

FOOT LOCKER, INC.

Code of Business Conduct

2010

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The fundamental principle of the Code is that associates at every level should conduct their dealings in the interest of the Company and according to the highest legal and ethical standards.

INTRODUCTION

This Code of Business Conduct explains the behavior that is expected of all associates of Foot Locker, Inc. including its subsidiaries and affiliates worldwide (the “Company”). It provides general information about the standards that guide our work and guidance on how we should relate to customers, competitors, vendors, and each other. The Code cannot provide you with a solution for every ethical dilemma you may face at work. The Company maintains more specific policies on some of the topics referred to in the Code. In those cases, you are expected to comply with both the Code and the other policy.

If you have any questions concerning the interpretation of any of the policies or about a situation that may not be addressed specifically by the Code, you should always feel free to consult with your supervisor, a Human Resources representative or the Company's General Counsel. Alternatively, you may call the Code of Business Conduct Hotline.

STANDARDS OF BUSINESS PRACTICE

Section I. Creating a Productive Work Environment

Discrimination

The Company is committed to maintaining an environment that is free of discrimination based on race, color, religion, gender, age, sexual orientation, national origin, disability or other factors that are unrelated to our legitimate business interests. It is our policy to apply fair and lawful human resource policies and practices in all aspects of employment including recruiting, hiring, evaluation, training, discipline, career development, compensation, promotion and termination.

Sexual Harassment

Sexual harassment is never tolerated. Sexual harassment occurs when:

Requests for dates, sexual favors or other verbal or physical conduct of a sexual nature is made a condition of employment or used as the basis of employment decisions; or

Unwelcome sexual advances, comments, actions, offensive jokes, slurs or other offensive verbal or physical behavior creates an intimidating, offensive or hostile work environment.

We will not tolerate any conduct that creates, encourages or permits an intimidating or otherwise offensive or hostile environment. This includes sexual advances, comments, and actions, as well as the use of slurs or jokes.

Drug and Alcohol Abuse

You are expected to help maintain a work environment that is free from drug and alcohol abuse. You may not use, possess, manufacture or distribute illegal drugs on Company property, whether owned or leased, or in Company vehicles. Misusing controlled substances or being under the influence of alcohol or illegal drugs on the job is prohibited. Great care should be taken in serving alcohol at any Company-sponsored events.

We expect our associates, when participating in functions at which alcohol is served, whether sponsored by the Company or by others, to use good judgment and to remember that, as associates of the Company, you represent our high values and standards. It is unacceptable for you to consume excessive amounts of alcoholic beverages at any event where you are representing the Company.

Section II. Protecting the Value of the Company

Conflicts of Interest

A conflict of interest exists if your judgment and discretion in the course of your employment could be influenced by considerations of personal gain or benefit to you. You must ensure that your business decisions always reflect your independent judgment and discretion and are based on the best interests of the Company. You must avoid situations where your personal interest conflicts, or appears to conflict, with the interests of the Company.

A conflict of interest may also occur as a result of the actions, employment or investments of a family member. In reviewing your compliance with the policies, you must solicit information from all members of your family who live in your household. While you do not need to solicit information from other members of your family, you must inform the Company in writing if you are aware of any matters involving a family member that might be a violation of the Company's policies.

➤ Gifts

Small gifts and entertainment can help build relationships with business associates, but you must be careful to avoid giving or receiving gifts, services or entertainment intended to influence judgment or create a feeling of obligation. You may not accept money or anything else of value from any person or organization that does or seeks to do business with the Company. On occasion, you may accept a gift of nominal monetary value (not exceeding U.S. \$100), such as a holiday gift basket or a commemorative object.

➤ Travel and Entertainment

You may participate in business-related functions and activities that have a valid business purpose, are customary to our business and have no special significance attached to them. Your participation in these events should not be excessive in scale, expense or frequency. For example, as we operate businesses involved in selling athletic and sports-related products, your occasional acceptance of an invitation to

attend a sporting event would be acceptable. It is good practice, and avoids any appearance of a conflict of interest, to reimburse your host for the cost of the tickets, although the Code does not require this. If you attend an event that requires out-of-town travel or lodging, you must pay for that yourself (unless it has a clear business purpose and you and your supervisor agree that, under our travel policy, it is appropriate for the Company to pay this cost).

