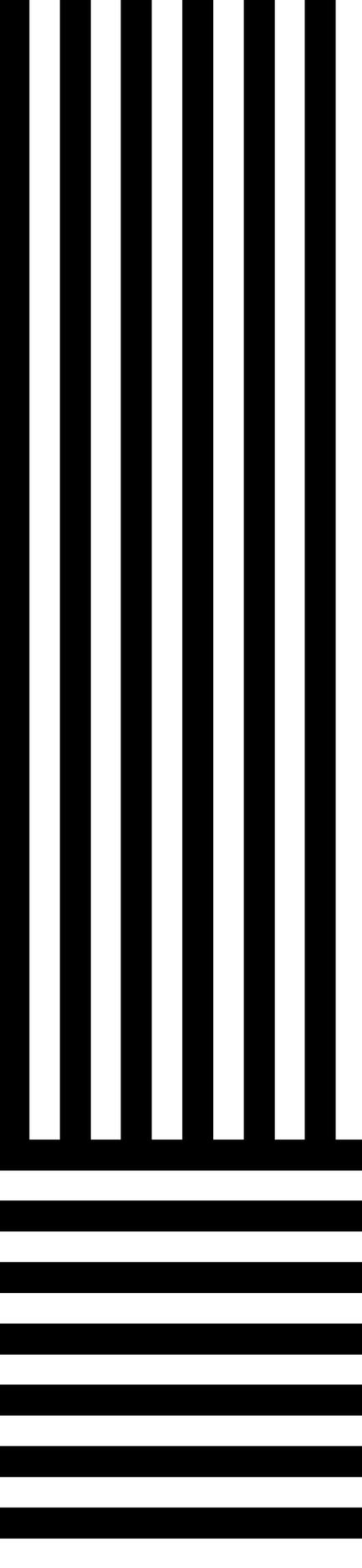


FOOT LOCKER, INC.

# 2023 INVESTOR DAY

LACING UP FOR THE FUTURE

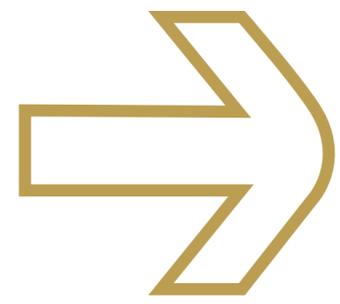


**Robert**

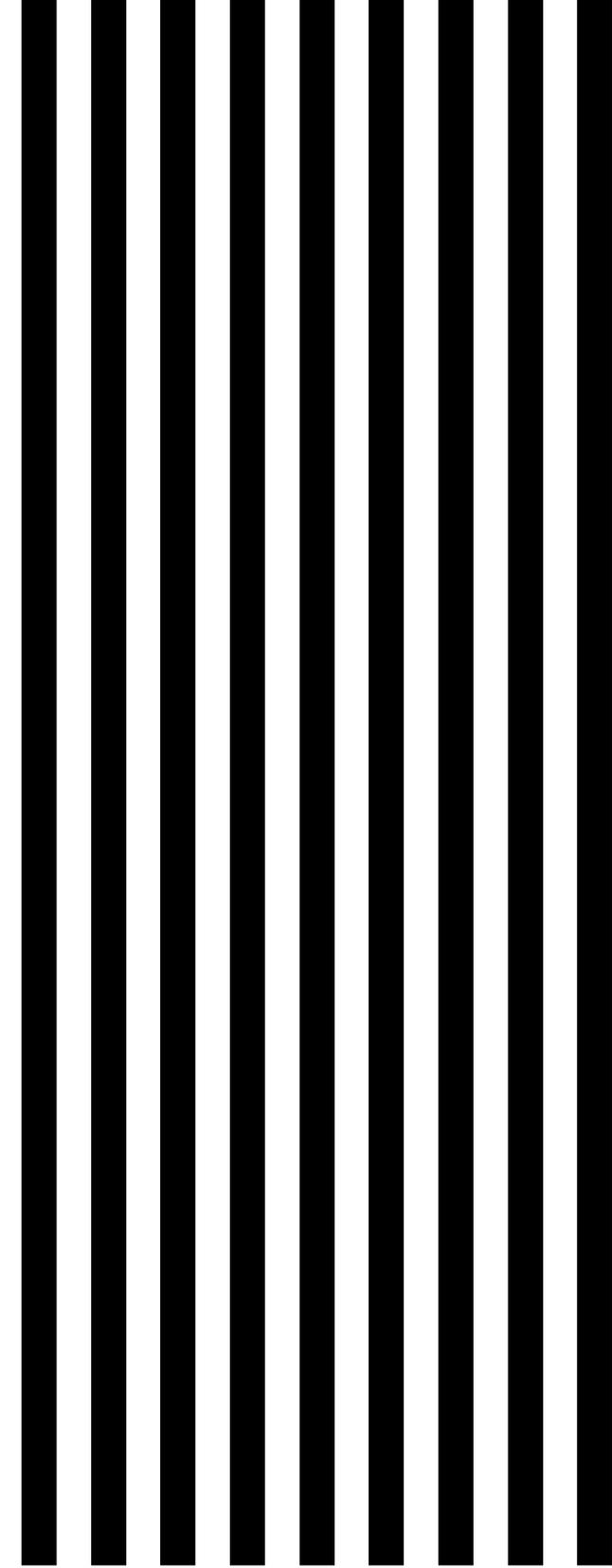
**Higginbotham**

INTERIM CHIEF FINANCIAL OFFICER  
SVP, INVESTOR RELATIONS AND FP&A

FOOT LOCKER, INC.



**Welcome**



FOOT LOCKER, INC.

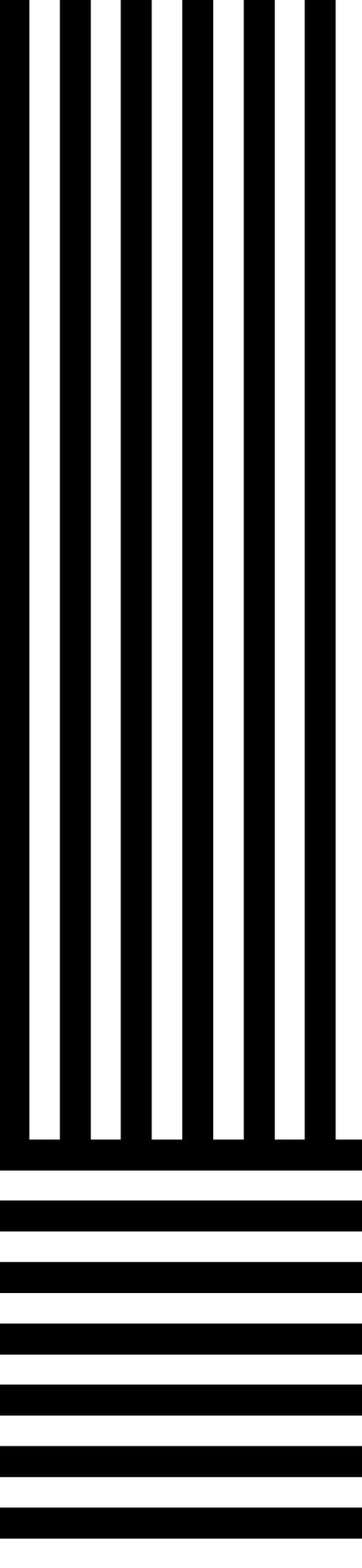
# Disclosure Regarding Forward-Looking Statements

This presentation contains “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act, as amended. The words “believe,” “expect,” “anticipate,” “plan,” “predict,” “intend,” “seek,” “foresee,” “should,” “would,” “could,” “attempt,” “appears,” “forecast,” “outlook,” “estimate,” “project,” “potential,” “may,” “will,” “likely,” “guidance,” “goal,” “model,” “target,” “budget” and other similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. Statements may be forward looking even in the absence of these particular words. Examples of forward-looking statements include, but are not limited to, statements regarding our financial position, business strategy, and other plans and objectives for our future operations, and generation of free cash flow. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. The forward-looking statements contained in this presentation are largely based on our expectations for the future, which reflect certain estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions, operating trends, and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. As such, management’s assumptions about future events may prove to be inaccurate. For a more detailed description of the risks and uncertainties involved, see “Risk Factors” in our most recently filed Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. We do not intend to publicly update or revise any forward-looking statements as a result of new information, future events, changes in circumstances, or otherwise. These cautionary statements qualify all forward-looking statements attributable to us, or persons acting on our behalf. Management cautions you that the forward-looking statements contained herein are not guarantees of future performance, and we cannot assure you that such statements will be realized or that the events and circumstances they describe will occur. Factors that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements herein include, but are not limited to a change in the relationship with any of our key suppliers or the unavailability of premium products at competitive prices; a change in negotiated volume discounts, cooperative advertising, and markdown allowances with any of our key suppliers, or the ability to cancel orders and return excess or unneeded merchandise; our ability to fund our planned capital investments; the impact of volatility in the financial markets or other global economic factors; difficulties in appropriately allocating capital and resources among our strategic opportunities; our ability to realize the expected benefits from recent acquisitions; business opportunities and expansion; investments; expenses; dividends; share repurchases; liquidity; cash flow from operations; use of cash and cash requirements; borrowing capacity and use of proceeds; repatriation of cash to the United States; supply chain issues, including delays in merchandise receipts and increasing cost pressure caused by higher oceanic shipping and freight costs; labor shortages; expectations regarding increased wages; inflation; consumer spending levels; the effect of governmental assistance programs; social unrest; the direct and indirect effects of all variants of the coronavirus pandemic (COVID-19) on our business, including any adverse effects of the U.S. government’s COVID-19 vaccine mandates; expectations regarding increasing global taxes; the impact of government regulation, including changes in law; the impact of the adverse outcome of any material litigation against us or judicial decisions that affect us or our industry generally; the effects of weather; increased competition; the financial impact of accounting regulations and critical accounting policies; credit risk relating to the risk of loss as a result of non-performance by our counterparties; and any other factors listed in the reports we have filed and may file with the SEC that are incorporated by reference herein. All written and oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary statement. A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. You should not place undue reliance on forward-looking statements, which speak to our views only as of the date of this presentation.

Non-GAAP Measures – Amounts used in this presentation are on a Non-GAAP basis, a reconciliation is included in the Appendix.

# Agenda

Time (ET)	Section	Speaker
8:30 - 8:35 AM	Welcome / 4Q'22 Highlights	Robert Higginbotham, Interim Chief Financial Officer SVP of Investor Relations and FP&A
8:35 - 9:45 AM	Management Presentations	Mary Dillon, Chief Executive Officer Chris Santaella, Chief Merchandising Officer Frank Bracken, Chief Commercial Officer Tony Aversa, SVP Global Store Development
9:45 - 10:00 AM	Break	
10:00 - 10:30 AM	Management Presentations	Peter Scaturro, SVP, Strategic Planning & Growth Elliott Rodgers, Chief Operations Officer Robert Higginbotham, Interim Chief Financial Officer SVP of Investor Relations and FP&A
10:30 - 11:15 AM	Q&A	
11:45 - 12:15 PM	Store Tour	



# FOURTH QUARTER

2022 RESULTS



# FOURTH QUARTER 2022 HIGHLIGHTS

COMP SALES

**+4.2%**

Total sales -0.3%  
Constant FX +3.6%

NON-NIKE SALES  
(CORE BANNERS)  
INCREASED

**MID-SINGLES**

## Comps by Region

NA	+1.2%
EMEA	+13.8%
APAC	+5.7%

Gross margin

**-290bps**

On Planned Promotions

Well Positioned  
With **High-quality**  
Inventory  
To Start The Year

**+29.8%**

Year-over-year

GAAP EPS

**\$0.20**

Non-GAAP EPS\*

**\$0.97**

\* A reconciliation to GAAP is provided in the Appendix

FOOT LOCKER, INC.

# 4Q GLOBAL COMP DETAIL



Footwear  
Up Mid-Singles



Apparel  
Up Low-Singles



Accessories  
Up Low Double  
Digits

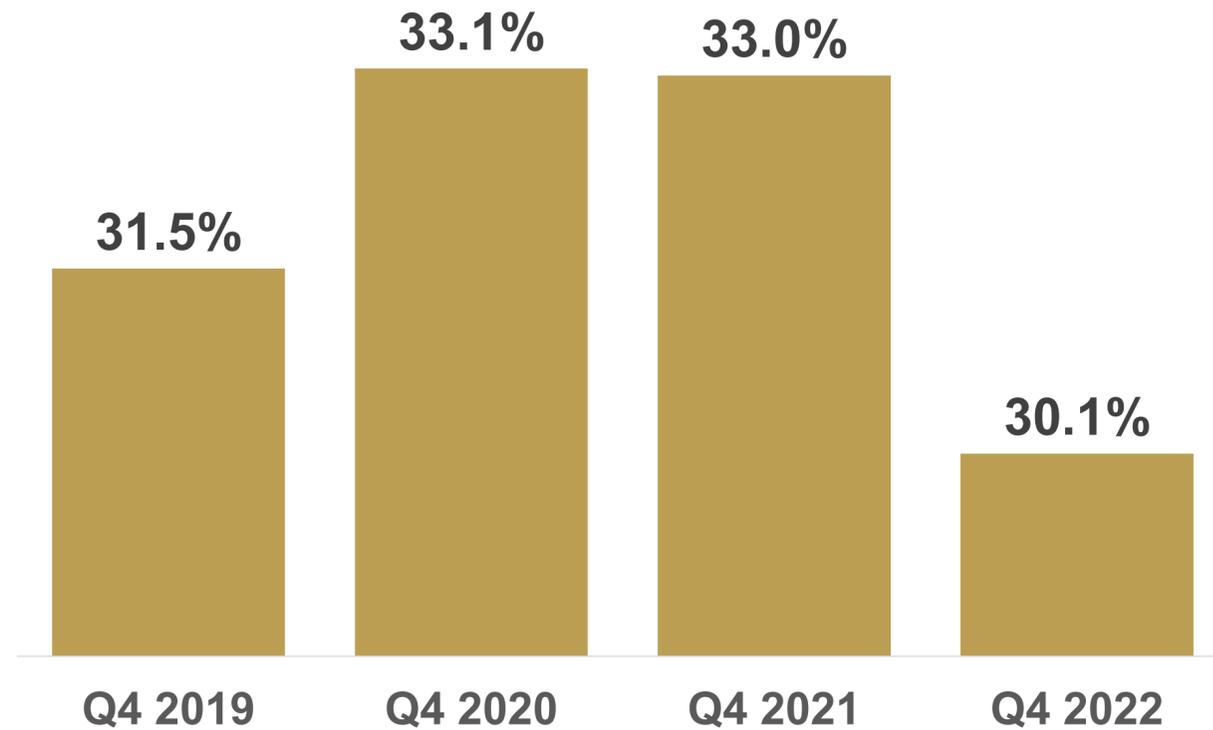


Note: data is on comp basis unless otherwise noted. All data is ex-W55/atmos

FOOT LOCKER, INC.

# FOURTH QUARTER 2022 MARGIN PERFORMANCE

## GROSS MARGIN (% of sales)

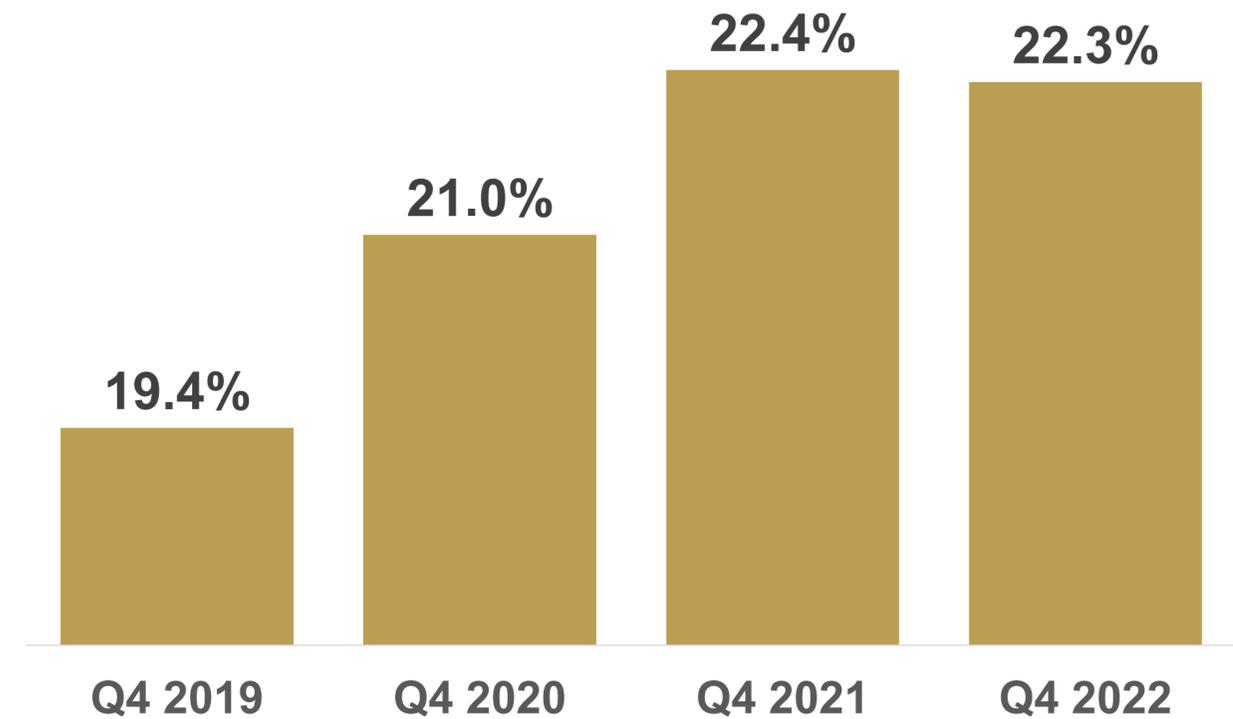


Down 290 bps Vs. Last Year

### Key Drivers

- Merchandise Margin Fell 310 Bps On Higher Markdowns And Increased Promotional Activity
- Occupancy Leveraged 20 Bps

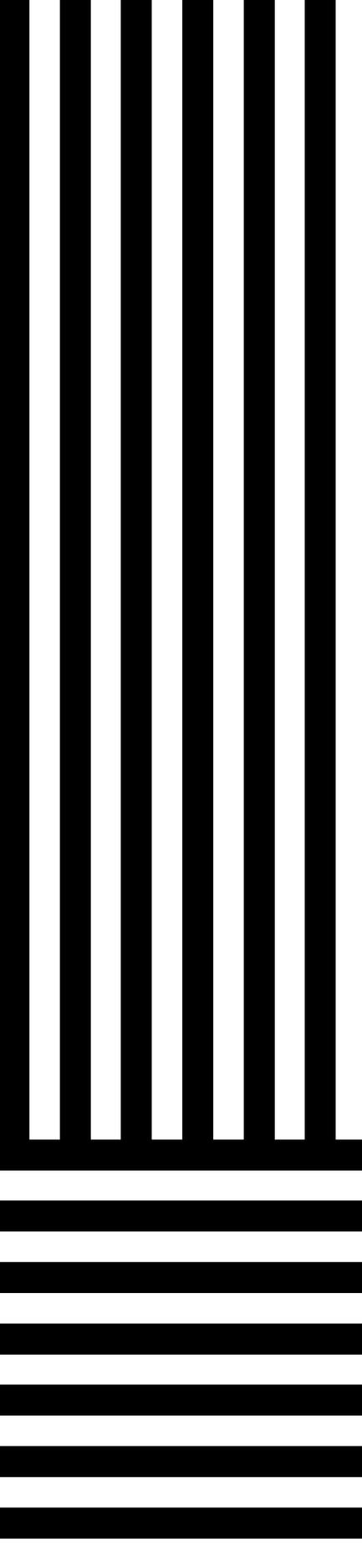
## SG&A EXPENSES (%) of sales



Down 10 bps Vs. Last Year

### Key Drivers

- Early Benefits From Cost Optimization
- Offset By Ongoing Inflationary Pressures

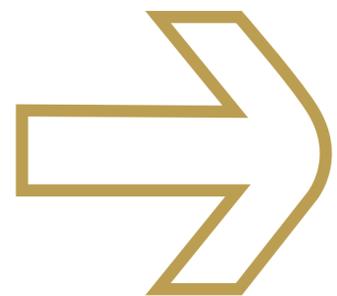


**Mary**

**Dillon**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

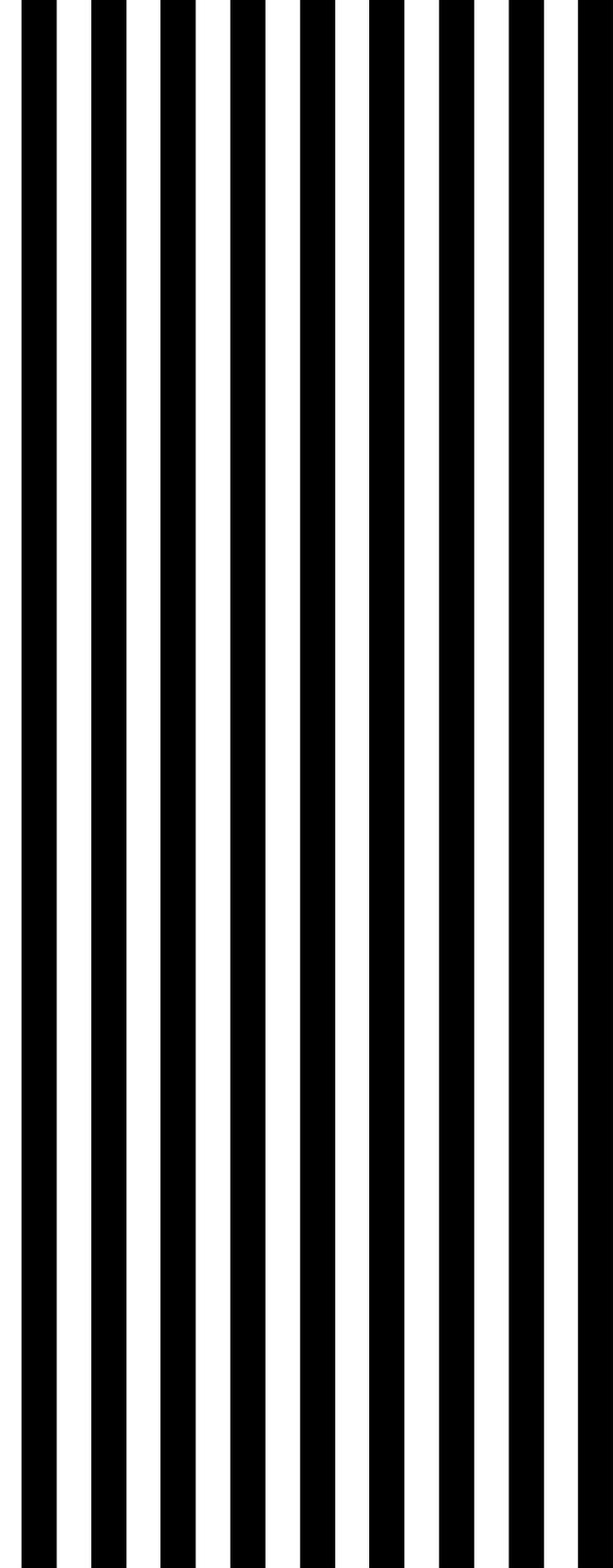
FOOT LOCKER, INC.



**Our**

**Lace Up**

**Plan**





# Foot Locker is the leader and originator of sneaker culture

WITH THE RIGHT FOCUS, INVESTMENT AND CAPABILITIES, WE WILL DRIVE STEADY, LONG-TERM PROFITABLE GROWTH

**LACING UP FOR THE FUTURE**



Strong Assets To Leverage



Operate In An Exciting, Growing Market



New Insights And Opportunities To Grow

FOOT LOCKER, INC.

# Differentiated global category leader with strong assets

50 YEAR HERITAGE  
IN SNEAKER CULTURE

## UNRIVALED BRAND

**90%**  
Foot Locker  
Brand Awareness



**5X**  
Social Media  
Following Vs.  
Closest  
Competitors

## EQUITY WITH TEENS

The ONLY 3rd party retailer recognized as a

**FAVORITE  
FOOTWEAR BRAND**

Piper Sandler "Taking Stock with Teens" report

## COMMUNITY CONNECTION

Job Creator And Career  
Starter

**+90%**

Of Field Team Members Are  
POC

## STRONG BRAND PARTNERSHIPS

**#1**

wholesale account for  
the leading brands in  
the industry



X



## TRUSTED EXPERTS

Striper Teams  
Who Are True  
Sneakerheads

**NPS ~90**

FOOT LOCKER, INC.

# We lead in the large and growing ~\$80B\* sneaker market

STRONG TAILWINDS ARE DRIVING MID-SINGLE DIGIT GROWTH ACROSS MULTIPLE NEEDS\*\*



#1

## MASS CASUALIZATION

Hybrid work model is expected to grow from 42% in 2021 to 81% in 2024

(Forbes 2022)



#2

## PERFORMANCE BECOMING MAINSTREAM

Performance footwear brands On, Salomon and Asics increasingly being adopted for non-sporting use

(Business of Fashion 2023)



#3

## SNEAKERS AS SELF-EXPRESSION

25% of teens surveyed this spring identified as Sneakerheads: 21% of all females and 28% of all males

(Piper Sandler 2021)

\* Source: Propriety Data

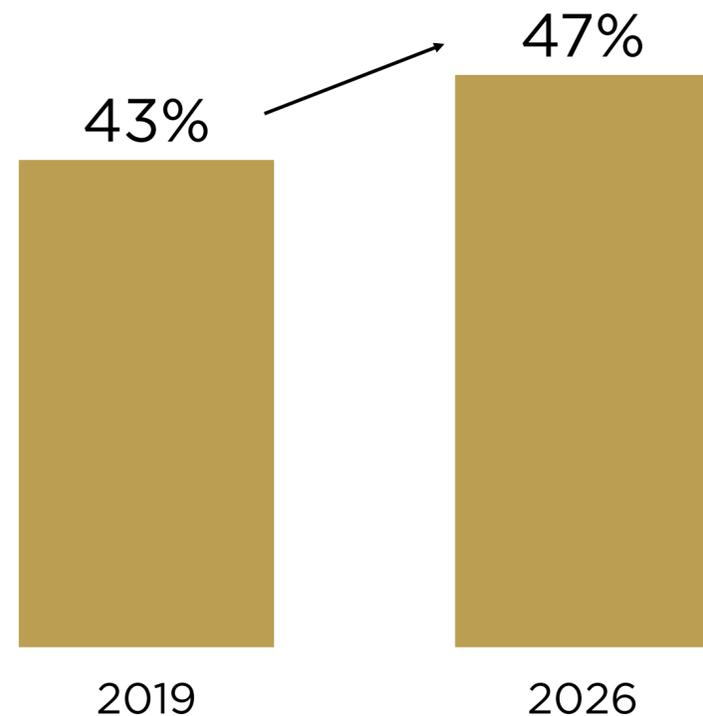
\*\*Projected growth through 2026 per Euromonitor Sports Footwear Market

# Consumers demand choice to meet all their lifestyle needs

## SUPPORTING OUR VALUE PROPOSITION AS A MULTI-BRAND RETAILER

SNEAKERS ARE GROWING IN USE,  
TAKING A GREATER SHARE OF THE FOOTWEAR  
MARKET

SNEAKER PENETRATION OF  
TOTAL FOOTWEAR MARKET



Source: Euromonitor Sports Footwear Market

CONSUMERS CRAVE CHOICE

Of Foot Locker  
Transactions That Have  
More Than One Item

~**40%**  
Have Multiple Brands\*

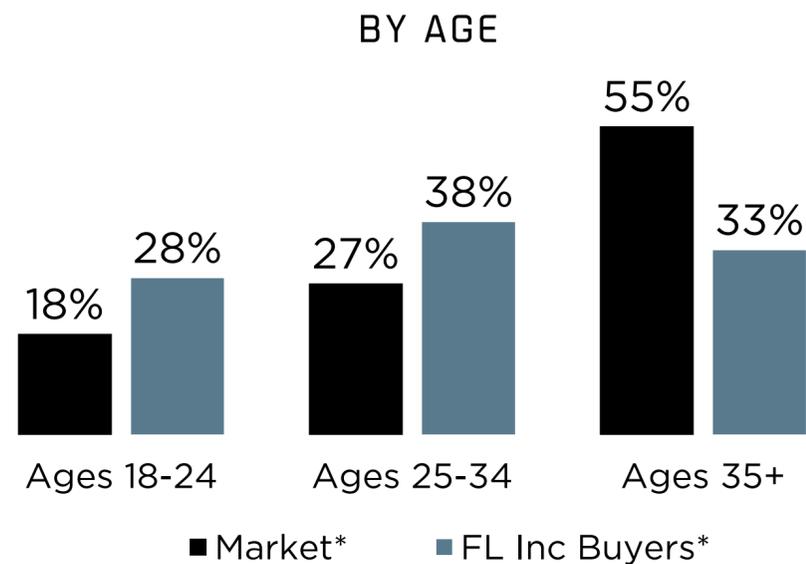
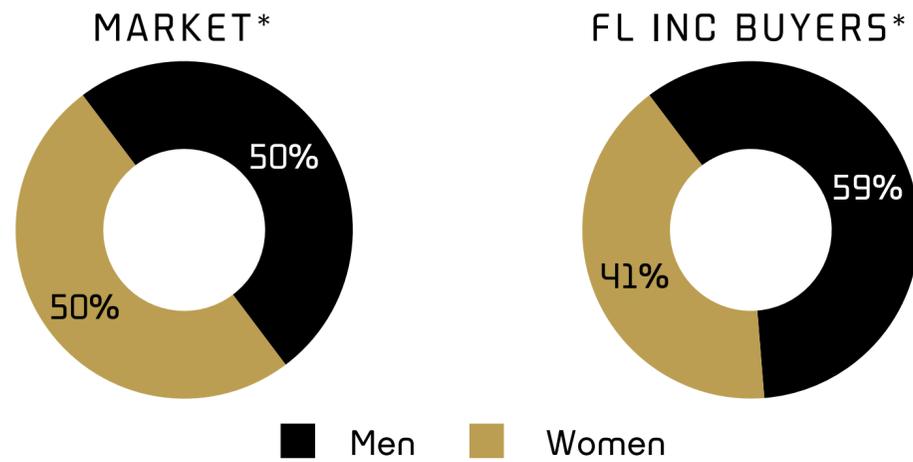
**80%**  
Of Foot Lockers Highest  
Frequency Shoppers Buy  
Multiple Brands\*\*

\*Based On Analysis Of Identified Customers In North America Excluding W55 And Atmos

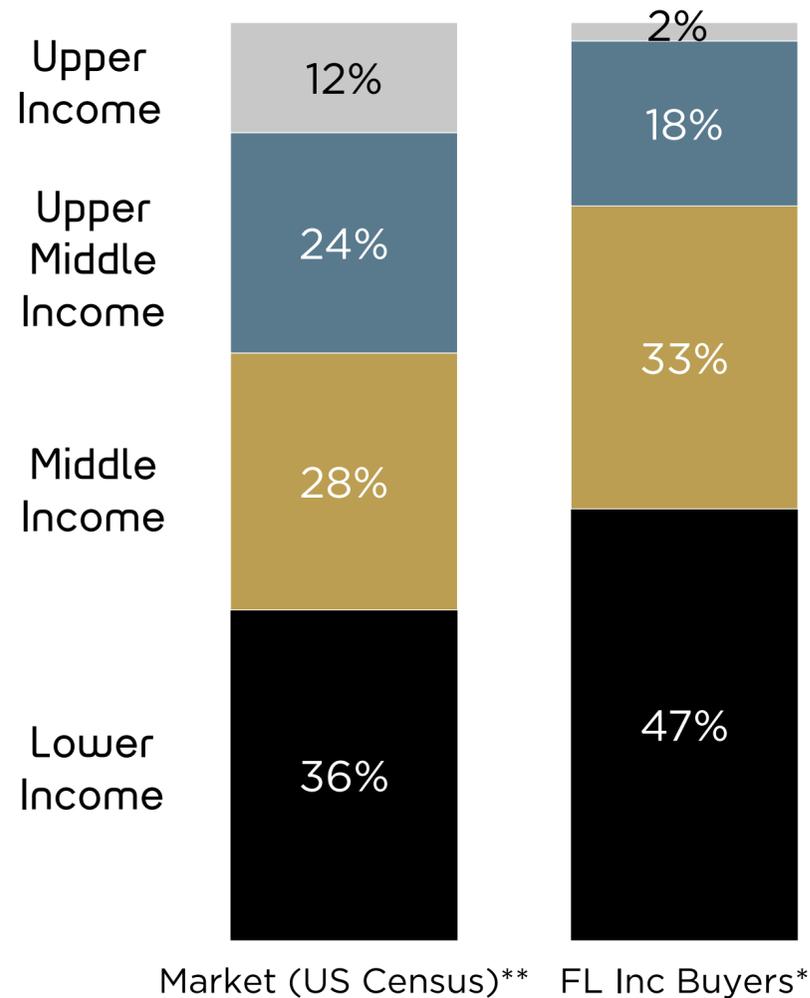
\*\* High Frequency Defined As Customers Who Buy Footwear >4x Over 2 Years

# We over index with a young and diverse customer and cast a wider net

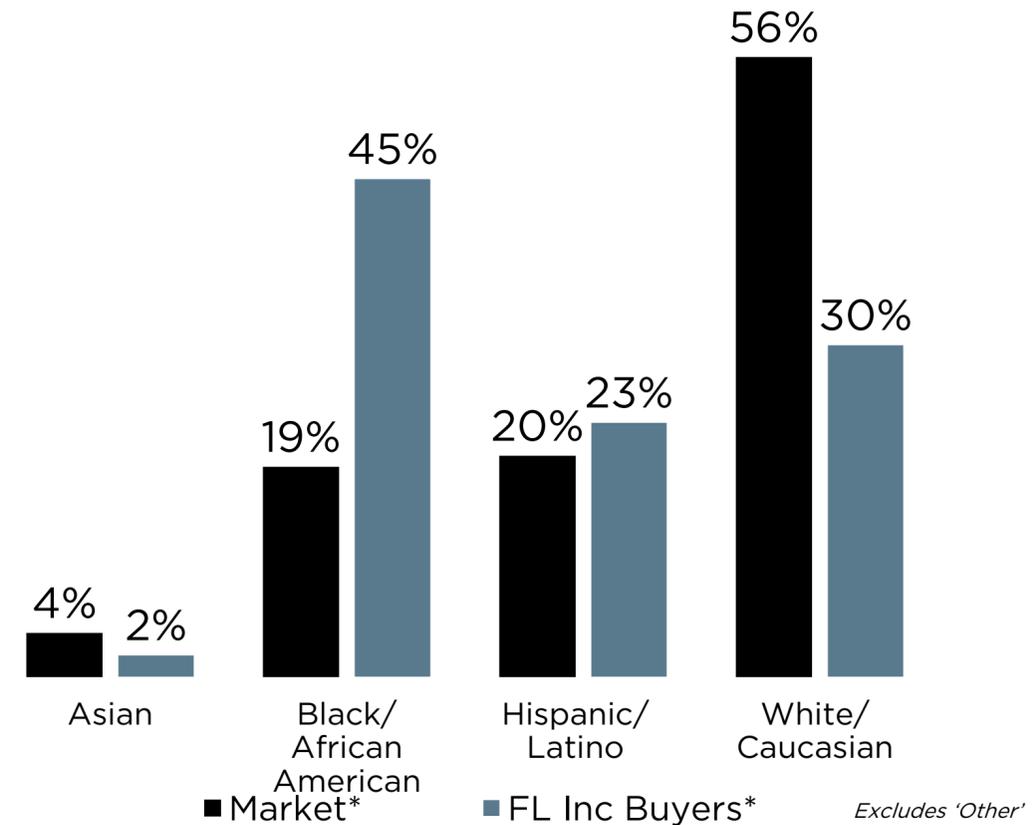
**INCLUSIVE OF ALL GENDERS & AGES WITH A GREATER SHARE OF MALES & YOUTH**



**SERVING ALL INCOMES WITH 80% UNDER \$100K**



**HEALTHY MIX ACROSS SPECTRUM; SKEW TOWARDS GROWING SECTIONS OF POPULATION**



**WE ARE WELL POSITIONED TO SERVE THE GROWING DIVERSITY IN THE US**

\*Source: Circana/Consumer Tracking Service, Performance and Leisure Footwear, U.S. Dollar Sales, 12 months ending August 2022 (FL Inc. excludes WSS sales)  
 \*\*Source: [Current Population Survey \(CPS\)](#) Annual Social and Economic (ASEC) Supplement. The CPS is a joint effort between the Bureau of Labor Statistics and the Census Bureau.  
 "Lower Income" - <\$50k || "Middle Income" - \$50k to \$100k || "Upper Middle Income" - \$100k-\$200k || "Upper Income" - \$200k+ 14

