work as a team towards a lower carbon future. Our planet affords us opportunities to compete and grow and in turn, we need to respect it and work together to keep it clean and safe for future generations.

Environmentally responsible actions today better guarantee healthy environments for the athletes, teams, and fans of tomorrow. To help give athletes a healthy environment and enable them to perform better, we have long been working to minimize our environmental footprint impacts and build sustainable operations from our headquarters to our stores and distribution centers.

Guided by our Purpose Playbook, we have programs in place to minimize our carbon impacts, be more energy efficient, increase recycling, and limit waste.



# MINIMIZING OUR ENERGY IMPACTS AND GREENHOUSE GAS EMISSIONS

At DICK'S, we are committed to minimizing our environmental impact, and we are focused on areas of our operations where we believe we can initiate the most positive change.





# OUR ENERGY APPROACH

For more than a decade, we've been working to reduce our energy usage and increase our cost savings. Efficient lighting programs, energy management systems and Leadership in Energy and Environmental Design (LEED)-certified designs have been our focus. We have learned a lot over the years, and we continue to deploy new solutions into our operations.

## OVERALL ENERGY USAGE

In 2018, we consumed 584,961 megawatt hours (MWh) of electricity and 4.2 million therms of natural gas through the operation of our stores, DCs and CSC. Of these, our stores use the most energy, accounting for 92 percent of our total electricity use and 86 percent of our natural gas use.

### 2018 ENERGY USE PROFILE

	ELECTRICITY		NATURAL GAS	
	% of Total	MWh	% of Total	Therms
Stores	92%	536,942	86%	3,624,585
CSC	2%	14,262	5%	197,352
DCs	6%	33,757	10%	405,012
<b>Total</b>	<b>100%</b>	<b>584,961</b>	<b>100%</b>	<b>4,226,949</b>



Between 2014 and 2018, we had a 13 percent increase in total portfolio square footage, which included natural store growth; an expansion of our East Point, GA, DC; and a new ~650,000 square foot DC in Conklin, NY. During the same period, we reduced our electricity use per square foot by two percent and were able to limit our increase in total electricity consumption to eight percent. Compared to 2017, our overall 2018 use of electricity across the portfolio decreased by four percent.

## TOTAL MEGAWATT HOURS OF ELECTRICITY USAGE 2014-2018

### ELECTRICITY (MWH)

	2014	2015	2016	2017	2018
Stores	502,031	520,205	538,859	562,377	536,942
CSC	16,429	15,425	14,286	14,622	14,262
DCs	24,174	27,880	29,433	30,916	33,757
<b>Total</b>	<b>542,634</b>	<b>563,510</b>	<b>582,578</b>	<b>607,915</b>	<b>584,961</b>

## CHANGE IN TOTAL MEGAWATT HOURS OF ELECTRICITY USAGE 2014-2018

	% CHANGE IN ELECTRICITY USE 2014-2018	% CHANGE IN ELECTRICITY USE 2017-2018
Stores	7%	-5%
CSC	-13%	-2%
DCs	40%	9%
<b>Total</b>	<b>8%</b>	<b>-4%</b>

We've seen a lot of fluctuations in our natural gas usage over the years, which are mostly due to weather patterns that are out of our control. Another contributing factor to the increase in natural gas usage over the past two years has been our shift to LED lighting in our stores. These new lights are more energy efficient than incandescent and halogen lights, and don't generate heat during use. As a result, we have had to use more natural gas to keep our stores warm during the colder months.

