



Environmental, Social and Governance Report

FISCAL YEAR 2021

Corporate.BestBuy.com/Sustainability



What's inside.

| | |
|----------------------|---|
| Message from our CEO | 3 |
| About Best Buy | 4 |
| Highlights | 5 |
| Company strategy | 6 |
| Recognition | 7 |
| About this report | 8 |

Environmental

| | |
|------------------------|----|
| Sustainable operations | 10 |
| Renewable energy | 12 |
| Waste reduction | 15 |
| Sustainable products | 17 |
| Circular economy | 20 |
| Chemicals management | 22 |

Social

| | |
|-------------------------------|----|
| Great place to work | 24 |
| Serving our customers | 25 |
| Engaging employees | 26 |
| Customer feedback | 27 |
| Learning & development | 28 |
| Employee benefits | 30 |
| Diversity, Equity & Inclusion | 32 |
| Best Buy Health | 51 |
| Human rights | 53 |
| Responsible sourcing | 55 |
| Conflict minerals | 62 |
| Teen Tech Centers | 67 |
| Career Pathways | 73 |
| Philanthropy | 78 |

Governance

| | |
|---------------------------|----|
| Corporate governance | 81 |
| Ethics | 82 |
| Data privacy and security | 84 |
| Product safety | 86 |
| Political activity | 87 |
| Stakeholder engagement | 89 |
| Association memberships | 90 |

Appendix

| | |
|-------------------------------|----|
| SASB index | 93 |
| TCFD index | 94 |
| Sustainable Development Goals | 95 |
| EEO-1 report | 96 |
| GRI index | 97 |



PAGE 14



PAGE 35



PAGE 65

Message from our CEO.

This past year challenged us all in ways we could not have anticipated. In my view, Best Buy rose to those challenges brilliantly — using the safety and care of our customers and employees as guideposts — as we made our way through an often-chaotic and ever-changing landscape.

Businesses are typically measured by their financial performance and, in that regard, FY21 was an unqualified success. But even more significantly, last year brought home the fundamental truth that our purpose as a company — to enrich lives through technology — has deep and enduring value.

From the day in March 2020 that it became clear our lives would forever be divided between pre- and post-pandemic, the leadership team and I focused on how we could keep our employees and customers safe while continuing to serve our friends and neighbors at a time when they needed us most. Through incredibly hard work enabled by years of strategic investments, we were well equipped to build a new shopping model — one that took us entirely online virtually overnight — so that we could keep our customers and employees safe.

We quickly introduced new pay structures and enhanced benefits, and established hardship funds to help employee affected by the COVID-19 pandemic. We announced and funded our commitment to building a network of 100 Best Buy Teen Tech Centers for underserved teens in communities across the country. In response to the murder of George Floyd in our backyard, we made a very public pledge to “do better” as a company in response to racial inequity and injustice.

As we look to the future, much still remains unknown. We do know, however, that Americans are increasingly engaged with technology as a primary way of enriching



their lives. Our lives are deeply intertwined with technology in ways that offer freedom, emotional connection and physical well-being, each of which speak to our unique purpose as a company and the feelings of pride and excitement we all feel as employees of Best Buy. As such, I am delighted about the opportunities for Best Buy that lie ahead.

I would like to thank all my colleagues for what they accomplished this past year and I invite you to read our Environmental, Social and Governance report to learn more about how we are working together to have a positive impact on the world.

Respectfully,

A handwritten signature in black ink that reads "Corie Barry".

Corie Barry, CEO
Best Buy Co., Inc.

About Best Buy.



Headquartered in Richfield, Minnesota



Approximately 100,000 employees



More than 1,000 stores in the U.S. and Canada



2 billion pounds of e-waste recycled



More than \$47 billion in revenue for FY21



Domestic online sales were 43% of domestic revenue in FY21



20+ years of technology and in-home service



Building a network of 100+ Teen Tech Centers



Highlights.

Great place to work



45% of Board of Directors members are female



Increased starting wage to \$15 per hour



Committed to spend \$1.2B with diverse businesses



Employees received 40 hours of training

Environmental



Achieved first TRUE certification for zero waste



Goal to reduce water use 15% by 2025



Goal to reduce our customers' carbon 20% by 2030, saving \$5 billion in utility costs



Reduced our carbon emissions 61% (over 2009 baseline)

Supply chain



100% of factories are audited before business is conducted



Aligned with U.N. Guiding Principles on Business and Human Rights



Currently support 35 Best Buy Teen Tech Centers



Raised \$125 million for St. Jude® over the last 8 years

Company strategy.

Our purpose — enriching lives through technology — has never been more relevant. We found that our customers need us now more than ever, but each needs us in very different ways.

We have set aggressive goals to be achieved by FY25:

- Be one of the best companies to work for in the U.S.;
- Double significant customer relationship events to 50 million; and
- Deliver continued top- and bottom-line growth over time.

As we look to the future, though much still remains unknown, we do know that Americans are increasingly engaged with technology as a primary way of enriching their lives. This is occurring in the traditional ways, but also in ways that have not historically been associated with consumer electronics. These include home fitness and health, outdoor living and entertainment, and connecting with each other in new ways.

Just as we did before the world changed, we continue investing in the tools, abilities and resources necessary not just to respond to what lies ahead but to help shape it.

Change is the nature of technology and it's the nature of Best Buy as well. Change is hard. But we are good at it.



Recognition.



BARRON'S

Most Sustainable Companies 2021

Barron's No. 1

Top spot on *Barron's* Most Sustainable Companies

Member of
Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Dow Jones

Included in the Dow Jones Sustainability Index for the 10th year

ISS Governance

Awarded Prime status by Oekom Corporate Ratings



Forbes
2021

Forbes

Named to JUST Capital's JUST 100 list for the first time



HRCF

Named a Best Place to Work for LGBTQ Equality for the 16th year



CLIMATE

CDP Worldwide

Named to CDP Climate A List for the fifth year; among the top 5% of companies reporting to CDP



Ethisphere

Named to Ethisphere's list of World's Most Ethical Companies for the seventh year



Bloomberg

Included in Bloomberg's Gender Equality Index for the second year in a row



FTSE4Good

FTSE4Good Index

Included in FTSE4Good Index for the seventh year

MSCI Inc.

Rated AAA (highest possible) by MSCI ESG Research

About this report.

Best Buy has been reporting yearly on a variety of Environmental, Social and Governance (ESG) topics since 2006. This report includes our operations in the U.S., Canada and Mexico, reflecting fiscal year ending January 30, 2021 (FY21) unless otherwise stated. The Responsible Supply Chain and Conflict Minerals sections reflect only our private label manufacturing.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. Our Scope 1, 2 and 3 emissions data is externally verified by Point380. Other frameworks referenced or taken into account include Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), Sustainable Development Goals (SDGs) and KnowTheChain. Best Buy also reports to CDP.

For more information and full financial disclosures, please see the Best Buy FY21 Annual Report on Form 10-K at [Investors.BestBuy.com](https://investors.bestbuy.com). Feedback about this report is welcome at CorporateResponsibility@BestBuy.com.

Through a materiality assessment including stakeholder surveys and interviews, ESG issues were plotted on a matrix based on a five-year outlook. All of the issues listed are of high importance to both external stakeholders and our business, however, the issues were categorized by the degree to which internal and external stakeholders believe we should intensify our efforts to grow our business.

Materiality matrix



Environmental.

Sustainable operations.



We aim to meaningfully reduce our impact on the environment and help our customers do the same. We make decisions with the future in mind, to strengthen our business, improve people's lives and promote the health of our communities for years to come. We are committed to protecting the environment, conserving natural resources, and preventing pollution, by managing and continuously improving our environmental performance.

While the issue of climate change is worldwide, the impact is felt by people in the communities where we live and work in the form of severe weather, rising temperatures, flooding and water shortages.

We are committed to addressing climate change by finding solutions to save energy and reduce carbon emissions through making operational improvements and sourcing renewable energy. Carbon reduction is not only the right thing for the planet, but it makes good business sense by driving efficiencies and cost savings.

The backbone of our environmental programs is our ISO 14001-certified Environmental Management System (EMS), which covers all U.S. operations. Our EMS helps us systematically manage progress toward our environmental commitments and ensures that we comply with all applicable laws and regulations. In 2012, we were the first U.S. large-format retailer to earn ISO 14001 certification, and are certified by a third party to the newest standard, ISO 14001:2015. We are pleased to report there were no significant fines or non-monetary sanctions implemented against Best Buy for environmental non-compliance in FY21.

Sustainable operations.

Our commitments and progress.

After meeting our goal to reduce carbon emissions in our operations by 60 percent, we set a new goal to reduce carbon by **75 percent by 2030** (over a 2009 baseline). This goal is aligned with Science Based Targets initiative (SBTi), meaning our reduction is in line with the reduction required to keep the global temperature increase below 2°C as outlined in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

In FY21, we were one of the early companies to sign The Climate Pledge, a commitment to be carbon neutral across our business by 2040 — a decade faster than our previous goal of 2050. The Climate Pledge was founded in 2019 to mobilize companies across multiple business sectors to reach net-zero carbon emissions by 2040. By signing the pledge, we are joining businesses around the world, in making this commitment.

As a signatory of The Climate Pledge, we will:

- Measure and report greenhouse gas emissions on a regular basis;
- Implement decarbonization strategies in line with the Paris Agreement through real business change and innovations, including efficiency improvements, renewable energy, materials reductions and other carbon emission elimination strategies; and
- Take actions to neutralize any remaining emissions with additional, quantifiable, real, permanent and socially beneficial offsets that achieve net-zero annual carbon emissions by 2040.

Our current operational carbon reduction at the end of calendar year 2020 is **61 percent**. Many projects scaled across our stores contribute to the reduction, including additional investments in LED lighting. The grid is also getting cleaner, which is something we actively advocate for with investor-owned utilities and policy makers.

We continue to be commended as a leader in addressing climate change. For the fifth year, CDP, the global authority on climate change, named Best Buy to its prestigious Climate A List. The list recognizes our actions to cut emissions, mitigate climate risks and advance a low-carbon economy. This puts us among the top 5 percent of all companies participating in CDP's climate change program. (See the appendix for further data.)

THE Paris...
CLIMATE 10 years
PLEDGE Early

Carbon emissions reductions
(over 2009 baseline)



Renewable energy.

Renewable energy continues to be a priority in our environmental strategy. In FY20, we introduced the Best Buy Solar Field, located in Martin, South Carolina. The field produces 174,000 megawatt hours of clean energy per year for the local electric grid. That's enough electricity to power the equivalent of 260 Best Buy stores each year.

In FY21, we added to our renewable portfolio by investing in the Little Bear Solar Project in Fresno County, California. It's expected to produce 480,000 megawatt hours of electricity annually for the local power grid.

We also continue to purchase Renewable Energy Credits (RECs), which encourage the production of renewable energy. As of January 2021, we were No. 5 on the U.S. Environmental Protection Agency's Green Power Partnership retail list.



Electrifying our fleet.

We continue to look for the most efficient vehicles for our fleet. Several years ago, we transitioned to the Toyota Hybrid C for many of our Geek Squad Agents and Home Experts. The next logical step in our journey would be to move to an electric vehicle, however, many of our in-home appointments and deliveries require a larger vehicle to transport products such as large-screen TVs. This is currently a challenge, as there are few viable options in the market for electric vans and trucks. In order to work toward a solution, we have become a member of the Corporate Electric Vehicle Alliance, led by sustainability nonprofit Ceres.



Water management.

Water scarcity is a growing, worldwide issue. Although our water use is not as significant as other environmental impacts, we seek to constantly improve our water management, thus minimizing our use.

We strengthened our governance by convening a cross-functional Water Stewardship Committee. We set our first water reduction targets, including a goal to reduce enterprise water usage 15% by 2025.

In calendar year 2020, we used just under 1 million cubic meters of water in our U.S. and Canadian operations. This is a **reduction of 31%** over 2019.

We recognize that our water usage in 2020 was driven largely to reduced operating hours and fewer customers in our stores. Though we have achieved our goal, we expect a rebound in water usage in 2022, when business operations potentially return to pre-pandemic levels.

We have begun taking action to further reduce water usage, while addressing the impact at the nearly 200 Best Buy locations in communities considered water scarce, as identified through the use of the World Resource Institute's Aqueduct Risk Analysis Tool. Additionally, we achieved a B score on our CDP Water disclosure.

Water use in U.S. and Canada:

961k

cubic meters in 2020

1.26M

cubic meters in 2019

1.30M

cubic meters in 2018

Paper and plastic reduction.

Paper procurement.

As part of our environmental stewardship, we are committed to the protection and efficient use of resources, including the forests used for the paper we procure.

As part of our procurement requirements, we:

- Require 100 percent of paper procured to be certified to an internationally-recognized forestry standard;
- Acquire chain of custody statements for all insert paper; and
- Maintain at least 30 percent recycled content in our office paper.

Our full Paper Procurement Corporate Statement can be found at Corporate.BestBuy.com/Sustainability.

Plastic bag reduction.

Single-use plastic bags are a complex operational issue. We are working toward solutions to reduce bag usage in our stores, taking into account environmental impacts, cost and customer experience.

Prior to the COVID-19 pandemic, our plastic bag usage had been steadily decreasing, partly due to our Blue Shirts (sales associates) asking customers at checkout if they need a bag, instead of automatically providing one. During the pandemic, even as we shifted to a curbside model and our online sales grew, our plastic bag use continued to decrease, **down 8 percent from FY20 to FY21.**



Waste reduction.



Waste reduction continues to be an important facet of our environmental strategy. We partner with Rubicon, a B Corp-certified software provider, to use technology, specifically analytics to improve our waste diversion. By managing all of our solid waste and recycling through Rubicon's extensive vendor network, we have increased our waste diversion by nine percent since FY20, bringing it up to 78 percent.

During FY21, we have been working toward TRUE certification for zero waste at our Reverse Logistics Center, in Chino, California. A TRUE project's goal is to divert all solid waste from the landfill, incineration (waste-to-energy) and the environment. Facilities achieve certification by meeting rigorous programs requirements administered by Green Business Certification Inc. We received our first TRUE certification in April 2021, and we are looking to expand our TRUE certification into more supply chain facilities.

We continued to invest in new equipment to drive up the recycling rates in our locations. We added cardboard balers in FY21 in stores that have space in the warehouse. In addition to balers, our supply chain locations use polystyrene densifiers, which break apart and condense polystyrene into cubes, taking up less room on trucks.

Waste reduction.

Employee engagement.

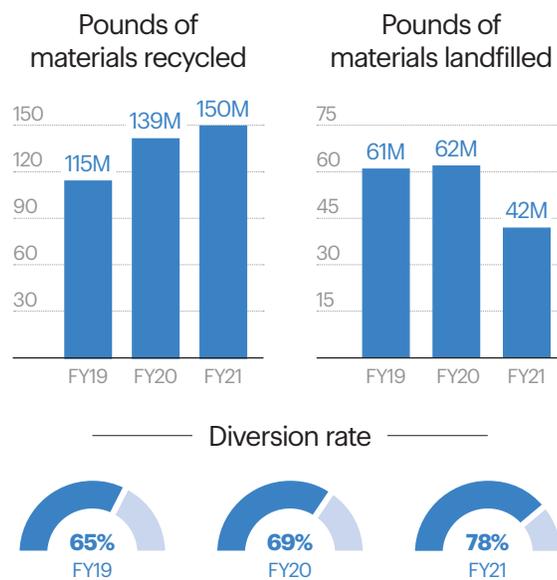
Employee engagement is a key component of our waste reduction strategy. In FY21, we provided a new e-learning on our compactor and densifier equipment to maximize the materials recycled at our locations. We are also working on a video that will help employees to sort compost, recycling and trash in the employee breakroom using a QR code to look up items in question.

Our employees are demonstrating their commitment to the environment by organizing “green teams” in several supply chain locations. Members are supporting the waste diversion strategy by educating fellow employees and innovating around further environmental improvements.

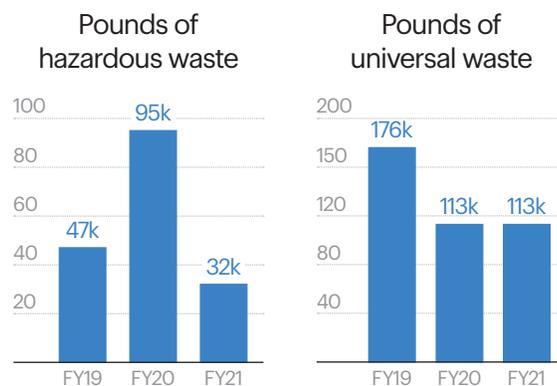
Other FY21 accomplishments:

- We are partnering upstream with appliance vendors to be part of the solution to minimize waste in our distribution centers. As an example, we encouraged a vendor to transition from using adhesives such as glue to removable tape, allowing in-bound shipping containers and product packaging to be fully recycled.
- We are piloting a process in several distribution centers where we collect expanded polystyrene from other local companies, leverage our densifiers and transport the material to a partner to create new polystyrene.
- We are optimizing the number of trips for our trash hauler by using automated compactor monitors. Hauls are scheduled only when compactors are full, lowering our carbon footprint and creating efficiency.

Non-hazardous waste (enterprise)



Other waste (enterprise)



In its disposal of hazardous materials, Best Buy utilizes authorized methods, including recycling, incineration and use of authorized landfills. Best Buy’s service providers determine which disposal method to use by referring to hazardous waste management methods conversion tables. The conversion tables outline approved disposal methods by specific hazardous waste code. (See appendix for waste and recycling by category.)

Sustainable products.

Best Buy is helping to make a positive impact on the planet by offering eco-friendly products that conserve resources.

ENERGY STAR®

ENERGY STAR certified products save money, reduce energy and water use, and protect the environment by meeting strict energy-efficiency guidelines set by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy.

We set a goal to reduce carbon emissions by 20% by 2030 from ENERGY STAR products sold to our customers (over 2017 baseline), **saving our customers \$5 billion** in energy costs. This is the Scope 3 component of our science-based carbon goal.

At a time when the climate crisis seems too big to solve, we recognize that our customers are making an impact every time they select an ENERGY STAR certified product. In 2020, our U.S. customers made the decision to buy an ENERGY STAR product more than 19 million times. Over the lifetime of the products, those customers will realize more than \$750 million in utility savings and the products will provide 9.4 billion pounds of CO₂ emissions avoidance.

According to the EPA, the ENERGY STAR mark is recognized by 90 percent of American households. More than 840 utilities, state and local governments, and nonprofits leverage ENERGY STAR in their efficiency programs, reaching roughly 97 percent of households in all 50 states.

We make it easy for customers to shop for energy-efficient products, both online and in our stores, by highlighting the ENERGY STAR mark. For the past 10 years, we have offered an employee e-Learning specific to ENERGY STAR through our award-winning platform, the Learning Network. Over the last decade, employees have taken an ENERGY STAR e-Learning more than 250,000 times. Blue Shirts who take the ENERGY STAR training learn about the benefits of ENERGY STAR certified products, which products are certified, how to identify them and how to help customers find them.

Best Buy is proud to be a 2021 ENERGY STAR Partner of the Year — our eighth consecutive year winning this award, for which we've also received a special distinction for Sustained Excellence.



Sustainable products.

In addition to ENERGY STAR, which focuses on the customer-use phase, we identify, mark and promote EPEAT® products for our business customers. EPEAT-registered products must meet environmental performance criteria that address materials selection, supply chain greenhouse gas emissions reduction, design for circularity and product longevity, energy conservation, end-of-life management and corporate performance.

Expanding into new categories.

In early 2020, we launched our Sustainable Living online category featuring new eco-friendly products that promote sustainability both inside and outside the home. We added hundreds of products from renewable energy solutions, such as solar panels, to green transportation, gardening and more.

Because many areas we serve face water scarcity issues, we offer products that help customers reduce water consumption at home. These include dual-flow nozzles, water leak sensors, smart water assistants and smart irrigation systems.

Rebates.