# Sneaker consumers have diverse motivations



Sneaker Maven



Fashion-Forward Expressionist



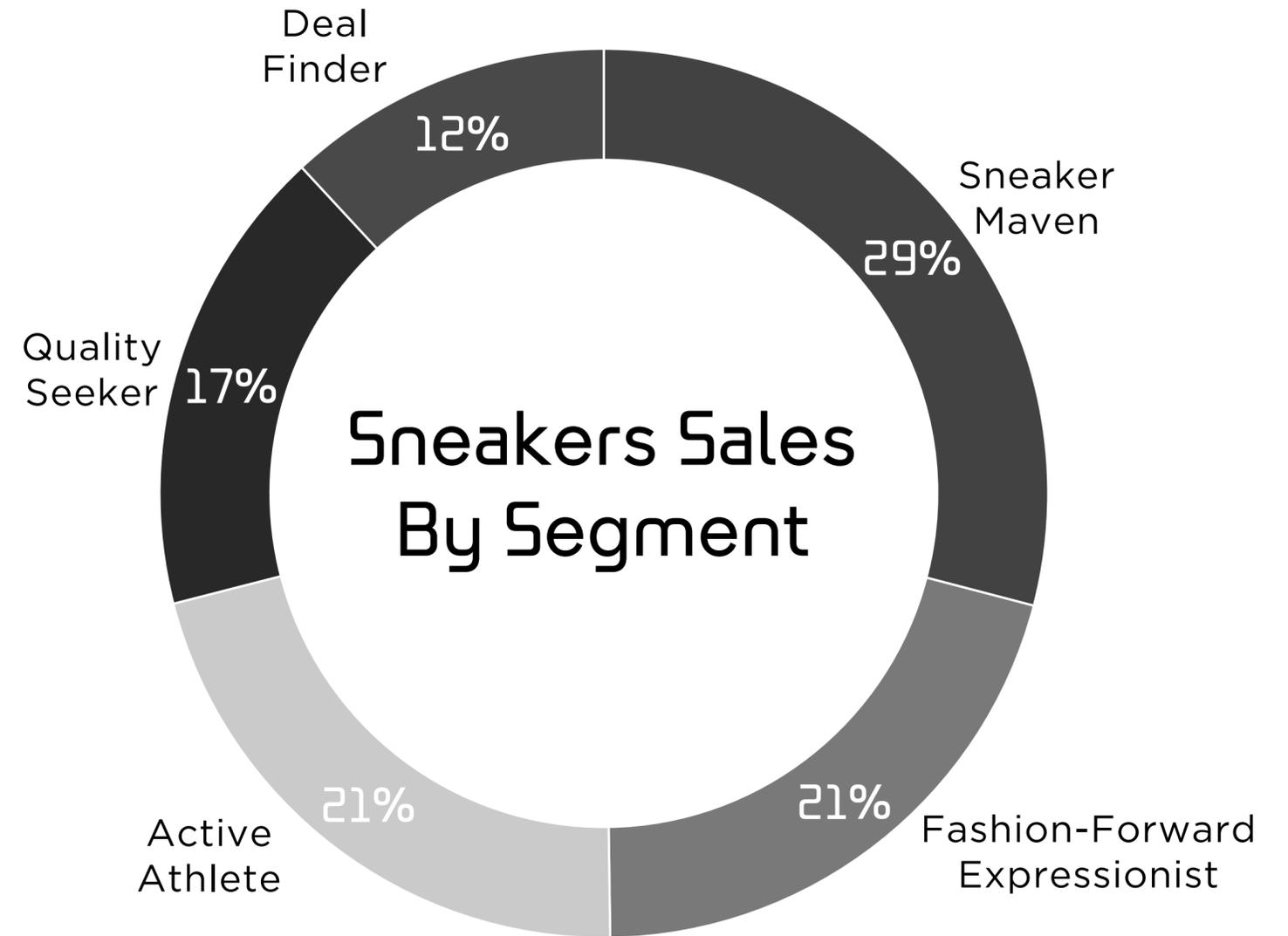
Active Athlete



Quality Seekers



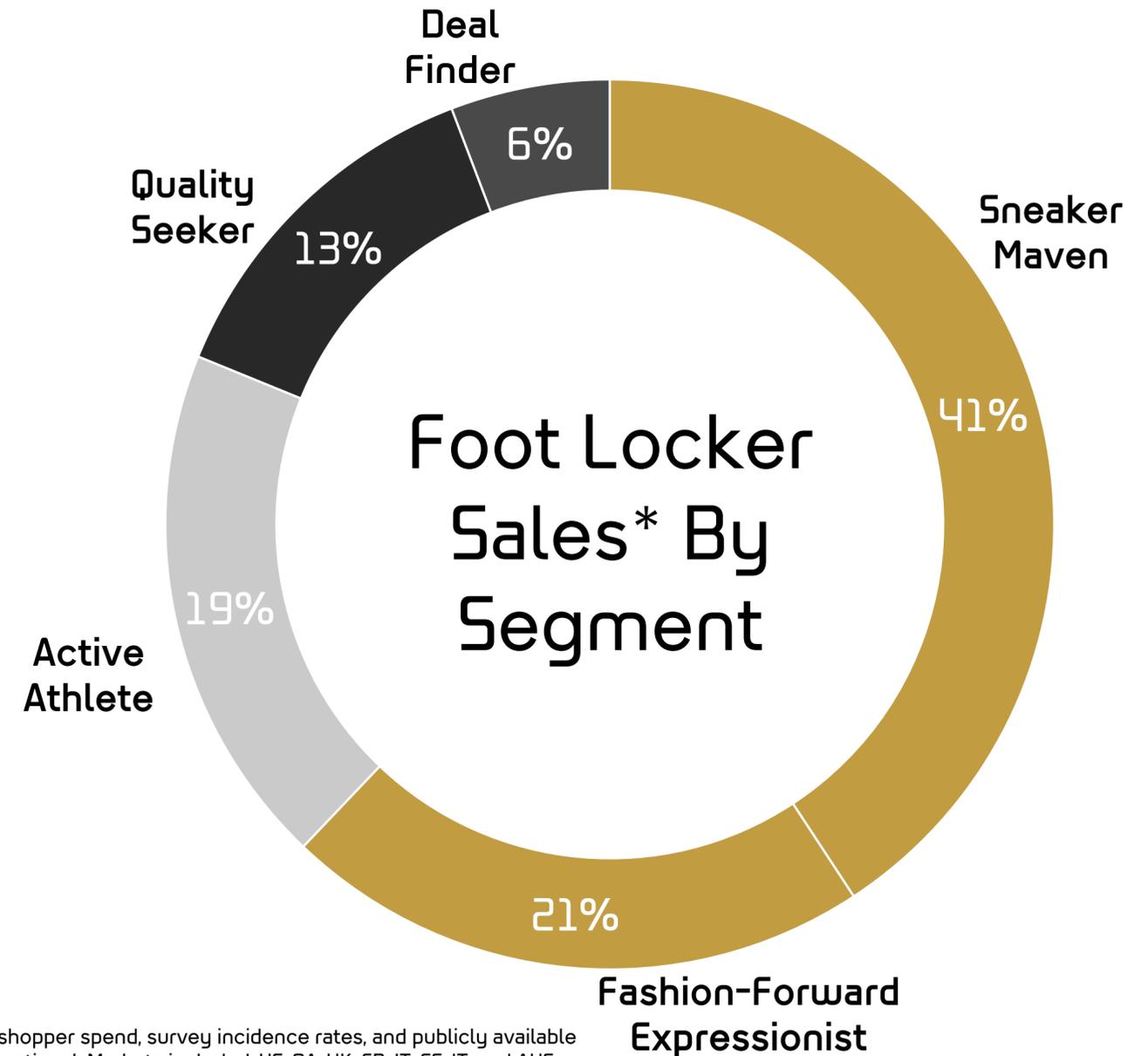
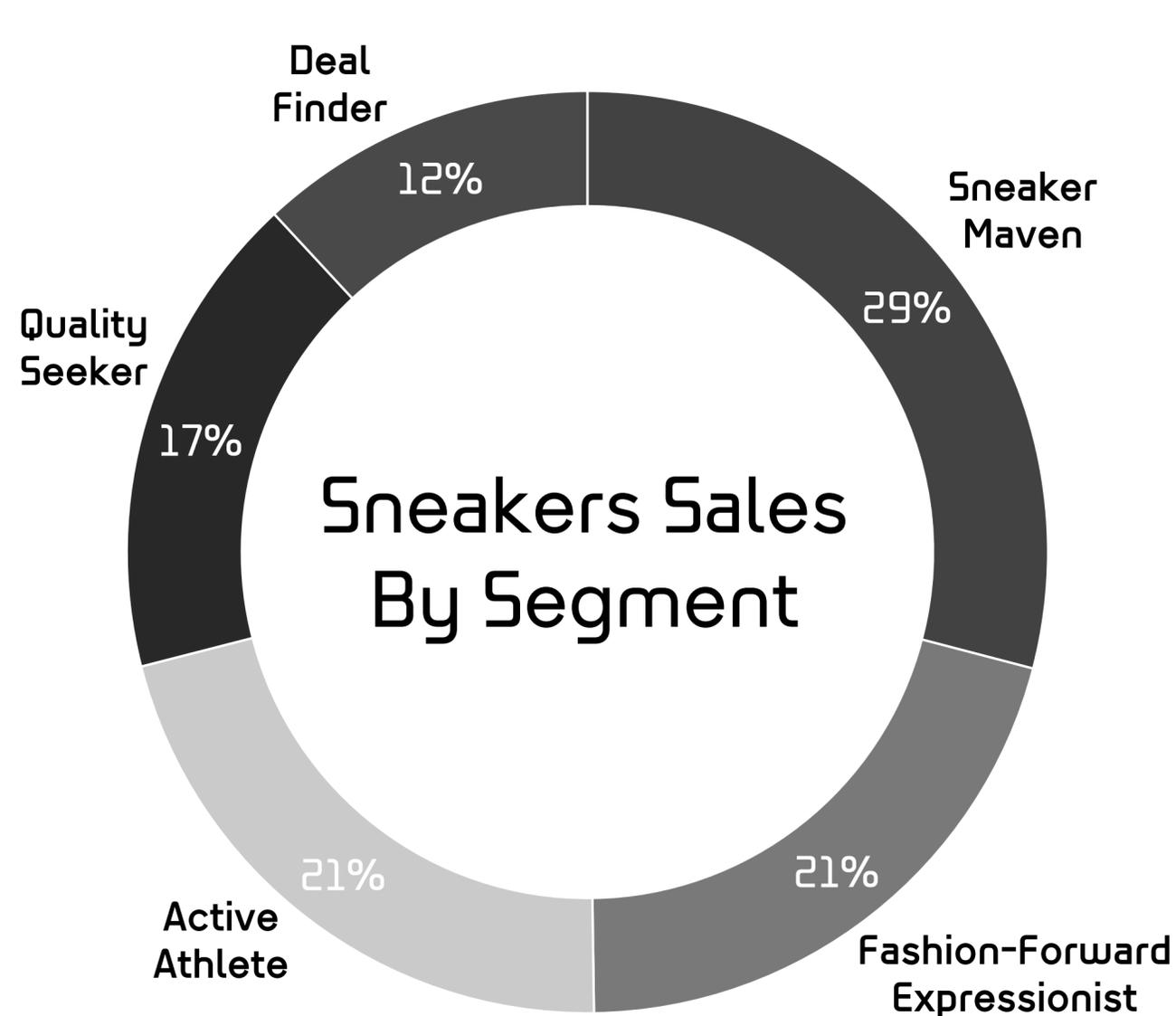
Deal Finders



Source: Foot Locker Teen + Adult Global Footwear Segmentation (Commissioned in Q1 2023). Estimates generated from self-reported retailer purchase behavior, shopper spend, survey incidence rates, and publicly available population statistics. Survey-based market sizing techniques involve respondent biases and researcher assumptions; as a result, data should be interpreted as directional. Markets included: US, CA, UK, FR, IT, ES, IT, and AUS.

# Our portfolio serves across those motivations

WITH A STRONG RELATIONSHIP WITH THE SNEAKER MAVEN



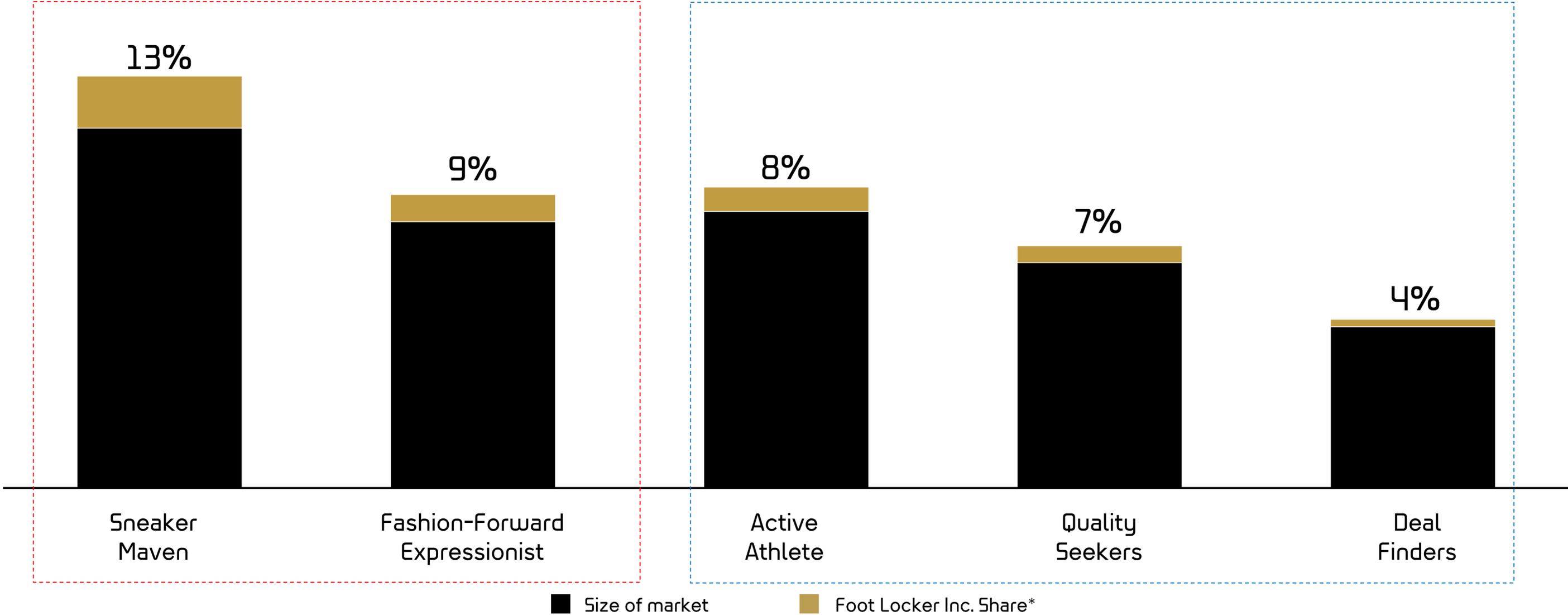
\*represents only footwear sales

Source: Foot Locker Teen + Adult Global Footwear Segmentation (Commissioned in Q1 2023). Estimates generated from self-reported retailer purchase behavior, shopper spend, survey incidence rates, and publicly available population statistics. Survey-based market sizing techniques involve respondent biases and researcher assumptions; as a result, data should be interpreted as directional. Markets included: US, CA, UK, FR, IT, ES, IT, and AU5.

# We will use our “sneaker authority” and portfolio of banners to drive growth

EXPAND WALLET SHARE

BROADENING CONSUMER REACH



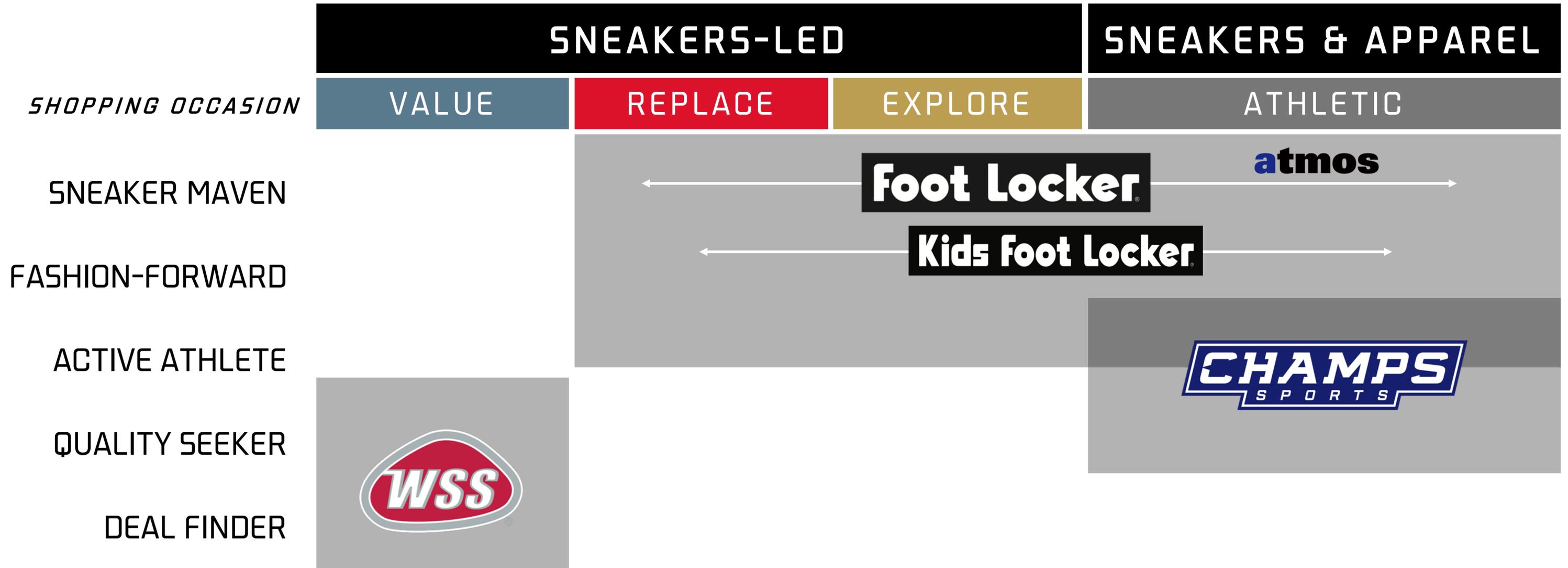
■ Size of market ■ Foot Locker Inc. Share\*

\*represents footwear sales only

Source: Foot Locker Teen + Adult Global Footwear Segmentation (Commissioned in Q1 2023). Estimates generated from self-reported retailer purchase behavior, shopper spend, survey incidence rates, and publicly available population statistics. Survey-based market sizing techniques involve respondent biases and researcher assumptions; as a result, data should be interpreted as directional. Markets included: US, CA, UK, FR, IT, ES, IT, and AU5.

# SNEAKER GROWTH MAP

*Each Banner Will Play A Distinct Role*



# FOOT LOCKER VISION

Foot Locker Unlocks The  
“Inner Sneakerhead” In All Of Us –  
Sparking Discovery And Igniting The Power Of  
Sneaker Culture.

**Foot Locker**

Bring the best of sneaker culture to all

**Kids Foot Locker**

Recruit the next generation

**CHAMPS**  
SPORTS

Serve the active athlete

**WSS**

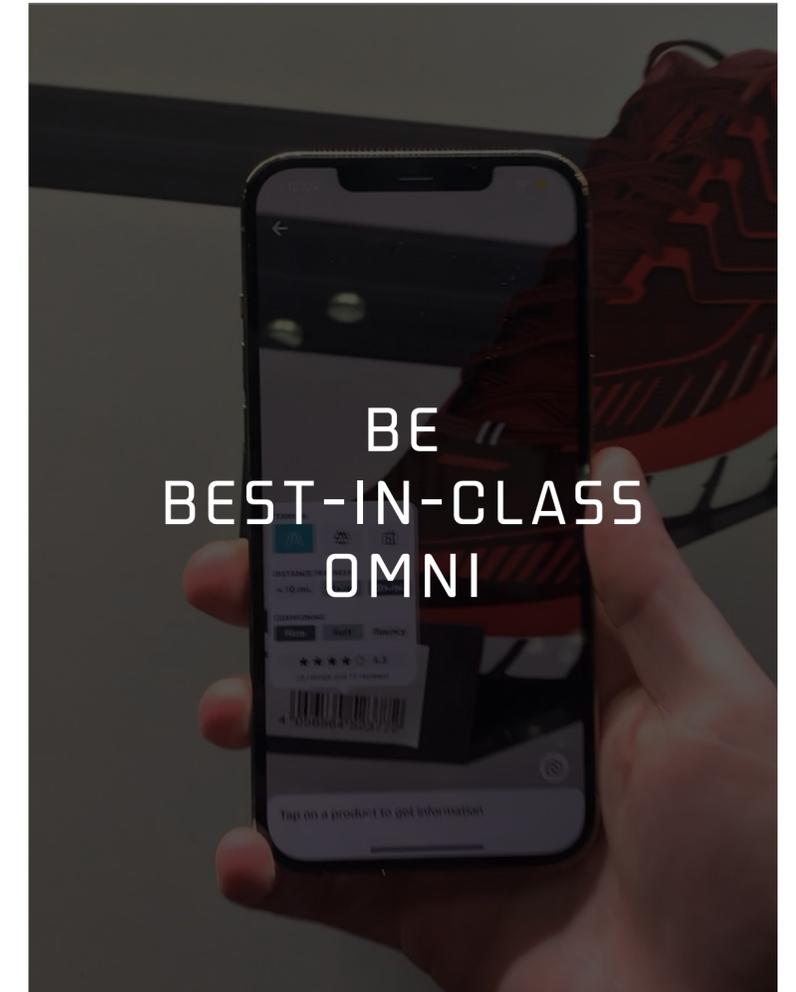
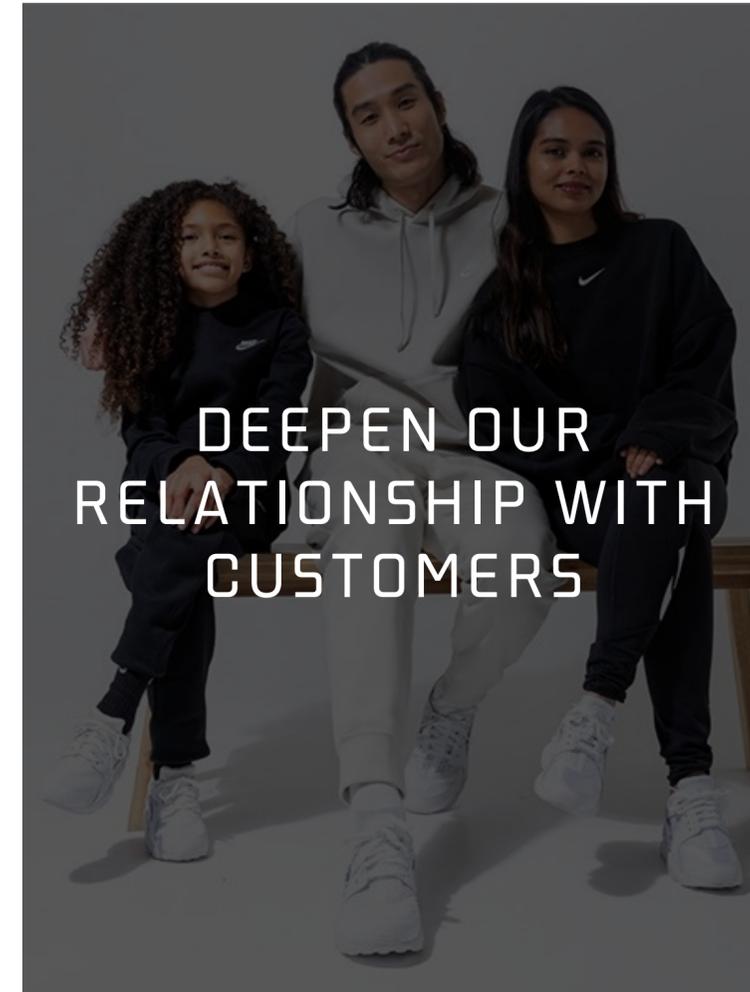
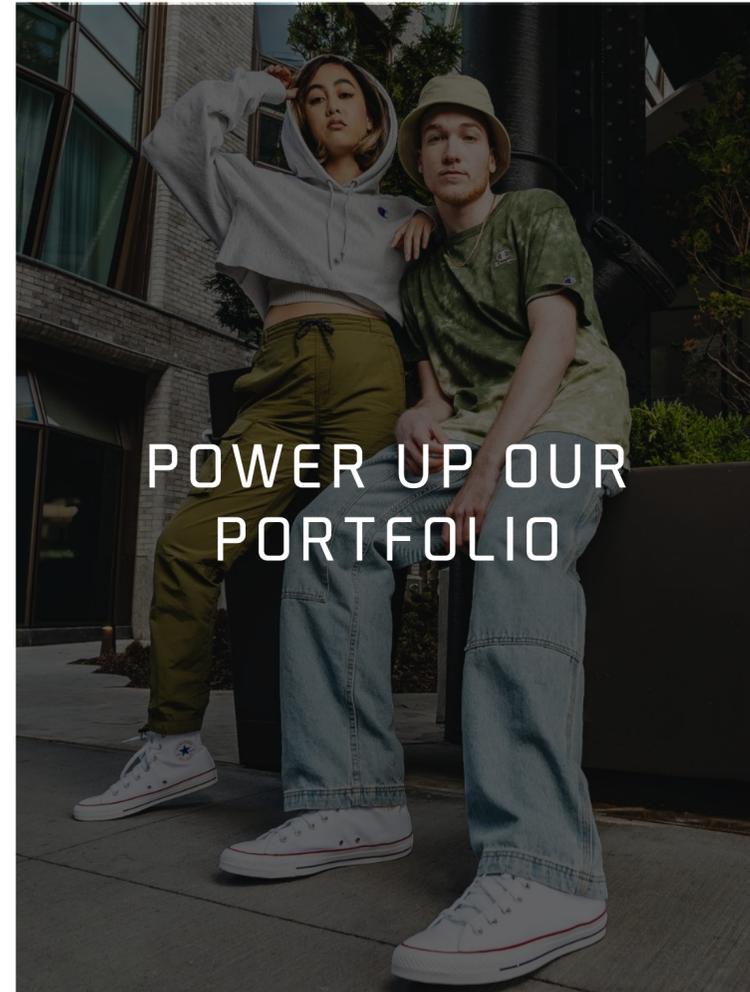
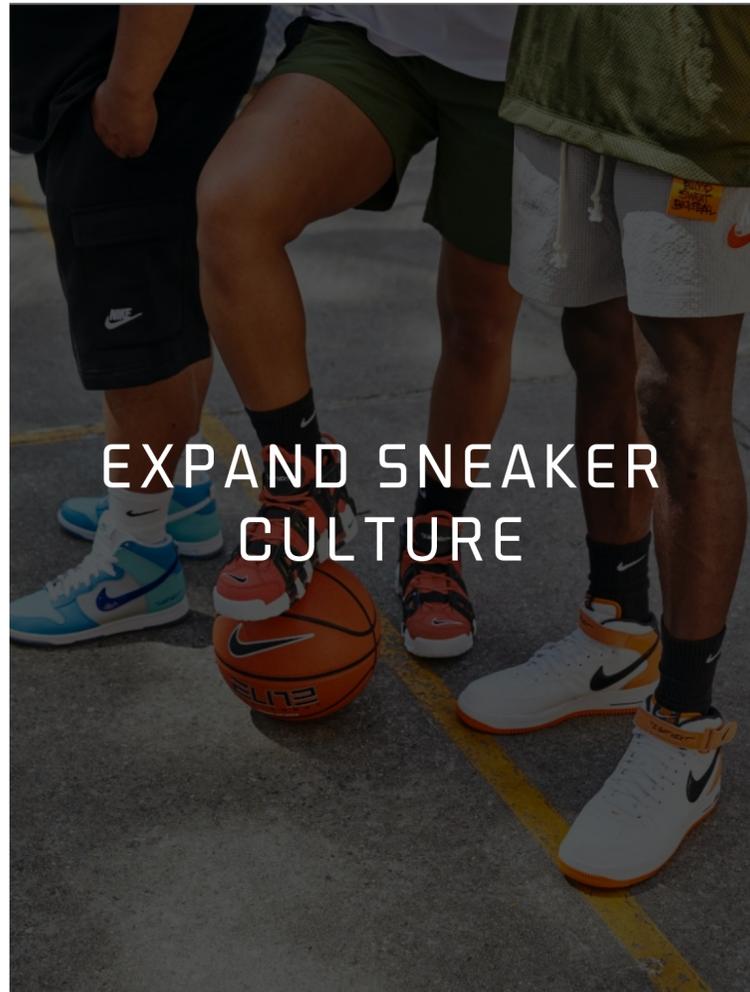
Celebrate the Hispanic community

**atmos**

Share Japanese street and sneaker  
culture

FOOT LOCKER, INC.

# Our “Lace Up” plan



CREATE VALUE FOR ALL STAKEHOLDERS (CUSTOMERS, COMMUNITY, TEAM MEMBERS, & INVESTORS)

# How we will do it

A sharper focus on  
'all things sneakers'

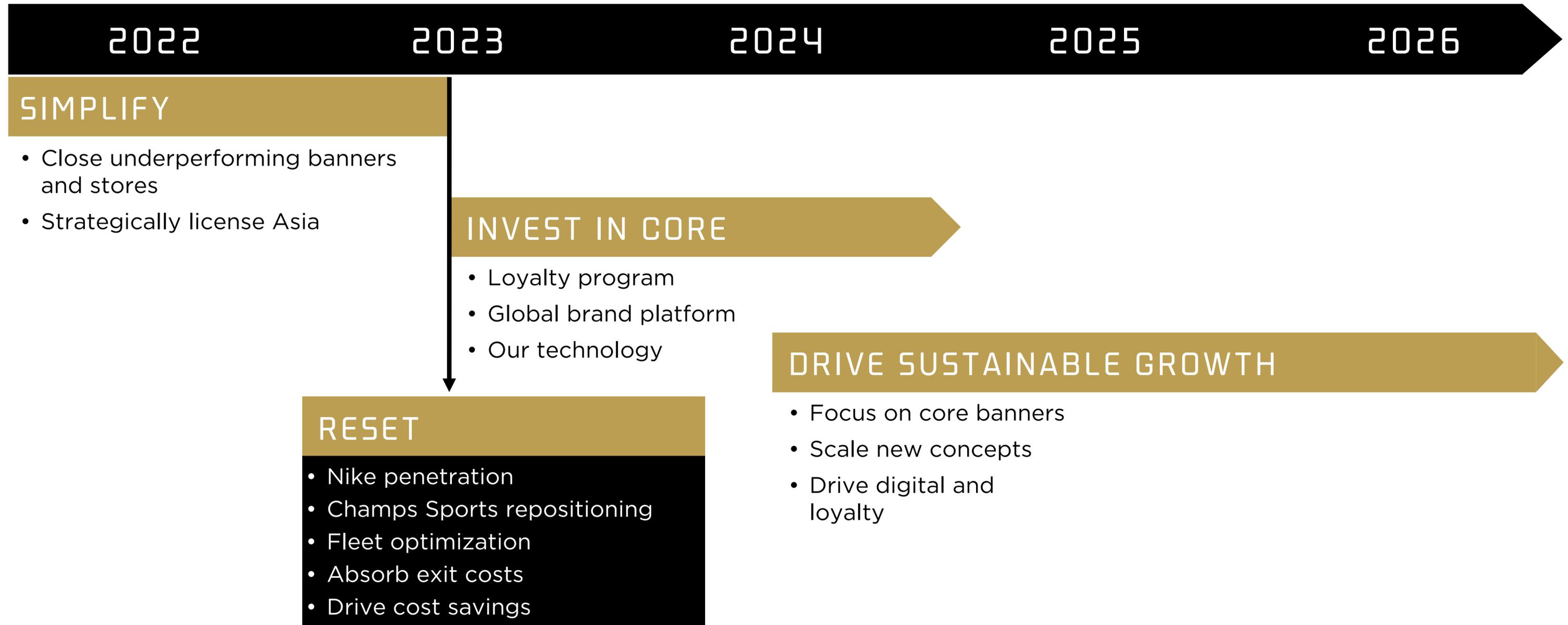
Invest into new  
capabilities and  
technology

Move from  
product-led to  
consumer-led

Build the  
culture of the  
future

# Our path to get there

TRANSFORM TO GROW



# Our talented leadership team



**MARY DILLION**  
President  
Chief Executive Officer  
2022



**FRANK BRACKEN**  
EVP  
Chief Commercial Officer  
2010



**ELLIOTT RODGERS**  
EVP  
Chief Operations Officer  
2022



**SHEILAGH CLARKE**  
EVP  
General Counsel  
1988



**ROSALIND REEVES**  
EVP  
Chief HR Officer  
2020



**ROBERT HIGGINBOTHAM**  
Interim Chief Financial Officer  
SVP, Investor Relations, FP&A  
2022



**TONY AVERSA**  
SVP  
Store Development  
1995



**GIOVANNA CIPRIANO**  
SVP  
Chief Accounting Officer  
1996



**NATALIE ELLIS**  
VP  
APAC Lockers  
2011



**JILL FELDMAN**  
SVP  
Lockers NA  
2021



**TODD GREENER**  
SVP  
Supply Chain  
2018



**GUY HARKLESS**  
SVP  
Champs Sports NA  
2015



**OLIVIA MATA**  
VP  
Corporate Communications  
2023



**BRYON MILBURN**  
President  
Lockers & Champs NA  
1989



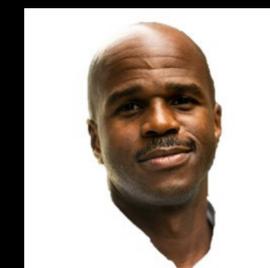
**TOMAS PETERSSON**  
SVP  
EMEA Lockers  
2017



**CHRIS SANTAELLA**  
SVP  
Chief Merchandising Officer  
1991



**PETER SCATURRO**  
SVP  
Strategic Planning & Growth  
2008



**PATRICK WALSH**  
SVP  
Atmos  
2016



**ADRIAN M. BUTLER**  
SVP  
Chief Technology Officer  
2023



**KIM WALDMANN**  
SVP  
Chief Customer Officer  
2023  
(starting March 27)

# Our targets and long-term aspirations

FROM

WE WILL

LONG-TERM

**~\$8.5B  
of revenue**

SIMPLIFY / INVEST / GROW

EXPAND SNEAKER CULTURE

POWER UP THE PORTFOLIO

DEEPEN OUR RELATIONSHIP  
WITH CUSTOMERS

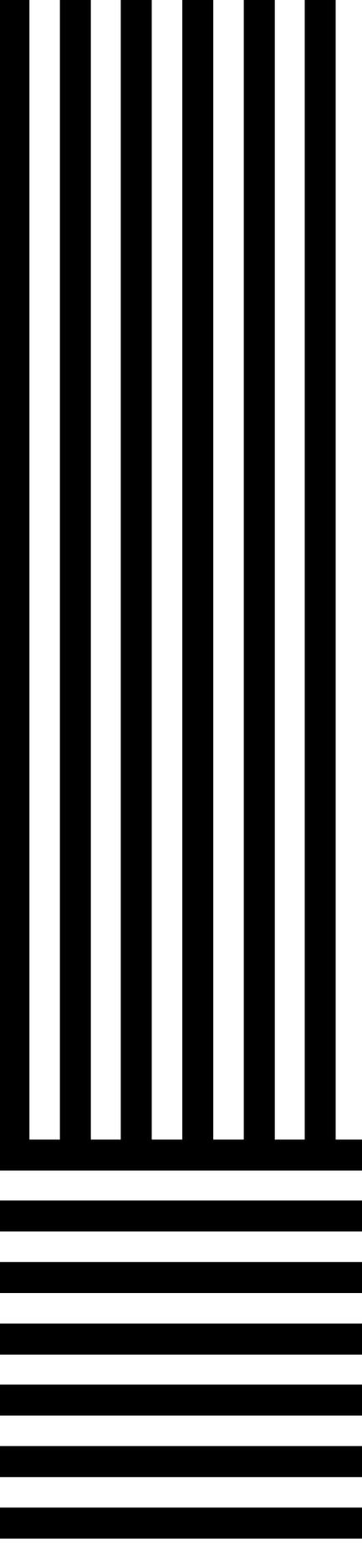
BE BEST IN CLASS OMNI

**>\$10B  
of revenue**

<7% EBIT margin  
<10% ROIC

CREATE VALUE FOR  
ALL STAKEHOLDERS

>10% EBIT margin  
Low to Mid-Teens ROIC



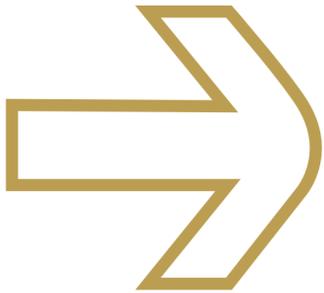
**Chris**

**Santaella**

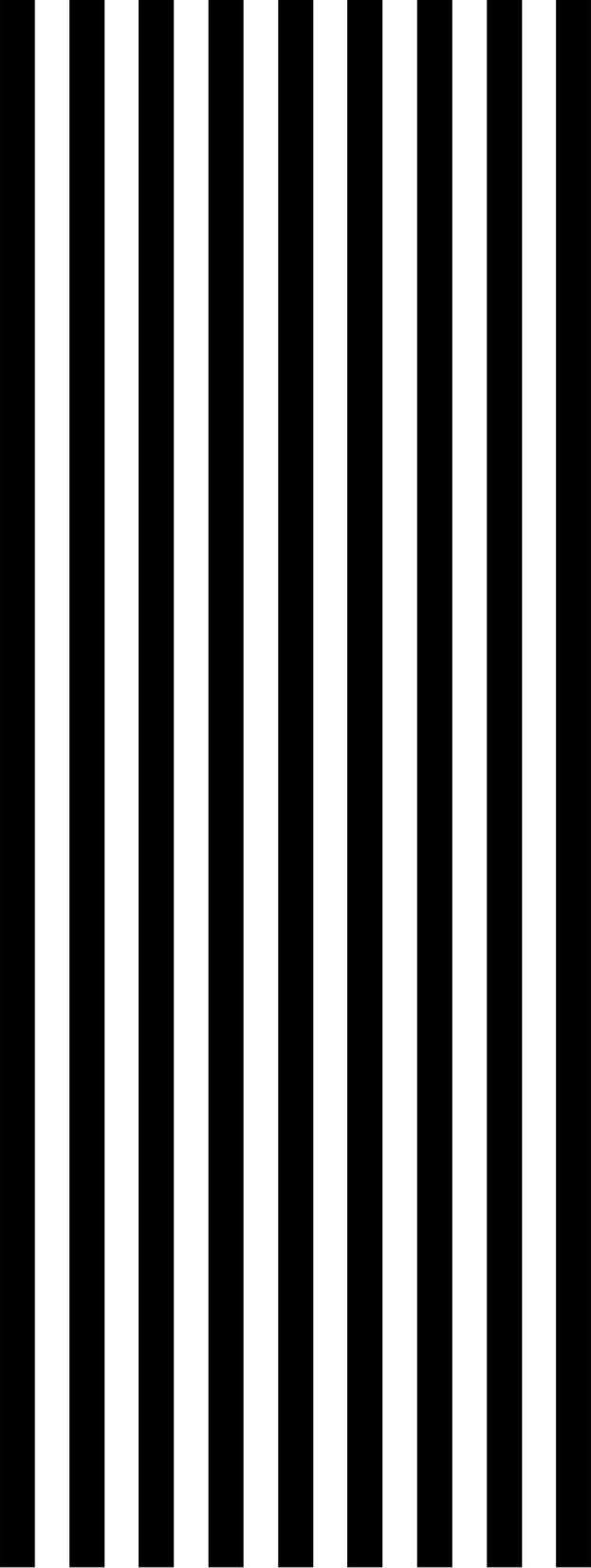
CHIEF MERCHANDISING OFFICER

FOOT LOCKER, INC.

STRATEGIC IMPERATIVE #1



# Expand Sneaker Culture



# Sneaker culture has evolved to be more inclusive

Sneaker Maven



Fashion Forward Expressionist



Active Athlete



Quality Seekers



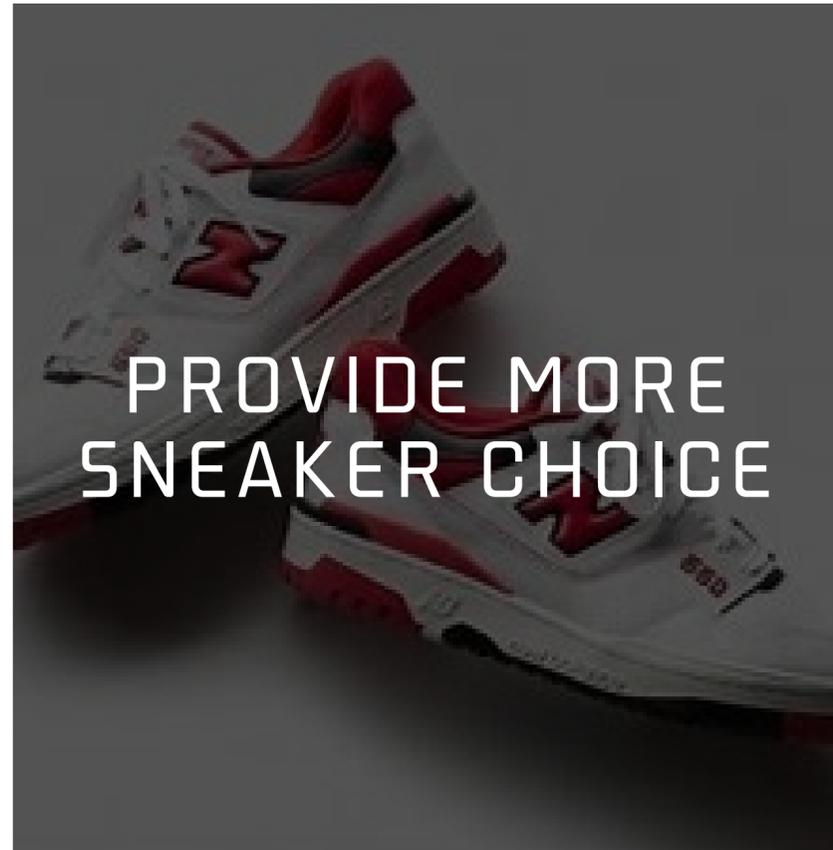
Deal Finders



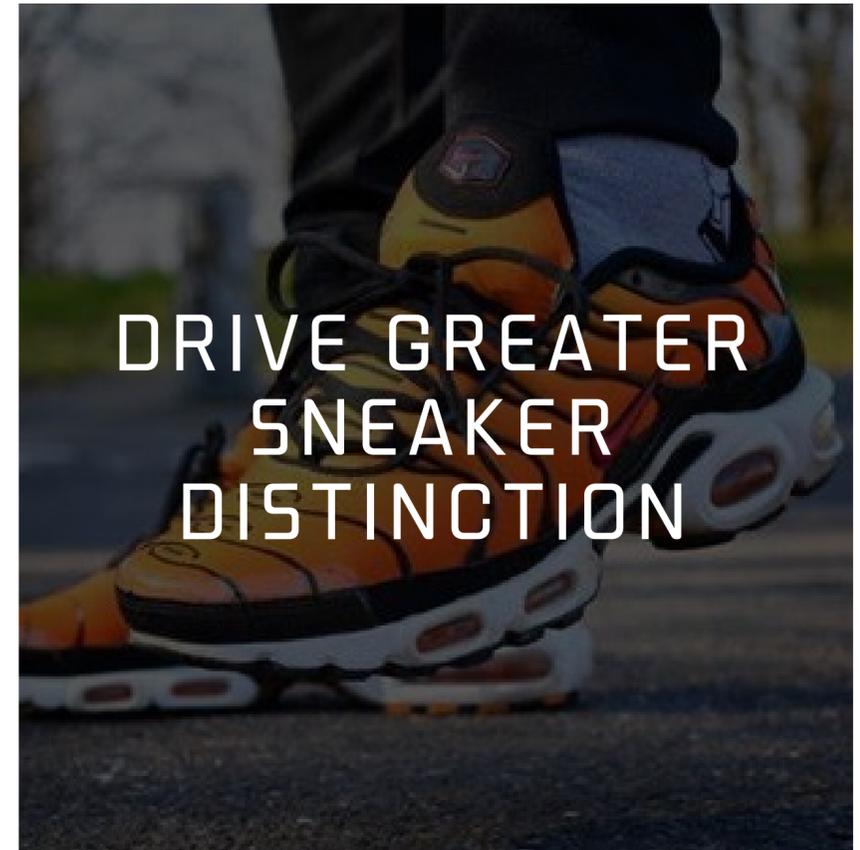
# We will leverage our key equities while increasing our array of brands to expand sneaker culture



Broaden the consumer occasions that drive sneaker buying



Strengthen brand relations to provide more choice to customers



Drive distinction through exclusive concepts and basketball leadership

# Our sneaker growth map illustrates 3 sneaker occasions that provide outsize opportunity

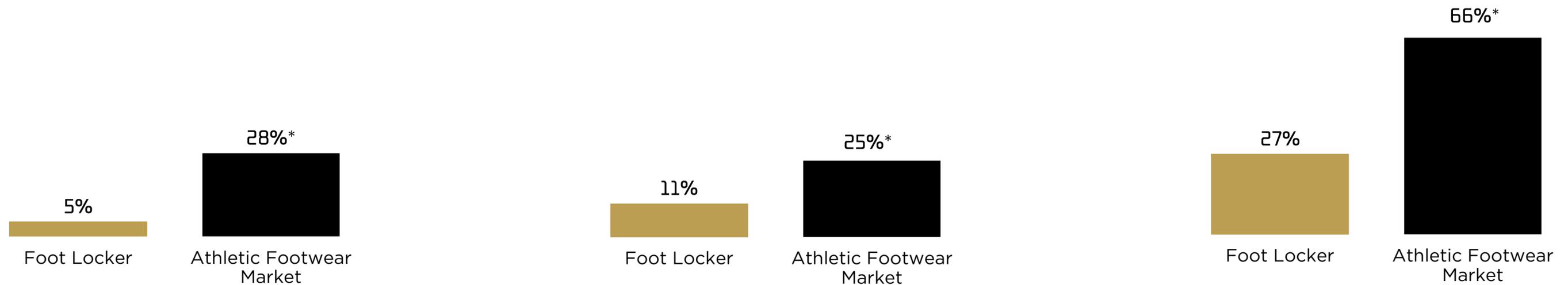
PROVIDING OPPORTUNITY TO ACQUIRE NEW CUSTOMERS WHILE TAKING GREATER WALLET SHARE OF EXISTING

## PERFORMANCE

## CASUAL & SEASONAL

## UNDER \$100

% Of Sales



Compelling Visual Technology And Comfort Are Attracting Older And More Affluent Customers Into The Category, As Well As More Women.