*Due to rounding, not all charts add up to 100 exactly.*

## TOTAL THERMS OF NATURAL GAS USAGE AND YOY CHANGE 2014-2018

### NATURAL GAS

	2014	2015	2016	2017	2018
Therms	3,255,007	2,875,518	2,493,279	3,270,111	4,226,949
YOY Change		-12%	-13%	31%	29%
Portfolio Square Footage	36,023,405	39,036,202	41,204,268	45,057,523	46,635,897
Therms/sq. ft	0.09	0.07	0.06	0.07	0.09
YOY change in Therms/sq. ft		- 18%	-18%	20%	25%

# STORE ENERGY USAGE

In 2014, we began testing lighting alternatives to reduce energy in our main sales floor lighting. With improvements in lighting technology, our tests showed that we were able to reduce our electric consumption while maintaining lumens by installing LED lamps. In 2015, we began a major rollout of lighting retrofits across more than 800 stores. We have completed 500 stores to date, with 202 stores in 2018 alone. In 2016, we also changed our prototype by requiring LEDs for all new constructions.

In addition, 96 percent of our stores now have energy management systems, which involve third-party monitoring of store lighting levels and heating, ventilating and air conditioning (HVAC) to ensure energy efficiency and reduction. Energy management systems enable us to control the HVAC and lighting in our stores from a centralized location, including standardizing schedules for lighting and temperature control during occupied and unoccupied hours.

As a result of these efforts, we saw a five percent YOY decrease in total store electricity usage between 2017 and 2018. Between 2014 and 2018, we reduced our store electricity use per square foot by 18 percent. Over the same period, absolute store electricity increased seven percent, despite a 30 percent increase in store square footage.

## TOTAL MEGAWATT HOURS OF STORE ELECTRICITY USAGE AND YOY CHANGE 2014-2018

### STORE ELECTRICITY USAGE

	2014	2015	2016	2017	2018
Electricity (MWh)	502,031	520,205	538,859	562,377	536,942
YOY change in Electricity Use		4%	4%	4%	-5%
Store sq. ft	32,662,980	35,395,182	37,563,248	41,416,503	42,347,097
kWh/sq. ft	15.37	14.70	14.35	13.58	12.68
YOY change in kWh/sq. ft		-4%	-2%	-5%	-7%

**“WHEN I WAS STARTING MY CAREER, I WANTED TO BE A PART OF AN ORGANIZATION THAT WOULD GIVE ME AN OPPORTUNITY TO PURSUE ENVIRONMENTALLY SUSTAINABLE PRACTICES AND PROJECTS. DICK’S GAVE ME THAT OPPORTUNITY THROUGH ITS ENVIRONMENTAL STEWARDSHIP, INITIATIVES AND REPORTING WITHIN THE SUPPLY CHAIN DEPARTMENT. I’M EXCITED ABOUT THE OPPORTUNITIES WE HAVE AS A COMPANY TO TAKE STEPS TO IMPROVE OUR OVERALL FOOTPRINT.”**

– Brandon Swinko, Supply Chain Analyst



# DISTRIBUTION CENTERS AND CSC ENERGY USAGE

In our DCs, lighting efficiency projects have also been steadily underway. LED lighting implementation reduced electrical usage at three distribution centers—East Point, GA; Goodyear, AZ; and Smithton, PA—by a total of 832,091 kilowatt hours from 2017 to 2018 with an associated cost savings of approximately \$85,000. Overall, we reduced electricity use per square foot at our DCs by 11 percent between 2017 and 2018.

## TOTAL MEGAWATT HOURS OF DC ELECTRICITY USAGE AND YOY CHANGE 2014-2018

### DCS ELECTRICITY USAGE

	2014	2015	2016	2017	2018
Electricity (MWh)	24,175	27,880	29,433	30,916	33,757
YOY change in Electricity Use		15%	6%	5%	9%
DCs sq. ft	2,612,503	2,893,098	2,893,098	2,893,098	3,540,878
kWh/sq. ft	9.25	9.65	10.17	10.69	9.53
YOY change in kWh/sq. ft		4%	6%	5%	-11%

We've steadily reduced electricity usage at the CSC year over year since 2014, resulting in an absolute total electricity reduction of 13 percent through 2018, and a commensurate reduction in electricity use per square foot of 13 percent.