As part of our marketing efforts, we partner with utility companies to offer rebates to help customers use less energy and water. Smart thermostats can have a big impact on a home's energy usage. Utility rebates on thermostats can significantly reduce the price, making it an affordable purchase option for those who could benefit the most.

We added technology that enables customers to claim instant rebates during the checkout process, and we also added QR codes to product signage so customers can easily find rebates they qualify for. We project these enhancements will help to drive increased annual sales and simplify the customer experience.



Sustainable packaging.

We have seen an increased interest from stakeholders around the issue of sustainable packaging, both for product (primary packaging) and e-commerce shipping containers (secondary packaging). In response to this, we have been working on an enterprise strategy to address how we can send our customers less packaging to dispose of and use materials that are easily recyclable.

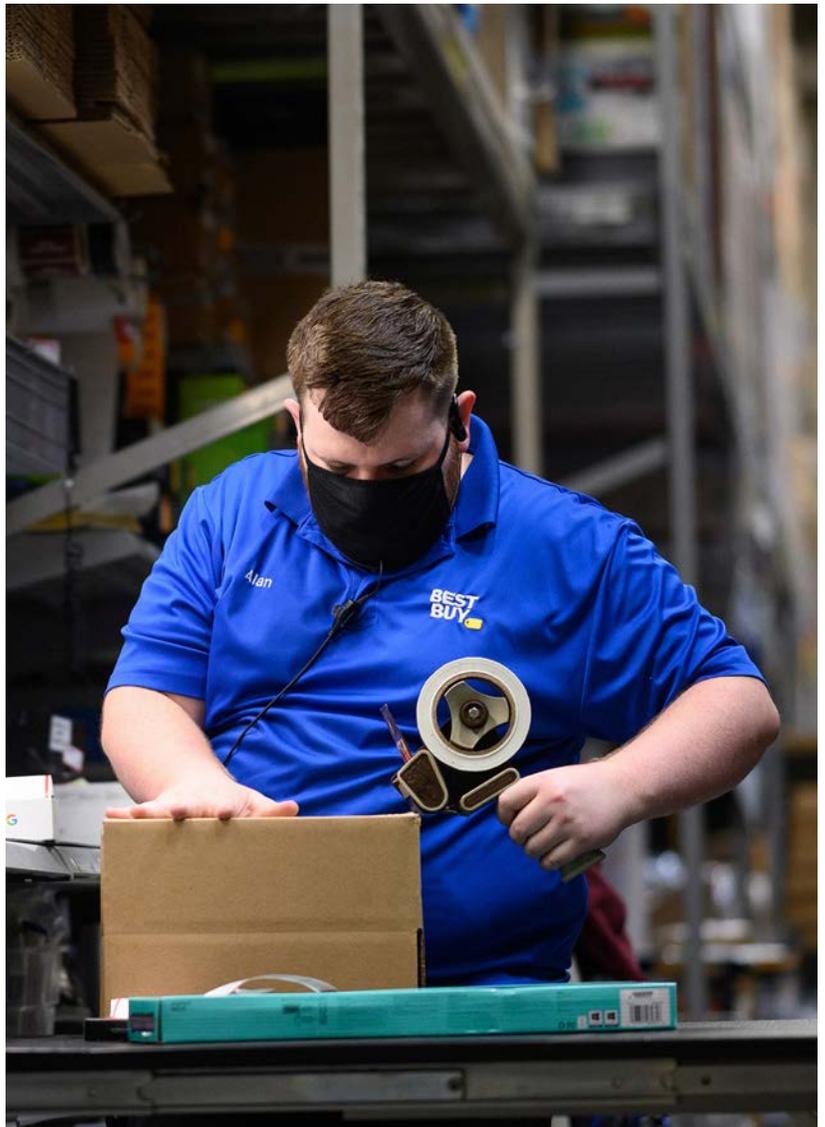
We see the opportunity to impact sustainable packaging in three areas:

- Our private label product packaging
- E-commerce shipping
- Branded vendor product packaging

Collaboration with peers and partners will be a key part of our strategy. Therefore, we have joined the Sustainable Packaging Coalition, a nonprofit organization driving meaningful action toward packaging sustainability throughout the value chain.

In FY21, we invested in state-of-the-art box-making equipment in more of our distribution centers. The machines precisely cut cardboard to build a box around a product, using less cardboard and reducing the need for plastic air pillows. In addition, the machines increase our efficiency, as they create 720 boxes each hour, as opposed to a manual process, which creates 50.

Since 2015, we have participated in the “I Want To Be Recycled” campaign, a partnership with Keep America Beautiful and the Ad Council. Our ship-from-store boxes, made from FSC-certified cardboard, feature a custom message encouraging consumers to recycle.



Circular economy.

We aspire to drive forward the circular economy — a system in which nothing is wasted. We keep products in use for as long as possible, extract the maximum value from the products while in use, then recover and regenerate products and materials at the end of life.

Damage reduction.

Reducing damage that occurs before it gets to our customers is the first step for us in this cycle. For more than a decade we have been working on initiatives to reduce damage, keeping products in the “use” phase longer.

Repair.

We want to help customers extend the life of their products, and we do this using the skills of our Geek Squad Agents and repair partners. Best Buy repairs more than **5 million devices** every year, keeping electronics in the “use” phase.

Most Best Buy stores house a Geek Squad Precinct, where products — from computers to mobile phones to digital cameras — are repaired. Our repair technicians fix larger items like TVs and appliances in customers’ homes. We also operate repair facilities within our distribution centers including Geek Squad City, a facility near Louisville, Kentucky.



We aspire to drive forward the circular economy ...

While using energy from renewable sources.



Circular economy.

Trade-In.

The Best Buy Trade-In Program is the core of our “reuse” phase of the product life cycle. In nearly all of our stores, we offer customers a convenient way to get value for products that are still in good, working condition. These products are typically re-sold in secondary markets, bringing a useful second life to products that might otherwise sit idle in someone’s home, get recycled or end up in a landfill.

Not only does the Best Buy Trade-In Program enable customers to upgrade sooner, it gives an opportunity to those who might not be able to afford brand-new technology.

Many companies offer phone trade-in options, but Best Buy goes beyond phones and includes laptops, tablets, cameras, smart watches and video game consoles. Although our trade-in program was paused for several months due to COVID-19, in FY21, we helped customers trade in nearly 600,000 devices.

E-waste recycling.

To address the global issue of electronic waste, we established our recycling program in 2009. We continue to operate the most comprehensive consumer electronics and appliances takeback program in the U.S.

During the COVID-19 pandemic, we temporarily suspended our recycling program for four months. During the eight months our program was operational in FY21, we collected **161 million pounds** of electronics and appliances for recycling, bringing our total to more than **2 billion pounds**. We are keeping electronics out of landfills, which benefits the environment and human health.

Before contracting with Best Buy, our recycling partners must pass a thorough environmental, safety and downstream audit process, and they are subject to recurring onsite, desktop and downstream assessments. In addition to our own standards, we require all electronics recycling partners to maintain ISO 14001 certification, an OHSAS 18001 safety certification or industry equivalent, and be certified to eStewards® or R2® industry certifications.



Chemicals management.



Best Buy is building a thriving business, while ensuring we are a good steward of the environment and supporting the responsible use of chemicals in compliance with all laws and regulations.

Beyond compliance, our chemicals management program evaluates and prioritizes efforts to address chemical risks and opportunities. We work to reduce the use of chemicals, phase out chemicals of concern and improve the general management of chemicals by:

- Identifying opportunities to reduce the use of chemicals of concern in our operations;
- Using safer chemical alternatives wherever possible, with a preference for EPA Safer Choice;
- Defining supplier requirements for chemical use in our private label products; and
- Partnering with qualified electronics recyclers to ensure the products we collect through our consumer recycling program are effectively re-used, recycled or safely disposed of.

Collaboration among stakeholders is critical to improving the complex issue of managing chemicals in the electronics industry. We continue to participate in chemical management work groups with organizations such as the Responsible Business Alliance and the Green Chemistry and Commerce Council.



Social.

A great place to work.



We are a team of more than 100,000 strong. We work in stores, distribution centers, homes and offices. We are focused on bringing the best experiences to our customers, and that starts with making sure Best Buy is a great place to work for all. We aim to create a diverse, dynamic environment that encourages learning and growth. We want our employees to feel appreciated and be comfortable bringing their authentic and whole selves to work. We support each other and our communities.

We are Best Buy.

At the end of FY21, our employees in the U.S., Canada and Mexico were comprised of approximately 60% full-time employees, 35% part-time employees and 5% seasonal/occasional employees.

Serving our customers.

Keeping employees and customers safe.

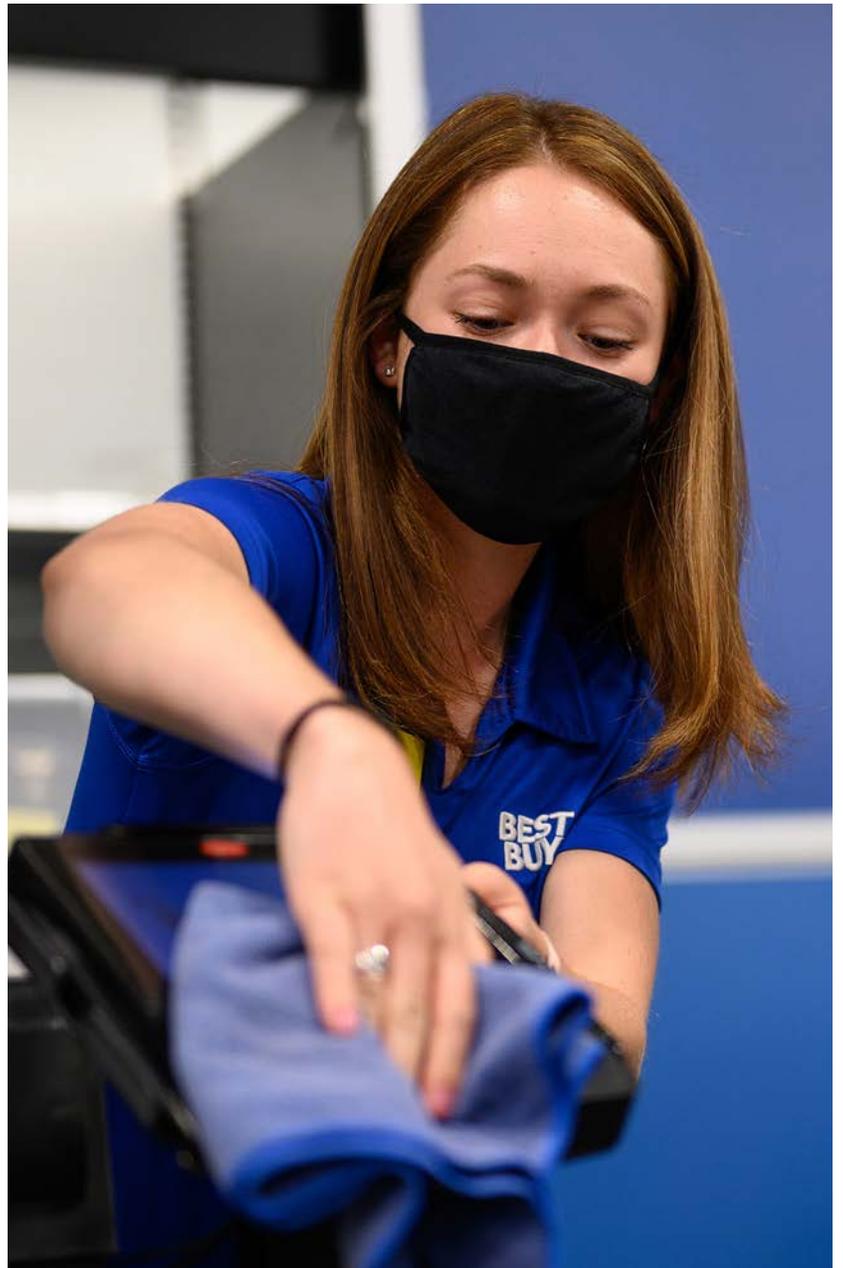
The safety of our customers and employees is at the core of everything we do. We've taken numerous steps to ensure safety, along with offering a variety of convenient ways to shop Best Buy.

Barron's magazine recognized us as the best public company in America in responding to the COVID-19 crisis.

Since the beginning of the pandemic, we have relied on the Centers for Disease Control (CDC) in making all COVID-19 safety decisions. During FY21, to ensure safety, we limited store traffic, maintained proper social distancing, and required all customers and employees to wear masks at all times inside the store. Our employees followed multiple safety guidelines, including wellness checks, personal protective equipment, regular cleaning of high-touch areas, along with engaging in other enhanced safety measures.

In May 2021, we announced, in alignment with CDC recommendations, fully vaccinated customers and employees no longer were required to wear face coverings in stores, except where otherwise mandated by state or local order.

All of our safety guidelines can be [found here](#).



Engaging employees.

Seeking and responding to employee feedback is core to our culture at Best Buy and when we understand what employees need, it creates a better workplace for everyone.

We typically survey our employees each year to establish a baseline of engagement. We ask for input on what's working and where we have opportunities to improve, which will help us shape the future of Best Buy. Our last all-company survey in FY19 resulted in a world-class engagement score of 86 out of 100.

In light of the COVID-19 pandemic, we made the decision to postpone our all-company engagement survey until January 2021.

However, we actively elicited real-time feedback from our employees to help shape new processes to serve customers while keeping employees and customers safe, including the following tactics:

- Throughout the year we surveyed our field employees to understand their work experience during the pandemic, with a particular focus on measuring perceptions of COVID-19 safety to ensure that our employees felt safe in our locations.
- In addition to formal surveys, we consistently sought feedback on how we were operating, especially as stores needed to be opened/closed or shifted to curbside-only service. This feedback allowed us to quickly modify and improve our operations as we continued to respond to the needs of customers and safety concerns.
- We conducted two surveys for our corporate employees working from home. These surveys were used to understand the benefits and challenges of remote work, as well as to identify areas of opportunity to improve the remote working experience.



Employee turnover (year-by-year)



Customer feedback.



In order to be a great place to work, we need to empower our employees to create memorable experiences for our customers. We aim to be Customer Obsessed. At Best Buy, that means putting the customer at the heart of all we do by anticipating their needs, listening, learning and applying those insights to create lovable, seamless experiences.

As we continue to evolve how we operate, we start with the customer first and build experiences around their evolving and heightened expectations and needs. We need to continually push the boundaries and obsess over what more we could be doing to improve the shopping experience, identify innovative ways to serve the customer, and anticipate their needs.

Our Customer Office team unlocks Customer Obsession across the enterprise with innovative customer-led strategies, value propositions and experiences. Customer Obsession requires a deep understanding of consumers, and insights help fuel our ability to anticipate their needs, wants and expectations. We equip our employees with training, studies, measurement reports and macro insights. We measure overall customer satisfaction using Net Promoter score and also specifically survey our customers about how safe they feel shopping with us. The percent of customers surveyed who said we made them feel safe while they were in our stores and while we were in their homes was consistently above 97% throughout FY21.

Learning & development.

As our world continues to evolve, so have the ways in which people learn. When we look at trends in the industry, we view them through the lens of a comprehensive learning ecosystem, a combination of people, content, technology, culture and strategy. We need to shift from content that develops only skills and proficiencies to content (and experiences) that develop the right skillsets, mindsets and behaviors within Best Buy.

Investing in our employees' learning and development is a top priority for Best Buy. A well-trained and confident workforce is essential to enabling business growth and pursuing customer obsession.

Skill, reskill and upskill.

Our efforts to skill, reskill and upskill aren't new, as we were already moving in this direction pre-pandemic. However, pandemic-induced changes in employee and customer behaviors have accelerated our need for flexibility. Making rapid changes to our customer experience requires employees who can adapt quickly to fill gaps and perform various types of work. Creating and maintaining a workforce of this nature requires diversity of knowledge and skillsets.

Understanding enterprise and functional skillsets is critical in determining learning plans as well as validating knowledge and measuring success.

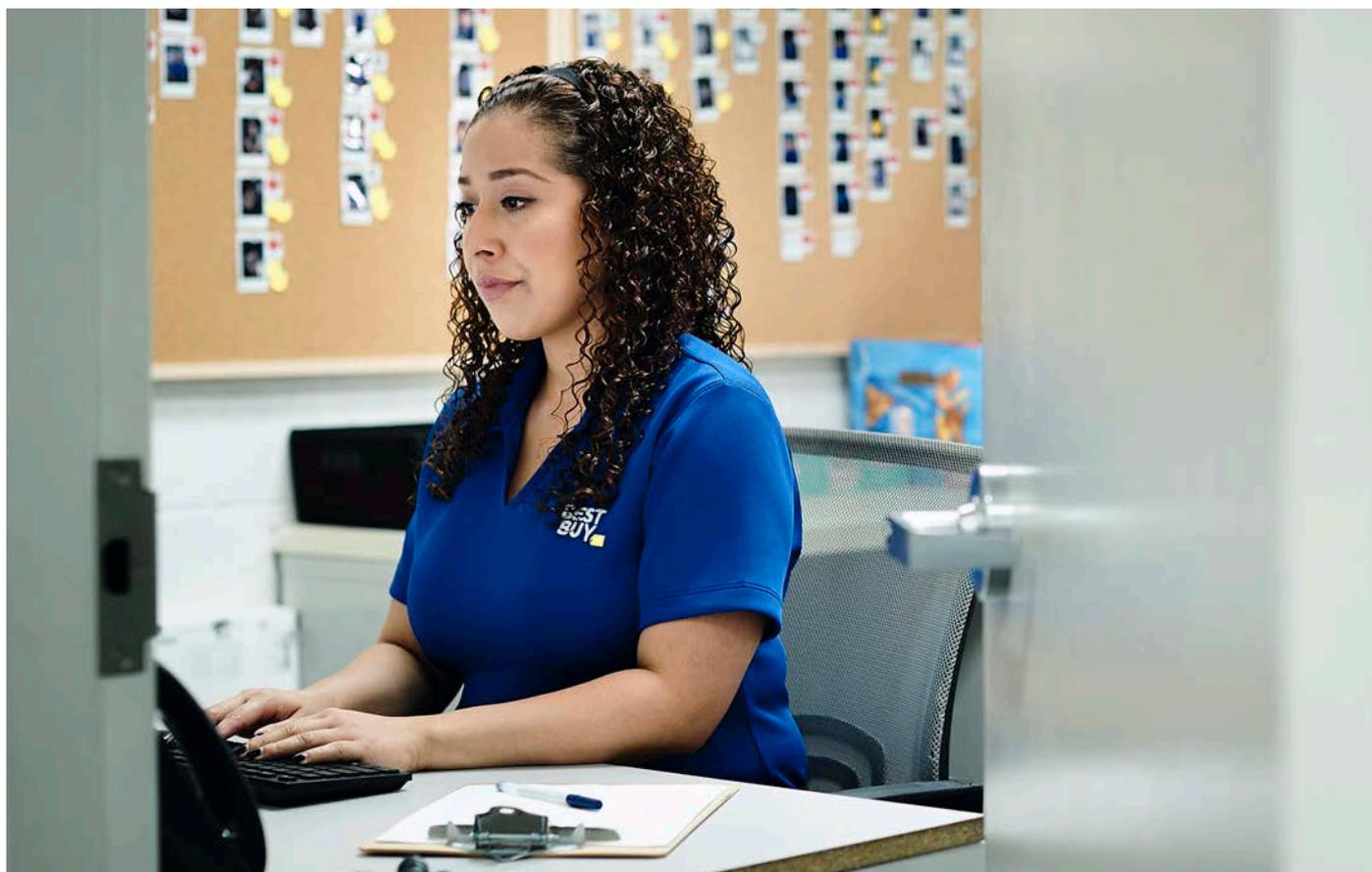
To prepare our environment for a skill-based workforce, we must identify and prioritize the skills required for specific roles at Best Buy, and in turn, determine how to best skill, reskill and upskill our current and future employees.

A few examples include:

- Early in the pandemic, we upskilled retail employees to work in our supply chain buildings as shopping behavior shifted.
- To support our customers' preference for shopping online, we have trained nearly all of our store employees to perform some key fulfillment activities such as inventory management and store pickup transactions.