Our general policy is that your travel, including transportation and accommodations, in the performance of your duties for the Company must be paid for by the Company. In certain very limited cases, however, the Code permits vendor-sponsored travel. Please refer to the Travel Policy for our guidelines, and required approvals, for vendor-sponsored travel. You should feel comfortable informing the person offering the gift, travel, or entertainment of our policy.

➤ **Bribes**

You must never, directly or indirectly, solicit, accept or offer bribes. If any person offers you a bribe, in any form, you must report it immediately to the Chief Executive Officer of the division for which you work or the General Counsel of the Company.

➤ **Selection of Suppliers, Contractors, and Professional Services Providers**

The selection of suppliers, contractors and professional services organizations must be based on merit and business-related criteria. The payment of fees for products and services must be supported by complete and accurate documentation and must be consistent with prevailing rates charged for comparable services. **You must avoid decisions that are, or appear to be, based on personal interests.** You may not participate in the selection of a supplier, contractor or service provider in which a member of your family has a substantial financial interest or by which a member of your family is employed. Please note that in this situation you may be required to disclose your family member's financial interest as provided under the Company's policy covering Financial Interest in Third Parties.

➤ **Personal Use of Suppliers, Contractors and Professional Services Providers**

You must avoid the receipt of any personal benefit a supplier, contractor, or professional service provider to the Company arising from your employment by, or position with, the Company. Therefore, you must be especially careful when personally using the services or purchasing the goods of a person or entity that does or seeks to do business with us. To avoid the appearance of a conflict of interest, fair value must be paid for those services or goods. "Fair value" refers to the price that would generally be charged to the public for those goods or services. If the goods or services have a fair value in excess of U.S. \$5,000, you must obtain the written consent of the General Counsel prior to your purchase of the goods or use of the services. You do not need to obtain prior approval of (i) goods or services that are offered to the general public based on a published rate schedule, such as airline flights, or (ii) goods or services that are made available to Company associates through a program organized by the Company for the benefit of its associates.

➤ **Financial Interest in Third Parties**

Neither you nor a member of your family may, directly or indirectly, have a "substantial financial interest" in any person or entity doing business or seeking to do business with the Company (a "Vendor"), or in any entity that purchases, sells or leases real or personal property to the Company. "Substantial financial interest" depends on the

facts of your individual situation, but generally includes your being an officer, director, partner, owner, or employee of any entity, or having stock ownership of 1 percent or more of a publicly traded company.

If you or any associates under your supervision are responsible for purchasing merchandise sold in the Company's retail stores, catalogs, or on-line, neither you nor any member of your family may own stock or have any other financial interest in any of the Company's principal merchandise suppliers. Participation in a mutual fund or similar investment vehicle that holds stock or securities in these entities is permissible since you would not be exercising investment discretion.

You should be cautious about making investments in entities doing business with the Company that are otherwise permitted under this policy. First, you should ensure that there is no question that any decision you make, or action you take, on behalf of the Company could be questioned because you may have a conflict of interest arising out of your investment. Factors to consider in evaluating this include the size of your investment relative to your net worth and your ability, through your actions on behalf of the Company, to influence the value of your investment. Second, keep in mind that it is generally a violation of U.S. securities laws for an individual to purchase or sell shares of stock in a public company while in possession of material, non-public information about that company. Therefore, if you decide to make investments in the stock of any publicly traded company with which the Company does business, you should consider whether you may be in possession of non-public information learned in the course of your work. If you have any questions about this, please seek the advice of the General Counsel.

➤ **Loans**

You may not accept a loan from any person or entity doing business with the Company or seeking to do business with the Company unless the loan is from an established financial institution in accordance with its normal lending practices and at interest rates that are generally available to the public.

➤ **Outside Business Activities**

Associates are expected to devote their full work time and effort to the Company's business. Outside business activities can create possible conflict of interest situations or can interfere with your job performance. Since potential conflicts may not always be obvious, if you propose to become associated with any outside business, you must obtain approval from the General Counsel's office. This provision is not intended to interfere with your management of your personal investments, provided that your investment activities do not give rise to a conflict of interest or interfere with your performance of your duties for the Company.

➤ **Competition with the Company**

You may not compete with the Company in (i) any business or activity in which the Company is engaged or in (ii) purchasing, selling or leasing property, and you may not accept for yourself personally any business or financial opportunity that you know the Company would have an interest in pursuing. You must disclose a substantial financial interest that you or any member of your family has in any person or organization that competes with the Company.