Female Customers Are Increasingly Participating In Sneaker Culture, Driving The Adoption And Appeal Of More Casual Sneakers And Seasonal Styles.

Customers Want To Participate In Sneaker Culture And Desire Authentic Athletic Brands At Accessible Price Points.



\*Source: Circana/Consumer Tracking Service, Performance and Leisure Footwear, U.S. Dollar Sales, 12 months ending December 2022

\*Source: Circana/Consumer Tracking Service, Performance and Leisure Footwear, U.S. Dollar Sales, 12 months ending December 2022. Casual & Seasonal refers to the Leisure Category excluding the Casual Athletic sub-class.

\*Source: Circana/Retail Tracking Service (excludes DTC and Specialty), Performance and Leisure Footwear, U.S. Dollar Sales, 12 months ending December 2022

# We have revitalized our Nike relationship

BOTH COMPANIES ARE COMMITTED TO A SHARED VISION OF FUTURE GROWTH

FOOT LOCKER'S PARTNERSHIP IS COMPLEMENTARY TO NIKE'S DTC STRATEGY

## CONSUMER DISTINCTION

## INTEGRATED MARKETPLACE

BASKETBALL  
CULTURE & HOH

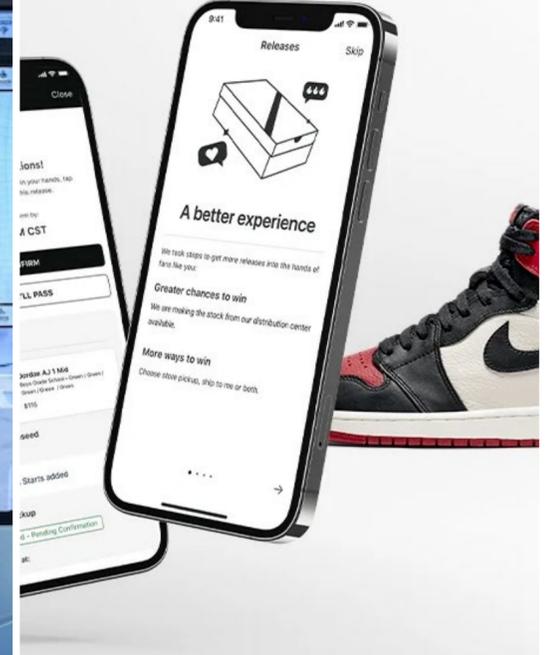
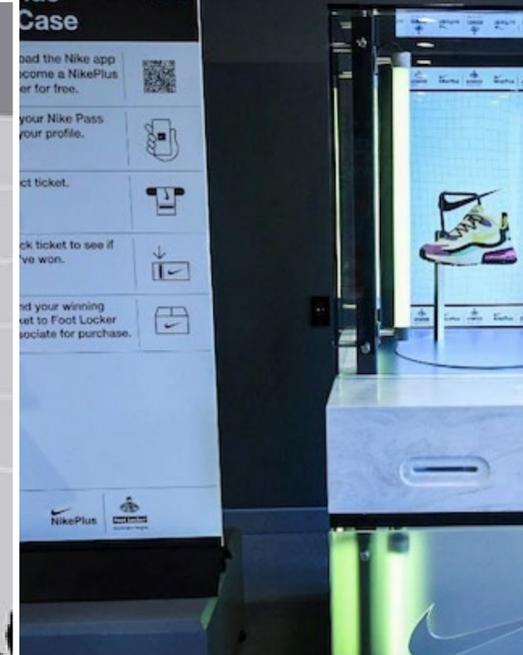
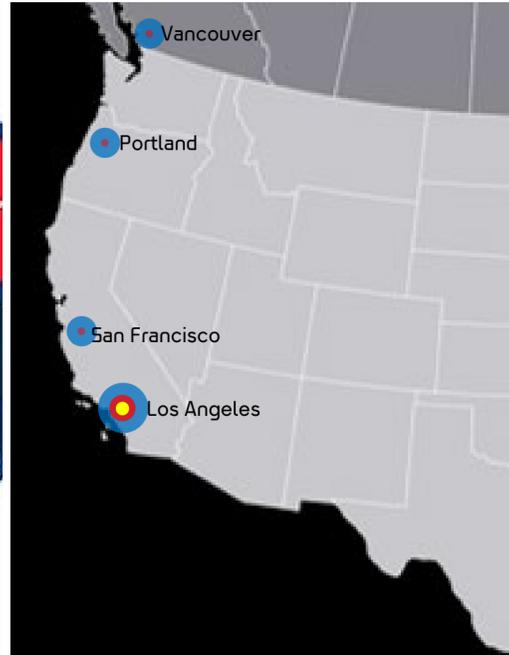
KIDS

SNEAKER  
CULTURE

MARKET  
PLANNING

LOYALTY &  
DATA

EXPANDED  
DROP SHIP

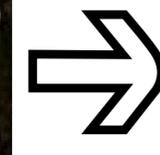


RETURN TO GROWTH IN 2024 ➡ 55-60% OF REVENUE IN 2026

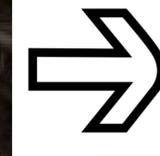
# Delivering unrivaled product and experiences for our customers



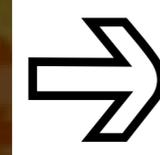
Re-launch  
House Of Hoops



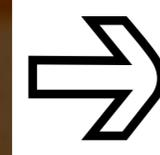
Joint Kids Leadership  
Position



Tuned Air 25-year  
Anniversary

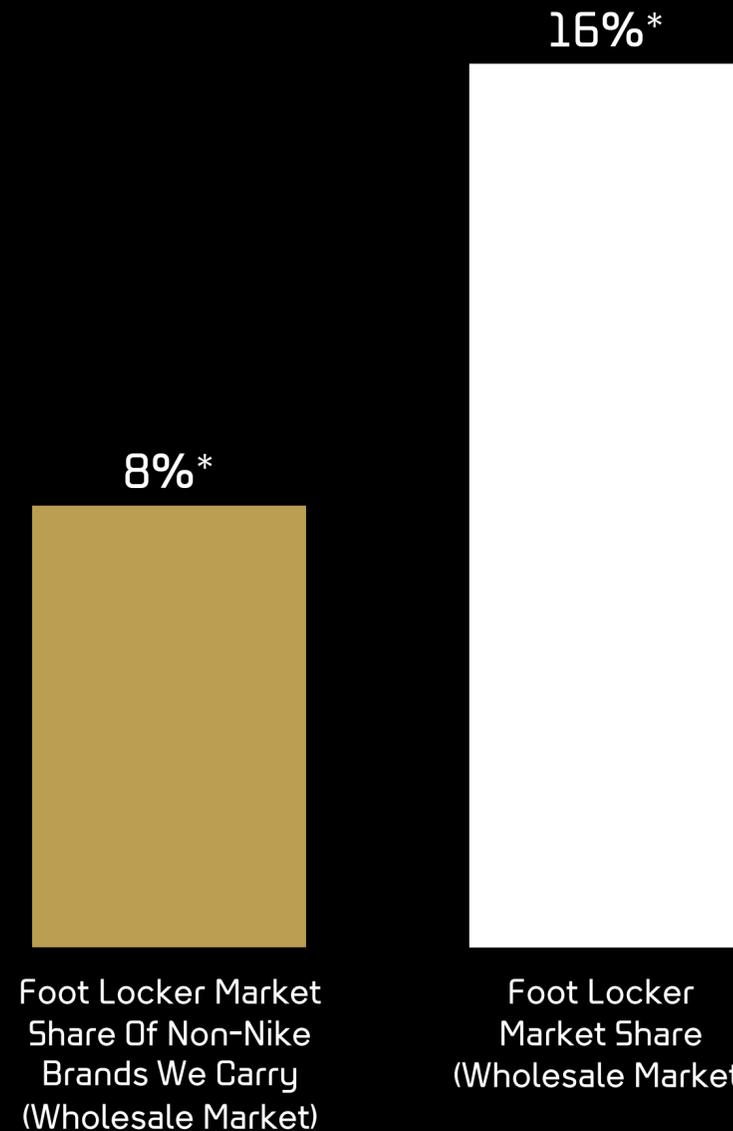


Celebrate  
Foot Locker 50



Create Path To Join Our  
Loyalty Programs

## OPPORTUNITY TO DOUBLE OUR NON-NIKE SALES



Grow Non-Nike  
Brands

> **2X**

Company Average  
2022-2026

> **40%**  
Of Sales By 2026

**We will continue to diversify  
our brand mix to offer more  
sneaker choice and meet  
more occasions**

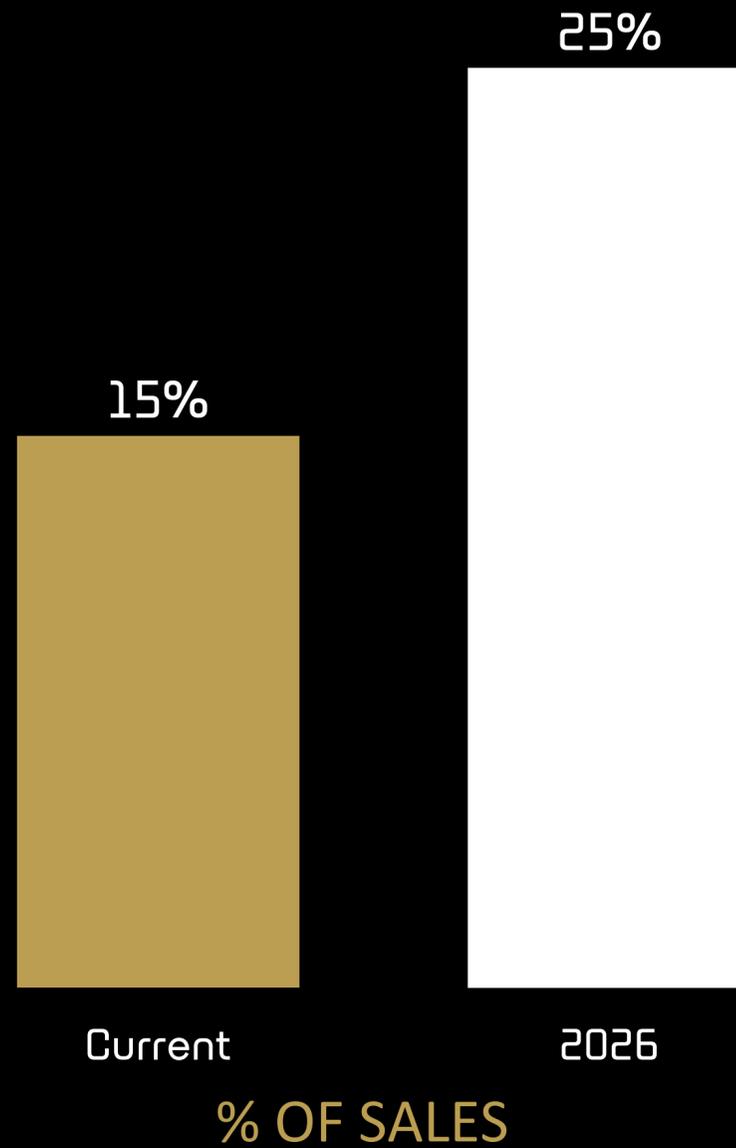
### DELIVERED THROUGH:

- Long Range Plans driving sustainable, scalable revenue
- Comprehensive go-to-market strategies across product, marketing, in-store and digital
- Co-created product franchises with elevated storytelling

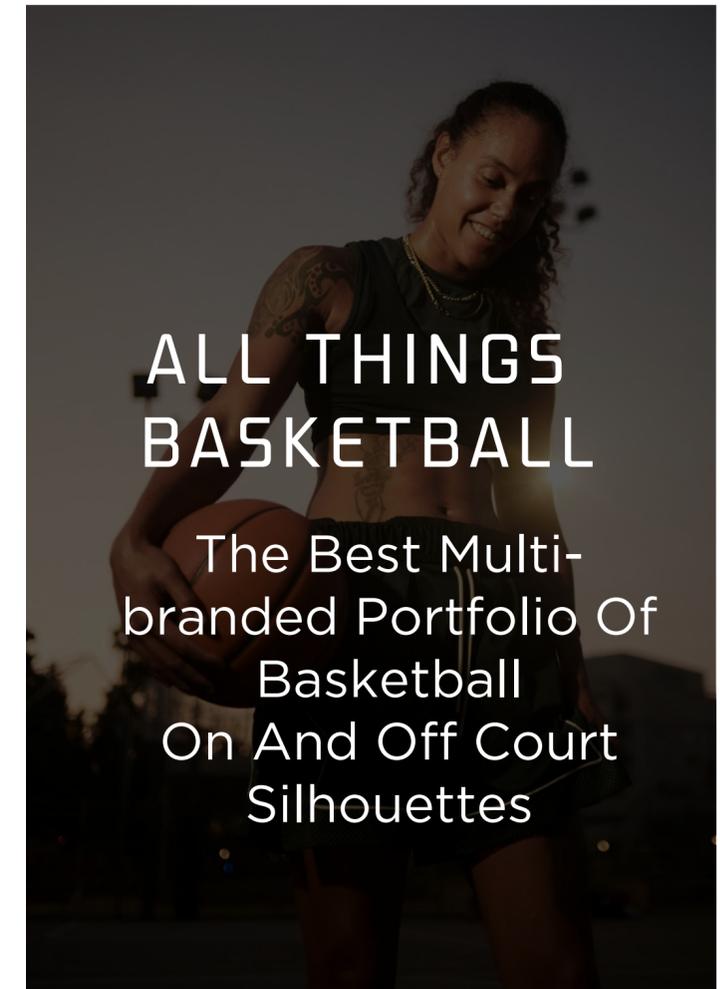
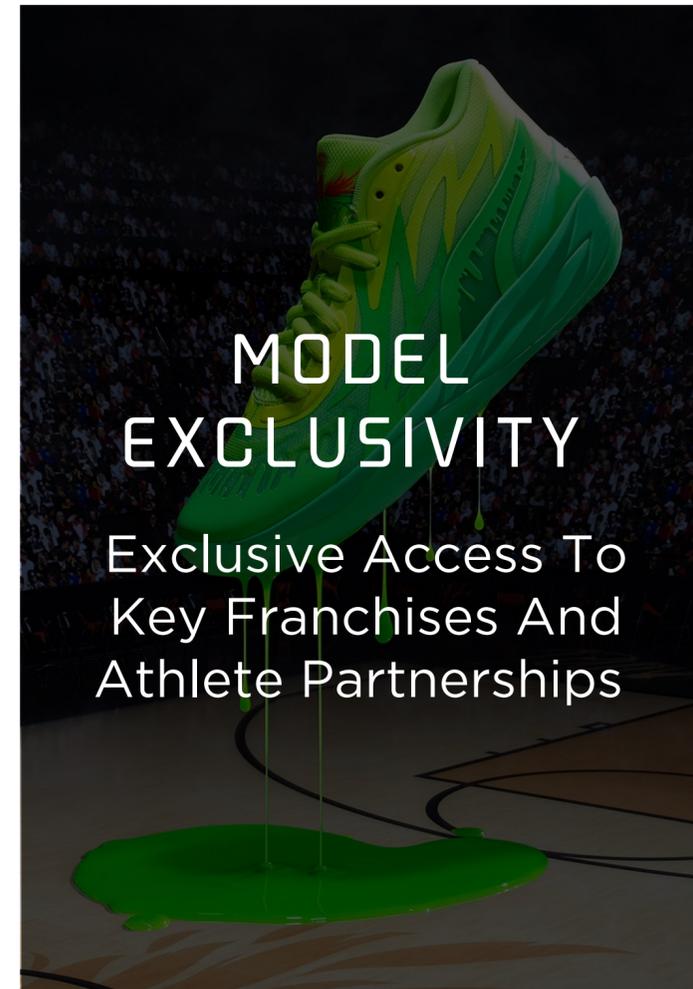
\*Source: Circana/Retail Tracking Service (excludes DTC and Specialty), Performance and Leisure Footwear, U.S. Dollar Sales, 12 months ending January 2022 (FL Inc. excludes WSS sales)

FOOT LOCKER, INC.

## GROWING OUR EXCLUSIVE BUSINESS



## We will drive distinction and scarcity to make Foot Locker Inc the 'must shop' destination



OUR DISTINCTION IN THE MARKETPLACE WILL DELIVER:  
Customer Loyalty, Stronger Vendor Relationships And Margin Improvement

# Our aspirations

FROM

TO BY 2026

Limited sneaker occasions

SERVE MORE OCCASIONS  
GROWING AT >10%

>30% Of Business In Performance, Casual And Under \$100

Nike  
~70% of sales

REVITALIZE OUR PARTNERSHIP WITH NIKE  
GROWTH BEYOND 2023

Nike  
~55-60% Of Sales

Non-Nike Brands  
~30% of sales

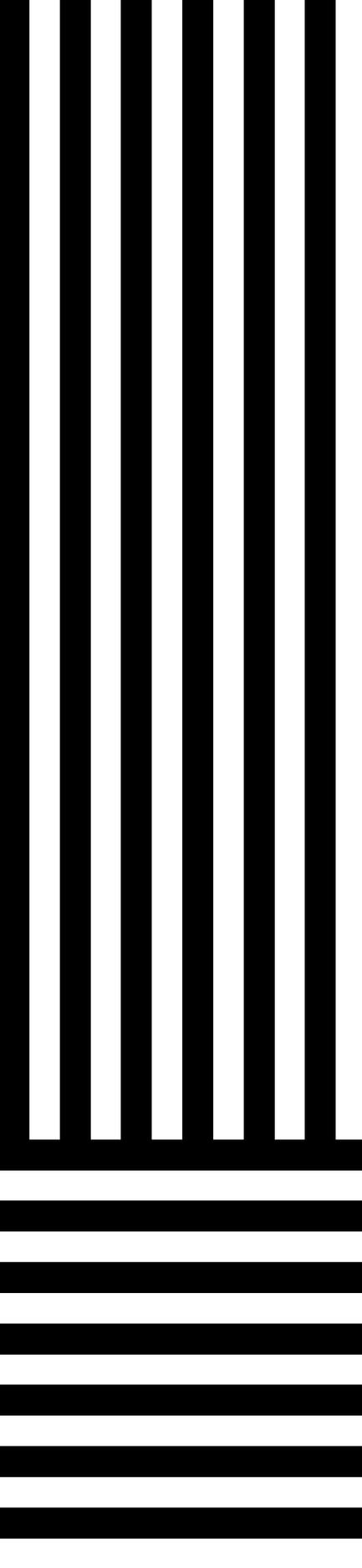
DIVERSIFY BRAND MIX  
NON-NIKE UP >2X AVERAGE

Non-Nike Brands  
>40% Of Sales

Exclusives  
15% of sales

INCREASE OUR EXCLUSIVE MIX

Exclusives  
>25% Of Sales

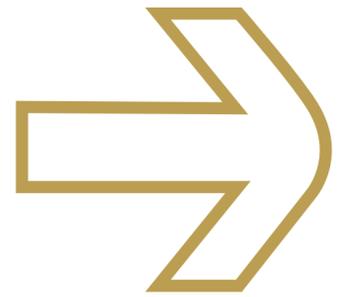


# Frank Brackken

CHIEF COMMERCIAL OFFICER

FOOT LOCKER, INC.

STRATEGIC IMPERATIVE #2

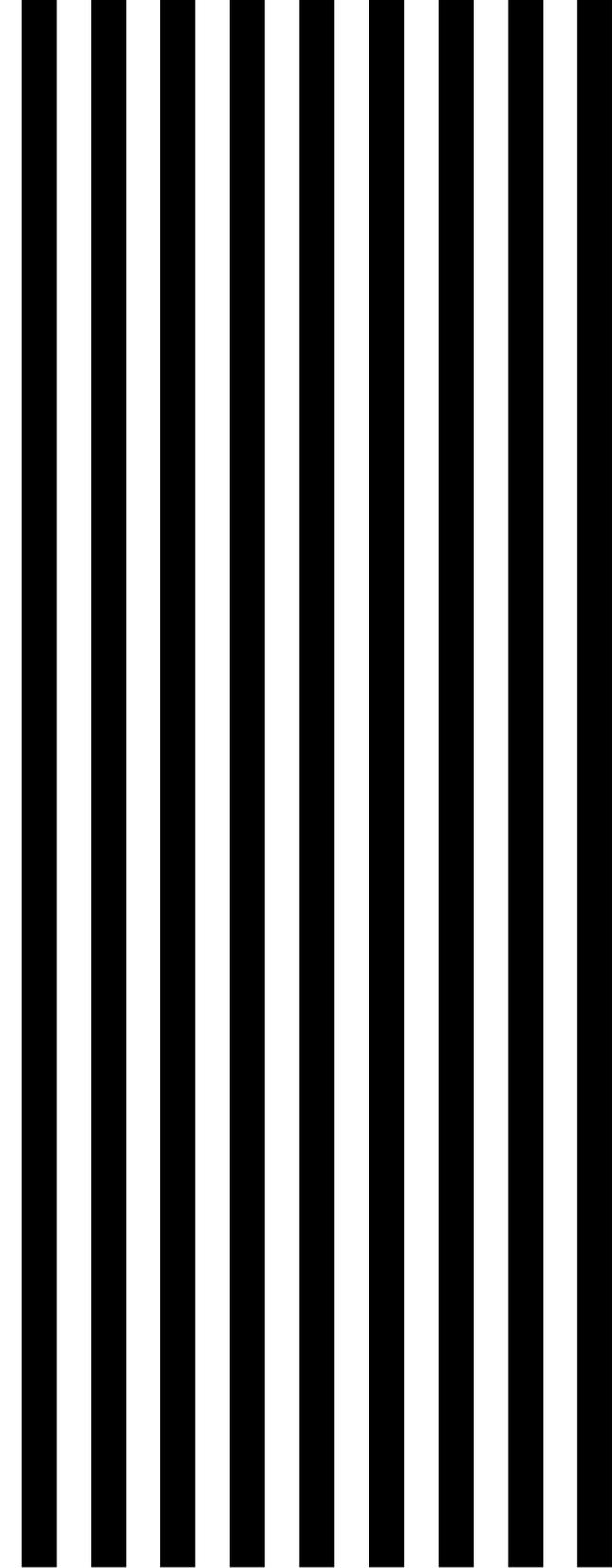


**Power Up**

**the**

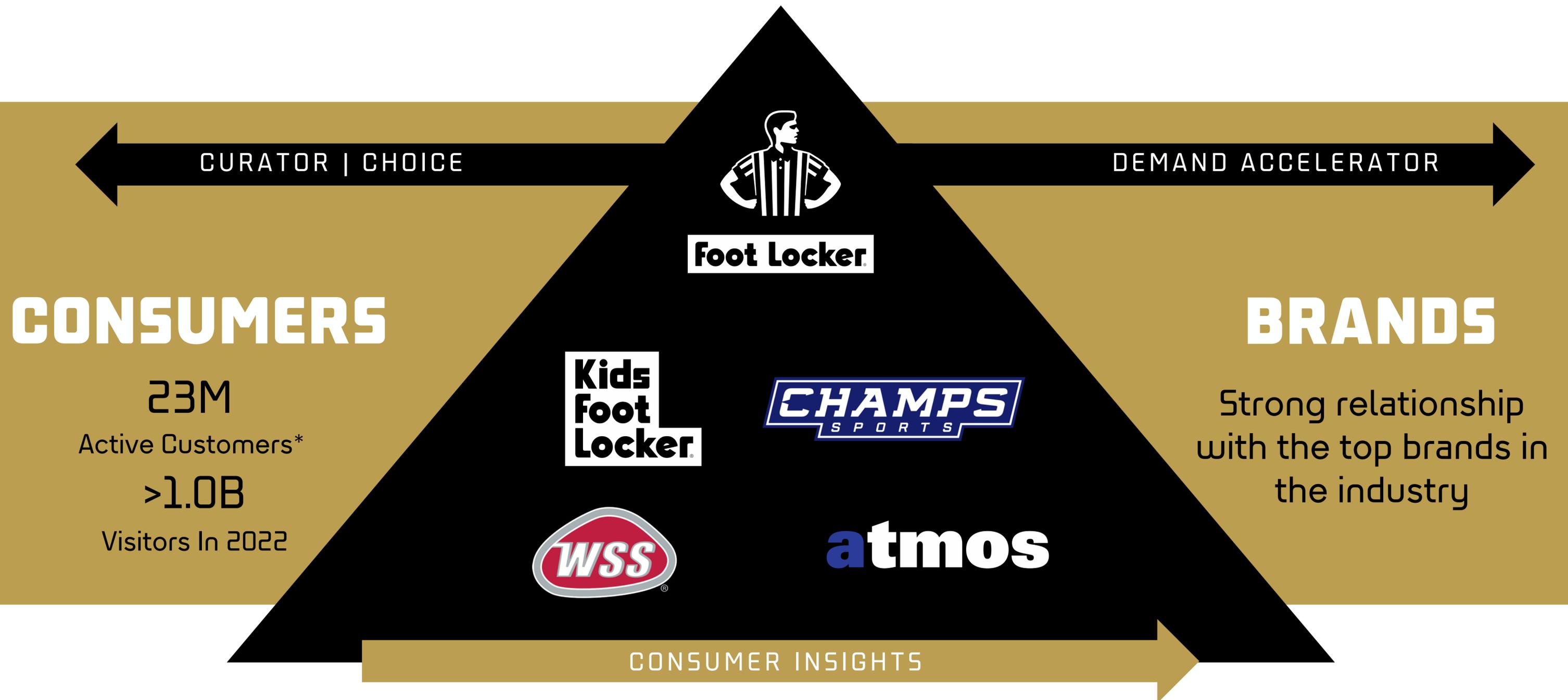
**Portfolio**

CREATING DISTINCT LANES



FOOT LOCKER, INC.

# Foot Locker Inc. plays an integral role in demand creation and serving customers choice



\*North America Only. Does not include W55 or atmos

# We have reshaped our portfolio to deliver a more efficient operating model and sharper customer propositions

FROM

**Foot Locker**

*Eastbay*

**Foot Locker**

**Lady Foot Locker**

**CHAMPS**  
SPORTS

**Kids Foot Locker**

**Kids Foot Locker**

**RUNNERS**  
POINT

**CHAMPS**  
SPORTS

**WSS**

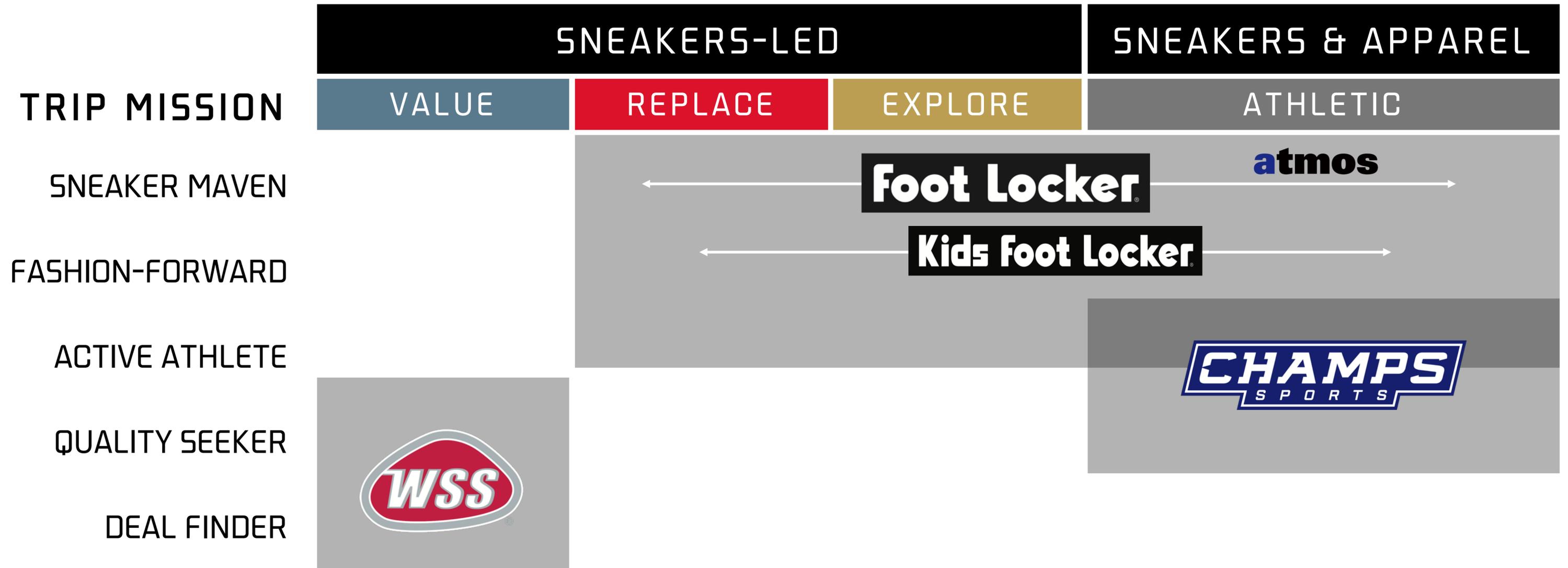
**FOOTACTION** 

**SIDESTEP**

**atmos**  
USA - JAPAN

TO

# Each banner new plays a distinct role at the intersection of targeted consumer segments and critical sneaker occasions





**Foot Locker®**

BRING THE BEST OF  
SNEAKER CULTURE  
TO MORE CONSUMERS

# Foot Locker is the global leader in sneaker culture

FOOT LOCKER HAS UNRIVALED BRAND HEALTH

# #1

Ranked Globally For Brand Health\*

# +90%

Foot Locker Brand Awareness

The ONLY 3rd Party Retailer Recognized As A

# FAVORITE FOOTWEAR BRAND\*\*

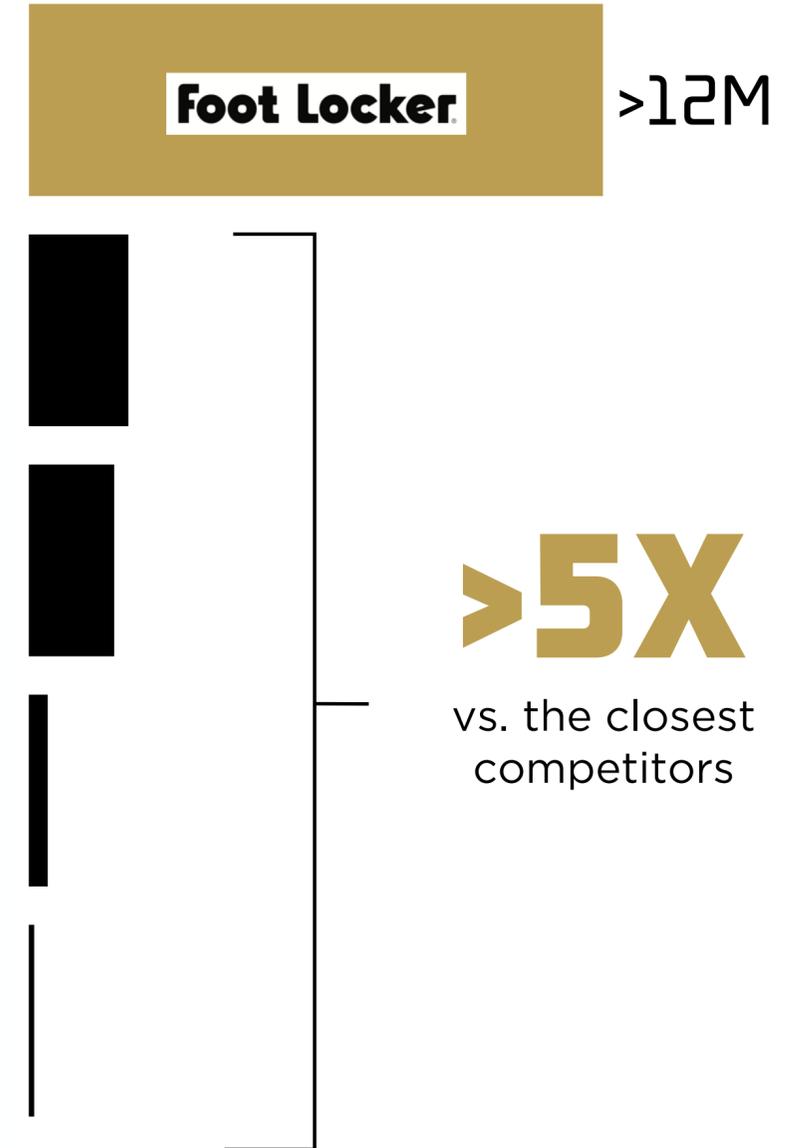
STRIPERS DIFFERENTIATE FOOT LOCKER FROM THE COMPETITION



# NPS ~90

Stripers Known As Friendly, Knowledgeable, And Trusted Advisors

FOOT LOCKER IS **THE** LEADER IN CONSUMER ENGAGEMENT



\*Source: Langston study; social media analytics  
\*\*Piper Sandler Taking Stock with Teens Report Fall 2022

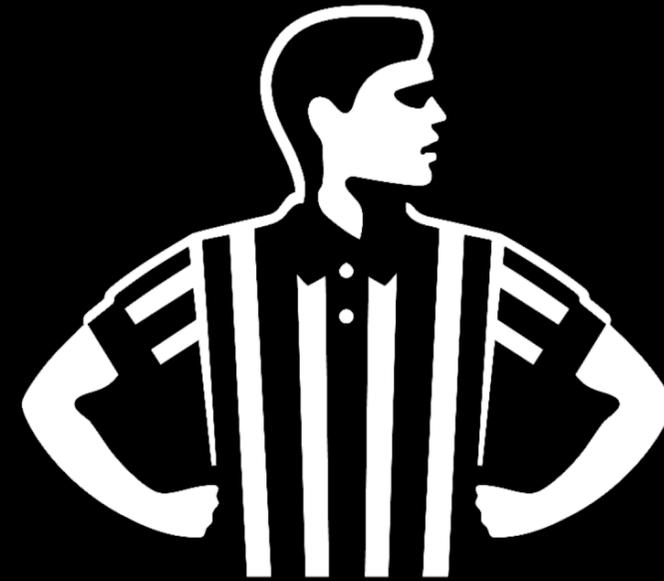
**Foot Locker**

WE WILL LEAD SNEAKER  
CULTURE FOR THE NEXT

**50 YEARS**

AMBITION

**\$5.3B**  $\Rightarrow$  **>\$6.0B**  
global revenues by 2026  
(+MSD% CAGR)



Reignite our global  
brand platform

Unleash the power of  
our store fleet



Strategically broaden  
assortment

Double down on Striper  
service



# FOOT LOCKER IS THE HEARTBEAT OF SNEAKER CULTURE

BUILDING COMMUNITIES, NOT JUST STORES

MAKING CONNECTIONS, NOT JUST SALES

PROUDLY REFLECTING OUR DIVERSITY

CELEBRATING ALL KINDS OF SNEAKER LOVE

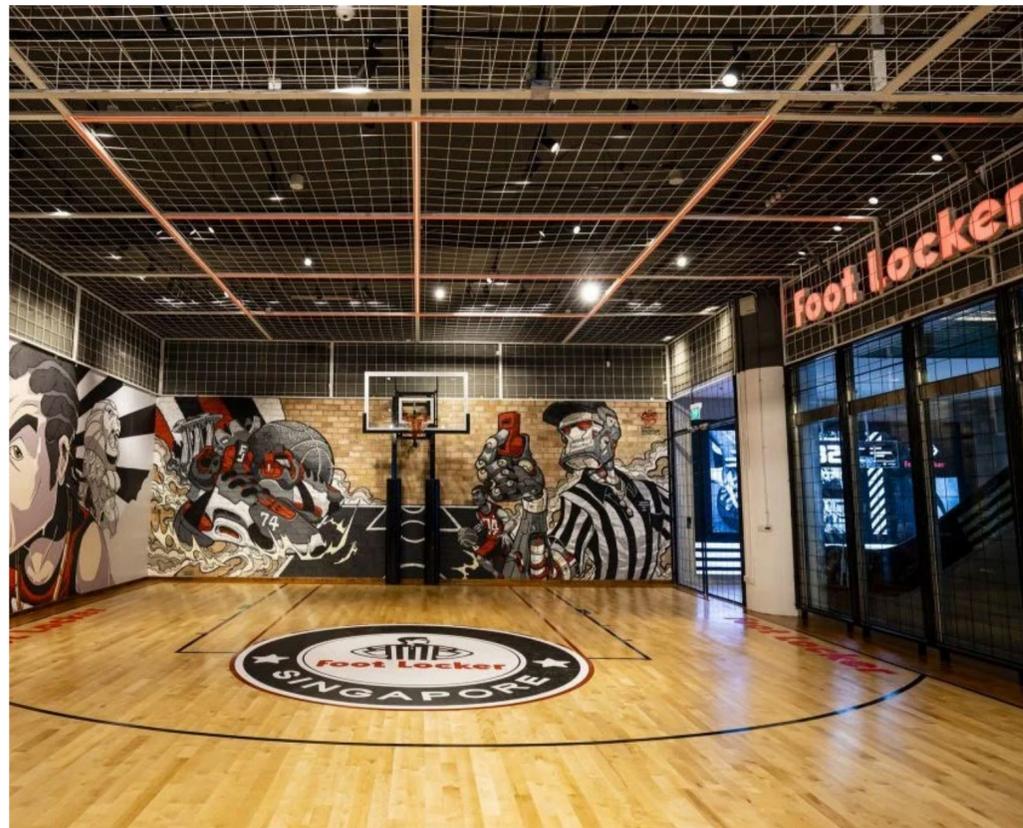
Welcoming In The World To Experience  
The Power Of Sneakers

FOOT LOCKER, INC.