Learning & development.



Experiential Learning

As we look toward the future, we need to focus on personalizing the learning experience for our employees. Currently, we require learning based on an employee's role. However, it's important that we consider all the aspects that make up an employee's experience at Best Buy (knowledge, performance, career goals, learning preferences, etc.) and create customized learning around topics that are relevant and impactful. This means delivering the right solution to the right employee at the right time. The development of these experiential learning solutions will require innovation, investments in technology, and leading with the employee experience at the forefront.

40

Average hours of training each of our employees received during fiscal 2021

Employee benefits.

Employees are our most important asset, which is why we take care and support them in ways that enable them to be productive and happy at work. Investing in our employees is not only the right thing to do, but also a reinforcement of our Guiding Behaviors: Be human. Make it real. Think about tomorrow.

We invest in a wide array of benefit choices to support employees' overall well-being: physical, mental, financial and work-life balance. We believe that creating a culture of well-being will make Best Buy a great place to work and drive business results.



Response to COVID-19

The COVID-19 pandemic accelerated the need for investing in our people and investing differently. Early in the pandemic, we continued to pay employees who weren't working for a full month after we closed our stores to customer shopping. We paid hourly appreciation pay for those who were working on the front lines and established multiple hardship funds for anyone impacted financially by COVID-19.

With the goal of keeping our employees and customers safe and paying our employees as long as we could, we provided ongoing pay and benefits to employees. This included impacts from the reduction of in-store operating hours, temporary closure of stores, illness due to COVID-19, time away for quarantine, and caring for children due to school and daycare closures. We provided additional financial safety nets to our employees by allowing loans from their 401(k) plan and partnered with the Richard M. Schulze Family Foundation to create a permanent \$10 million employee emergency fund.

We made available online healthcare appointments at no cost and all healthcare expenses related to COVID-19 were covered at 100% by Best Buy.

Employee benefits.

Recognizing the extraordinary efforts of our front-line workers, we provided full-time employees with an additional 5 days of paid time off and appreciation pay.

And taking into consideration the added stress from the COVID-19 pandemic, we put an additional focus on supporting our employees' mental health. Life Solutions, the Best Buy Employee Assistance Program (EAP), is one of the primary resources available, with access to 24/7, no-cost, confidential support for all employees and everyone in their household. Life Solutions includes:

- A digital platform with individualized experiences, interactive programs, tools and resources. In addition to material on trauma, intense emotions, stress and anxiety, there is content related to COVID-19, discrimination and grief.
- 24/7 access to mental health counseling — with employees receiving up to eight no-cost counseling sessions per person, per issue, per calendar year.
- In addition, for employees covered under a Best Buy health plan, all telehealth and virtual visits, including those for mental health, were covered at 100% through April 30, 2021.

Although the COVID-19 vaccine is not required, we are giving a special thanks to employees who choose to get the vaccine when it's available (or has already gotten it). After verifying vaccination, full-time employees will receive eight extra hours of paid time off and part-time employees will receive four hours. And anyone who experiences side effects from the vaccine is covered with additional sick time.

Evolving pay structure

Beginning in August, we evolved our pay structure. Driven by extensive employee feedback, and to provide more predictability in pay, we established a companywide \$15 per hour starting wage. All employees below \$15 were raised to that level and all hourly store employees below the leadership level received at least a 4% increase. These changes reinforce our commitment to offering a competitive pay structure that recognizes the value our employees create for our customers every day.

0.07%

Pct. of store employees paid minimum wage*

\$17.67

Average hourly wage of hourly employees†

*Based on local statutory minimum wage for each location in which we do business. †As of end of FY21

Pay equity

We aim to pay our employees equitably, regardless of gender, race or ethnicity or other protected characteristics. We conduct an annual enterprise pay review, taking into account employees' responsibilities, tenure and location and other job-related factors.

Diversity, Equity & Inclusion.

Our strategy

Our Diversity, Equity & Inclusion (DE&I) strategy continues to focus on developing an inclusive culture where people feel valued for who they are and can bring their true and authentic selves to work. This culture of inclusion will excite and draw diverse perspectives to the enterprise, empowering the workforce of the future and elevating Best Buy as one of the best places to work in the U.S.

But we cannot have a truly inclusive culture until every leader, sales associate, corporate and supply chain employee understands that DE&I must be the work of all people – not simply a corporate initiative. Our goal is the successful integration of our DE&I strategy into all facets of our organizational thinking.

“Every Best Buy employee and customer has to feel like they belong. We are intentional about holding space for all experiences and all perspectives, even when it feels uncomfortable.”



Mark Irvin, Best Buy Chief Inclusion, Diversity and Talent Officer

Total business integration.

We are committed to ingraining DE&I in our enterprise culture and who we want to be as an organization. In FY22 we will focus on helping leaders with the “how,” creating defined learning journeys to interweave routines around hiring, on-boarding, and implementing DE&I into our business rhythm.

Diversity, Equity & Inclusion.

Our journey

Best Buy's DE&I journey up to this point can be defined in four words: commitment, awareness, definition and action. Over the last five years, we've gone from signing pledges to taking bold action, from understanding bias to defining inclusive leadership, from reporting metrics to holding leaders accountable. We want leaders who make others feel confident and valued so that they bring their true and authentic selves to work.



Pre 2018 COMMITMENT

Named Howard Rankin Chief Diversity & Inclusion/ Employee Relations Officer

Signed the CEO Action Pledge and Parity Pledge

Launched Candid Conversations and the Inclusion Film Series

Launched Unconscious Bias training

2018 AWARENESS

Shared our first organization-wide DE&I strategy

Built our brand as an organization that views DE&I as a business imperative

Formed benchmarking relationships, both local and national, to accelerate the impact of our work

Created opportunities for authentic and vulnerable dialogue and built skills around conscious inclusion

2019 DEFINITION

Defined inclusive behaviors for all: courage, vulnerability, empathy and grace

Established Diversity & Inclusion Council and Corporate Inclusion Councils to accelerate the strategy

Established reporting that created transparency around availability of diverse talent and our hiring behaviors

Engaged Enterprise Resource Groups (ERGs) and leadership to deeply understand turnover and engagement gap for BIPOC employees

2020 ACTION

Named Mark Irvin Chief Inclusion, Diversity & Talent Officer and significantly expanded the DE&I capacity

Leveraged our platform to make hiring commitments and stand for social justice

Simplified diversity reporting, established clear goals, and tied results to the business leader (accountability)

Board sub-committee established to ensure resources and accountability for DE&I strategy

Diversity, Equity & Inclusion.

Social justice

In 2020, disparities and inequities were laid bare for the world to see and Best Buy CEO Corie Barry publicly declared that Best Buy will do better addressing them wherever we can. Best Buy is committed to the work of racial equity and social justice, which will require leaders to address experiences that don't reflect our values, vision and commitments.

We are members of multiple coalitions and community partnerships like the Minnesota Business Coalition for Racial Equity (MBCRE), the National LGBTQ Chamber of Commerce (NGLCC) and others. Corie has signed the CEO Action for [Racial Equity pledge](#), a promise to further diversity and inclusion within the workplace.

Task Force for Racial Equity.

When George Floyd was murdered in our own backyard, we formed a company-wide Task Force for Racial Equity. A highly diverse group of 19 employees from across the enterprise spent six weeks covering topics from colonization to immigration to current events. That education set the foundation to figure out how to best address racial and social inequity and take action to create the biggest impact at Best Buy. The group did that by establishing mentoring and reverse-mentoring relationships, building ally/advocate relationships and inspiring Best Buy leaders to learn about and activate on racial equity and social justice issues.

The task force also pushed for more acknowledgement of Asian American and Pacific Islander issues after increased violence against the community. The original group graduated in April. A new group of employees will join the task force when it resumes this summer.



“We know it’s incredibly important to our employees, customers and communities to show that we are committed to doing all we can to further economic and social justice.”

Corie Barry, CEO

Diversity, Equity & Inclusion.

Commitments

Best Buy is addressing underrepresentation, technology inequities and educational and career opportunities for those who need it most. We are proud to share these goals we aim to achieve by 2025:

- Fill **one out of three** new salaried corporate positions with BIPOC (Black, Indigenous and People of Color — specifically Black, Latinx and Indigenous) employees. Additionally, **one out of three** new, salaried field roles will be filled by women.
- Foster inclusion among all employee groups to create **parity in retention rates**, including transforming our **senior leadership ranks** to be more diverse.
- Reach **30,000 teens** annually from disinvested communities across the nation, including building a network of at least 100 Best Buy Teen Tech Centers to teach skills and build a talent pipeline for a modern economy. Teen Tech Centers are places where teens can develop critical skills through hands-on activities that explore their interests in programming, filmmaking, music production and design.
- Provide **\$44 million to expand college prep and career opportunities** for BIPOC students, including adding 16 scholarships for HBCU (Historically Black Colleges and Universities) students and increasing scholarship funding for Teen Tech Center youth.



Diversity, Equity & Inclusion.



- Expand **opportunity for BIPOC teens in our home market of the Twin Cities** by investing in more local Teen Tech Centers, creating a scholarship fund specifically for Twin Cities-based teens, committing to hosting 400 high school interns from Teen Tech Centers and other program partners, and offering 340 jobs across the company to teens.

We will intensify our focus on disinvested populations and communities by partnering with BIPOC-serving organizations for new Teen Tech Centers across the country so youth can learn new skills, nurture positive adult and peer relationships, and discover future careers. We will also pilot a rural Teen Tech Center model to address the unique needs of geographically isolated communities.

In our home market, we co-founded ConnectedMN, which is a public-private partnership working to bring tech devices, internet access and programmatic support to students across the state, including BIPOC students from low-income families, and students residing in rural Minnesota.

To support youth after their high school careers, we are increasing post-secondary support at our Teen Tech Centers, including trained guidance counselors and financial aid navigators. And, because not everyone's career path looks the same, we will also partner with community colleges, credential programs and tech bootcamps to create opportunities for teens to explore all types of post-secondary options that will prepare them for future success.

Diversity, Equity & Inclusion.

We are committed to creating a stronger community of diverse suppliers to help increase BIPOC representation in the tech industry, who for too long have faced systemic disadvantages such as a lack of access to funding or other resources. We set a goal to **spend at least \$1.2 billion with BIPOC and diverse businesses** by 2025. This pledge includes plans to increase all forms of spending with BIPOC business in nearly every area of the company – from how we bring in goods and services to stores to our information technology to where and how we advertise.

In addition to the financial investments, Best Buy will support the growth of these businesses by providing access to our retail capabilities such as supply chain, sourcing and product development. We will also eliminate barriers and create a more seamless path for BIPOC businesses to work with Best Buy.

To increase the number of diverse businesses and suppliers, we will continue to create and build partnerships with historically Black colleges and universities and various community organizations.

THE GOAL

To create a stronger community of diverse suppliers and to help increase BIPOC representation in the tech industry.



HOW WE'LL GET THERE

We're committing to spending at least \$1.2 billion with BIPOC and diverse businesses.



BUILDING ON PROMISES

We will continue to create and build partnerships with HBCUs and organizations.



Diversity, Equity & Inclusion.

Employees thrive in a diverse workforce that is inclusive and fosters a sense of belonging. Diverse organizations are more productive and profitable. 70% of diverse companies are better positioned to capture new markets. 43% of companies with diverse management teams exhibited higher profits. Companies with racial and ethnic diversity are 35% more likely to perform at a higher level. In general, highly inclusive companies are more likely to hit their financial target goals by up to 120% (What to Become, Diversity Statistics 2019).

We heard our employees' voices through listening sessions, meet-and-greets and the enterprise employee engagement survey, as well as assessed internal data to determine where we can do better in key focus areas. A collaborative cross functional team developed our DE&I commitments from the insights of our company and community.

Inclusive Behaviors:

Vulnerability: Willingness to show weakness to be stronger tomorrow

Empathy: Being purposeful about understanding the unique experience of everyone around you

Courage: Empowering everyone to speak up and act for what is right

Grace: Create an environment to take calculated risks and learn from mistakes

This inviting culture will intentionally excite and draw diverse perspectives to Best Buy, thereby empowering the workforce of the future.



of diverse companies are better positioned to capture new markets.



of companies with diverse management teams exhibited higher profits.



Companies with racial and ethnic diversity are **35% more likely** to perform at a higher level.

Our promises

Inclusive behaviors will be our common language in developing leaders and teams.

Teams will operate with conscious inclusion in engaging each other and customers in creating moments of obsession.

Employee Resource Group leadership roles will be viewed across our teams as critical to the business in team effectiveness, culture building and development.

Our teams will invite, support and reflect our communities in each market and across all businesses.

We will engage business leaders in the intentional development of diverse talent within their teams.

We will help leaders identify the impact of unconscious bias on career opportunities and support actions that can be taken.

Diversity, Equity & Inclusion.



Diversity, Equity & Inclusion employee journey.

Our present and future is shaped by bringing the DE&I strategy and commitments to fruition by attaining our hiring, representation and diverse leadership team goals. We believe our journey with employees will align with their expectations of a rewarding employee experience.

Diverse and talented employees are in high demand throughout the industry. We want them to come to work and thrive at Best Buy for the long term.

1. Hire & Onboard: We are cultivating sustaining relationships with potential employees, and onboarding new and transitioning employees into the organization and positions.

- **Blue Check Interview Panelists:** Best Buy employees, who have completed designated training on the talent selection process and how to create an inclusive space, participate in the interview process for certain roles. They serve as neutral panelists to provide objectivity in the interview process and provide feedback to hiring managers.
- **Eliminating bias:** We incorporated an additional review of interview guides for Director roles and above to eliminate bias toward candidates who have a different range of experience than other candidates.
- **New Hire Orientation:** New employees participate in a thorough training program, that includes dedicated DE&I content to help them understand who we are as a company and how to get involved.

Diversity, Equity & Inclusion.

2. Engage: We want employees to engage in their current role and lean into the strengths they bring. We provide awareness to immersive and enhancing experiences.

Candid Conversations: a powerful forum for finding connection with colleagues through purposeful conversation and the ‘art’ of storytelling. We define the series by focusing on complex cultural issues considered hard to talk about in the workplace. By creating relaxed, inclusive environments that encourage vulnerability, we find courage in exchanging the stories and perspectives of our difficult realities, helping us better empathize with those around us, regardless of differences. Topics include:



- **The Power of Words:** Ways that language, both positive and negative, shape our realities
- **The (In)visible #MeToo:** Addressing sexual harassment and assault in the world and workplace
- **Silent Suffering:** Living with mental health issues
- **Broadening Definitions of Talent:** Moving from the idea of ‘perfect fit’ to the reality of transferable skills, attitude, mentorship, and potential
- **From European Immigrant to White American:** Identity and Social Constructs

Inclusion Groups: we encourage employees to join other employees to learn, network and grow.

- **Employee Resource Groups:** dedicated to an aspect of diversity
- **Focused Inclusion Networks:** based on a collective interest
- **Professional Development Groups:** focused on career development
- **Inclusion & Diversity Steering Committees:** groups of co-workers who lead their peers in activities and learnings to complement our DE&I priorities

Events: throughout the year, we host events to celebrate important cultural moments such as Black History Month, Women’s History Month, Asian American and Pacific Islander Month and Hispanic Heritage Month. For example, in honor of Black History Month, we dedicated the last week of February to One Fest!, hosting events aimed at cultivating meaningful relationships across cultures by celebrating the rich diversity of the African, African American, Afro-Caribbean and Afro-Latin communities. This year, we celebrated virtually with the theme: ‘Still Standing: Resilience through the Struggle’.



Diversity, Equity & Inclusion.

Women are helping lead Best Buy's tech transformation

Engineer. Intern. Vice president. These are just a few of the many roles at the forefront of our tech transformation. But to us, these leaders are better known as Linda, Faiza and Meghan.

While most of these women experienced being the first or only woman on a team at some point in their careers, they're now helping drive change in the field of technology — through their groundbreaking technology work and a shared passion for mentoring young women.

Linda Kateley, a web engineer working in the cloud, joked that she's "worked on the internet almost since there was one" and shared stories of a past job where she was one of only six women in a role held by 4,200 men. Now she helps empower other women by participating in events and dialogue with Best Buy's Women in Tech employee resource group.



Meghan Condon
VP, Technology
Transformation & Planning

Technology is an industry that tends to be dominated by men, but we're working to change that. In 2020, we announced a goal to hire 1,000 new technologists, with 30% being women and people of color.

"I like the quote, 'We all do better when we all do better,'" says Meghan Condon, vice president of tech transformation and planning, whose team is responsible for this ambitious hiring goal. "Having a swath of

different individuals that represent the technology that we're building and things that we are working on allows us to have the best products we can make."

While getting women in the door is important, continued support and development are crucial to retention and growth. Mentoring — either having a mentor or being one — came up again and again as a way to positively impact job satisfaction, encourage leadership opportunities and promote personal growth.

Faiza Khassin, an engineering tools intern, said her interactions with mentors have impacted her future career goals. "When I first started, I didn't think I wanted to be a leader," she said. "But Best Buy and this internship have really helped me open my eyes to leadership opportunities."

Meghan has been the beneficiary of many strong female and male mentors throughout her technology career. "Even though there are still calls I'm on where I'm the only woman, I feel equally respected and my voice is as loud as, if not louder than, some of my male counterparts," Meghan said. "I think we've got a really great culture at Best Buy to allow for women in technology to thrive."

Hiring more women, promoting technology careers, building allies and providing leadership opportunities are just the start of fostering and promoting a more gender-diverse workplace for technologists.

And although she's one of the youngest members of the Best Buy team, Faiza said she's already looking forward to "creating spaces that have a positive impact on younger generations."
— Molly Yates

Diversity, Equity & Inclusion.

Supporting our LGBTQIA+ employees.

Best Buy is proud to stand up for equality for our lesbian, gay, bisexual, transgender, queer, intersex and asexual (LGBTQIA+) co-workers, customers and community. We believe a workplace should be inclusive and free from discrimination. These are among the ways we support our LGBTQIA+ employees:

Advocacy: Best Buy joined with more than 200 leading U.S. businesses, the Human Rights Campaign (HRC) and Out and Equal in signing a “friend of the court” brief filed with the U.S. Supreme Court expressing support for equality and workplace protections for LGBTQIA+ people.

Inclusive benefits: Our employee benefits extend to all employees, whether they are married or in a domestic partnership. These go beyond health benefits, too, including bereavement leave, Employee Assistance Program, FMLA, life insurance and more.

Community: Best Buy employees established the Pride Employee Resource Group (ERG) more than a decade ago. The group, for LGBTQIA+ employees and allies, advocates for professional development, recruitment and a commitment to foster an inclusive and diverse work environment.

Resources: In addition to ERG resources and support, Best Buy has a workplace transition and gender identity toolkit for employees and company leaders. It provides guidelines and resources for supporting an employee going through a gender transition and establishing an environment where nonbinary gender expressions are respected and recognized.

Consistency: For the 16th year, Best Buy has achieved a perfect rating of 100 on the annual Human Rights Campaign (HRC) Corporate Equality Index, earning the designation as a “Best Place to Work for LGBTQ Equality.” HRC’s Corporate Equality Index benchmarks and reports on how companies are helping to achieve workplace equality for LGBTQIA+ employees.



Diversity, Equity & Inclusion.

TOGETHER
WE ARE ONE

RighteousSouls

Best Buy Comes Together for Day of Unity

As the killings of George Floyd, Ahmaud Arbery, Breonna Taylor and Elijah McClain ignited social unrest across the nation this past year, Best Buy employee Maxie Rosenbloom didn't know where to turn.

As a Black man, he felt present but not seen, heard but not understood. It was emotionally taxing. But then Maxie witnessed professional athletes boycotting their games and leveraging their national platforms to demand change.

"They created a moment where I no longer felt invisible," he said. "And I thought to myself, 'What would it take to create a moment of our own at Best Buy?'"

He pitched the idea to company leaders, and that's how a Day of Unity was born. On Wednesday, Oct. 7, we came together learn about the inequities and injustices that have systematically and historically affected people of color.