## TOTAL MEGAWATT HOURS OF CSC ELECTRICITY USAGE AND YOY CHANGE 2014-2018

### CSC ELECTRICITY USAGE

	2014	2015	2016	2017	2018
Electricity (MWh)	16,429	15,425	14,286	14,622	14,262
YOY change in Electricity Use		-6%	-7%	2%	-2%
CSC sq. ft	747,922	747,922	747,922	747,922	747,922
kWh/sq. ft	21.97	20.62	19.10	19.55	19.07
YOY change in kWh/sq. ft		-6%	-7%	2%	-2%

We will continue to invest in energy efficiency measures and look for new and innovative opportunities to further reduce our energy consumption.

# OUR EMISSIONS APPROACH

While we've been managing energy use for more than a decade, greenhouse gas (GHG) emissions are a new area for us to tackle. Our first carbon calculations revealed that most of our greenhouse gas emissions, 93 percent of Scope 1 and 2 emissions, are from electricity usage throughout our operations, while seven percent stem from combustion of natural gas for heating purposes.

## OVERALL GREENHOUSE GAS EMISSIONS

In total, we estimate that our 2018 carbon footprint amounted to 508,559 metric tons of CO<sub>2</sub>e, this includes stationary emissions and mobile emissions:

- Scope 1 emissions from natural gas, 25,093 metric tons of CO<sub>2</sub>e
- Scope 2 emissions from electricity use, 325,782 metric tons of CO<sub>2</sub>e
- Scope 3 mobile emissions from logistics, 157,683 metric tons of CO<sub>2</sub>e

## TOTAL METRIC TONS GHG EMISSIONS SCOPE 1 AND SCOPE 2 2014-2018

### EMISSIONS FROM STATIONARY COMBUSTION (METRIC TONS CO<sub>2</sub>e)

	2014	2015	2016	2017	2018
<b>Scope 1: Natural Gas</b>	<b>19,323</b>	<b>17,071</b>	<b>14,801</b>	<b>20,405</b>	<b>25,093</b>
Stores	16,584	14,853	12,240	17,908	21,517
DCs	2,190	1,699	1,651	1,505	2,404
CSC	549	519	910	992	1,172
<b>Scope 2: Electricity</b>	<b>303,296</b>	<b>315,249</b>	<b>326,421</b>	<b>339,451</b>	<b>325,782</b>
Stores	276,710	287,054	298,052	310,219	296,088
DCs	15,330	17,628	18,581	19,213	19,922
CSC	11,256	10,569	9,788	10,018	9,772



Our Scopes 1 and 2 emissions decreased 16 percent on a per square foot basis between 2014 and 2018. Our absolute Scopes 1 and 2 emissions increased only nine percent between 2014 and 2018, even with an overall 29 percent increase in portfolio square footage. This demonstrates that we have been able to effectively decouple business growth from emissions. Further, we are starting to see our energy-efficiency projects pay off. Between 2017 and 2018, we achieved a four percent decrease in emissions from electricity use and a two percent decrease in absolute Scope 1 and 2 emissions, despite a four percent increase in portfolio square footage.

## METRIC TONS GHG EMISSIONS PER SQUARE FOOT 2014-2018

### NORMALIZED SCOPE 1 & 2 EMISSIONS METRIC TONS CO<sub>2</sub>e/sq. ft

	2014	2015	2016	2017	2018
Scope 1: Natural Gas	0.0005	0.0004	0.0004	0.0005	0.0005
Scope 2: Electricity	0.0084	0.0081	0.0079	0.0075	0.0070
<b>Scopes 1 &amp; 2 Total</b>	<b>0.0089</b>	<b>0.0085</b>	<b>0.0083</b>	<b>0.0080</b>	<b>0.0075</b>

Logistics are also a significant contributor to our GHG footprint. Scope 3 emissions from these activities in 2018 amounted to 157,683 metric tons of CO<sub>2</sub>e, equal to 45 percent of Scopes 1 and 2 emissions. Since our Scope 3 emissions have increased 18 percent between 2016 and 2018, we will be looking for ways to manage emissions from shipping in the coming years.