Fraud

Under no circumstances may you engage in fraudulent conduct. Examples include: forgery or alterations of checks or any other document; misappropriation of funds or other assets; impropriety in handling or reporting of money or financial transactions; theft or dishonesty; and destruction or disappearance of records, furniture, fixtures or equipment.

Confidential Information

Confidential information about the Company's business strategies, plans, products and services is an extremely valuable asset. All non-public information about the Company should be treated confidentially. The unauthorized disclosure of confidential information is strictly prohibited. This policy covers disclosure in any manner -- for example, through reports, copies of reports, any form of written summary, conversations, pictures or through chat rooms over the Internet. Additionally, all personally identifiable healthcare information about the Company's associates must be treated confidentially.

The Company's documents, reports and records are the property of the Company. As such, they should not regularly be taken from or stored off Company premises, and they must be returned to the Company at its request or if your employment with the Company ends for any reason.

Please review the Company's Information Security Policy for more detailed information on the handling of confidential information.

Insider Trading

In the course of your work, you may be exposed to "material non-public" information about the Company, an organization that we do business with or an organization that seeks to do business with us. In general, it is illegal to engage in any transaction in a company's stock or other securities while you are aware of material non-public information about that company. "**Material**" refers to information that could reasonably be expected to affect the price of the company's securities or be considered important by a reasonable investor in connection with his or her decision to buy, hold or sell the company's securities. "**Non-public**" is any information that is not known to the general public.

Examples of material non-public information include:

- significantly higher or lower than anticipated sales results,
- the pending acquisition or disposition of a substantial business,
- earnings results, and
- an increase or decrease in dividends and a stock dividend or split.

Members of the Board of Directors, officers of the Company, division principals and certain financial executives are subject to special restrictions on stock trading and should consult the Insider Trading Policy. If at any time you have any questions about whether you can trade in our stock, you should consult with the General Counsel.

Personal Use of Company Property

Company assets, services, premises and equipment, whether owned or leased, are intended to be used for business purposes only. However, we recognize there may be times when limited personal use of the telephone, fax, computer, e-mail, or photocopying machines is appropriate. You will be expected to use your judgment in these situations. However, the final determination of acceptable usage rests with your supervisor and the Company.

Charitable Contributions

Other than with regard to activities conducted or sponsored by the Foot Locker Foundation, you may not solicit charitable contributions in any form from any of our suppliers, and you may not use the Company's supplier lists as the basis for solicitation of charitable contributions, or provide these lists to anyone else for use in soliciting charitable contributions, without the prior written approval of the General Counsel. You should exercise care in soliciting charitable contributions from fellow associates, particularly associates who report to you. Associates should not feel pressured or compelled to make charitable contributions and should never be subject to retaliation, in any form, for failing to make a contribution.

Section III. Financial Reporting and Disclosure

It is essential to the accuracy of the Company's financial reporting that the Company's books and records accurately and honestly reflect all transactions. The results of operations of the Company must be recorded in accordance with legal requirements and generally accepted accounting principles. All entries must be supported by proper documentation. Examples of Company records include financial statements, travel and expense reports, purchase and sale documentation and internal management reports.

You may not misrepresent or omit any transaction that would lead to an improperly recorded asset, liability, revenue or expense. Further, you may not cause funds either to be disbursed from or received in a location other than the proper tax jurisdiction.

You are expected to comply with the Company's internal reporting procedures so that the Company's public disclosures may be made timely and in a full, fair and accurate manner. If you have any questions regarding these procedures, please contact the Chief Financial Officer or the Chief Accounting Officer in New York.

You may not directly or indirectly mislead or fraudulently influence the Company's independent accountants in the performance of their audit or review of the Company's financial statements.

Section IV. Integrity in Competition

Antitrust - Open Competition

U.S. antitrust laws exist to promote fair and open competition. In general, certain conduct, including discussions, agreements or informal understandings between the Company and any actual or potential competitor or supplier may constitute an antitrust violation if it is likely to reduce or restrict competition. There are similar laws in other countries in which the Company operates, and these guidelines apply worldwide.

You may **NOT** agree with any actual or potential competitors or suppliers to:

- fix prices on merchandise or services to be bought or sold by the Company,
- fix other terms or conditions of sale, such as discounts or promotions,
- divide or allocate customers, markets, or territories of competing products, services or suppliers,
- boycott goods or services,
- not compete.