Employees were encouraged to express their support for social justice by wearing "Together We Are One" T-shirts — created exclusively for Best Buy by RighteousSouls, a Black-owned apparel company in Minneapolis. In addition to being a part of our official dress code in stores, thousands of Best Buy leaders wore the T-shirt during our virtual Holiday Leadership Meeting to show solidarity and unity as we kicked off the holiday season. — Becca Johnson

Diversity, Equity & Inclusion.



Best Buy filmmaker collects stories on Black trauma, hopes to inspire empathy

In the days after the murder of George Floyd, Ron Johnson wrestled with emotions he had long suppressed. He was angry, scared and sad.

Ron processed his feelings through his art, creating a documentary called “[Notes from My Skin](#).” It’s a collection of raw, personal stories from Black employees at Best Buy. The film addresses police brutality, systemic racism and the trauma Black people hold from witnessing the killings that all too frequently occur.

“I made this film to shed light on painful experiences Black people are repeatedly subjected to,” Ron said. “I truly hope the film will inspire empathy and spark important conversations about race in our communities.”

The film also offers commentary on how we can move forward as a community — from doing research on these issues yourself to stepping outside of your cultural comfort zone to explore unfamiliar spaces.

“Notes from My Skin” is now used as a training exercise for all Best Buy employees and has been honored with seven Telly Awards.

— Bianca Jones

3. Develop: Offer support and career development experiences in role and through additional training opportunities.

- **McKinsey Black Leadership Academy Management Accelerator:** a program providing career development and skill acquisition specifically for our Black employee population.
- **New Wave:** a program which provides developmental assignments to advance and mobilize skillsets, with an emphasis on BIPOC employees.
- **Inclusion University:** the process that will accelerate the enterprise’s development of inclusive behaviors and other DE&I related learning. Specific trainings include Managing Microaggressions, Inclusive Facilitation and Allies in Action.

Diversity, Equity & Inclusion.

Best Buy Celebrates Juneteenth

Quest Dew has been celebrating Juneteenth for years. It has long been a meaningful holiday for Black Americans, yet its awareness has remained limited among the broader population. That's why Quest decided to bring the celebration to his colleagues at Best Buy's Seattle Technology Office in 2019.

"I wanted them to understand that I care about this. This is my life. This is who I am," Quest said. "If you want to sit here, have lunch with me, laugh with me and share time outside of work with me, then you need to know who I am and what I stand for."

In 2020, he shared his presentation with a bigger virtual audience across the entire company.

"I am hoping that people not only understand what it's like now to be a Black person in this country, but for them to see the celebration and joy our ancestors got from just being free," he said.

To that end, Quest was moved to hear that [Juneteenth has become an official paid company holiday](#) at Best Buy in 2021.

"Everything we discussed leading up to this point has made a difference," he said.

—Bianca Jones



“I am hoping that people not only understand what it’s like now to be a Black person in this country, but for them to see the celebration and joy our ancestors got from just being free.”

Quest Dew

Diversity, Equity & Inclusion.

4. Support & Grow: Develop mentoring and coaching networks for employees along their career journey.

- **Formal mentoring program:** We pair leaders with BIPOC employees who are early in their careers to gain insights, build relationships and foster a support system.
- **Director-level mentorship:** We provide external coaching and development BIPOC director level employees.

Best Buy, PopSockets partner to bring teens' designs to store shelves

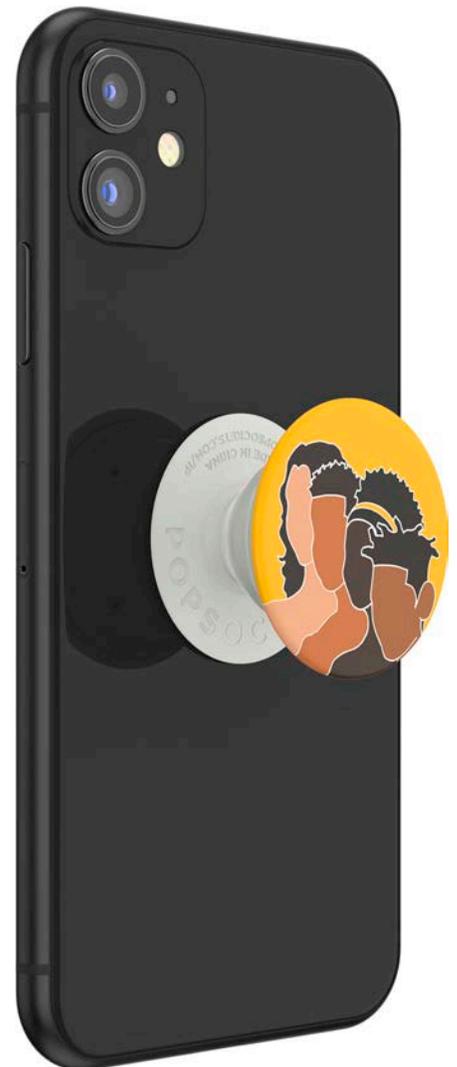
For the first time, teens from Best Buy's community programs saw products they designed on store shelves, thanks to a partnership between Best Buy and PopSockets.

Four teen artists from Best Buy's Teen Tech Center network were paired with designers at PopSockets who served as mentors throughout the process. The students created their own PopGrips – small, round attachments that connect to the backs of phones and tablets to help users hold and prop up their devices.

The teen-designed PopGrips were sold as a part of Best Buy's Black History Month campaign. Teens were commissioned and compensated through PopSockets' standard procedures for freelance designers, giving teens a chance to engage on the journey from ideation to production.

Half of the sales from each design will be donated to the Best Buy Foundation and reinvested into Best Buy Teen Tech Centers. Teen Tech Centers are safe, afterschool learning sites where teens have access to the latest technology, the guidance of experienced mentors and opportunities to apply their skills through hands-on experiences like the PopSockets partnership.

PopSockets, Best Buy's Social Impact team and our Black Employee Resource Group partnered on the program as part of a broader Black History Month campaign. The collaboration was meant to celebrate and encourage young artists while also underscoring the critical need for opportunity and change in an industry where [only 3% of designers are Black](#).
— Jess Moes



Diversity, Equity & Inclusion.



5. Expand & Move: Create and move and into different career growth experiences within the enterprise or support transition to external career journey.

- **Talent pipeline strategy:** we aim to know, grow and move our talent – reducing bias, increasing transparency, and building diverse teams. We will do this by knowing our talent, growing their skillsets, and moving talent with purpose via talent review, succession and development planning.
- **Talent mobility program:** employees are able to learn and grow through temporary roles on different teams within the enterprise.
- **Exit Interviews:** utilize insights from employees leaving Best Buy to improve the employee experience.

Measuring progress.



We made hiring commitments because we recognize that we have the opportunity to do better. A monthly business review of the metrics allows us to understand our progress and determine new focus areas as needed. We will continue to build an inclusive, diverse and thriving workforce.

| Black employees* | Hispanic employees* | Asian-American employees* | Female employees** |
|---------------------------|----------------------------|----------------------------------|---------------------------|
| FY17.....14% | FY17.....20% | FY17..... 5% | FY17..... 27% |
| FY1814% | FY1821% | FY18 5% | FY1826% |
| FY1914% | FY1922% | FY19 5% | FY1926% |
| FY2014% | FY2022% | FY20 5% | FY2028% |
| FY2113% | FY2122% | FY21 5% | FY21 27% |
| FY21 totals | FY21 totals | FY21 totals | FY21 totals |
| Manager and above4% | Manager and above6% | Manager and above9% | Manager and above.....33% |
| VP and above 3% | VP and above 5% | VP and above 3% | VP and above29% |

All figures based on end of FY21 *U.S. employees ** Enterprise-wide employees

Measuring progress.

Diverse leadership.

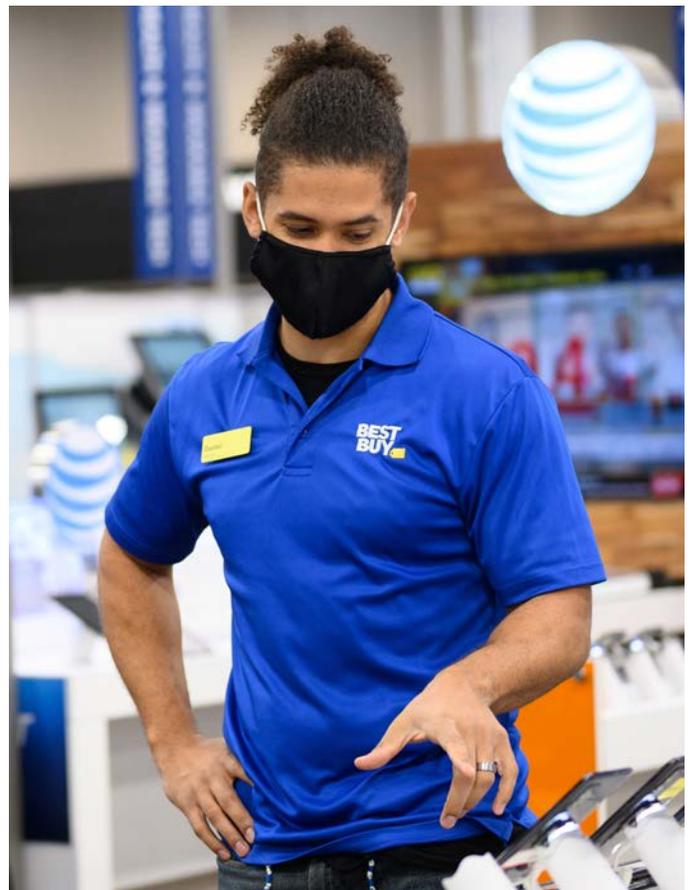
We are proud to be one of only 12 companies in the Fortune 100 to be led by a female CEO, Corie Barry. Our Board of Directors comprises of 45% female and is 36% diverse. We are focused on bringing similar levels of racial parity to leadership roles across the company.

Hiring heroes.

We believe the experience gained while serving our nation is valuable and are committed to helping veterans continue to grow their careers. For candidates with military experience, we start by guiding them to the best position. Using the military skills translator within our careers site, applicants can match military experience to civilian jobs that allow them to take full advantage of their strengths. From there, they have the chance to utilize our wide array of employee resources and collaborate with leaders who support their development.

Increased transparency.

We are committed to increased transparency of our Human Capital Management data. New to this report, we have added the diversity breakdown of manager and above as well as vice president and above. Further, in partnership with our stakeholders, we included our 2020 EEO-1 report, which we provide to the U.S. Equal Employment Opportunity Commission, in the appendix of this report. The EEO-1 report categorizes employee data by race/ethnicity, gender and job category.



Progress in hiring.

This shows our hiring and representation of diverse salaried employees. We are committed to increasing these numbers.

| | People of color | Black | Asian | Hispanic |
|----------------|-----------------|-------|-------|----------|
| FY20 | 28% | 7% | 6% | 11% |
| FY21 | 33% | 8% | 11% | 11% |
| Perc. increase | +5% | +1% | +5% | 0% |

Recognition.



We are proud to receive the following recognition in FY21 demonstrating our commitment to being an inclusive employer:

| | | | | | |
|------------------------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------------|
| Human Rights Campaign Best Places to Work for LGBTQ Equality | Disability Equality Index Best Places to Work for Disability Inclusion | Diversity Best Practices One of two retailers on the Inclusion Index | Parity.org Best Companies for Women to Advance | Bloomberg Gender-Equality Index | DiversityInc Noteworthy for second year in a row |
| Forbes | | | | | HBCU Connect |
| America's Best Large Employers | Best Employers for Diversity | Best Employers for New Graduates | Best Employers for Women | Most Powerful Women | Top 50 Employers for Historically Black College and Universities Students & Grads |

Looking forward.

Our mantra is “We will do better.” The commitment to our employees, customers, community, and shareholders is that we will address inequality wherever we can, in ways only we can. Our emphasis is on an inclusive culture to support representation, value and belonging. We firmly believe that great cultures are cultivated when leaders act. Together we will do better!

Best Buy Health.

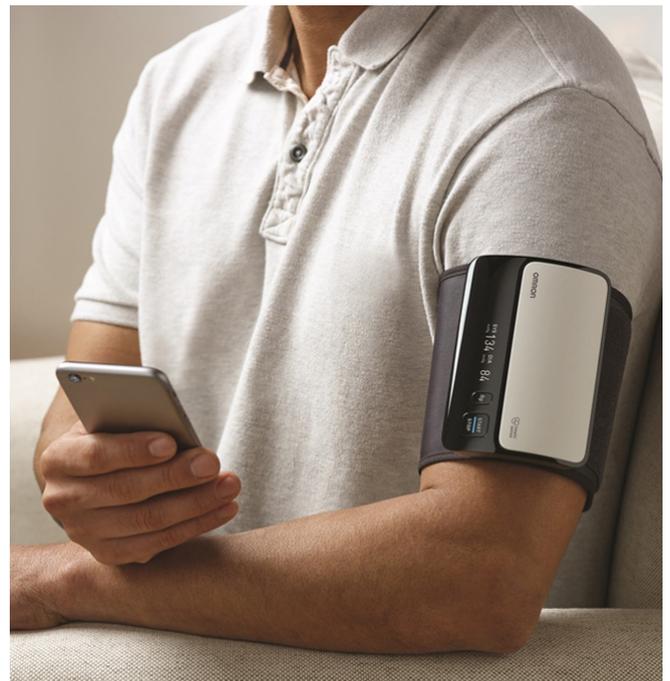
Best Buy Health exists at the intersection of health and technology, building upon our company purpose with a unique twist: to enrich and save lives through technology and meaningful connections. By empowering people to care for their health in ways that fit their lives, by offering solutions to the challenges of aging at home, and by introducing technology that makes healthcare and provider relationships more seamless, we aim to be a leader in health technology.

The three focal areas of Best Buy Health start with our company's strength in consumer health products, include our devices and services within a category we call "active aging," and culminate in our vibrant future opportunities in life-changing virtual care technology.

Consumer Health Products

With everything from smart rowers to pulse oximeters to fitness trackers and more, Best Buy is an omnichannel leader in the consumer health products space. In our stores and online, our customers discover a trove of products to support their health in every stage of life. New parents find peace of mind in infant heart rate and oxygen monitors. People with chronic conditions gain confidence with at-home blood pressure monitors and glucose monitors. Elite athletes and newcomers alike maximize training potential with smartwatches that track vitals and activity levels. Even items like white noise machines and weighted blankets make life more restful for our customers.

Many pandemic consumer trends support the future of this space as well—as people seek ways to manage stress, reverse poor health behaviors, solve sleep problems and navigate chronic conditions.



Best Buy Health.

Active Aging

Active Aging is best known for our Lively devices, like cell phones and personal emergency response devices that allow seniors to continue to live independently in their own homes. But while the devices are an important piece of our Active Aging strategy, it's our health and safety services that set us apart and provide value to our customers.

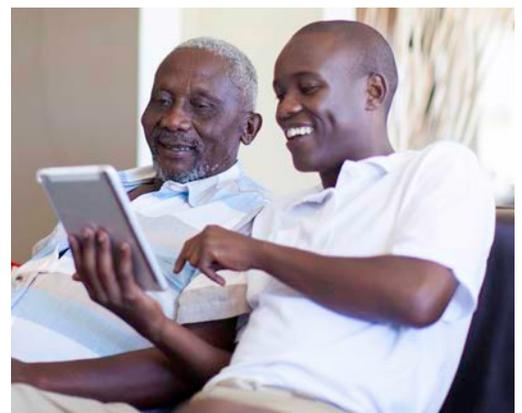
Whether accessing our services from a Lively device or via the Lively app, our device users can reach our Caring Center team members in emergency situations with the press of a button. Our team members assess the situation, access the caller's health profile and bridge an important information gap when communicating with emergency responders, saving lives and improving outcomes. In non-emergency situations, the Lively agent can connect with family members, ensuring each customer is well-cared for and supported.

Our agents assist with much more than just emergency response, providing services like arranging rides, linking seniors with social services and connecting users with medical professionals for urgent care phone consultations. Caregivers can also check on their loved one's status using the Link app, giving them another avenue to evaluate their loved one's health.

Virtual Care

Investments in digital health are more important than ever. According to a recent [McKinsey report](#), industry estimates indicate that \$250 billion in healthcare spending could shift to virtual care models. These trends, driven by the pandemic, have only served to underscore our purpose and strategy.

Virtual Care includes telehealth and digital health solutions that connect patients, physicians, caregivers, senior living communities, health systems and health insurance. We see significant opportunity to improve the experience for both patients and physicians by providing an integrated, seamless technology solution that is easy to use.



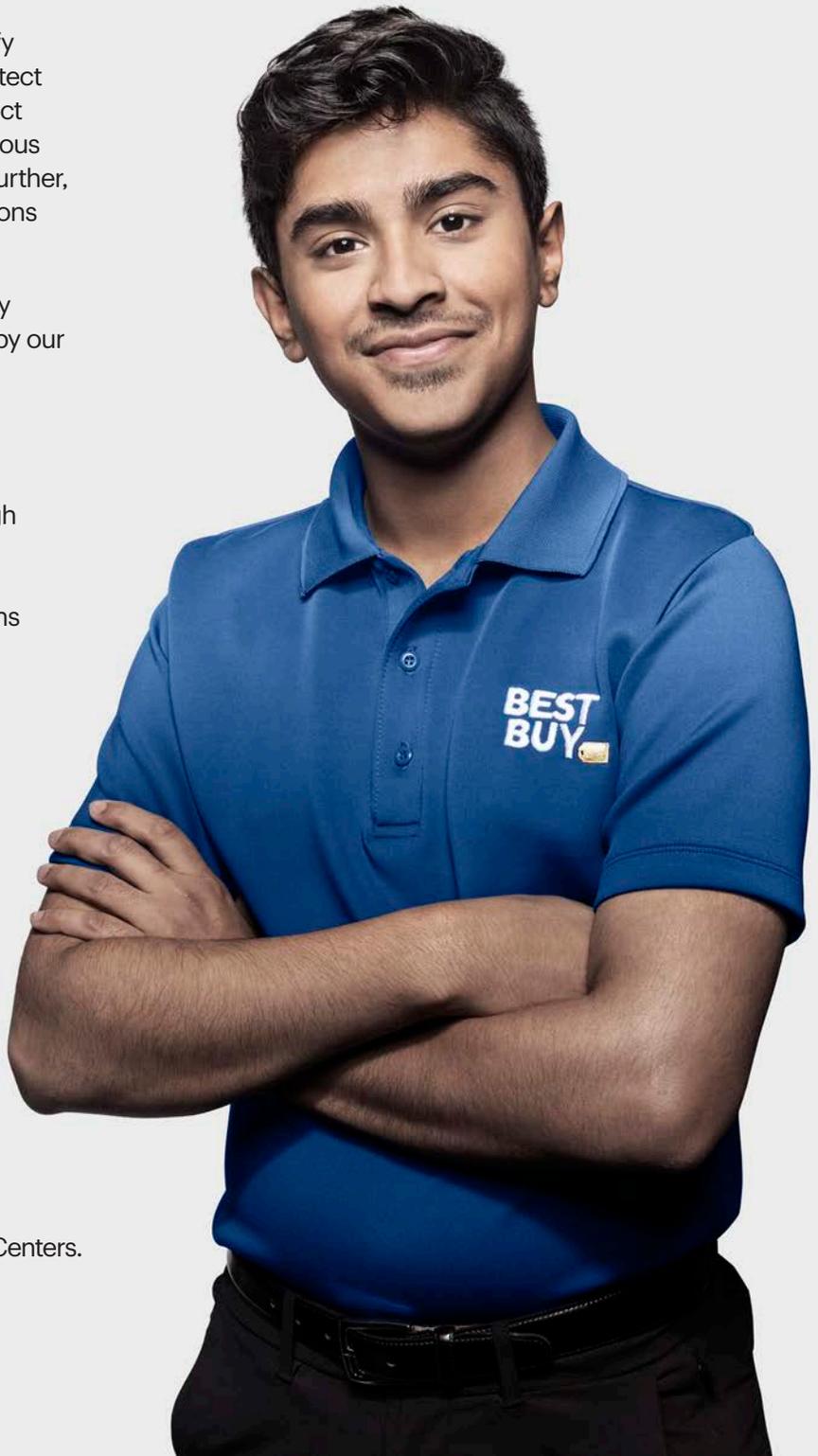
Human rights.