## TOTAL METRIC TONS GHG EMISSIONS SCOPE 3 2014-2018

### EMISSIONS FROM MOBILE COMBUSTION METRIC TONS CO<sub>2</sub>e

	2016	2017	2018
<b>Scope 3 Total</b>	<b>133,831</b>	<b>153,070</b>	<b>157,683</b>
Inbound Trucking	39,890	44,126	51,893
Outbound Trucking	31,602	35,246	31,316
Inbound Intermodal (Rail)	10,525	12,096	10,803
Outbound Intermodal (Rail)	502	678	548
Import (Boat)	41,272	49,127	49,817
Import Intermodal (Rail)	10,040	11,797	13,306

As we continue to develop our efforts to measure and manage greenhouse gas emissions, we expect to explore and evaluate new emissions categories—such as e-commerce logistics, fugitive emissions from refrigerant leakage, and air logistics—as well as improve our calculation methodologies using best-practice standards. Further, we are exploring medium and long-term GHG reduction goals.

# INCREASING RECYCLING EFFORTS

Recycling is one of the most effective ways to divert waste from landfills, so we've been working hard over the past few years to increase recycling programs in our stores, DCs and CSC. In 2018, 35,781 tons of material were recycled, and only 15,587 tons of material were sent to the landfill, resulting in a company-wide waste-diversion rate of 70 percent, up from 52 percent in 2014 when we began to focus in this area. We expect to maintain this rate in 2019.





# OUR WASTE POLICY

## COMPANY-WIDE TONS OF TOTAL WASTE BY CATEGORY AND DIVERSION RATES 2014-2018

	2014	2015	2016	2017	2018
<b>Total Tons of Waste</b>	<b>35,615</b>	<b>37,336</b>	<b>54,452</b>	<b>61,383</b>	<b>51,368</b>
Landfilled Tons	17,219	17,161	18,375	24,449	15,587
Recycled Tons	18,396	20,175	36,077	36,934	35,781
Waste-Diversion Rate	52%	54%	66%	60%	70%

DICK'S store network waste policy, established in 2013, is for all stores to recycle all cardboard, plastic film and shrink wrap via local pickup or by sending it back to the DCs for processing. In 2014, to help divert waste from our stores, we installed balers in more than 100 stores to increase cardboard recycling. By 2016, cardboard balers were added to accompany the compactors in our store prototypes. In stores without a baler, a compactor is used to recycle cardboard. We also partnered with Waste Management to track and manage our recycling tonnage. Today, we have balers in more than 450 stores. All stores contribute cardboard to our recycling, and our recycling tonnage per square foot has increased by 24 percent since 2014.

# OUR RECYCLING INITIATIVES

## 2018 DC RECYCLING BREAK-DOWN

RECYCLING STREAM	TONNAGE	% OF TOTAL
Plastic (LDPE, Stretch Wrap, Mixed Plastics)	320	2%
Cardboard (OCC)	8,588	51%
Metal	228	1%
Wood	6,986	41%
Plastic Hanger	665	4%
Miscellaneous	89	1%
<b>Totals</b>	<b>16,876</b>	<b>100%</b>

Committed to hanger reuse and recycling, through a partnership with our stores and DCs, we've been able to effectively process plastic hangers for reuse or recycling. We give reusable hangers another life by redistributing them to vendors. We are also able to send damaged hangers to recycling facilities to become other plastic materials. We recycled 665 tons of hangers in 2018.

In 2018, our DCs ramped up their waste-diversion efforts and began working with a salvage company to sort waste and minimize the amount that gets sent to landfills. DCs are equipped with horizontal and vertical balers, which recycle corrugate (e.g., cardboard) and plastics (e.g., shopping bags, shrink wrap and polybags). Cardboard and wood make up the majority of the DC's recycled waste at 92 percent. In 2018, our DCs recycled a total of 16,875 tons and disposed of 775 tons of waste, which enabled them to achieve a waste-diversion rate of 96 percent.