# Broadening our sneaker assortment to be the #1 destination for 'all things sneakers'

LEADING MULTI-BRANDED POSITION IN BASKETBALL



ACQUIRING NEW CUSTOMERS THROUGH RUNNING



SERVING MORE OCCASIONS THROUGH CASUAL & SEASONAL



Foot Locker

# Unleashing the power of our store experience



Sneaker Primacy



Digitally Connected Retail Experiences

Men | Women | Kids Spaces

Merchandising & Back Of House Productivity



**Foot Locker**

# Evolving the role of the Striper to establish more meaningful connections with customers

UNRIVALED SNEAKER  
PASSION & KNOWLEDGE



SOLUTION ORIENTED &  
TECH ENABLED



BRAND AMBASSADORS &  
CONTENT CREATORS



CHARITABLE MEMBERS  
OF THE COMMUNITY





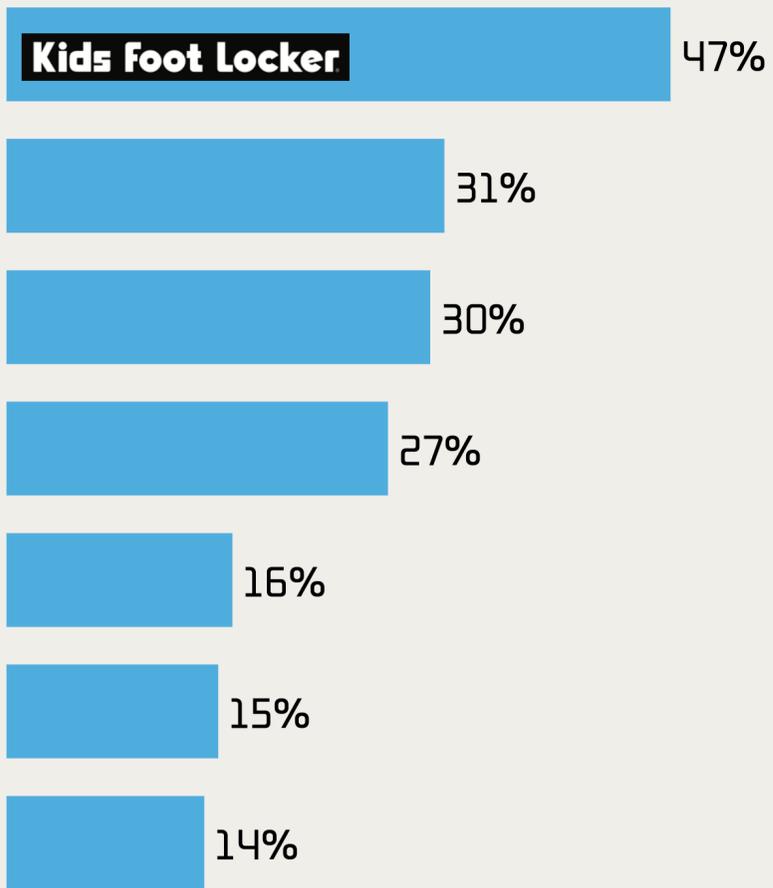
# Kids Foot Locker®

Recruit The Next Generation  
Of Sneakerheads Through  
Kid-First Experience

# Our Kids Business

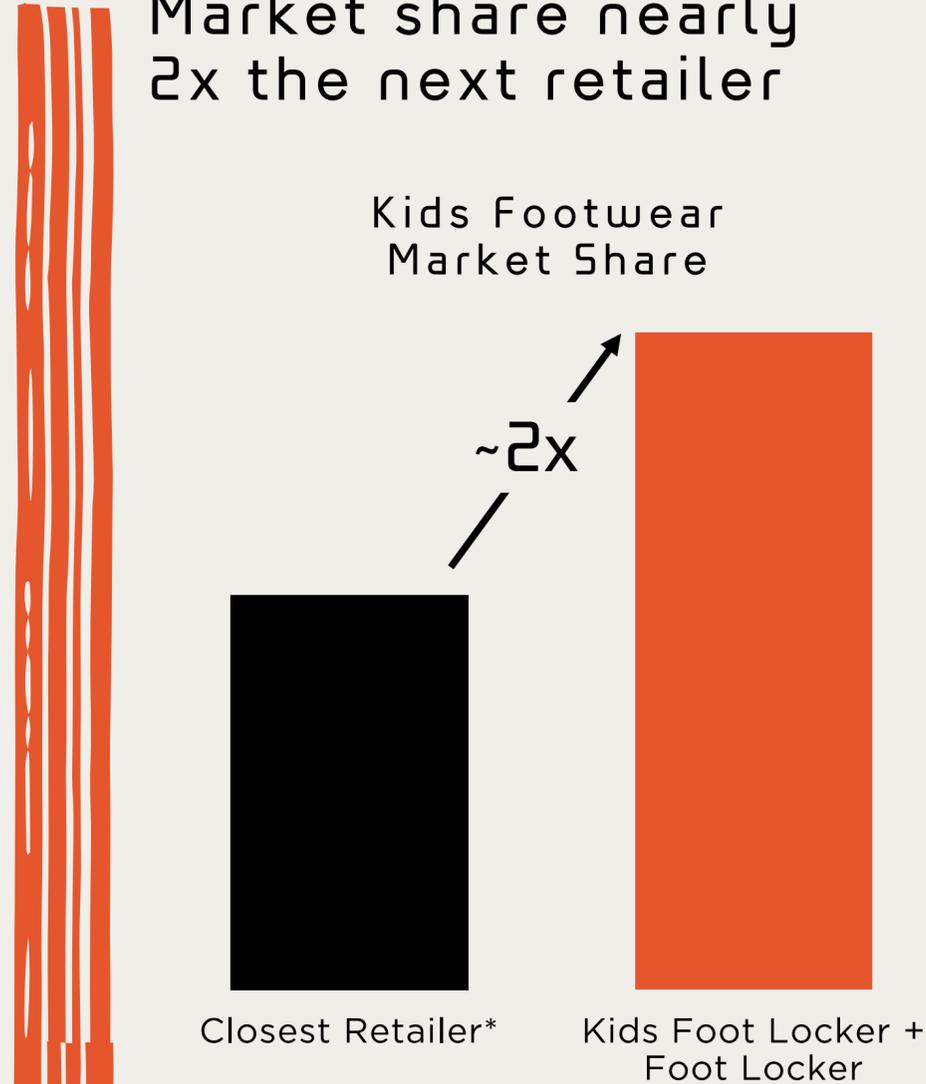
Kids Foot Locker is the only kids focused sneaker retailer with a full premium assortment

KFL ranks #1 place to shop for kids shoes & apparel



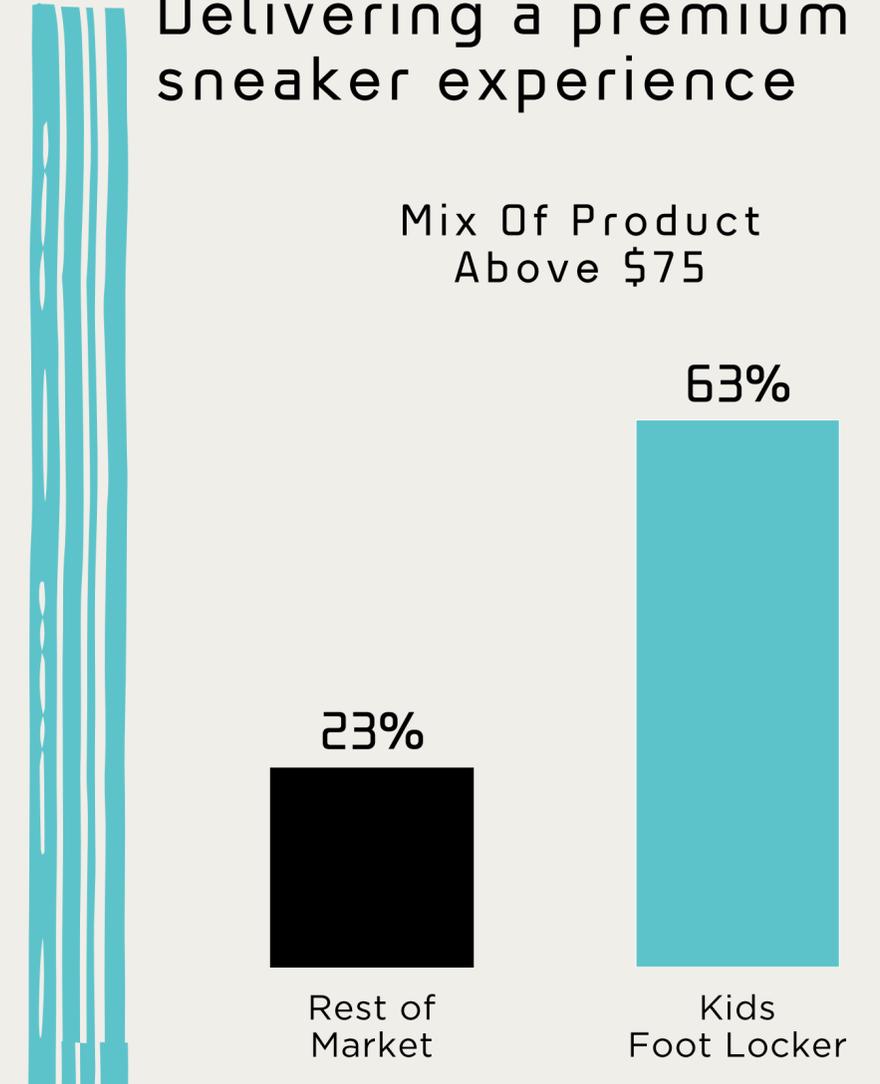
Source: Langston Kids Footwear Segmentation Study

Market share nearly 2x the next retailer



Source: Circana/Consumer Tracking Service, Kids' Total Footwear, U.S. Dollar Sales, 12 months ending January 2023 (Foot Locker and Kids Foot Locker)

Delivering a premium sneaker experience



Source: Circana/Retail Tracking Service (excludes DTC and Specialty), Kids' Total Footwear, U.S. Dollar Sales, 12 months ending July 2022

**Kids Foot Locker**

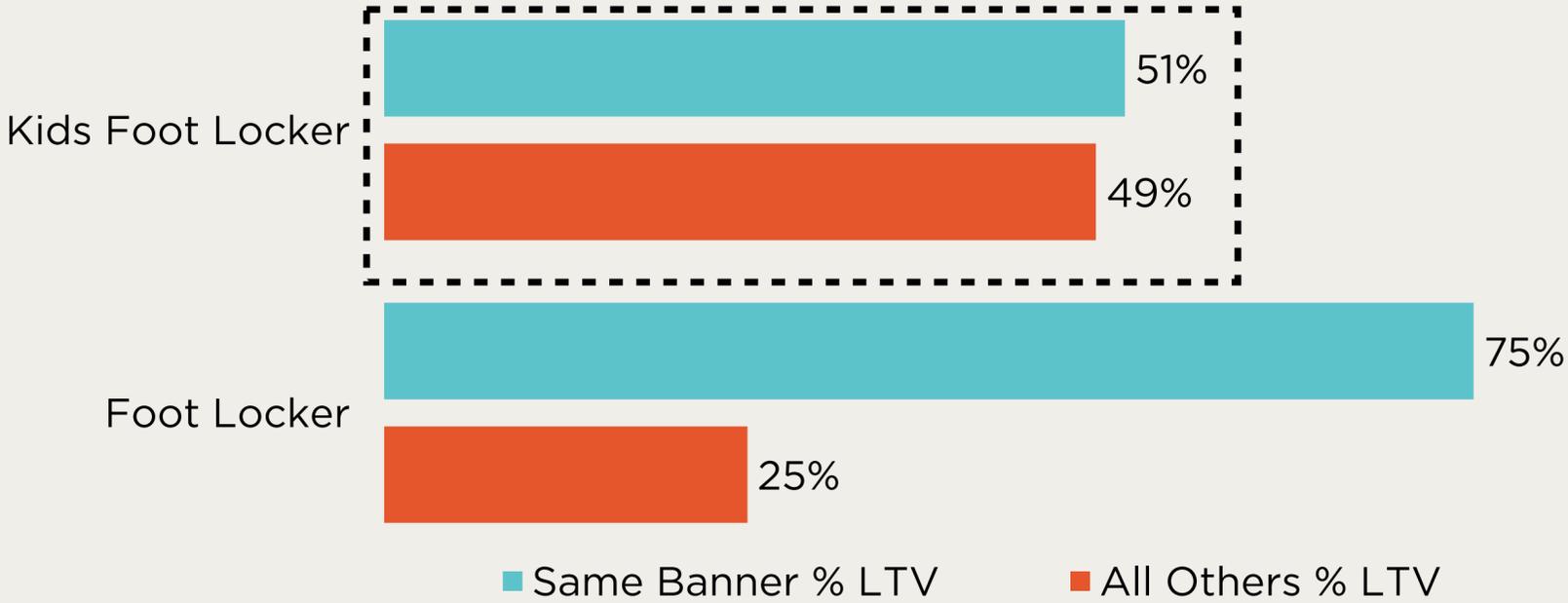
# Adding distinct strategic value to the portfolio

LTV By Acquisition Banner



Customers Acquired Through KFL Are  
**~20%**  
More Valuable Than Other Banners

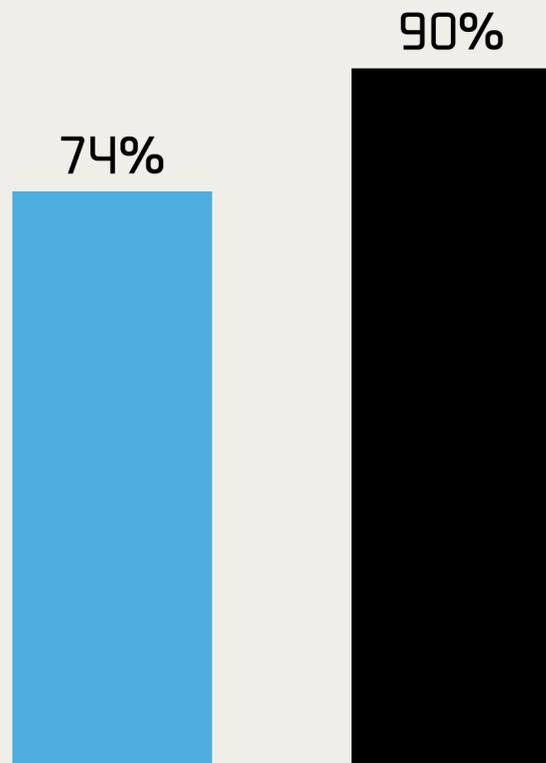
LTV Distribution Between Acquisition Banner And Other Banners



**50%**  
Of Value Coming From Other Banners

# Kids Foot Locker still has room to grow

Brand awareness below Foot Locker



Kids Foot Locker

Foot Locker

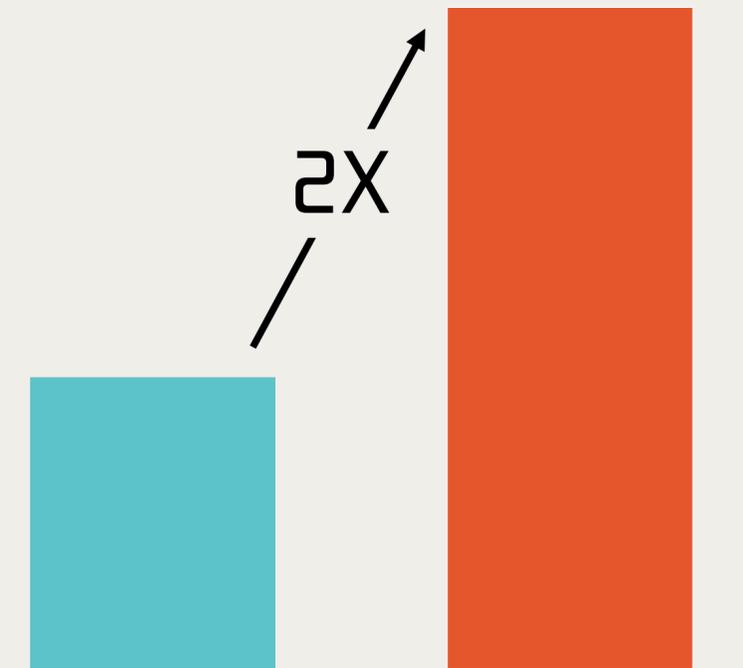
Opportunity to increase store footprint

**22%**

of consumers cited physical availability as top barrier of purchase\*

\*Survey conducted to understand barriers of purchase preventing someone from buying from brand

High remaining potential\* in top 15 markets



KFL Sales

Total Potential

\*Calculated by a consumer look-alike predictive model

**Kids Foot Locker**

**Kids Foot Locker**

Path To

**ONE BILLION**

Ambition

**\$700M → >\$1B**

Revenues By 2026  
(+HSD to LDD% CAGR)



Deliver An  
Unrivaled  
Product  
Assortment



Grow Store  
Footprint And  
Accelerate  
House Of Play



Deepen  
Digital  
Connections  
With Kids  
And Their  
Parents

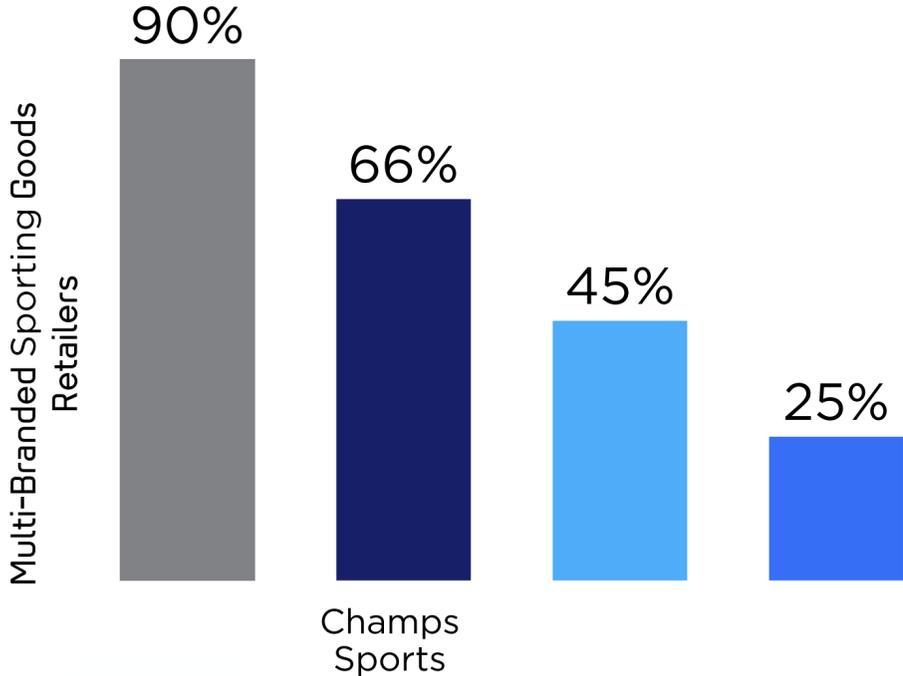


Serve the active athlete

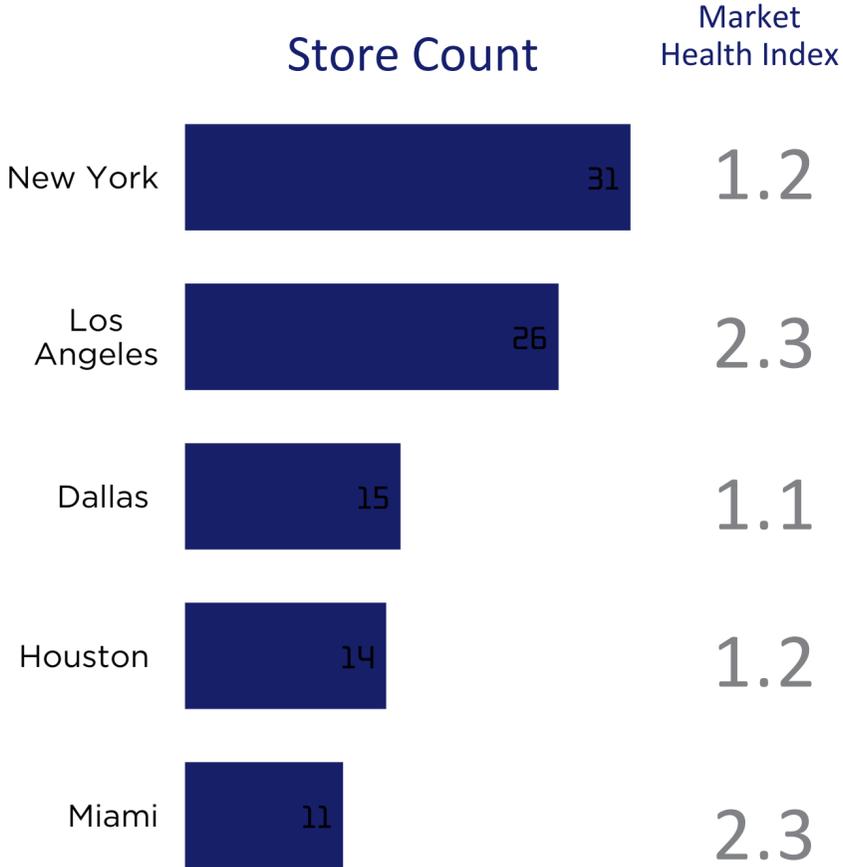
# Building upon Champs Sports strong reach to serve a broader consumer and further differentiate from Foot Locker

## High Brand Awareness

Langston Brand Health Study Jan 2022



## Strong Presence In Health & Wellness Markets\*



\*Calculated by per capital population who 'typically spend &+ exercising per week' + 'who control their diet for physical fitness'

## An Engaged Consumer Base

2.3M  
on Instagram

1.3M  
on TikTok

570K  
on Twitter



# Resetting the brand to serve a broader consumer who is grounded in sport & fitness

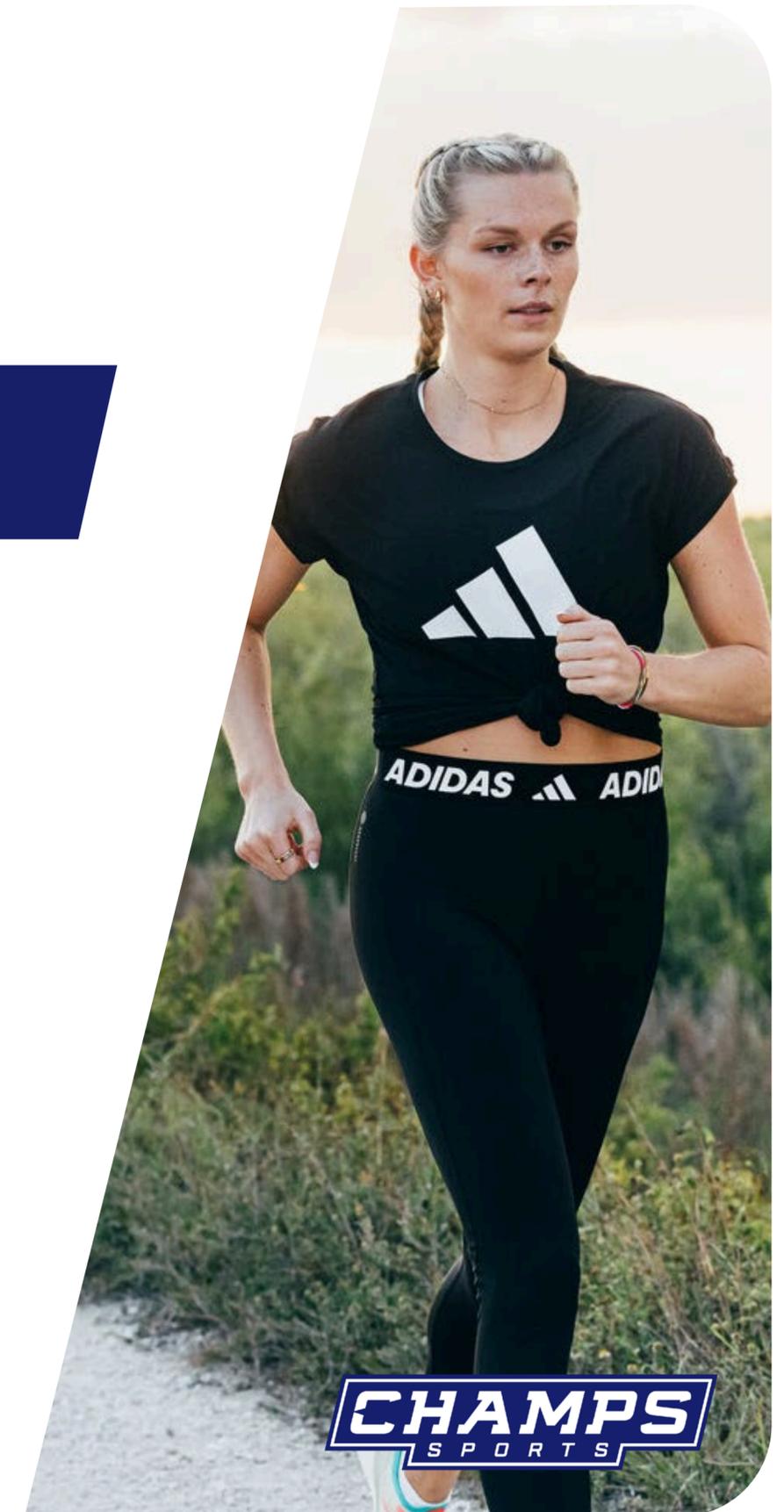
Champs Sports is being repositioned to serve the Active Athlete

## Performance THE EVERYDAY ATHLETE

- Sport/Fitness Drives Connectivity To Peer Group
- Inspired By What's In The Game And Worn On The Field
- Seeks Accessibility And Authentic, Elevated Experiences

## Lifestyle THE ATHLETIC EXPRESSIONIST

- Recognizes That The Lifestyle Has Roots In Performance
- Motivated By Key Moments In Sport And Athletes
- Appreciates The Simplicity Of One Stop Shopping





Rationalizing The Fleet

FOCUS ON CONSUMERS IN  
KEY MARKETS

Ambition

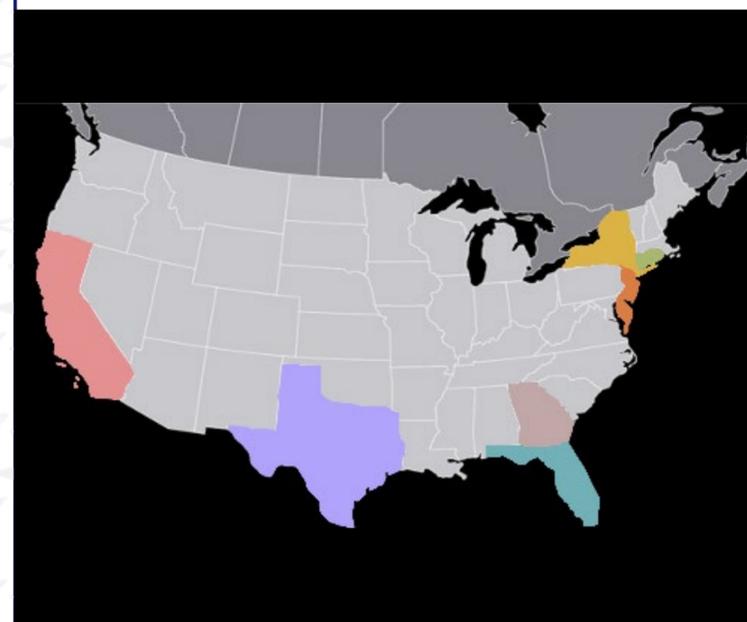
SUSTAINABLE ~\$1B

Revenues By 2026



FLEET  
RATIONALIZATION

~125 Store Closures  
In 2023



RE-PRIORITIZING KEY  
MARKETS



DOUBLING DOWN ON  
HEAD-TO-TOE



Shoes. Style. Selection.®

**CELEBRATE THE HISPANIC  
COMMUNITY THROUGH  
SNEAKERS AND  
SELF-EXPRESSION**

# WSS IS THE #1 HISPANIC-FOCUSED RETAILER IN ATHLETIC FOOTWEAR

## Deep rooted community connection

OFF-MALL  
**100%**  
of stores

Underserved  
Hispanic neighborhoods

**300+**  
community events  
per year

Fully bilingual retail  
experience

## Strong customer loyalty

**>85%**  
sales from loyalty

**>3.8M**  
loyalty members

**20%**  
higher spend per visit

## Wide Breadth of product

FULL FAMILY OFFERING  
**>50%**  
women's & kids

DIVERSE PRODUCT MIX  
**<50%**  
Nike

ALL FOOTWEAR PRICE POINTS  
**\$20-\$200**

**12K** SQ FT  
store size to support breadth

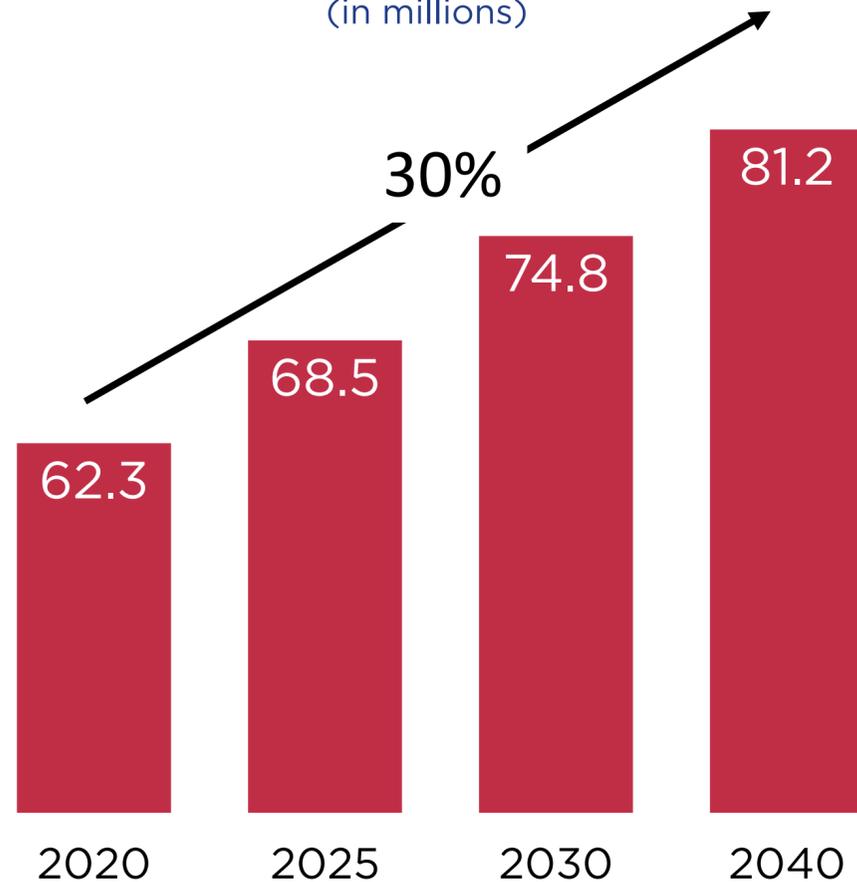


Shoes. Style. Selection.®

# SIGNIFICANT OPPORTUNITY TO CAPTURE THE SHIFTING DEMOGRAPHIC TRENDS WITHIN THE US

## GROWING HISPANIC POPULATION

Expected to grow faster than the overall US  
population  
(in millions)



Source: Statista

## HISPANIC CONSUMER POWER

# 25%

### BY 2040

Population will be largest  
ethnic group in U.S. (up  
from 18% in 2018)

# 85%

### VS 80%

Spend more disposable  
income on shopping versus  
all other ethnic groups

# 80%

Prefer to shop in stores  
versus pure eCommerce

# \$2.3

### TRILLION

U.S. Hispanic GDP in 2017,  
up from \$1.7 trillion in 2010

# \$3.3

### BILLION

Amount Hispanic  
women spend per year  
on footwear

# 40%+

“Over-index” on footwear  
spending versus  
non-Hispanic groups

# >300

 Store potential

Shoes. Style. Selection.

# STRONG UNIT ECONOMICS SUPPORT SCALING CONCEPT

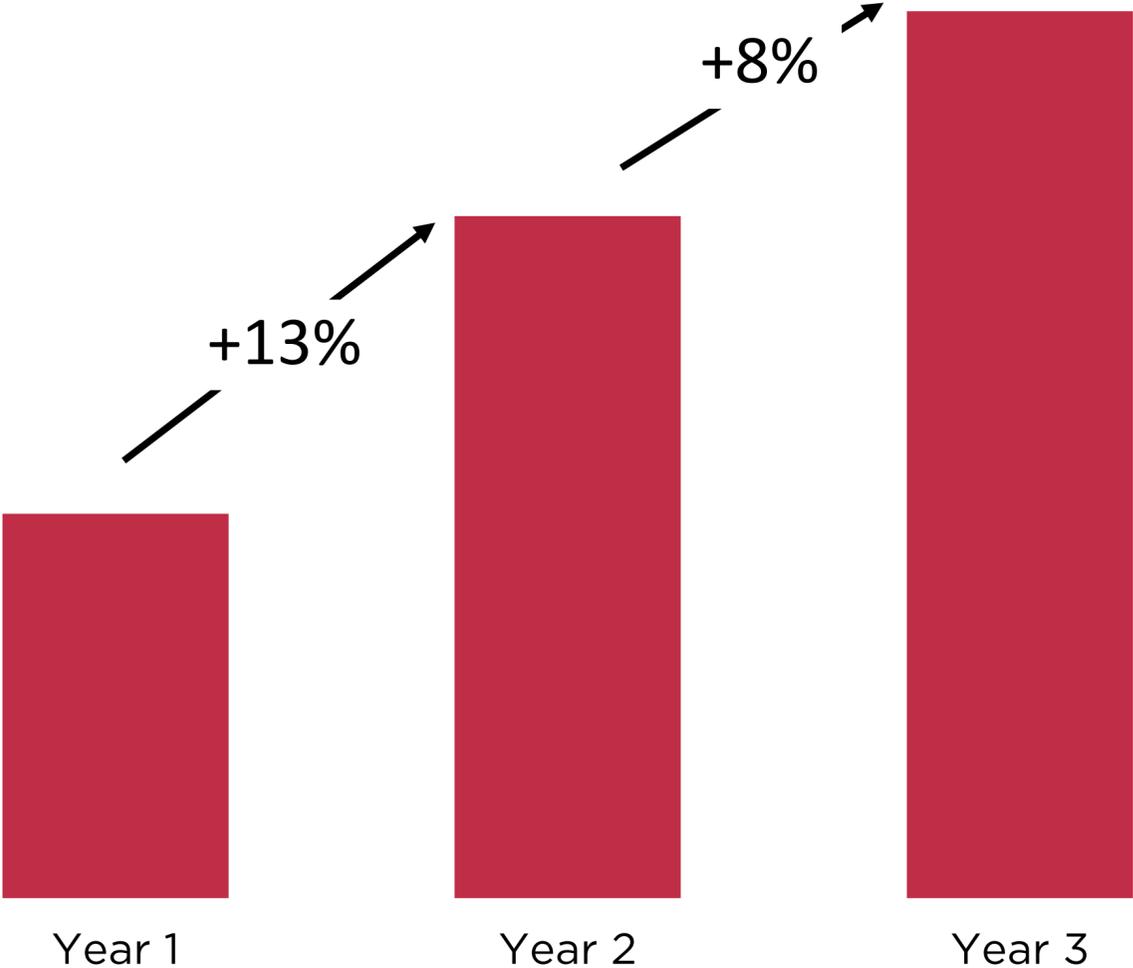
Inventory	\$625
Construction	\$1,350
Pre-opening	\$200
<hr/>	
Gross Investment	\$2,175
Allowances/Credits	\$500
Net Investment	\$1,675

ROI  
**>40%**

Payback  
**<3 yrs**

	Year 1	Year 3
Sales*	\$4,500	\$4,900
EBITDA margin	12%	15%

New Store Sales Maturity Curve\*\*



Notes:  
 \* New store economics reflect \$4.5M in first year sales, which reflects the average of stores opened in 2021 and 2022.  
 \*\* "New Store Sales Volumes" graph reflects the average of all stores opened in California and Texas between 2015 and 2019.





Shoes. Style. Selection.®

STRATEGICALLY DEVELOPED

# ROADMAP

# FOR GROWTH

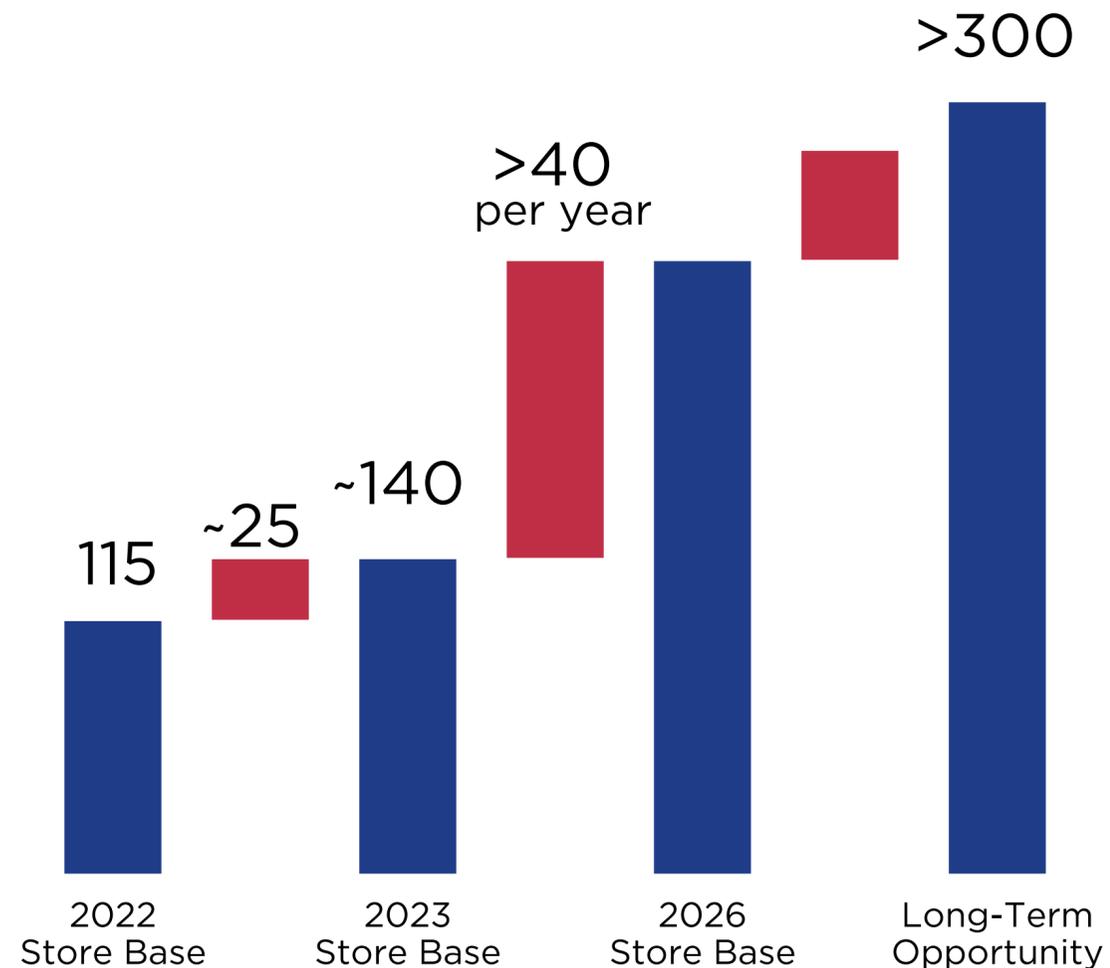
AMBITION

\$600M → ~\$1.3B

revenues By 2026  
(>20%+ CAGR)



Future expansion opportunity



Roadmap to 300 stores



**atmos**

SHARE JAPANESE STREET  
AND SNEAKER CULTURE  
WITH THE WORLD

AS A RESPECTED AND AUTHENTIC BRAND IN ASIA,  
ATMOS ADDS DISTINCT VALUE TO THE  
FOOT LOCKER PORTFOLIO

EMBEDDED IN A  
CULTURAL HUB OF  
SNEAKER CULTURE

Japan ranks

**#3**

in sneaker spend  
per capita

DIGITALLY  
FORWARD

**50%**

online penetration

HIGHLY  
PROFITABLE

**>15%**

2022 profit rate

# atmos

WILL SERVE AS THE  
INNOVATION LAB  
FOR FOOT LOCKER INC.