Best Buy respects human rights. We seek to identify salient human rights risks, develop measures to detect and prevent adverse human rights impacts, conduct remediation if impacts do occur, and drive continuous improvement of our human rights management. Further, we seek to advance human rights through our actions and operations.

We believe that we can have the greatest impact by focusing on the rights most at risk, as determined by our human rights impact assessment.

We seek to manage these risks by:

- Respecting the rights of workers in the supply chain and leveraging industry partners through the Responsible Business Alliance in order to improve raw material sourcing practices, the recruitment of workers, and working conditions and environmental performance in the global electronics supply chain;
- Respecting the rights of Best Buy employees and striving for a diverse, inclusive, equitable and respectful workplace free of harassment and discrimination;
- Respecting the rights of workers in the consumer electronics recycling value chain through adherence to policies and standards for safe and responsible recycling;
- Respecting the rights of our customers, including their right to privacy; and
- Seeking to advance the right to education in communities where we operate through sharing our knowledge of technology including our Best Buy Teen Tech Centers.



Human rights.

We adhere to a set of internationally recognized standards and principles to ensure we meet our commitment to respect human rights, including:

- Following global standards of human rights such as the United Nations Guiding Principles on Business and Human Rights;
- Maintaining strong governance practices that include several of the company's most senior executives;
- Communicating our human rights commitments; and
- Proactively engaging stakeholders to protect and advance human rights through our memberships and partnerships.

In FY21, our accomplishments included:

- Completed pilot expansion of Responsible Sourcing program with 20 branded vendors.
- Optimization of the responsible sourcing program that support our private label and direct import business.
- Began preparation to conduct a Human Rights Impact Assessment specific to Best Buy Health.

For more details, see our Human Rights Corporate Statement at Corporate.BestBuy.com/Human-Rights.



Responsible sourcing.

Best Buy is not only a retailer, but we also manufacture private label (or Exclusive Brands) products. We partner with 186 factories on the design, production and testing of these products, and we also partner with them to ensure they meet our expectations for safe workplaces where workers are treated fairly.

Through our Responsible Sourcing program, we seek to mitigate risk, enhance the partnership with our suppliers, and create value for all stakeholders. We are active members of the Responsible Business Alliance (RBA), which allows us to partner with many of the brands we sell, including Apple, Intel, Microsoft and Samsung. Collectively, we embrace a common Supplier Code of Conduct and audit methodology that creates business value by improving working conditions and environmental practices in the supply chain.

Our Supplier Code of Conduct is publicly available for current and potential suppliers via our partner portal: Partners.BestBuy.com. All of our vendor contracts require adherence to our Supplier Code of Conduct.

Our Responsible Sourcing program consists of a 5-step process, working closely with our suppliers to manufacture quality products while ensuring the workers are treated fairly and are in a safe environment.

1. Code Introduction

Before working with new suppliers, we provide an in-depth training on our code and program, which includes critical risks such as human trafficking and forced labor. We also conduct a third-party audit of their facilities, which includes environmental and human rights screening criteria. When conducting pre-contract screenings, we identify non-conformance and require the supplier to take corrective action. If there is a priority non-conformance, it must be addressed immediately. Suppliers that are unwilling or unable to address priority violations are rejected. Beyond suppliers, we also train relevant internal functions.

Best Buy exclusive brands

INSIGNIA™

DYNEX™ | Pt™ PLATINUM

rocketfish™ | MODAL™

Responsible sourcing.

2. Self-reporting

Existing suppliers assess their performance against the code by completing an annual self-assessment questionnaire (SAQ). In FY21, we achieved an 86-percent completion rate for SAQs. Any supplier that does not provide an SAQ is automatically considered a high-risk supplier and will be audited.

3. Monitoring

For all private label suppliers, Best Buy conducts an audit to identify any gaps between the suppliers' performance and the code. Our audits include worker interviews and visits to all structures in the factory premise, including warehouses, dormitories and canteens. We not only assess their social and environmental performance, referred to as "practices compliance," but we also review the management system they have in place to drive code compliance, which is known as "management compliance."

When a non-conformance is discovered, we classify it by severity:

Priority Non-conformance is the highest-severity audit finding, requiring escalation by the auditor and immediate attention by the vendor. Priority Non-conformance consists of findings that represent: 1) a serious nonconformance of the RBA code or applicable legal requirements; 2) an immediate threat to life or health; or 3) risk of serious and immediate harm to the community or environment. The identification of any Priority Non-conformance (such as forced labor) automatically results in a failed audit. Vendors must take immediate action to remedy all Priority Non-conformances through the Priority Non-conformance Remediation Process. If the factory is unable or unwilling to address the Priority Non-conformance, we will terminate the relationship.



Responsible sourcing.

High Risk Major Non-conformance is a significant failure in the management system that affects the ability of the system to produce the desired results and/or satisfy legally mandated requirements. Two High Risk Warnings for the same non-conformance finding within a single year is considered the equivalent of a Priority Non-conformance.

Major Non-conformance is a significant failure in the management system that affects the ability to produce the desired results.

Minor Non-conformance is an isolated or random incident which, by itself, does not indicate an inherent problem with the management system.

For all types of non-conformance, we conduct follow-up audits to determine if violations — whether priority, high risk major, major or minor — are resolved. All instances of non-conformance require a corrective action plan, which we approve and monitor.

4. Capacity building

We build our suppliers' knowledge so they can close any gap between their performance and the code. We conduct annual trainings on the code to ensure our suppliers have the tools to meet the code, fully understand our expectations and move beyond compliance. Since FY19, we have been using an online training tool, which allows our suppliers more flexibility.

5. Reporting

Each year we publicly disclose our suppliers' rates of compliance against the code. The adjacent chart aggregates the performance of all suppliers across numerous checkpoints within the categories listed.



FY21 Audits

| | |
|---------------------------|-----|
| 3rd party audits | 80 |
| Best Buy audits | 10 |
| RBA accepted audits | 50 |
| Total audits | 140 |

Audit Results

| Category | Practices Compliance | Management Compliance |
|-------------------|----------------------|-----------------------|
| Labor | 74% | 89% |
| Health and safety | 73% | 93% |
| Environment | 90% | 92% |
| Ethics | 100% | 95% |
| Management system | 100% | 87% |

Responsible sourcing.

In FY21, we did not find any instances of child labor or freedom of association violations in the factories we audited. These would be considered a priority violation — the highest severity audit finding.

The COVID-19 pandemic has impacted the way that we implement our Responsible Sourcing program, specifically auditing and training. It limited our ability to conduct on-site audits, so we deployed different assessment options for engaging suppliers and monitoring working conditions. The new approaches included remote audits, desktop reviews, shared audits and co-audits, all of which still allowed us to assess the factory's working conditions through documentation review, worker interviews and visual factory tours. In terms of training, we were forced to delay the on-site capacity building program but increased online trainings options and conducted a virtual training as a substitute for our annual in-person training for our vendor partners.

Program optimization

Our Responsible Sourcing program was optimized during FY21. The re-designed program seeks to address pain points and inefficiencies, better align with our private label strategy and use resources more effectively. We continue to reduce duplicative audits by accepting the recent 3rd party audit reports provided by our suppliers so that we can shift our focus and resources on training and building deeper relationships with factory management and workers, driving larger social impact. The updated program is in a pilot phase through FY21 and officially launched at the beginning of FY22.

Worker Empowerment Program

Factories in China face a difficult labor market and often struggle to retain employees. Over the past several years, we have worked to engage and empower workers through better communication with their management, strengthening business performance through higher retention rates. We evolved our worker surveys, which were deployed in FY17 and FY18, into a worker empowerment program, launched in FY19. The program, in collaboration with Verite, includes a series of training courses and worker engagement activities. The program seeks to improve how supervisors manage conflict with workers, listen to them and deal with workplace stress. In FY20, we expanded this program to three additional factories, where 120 front-line supervisors were trained.

We're incredibly proud of the program and how it's been received by factory management, factory workers, industry peers and other stakeholders. It's an example of the innovative, strategic and human-centered approach we take to improve supply chain practices.

Shift, the leading center of expertise on the UN Guiding Principles on Business and Human Rights, featured our Worker Empowerment Program as a case study in its December 2020 newsletter. This is the first in a series called "Quality of Relationships." Shift says that the pursuit of quality relationships is the next evolution of mitigating, preventing and detecting potential adverse human rights impacts.

"Having robust evidence about the success and challenges of the training program has allowed Best Buy to communicate the outcomes of its efforts to its stakeholders in a balanced way, and to identify

Responsible sourcing.

improvements that can be put in place before scaling the program in other locations.” -Shift 2021 case study

Due to the COVID-19 pandemic, this program was put on hold in FY21. However, we are looking forward to continuing this important work with our suppliers in FY22.

Expanding our manufacturing footprint

Due to trade issues and a desire to diversify our sourcing locations, we have expanded our sourcing beyond China to other countries in Southeast Asia. We leveraged the expertise of third parties, industry organizations and peer companies to understand the local culture and regulations, as well as potential risks and opportunities associated with these areas. In order to identify the most reliable suppliers, we proactively engaged potential partners, conducting pre-screenings, onboarding trainings focused on high-risk issues, and best practice sharing based on local laws and common findings. In FY21, we introduced two new suppliers (15 factories) outside of China.

Foreign migrant workers

While migrant workers are just a small percentage of the workers in our private label supply chain, we seek to mitigate the risks they face at every opportunity. We recognize that foreign migrant workers (those who travel temporarily from their home country for employment) face unique risks in pursuit of employment. We are committed to working with our supply chain partners so labor recruitment practices meet our code. For example, we work with suppliers to ensure that no foreign migrant worker pays recruitment fees for their job and that all workers retain control of their travel documents and have full freedom of movement.

“Having robust evidence about the success and challenges of the training program has allowed Best Buy to communicate the outcomes of its efforts to its stakeholders in a balanced way, and to identify improvements that can be put in place before scaling the program in other locations.”

Shift case study

Responsible sourcing.

In FY21, we engaged two factories that moved their production from China to Taiwan and Thailand respectively. Aware that risk levels related to foreign migrant workers are high in these two locations, we worked with the potential factories at the very early stages of supplier development to pass along our requirements, support them on recruiting process, and give them guidance on foreign migrant worker management. Our proactive engagement with factories, where we set clear requirements regarding recruitment fees, resulted in 294 workers from Vietnam and 156 workers from Myanmar being reimbursed for their recruitment fee — more than \$72,000 in total.

Student workers

We aim to protect vulnerable worker populations such as student workers in our supply chain. In order to guide our suppliers on the proper use of student workers, our audit program focuses on several relevant issues, such as ensuring direct payment and injury insurance. Beyond our audit processes, we regularly send out communications including a responsible student worker management toolkit.

Program expansion

In FY20, we expanded our Responsible Sourcing program into select high-risk categories in our Goods Not for Resale (GNFR) sourcing. In FY21, we further expanded the program to include branded vendors whose products we sell. We conducted a pilot of 20 branded vendors, where we gained learnings that informed the final design and implementation of our program, which was officially launched in the first quarter of FY22.

Our program expansion embodied the following tenets:

Focused: Prioritize higher-risk vendors based on initial desktop research

Collaborative: Our collaboration will manifest as a smart friend for business teams and a supportive partner for vendors

Iterative: The nature of this work is to continually evolve and improve processes and knowledge

Industry Aligned: Engaging industry peers provides access to leading practices, a more consistent approach, and increased credibility

Positively impacting workers' lives

One of the reasons we expanded our Responsible Sourcing program to include GNFR vendors was to gain awareness of potential labor risks in supply chains. Without the expanded program, which in part aims to ensure workers are treated fairly, we would not be able to effectively detect when worker rights may be adversely affected. One example that demonstrates the importance of this work and the opportunity we have to positively impact the lives of workers, is our partnership with Pricer, an electronic sign label vendor (ESL) based out of Sweden.

Best Buy's decision to convert to ESLs from paper price signs in several hundred stores was a strategic initiative and a significant investment, so vendor selection was a critical step. Pricer was ultimately selected for a variety of reasons including its technology and service, but also for its commitment to responsible sourcing.

Once the factory that would produce the ESLs was selected, Best Buy's Responsible Sourcing team conducted an audit. Through our in-person visit,

Responsible sourcing.

we uncovered that several hundred workers from Cambodia (approximately 22% of the workforce) had paid recruitment fees to work at the factory, which is in Thailand. Unfortunately, recruitment fees are a relatively common practice, where labor brokers charge up to half a year salary or more in return for finding someone a job. This is a priority violation of our Supplier Code of Conduct and, in partnership with Pricer, we immediately took action.

We engaged one of our long-time partners, Vertie, which is an expert in the field of foreign migrant worker management, to help us further investigate the fees, interview workers, and provide guidance on a remediation plan. Ultimately, we gained factory management's commitment to develop a plan and reimburse the workers for the fees they had paid.

Through our engagement with the vendor, we shared our policies and practices regarding the detection and remediation of recruitment fee non-conformances and they, in turn, reviewed their own supply chain practices and set the same expectation with the factory, creating a ripple effect of shared learning and the advancement of labor recruitment practices.

Chemicals

Chemicals continue to be a topic of concern in many industry supply chains, including electronics. We participate in several multi-stakeholder work groups, as well as seek guidance from regulators and third-party chemists on this complex issue.

Through our participation in RBA's Chemical Work Group, we have access to some of the tools and

guidance being developed by the Clean Electronics Production Network (CEPN). We have adopted the CEPN's Process Chemical Data Collection template and have surveyed all of our suppliers using this tool. We shared results from key suppliers with RBA so that it, along with the CEPN, can begin to assess the landscape of process chemicals across the electronics industry. This transparency directly contributed to the development of a prioritized list of chemicals targeted for substitutions for the electronics industry.

As part of the RBA Chemical Work Group, we supported the development and refinement of chemical management tools and the RBA code of conduct, so that chemical-related provisions of the RBA Code were strengthened.

Allegations of forced labor in China

We take any allegations of forced labor seriously and quickly take action. We engage industry peers in both the retail and electronics sectors to discuss and, in some case, develop leading practices for detecting, preventing and mitigating the risk of forced labor. We also work with trusted partners to conduct research and due diligence to identify where risk is present and further investigation is warranted. If conditions of forced labor are identified, it represents the most serious non-conformance and corrective actions need to be implemented. We provide guidance and support and monitor the supplier's progress and we ensure the issue is closed through a third-party follow-up audit. Throughout the due diligence and remediation process we seek to align with the UN Guiding Principles on Business and Human Rights.

Conflict minerals.

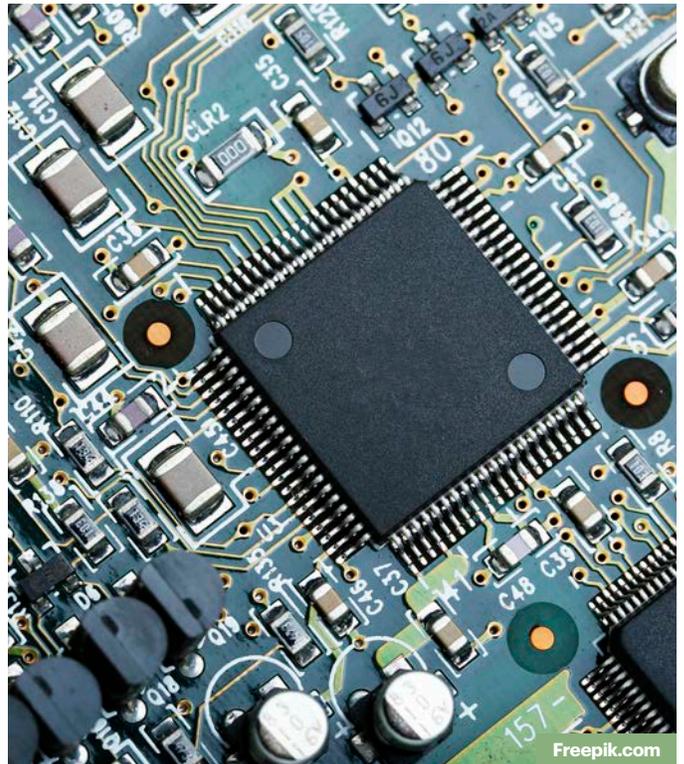
The Democratic Republic of the Congo (DRC) and its neighboring countries have reserves of tin, tantalum, tungsten and gold (known as 3TG), all of which are commonly used in the manufacturing of many consumer products. Occasionally, these minerals are illegally sourced and traded by armed groups who are responsible for human rights violations. As such, these minerals are known as “conflict minerals.”

At Best Buy, we are committed to working toward a conflict-free supply chain for our private label products. We align our conflict minerals program with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, an internationally recognized framework.

Despite advances in supply chain transparency and traceability capabilities, it remains a challenge to identify, with certainty, the smelters, refiners and recyclers in our private label supply chain. Training our direct suppliers and auditing their performance are keys to addressing this. In FY21, 100 percent of our suppliers received training specific to conflict minerals, and since 2017, we’ve audited the due diligence efforts of 38 of our suppliers who use 3TG.

Our practices

We also partner with brands and retailers across multiple industries to identify relevant smelters and refiners, and encourage their participation in the Responsible Mining Initiative’s (RMI) Responsible Minerals Assurance Process (RMAP), or an equivalent program, including the London Bullion Market Association’s (LBMA) Good Delivery program and the Responsible Jewellery



Council’s (RJC) Chain of Custody program.

Because we do not have a direct relationship with smelters in our supply chain, we do not conduct audits. Instead, we support the development and implementation of a smelter audit program through our membership in the RMI, which administers the audits. We support many RMI activities, including previously serving as the Chair of the RMI Steering Committee and currently serving as the Chair of the Smelter Engagement Team (SET) and Co-Chair of the China SET, which conducts coordinated outreach to known smelters to encourage them to be audited.

Conflict minerals.

Our performance

In FY21, 99 percent of our suppliers completed a Conflict Minerals Reporting Template, detailing the smelters and refiners used as well as their audit status. To date, more than 80 percent of the processing facilities reported by our suppliers have been found conformant to the RMI, LBMA or RJC standard via an independent, third-party audit or have committed to go through an audit.

This year's drop in percent of compliant smelters in our private label supply chain is primarily attributable to a single factory. In response, we engaged the vendors and their factory to hold a series of calls to discuss our conflict minerals policy and program expectations. The vendor has its own conflict minerals program, which includes third party support, and collectively a plan was developed to audit many of the factory's suppliers who reported non-conformant smelters and begin the process of removing the recalcitrant smelters from their supply chain. We remain engaged with this vendor and factory to monitor their progress and offer our support and will do so until the non-conformant smelters have been audited or removed from the supply chain.

More details can be found in our Conflict Minerals Policy and Conflict Minerals Report at Corporate.BestBuy.com/Sustainability.



| | |
|-----------------------------------------------------------------------------------|------|
| Suppliers who received conflict minerals training materials..... | 100% |
| Products containing necessary 3TG that have had their supply chains surveyed..... | 100% |
| Relevant suppliers who returned a Conflict Minerals Reporting Template | 99% |
| Relevant supplier who have a Conflict Minerals Policy..... | 94% |

Conflict minerals.



Leveraging Best Buy's diverse workforce

Since 2013, Best Buy has been involved in RMI's Smelter Engagement Team (SET), working collaboratively with other RMI members to encourage smelters and refiners to complete a RMAP audit. Two of the more significant challenges in conducting outreach are language and cultural barriers. This has been partially mitigated through the involvement of staff from RMI member companies who reside around the world, yet there are still smelters in regions in which the SET lacks participants who can speak the language. One such country is Vietnam.