# OUR PARTNERSHIP WITH WASTE MANAGEMENT

In 2012, we began a partnership with Waste Management, Inc., which works with our stores and DCs to tailor waste disposal services to their specific needs. These include having local pickup for specific store locations and allocating two trailers to each DC, one for cardboard-only bales that are sent directly to a mill and one to service plastics and excess cardboard. In addition, to ensure our stores follow our waste policies, Waste Management conducts “dumpster audits” at random locations throughout the year. Results, including photos of the dumpster containing recyclable materials, help to determine if teammates are properly recycling and if we need to partner with them to ensure proper recycling.

In 2018, Waste Management remained a reliable partner by continuing to focus on best practices with right-sizing, load maximization and recycling audit arenas.



# INVESTING IN GREEN BUILDING

We are committed to incorporating green building practices that enable us to be more resource efficient, while also providing a return on investment. In our stores, we design energy-efficient elements within our prototypes, such as white-roofing, LED lighting and high-efficiency HVAC systems. In addition to our stores, we have adopted the standards of the U.S. Green Building Council's LEED certification framework within our DC and CSC building design strategies.

When designing, we look for opportunities to implement high-efficiency lighting and HVAC, skylights and solar tubes, low-flow water fixtures, recycling policies, water-saving landscapes, and sustainable construction materials with appropriate disposal. Our current portfolio of LEED-certified buildings includes our LEED Silver Goodyear, AZ, DC and our LEED Silver CSC. In 2018, we opened our fifth DC in Conklin, NY, which is on track to receive LEED Silver certification in 2019.

While our water use is minimal for a company of our scale, we have implemented measures to reduce consumption. At the CSC, we have a water feature designed to capture storm water runoff, recycle it through the waterfall and flow it into a 12,000-gallon cistern. In our Goodyear, AZ, DC, we decided to landscape the area around the facility with water-efficient landscaping that was indigenous to the desert climate and required less water than traditional landscaping (grass, bushes, trees, etc.). This landscaping included a rock garden, cacti, desert willows and other vegetation that require very low amounts of water to survive.

We are committed to taking the design elements and efficiency components from our existing buildings and applying them to new facilities' construction and operations.





# CREATING SUSTAINABLE PRODUCTS

In 2018, we introduced Alpine Design in 100 stores. An adventure-ready, sustainably minded product line, Alpine Design offers apparel, outerwear and accessories. Of the 10 styles initially launched, three contained recycled fabric content, four featured eco-friendly durable water repellencies and three used PVC- and phthalate-free inks. This means 22 percent of the assortment incorporated a sustainability component into its design. By the end of 2019, we anticipate Alpine Design will be available in 46 styles across 200 stores, with 80 percent of the assortment having a sustainability feature, such as being chemical free or using recycled insulation or organic cotton.

As a retailer, we also recognize the environmental implications of our packaging, and we are continuously exploring new ways to reduce packaging and employ sustainable solutions. In 2018, we worked with our vendors to encourage optimal ordering, decreasing the amount of packaging used before products reach our stores.





# ABOUT THIS REPORT

This report provides a high-level overview of DICK'S Sporting Goods corporate social responsibility (CSR) commitments, activities and progress in 2018. Our Purpose Playbook is organized by our four main focus areas: Empowering Teammates, Equipping Athletes, Championing Communities and Respecting the Playing Field. We have prepared this report with reference to the Global Reporting Initiative (GRI) Standards.

We welcome your feedback on this report. For more information or to provide comments, please contact us at [CSR@dcsg.com](mailto:CSR@dcsg.com).

## BOUNDARY AND SCOPE

This report was published in June 2019 and reflects our activities and performance for fiscal year 2018 (Feb. 4, 2018 – Feb. 2, 2019) and a few highlights from early 2019.