You should not discuss these topics with competitors or suppliers. If they raise these topics with you, you should end the discussion and contact the General Counsel. Business units, such as Team Edition, that sell products to other companies also may not have these discussions or reach these agreements with their customers. Trade associations are a valuable forum for discussing trends in the industry. Since participation in these associations often involves meetings and discussions with competitors, you must be careful to avoid any conduct at trade association meetings that may be, or appears to be, a violation of antitrust laws. Under no circumstance does the prohibited conduct described above become legal because it occurs through your participation in a trade association meeting.

Fair Dealing

You are expected to deal fairly with our suppliers, competitors and customers. You must always truthfully represent the products we sell and never give false or misleading information about them. In addition, you may not unfairly disparage or undermine the products or services of a competitor. This practice applies to advertisements and public communications as well as our individual interactions with customers, associates and business partners.

Competitive Information

You may gather information about our competitors through public sources, including articles, advertisements, brochures, analyst reports, press releases and governmental filings. It is inappropriate to seek to obtain confidential information about a competitor from employees of the competitor or from third parties whom we know have a confidentiality obligation to the competitor.

Section V. Interacting with Government

Relationships with Government Officials

Anticorruption laws, including the U.S. Foreign Corrupt Practices Act (“FCPA”) apply to our businesses worldwide. Regardless of local custom, you must never, directly or indirectly, offer, authorize, give, or promise any form of bribe or kickback to a government official or employee in order to influence that person in an official capacity. Government officials include federal, state, and local government employees, political candidates, and even employees of businesses that are owned by the government. A “bribe” is any money, favor, or anything of value used to influence a foreign government official or to ensure a particular result or action. A bribe does not have to be cash; it could also be paying an inflated price to purchase a government official’s property or services, or it could be providing lavish entertainment to a government official. Any hospitality must be lawful and reasonable in value and frequency and must always have a valid business purpose. A “kickback” is the return of money already paid or due to be paid as part of a contract as a reward for making business arrangements.

We cannot hire third parties to do something that we are not allowed to do directly; our agents are held to the same rules that we are. The Company could be liable for payments made in violation of FCPA even if we did not know, but should have known, that the payment was going to a foreign government official. There are severe consequences for violating the FCPA, including fines to the Company and the individual making the payment, as well as potential jail time for individuals.

Although customs and business practices vary among the countries in which we operate, you must not deviate from the policies set forth in the Code for conducting business in any country.

Political Contributions

No contributions may be made on behalf of the Company to political parties, political action committees (“PACs”), political candidates or holders of public office in any country, even if customary and legal.

The one exception to the above policy is that contributions may be made to organizations whose principal purpose is the support of legislative, regulatory or other similar public policy matters, and not the direct support of a political party. The written approval of the General Counsel is required before any such contributions are made.

You may not solicit political contributions from any of our directors or associates or from any of our suppliers. You may not permit any person or outside organization to solicit political contributions during working hours or on property owned or leased by the Company. In addition, you may not engage in any activities on behalf of political parties, PACs, political candidates or public office holders during your working hours, and you may not use any of the Company’s assets, services, premises or equipment, whether owned or leased, on their behalf.

Section VI. Violations

You must adhere to the policies contained in this Code. If you violate any of the Company's policies, or if you knowingly permit a violation, you may be subject to disciplinary action, including dismissal and reimbursement for any loss to the Company that results from your actions. Also, if appropriate, a violation of these policies may result in legal action against you by the Company or may be referred to the appropriate governmental authorities.

Section VII. Waivers

All waivers must be obtained, in writing, from the General Counsel. Any waivers of the Code for directors and executive officers must be approved by the Audit Committee of the Board of Directors and will be disclosed on the Company's corporate website.

Summary of Required Approvals and Other Disclosures

As described in this Code, certain provisions provide that conduct may be undertaken in compliance with the Code if you obtain the prior approval of the Company. These approvals, which are summarized below, must be obtained, in writing, from the General Counsel. In providing an approval to a director or executive officer, the General Counsel will first obtain the concurrence of the Chair of the Audit Committee. If at any time you have questions regarding the kinds of situations requiring approval or the detail that should be provided, you should contact the General Counsel.

- *Personal Use of Suppliers:* For personal purposes, using the services or purchasing the goods of a person or other entity that does or seeks to do business with the Company when the fair value of the goods or services exceeds U.S. \$5,000 (See Page 3).
- *Outside Business Activities:* Having an association with outside businesses, such as participating in another business on a part-time or freelance basis (See Page 4).
- *Charitable Contributions:* Other than for activities sponsored by the Foot Locker Foundation, soliciting charitable contributions from suppliers or providing supplier lists to others for this purpose (See Page 6).
- *Political Contributions:* Contributing on behalf of the Company to organizations whose principal purpose is supporting legislative, regulatory, or similar public policy matters (See Page 8).

There are other provisions of the Code requiring disclosure to the Company, as follows:

- *Financial Interest in Third Parties:* If you or a family member have a "substantial financial interest" in an entity that does or seeks to do business with the Company, or that competes with the Company, you must disclose this to the General Counsel (See Pages 3 and 4).

- *Bribes*: If anyone offers you a bribe, you must report this immediately to the General Counsel (See Page 3).
- *Antitrust*: If a competitor or supplier raises topics that could present an antitrust issue, you should end the discussion and contact the General Counsel (See Page 7).

To contact the General Counsel, please see the contact information provided below.

HOTLINE AND OTHER CONTACT INFORMATION

ASKING QUESTIONS, RAISING CONCERNS OR REPORTING SUSPECTED VIOLATIONS

We all share the responsibility for ensuring compliance with the Code of Business Conduct. If at any time you have any questions concerning the interpretation of any of our policies or the applicability of the policies to a given situation, you should feel free to approach your direct supervisor, your Human Resources Department, or the General Counsel's Office. You may also call the Code of Business Conduct Hotline.

If you suspect or know of any unethical or illegal acts that have occurred within the Company, you have an obligation to report this. The Company will investigate all reports of violations and suspected violations of the Code. You may report any violation or suspected violation on a confidential and anonymous basis without fear of reprisal. Reprisals against any person raising concerns or reporting violations or suspected violations in good faith will not be tolerated. Reports and complaints may be submitted on a confidential and anonymous basis. In order to submit complaints on a confidential and anonymous basis, please contact either the General Counsel or call the Code of Business Conduct Hotline at one of the numbers provided below.

There are several outlets available to you to ask questions or to report suspected violations:

- ***Code of Business Conduct Hotline***
The number of the Code of Business Conduct Hotline is **1-800-569-7490**. **You must press "35" at the start of the recorded message to access the hotline.** This number may be dialed toll-free in the United States and Canada. From other countries, please phone collect +1-212-736-3826.
- ***The General Counsel***
You may contact Gary M. Bahler, the General Counsel, using the following methods:
 - *Mail Address*:
112 West 34th Street,
New York, New York 10120
 - *Telephone*: 212-720-3890
 - *e-mail*: gbahler@footlocker.com

➤ **Contacting the Audit Committee of the Board of Directors**

The Audit Committee of the Board of Directors has established procedures under which an associate may submit to the Committee, on a confidential and anonymous basis, concerns regarding accounting or auditing matters. Associates may raise a complaint or concern under the Audit Committee's procedures without fear of reprisal. Reprisals against any person making a complaint in good faith will not be tolerated.

Written complaints may be made anonymously to the Audit Committee by sending the complaint to "The Audit Committee of Foot Locker, Inc., c/o General Counsel" to the General Counsel at 112 West 34th Street, New York, New York 10120 in an envelope marked "Confidential." These complaints will be opened and reviewed by the General Counsel and forwarded to the Chair of the Audit Committee in accordance with the procedures established by the Committee. Complaints that are enclosed in an inner sealed envelope directed to the "Chair of the Audit Committee" will be delivered to the Chair of the Committee unopened.

Complaints also may be made anonymously to the Audit Committee by calling the Code of Business Conduct Hotline at the number provided above. Additionally, you may make a complaint by calling the General Counsel directly at his number provided above; however, complaints made by calling the General Counsel directly may not be anonymous due to the caller ID telephone feature.

➤ **The Chief Financial Officer/Chief Accounting Officer**

You may contact Robert McHugh, the Chief Financial Officer, or Giovanna Cipriano, the Chief Accounting Officer, in the New York Office for questions regarding internal financial reporting procedures using the following methods:

- *Mail Address:*
112 West 34th Street,
New York, New York 10120
- *Telephone:* Robert McHugh (212-720-3948); Giovanna Cipriano (212-720-3896)
- *e-mail:* rmchugh@footlocker.com; gcipriano@footlocker.com