In FY21, Best Buy served as the Chair of a regional SET that included Vietnam, which was the country where we focused our outreach. Initial efforts in English or via online translation services were entirely ineffective. After numerous unsuccessful attempts, a request for native Vietnamese speakers was sent out to the Best Buy Asian Employee Resource Group. Within days, several individuals volunteered to support our outreach efforts. After an initial training, one volunteer, Vinh

“Vinny” Do Nguyen, quickly jumped in and furthered his understanding of RMAP and began researching the tin smelters that had been targeted for outreach. Soon, Vinny was crafting emails and arranging calls with the smelters and, before long, Vinny had established a relationship with management at one smelter. That smelter agreed to a RMAP audit and has begun working with technical support to enhance their responsible sourcing practices. They have also become a great resource for us as we seek to learn more about the tin industry in Vietnam.

Vinny's participation has made all the difference and already produced a win after the challenge SET has faced in getting Vietnamese smelters into the RMAP.

“First, we had to establish the connection and trust with the smelter,” Vinny said. “Having someone who speaks your language and knows your culture, it makes that a whole lot easier. Once we were able to establish the relationship, everything took off from there.”

Community impact.



Building brighter futures for teens through tech

Most jobs require the use of technology, and employers are already struggling to fill STEM-related jobs. Nearly half of the STEM jobs that will be created in the next five years are expected to go unfilled. At the same time, inequity stacks the odds against young people for life, affecting their development and priorities. According to the 2020 Building a Grad Nation Report, **low-income students graduate high school at an average rate of 79.5%, compared to 90.9% for non-low-income students**, and are far less likely to complete college than their more affluent peers.

We are committed to helping prepare teens from disinvested communities for the careers of the future. By creating ways for young people to access the training, tools and mentorship needed to succeed in post-secondary opportunities and their careers, we're building a diverse talent pipeline for Best Buy and other companies.

We are proud of our social impact initiatives, but we know we cannot do it alone. Our work is made possible through a network of dedicated employees, community organizations, vendor partners and philanthropic supporters. Together, we're making sure that every young person has the technology, training and mentorship they need to succeed.

Commitments.

In FY21, we committed \$44 million toward inclusion, diversity and community efforts. We want to better address underrepresentation, technology inequities and educational and career opportunities for those who need it most. The five-year plan includes the intention to build a network of more than 100 Teen Tech Centers (TTC) and provide college scholarships for diverse youth, including those from the Teen Tech Centers. Our commitments include:

- Providing **\$44 million to expand college prep and career opportunities** for BIPOC students, including adding 16 scholarships for HBCU (Historically Black Colleges and Universities) students and increasing scholarship funding for Teen Tech Center youth.
- Reaching **30,000 teens** annually from disinvested communities across the nation, including building a network of at least 100 Best Buy Teen Tech Centers to teach skills and build a talent pipeline for a modern economy.
- Expanding **opportunity for BIPOC teens in our home market of the Twin Cities** by investing in more local Teen Tech Centers, creating a scholarship fund specifically for Twin Cities-based teens, committing to hosting interns from Teen Tech Centers and other program partners, and offering jobs across the company to teens.

The Commitments | By the end of 2025, we will achieve the following:

WORKFORCE GOALS

1 out of 3

New non-hourly corporate positions will be filled by BIPOC* employees

New non-hourly field roles will be filled by women employees

*Black, Indigenous and People of Color

Fostering inclusion among all employee groups to create **parity in retention rates**

Transforming **senior leadership ranks** to be more in line with the diversity of CEO direct reports and company Board of Directors

OPPORTUNITY

30K

Teens from disinvested communities reached annually across the nation

Building out a network of **at least 100** Best Buy Teen Tech Center locations to teach tech skills for a modern economy

EDUCATION

\$44M

To expand college prep and career opportunities for BIPOC students

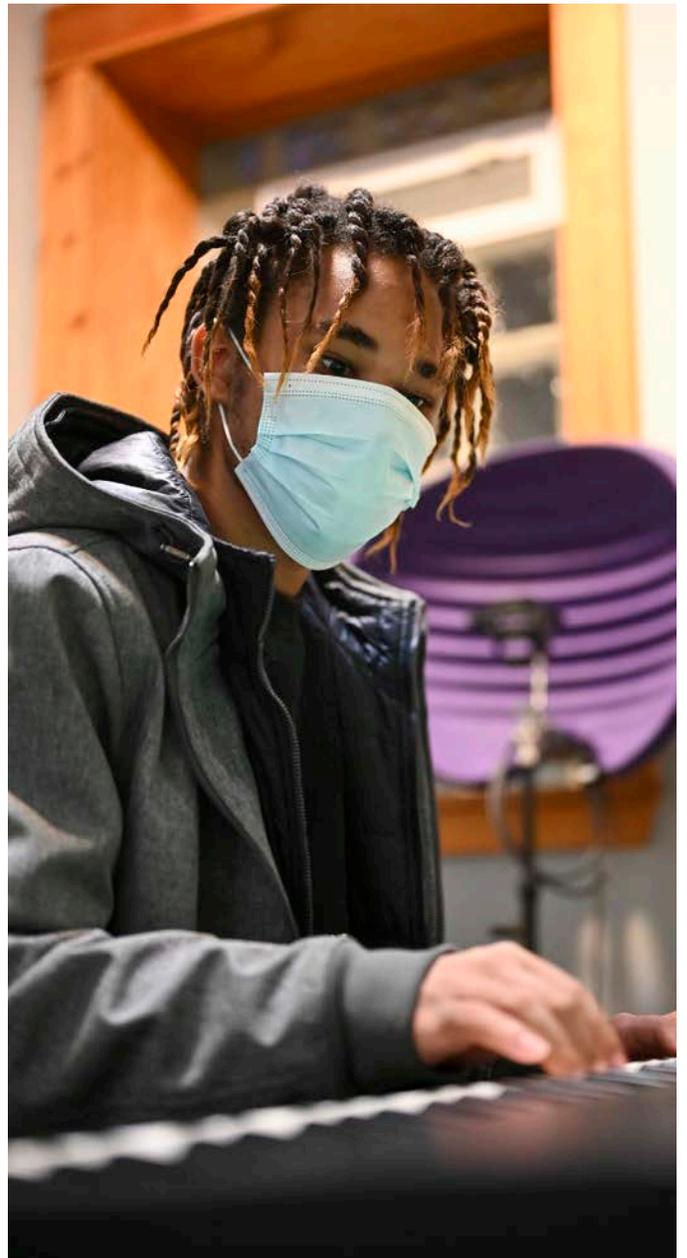
Adding **16 scholarships for HBCU students**, while also increasing scholarship funding for TTC youth

Teen Tech Centers.

Best Buy Teen Tech Centers are safe, after-school learning environments located in disinvested communities, equipped with cutting-edge technology where teens can develop critical skills through hands-on activities that explore their interests in programming, film-making, music production, design and more. Each location works to bridge the digital divide by giving youth access to tech education opportunities, relationships that help to build confidence, and a foundation for school and career success. A partnership with The Clubhouse Network connects members to a global community in 20 countries.

Mentoring is critical at Teen Tech Centers, and each location employs at least one full-time staff person. This coordinator is a trained youth development worker, who uses the center's technology as a bridge to creating a safe, healthy environment where teens can thrive. Best Buy employees also volunteer regularly, fostering positive adult relationships and providing guidance to the students on their learning journeys.

These centers primarily serve youth from disinvested communities, many of which have been hit particularly hard by the health and economic effects of COVID-19. When most of those sites were required to temporarily close, we ensured the teens who visited the centers had computers to use at home. And, the coordinators wanted to ensure the teens felt supported from a distance in the new potentially isolating environment. Some coordinators made daily calls to check in with teens. Others made sure their families were taken care of with groceries and gift cards for gas. One even started a rap challenge about COVID-19, so teens could express their feelings through music. One thing we learned this year is that caring can't be quarantined.



Teen Tech Centers.

Learning model

Our Teen Tech Centers share a learning model with The Clubhouse Network that guides everything from the programming to the design of the physical space. The model focuses on four key tenets:

- **Projects:** Encouraging young makers and doers to ideate, create, and iterate
- **Passions:** Providing opportunity for teens to work on projects that they care deeply about
- **Peers:** Fostering creativity through collaborative, peer-to-peer learning
- **Play:** Supporting risk-taking and celebrating failure as part of the process

This learning approach invites youth to step outside their comfort zones, figure out what may or may not work, and celebrate learnings that come from trial and error — or “failing forward,” as they say at the Teen Tech Centers.

The approach grounds itself in the fields of education, developmental and school psychology, cognitive science, and youth development. It builds on research around the role of motivation in the learning process and the value of social interactions. It leverages new technologies to support a variety of learning experiences, and it aims to engage young people who may not learn best from traditional educational approaches.

We aim to help make Teen Tech Centers an engaging and impactful experience for youth.



Teen Tech Centers.

Tech-powered engagement

Each Teen Tech Center has state-of-the-art technology that helps level the playing field for teens who otherwise might have restricted, limited or sometimes nonexistent access to technology. The professional-grade tech, much of which is provided in-kind by Best Buy partner companies, lets teens make, create and innovate while also learning key tech skills that can be used in school, careers and beyond.

During the COVID-19 pandemic, several of our vendor partners stepped up to get teens the tech they needed to learn from home.

Adobe provided Creative Cloud licenses to our Teen Tech Centers so youth could learn Photoshop and other tools. But with centers temporarily closed during the pandemic, Adobe knew it would have to do something different. So, the company provided professional-grade Creative Cloud licenses that youth could use at home on their own devices for two years. Adobe went even further and created a webinar series in which its developers taught Teen Tech Center youth tips and tricks to navigate the software.

Microsoft has donated technology to Teen Tech Centers for years, but doubled down on its support during the pandemic. The company donated Surface tablets to Teen Tech Center teens who otherwise wouldn't have had access to a device for at-home learning.

And Microsoft did even more by selecting Best Buy's Teen Tech Centers as the charitable beneficiary of Covers for a Cause. Through this initiative, Microsoft donated a portion of proceeds from exclusive Surface Pro covers to the Best Buy Foundation to help fund Teen Tech Centers. By the end of the Covers for a Cause program in September, Microsoft and Best Buy's partnership resulted in a donation of more than \$250,000 to the Teen Tech Center program.



Community-focused experience

Supportive mentors inspire new passions and possibilities. The exploration-oriented relationship among peers and mentors builds mutual trust and respect, encouraging youth to continue to play and fail hands-on and celebrate the entire experience.

Teen Tech Centers.

Spreading love not hate

Just days after George Floyd was murdered in Minneapolis, Elizya Powell and Alexander Cash were making music and had a realization: They could use their voices in a different way.

So they got up, made signs and started a protest to raise awareness around racial injustice. They marched through Pittsburgh and handed out water bottles to police. Within a few hours, a crowd of 40 to 50 people had formed.

“We wanted to show how it should be done without it getting violent and send a message at the same time. Spread love not hate,” said Alexander, who goes by Cash.

Elizya and Cash say the local Teen Tech Center in Pittsburgh helped them develop the confidence and leadership skills they needed. They graduated from the program last year but have remained involved.

“This is always home for them. It’s home base,” said Aaron McKinnon, the coordinator at the Teen Tech Center. It is located within PHASE 4 Learning Center, a nonprofit on the city’s east side.

In a Teen Tech Center, students learn new tech skills, nurture positive adult and peer relationships, and get exposed to new career possibilities.

“It gives the youth a place to grow, learn new things and expand upon what they’re already good at,” Aaron said. “Building that relationship is the first and foremost thing.”

Elizya and Cash initially got involved in the center to improve their skills as musicians, but they discovered that the program had a lot more to offer. For Elizya, it was confidence.



“At first when we went out to the protest, I didn’t have the confidence inside me to stand out there, scream at the top of my lungs and have my voice be heard,” he said. “But because of so many conversations at the tech center with other people, I had the confidence in me to do it.”

Cash was able to get his high school degree and improve his music. But he also benefited from the mentorship and connections he made.

“If I hadn’t come here, I probably wouldn’t even have gone out there [to protest],” he said.

For Aaron, that’s the beauty of Teen Tech Centers.

“You worked up to getting into the studio, then you got confident with that and the next thing I’m seeing is a year later, you’re out here on the corner with some signs,” he said. “You have a voice that you want heard, not just in the tech center with music but to the world.”

— Katie Koranda

Teen Tech Centers.



From consumer to creators

Teens from Teen Tech Centers have seen products they designed on store shelves thanks to a partnership between Best Buy and PopSockets. Four up-and-coming artists were paired with designers at PopSockets who served as mentors throughout the process. The students created their own PopGrips, small, round attachments that connect to the backs of phones and tablets to help users hold and prop up their devices.

The teen-designed PopGrips were sold as a part of Best Buy's Black History Month campaign. Teens were commissioned and compensated through PopSockets' standard procedures for freelance designers, giving teens a chance to follow along on the journey from ideation to the hands of customers.

Half of the sales from each design are being donated to the Best Buy Foundation and reinvested into Teen Tech Centers. PopSockets, Best Buy's Social Impact team and our Black Employee Resource Group collaborated on the program as part of a broader Black History Month campaign. It's meant to celebrate and encourage young artists while also underscoring the critical need for opportunity and change in an industry where [only 3% of designers are Black](#).

Eight more teens are having their designs on PopGrips sold during Best Buy's Pride and LatinX Heritage Month campaigns. — Jessica Moes

Preparation for the future

In addition to allowing for self-directed exploration, Teen Tech Centers provide 21st century skills training to older teens interested in applying their interests in STEM to future career endeavors. For example, Best Buy vendor partners provide opportunities for teens to apply their skills to real-world projects and engage in paid internships.

Best Buy Scholars.

Every young person deserves an opportunity to pursue their dreams, but not everyone gets the same access to resources they need. That's why we created the Best Buy Scholars program, which provides college scholarships for diverse students. It's part of our broader \$44 million commitment to expand college prep and career opportunities for BIPOC students.

One example is our work with the United Negro College Fund (UNCF) and University of Minnesota's Carlson School of Management, where we are aiming to make a college degree more accessible for students, including those who were active participants at a Teen Tech Center. Each of our first six scholars, will be offered an internship and mentorship along with their scholarship. As part of our partnership with UNCF, we have committed to supporting a minimum of 24 HBCU students over the next eight years. Each scholar is eligible to receive up to \$20,000 in financial assistance each year for four years.

HBCU SCHOLARS



Rae Camphor,
Howard
University



**Jasmine
Johnson,**
Xavier University



Miles Staton,
North Carolina
A&T University



Alyssa Tucker,
Howard
University



Isaac Stacey,
University of
Minnesota



Tsion Wogu,
University of
Minnesota

U OF MINN. SCHOLARS

Impacts

Our existing 35 Teen Tech Centers are serving approximately 10,500 teens. In order to understand our impact, we have partnered with the Wilder Foundation on a longitudinal tracking study with teens who have completed our Career Pathways program. Of the teens surveyed:

100%

are employed
(part- and full-time)

96%

claimed TTC program helped
them to earn a living wage

50%

are enrolled in
post-secondary education

36%

of those 50% are
majoring in STEM

18%

of those 50% are
majoring in business

Career Pathways.

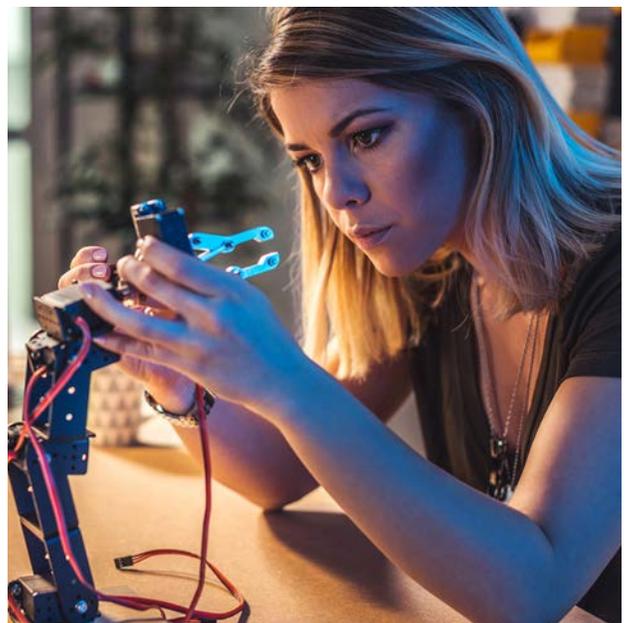
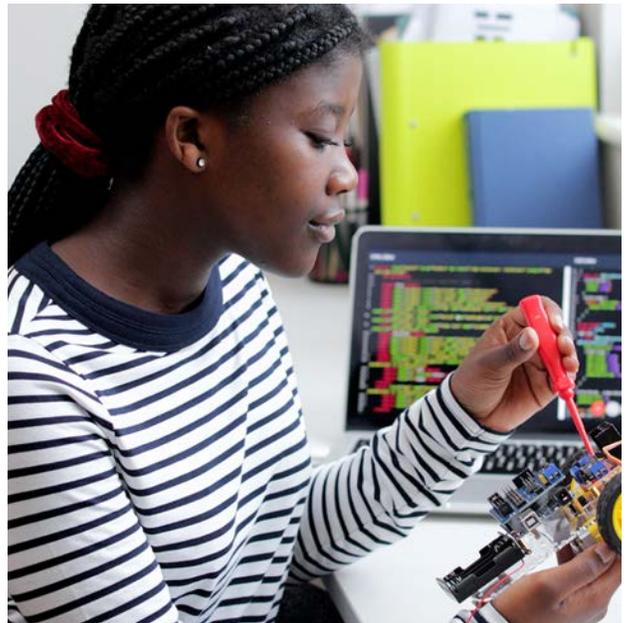
Our Career Pathways program provides career-readiness and hard-skills training to teens interested in pursuing careers in STEM or the creative economy. Offered within some Teen Tech Centers, the yearlong, curriculum-based program helps teens strengthen their skills in a specific technical area. The program is designed to ready students for their next chapter, whether that is a career, higher education or both.

Another goal of the Career Pathways program is to help teens gain expertise in the most in-demand careers in their own communities. Best Buy provides a grant to pay for a Career Pathways Coordinator, who is responsible for running the program and forming relationships with area businesses that host teen interns at the end of the program. And the businesses benefit from a growing pool of trained, talented future workers from their own backyard.

Students who opt into the Career Pathways program spend the school year at the Teen Tech Center learning skills in areas like digital marketing, digital arts, retail skills, entrepreneurship and app development. The Career Pathways curriculum is designed with the help of national partners that specialize in one of the program's focus areas.

Best Buy's national curriculum partners include Creating IT Futures, Cyber Seniors, EveryoneOn, Fresh Films, Grammy Museum, Hispanic Heritage Foundation, Mouse, Operation HOPE, Project Invent, The Clubhouse Network and YR Media. Best Buy works with each Teen Tech Center to choose the curriculum partners that best reflect the local market.

These partnerships ensure that teens are learning from industry experts in every career category — and, in some cases, even qualifying for skills credentials upon completion. They also spend time working on soft skills, such as resume writing and business communication. The program culminates by placing teens in a paid summer internship at a local business or in a Best Buy store.



Career Pathways.

Dream Huge

Walter “Twinky” Springs was first inspired to pick up a camera when he saw his mom watering flowers. He wanted to capture the beauty he saw in that moment.

He was nervous when he first started exploring photography because he didn’t really know what he was doing. But that feeling changed when he met Adrian, a mentor at his local Teen Tech Center in Denver.

“He just taught me everything he knew, and I had to take advantage of that,” Twinky said. “So, I learned what he knew. And then I tried to learn new stuff that he didn’t know.”

Twinky had to work hard to get his first camera. His family lives paycheck to paycheck, so he saved every little bit he could from selling candy or doing chores. Now he’s photographing concerts in Denver’s hip-hop and rap scene.

Twinky was one of six teens who shared their stories for Best Buy’s new animated YouTube series called “Dream Huge.” Each of them has big dreams that Teen Tech Centers are helping make a reality.