## FORWARD-LOOKING STATEMENTS

We caution that any forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) contained in this report involve risks and uncertainties and are subject to change based on various important factors, many of which may be beyond our control. Accordingly, our results may differ materially from those expressed or implied in any such forward-looking statements. Investors should not place undue reliance on forward-looking statements as a prediction of actual results. These statements can be identified as those that predict, forecast, indicate or imply future results, performance or advancements and by forward-looking words such as "believe", "anticipate", "expect", "estimate", "predict", "intend", "plan", "project", "goal", "will", "will be", "will continue", "will result", "could", "may", "might" or any variations of such words or other words with similar meanings. Forward-looking statements include, among other things, our objectives, commitments, and goals contained in this report.

Our position or perceived lack of position on social, environmental, public policy or other sensitive issues, and any perceived lack of transparency about those matters, could harm our reputation with certain groups or our customers, which could adversely affect our financial performance. Furthermore, we may not be able to achieve the objectives and goals identified in this report within the expected time frame or at all. Factors that could cause actual results to materially differ from those indicated in forward-looking statements are described under Risk Factors in our Annual Report on Form 10-K for the year ended February 2, 2019, filed on March 29, 2019. The forward-looking statements contained herein speak only as of the date made, and we undertake no obligation to update any such statements.

# 2018 GRI INDEX

## GENERAL DISCLOSURES

### ORGANIZATIONAL PROFILE

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
102-1	Name of the organization	DICK's Sporting Goods, Inc.
102-2	Activities, brands, products and services	Corporate Profile, p. 4-5, 2018 CSR Report
102-3	Location of headquarters	Corporate Profile, p. 4-5, 2018 CSR Report
102-4	Location of operations	Corporate Profile, p. 4-5, 2018 CSR Report
102-5	Ownership and legal form	Corporate Profile, p. 4-5, 2018 CSR Report
102-6	Markets served	Corporate Profile, p. 4-5, 2018 CSR Report
102-7	Scale of the organization	Corporate Profile, p. 4-5, 2018 CSR Report
102-8	Information on employees and other workers	Empowering Teammates, p. 8, 2018 CSR Report
102-9	Supply chain	Corporate Profile, p. 4-5, 2018 CSR Report
102-10	Significant changes to the organization and its supply chain	Corporate Profile, p. 4-5, 2018 CSR Report
102-11	Precautionary principle or approach	DICK'S Sporting Goods does not have an official policy as it pertains to the precautionary principle.
102-12	External initiatives	Purpose Playbook, p. 6, 2018 CSR report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report

### STRATEGY

102-14	Statement from senior decision-maker	Letter From Chairman & CEO Ed Stack, p. 3, 2018 CSR Report
102-15	Key impacts, risks and opportunities	2018 DICK'S Sporting Goods Form 10-K

### ETHICS & INTEGRITY

102-16	Values, principles, standards and norms of behavior	Corporate Profile, p. 4-5, 2018 CSR Report
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## GOVERNANCE

## GENERAL DISCLOSURES

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
102-18	Governance structure	<a href="#">Corporate Governance Guidelines</a>
102-19	Delegating authority	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-20	Executive-level responsibility for economic, environmental and social topics	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-21	Consulting stakeholders on economic, environmental and social topics	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-22	Composition of the highest governance body and its committees	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-23	Chair of the highest governance body	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-24	Nominating and selecting the highest governance body	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-25	Conflicts of interest	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-30	Effectiveness of risk management processes	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-32	Highest governance body's role in sustainability reporting	This report has been reviewed and approved by DICK'S Sporting Goods Chairman and CEO Ed Stack and President Lauren Hobart.
102-33	Communicating critical concerns	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-35	Remuneration policies	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>
102-36	Process for determining remuneration	<a href="#">2019 DICK'S Sporting Goods Proxy Statement</a>

## STAKEHOLDER ENGAGEMENT

102-42	Identifying and selecting stakeholders	<a href="#">Materiality &amp; Stakeholder Engagement, p. 7, 2018 CSR Report</a>
102-43	Approach to stakeholder engagement	<a href="#">Materiality &amp; Stakeholder Engagement, p. 7, 2018 CSR Report</a>
102-44	Key topics and concerns raised	<a href="#">Materiality &amp; Stakeholder Engagement, p. 7, 2018 CSR Report</a>