AMBITION

~\$190M ➔ >\$250M

global business by 2026  
(+HSD-LDD% CAGR)



## STORE EXPERIENCE

Rooted In Japanese Culture, Each Store Has An Individualized Design Testing All Aspects Of VM

## PRODUCT CONCEPTS & COLLABS

“Enter The Jungle” – Atmos’ Bold Animal Prints Exclusives With Air Jordan Designs



2006  
Air Max 1 "Animal Pack"



2006  
Nike Air Max 95 "Animal Pack"



2006  
Nike Air Max 1



2012  
Puma Disc Blaze



2021  
Adidas ZX8000 atmos G-SNK4



2020  
Reebok Instapump Fury



2018  
Timberland 6"



2020  
Sean Wotherspoon x Asics Gel Lyte III



2020  
New Balance



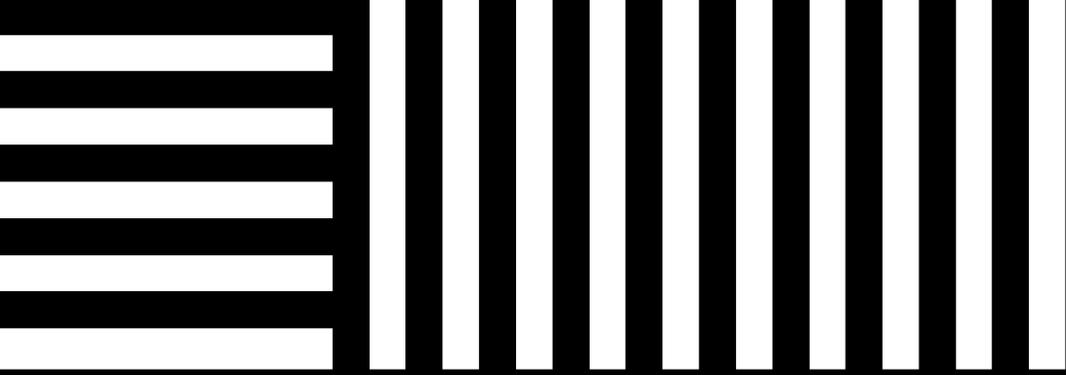
## DIGITAL ENGAGEMENT

NFT Launch In The Metaverse

## PRIVATE LABEL

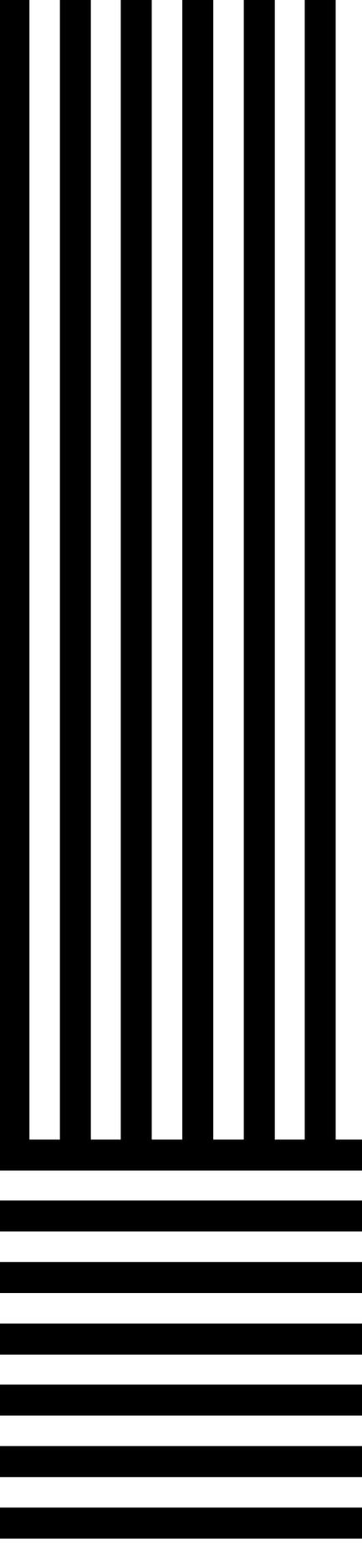
atmos 2022 Holiday Collection  
Enlisting Fast And Furious Star  
Sung Kang





PATH TO  
**>\$9.5B**  
REVENUES

	2022	2026
<b>Foot Locker</b>	\$5.3B	>\$6.0B
<b>Kids Foot Locker</b>	\$700M	~\$1B
<b>CHAMPS SPORTS</b>	\$1.7B	~\$1B
<b>WSS</b>	\$600M	~\$1.3B
<b>atmos</b>	\$190M	>\$250M
FOOT LOCKER, INC. (go-forward)	\$8.5B	<b>&gt;\$9.5B</b>

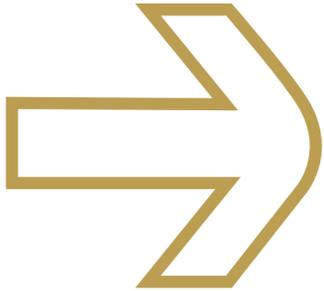


**Tony**  
**Aversa**

SVP, GLOBAL STORE DEVELOPMENT

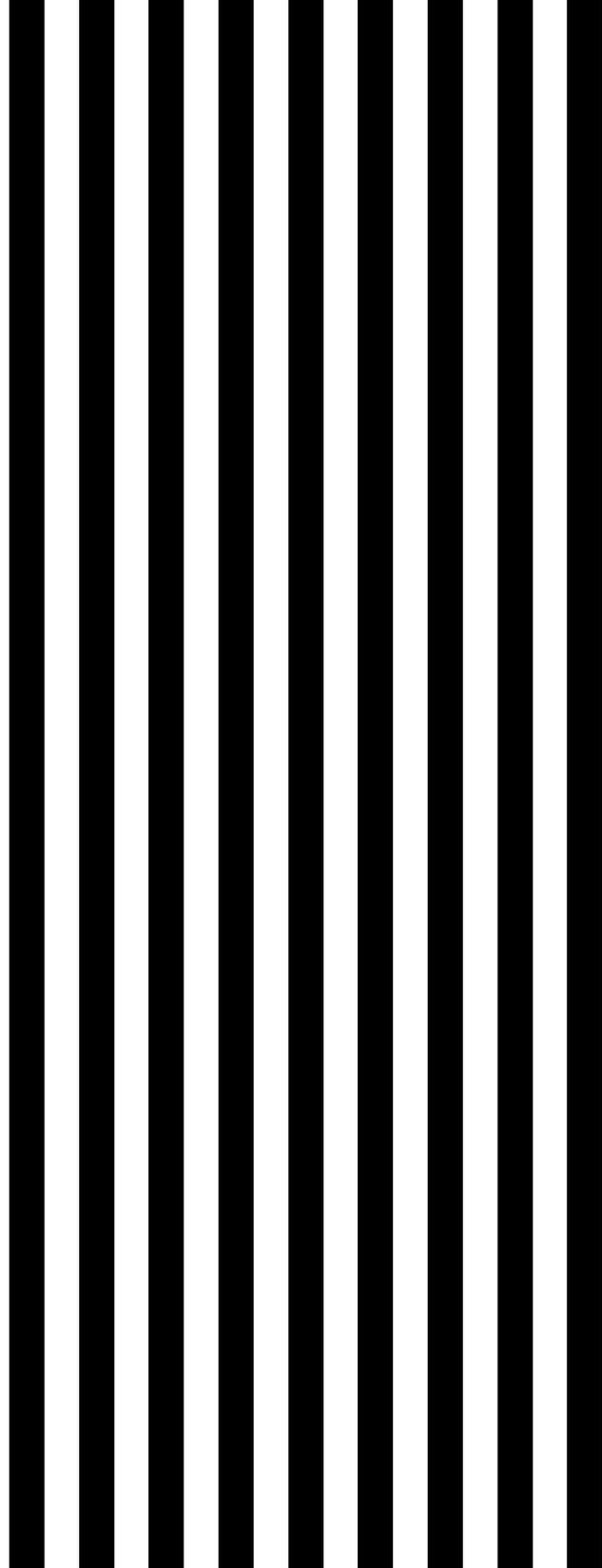
FOOT LOCKER, INC.

STRATEGIC IMPERATIVE #2



# Power Up the Portfolio

TRANSFORMING THE  
REAL ESTATE PORTFOLIO



# We are transforming our real estate portfolio



Scaling new concepts with bigger footprints to accelerate growth & broaden our reach



Strengthening our store portfolio off-mall and rationalizing underperforming mall stores



Optimizing our International portfolio, focusing on key markets and licensed models

# Investing into new store concepts with expanded footprints to deliver growth

Going from

~ **120** to **>400**

new concepts in 2026



## COMMUNITY

AVG SQ. FOOTAGE: 15K

Community focused concept located in the heart of communities with strong affinity for sneakers

## POWER STORE

AVG SQ. FOOTAGE: 10K

Delivers an elevated experience in centers, high streets and malls with a broad set of consumers

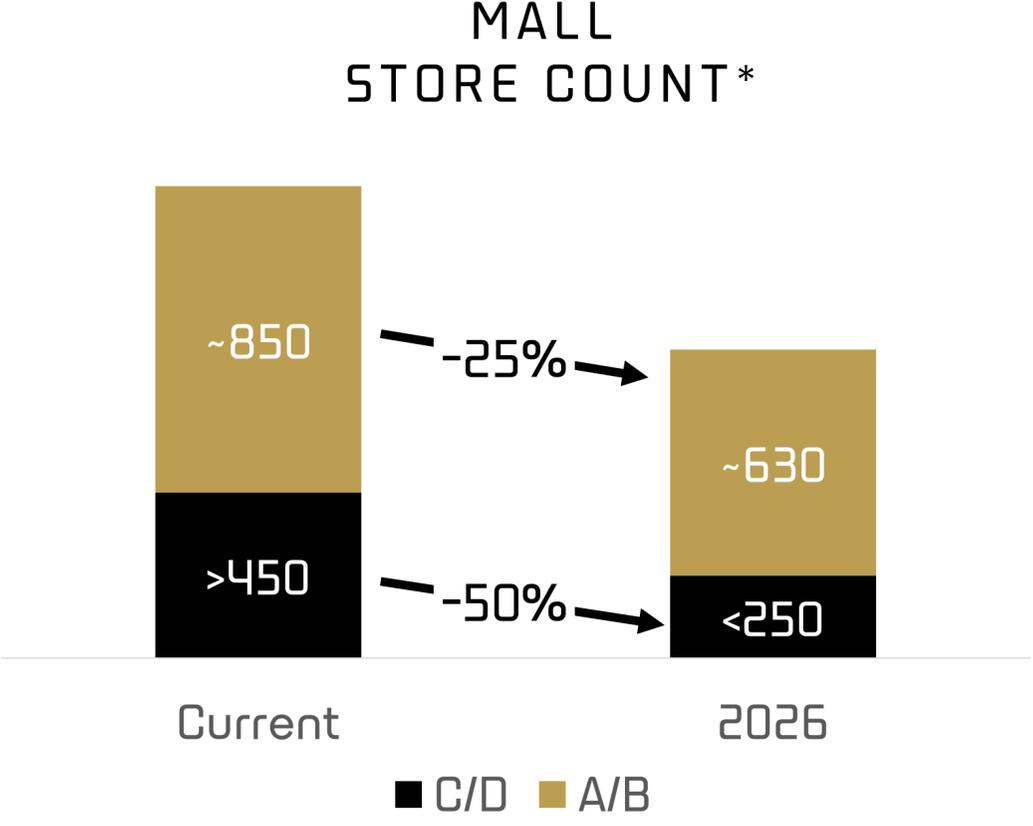
## HOUSE OF PLAY

AVG SQ. FOOTAGE: 7.5K

Play-focused store with elevated product presentations and storytelling

# Closing >400 locations to focus on higher performing doors

- Managing Portfolio Risk With Strategic Closures Of Small And Low Productivity Doors
- Closing >200 C/D Doors And >200 Lower-performing A/B Doors
- Lowering Our Term Of Remaining C/D Doors To 1.5 Years
- Shifting Resources And Product To Off-mall And Key A/B Locations



Represents  
**10%**  
of Company 2022 sales

**800bps**  
lower profit

**80bps**  
of margin lift

\* North America only. Standard format stores

# Our A/B malls have comped positive since 2019

2019 VS. 2022

TRAFFIC



Pre-shopping/Research  
Resulting In Less Traffic...

CONVERSION



...But Higher Intent Driving  
Higher Conversion...

SALES



...And Higher Sales

"THE REPORTS OF MY DEATH HAVE BEEN GREATLY EXAGGERATED"

- A/B Malls

North America only

FOOT LOCKER, INC.

# We are optimizing our international footprint

STRENGTHENING OUR POSITION  
IN WESTERN EUROPE

STRATEGICALLY TRANSITIONING  
SOUTHEAST ASIA TO A LICENSE MODEL



■ Current Countries    ■ '23 Expansion

# Our real estate transformation

## CURRENT

2,700 Stores

Optimizing Our Store Count (Down Over 10%)

## BY 2026

~2,400 Stores

13.2M sq. ft.

Growing Our Square Footage (Up ~10%)

14.5M sq. ft.

~120 Locations

In New Formats  
(8% Of Square Footage)

Open >300 Stores In New Concepts

>400 Locations

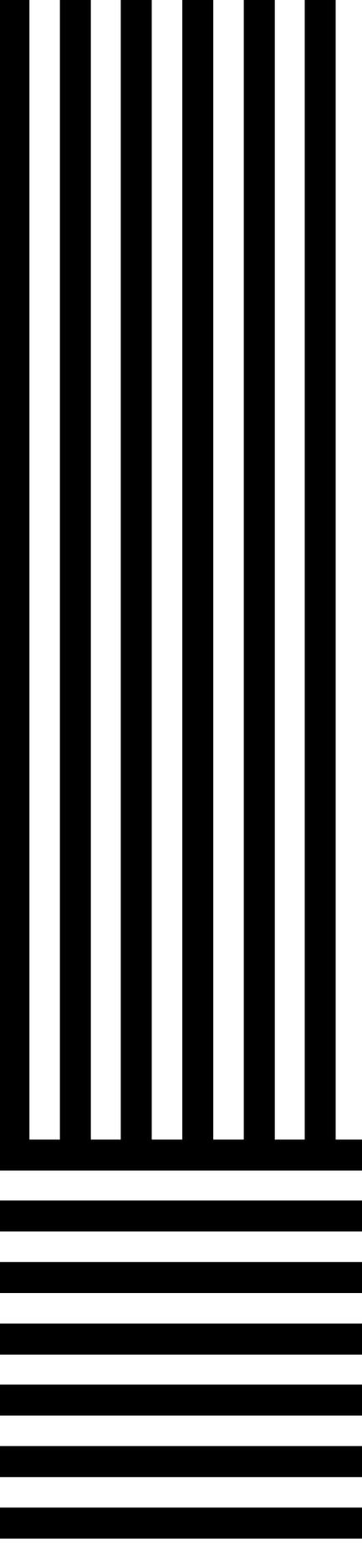
In New Formats  
(>20% Of Square Footage)

~35% Off-Mall\*

Shift To Higher Performing Off-mall Locations

>50% Off-Mall\*

\* Square Footage in North America

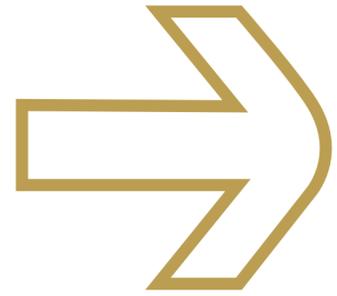


**Frank**  
**Brackken**

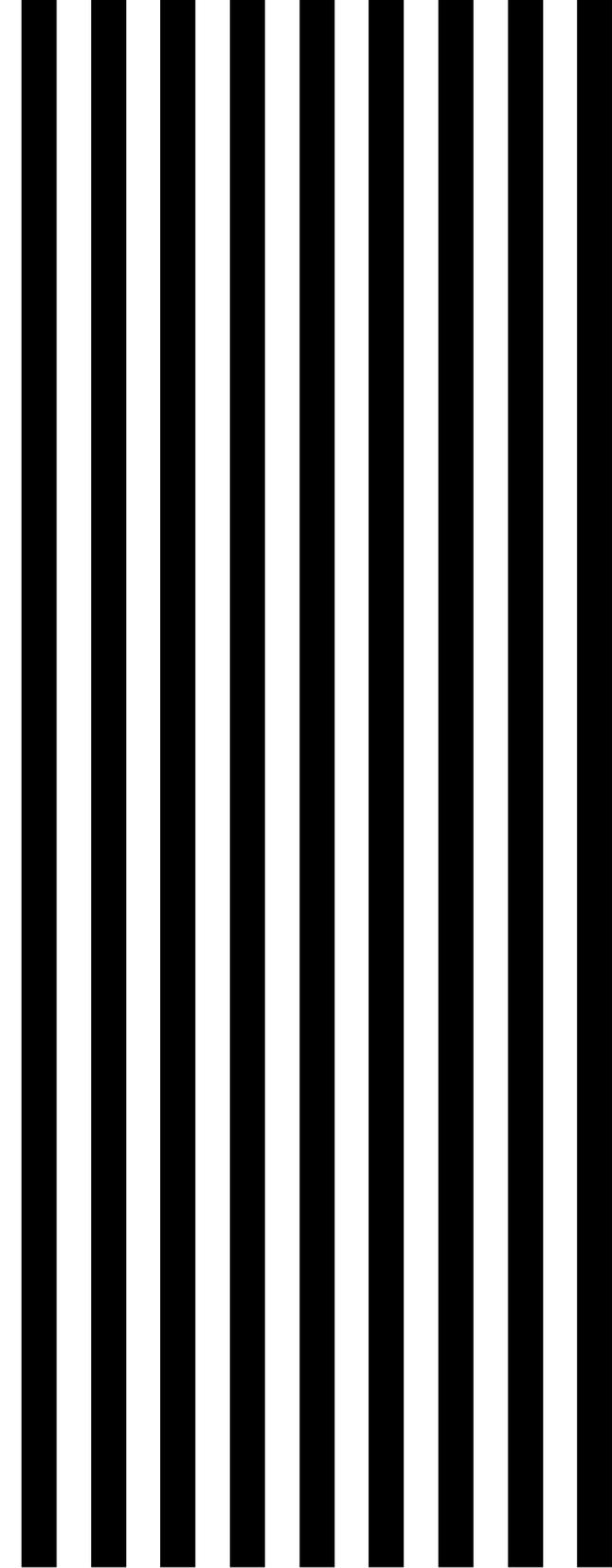
CHIEF COMMERCIAL OFFICER

FOOT LOCKER, INC.

STRATEGIC IMPERATIVE #3



**Deepen Our  
Relationship**  
with Customers



# Our different consumer segments engage in different ways

OPPORTUNITY EXISTS IN HOW WE USE OUR CHANNELS TO DRIVE GREATER, MORE EFFICIENT ACQUISITION AND RETENTION



Sneaker Maven



Fashion-Forward Expressionist



Active Athlete



Quality Seekers

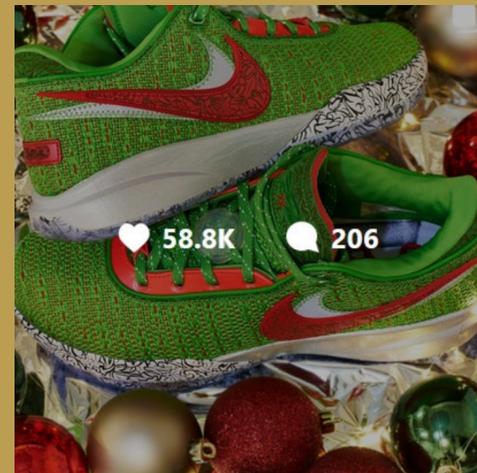


Deal Finders

IN-STORE



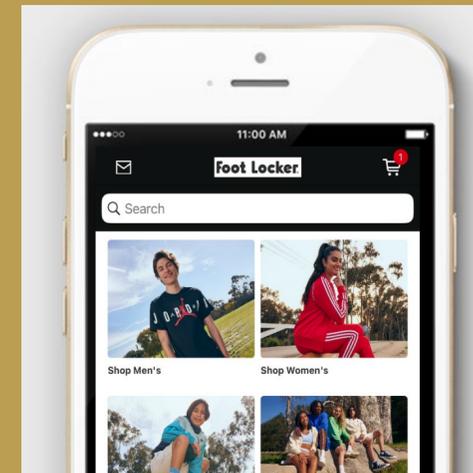
SOCIAL



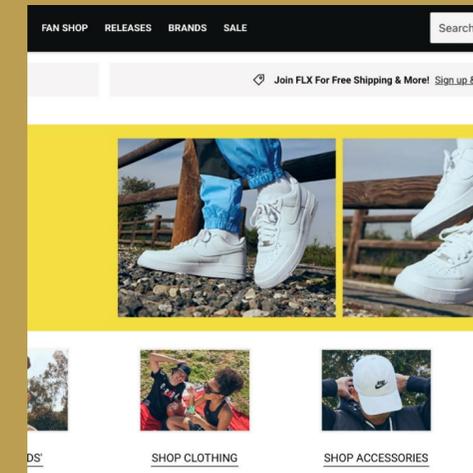
EVENTS



APP



DIGITAL



FOOT LOCKER, INC.

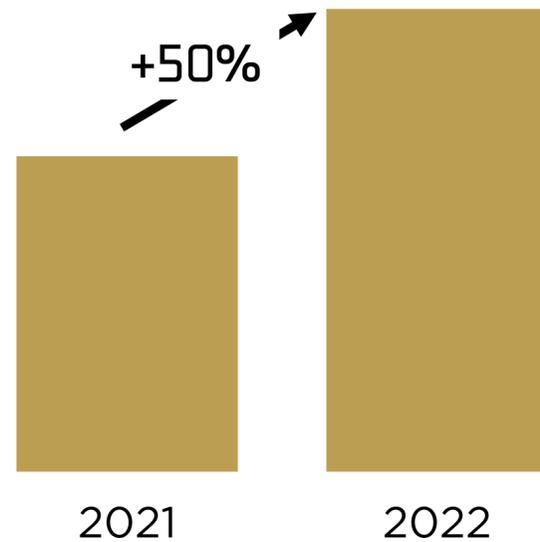
# FLX serves as a key unlock to reward that engagement and drive more

WE HAVE THE OPPORTUNITY TO DRIVE GREATER RELEVANCY IN OUR FLX PROGRAM

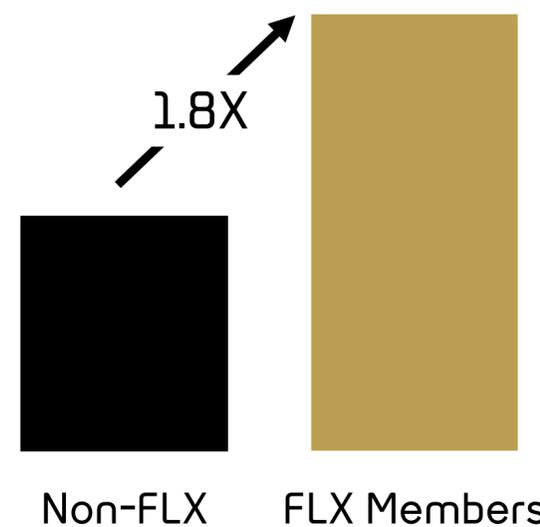
FLX is continuing to grow and drive improved spend...

...but we are still well under penetrated

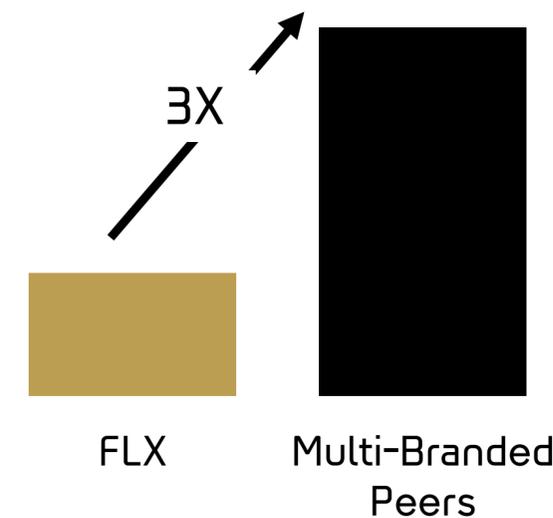
LOYALTY MEMBERS



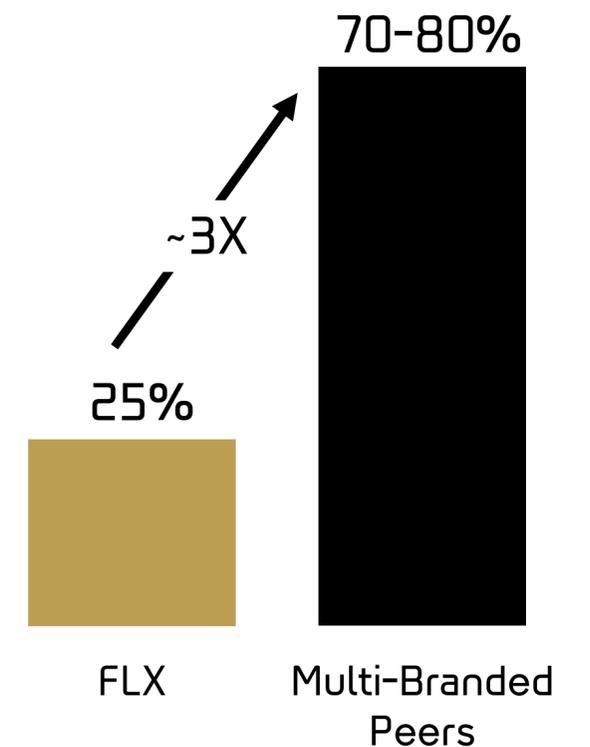
AVERAGE YEARLY SPEND



ACTIVE LOYALTY MEMBERS VS. PEERS



LOYALTY SALES TO TOTAL VS. PEERS



\*As of Dec 2022 in US and Europe; Active is defined as members who have validated, purchased, redeemed and/or engaged with the program

# Resetting FLX to drive relevancy with a broader range of consumers and accelerate our data efforts

## CURRENT STATE



## TARGET STATE



Program Value Primarily Attracting Core Sneakerheads Seeking Hype Product



Lack Of Deep Integration Across Customer Journey And Experience



Rewards And Redemption Center Have Limited Appeal To The Broader Audience



Broaden Program Appeal Through Points Redeemable For Purchases (Points For Payment)



Exclusive Product And Service Access For Members-only Offerings Differentiated By Status Tier



Unique Rewards And Point-multiplier Opportunities On Special Occasions To Drive Incremental Trips



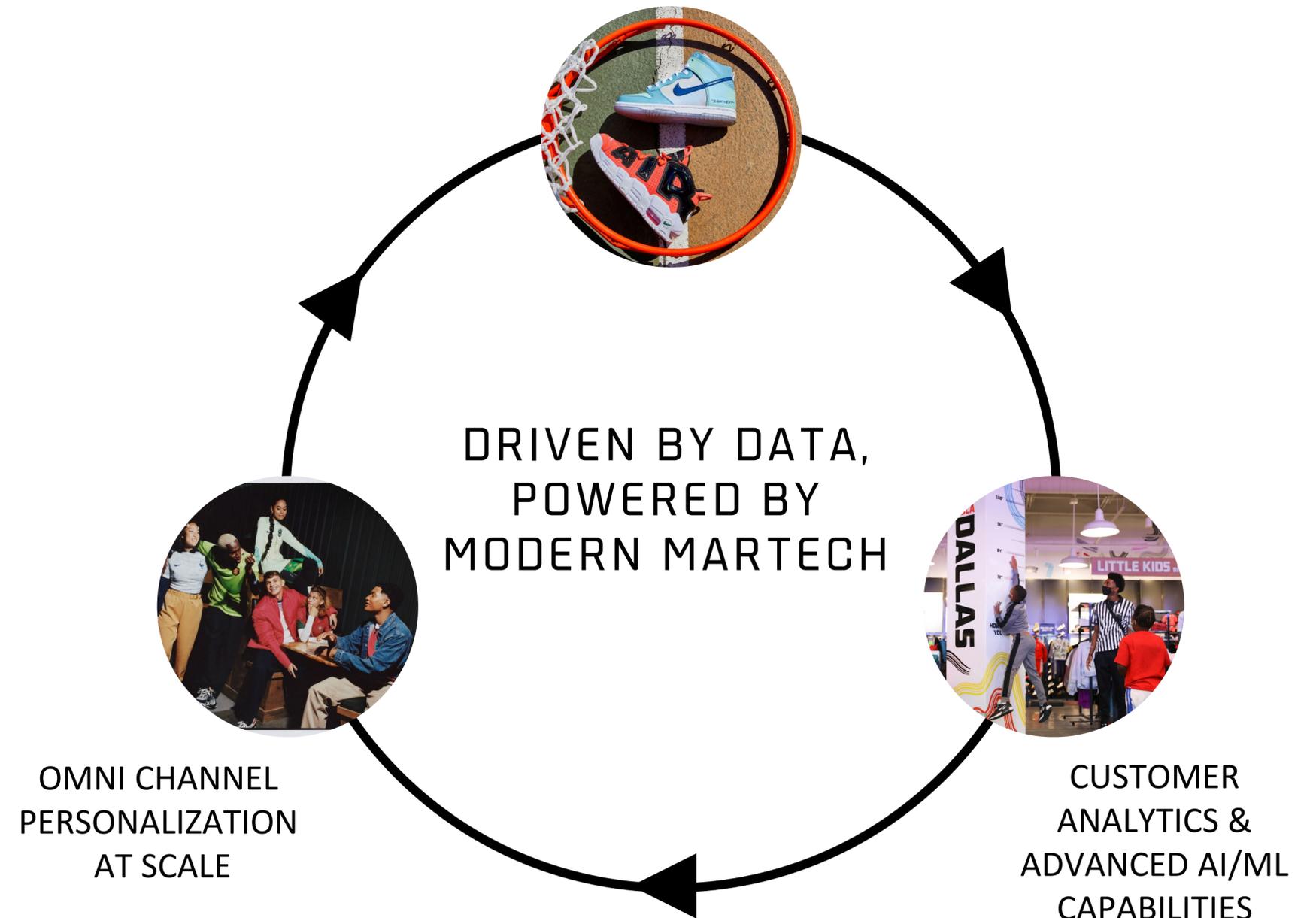
Simplicity And Transparency In Design To Improve Member Experience



Deep Integration Throughout Omni Customer Journey With Store Teams As Advocates And Ambassadors

**Investing into our  
technology and data talent  
to better know and serve  
our customers**

LOYALTY MEMBERS, CONSUMER DATA PLATFORM



FOOT LOCKER, INC.

# Delivering more personalized communication, driving deeper engagement with the brand

ENGAGE



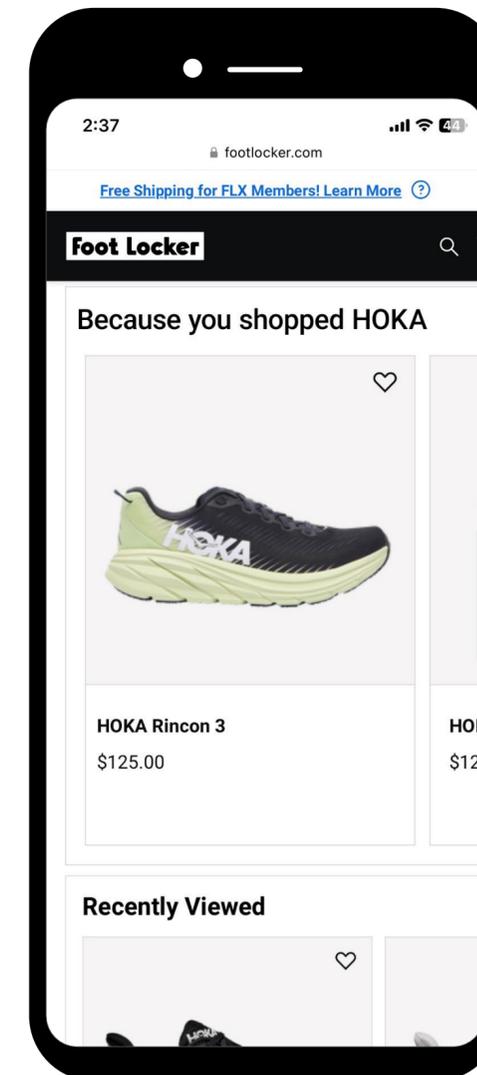
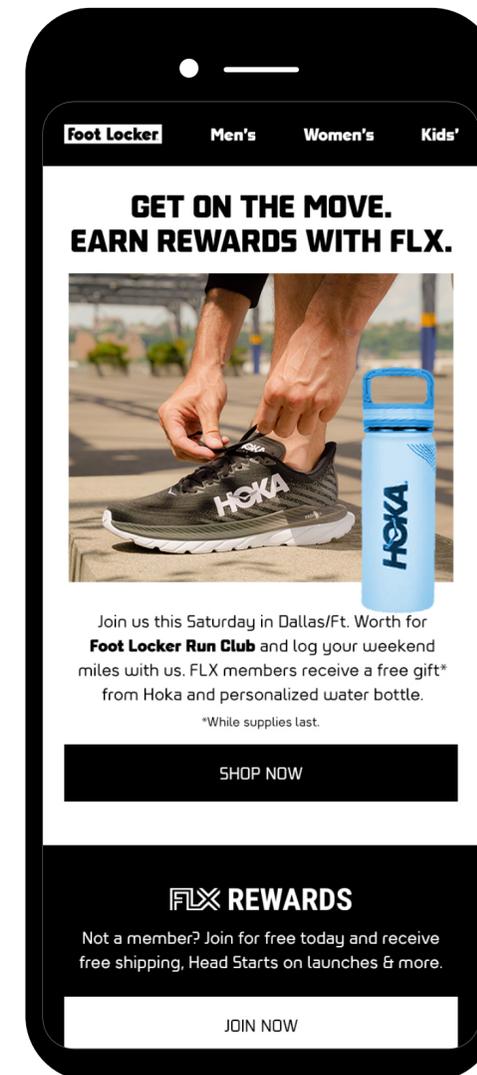
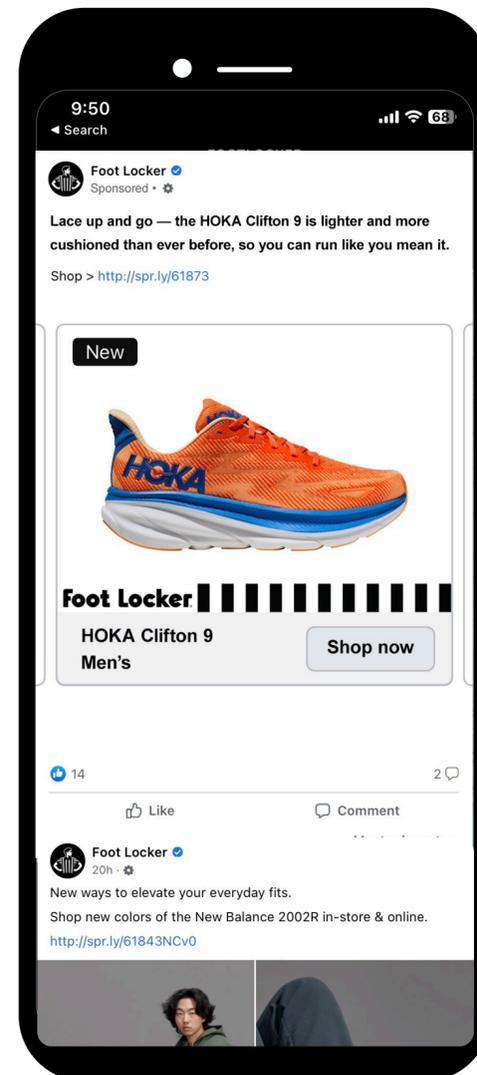
ACQUIRE



RETAIN



GROW



# Our roadmap

2023

## ENHANCE FOUNDATION

- Develop 'Points For Payment' Capabilities For FLX 2.0 And Pilot In Canada
- Expanded Consumer Research Connected With 1<sup>st</sup> Party Data
- Improved Customer Data Capture, Hygiene, And Enrichment
- Reimagine Data & Marketing Tech Stack Leveraging New And Existing Components

2024

## SCALE CAPABILITIES

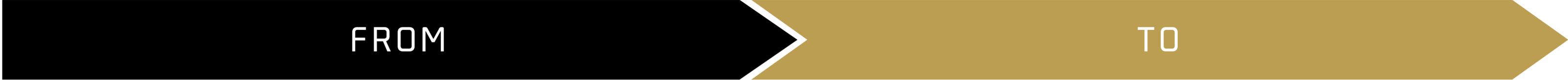
- Launch FLX 2.0 Rewards In All Channels In US
- Maturing Analytic Capabilities And AI/ML Models
- Pilot Advanced Personalization Use Cases Leveraging Test And Learn Op Model
- Complete Roll-out Of Core Customer Data & Marketing Tech Stack

2025

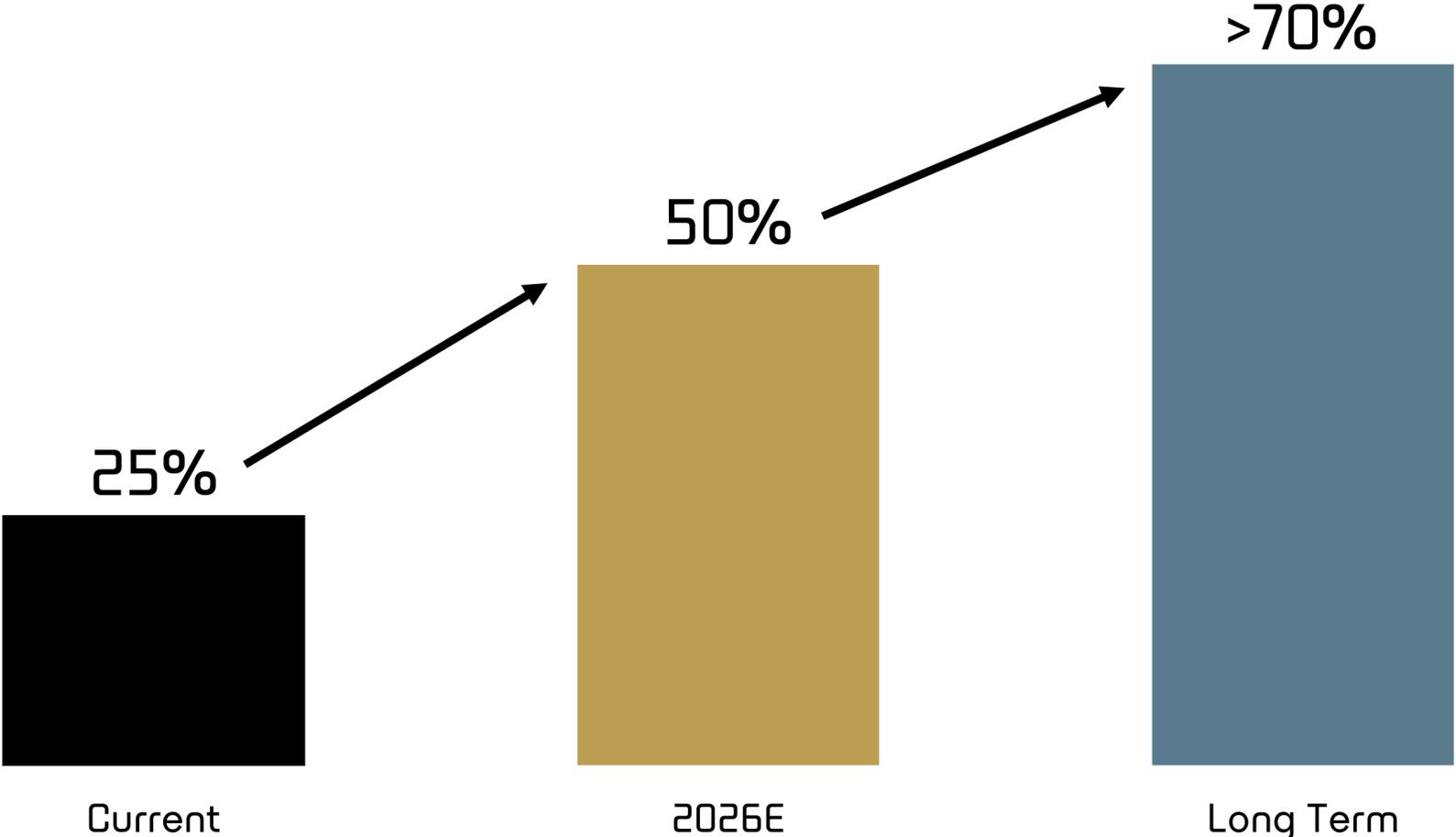
## MAXIMIZE OPPORTUNITY

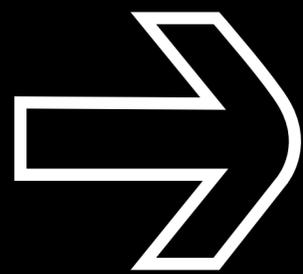
- Expand FLX 2.0 Globally
- Personalized Omni-channel Content And Experiences
- Test And Learn Frameworks Fully Operationalized
- Advanced Measurement And AI/ML Capabilities Driving Decisioning

# Our aspirations



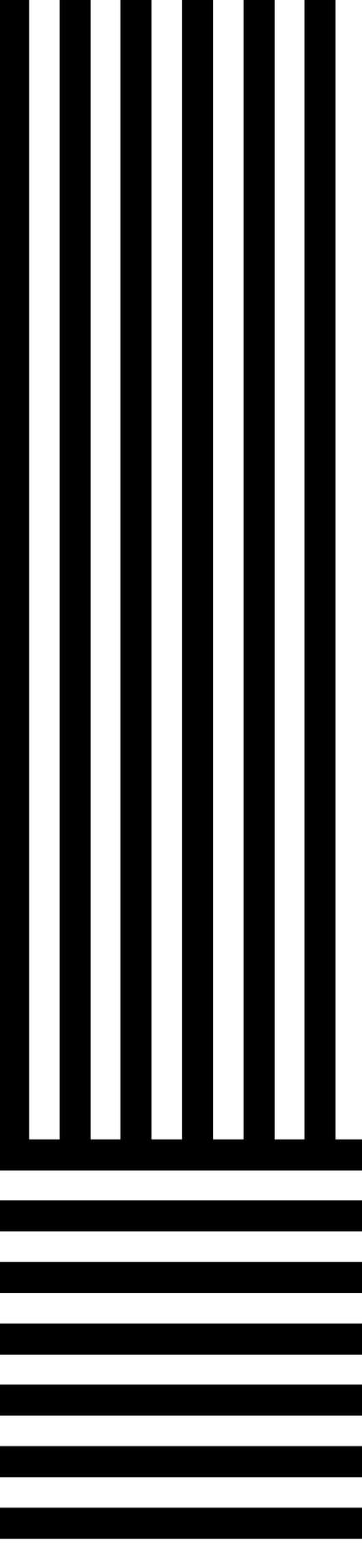
% LOYALTY SALES





**BREAK**

15 MINUTES

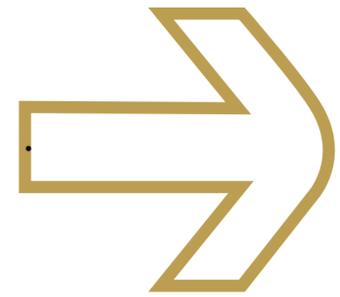


# Peter Scaturro

SVP, STRATEGIC PLANNING & GROWTH

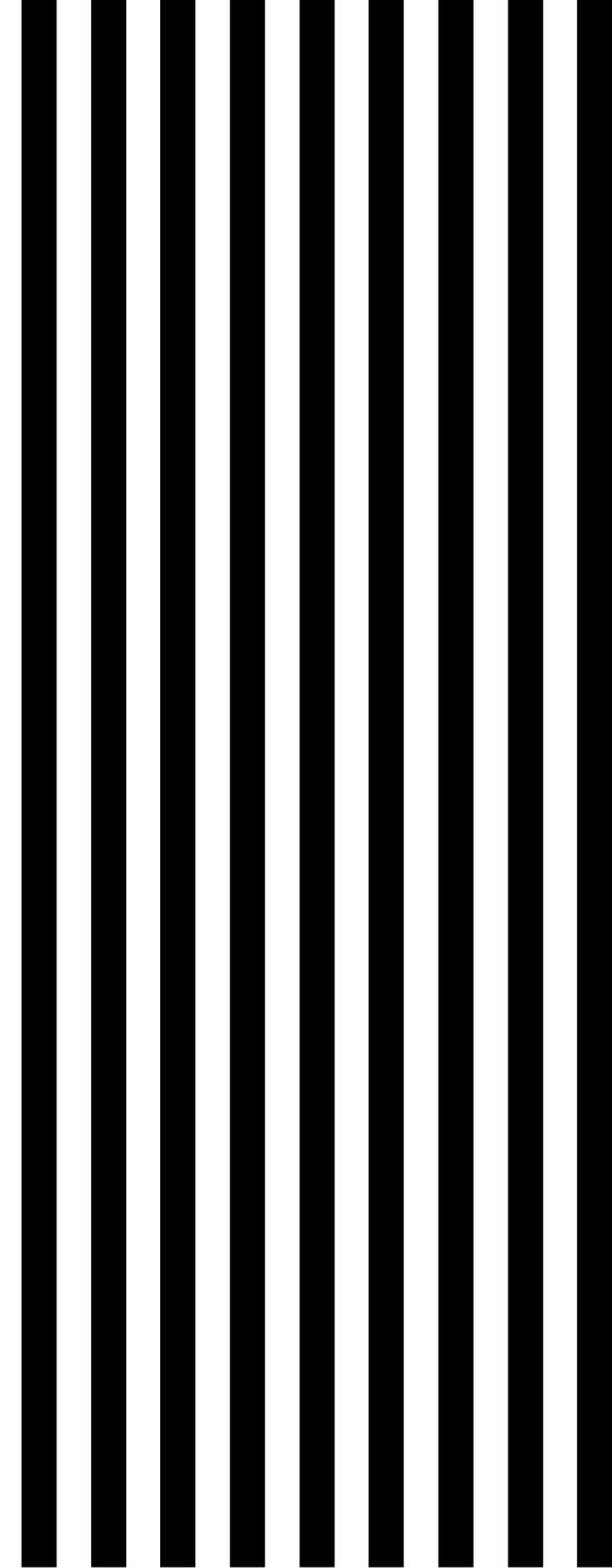
FOOT LOCKER, INC.