“It’s been a mind-boggling experience to see what a camera can do,” Twinky said. “And if you believe in yourself, to see what you can do, especially if you have the support system around you who believes in you, which I did.”

The teens were paired with professional animators and storytellers to bring their stories to life. The 60-second videos are each animated by different artists with styles that were selected to align with each teen’s individual interests. — Katie Koranda



Geek Squad Academy.

Geek Squad Academy (GSA) is a two-day tech camp for middle school-aged students run by Best Buy employee volunteers. The program sparks excitement and interest in tech through a series of high energy, interactive classes on topics such as robotics, music production and coding.

In a typical year, we would host approximately 50-60 camps around the country. In FY21, however, we shifted our GSA program to a virtual, on-demand environment. Our Geek Squad Agents created a suite of free online courses including topics such as smartphone photography, binary code and how to build video games and websites.

The courses are designed for students between the ages of 9 and 18. And they're written so that even the younger kids will be able to understand and lead themselves through the courses. The virtual Geek Squad Academy platform offers four courses:

Bending Binary introduces teens to binary, the language that computers run on. In this course, teens learn how to convert text to binary and learn how to send coded messages that their friends can decipher. No tech equipment required.

Game with Godot allows teens to use a free software platform to build their own video games that can be played on Macs, PCs or Android devices.

Picture Perfect is a course designed for kids to become photography experts — no fancy equipment required. Using a smartphone and free editing software, teens can learn the ins and outs of capturing the perfect shot.

Web Know-How teaches teens how to create their own websites using basic HTML principles. The platform is designed to be used on any computer with internet access.



Volunteering.



Banding together during record-breaking disaster season

Amanda Bergeron had been an assistant store manager just two weeks when Hurricane Laura struck the Gulf Coast in August 2020, destroying her store in Lake Charles, Louisiana.

Several employees were displaced from their homes as the Category 4 storm knocked out power and much of the city's water. The store was rebuilt from the ground up — an endeavor that took nearly two months.

Our Lake Charles store was among a number of locations that felt the impact of an historic year of natural disasters, including wildfires on the West Coast and a record-breaking hurricane season. But through it all, Best Buy's community of employees and customers came together to support local response and recovery efforts from California to Louisiana and Florida.

Amanda felt support from across the company, and she and her co-workers were happy to help provide support for others in the area, too.

#BlueGivesBack

At Best Buy, giving back is part of our company's DNA. We encourage our employees to volunteer in their communities because we are stronger together. We love when our employees support Best Buy's social impact mission of preparing teens for tech careers, by volunteering at Geek Squad Academy and Best Buy Teen Tech Centers. But we also want our employees to spend time volunteering with any nonprofit organization they feel passionate about.

We recognize our employees for their volunteer service through our Employee Giving program.

Our employees usually volunteer 100,000 hours in a year. However, given the COVID-19 pandemic, in FY21, we discouraged in-person volunteering. We are looking forward to safely getting back into our communities.

Volunteering.

“It’s a family, and that’s what I love about this community within Best Buy and our store,” she said. “We’re in it together.”

In the aftermath of the hurricanes, Amanda and General Manager Chad Mitchell rallied their team to volunteer with Mercy Chefs. The group handed out cases of water, fruit, vegetables and cleaning supplies. They helped even more people in their community by donating fresh meals through Convoy of Hope.

“It was nonstop. So many people driving up in tears. People felt forgotten, so it was something that Best Buy could really do,” Amanda said. “It gave the team back something, as well. They have their own devastation, but they put all that aside for three days to give back to the community.”

The Best Buy Foundation also awarded a \$5,000 grant to support Convoy of Hope’s community efforts. To provide additional support to those affected by these disasters, we launched a donation campaign in stores and online that helped raise \$647,783 for the American Red Cross.

The donations helped the organization support communities impacted by recent natural disasters like Hurricanes Laura and Zeta, while continuing relief efforts in regions previously impacted by storms and wildfires. This includes providing food, shelter, relief supplies and other assistance.

Additionally, Best Buy provided resources for employees in affected areas and opportunities for employees across the company to help their colleagues. Employees in disaster-stricken areas who are eligible were offered financial support from the Richard M. Schulze Family Foundation, established by our founder, Dick Schulze.

We matched 100% of all employee donations made to the foundation and gave employees the option to donate paid time off to their colleagues who were affected by disasters.

“One of the things I did not realize was just how much the company puts focus around the employee in these types of tragedies,” Chad said. “I learned an incredible amount during this crisis about what we’re prepared to do to take care of our people.” —Katie Koranda

“It’s a family, and that’s what I love about this community within Best Buy and our store. We’re in it together.”

Amanda Bergeron, Assistant store manager

Philanthropy.

St. Jude

Best Buy has supported St. Jude Children's Research Hospital® through the *Thanks and Giving*® Campaign since 2013. This year, we raised more than \$22.4 million in stores and online during the holiday season, making Best Buy the largest corporate donor ever for the annual campaign. That's on the heels of a record-breaking campaign last year, when we collected more than \$22.5 million in donations — the most money brought in by a single partner in a given year.

Every dollar helps ensure families never receive a bill from St. Jude for treatment, travel, housing or food, because all a family should worry about is helping their child live.

\$22.4 million



Employee Hardship Fund

In partnership with The Richard M. Schulze Family Foundation, Best Buy distributed more than \$11 million of an Employee Hardship Fund to support employees suffering a general economic hardship due to the onset of the pandemic, as well as an additional \$1 million to help eligible employees suffering from hardship from contracting COVID-19. The Best Buy Foundation and The Richard M. Schulze Family Foundation each contributed approximately \$5.5 million to these funds.

Hometown Philanthropy

We're proud to be one of the leaders of the Partnership for a ConnectedMN, a public-private partnership announced by Minnesota Gov. Tim Walz in June 2020. Through avenues like grantmaking, the partnership supports initiatives that help K-12 students from disinvested communities across the state of Minnesota get access to the computing devices and internet access they need to facilitate distance learning and access critical support services.



Endnotes.

Teen Tech Center locations

Alabama: Wallace Community College Selma – 3000 Earl Goodwin Pkwy, Selma, AL 36703

Arizona: Jerry Colangelo Branch – Boys & Girls Clubs of Metro Phoenix – 1755 N 34th Ave, Phoenix, AZ 85009

California

- P.F Bresee Foundation – 184 S. Bimini Place, Los Angeles, CA 90004
- Health Initiatives for Youth – McClymonds High School, 2607 Myrtle St., Oakland, CA 94607
- Boys & Girls Club of San Marcos – 1 Positive Place, San Marcos, CA 92069

Colorado: Gold Crown Enrichment – 150 S. Harlan St., Lakewood, CO 80226

Connecticut: YMCA of Greater Hartford – Wilson-Gray Club – 444 Albany Ave, Hartford, CT 06120

Florida: HANDY Inc. – 501 NE 8th St, Fort Lauderdale, FL 33304

Indiana: Martin Luther King Community Center – 40 W 40th St, Indianapolis, IN 46208

Kentucky: YMCA of Greater Louisville – 1700 W Broadway, Louisville, KY 40203

Louisiana: New Orleans Public Library Main Branch – 219 Loyola Ave, New Orleans, LA 70112

Massachusetts: The Clubhouse Network – 2107 Washington St, Boston, MA 02119

Michigan: Detroit Hispanic Development Corporation – 1211 Trumbull Ave, Detroit, MI 48216

Minnesota

- Hennepin County Library – Minneapolis Central – 300 Nicollet Mall, Minneapolis, MN 55401
- Brian Coyle Center – 420 15th Ave S, Minneapolis, MN 55454
- Hope Community Center – 611 E Franklin Ave, Minneapolis, MN 55404
- Keystone Community – 1150 Selby Ave, St. Paul, MN 55104
- St. Paul Downtown YMCA – 21 4th St E, St Paul, MN 55101
- CLUES St. Paul – 797 7th St E, St Paul, MN 55106
- Summit Academy OIC – 935 Olson Memorial Hwy, Minneapolis, MN 55405
- The Capri at Plymouth Christian Youth Center – 2027 W Broadway Ave, Minneapolis, MN 55411

Missouri: Boys & Girls Clubs of Greater St. Louis – Herbert Hoover Club – 2901 N Grand Ave, St. Louis, MO 63110

Nevada: Clark County Library – 1401 E Flamingo Rd, Las Vegas, NV 89119

New York: Brooklyn Public Library – Kings Highway Branch – 2115 Ocean Ave, Brooklyn, NY 11229

Ohio: Cleveland Public Library – 4421 W 140th St, Cleveland, OH 44135

Oregon: Oregon Museum of Science & Industry (OMSI) – 1945 SE Water Ave, Portland, OR 97214

Pennsylvania: Phase 4 Learning Center – 5850 Centre Ave, Pittsburgh, PA 15206

Texas

- Juanita J. Craft Recreation Center – 4500 Spring Ave., Dallas, TX 75210
- Family Services Association – 3014 Rivas St., San Antonio, TX 78228
- Boys & Girls Clubs of Greater Houston – Morefield Club – 5950 Selinsky Rd, Houston, TX 77048

Utah: Promise South Salt Lake – Columbus Center – 2531 South 400 East, South Salt Lake City, UT 84115

Washington: Boys & Girls Clubs of Bellevue – 15228 Lake Hills Blvd., Bellevue, WA 98007

Washington, D.C.: FBR Club @THEARC – 1901 Mississippi Ave. S.E., Washington, D.C. 20020

Wisconsin: Boys & Girls Clubs of Greater Milwaukee – Mary Ryan – 3000 N Sherman Blvd, Milwaukee, WI 53210

Vancouver Canada: BGC of South Coast BC – 2875 St George Street, Vancouver BC V5T 3R8

About Best Buy Social Impact

FY21 Best Buy Foundation giving: \$12,795,000 • FY21 Corporate giving: \$9,961,000 • FY21 In-kind giving: \$990,045

Governance: The Best Buy Foundation is governed by a Board of Directors consisting of leaders from across the company who make all funding decisions.

Governance.

Corporate Governance.

The Board of Directors of Best Buy is committed to good corporate governance practices and a sound governance structure that: enable the success of our strategy and business objectives, are rooted in a robust ongoing dialogue with our shareholders and are inspired by best practices. Our policies and practices including the following:

Board structure

- Lead Independent Director (at times when our Chairman is not independent)
- Annual Director elections
- Robust annual Director evaluation process
- Majority vote for Directors
- All independent committees
- No Director-related party transactions
- Director retirement policy

Shareholder rights

- No cumulative voting rights
- No poison pill
- Proxy access by-laws
- No exclusive forum/venue or free-shifting provisions
- No supermajority voting requirements

Compensation

- Pay for performance compensation programs
- Annual Say-on-Pay vote
- Anti-hedging and anti-pledging policies
- Clawback policy for both cash and equity awards
- Stock ownership guidelines for Directors and Executives

ESG Governance

Our ESG governance starts at the highest level of our company. Given the depth and breadth of risks relating to ESG matters, the Board of Directors shares responsibility for such risks across all of its committees. The independent Nominating, Corporate Governance and Public Policy Committee oversees Best Buy's governance, ESG strategy and ESG reputational risks by way of quarterly discussions with management on our environmental goals and progress, social responsibility programs, and public policy positions and advocacy. The Audit Committee plays a significant role in the oversight of our ESG risks related to compliance, including ethics and environmental and safety audits. The Compensation Committee oversees Best Buy's human capital management and DE&I-related risks through a rigorous regular review of our strategies and programs. The Finance & Investment Policy Committee focuses on the risks of our ESG-related financial investments, such as our recent solar energy investment. Our Chief Communications and Public Affairs Officer, a direct report of the CEO, holds ultimate responsibility for all environmental and social impact work. In addition, leaders from across the company participate in our ESG Steering Committee, which advises on strategy and supports business integration.

Director tenure



Independence



The Board seeks a wide range of experience, skill sets and diverse perspectives to support our long-term strategic goals. More details can be found in our FY21 Proxy Statement and Corporate Governance Principles at [Investors.BestBuy.com](https://investors.bestbuy.com).

Ethics.



The way we work, shop and communicate has significantly changed due to the COVID-19 pandemic. What hasn't changed, however, is our approach to how we do business at Best Buy. Amid the pandemic, Best Buy put the safety of our employees and customers first. We proactively closed stores at the beginning of the pandemic, then implemented a contactless curbside pickup model that allowed customers to safely get the tech they needed.

When customers returned to shopping in our stores, we instituted a variety of safety procedures, including requiring customers and employees to wear face coverings, requiring employees to complete daily wellness checks, and implementing frequent cleaning protocols. We also limited the number of customers inside our stores to allow for CDC-recommended social distancing and introduced new digital ways for customers to connect with Best Buy.

Meanwhile, we have taken a stand on the inequity many in our communities have experienced. We committed to making systemic, permanent changes that address social injustices to improve both our company and our communities.

Our partners

Our suppliers, vendors and other third-party business partners are required to uphold the same high standards of business conduct as we do.

The specific requirements that they must meet are outlined in our Supplier Code of Conduct located at Partners.BestBuy.com.

Ethics.

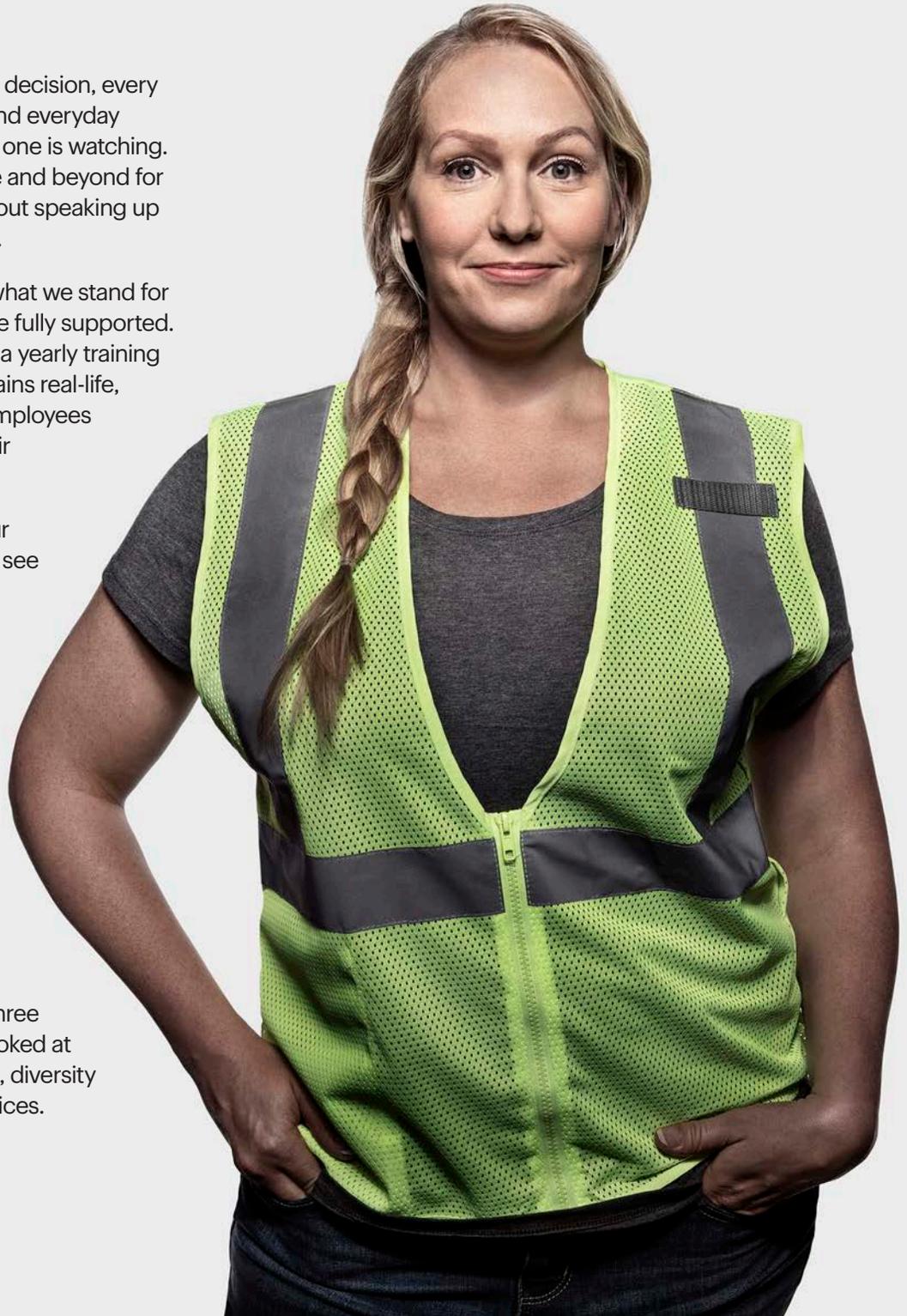
An ethical culture.

We strive to be at our best in every decision, every day. An ethical culture is built around everyday decisions — what you do when no one is watching. Sometimes, it's about going above and beyond for a customer, and sometimes it's about speaking up when something doesn't feel right.

We want our employees to know what we stand for as a company and feel that they are fully supported. All of our employees participate in a yearly training on our [Code of Ethics](#), which contains real-life, everyday examples of situations employees might encounter to help guide their decision-making process.

Our Code of Ethics encourages our employees to speak up when they see conduct that is inconsistent with our high standards and provides the resources to do so. There are many ways to raise concerns about unethical behavior, including our independent third-party operated Open & Honest Ethics Line, available 24/7, through which reports can be made anonymously.

We are proud to be recognized by Ethisphere as one of [World's Most Ethical Companies](#) for the seventh time. We are one of only three retailers on this year's list, which looked at issues such as COVID-19 response, diversity initiatives and environmental practices.



Data privacy and security.

Securing customer information and honoring our privacy promises are core employee obligations at Best Buy, as highlighted in our Code of Ethics. Our customers entrust us with their information, and we seek to honor that trust through our cybersecurity and privacy practices.

Cybersecurity.

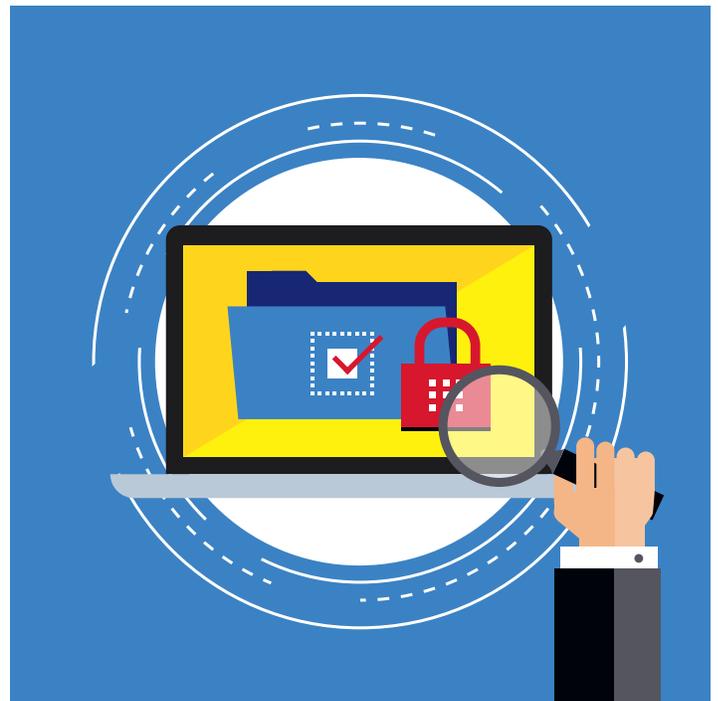
We recognize the importance of ensuring the ongoing safety and security of our data, systems and technology. To effectively address information security risk, we have established a dedicated information security team to assess, monitor and maintain our assets, while also responding to cyber-related incidents.

Our information security program, led by our Chief Information Security Officer, is designed around the industry-standard National Institute of Standards and Technology's Cyber Security Framework (NIST-CSF).

We have established a dedicated cyber threat intelligence team to ensure that we stay abreast of new and evolving cyber threats. Our teams are constantly evaluating our cyber risk and performing technical assessments against our systems to ensure our resilience. Our teams also monitor for newly released vulnerabilities, working quickly to understand applicability to our systems and performing mitigation where necessary.