## REPORTING PRACTICE

102-45	Entities included in the consolidated financial statements	<a href="#">2018 DICK'S Sporting Goods Form 10-K</a>
102-46	Defining report content and topic boundaries	<a href="#">About This Report, p. 68, 2018 CSR Report</a>
102-47	List of material topics	<a href="#">Materiality &amp; Stakeholder Engagement, p. 7, 2018 CSR Report</a>
102-50	Reporting period	<a href="#">About This Report, p. 68, 2018 CSR Report</a>

## GENERAL DISCLOSURES

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
102-52	Reporting cycle	About this Report, p. 68, 2018 CSR Report
102-53	Contact point for questions regarding the report	About this Report, p. 68, 2018 CSR Report
102-54	Claims of reporting in accordance with the GRI Standards	About this Report, p. 68, 2018 CSR Report
102-55	GRI content index	GRI Content Index, p. 69, 2018 CSR Report
102-56	External assurance	Our environmental data was reviewed externally but we did not seek external assurance for the remainder of this report.

## TOPIC SPECIFIC DISCLOSURES

### 201: ECONOMIC PERFORMANCE

103-1	Explanation of the material topic and its boundary	Corporate Profile, p. 4-5, 2018 CSR Report
103-2	The management approach and its components	Corporate Profile, p. 4-5, 2018 CSR Report
103-3	Evaluation of the management approach	Corporate Profile, p. 4-5, 2018 CSR Report
201-1	Direct economic value generated and distributed	2018 DICK'S Sporting Goods Form 10-K; 2019 DICK'S Sporting Goods Proxy Statement; Corporate Profile, p. 4-5, 2018 CSR Report

### 205: ANTI-CORRUPTION

103-1	Explanation of the material topic and its boundary	Code of Conduct
103-2	The management approach and its components	Code of Conduct
103-3	Evaluation of the management approach	Code of Conduct
205-1	Operations assessed for risks related to corruption	Code of Conduct; Corporate Profile, p. 4-5, 2018 CSR Report

### 301: MATERIALS

103-1	Explanation of the material topic and its boundary	Increasing Recycling Efforts, p. 63, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
103-2	The management approach and its components	Increasing Recycling Efforts, p. 63, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report



## TOPIC SPECIFIC DISCLOSURES

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
103-3	Evaluation of the management approach	Increasing Recycling Efforts, p. 63, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
301-2	Recycled input materials used	Increasing Recycling Efforts, p. 63, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report

### 302: ENERGY

103-1	Explanation of the material topic and its boundary	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
103-2	The management approach and its components	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
103-3	Evaluation of the management approach	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
302-1	Energy consumption within the organization	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report

### 305: EMISSIONS

103-1	Explanation of the material topic and its boundary	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
103-2	The management approach and its components	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
103-3	Evaluation of the management approach	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
305-1	Direct (scope 1) GHG emissions	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report
305-2	Indirect (scope 2) GHG emissions	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report

## TOPIC SPECIFIC DISCLOSURES

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
<b>305-4</b>	GHG emissions intensity	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report
<b>305-5</b>	Reduction of GHG emissions	Minimizing Our Greenhouse Gas Emissions & Energy Impacts, p. 56, 2018 CSR Report

### 306: EFFLUENTS AND WASTE

<b>103-1</b>	Explanation of the material topic and its boundary	Increasing Recycling Efforts, p. 63, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
<b>103-2</b>	The management approach and its components	Increasing Recycling Efforts, p. 63, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
<b>103-3</b>	Evaluation of the management approach	Increasing Recycling Efforts, p. 63, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
<b>306-2</b>	Waste by type and disposal method	Increasing Recycling Efforts, p. 63, 2018 CSR Report