STRATEGIC IMPERATIVE #4



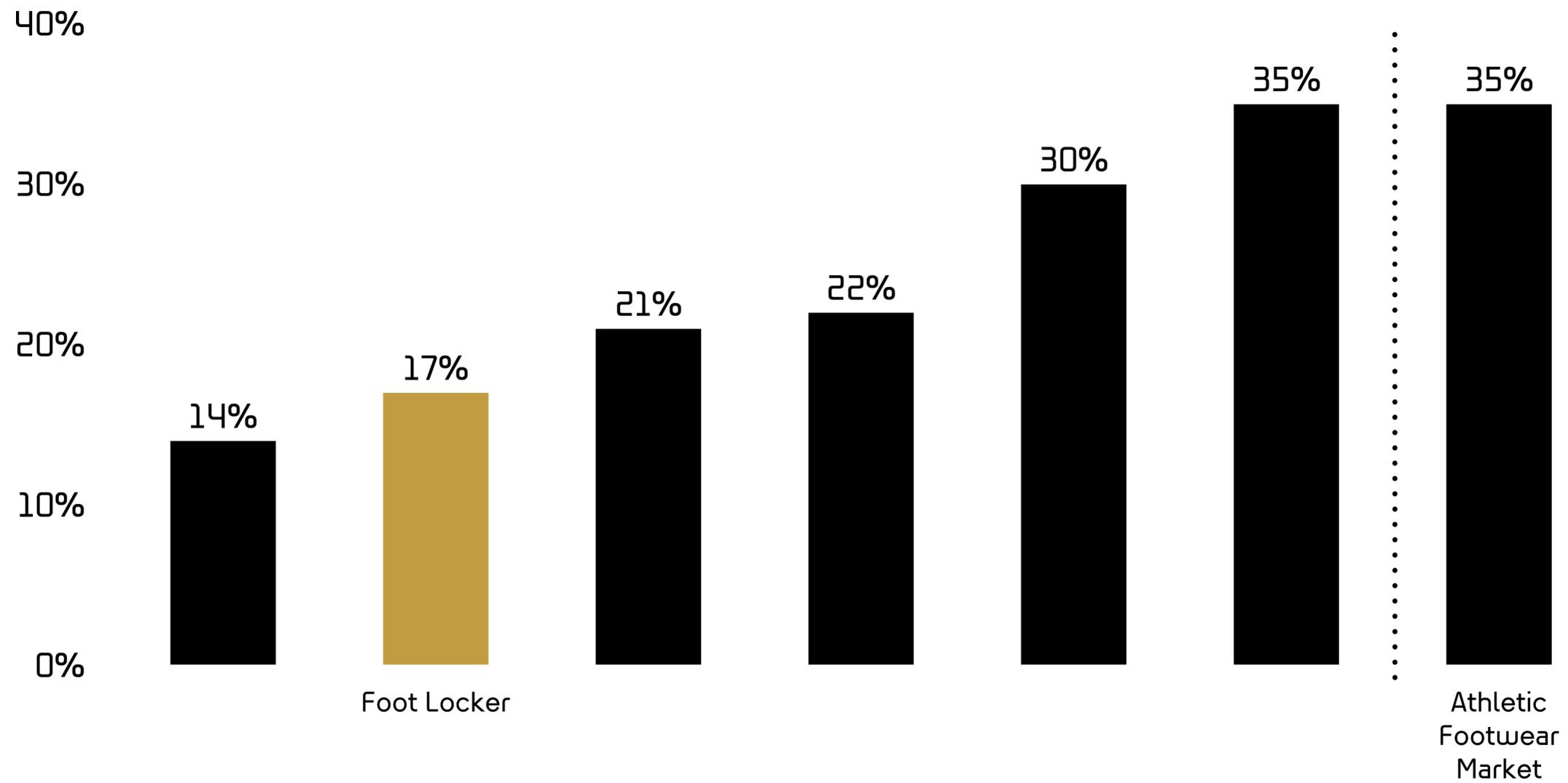
**Best-In-Class**

Omni



# There is opportunity to increase our digital mix

E-COMMERCE % OF SALES  
FOOT LOCKER VS. RETAIL PEERS AND MARKET



# Our channels work together to drive growth

**80%**

of digital sales are within 10 miles or less of a store

**1.7X**

more digital spend per person within 10 miles of a store

**95%**

of customers incorporate the digital channel into their purchase journey

**45%**

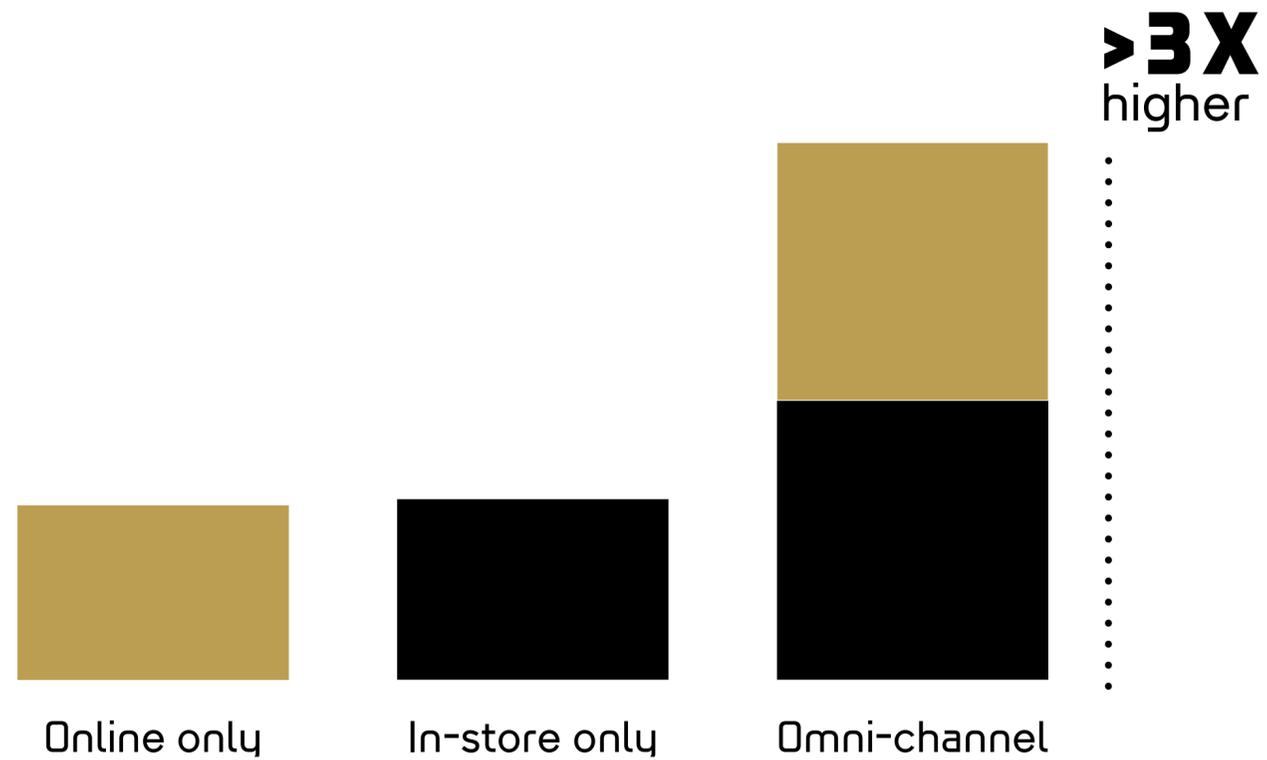
of digital orders are aided by stores\*

\*North America only. Includes B055, B0P15, 525

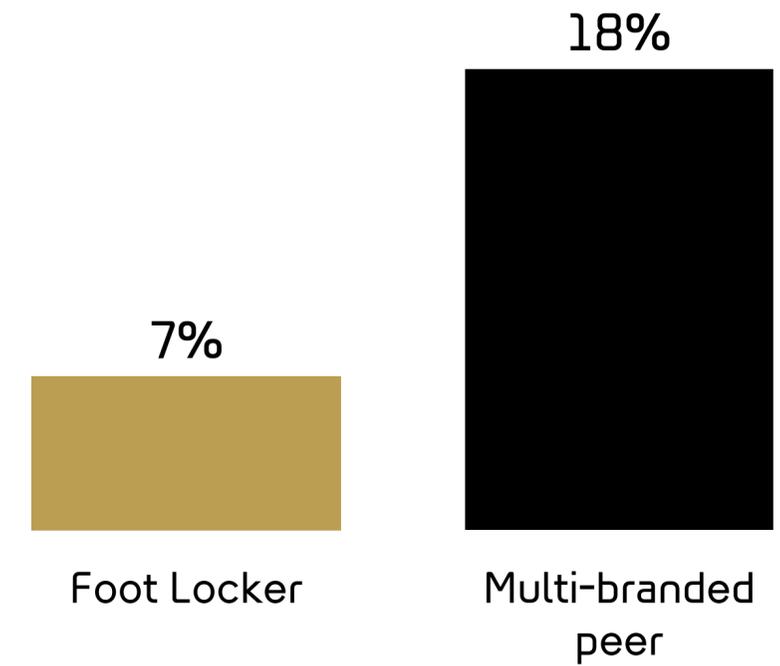
FOOT LOCKER, INC.

# Omni channel customers spend more but are under penetrated

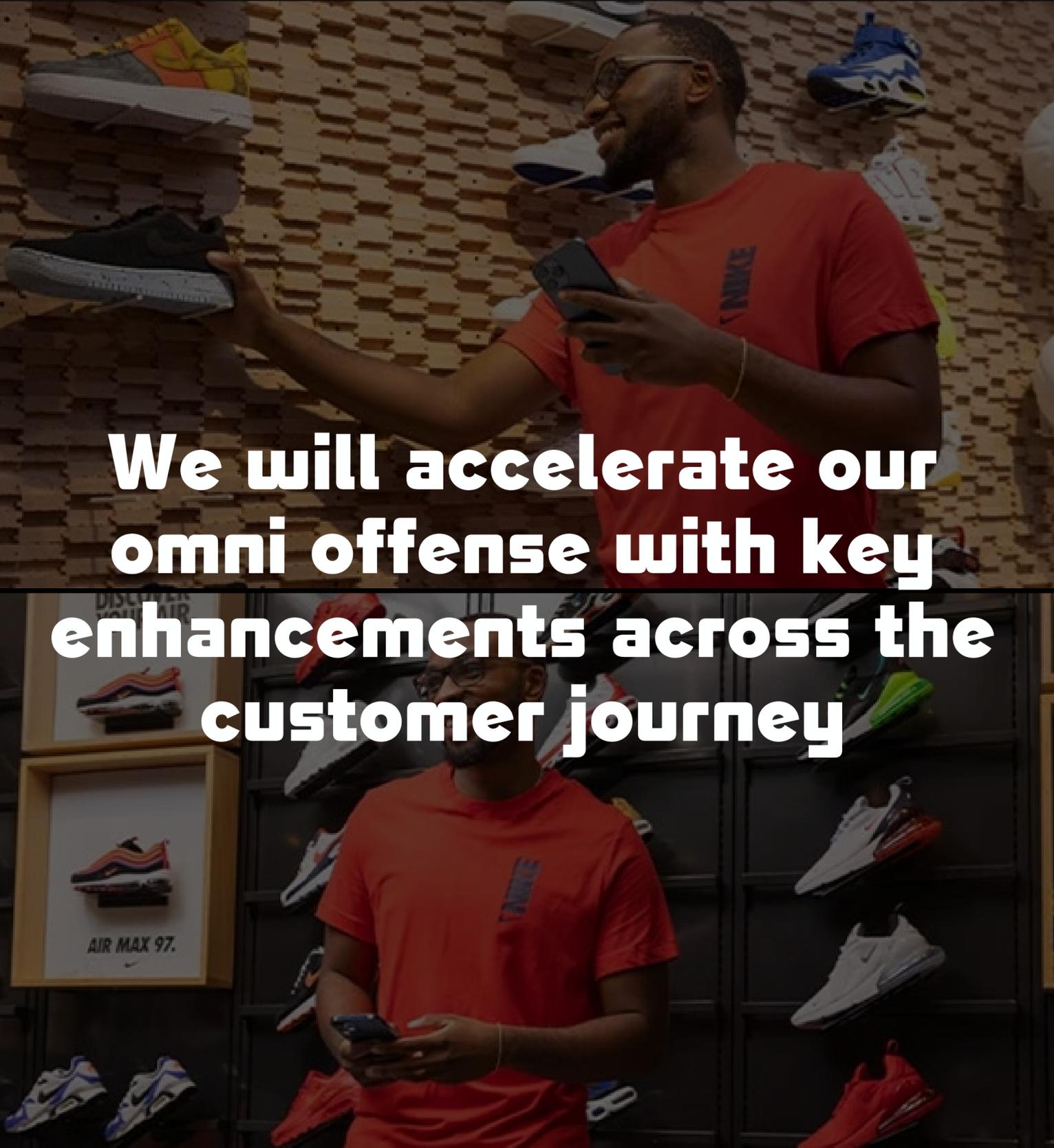
ANNUAL SPEND PER CUSTOMER



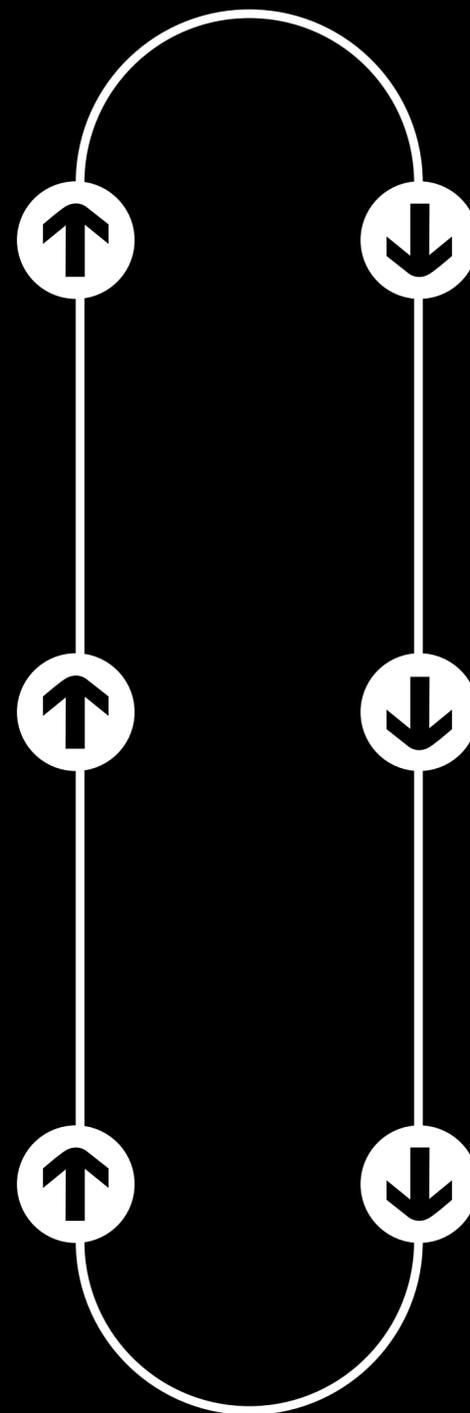
OMNI  
% OF CUSTOMERS



Note: Foot Locker US, Kids Foot Locker, Champs Sports US. Excludes Resellers and Employees  
Source: Foot Locker, Company filings



**We will accelerate our  
omni offense with key  
enhancements across the  
customer journey**



## PRE-PURCHASE

Drive discovery and engagement through a more personalized and dynamic pre-purchase experience

## PURCHASE

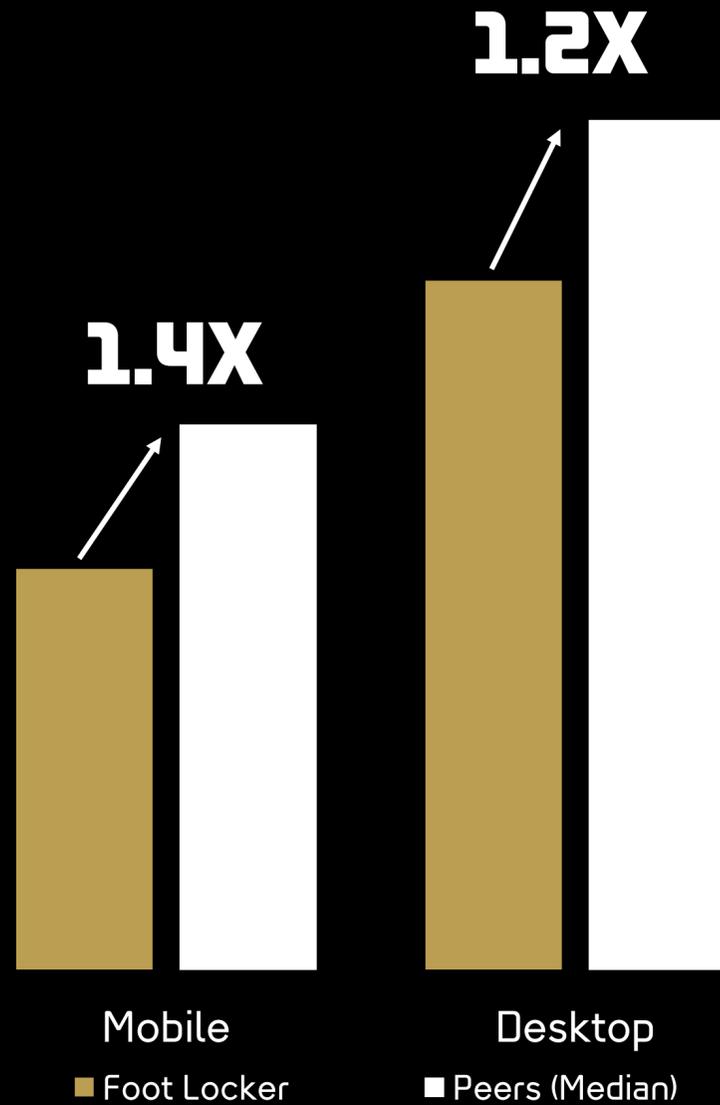
Deliver a seamless purchase experience that drives connectivity between channels

## POST-PURCHASE

Enhance the post purchase experience with a frictionless fulfillment process

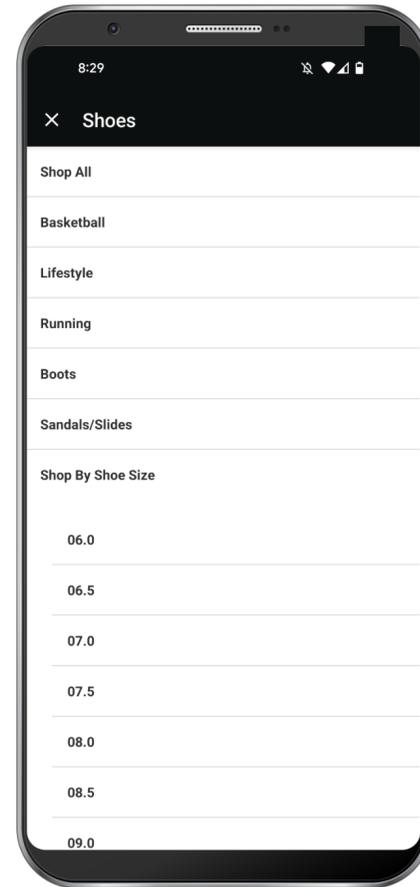
# OUR OPPORTUNITY TO IMPROVE DISCOVERY

TIME PER VISIT, MINUTES



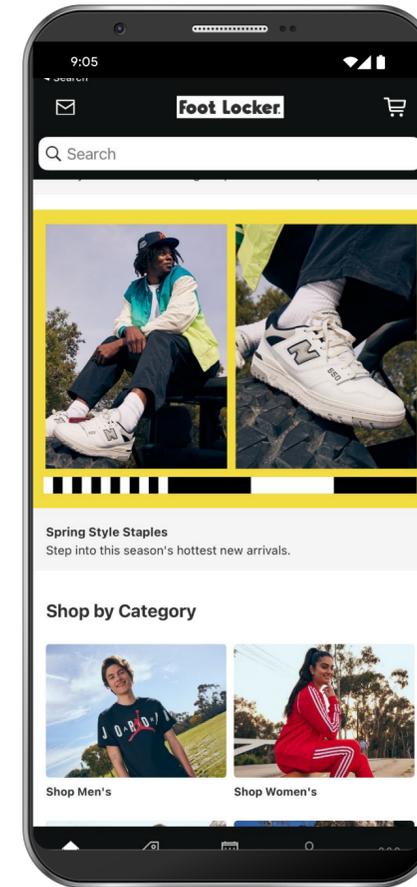
# Drive discovery and engagement through a more dynamic and personalized experience

## SEARCH & NAVIGATION



A more predictive search algorithm coupled with seamless navigation

## CONTENT



Robust product storytelling with improved images, reviews and ratings

## PERSONALIZATION



Dynamic product and content recommendations powered by AI

# Deliver a seamless purchase experience that drives connectivity between channels

PEER ONLINE CONVERSION

~3.5X

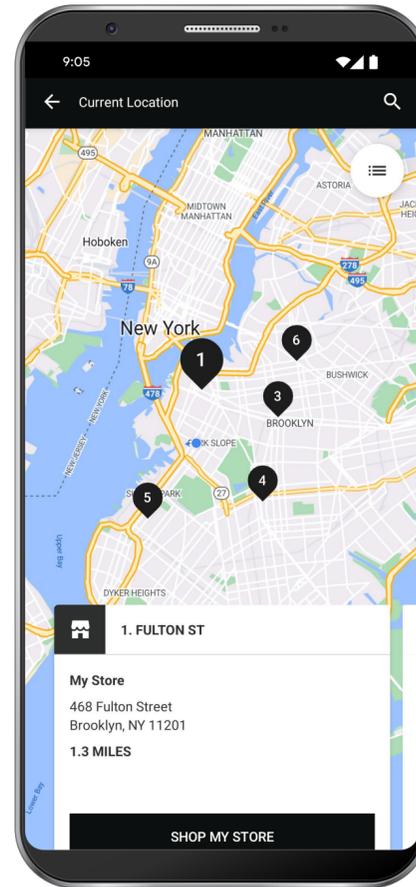


Foot Locker



Peers

## NEAR-REAL TIME INVENTORY



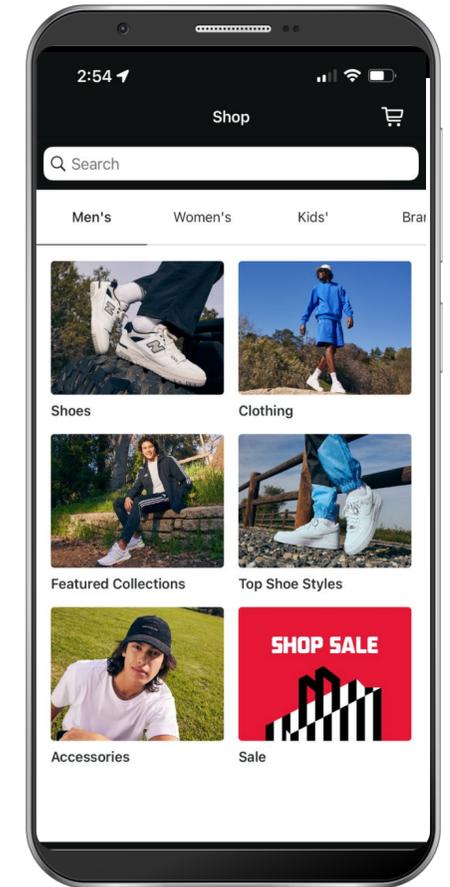
Provide a near-real time view of inventory by 2024

## IN-STORE CONNECTIVITY



Scale handhelds to 100% of stores in 2023 to drive inventory visibility across the network

## APP RELAUNCH



App relaunch in 2024 with a focus on 'energy, commerce and connectivity'

# NET PROMOTER SCORE

~1.5X



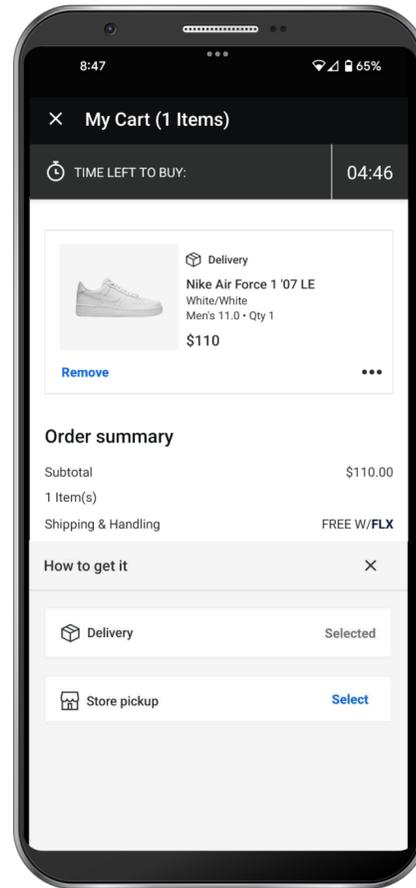
Digital



Stores

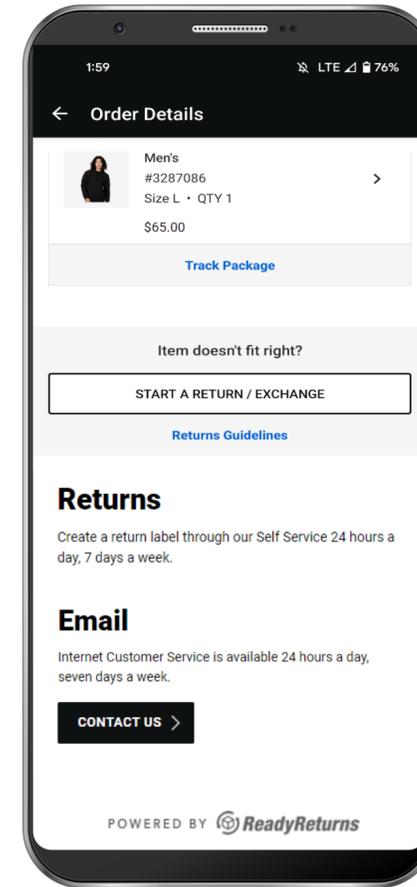
# Enhance the post purchase experience through frictionless fulfillment

## FLEXIBLE FULFILLMENT OPTIONS



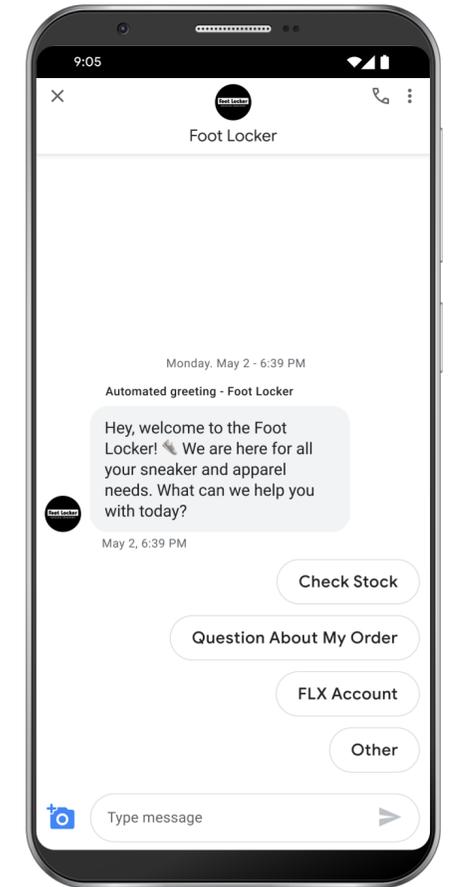
Accelerate our global BOPIS rollout

## SEAMLESS RETURNS



Scaled seamless return capabilities

## ORDER TRANSPARENCY & COMMUNICATIONS



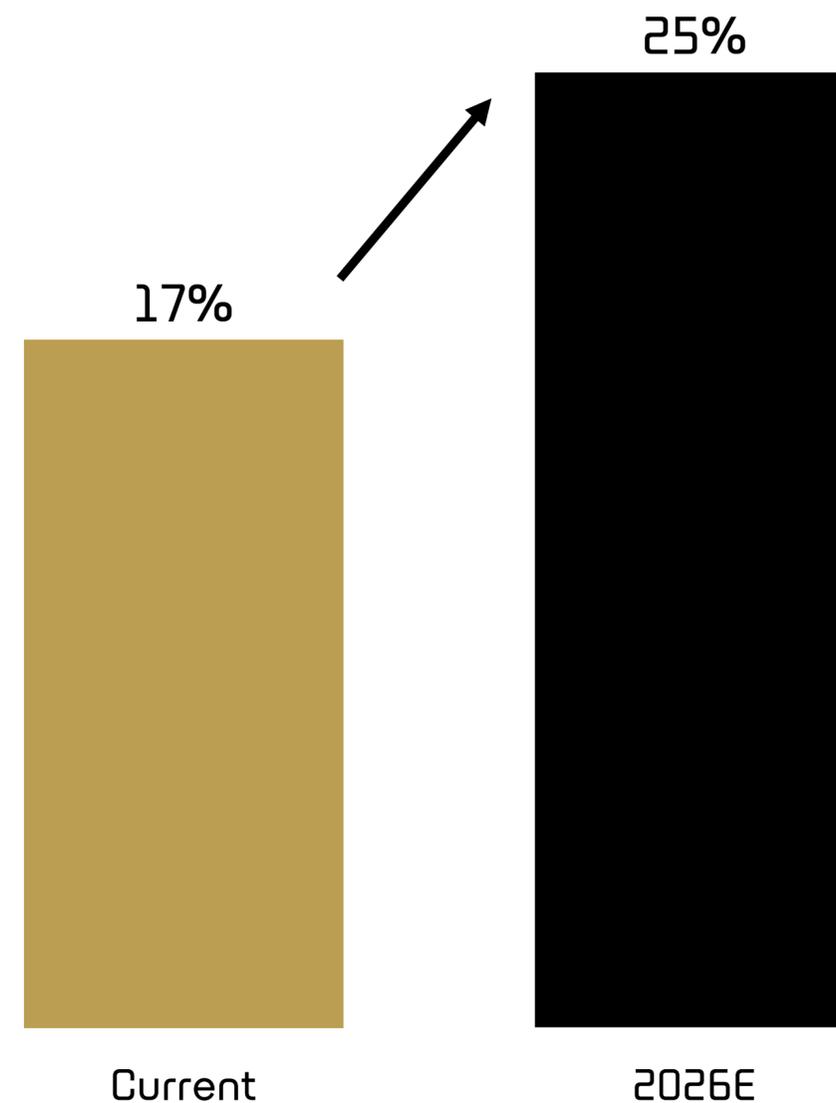
Easy to use messaging and self-service support

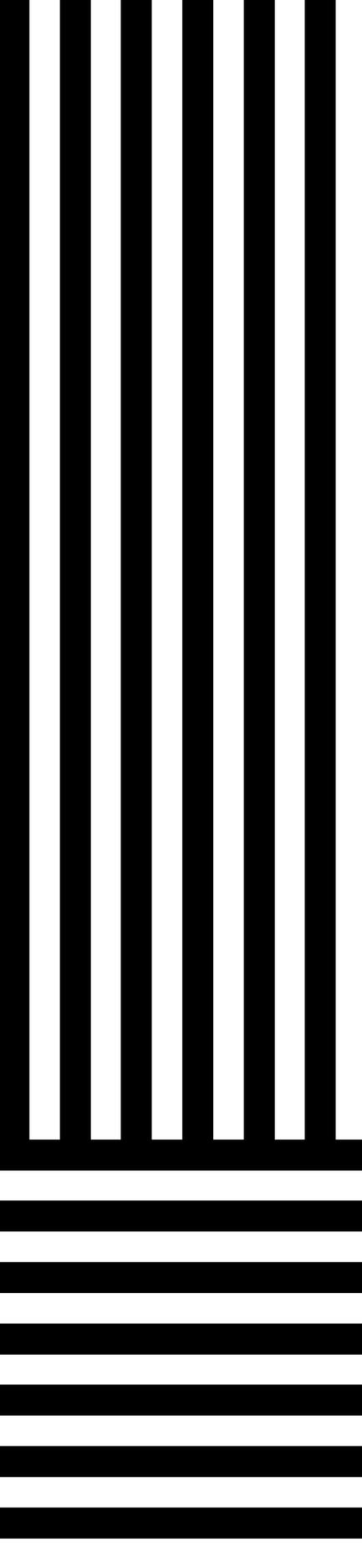
**Our aspirations and digital target**

**~\$2.5B**

of sales

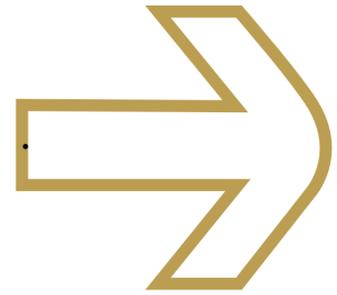
DIGITAL PENETRATION  
(% OF SALES)



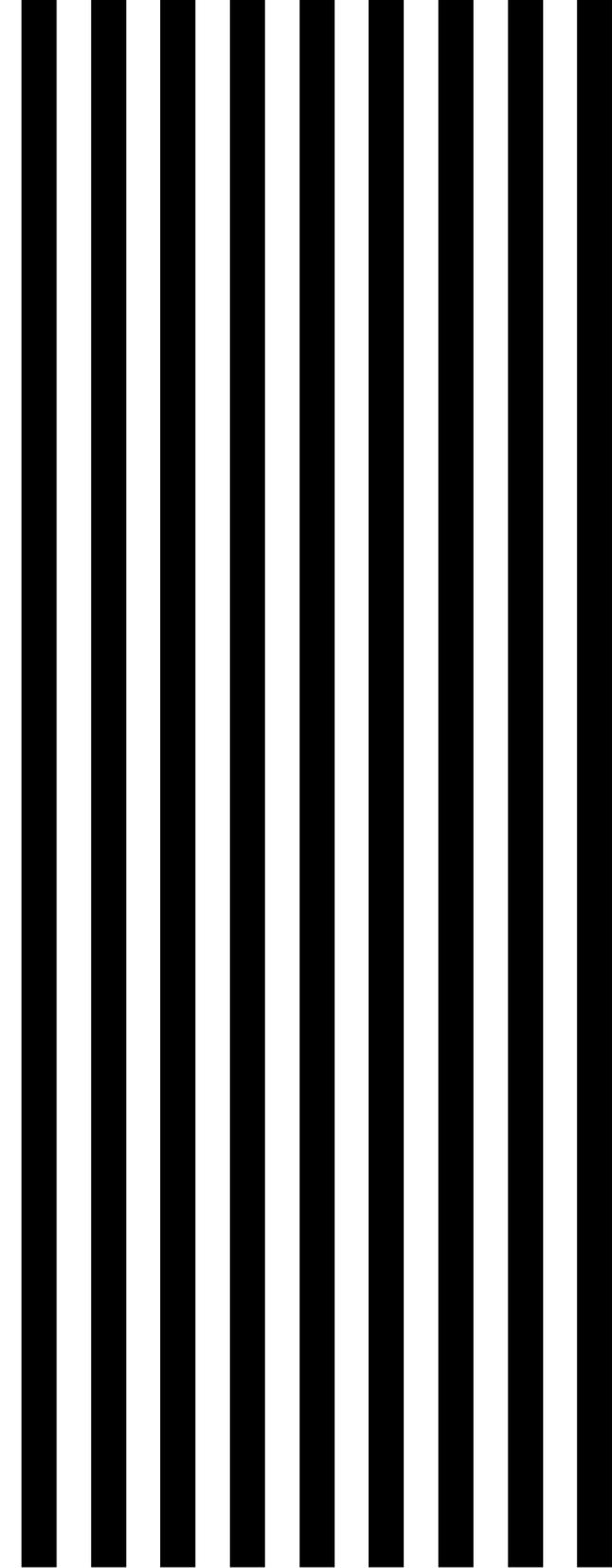


**ELLIOTT**  
**Rodgers**

CHIEF OPERATIONS OFFICER

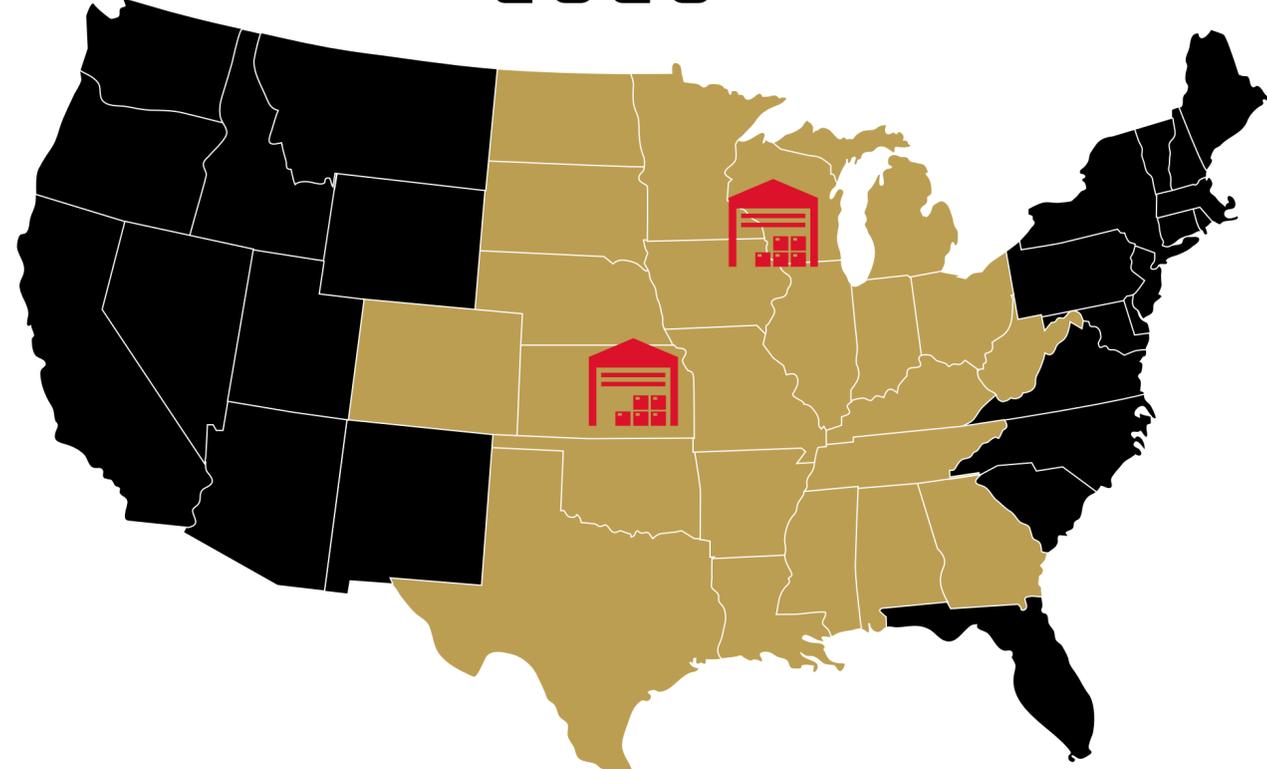


SUPPLY CHAIN AND  
**TECHNOLOGY**  
ENABLERS

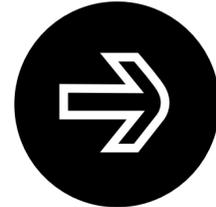
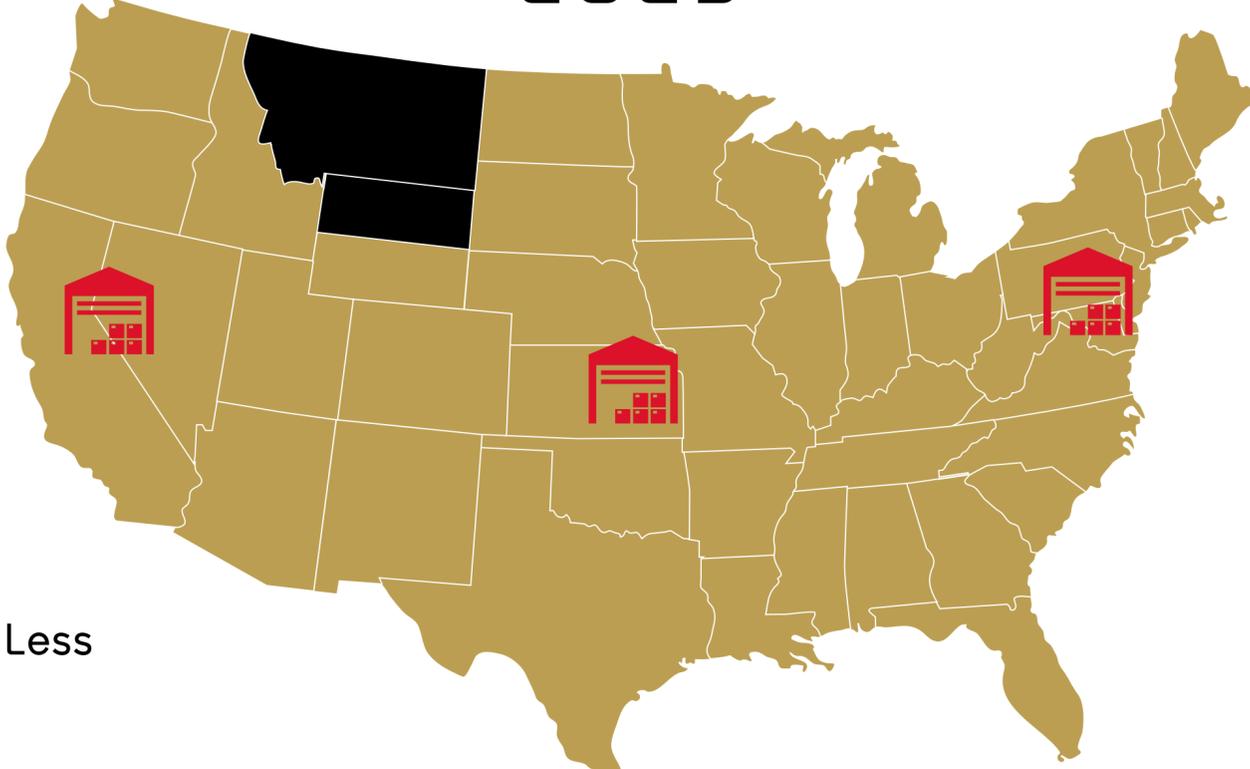