We operate a suite of technical information security capabilities designed to protect our organization from and detect attempted attacks. Our cyber security operations and response teams are continuously monitoring for and responding to threats to keep our systems secure. We have a detailed and exercised response plan prepared to guide our response to major information security events.

We did not experience any material cyber incidents affecting Best Buy in FY21.



Data privacy and security.

Data Privacy.

Best Buy's purpose is to enrich lives through technology, and we only collect, use or share personally identifiable information for that purpose. And while the California Consumer Privacy Act (CCPA) recently granted only California consumers a set of personal information options, including asking for access to the information a business has collected about a California consumer or to delete certain information, Best Buy has extended the availability of these personal information options to all Americans.

Our customers can learn more about our privacy practices on our dedicated [Privacy page](#) on BestBuy.com.

Employee training.

All Best Buy employees participate in our Valuable Information Protection (VIP) training and awareness program. VIP comprises traditional online training, creative events, and targeted training, tailored to the security risks and privacy obligations of particular job responsibilities or areas of the company. We modify VIP content over time to keep it relevant to current security and privacy challenges. For example, we've recently enhanced employee awareness activities concerning the risks of, and how to avoid, phishing and ransomware.



Product safety.

We expect the products we sell to work the way they're supposed to and be safe for our customers to use. We take pride in our company and the products we offer, and we take action on any potential safety hazards not just to ensure compliance, but because it's the right thing to do.

For our direct import and private label products, we focus our product safety in four areas:

- General product safety compliance with various voluntary and mandatory standards;
- Hazardous substances through our Chemicals Management Program based on the IECQC 080000 standards;
- Energy efficiency programs; and
- Radio-frequency interference compliances (FCC rules for radio noise and communications).

We assess our product categories for safety improvements on an ongoing basis. Product recall information can be found at [BestBuy.com/ProductRecalls](https://www.bestbuy.com/ProductRecalls) or by calling 1-800-566-7498.

In FY21, there were no product recalls on our private label products.



Political activity.

Best Buy engages in the political process by developing and advocating public policy positions that directly impact our business, employees, customers, shareholders and communities. In line with our commitment to transparency, Best Buy discloses our efforts, priorities and any use of corporate funds for political purposes.

2020 public policy issues

Trade: Support trade policies that address trade barriers disproportionately challenging to businesses. Responses to those unfair trade barriers should seek to minimize impacts to American consumers so as not to increase costs of tech products.

State E-fairness: Support passage of state e-fairness legislation, which would allow retailers to compete on a level playing field while serving customers across all selling channels.

Workforce Issues: Support policies that provide employers the flexibility to complement the modern workforce and attract and retain talent by offering competitive wages, benefits and flexible scheduling.

Financial Services: Protect critical credit offerings and continue to reform debit and credit interchange system to reduce expenses and increase competition in payments ecosystem.

Cybersecurity, Data Privacy & Internet of Things: Committed to safeguarding customer data and ensuring a relationship with customers that better understands and serves their needs and interests.

Supply Chain & Infrastructure: Support investments to the nation's multi-modal infrastructure and the free flow of commerce while promoting a safe and secure supply chain.



COVID-19: Support policies including Stay at Home Orders, recognizing Best Buy as an essential retailer of products and services to work, learn and eat at home. And support COVID relief legislation to support the economic well-being, health and safety of businesses, employees and customers.

Energy & Environment: Promote the responsible recycling of electronic waste and policies that encourage energy efficient design and innovation.

Emerging Technologies & Innovation: Support policies that allow for the emergence of new, innovative technologies and products that improve consumers' lives.

Political activity.

Political contributions.

As is normally the case, Best Buy did not make any political contributions directly to candidates in 2020. The organizations below received funding totaling \$180,000. All contributions of more than \$5,000 are reviewed and approved by the Best Buy Contributions Steering Committee.

- Democratic Governors Association
- Republican Governors Association
- Democratic Legislative Campaign Committee
- Republican Legislative Campaign Committee
- Democratic Attorneys General Association
- Republican Attorneys General Association

Best Buy did not make any contributions that could be considered independent expenditures or that supported electioneering communications or ballot measures in 2020. Best Buy maintains an employee-funded political action committee (“Best Buy Employee Political Forum”), and its activity can be viewed at [fec.gov](https://www.fec.gov). Please see the Best Buy Political Activity & Government Affairs Policy and the Best Buy 2020 Political Activity Report on Corporate.BestBuy.com/Advocacy for additional information.

Stakeholder engagement.

We form relationships with the many people and organizations that have a collective stake in what we do. We interact daily and in a variety of ways with our employees, our customers and our communities. We also actively engage in dialogue with external organizations that provide valuable insights and challenge us to grow.

- Best Buy employees have participated in formal engagement surveys each year, supplemented by regular performance reviews and an interactive internal communication site called The Employee Hub;
- In addition to our direct customer conversations, we regularly survey our customers and individuals who chose to not purchase from us in order to elicit feedback relating to their overall satisfaction with Best Buy;
- We have regular interaction with elected officials and staff at the local, state and federal levels, government agencies and associations on issues that affect our business or society more broadly;
- We have ongoing contact with our investors through calls and meetings, stakeholder councils and analyst surveys where we are able to disclose specific ESG information;
- We maintain relationships with non-governmental organizations (NGOs), such as industry organizations, activists and community nonprofits, to advance the progress in our focus areas; and
- We partner with our product vendors and manufacturing suppliers to innovate and bring additional business value.



Association memberships.

- Aspen Institute Business & Society Leaders Forum
- Association of Corporate Citizenship Professionals
- Blacks in STEM
- Business for Social Responsibility (BSR)
- Business Roundtable
- Carbon Disclosure Project (CDP) Reporter Services
- Ceres
- Chief Executives for Corporate Purpose
- Consumer Technology Association
- Environmental Initiative — Minnesota Sustainable Growth Coalition
- Ethisphere
- Future of Privacy Forum
- Green Chemistry and Commerce Council
- International Association of Privacy Professionals
- International Consumer Product Health and Safety Organization
- Issues Management Council
- Minnesota Business Coalition for Racial Equity
- Minnesota Business Partnership
- National Center for Electronics Recycling
- National Minority Supplier Development Council
- Net Impact — Corporate Advisory Council
- Public Affairs Council
- Reboot Representation Tech Coalition
- Renewable Energy Buyers Alliance
- Responsible Business Alliance
- Responsible Labor Initiative
- Responsible Minerals Initiative
- Retail Industry Leaders Association
- Society of Corporate Secretaries and Governance Professionals
- Women's Business Enterprise National Council
- World Resources Institute — Customer Consultative Group



Appendix.

Environmental data.

| Carbon data | CY19 | CY20 |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Energy consumption within the organization | Fuel consumption: 3,402,002,000,000,000 joules Electricity consumption: 907,080 MWh Total Scope 1 and 2: 1,857,660 MWh | Fuel consumption: 3,291,527,000,000,000 joules Electricity consumption: 780,913 MWh Total Scope 1 and 2: 1,696,940 MWh |
| Energy intensity (Scope 1 + Scope 2)** | .043 MWh/Sq Ft | .039 MWh/Sq Ft |
| Reduction of energy consumption (Scope 1 + Scope 2)** | -18,536 MWh or 1.0% decrease YOY | 161,720 MWh or 9.0% decrease YOY |
| Direct GHG emissions (Scope 1) | 253,880 MT CO ₂ e | 246,895 MT CO ₂ e |
| Energy indirect GHG emissions (Scope 2 market-based) | 202,536 MT CO ₂ e | 154,284 MT CO ₂ e |
| Other indirect GHG emissions (Scope 3)* | 22,894,969 MT CO ₂ e | 22,899,369 MT CO ₂ e |
| GHG emissions intensity (Scope 1 + Scope 2)** | .014 MT CO ₂ e/Sq Ft | .012 MT CO ₂ e/Sq Ft |
| Reduction of GHG emissions (Scope 1 + Scope 2)** | -39,219 MT CO ₂ e or 6.0% decrease YOY | -82,094 MT CO ₂ e or 13.0% decrease YOY |
| Reduction of GHG emissions (Scope 1 + Scope 2 market-based) | -44,496 MT CO ₂ e or 8.88% decrease YOY | -55,238 MT CO ₂ e or 12.1 decrease YOY |

| Materials recycled | FY20 (lbs.) | FY21 (lbs.) |
|---------------------------|--------------------|--------------------|
| Paper | 6,938,750 | 3,503,391 |
| Cardboard | 72,097,750 | 75,610,040 |
| Plastic | 2,702,808 | 1,957,040 |
| Expanded polystyrene | 3,912,742 | 3,888,715 |
| Metal | 491,110 | 485,224 |
| Pallets | 37,399,120 | 42,806,000 |
| Totes | 113,260 | 704,302 |
| Single stream | 9,634,800 | 16,258,000 |
| Organics/compost | 336,620 | 289,000 |
| Large equipment batteries | 457,100 | 402,365 |
| Other | 5,329,208 | 4,446,580 |
| Total recycling | 139,413,268 | 150,350,657 |

*Emissions are calculated for the lifetime of the product when the product was purchased.

**Number does not include RECs.

The Value Reporting Foundation, which is the unified organization of the International Integrated Reporting Council (IIRC) and Sustainability Accounting Standards Board (SASB), is a global nonprofit that offers resources to help business and investors develop a shared understanding of enterprise value. We have provided relevant data noted below according to SASB's industry standard for Multiline and Specialty Retailers & Distributors.

Table 1. Sustainability disclosure topics and accounting metrics **Location of disclosure**

| | |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Reported on pg. 92 |
| Description of approach to identifying and addressing data security risks | Reported on pgs. 84-85 |
| (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected | Reported on pg. 84 |
| (1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region | Reported on pg. 31 |
| (1) Voluntary and (2) involuntary turnover rate for in-store employees | Partially reported on pg. 26 |
| Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees | Reported on pg. 48 |
| Revenue from products third-party certified to environmental and/or social sustainability standards | Partially reported on pgs. 17-18 |
| Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | Reported on pgs. 22, 61 |
| Discussion of strategies to reduce the environmental impact of packaging | Reported on pg. 19 |

Table 2. Activity metrics **Location of disclosure**

| | |
|--------------------------------------------------------------|-----------|
| Number of: (1) retail locations and (2) distribution centers | Form 10-K |
| Total area of: (1) retail space and (2) distribution centers | Form 10-K |

TCFD index.

The Task Force on Climate-Related Financial Disclosures (TCFD) developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities through their reporting process. A third-party assessment found our 2019 CDP Climate Disclosure to be 85% aligned with the 11 TCFD recommendations, as noted below. We look to expand our TCFD disclosures, further aligning with the TCFD recommended topics.

| | |
|------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Board's oversight of climate-related risks and opportunities. | CDP Climate 2019 C1.1b CDP Water Security 2020 6.2a |
| Management's role in assessing and managing climate-related risks and opportunities. | CDP Climate 2019 C1.2, C1.2a CDP Water Security 2020 6.2b |
| Climate-related risks and opportunities identified over the short, medium and long term. | CDP Climate 2019 C2.1a, C2.3, C2.3a, C2.4, C2.4a CDP Water Security 2020 4, 7.1 |
| Impact of climate-related risks and opportunities on business, strategy and financial planning. | CDP Climate 2019 C2.3a, C2.4a, C3.1, C3.1b, C3.1d, C3.1e, C3.1f CDP Water Security 2020 4 |
| Resilience strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | CDP Climate 2019 C3.1a, C3.1b CDP Water Security 2020 7.3 |
| Processes for identifying and assessing climate-related risks. | CDP Climate 2019 C2.1, C2.2, C2.2a CDP Water Security 2020 7.1 |
| Processes for managing climate-related risks. | CDP Climate 2019 C2.1, C2.2 CDP Water Security 2020 4, 6.1 |
| Processes for identifying, assessing and managing climate-related risks are integrated into overall risk management. | CDP Climate 2019 C2.1, C2.2 CDP Water Security 2020 7.1 |
| Metrics used to assess climate-related risks and opportunities in line with strategy and risk management process. | CDP Climate 2019 C4.2, C4.2a, C4.2b, C9.1 CDP Water Security 2020 7.1 |
| Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions, and the related risks. | pg. 92 CDP Climate 2019 C6.1, C6.3, C6.5 |
| Targets used to manage climate-related risks and opportunities and performance against targets. | CDP Climate C4.1, C4.1a, C4.1b, C4.2, C4.2a, C4.2b CDP Water Security 2020 8 |

Sustainable Development Goals.

The United Nations Sustainable Development Goals have been widely accepted as collective aspirational goals. While Best Buy is not a current member of the United Nations Global Compact, we embrace the objectives and many of our programs support the goals shown below.



EEO-1 report.

CO=L054452

**EQUAL EMPLOYMENT OPPORTUNITY
2020 EMPLOYER INFORMATION REPORT EEO-1**

Consolidated Report - Type 2

SECTION D - EMPLOYMENT DATA

| JOB CATEGORIES | Number of Employees (Report employees in only one category) | | | | | | | | | | | | | | | Total Col A-N |
|---------------------------------------------------|----------------------------------------------------------------|--------|------------------------|---------------------------|-------------------------------------------|-------|----------------------------------|-------------------|-------|---------------------------|-------------------------------------------|-------|-----|----------------------------------|-------------------|---------------------|
| | Race / Ethnicity | | | | | | | | | | | | | | | |
| | Hispanic or Latino | | Not Hispanic or Latino | | | | | | | | | | | | | |
| | Male | Female | MALE | | | | | FEMALE | | | | | | | | |
| | | | White | Black or African American | Native Hawaiian or Other Pacific Islander | Asian | American Indian or Alaska Native | Two or more races | White | Black or African American | Native Hawaiian or Other Pacific Islander | Asian | | American Indian or Alaska native | Two or more races | |
| A | B | C | D | E | F | G | H | I | J | K | L | M | | N | O | |
| EXECUTIVE/SENIOR LEVEL OFFICIALS AND MANAGERS 1.1 | 1 | 0 | 21 | 3 | 0 | 1 | 0 | 0 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 36 |
| FIRST/MID LEVEL OFFICIALS AND MANAGERS 1.2 | 446 | 177 | 3278 | 286 | 5 | 238 | 29 | 96 | 1341 | 107 | 0 | 82 | 12 | 40 | 6137 | |
| PROFESSIONALS 2 | 144 | 71 | 1402 | 103 | 0 | 182 | 8 | 56 | 876 | 61 | 0 | 100 | 4 | 29 | 3036 | |
| TECHNICIANS 3 | 2103 | 249 | 6838 | 1079 | 23 | 507 | 94 | 451 | 587 | 154 | 3 | 50 | 17 | 56 | 12211 | |
| SALES WORKERS 4 | 9070 | 5273 | 18995 | 5355 | 95 | 2206 | 276 | 1760 | 6364 | 3750 | 48 | 655 | 138 | 964 | 54949 | |
| ADMINISTRATIVE SUPPORT WORKERS 5 | 1039 | 590 | 2867 | 571 | 11 | 315 | 34 | 254 | 1111 | 360 | 4 | 100 | 18 | 116 | 7390 | |
| CRAFT WORKERS 6 | 17 | 9 | 99 | 7 | 0 | 4 | 2 | 3 | 38 | 6 | 0 | 3 | 1 | 5 | 194 | |
| OPERATIVES 7 | 330 | 51 | 1084 | 276 | 3 | 78 | 30 | 75 | 136 | 57 | 0 | 3 | 3 | 11 | 2137 | |
| LABORERS AND HELPERS 8 | 5830 | 1804 | 9764 | 4016 | 98 | 858 | 197 | 960 | 2859 | 1457 | 13 | 182 | 91 | 328 | 28457 | |
| SERVICE WORKERS 9 | 44 | 22 | 82 | 17 | 1 | 8 | 3 | 8 | 47 | 23 | 0 | 8 | 1 | 2 | 266 | |
| TOTAL 10 | 19024 | 8246 | 44430 | 11713 | 236 | 4397 | 673 | 3663 | 13369 | 5975 | 68 | 1183 | 285 | 1551 | 114813 | |
| PREVIOUS YEAR TOTAL 11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

The above report does not include GreatCall employees. Data for the above report was collected from the pay period: October 18-31, 2020, within the data range specified by the U.S. Equal Employment Opportunity Commission. Data on pg. 48 reflects the end of the fiscal year to be consistent with past YOY data.

GRI index.

| Indicator | Description | Page(s) |
|-----------|------------------------------------------------------------------------------|---------|
| 102-1 | Name of the organization | 1 |
| 102-2 | Activities, brands, products and services | 4 |
| 102-3 | Location of headquarters | 4 |
| 102-4 | Location of operations | 4 |
| 102-5 | Ownership and legal form | 10-K |
| 102-6 | Markets served | 10-K |
| 102-7 | Scale of operations | 10-K |
| 102-8 | Information on employees and other workers | 4 |
| 102-9 | Supply chain | 55 |
| 102-10 | Significant changes to the organization and its supply chain | n/a |
| 102-11 | Precautionary Principle or approach | n/a |
| 102-12 | External initiatives | 6 |
| 102-13 | Membership associations | 90 |
| 102-14 | Statement from senior decision-maker | 3 |
| 102-15 | Key impacts, risks and opportunities | 6, 10-K |
| 102-16 | Values, principles, standards and norms of behavior | 82-83 |
| 102-17 | Mechanisms for advice and concerns about ethics | 82-83 |
| 102-18 | Governance structure | 81 |
| 102-19 | Delegating authority | 81 |
| 102-20 | Executive-level responsibility for economic, environmental and social topics | 81 |
| 102-21 | Consulting stakeholders on economic, environmental and social topics | 89 |
| 102-40 | List of stakeholder groups | 89 |
| 102-41 | Collective bargaining agreements | n/a |
| 102-42 | Identifying and selecting stakeholders | 89 |
| 102-43 | Approach to stakeholder engagement | 89 |
| 102-44 | Key topics and concerns raised | 8 |
| 102-45 | Entities included in consolidated financial statements | 10-K |
| 102-46 | Defining report content and boundaries | 8 |

GRI index.

| Indicator | Description | Page(s) |
|-----------|--------------------------------------------------------------------------------|--------------------|
| 102-47 | List of material topics | 8 |
| 102-48 | Restatements of information | n/a |
| 102-49 | Changes in reporting | n/a |
| 102-50 | Reporting period | 8 |
| 102-51 | Date of most recent report | 8 |
| 102-52 | Reporting cycle | 8 |
| 102-53 | Contact point for questions regarding the report | 8 |
| 102-54 | Claims of reporting in accordance with GRI Standards | 8 |
| 102-55 | GRI content index | 97-98 |
| 102-56 | External assurance | 8 |
| 201-2 | Financial implications and other risks and opportunities due to climate change | 10-12, 17-18, 10-K |
| 205-2 | Communication and training about anti-corruption policies and procedures | 82-83 |
| 302-1 | Energy consumption within organization | 92 |
| 302-3 | Energy intensity | 92 |
| 302-4 | Reduction of energy intensity | 92 |
| 302-5 | Reductions in energy requirements of products and services | 17-18 |
| 303-1 | Water withdrawal | 13 |
| 305-2 | Indirect (Scope 2) GHG emissions | 92 |
| 305-3 | Other indirect (Scope 3) GHG emissions | 92 |
| 305-4 | GHG emissions intensity | 92 |
| 305-5 | Reduction of GHG emissions | 92 |
| 306-2 | Waste by type and disposal method | 16 |
| 307-1 | Non-compliance with environmental laws and regulations | 10 |
| 401-1 | Employee turnover | 26 |
| 405-1 | Diversity of governance bodies and employees | 48-49 |
| 412-1 | Operations that have been subject to human rights impact assessments | 53-54 |
| 415-1 | Political contributions | 87-88 |
| 416-1 | Assessment of the health and safety impacts of product/service categories | 86 |
| 418-1 | Approach to addressing customer privacy/data | 84-85 |