### 401: EMPLOYMENT

<b>103-1</b>	Explanation of the material topic and its boundary	Empowering Teammates, p. 9, 2018 CSR Report; Comprehensive Benefits, p. 21, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
<b>103-2</b>	The management approach and its components	Empowering Teammates, p. 9, 2018 CSR Report; Comprehensive Benefits, p. 21, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
<b>103-3</b>	Evaluation of the management approach	Empowering Teammates, p. 9, 2018 CSR Report; Comprehensive Benefits, p. 21, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report
<b>401-2</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Comprehensive Benefits, p. 21, 2018 CSR Report
<b>401-3</b>	Parental leave	Comprehensive Benefits, p. 21, 2018 CSR Report



## TOPIC SPECIFIC DISCLOSURES

### 404: TRAINING AND EDUCATION

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
103-1	Explanation of the material topic and its boundary	Training and Development p. 12, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Training and Development p. 12, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Training and Development p. 12, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development p. 11, 2018 CSR Report

### 405: DIVERSITY AND EQUAL OPPORTUNITY

103-1	Explanation of the material topic and its boundary	Diversity and Inclusion, p. 17, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Diversity and Inclusion, p. 17, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Diversity and Inclusion, p. 17, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
405-1	Diversity of governance bodies and employees	Diversity and Inclusion, p. 17 2018 CSR Report
405-2	Ratio of basic salary and remuneration of women to men	Pay Equity, p. 18, 2018 CSR Report; Diversity and Inclusion, p. 17, 2018 CSR Report

### 406: NON-DISCRIMINATION

103-1	Explanation of the material topic and its boundary	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
406-1	Incidents of discrimination and corrective actions taken	Human Rights Policy, p. 20, 2018 CSR Report

## TOPIC SPECIFIC DISCLOSURES

### 408: CHILD LABOR

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
103-1	Explanation of the material topic and its boundary	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights Policy, p. 20, 2018 CSR Report

### 412: HUMAN RIGHTS ASSESSMENT

103-1	Explanation of the material topic and its boundary	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Human Rights Policy, p. 20, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Human Rights Policy, p. 20, 2018 CSR Report; Factory Social Compliance, p. 30, 2018 CSR Report; Workplace Standards, p. 31, 2018 CSR Report

### 416: CUSTOMER HEALTH AND SAFETY

103-1	Explanation of the material topic and its boundary	Responsible Sourcing and Product Safety, p. 28, 2018 CSR Report; Commitment to Firearm Safety, p. 33, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Responsible Sourcing and Product Safety, p. 28, 2018 CSR Report; Commitment to Firearm Safety, p. 33, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Responsible Sourcing and Product Safety, p. 28, 2018 CSR Report; Commitment to Firearm Safety, p. 33, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
416-1	Assessments of the health and safety impacts of products and service categories	Responsible Sourcing and Product Safety, p. 28, 2018 CSR Report; Commitment to Firearm Safety, p. 33, 2018 CSR Report



## TOPIC SPECIFIC DISCLOSURES

### 417: MARKETING AND LABELING

DISCLOSURE NO.	DISCLOSURE TITLE	2018 RESPONSE
103-1	Explanation of the material topic and its boundary	Ensuring Quality Products for All, p. 25, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Ensuring Quality Products for All, p. 25, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Ensuring Quality Products for All, p. 25, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
417-1	Requirements for product and service information and labeling	Ensuring Quality Products for All, p. 25, 2018 CSR Report

### 418: CUSTOMER PRIVACY

103-1	Explanation of the material topic and its boundary	Protecting Data and Privacy, p. 36, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-2	The management approach and its components	Protecting Data and Privacy, p. 36, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
103-3	Evaluation of the management approach	Protecting Data and Privacy, p. 36, 2018 CSR Report; Our Purpose Playbook, p. 6, 2018 CSR Report; Materiality & Stakeholder Engagement, p. 7, 2018 CSR Report
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protecting Data and Privacy, p. 36, 2018 CSR Report

**EVERY SEASON STARTS AT**