# 2023 will deliver a significant improvement in our fulfillment capabilities

2020



2023



2 Business Days Or Less

- Single-channel Retail And Ecommerce DCs
- 2 Centralized DCs That Service Entire US

**<40%**  
2-Day or less to customers/stores

- Omnichannel Retail And Ecommerce DCs
- 3 Regional DCs That Service Local Territory

**>95%**  
2-Day or less to customers/stores

# We will continue to leverage our supply chain to drive growth

2023

2024

2025

## DISTRIBUTION NETWORK

Expand Transportation Partnerships And Offerings

Europe DC Network Investments

US DC Network Upgrades

## OMNI CONVENIENCE

Establish Dynamic Customer Promise Capability

Develop Differentiated Service Offerings

Improve And Expand Fulfillment Options

## END-TO-END PRODUCT FLOW

Optimize Omnichannel Inventory Across Fulfillment Channels

Drive Store Replenishment Speed And Quantity

## SUPPLY CHAIN TECH

Platform Resiliency And Scalability

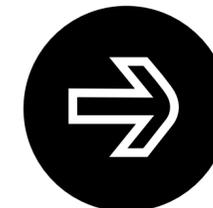
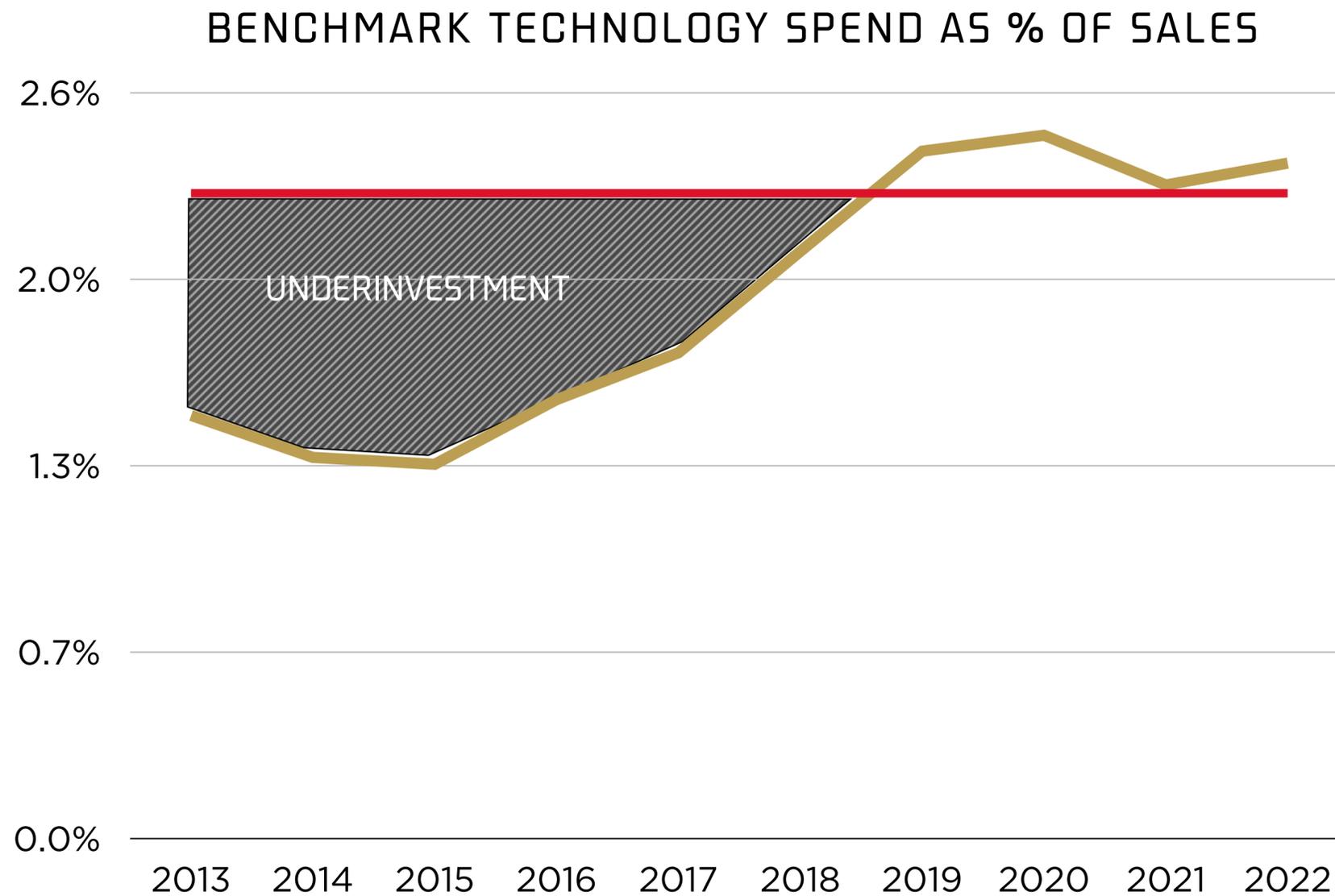
Robotics/Automation Enablement

Omni Order/Inventory Management

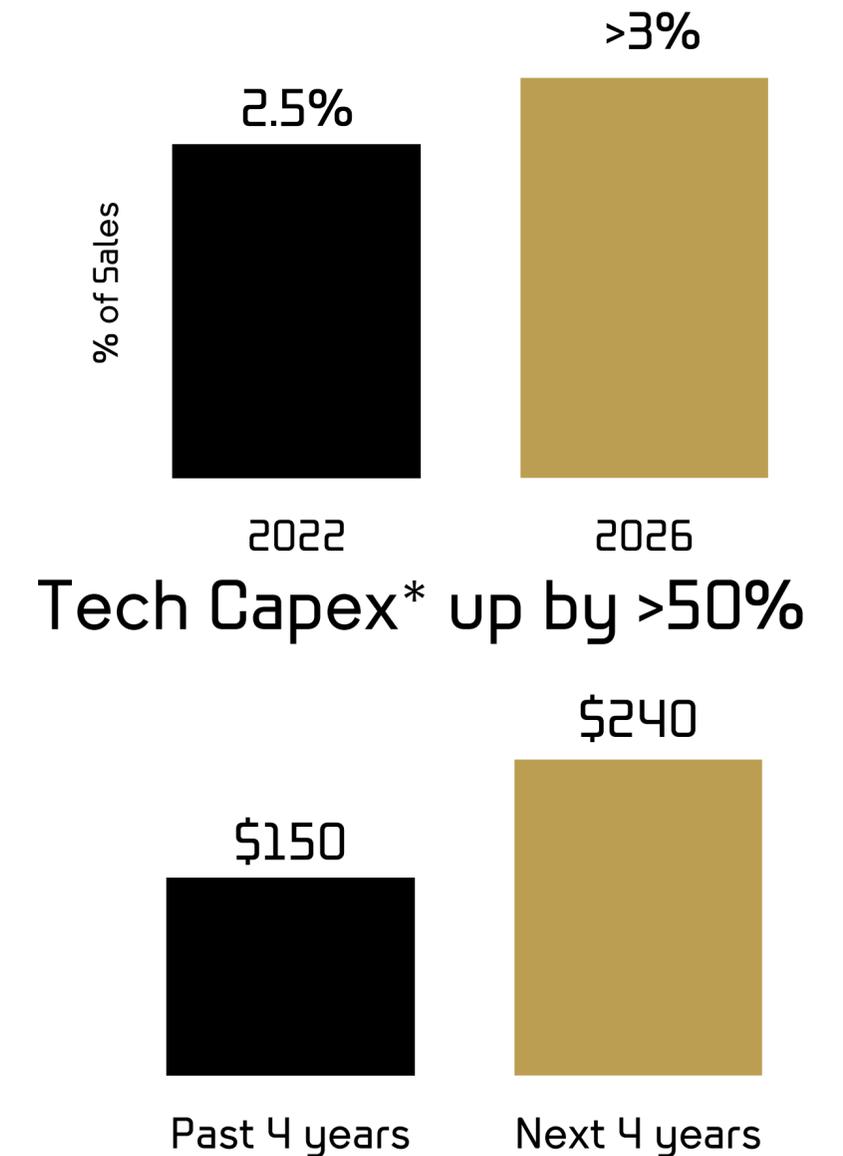
Real-time Operational Data For Decision-making

# An investment in our technology underpins our omni acceleration

We have historically underinvested in technology



Tech Expense up by ~\$80M



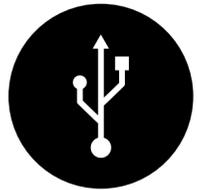
\* Includes capitalized IT expense

# We will create a more agile and modern platform

## CURRENT STATE OF TECH



## TARGET STATE



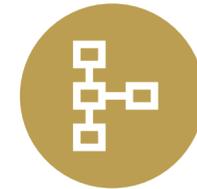
Complex Tech Architecture Strained By Legacy Platforms And Heavy Customization



Modern, Lightweight, Modular Cloud-first Solution Architecture, Future-proofed For Growth



Traditional Tech Operating Model With Longer Lead Times And Higher Cost To Deliver Capabilities



A Product-platform Operating Model With Agile Ways Of Working And Aligned To The Digital Strategy



Deficit In Digital Customer-facing Capabilities Compared To “Best-in-class” Experiences



Improved Digital, Data And Analytics Capabilities To Power Decision Making And Highly Personalized Customer Journeys



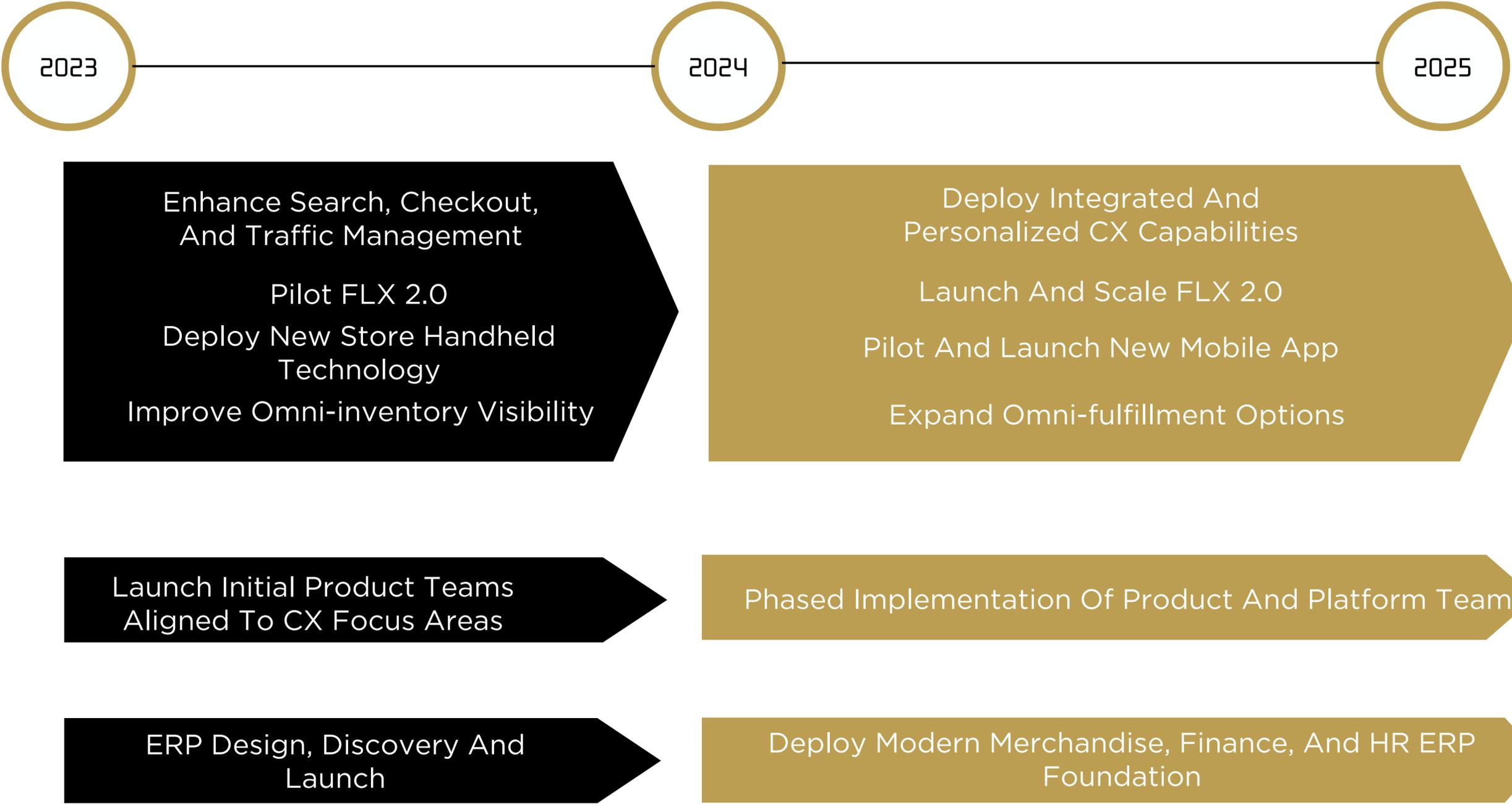
Custom-built Technical Solutions That Don't Leverage Market Leading Capabilities

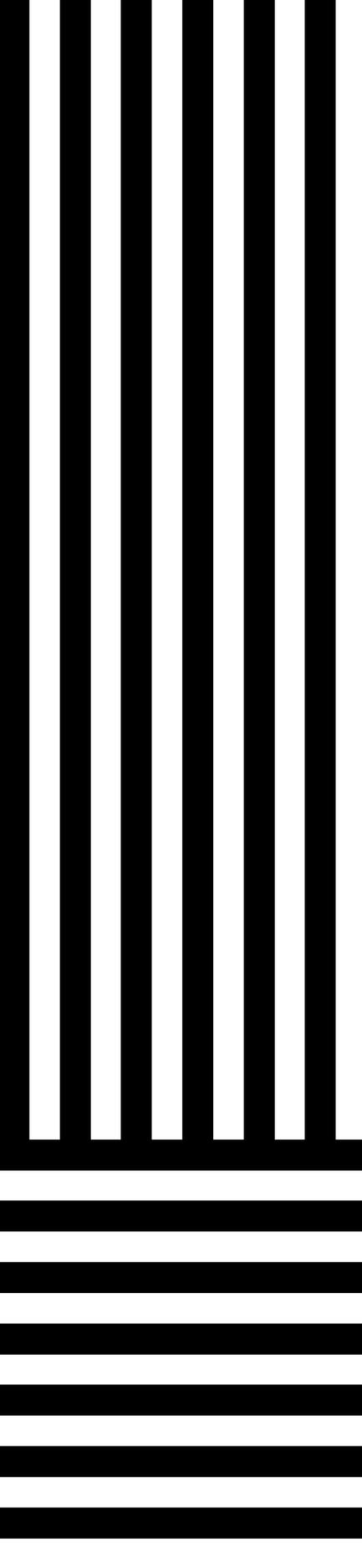


Strong Technology Core With Resilient Operations And Reduced Technical Debt - Increased Buy Vs. Build Approach

# A multi year plan to elevate our foundation and accelerate our digital capabilities

## INVESTMENT HIGHLIGHTS





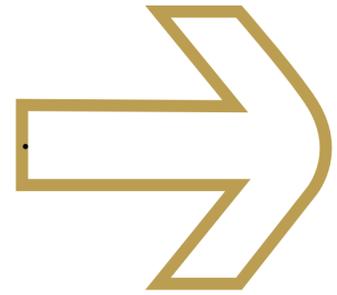
**Robert**

Higginbotham

INTERIM CHIEF FINANCIAL OFFICER  
SVP, INVESTOR RELATIONS AND FP&A

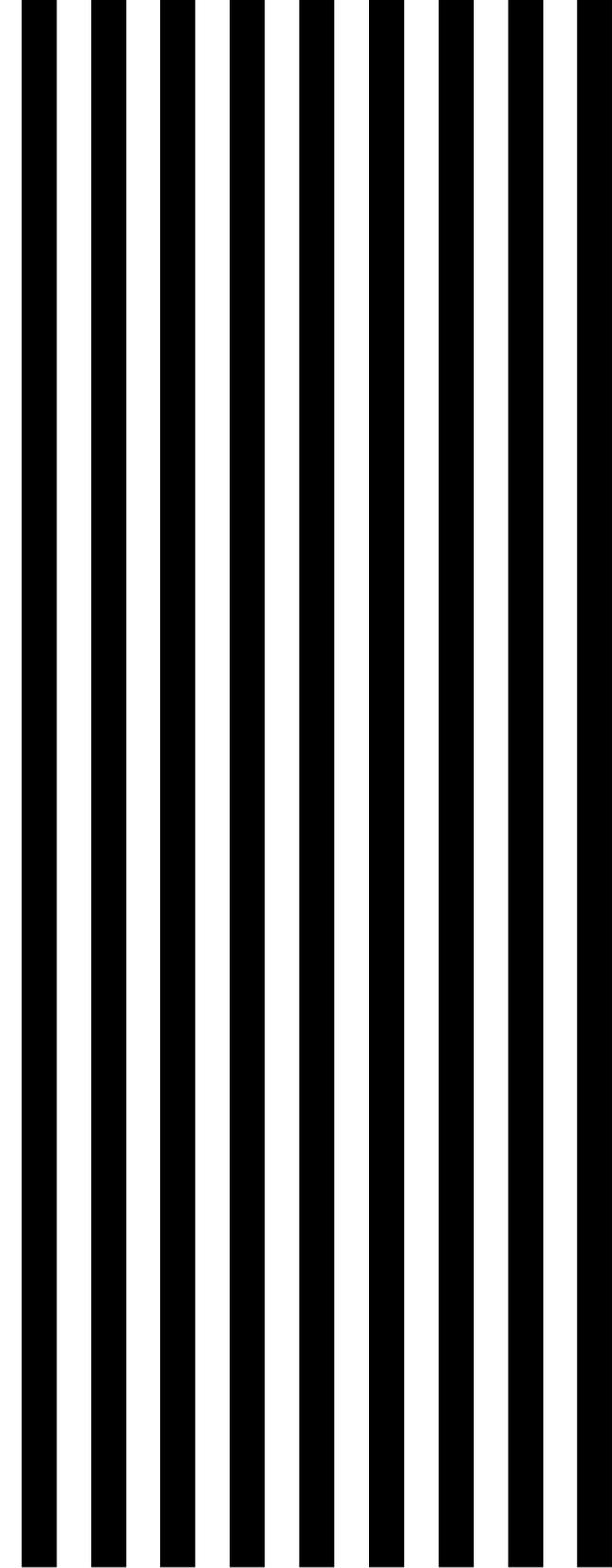
FOOT LOCKER, INC.

CREATE VALUE FOR ALL



# STAKEHOLDERS

- Community
- Team Members
- Investors



# Create value for our community

## ECONOMIC DEVELOPMENT



Investing In black-owned brands, creators, venture capital firms and suppliers across functions

**\$200M** Economic Commitment

**\$16M** Product Purchases

**\$21M** To Black Managed VC

## COMMUNITY EMPOWERMENT



Providing grants and scholarships to under-invested communities, opportunities and individuals

**\$2.2M** In Grants Awarded

**\$0.4M** Scholarships

**30** Bridge Interns

## COMMUNITY GIVING



Recurring donations and employee volunteering To charitable organizations

**25** youth programs funded

**11K** new pairs of sneakers donated

# Create value for our team members

## EMPOWERING OUR PEOPLE

- Providing Mobility Through Multiple Avenues
- Committed To Promoting People From Within
- Offering Flexibility To Move From Store To Corporate
- Dedicated To Creating A Culture Of Diversity

**~3,500**

promotions  
in the field

**>90%**

promotions  
that were POC

**30**

bridge  
interns

**IGNITE**

TRANSFORMING HOW  
WE WORK

- Holistic And Integrated Ambition Across Growth, Cost Efficiency, Technology Infrastructure And Organizational Health
- Deep Organizational Engagement Across All Areas And Functions
- Create New Ways Of Working And Build New Capabilities For Sustainable Impact



**550+**

members engaged in  
the transformation  
effort



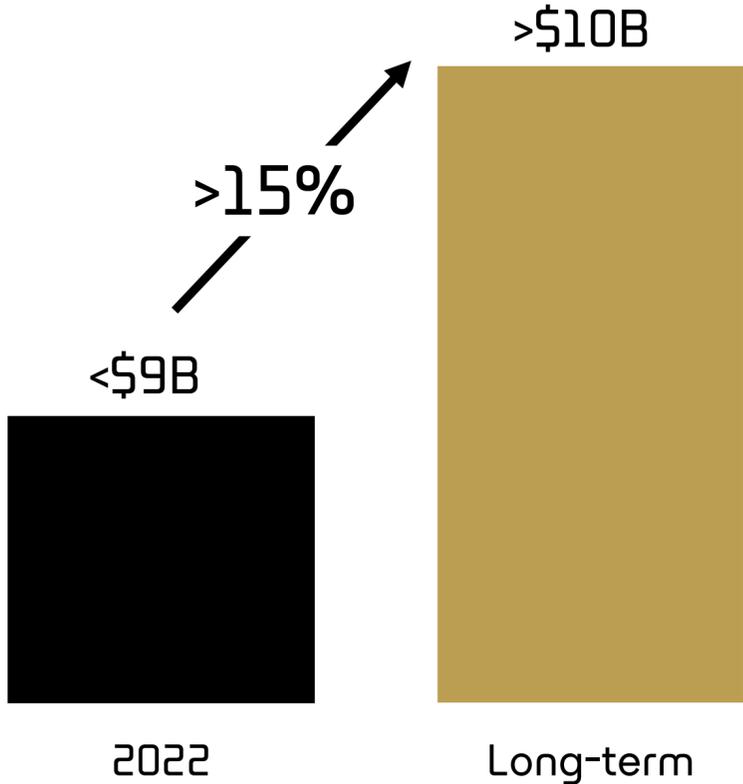
**3,500+**

hours of training In  
transformation  
capability building

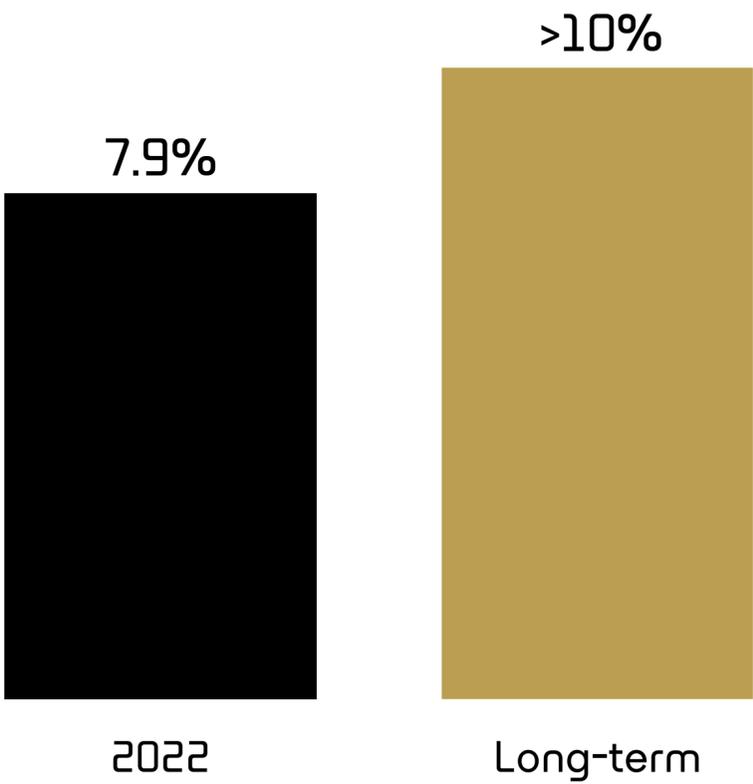
# Create value for our investors

## LONG-TERM FINANCIAL VISION

\$10B+ and growing revenue...

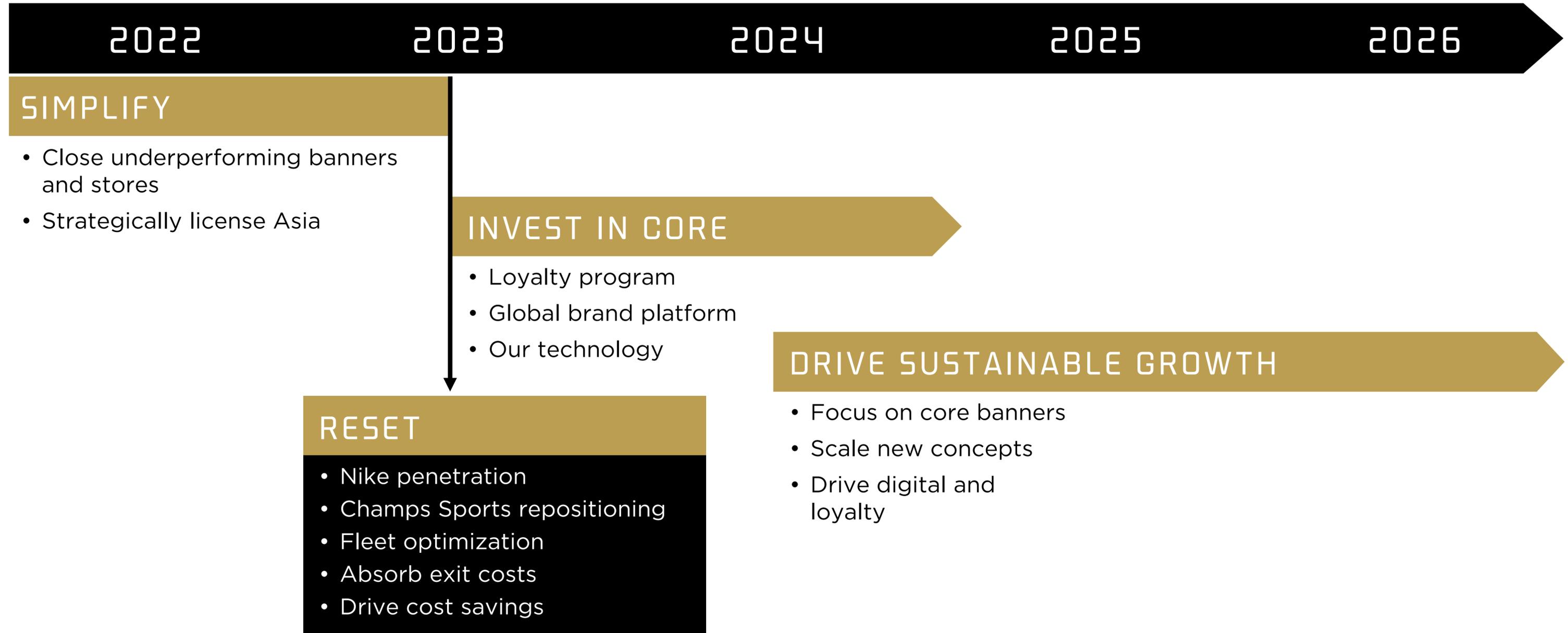


...with over 10% EBIT margin



# Our path to get there

TRANSFORM TO GROW



# Simplifying our international operations in Europe

## SIDESTEP

Winding Down Sidestep  
Banner In Europe

~70

Stores Closing

~10

Stores Converting To Foot Locker

Process Expected To Be  
Completed By ~Mid-year 2023

## BENEFITS

- Sharpen Focus On Foot Locker Brand In Region
- Simplifies Our Overall Operations
- Reduced Losses/Margin Accretive

## FINANCIAL IMPACT

~\$100M  
Top-line Reduction

>10BPS  
Company EBIT Margin

~\$10M  
Eliminated From Annual Loss

~\$25M  
In Exit Costs

# Simplifying our international operations in Asia

## STRENGTHENING ASIA BUSINESS MODEL

2022



2026E

~**30**

Owned Stores

**-\$30M**

Losses

### OLD EXPANSION

- Capital-intensive
- Upfront Losses
- Lack Of Scale In Region

### CLOSE

Macau

Hong Kong

### CONVERT/ GROW LICENSE

Singapore

Malaysia

### OWN AND OPERATE

South Korea

~**130**/~**15**

Licensed/Owned Stores

**>\$15M**

Licensing Revenue

### NEW EXPANSION

- Asset-light
- Leverage Partners' Scale And Expertise
- Development Commitment

## WITH A PROVEN, TRUSTED PARTNER

**MAP**  
Mitra Adiperkasa

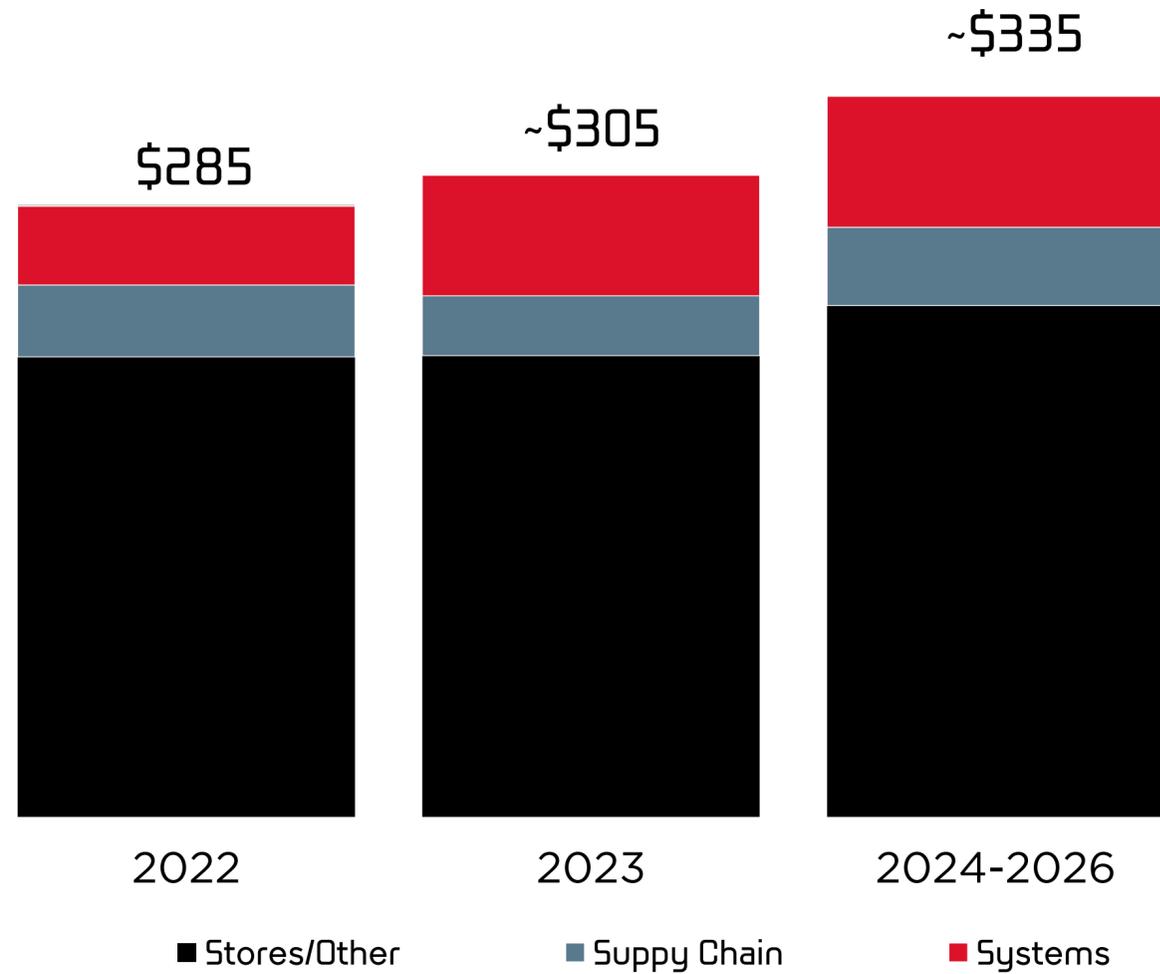
**>3,400**  
Retail Locations

**>150**  
Brands

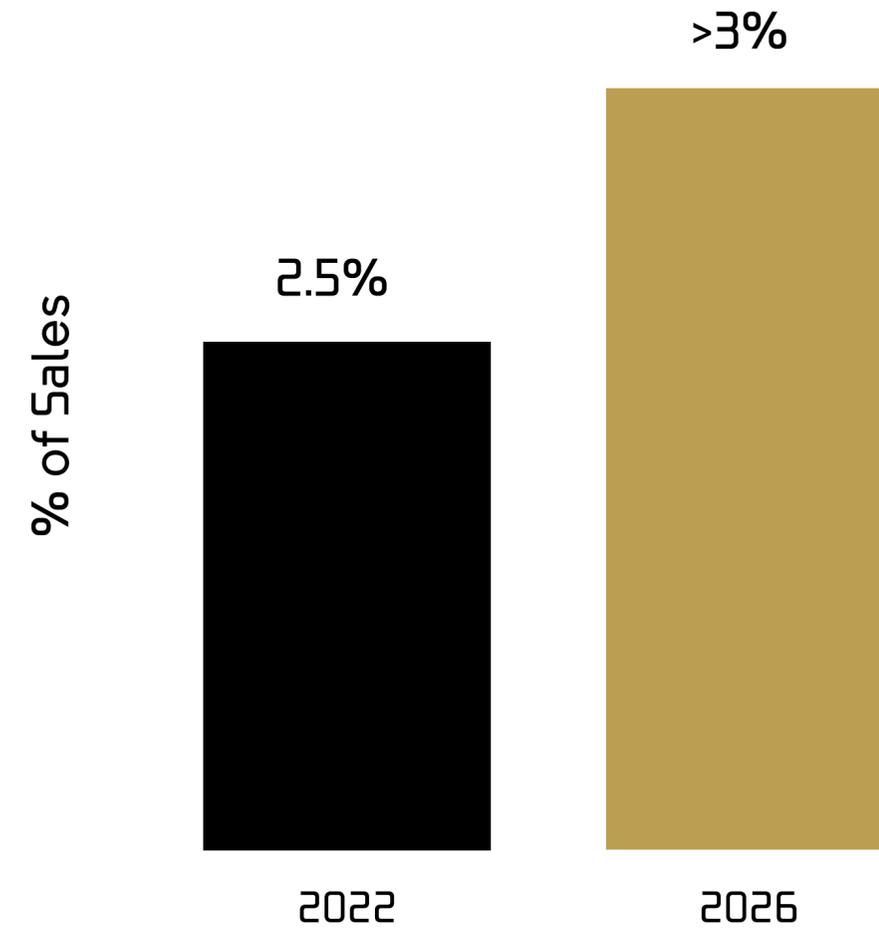
Leading Retailer And Distributor  
In Region Across Sports, Fashion,  
Food And Beverage And Lifestyle  
Products

# Accelerating investments to drive growth

Annual Adj. Capex to increase by >\$50M\*



Technology Expense up by ~\$80M



\* Adjusted Capex includes capitalized Technology expense

# Cost savings as fuel for investment



FUELING OUR GROWTH BY CHANGING THE WAY WE WORK

**ORIGINAL TARGET + NEW SAVINGS = NEW TARGET**

**\$200M**

SG&A

Corporate Overhead

Store Operations

Procurement

**\$150M**

Merch. Margin (~50%)

Price Optimization

Supply Chain Optimization

Occupancy (~50%)

Bulk Lease Negotiation

**\$350M**

\$200M

To The Bottom Line  
and

**\$150M**  
To Fuel Investments

**TIMING**

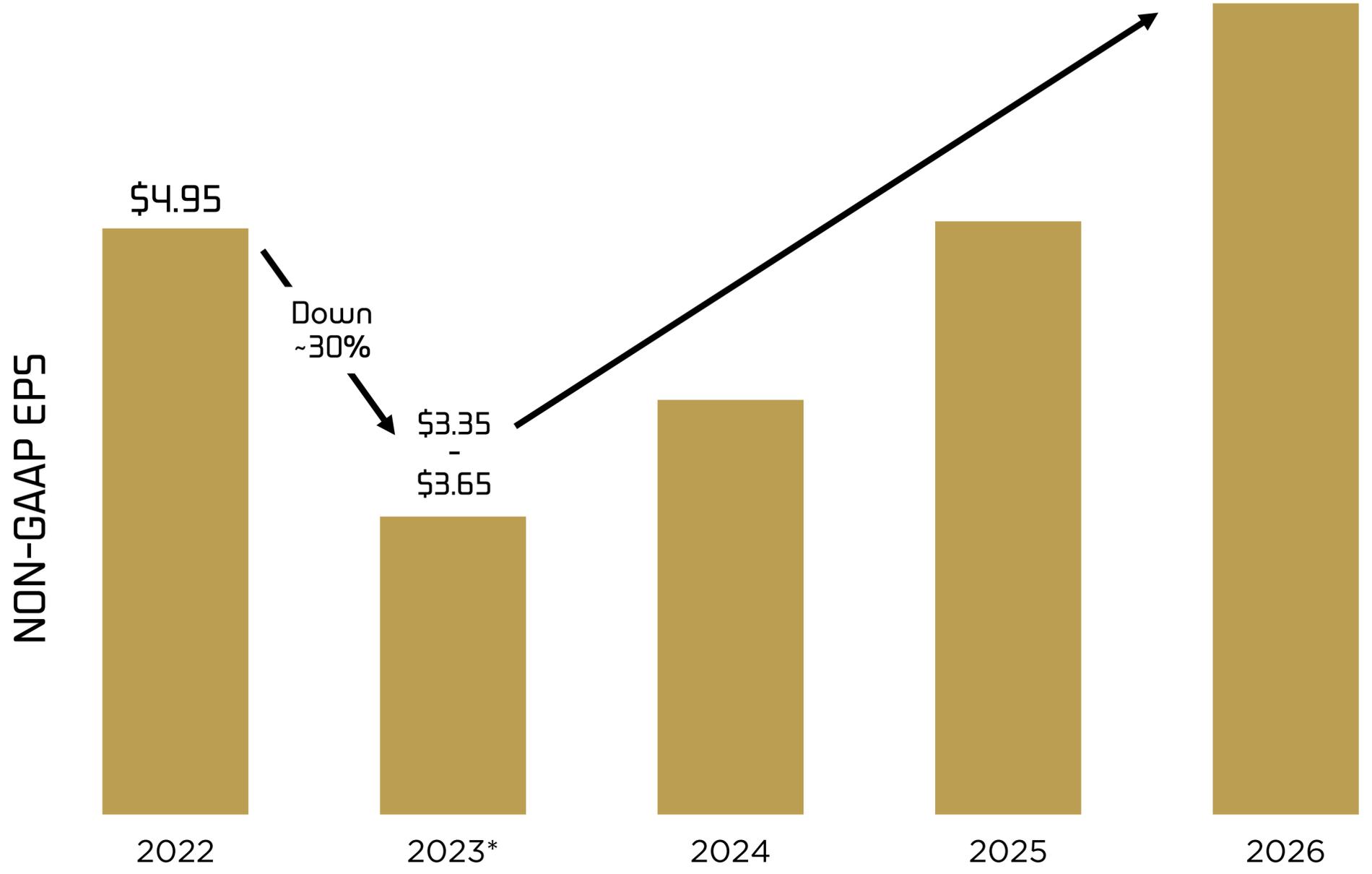
**2022: ~10%**

**2023: ~40%**

**2024/2025: ~50%**

# 2023 a reset year

- Nike penetration
- Champs Sports repositioning
- Fleet optimization
- Absorb exit costs
- Increase tech investments
- Drive cost savings

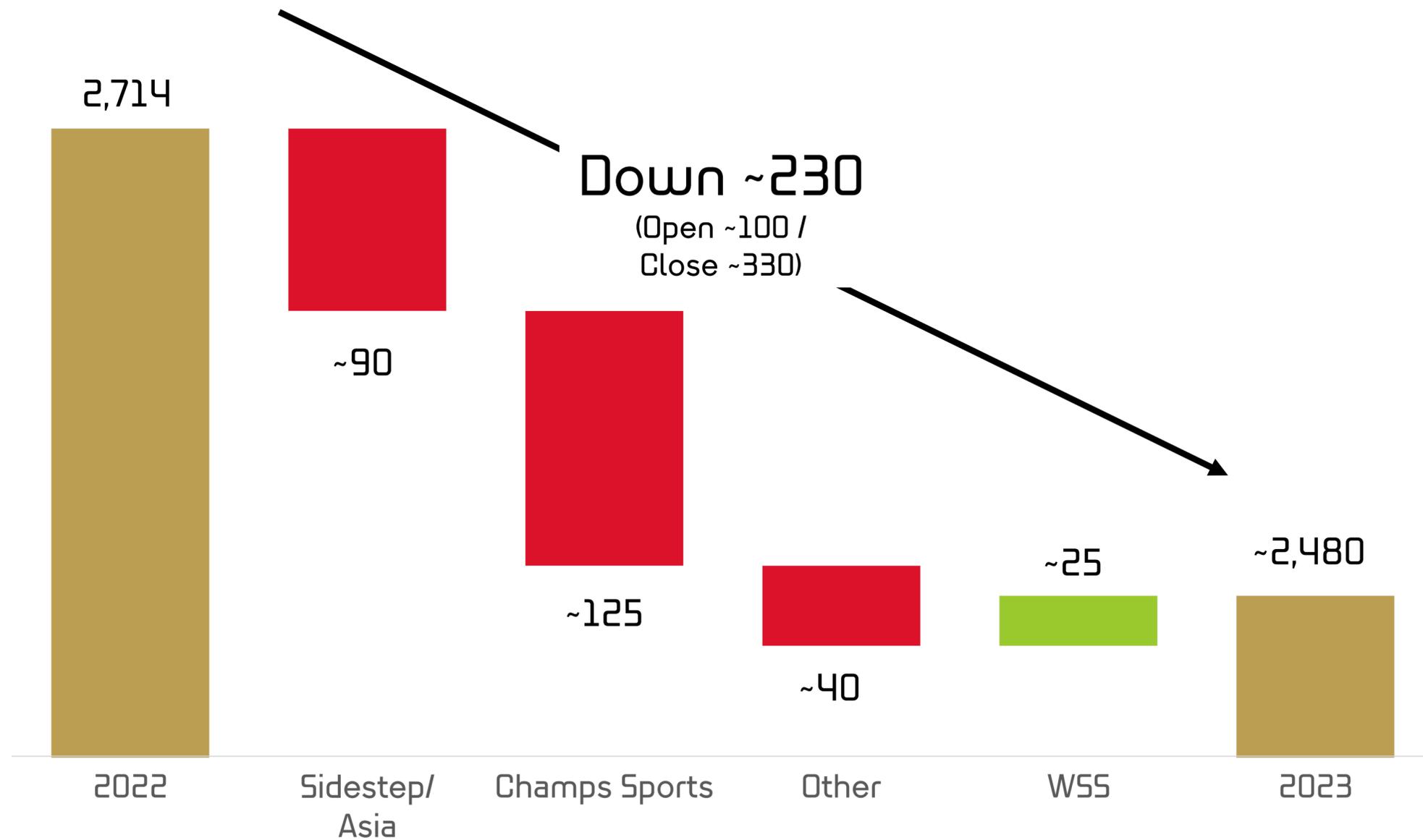


\* 53-week basis



# 2023 sales reset

## STORE COUNT



RESET

Stores

**-9%**

**+**

Average  
store size

**+5%**

Footage

**-4%**

**+**

Comps

**-3.5% to -5.5%**

Sales

**-4.5% to -6.5%**

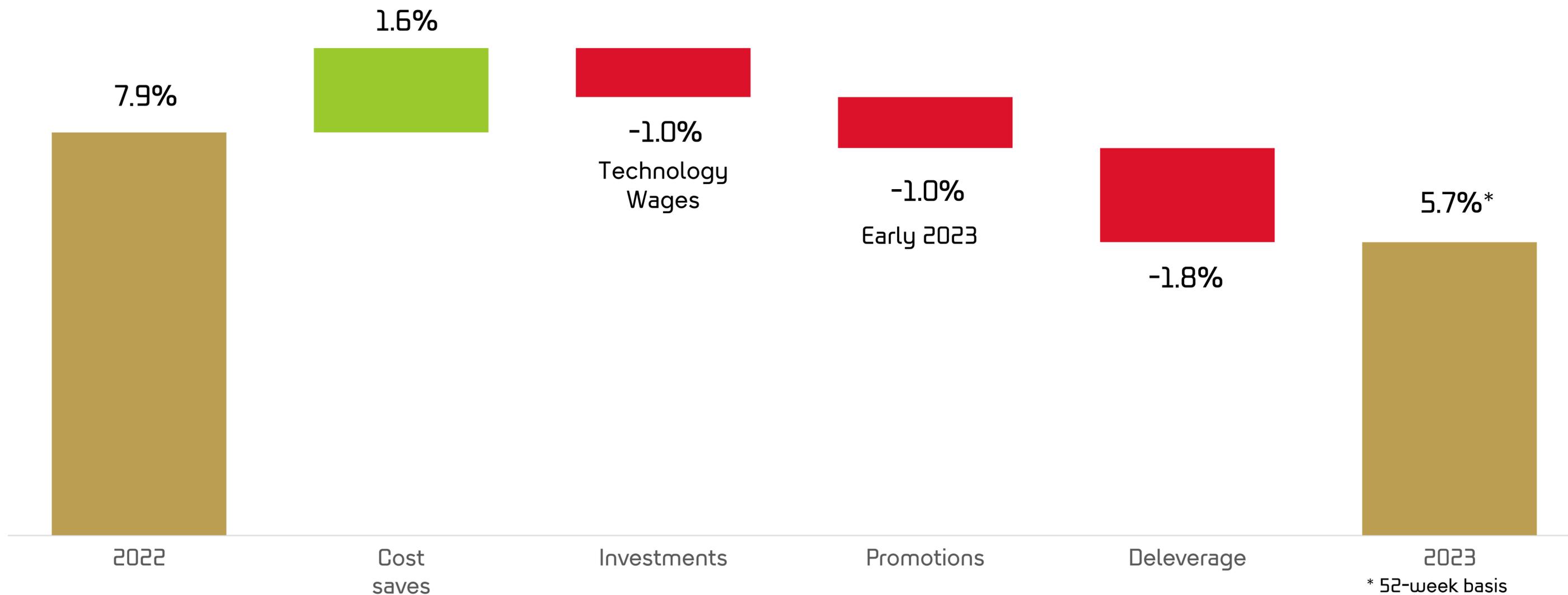
(52-week)

**-3.5% to -5.5%**

(53-week)

# 2023 EBIT margins down as near-term pressures offset cost saves

2022-2023 EBIT MARGIN BRIDGE  
(MID-POINT OF GUIDANCE)



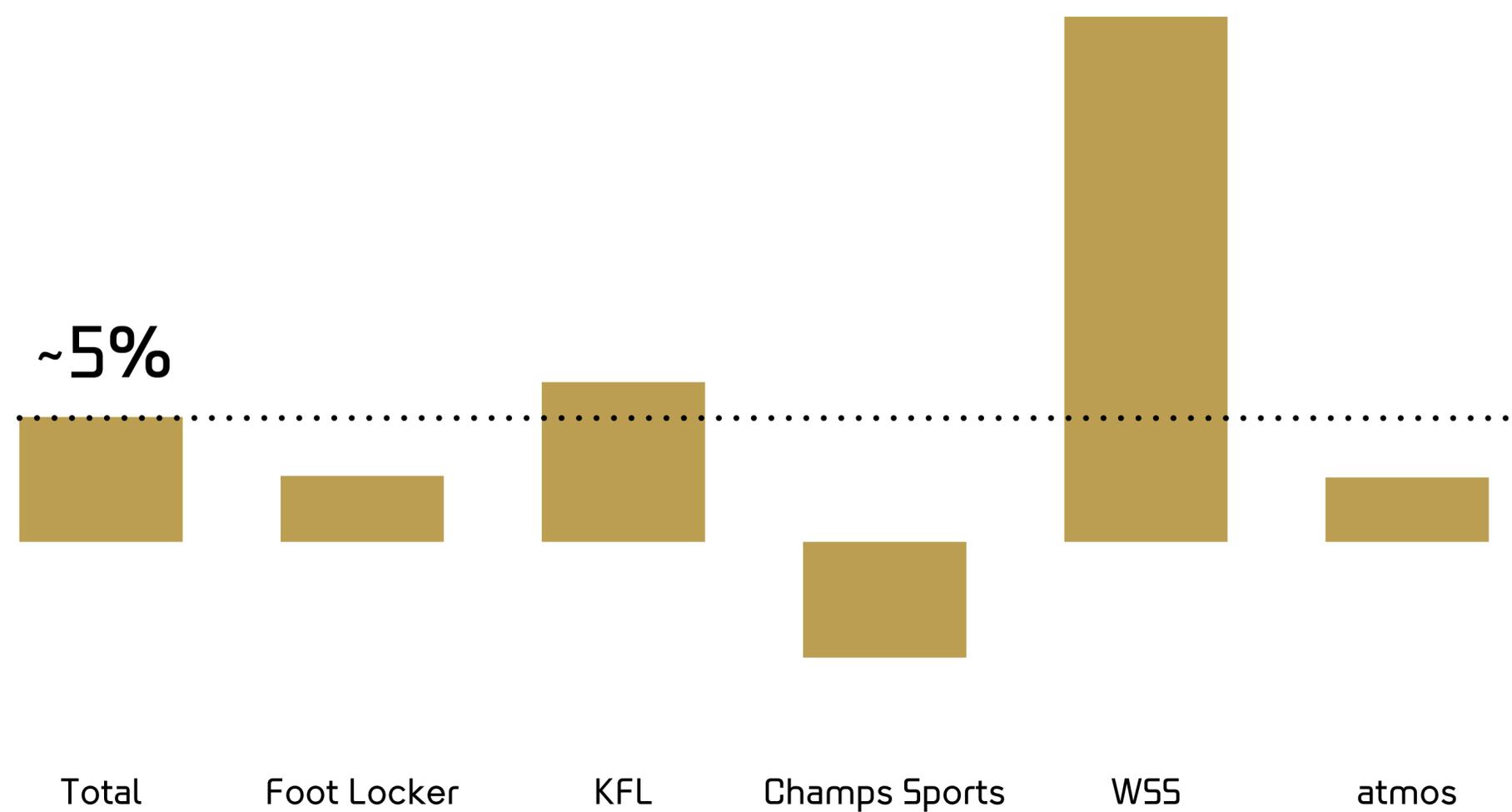


**2023**  
**OUTLOOK**  
**(53-WEEK YEAR)**

	Outlook	Commentary
Total Sales	Down 3.5% to 5.5%	Inc. ~1% from the extra week
Comp Sales	Down 3.5% to 5.5%	Down mid- to high-singles in first half Down low-single digits in second half
Store Count	Down ~9%	Champs Sports rationalization, Sidestep and Asia closures
Square Footage	Down ~4%	Average box size increasing
Licensing Revenue	~\$20 million	EMEA + Asia
Gross Margin	30.8% to 31.0%	Promotional pressure early in year + Occupancy deleverage
SG&A Rate	22.6% to 22.8%	Cost savings offset by investments and expense deleverage
D&A	~\$205 million	
Net Interest	~\$12 million	
Tax Rate (Non-GAAP)	31.5% to 31.7%	
Non-GAAP EPS	\$3.35-\$3.65	Inc. \$0.15 from the extra week
Capital Expenditures	~\$305 million	Inc. capitalized Tech. expense

# 2024-2026 sales growth

## FOOTAGE CAGR



Stores **-1%** + Average store size **+6%**

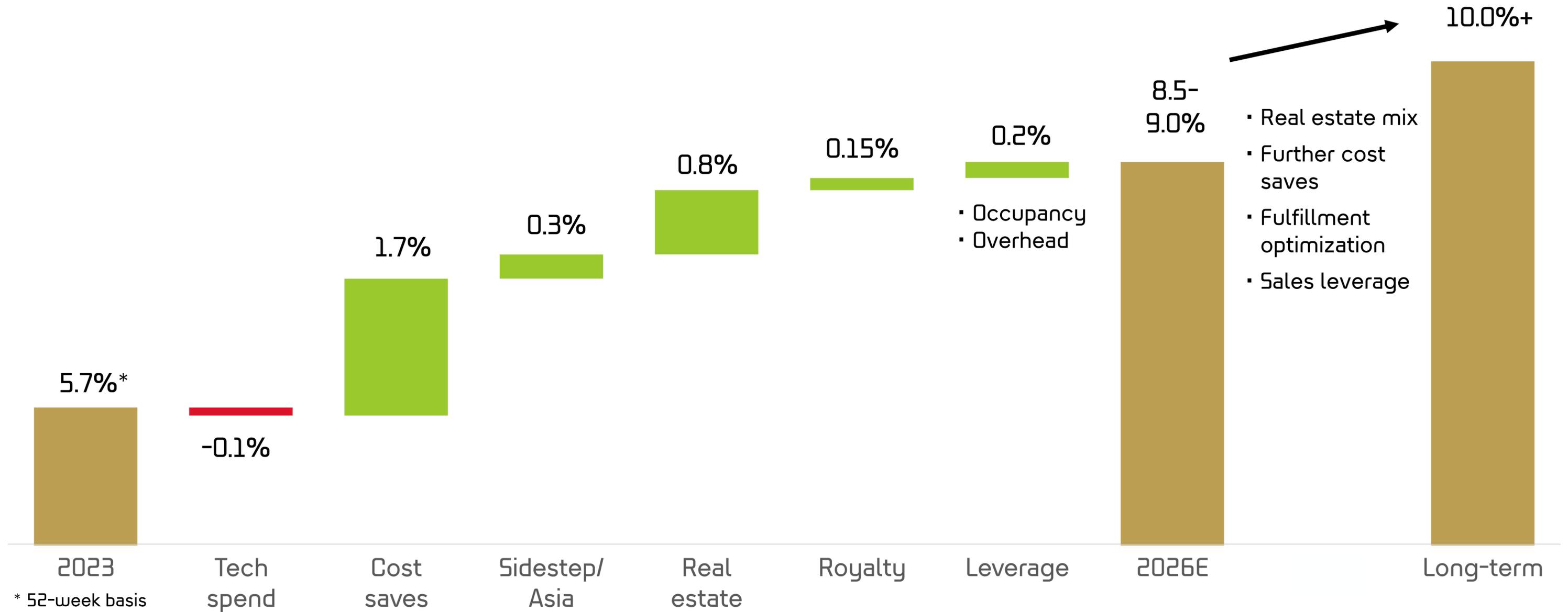
Footage **~5%** @ ~50% Average sales per foot

+ Comps **+3-4%**

Sales **+5-6%\***

\* From a 52-week 2023

# Path to 8.5-9% EBIT margin and beyond



\* 52-week basis

- Real estate mix
- Further cost saves
- Fulfillment optimization
- Sales leverage

# CAPITAL ALLOCATION

## WE ARE ESTABLISHING A MORE EXPLICIT AND DISCIPLINED CAPITAL ALLOCATION FRAMEWORK

### Focus On Organic Growth

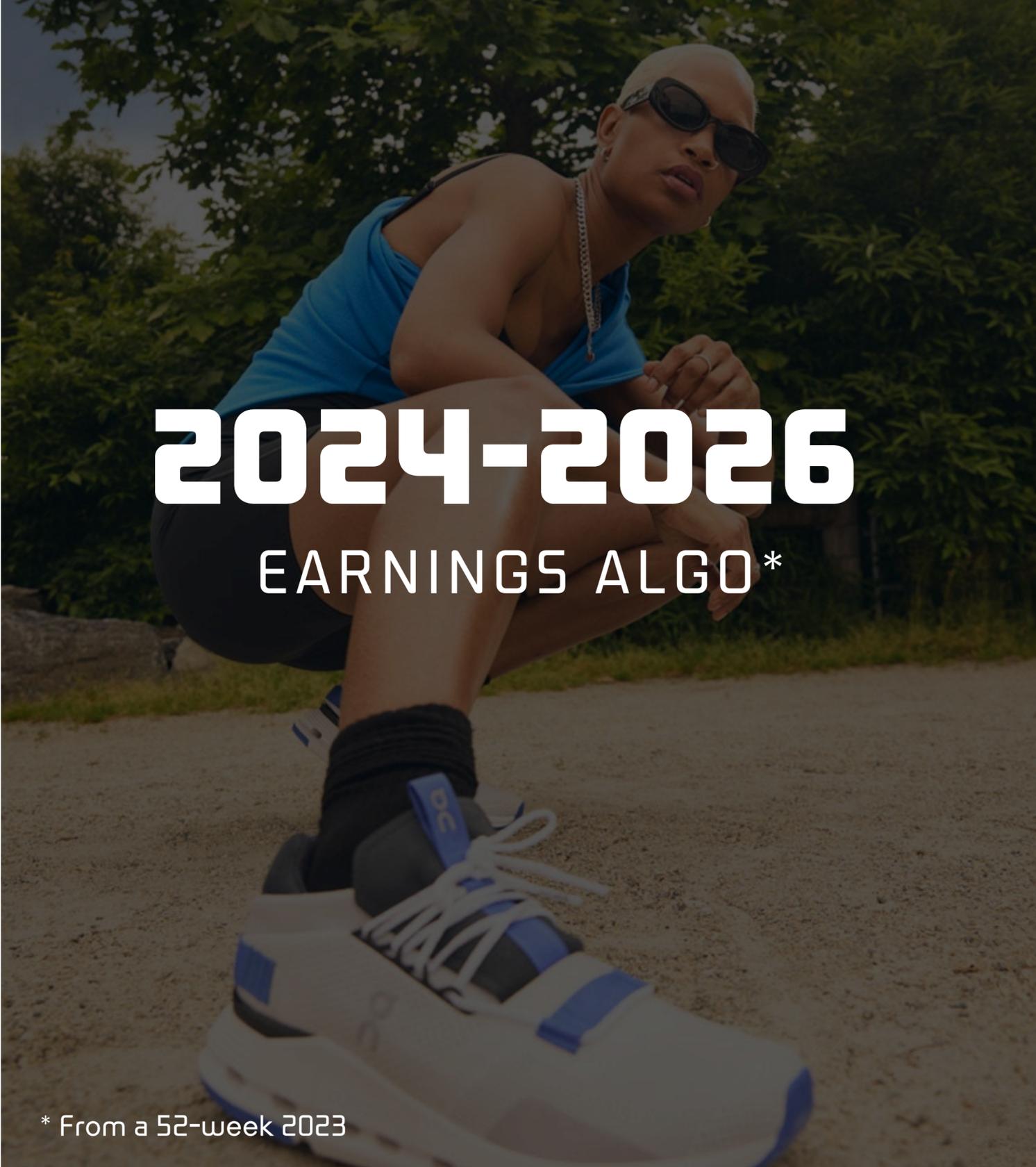
- Invest In Stores, Digital, Supply Chain And Technology Capabilities To Grow The Business
- Less Focus On M&A (Outside Of Capabilities)
- Less Focus On Minority Investments

### Growing Dividend

- Stable, Growing Dividend That Targets ~30-35% Payout

### Consistent Share Repurchase

- Excess Free Cash Flow Directed To Buybacks
- Targeting ~LSD Lift To EPS From Buybacks Beyond 2023



# 2024-2026

EARNINGS ALGO\*

\* From a 52-week 2023

SALES GROWTH

**+5-6%**

COMP GROWTH

**3-4%**

SQUARE FOOTAGE GROWTH

**~5%**

LICENSING  
REVENUE

**~\$30M**

EBIT MARGIN

**8.5-9%**

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EBIT GROWTH

**High-teens to  
Low-twenties**

SHARE  
BUYBACKS

**Low single digits**

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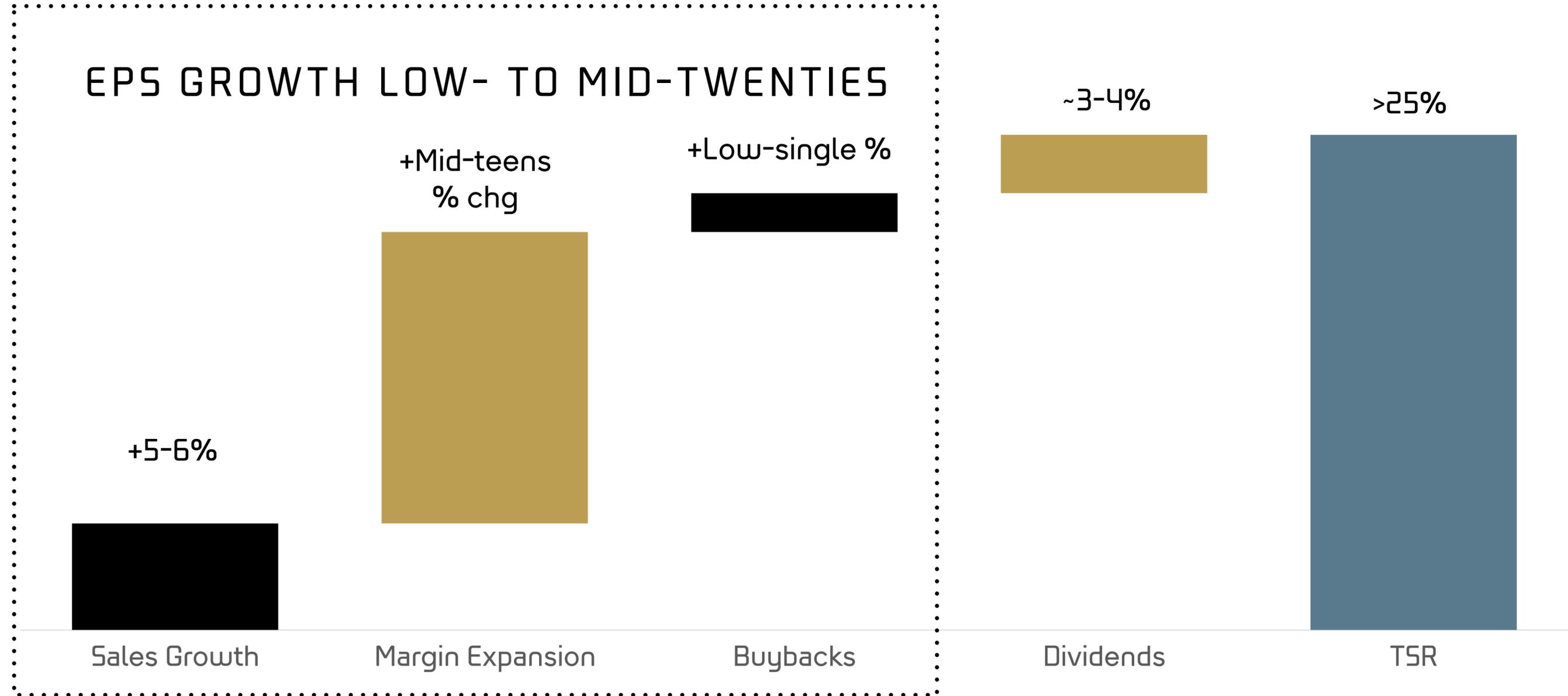
EPS GROWTH

**Low- to mid-  
twenties**



FOOT LOCKER, INC.

# Roadmap to >25%+ total shareholder return



# Our targets and long-term aspirations

## FROM

~\$8.5B of revenue

15% exclusive  
>70% Nike

30% off-mall in NA  
8% in new formats

25% sales from loyalty

17% eCommerce

<7% EBIT margin  
<10% ROIC

## WE WILL

SIMPLIFY / INVEST / GROW

EXPAND SNEAKER CULTURE

POWER UP THE PORTFOLIO

DEEPEN OUR RELATIONSHIP  
WITH CUSTOMERS

BE BEST IN CLASS OMNI

CREATE VALUE FOR  
ALL STAKEHOLDERS

## LONG-TERM

>\$10B of revenue

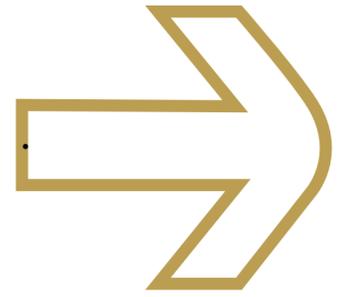
>25% exclusive  
>40% non-Nike vendors

>50% off-mall in NA  
>20% in new formats

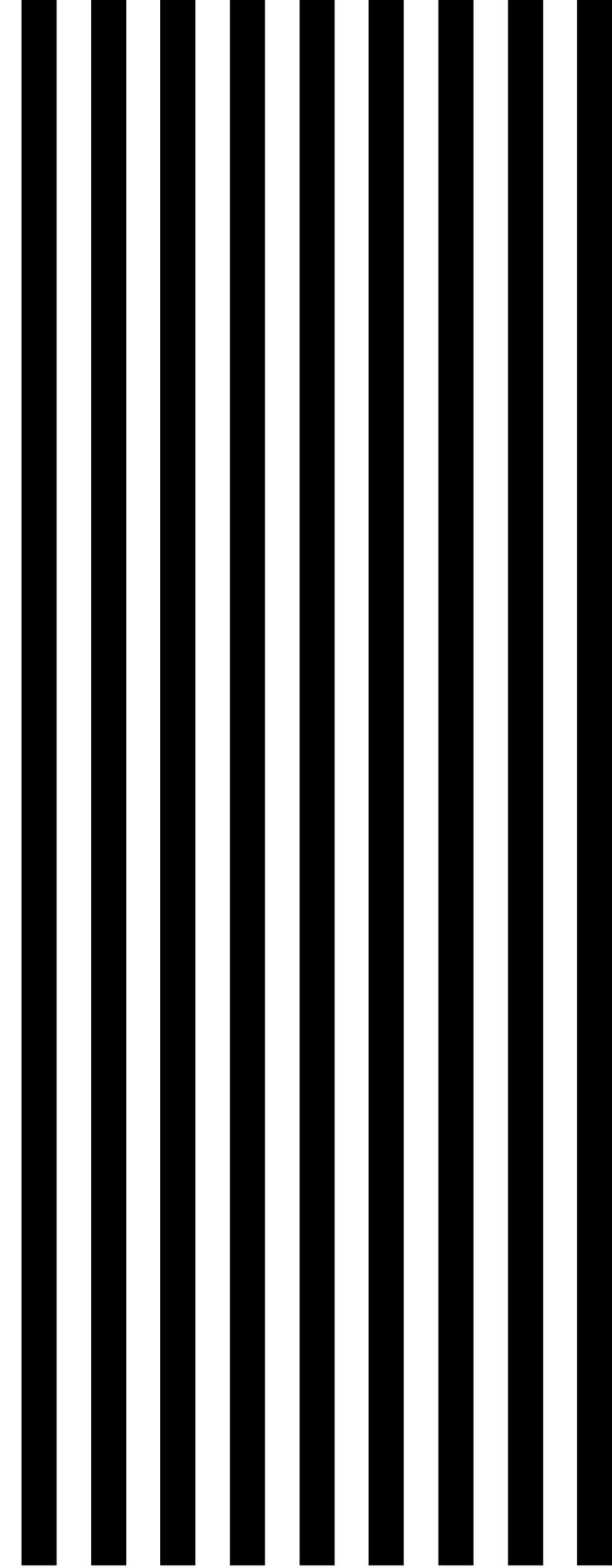
>70% sales from loyalty

>25% eCommerce

>10% EBIT margin  
Low to Mid-Teens ROIC



# **Closing**

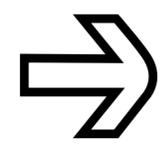


# FOOT LOCKER VISION

Foot Locker Unlocks The  
“Inner Sneakerhead” In All Of Us  
– Sparking Discovery And Igniting  
The Power Of Sneaker Culture.



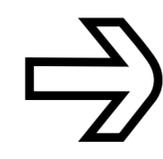
Customers  
'All Things Sneakers'



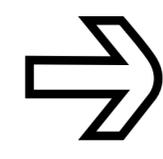
Team Members  
Career Opportunities



Communities  
Investment and  
Engagement



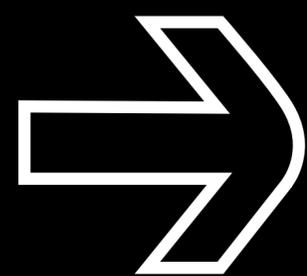
Brand Partners  
Sustained Growth



Investors  
Attractive & Consistent  
Returns



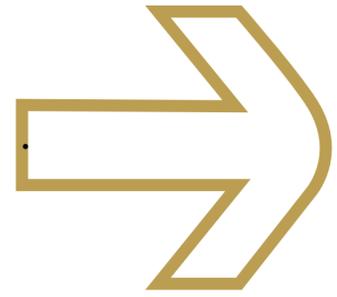
**THANK YOU**



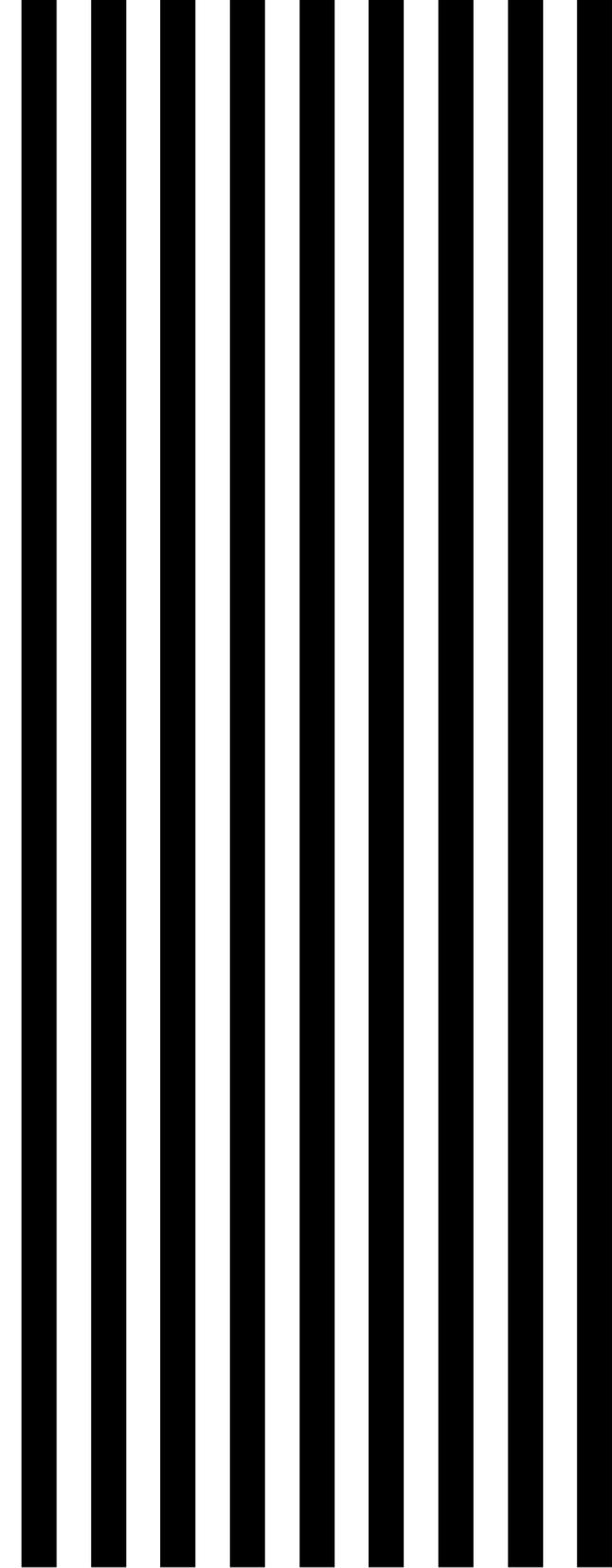
**BREAK**

5 MINUTES

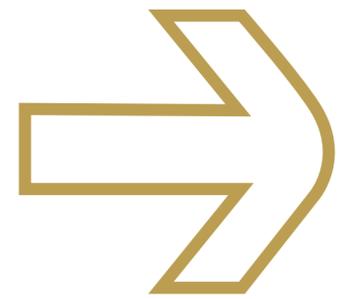
FOOT LOCKER, INC.



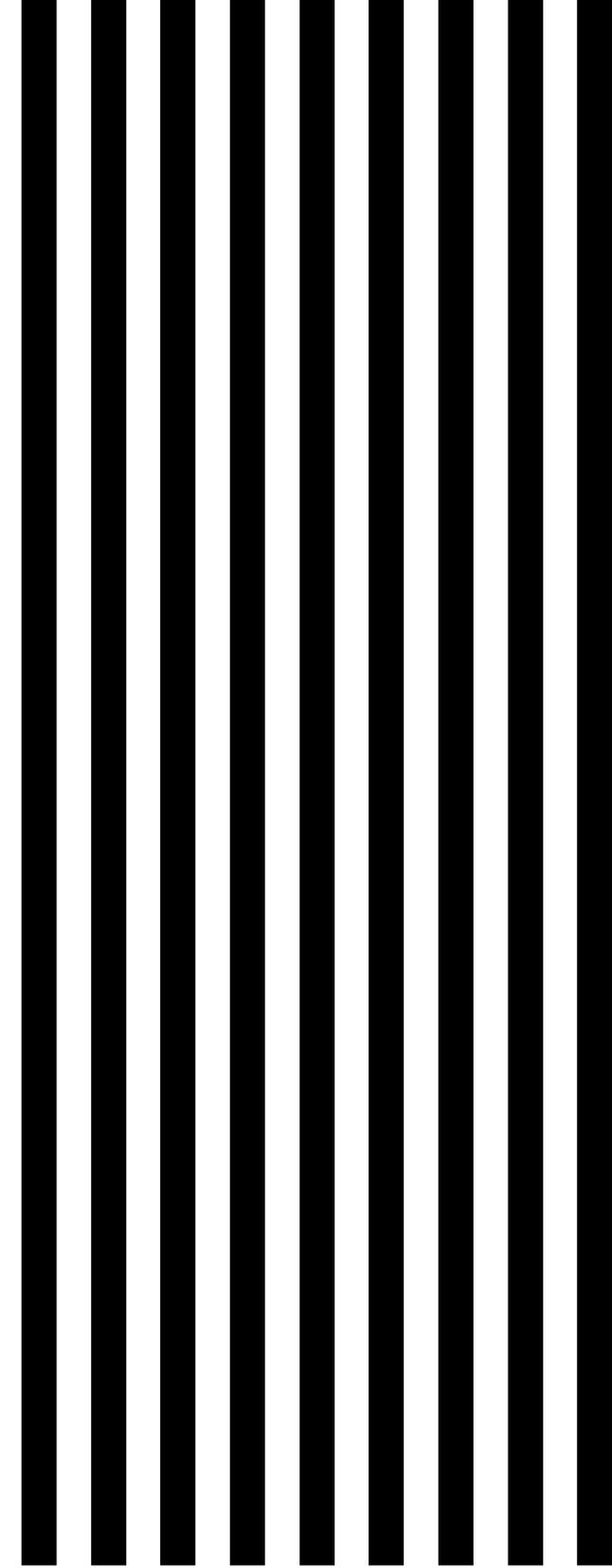
**Q&A**



FOOT LOCKER, INC.



# APPENDIX



# GAAP to Non-GAAP Reconciliations

	Fourth Quarter		Year-to-Date	
	2022	2021 <sup>(1)</sup>	2022	2021 <sup>(1)</sup>
<b>Pre-tax income:</b>				
Income from continuing operations before income taxes	\$ 48	\$ 147	\$ 524	\$ 1,240
Pre-tax adjustments excluded from GAAP:				
Impairment and other <sup>(2)</sup>	74	75	112	172
Other income / (expense), net <sup>(3)</sup>	9	(30)	41	(377)
Adjusted income from continuing operations before income taxes (non-GAAP)	\$ 131	\$ 192	\$ 677	\$ 1,035
<b>After-tax income:</b>				
Net income attributable to Foot Locker, Inc.	\$ 19	\$ 103	\$ 342	\$ 893
After-tax adjustments excluded from GAAP:				
Impairment and other, net of income tax benefit of \$11, \$18, \$21, and \$42, respectively <sup>(2)</sup>	63	57	91	130
Other income / (expense), net of income tax benefit/(expense) of \$2, \$(8), \$9, and \$(99), respectively <sup>(3)</sup>	7	(22)	32	(278)
Net loss from discontinued operations, net of income tax benefit of \$1, \$-, \$1, and \$-, respectively <sup>(4)</sup>	3	—	3	—
Tax reserves charge <sup>(5)</sup>	—	—	5	—
Tax benefits related to tax law rate changes <sup>(6)</sup>	—	(1)	—	(1)
Tax charge related to revaluation of certain intellectual property rights <sup>(7)</sup>	—	11	—	11
Adjusted net income (non-GAAP)	\$ 92	\$ 148	\$ 473	\$ 755

# GAAP to Non-GAAP Reconciliations (cont.)

	Fourth Quarter		Year-to-Date	
	2022	2021 <sup>(1)</sup>	2022	2021 <sup>(1)</sup>
<b>Earnings per share:</b>				
Diluted earnings per share from continuing operations attributable to Foot Locker, Inc.	\$ 0.24	\$ 1.02	\$ 3.62	\$ 8.61
<b>Diluted EPS amounts excluded from GAAP:</b>				
Impairment and other <sup>(2)</sup>	0.66	0.57	0.95	1.24
Other income / (expense), net <sup>(3)</sup>	0.07	(0.23)	0.33	(2.68)
Tax reserves charge <sup>(5)</sup>	—	—	0.05	—
Tax benefits related to tax law rate changes <sup>(6)</sup>	—	(0.01)	—	(0.01)
Tax charge related to revaluation of certain intellectual property rights <sup>(7)</sup>	—	0.11	—	0.11
<b>Adjusted diluted earnings per share (non-GAAP)</b>	<b>\$ 0.97</b>	<b>\$ 1.46</b>	<b>\$ 4.95</b>	<b>\$ 7.27</b>

The notes to the non-GAAP reconciliation tables are contained in the full text of this morning's press release. Additionally, the Company provides earnings guidance only on a non-GAAP basis and does not provide a reconciliation of the Company's forward-looking guidance to the most directly comparable GAAP financial measures because of the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations.