



Burlington

2020

Corporate Social Responsibility Report

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# About Our Report

**This report highlights our corporate social responsibility (CSR) efforts and focuses on the environmental, social and governance (ESG) issues of greatest importance to our stakeholders.**

Several frameworks informed this report's structure and disclosures, including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), CDP (formerly the Carbon Disclosure Project) and the Taskforce for Climate-related Financial Disclosures (TCFD). We also used feedback from stakeholders, including our investors, to better understand which issues to prioritize and disclose. Information in this report principally covers our 2020 fiscal year (FY2020), which ended on January 30, 2021.

As part of a broader effort to better understand the most important sustainability issues for Burlington to prioritize, we undertook an informal materiality assessment in 2019, referencing GRI's methodology for doing so. This effort is planned to be repeated approximately every 3 years to reevaluate the topics considered most material to Burlington stakeholders.

We also disclose information regarding our CSR efforts on our [investor website](#). We encourage readers to visit that website for the latest information.



**OUR ASSOCIATES**



**OUR COMMUNITY**



**OUR ENVIRONMENT**



**OUR SUPPLY CHAIN**



**OUR GOVERNANCE  
AND ETHICS**

# A Message From Our Chief Executive Officer

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## 2020 was a year like no other.

When reflecting back on this past year, three words come to mind: gratitude, pride and, most importantly, resilience. I am grateful for the incredible work that our associates did, all over the country, to persevere through a global pandemic, social and political unrest, and unprecedented economic conditions. I am proud of how Burlington responded to these events, working within our company and our communities to respond to each new challenge and becoming better for it. Finally, I am evermore aware of the need to focus on resilience, in every sense of the word. We were able to make it through 2020 because we spent the preceding years focused on building a more resilient and sustainable company, recognizing that the efforts we put in today help us prepare for the future. All of this allows us to continue growing as a company, delivering value to our stakeholders.

There are many challenges ahead. As I write this, in the summer of 2021, we are not out of the pandemic yet, though we can see light at the end of the tunnel. The events of last year have accelerated a much-needed conversation about racial equality and social justice, which we must continue to prioritize as we move forward. And environmental impacts due to a rapidly changing climate necessitate that every business examine how it can be part of enabling a more sustainable global economy.

But I know Burlington is up to all of these challenges. Our Core Values have continued to ground us and provide a basic template for how to operate as a company. I am proud that we did not just survive the tumultuous events of 2020, but we continued to push forward in our corporate responsibility strategy.

Throughout this past year, we worked hard to ensure that our associates had proper support and assistance as they navigated forced closures, mandated telecommuting and complex new health guidelines meant to ensure the safety and protection of everyone at our offices, distribution centers and stores. We worked with our communities so that, in the face of economic dislocation and uncertainty, we could offer support and resources where possible. Despite all these unforeseen events, we pressed ahead on our environmental commitments, scaling renewable energy use and energy efficiency, while engaging our key import suppliers to consider their own impacts. We were able to accomplish all of this because of our continued emphasis on corporate responsibility, from our Board of Directors on down.

In the pages ahead, you will learn more about how we have continued to grow our focus on sustainability while navigating the unprecedented challenges of 2020. Due in no small part to the resilience we have



**MICHAEL O'SULLIVAN**  
Chief Executive Officer

**LOVE *the* DEALS**

demonstrated, I am incredibly optimistic about our future. We have a purposeful commitment to corporate responsibility and that makes us a stronger company.

Being a sustainable business means preparing for challenges while delivering long-term value for our associates, our communities and our shareholders. I could not be prouder of our company, and on behalf of our Board of Directors and all of our associates, I am happy to present our 2020 Corporate Social Responsibility Report.

A handwritten signature in black ink, appearing to be 'M O'Sullivan', written in a cursive style.



# Our Company

**Burlington Stores, Inc. (Burlington), with headquarters in New Jersey and operations in 45 states and Puerto Rico, is a nationally recognized off-price retailer with FY2020 net sales of \$5.8 billion. We are a Fortune 500 company, and our common stock is traded on the New York Stock Exchange under the ticker symbol BURL.**

Burlington's stores offer an extensive selection of in-season, fashion-focused merchandise at up to 60% off other retailers' prices, including women's ready-to-wear apparel, menswear, youth apparel, baby, beauty, footwear, accessories, home, toys, gifts and coats.

As of January 30, 2021, we employed 55,959 associates, including 41,426 part-time and seasonal associates. Of those associates, 87% worked in our 761 stores, 9% worked in our distribution centers and 4% worked in our corporate organization. As of January 30, 2021, associates at one of our stores were subject to a collective bargaining agreement.

## Our Burlington

Our associate value proposition, "Our Burlington," is based on five tenets:

- **We Are an Off-Price Retailer:** We deliver great values to our customers every day.
- **We Live by Our Core Values:** Drive Results. Trust & Respect Each Other. Build Teams & Partnerships.
- **We Believe Everyone Matters:** We listen to the individual viewpoints of our diverse workforce through open and honest communication.
- **We Win Together:** We recognize those who make a difference. Great performance leads to exciting career opportunities.
- **We Are a Caring Company:** We have a caring work environment, and the generosity of our associates and customers helps to improve the communities we live and work in and beyond.

## Burlington 2.0: Achieving our Full Potential as an Off-Price Retailer

Prior to the COVID-19 pandemic, we enjoyed several years of strong operating performance, which included improvement across all key financial metrics, and reflected the strong execution of our off-price model. However, when we compare our financial performance to our industry peers, we believe we have significant opportunity to improve key metrics such as sales per square foot and our operating margin. We refer to the strategies and initiatives summarized on this page as the Burlington 2.0 Full Potential Strategy. By following this blueprint, we intend to become an even stronger off-price retailer. These objectives will be supported by strategies aimed at driving long-term value for our stockholders and maintaining a sustainable competitive advantage. We made significant progress in 2020 on several of these initiatives and will continue to build on this progress over the coming year.

### 1. CHASE THE SALES TREND

- a. Hold and tightly control liquidity
- b. Fuel the trend with opportunistic buys

### 2. OPERATE WITH LEANER INVENTORIES

- a. Drive faster turns, lower markdowns
- b. Flow fresh receipts to support the sales trend

### 3. INVEST IN BUYING & PLANNING

- a. Merchant and planning head count
- b. Improved training, tools, and reporting

### 4. MORE OPERATIONAL FLEXIBILITY

- a. Faster, more responsive supply chain
- b. More flexible store staffing model

### 5. SMALLER STORE PROTOTYPE

- a. More productive retail locations
- b. Lower occupancy and operating expenses

### 6. CHALLENGE EXPENSES IN ALL AREAS OF THE BUSINESS



# Our Associates



## An engaged and motivated workforce plays a key role in Burlington's success.

We recognize the importance of attracting and retaining top talent with the goal of fostering a welcoming, diverse and inclusive environment for our associates while continuing Burlington's growth. Our associates are a critical component of our overall resilience and our ability to respond to challenges as a caring company.

We strive to have a workforce that reflects the communities where we live and work at all levels of our organization. As of January 30, 2021, 75% of our associates self-identified as female and 76% of our associates self-identified as having a racial or ethnic minority background.

## 2020 Awards and Rankings

We are humbled and honored to be recognized for our workplace culture. We are thankful to all our associates for their efforts to create an environment of inclusivity and belonging, and for making Burlington a great place to work.



**Certified as a Great Place to Work** by The Great Place to Work Institute for five consecutive years

**Best Workplaces for Women list** for the fourth consecutive year, ranking #71 in 2020

**Best Workplaces for Retail list** for the fourth consecutive year, ranking #10 in 2020

**Best Place to Work in Texas** for the second consecutive year, ranking #38 in 2020

**50 Companies that Care list** for the first time, ranking #23 in 2020

**Philadelphia Top Workplaces** for the fourth consecutive year, ranking #24 in 2020



# COVID-19 Pandemic Response

## In spring 2020, the United States began an initial response to the rapidly unfolding COVID-19 pandemic.

Our top priority from the beginning of the pandemic was keeping our associates, customers and communities in which we operate safe.

With that in mind, we temporarily closed all of our stores, distribution centers – other than performing minimum basic operations such as to secure inventory – and corporate offices effective March 22, 2020 to protect the health of our associates and customers and help combat the rapid spread of COVID-19. These closures led us to make the difficult decision to temporarily furlough many of our associates, but we continued to provide them support in the following ways:

- We provided approximately \$5.6 million in tax-free grants through our Associate Assistance Fund to eligible associates, which included regular, part-time, non-exempt store and distribution center associates. Our grants were distributed to approximately 23,000 associates impacted by the store and distribution center closures.
- We provided two weeks of compensation to furloughed full-time associates and continued to provide benefits, including paying 100% of their Burlington medical benefit premiums.
- We established a call center open seven days a week to answer questions about payroll, benefits and other concerns. During the furlough period, our HR associates handled over 8,000 calls through the call center.
- We accelerated the release of an internal communications platform and mobile app (1st Up) to our associates to provide ongoing updates, safety guidelines, and helpful information for managing through the pandemic. Associates interacted with the app over 3 million times in the first month following the full launch to the company.







In May 2020, following the guidance of state and local authorities, we began a phased reopening of our stores with the majority of stores, as well as all distribution centers, re-opened by mid-June 2020. As stores reopened, we began to recall furloughed associates and each location underwent a series of updates and changes to help prevent the spread of COVID-19. We continue to keep health and safety a top priority as we operate our stores and distribution centers and begin reopening our corporate offices. We have implemented social distancing and safety practices to protect our associates and our customers, including:

- Signage to remind customers and associates to practice social distancing and remain at least six feet apart
- One-way entrances and exits at the front of stores
- Wider check-out lanes, with social distancing markers on the floor
- A physical barrier between customers and associates at each register
- Closing all fitting rooms
- Routinely cleaning and disinfecting all areas of the store, with a focus on high-touch areas.
- Providing sanitization materials throughout the store
- Making shopping cart wipes available
- Requiring associates to wear face coverings while in stores and our distribution centers
- Screening all associates daily in stores and distribution centers where required by state and local mandates

## Through the reopening process, we continued to support our associates by:

- Establishing an email account monitored 24/7 for managers to ask questions about safety procedures, new regulations or other concerns
- Adjusting our hours to allow associates sufficient time to return home on public transportation before curfews
- Providing safety kits including masks, hand sanitizer, and touch-less door openers to all associates

In the event of a positive COVID-19 instance in one of our stores and distribution centers, we follow procedures to protect our associates and customers. We disclose positive results to our associates and report cases to our facilities team (without identifying the associate involved) as well as to state and/or local health departments as required. We also secure janitorial services to deep clean the affected store. By following our procedures, we are able to reduce the spread of COVID-19 and avoid shutting down stores.





# Inclusion, Diversity and Equality

## Inclusion, diversity and equality are integral parts of how we run our business and serve our customers and communities.

At Burlington, we believe that our investment in inclusion, diversity, and equality will continue propelling our organization forward by helping us recruit, retain and engage top talent; cultivate supportive environments where associates can innovate and thrive; better respond to the diverse needs of our customers; and better support our communities by advocating for issues that matter to them.

While we have made progress in this area, we acknowledge that we must do more to create meaningful change. In 2020, we added to our Inclusion and Diversity team by creating the position of Senior Vice President of Inclusion and Diversity. The selected candidate started in April 2021. This added leadership role will enhance and advance Burlington's efforts to truly leverage Inclusion and Diversity to support Burlington's mission, vision and values.

We are committed to advancing equality and social justice as we continue to build an inclusive and welcoming workplace, an effort accelerated by the racial and social justice conversations in 2020. To put these values into action, in summer 2020 we developed and implemented our diversity action plan, Inclusion & Diversity 2.0, which communicates our commitment and outlines several goals aligned with three core objectives:

- Ensure that we continue to provide an inclusive workplace culture where everyone feels safe, respected and valued, and feels comfortable bringing their full selves to work each day.
- Grow our pool of diverse talent in leadership through recruitment and the development and promotion of internal associates.

- Demonstrate our commitment to inclusion, diversity and equality to our vendors, customers and partners, as well as within the diverse communities we serve.

The action plan will serve as the foundation for long-term strategic planning focused on driving substantive and sustainable change. As part of the development process for the action plan, Burlington issued a Social Justice and Equality survey, which collected recommendations from across the organization that inform and strengthen our commitment to social justice and equality.

Additionally, our CEO, Michael O'Sullivan, signed on to the CEO Action Pledge in fiscal 2020, making a commitment on behalf of Burlington to take action to cultivate environments where diverse experiences and perspectives are welcomed and where associates feel comfortable and encouraged to discuss diversity and inclusion.

In July 2020, we announced a \$1 million commitment over the next 12 months – distributed quarterly – to support non-profit organizations dedicated to advancing social justice and racial equality.

Our first donation went to the NAACP Empowerment Fund and the National CARES Mentoring Movement received the second donation of \$250,000. We have continued to identify organizations that amplify this important work into 2021.

Additionally, we delivered inclusion and diversity awareness training to all associates, with the goal of enhancing our workplace culture to be one where everyone feels safe, respected and valued. Associates invested over 60,000 hours of inclusion and diversity training among our workforce.



**More than half** of associates in managerial<sup>1</sup> positions are people of color

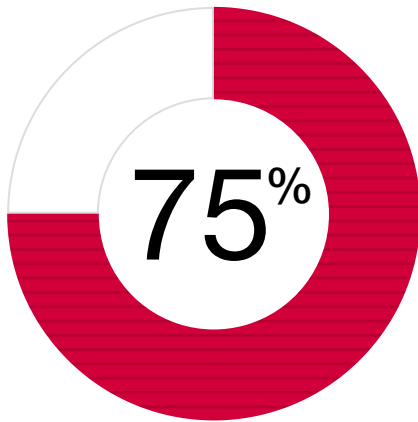
**75%** of promotions were earned by women

**70%** of promotions were earned by associates from a minority background

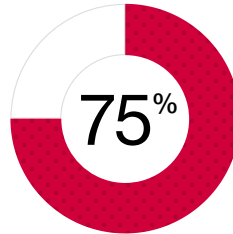
<sup>1</sup> Associates include Stores, DCs and Corporate non-manager positions. Managerial refers to supervisory positions up to and including our executive leadership.

## Gender Identification <sup>1,2</sup>

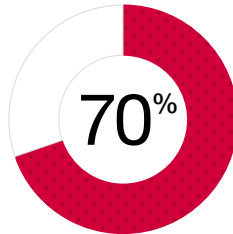
Percent of workforce that self-identify as FEMALE



TOTAL COMPANY



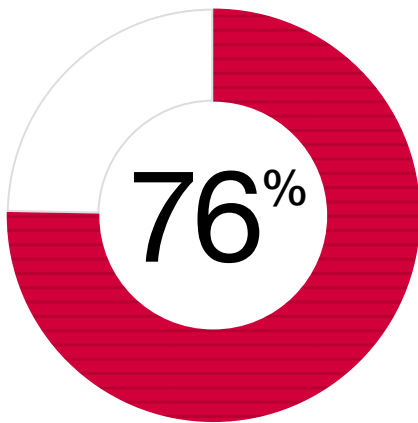
ASSOCIATES



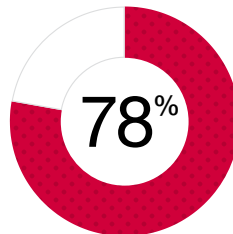
MANAGEMENT

## Racial Identification <sup>1,2</sup>

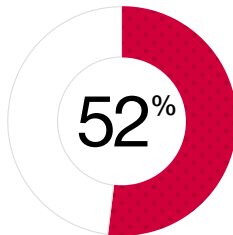
Percent of workforce that self-identify as a PERSON OF COLOR



TOTAL COMPANY



ASSOCIATES



MANAGEMENT



“

*We recognize we still have opportunities to do more to advance inclusion and diversity at Burlington. We are looking to increase the representation of women and people of color in our leadership roles and we are committed to making progress in these areas and others as we move forward.*”

—Michael Allison; Chief Human Resources Officer

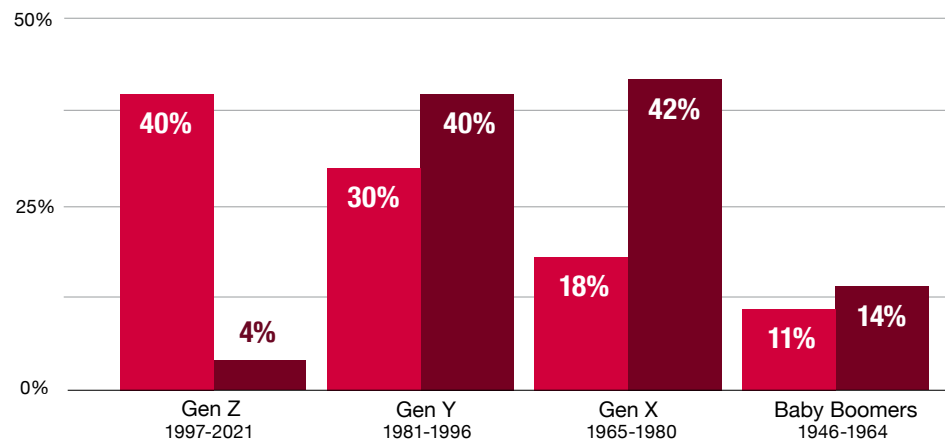
<sup>1</sup> Associates include Stores, DCs and Corporate non-manager positions. Management refers to supervisory positions up to and including our executive leadership.

<sup>2</sup> Totals vary based on associate designation and self-identification.



## Age/Generational Identification <sup>1</sup>

■ Associate ■ Management



<sup>1</sup> Percentages may not foot due to rounding.

## Inclusion and Diversity Councils

Burlington maintains Inclusion and Diversity Councils for our Corporate/Supply Chain and Field/Store associates to foster collaboration and progress toward our goals. These councils are made up of individuals dedicated to strengthening our diversity and driving change throughout the company. Meeting regularly during the year, the council members share valuable insights and feedback, propose new initiatives, and serve as ambassadors to help amplify the impact of the inclusion and diversity efforts throughout the organization.

The Field/Stores Inclusion and Diversity Council was founded in 2016. It is comprised of 100+ associates representing our regional, territory, and store teams. This council conducts six to eight virtual meetings per year and gives members opportunities to research, analyze, and present topics on inclusion and diversity.

The Corporate/Supply Chain Inclusion and Diversity Council was founded in 2015. It is open to associates at every level of the corporate/supply chain organization and has representation from each department. The 100+ person council meets quarterly, and associates are invited to apply for membership on the council each year.

Both councils have played an integral role in our commitment to supporting non-profits working to advance social justice and racial equality, for example voting to build on our previous support for the National CARES Mentoring Movement with a fourth-quarter contribution from our \$1 million commitment. All council members are encouraged to discuss learnings with their colleagues and teams to ensure insights gained through council participation are shared throughout the organization.





# Associate Engagement

## Your Voice Survey

**Our abbreviated pulse survey in 2020, which included feedback from corporate, supply chain, and distribution center supervisory associates, found that:**

**91%** believe Burlington makes it easy for people from diverse backgrounds to fit in and be accepted

**91%** believe their immediate manager cares about their well-being

**86%** feel as if they belong at Burlington

**90%** would recommend Burlington to others as a great place to work

Since 2010, Burlington has listened to associates' voluntary feedback using the annual company-wide Your Voice engagement survey. The survey helps us understand our associates' experience, evaluate our performance and identify strengths and opportunities for improvement. Our results also consistently rank Burlington above average in the retail sector for employee engagement. Our annual

survey is typically administered in April of each year. Under advice from our survey vendor partner, and consistent with trending decisions at other organizations, we postponed our 2020 survey due to the pandemic. This decision was made primarily to ensure that our rescheduled survey timeframe would allow all associates the opportunity to participate and share their feedback. We resumed our full associate surveys in 2021.

Throughout the last decade, our associate engagement program has taught us the importance of checking in with associates and maintaining a culture where associates are valued and feel heard. Despite not having a full annual survey, in November 2020, we were able to launch a brief "pulse survey" to a targeted audience of corporate, supply chain, and DC associates. Unlike our annual Your Voice survey, the pulse survey was short (taking only about three to five minutes to complete) and consisted of an associate engagement measure and timely items on topics such as inclusion and associate well-being. Our pulse survey process proved to be agile and allowed us to quickly share and react to the feedback received.

In our evolution to a more continuous listening associate engagement program, we hope to continue conducting additional pulse surveys over time in addition to our annual Your Voice survey.

We continuously update our processes and policies to create a great workplace for our associates. We have made substantive changes due to survey feedback, including improving our benefits, participating in more

community activities and providing more training and development opportunities. We believe that our survey participation is high because associates recognize their voices are a key part of what makes Burlington great, and they see us incorporate positive changes that stem from their feedback.

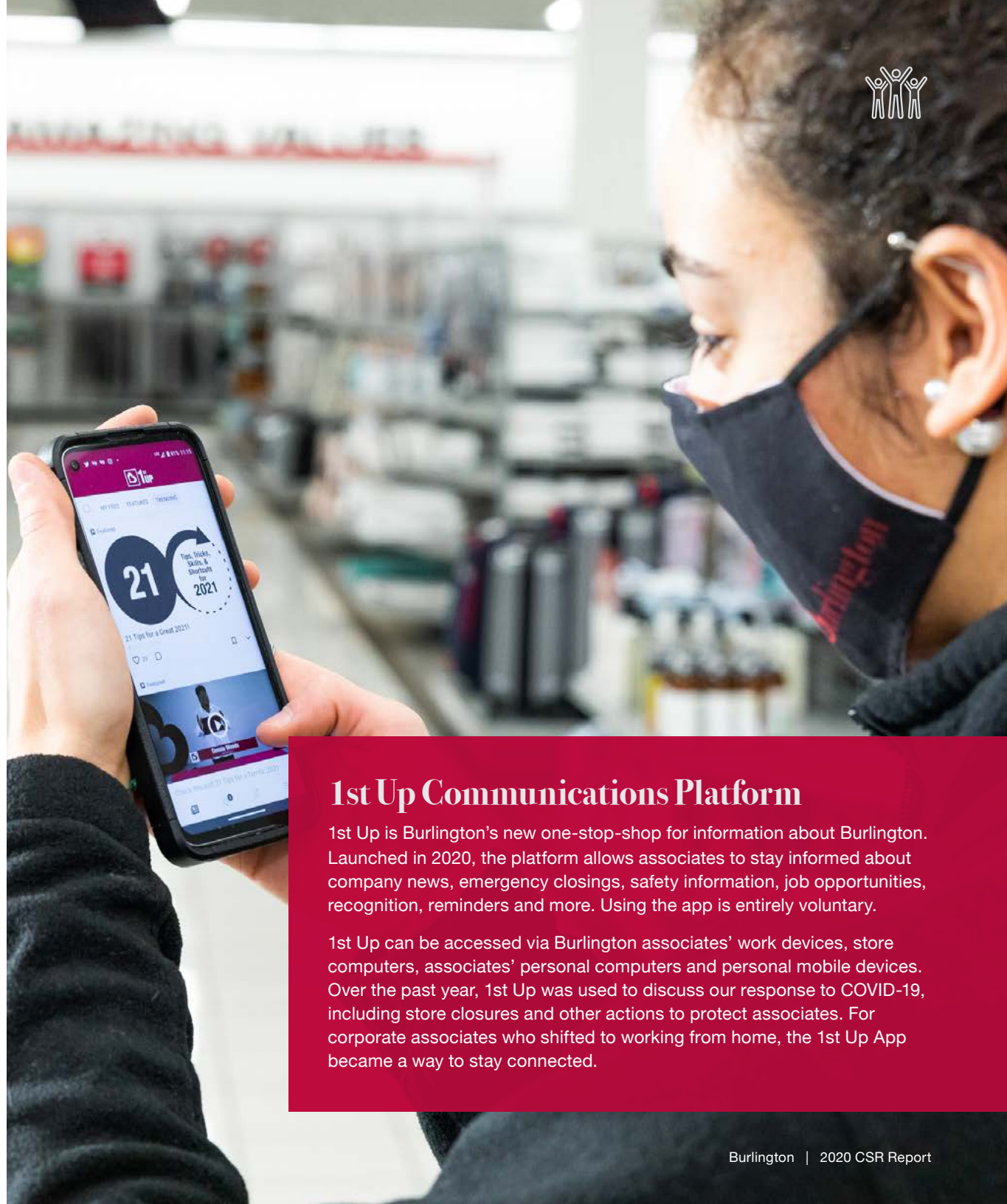




## Internal Recognition

We recognize our associates through peer-to-peer, manager-to-associate and corporate leadership-to-associate interactions. Below are a few examples of the ways we recognize our associates:

- **Brag:** Brags recognize outstanding teamwork, contributions and adherence to our Core Values. Through 1st Up, our communications platform and app, associates can post photos, videos, and comments celebrating team members so they can be seen across the company. In its first full year of operation, our Brag Channel had more than 25,000 posts.
- **CEO Awards:** The CEO Award, now known as the Burlington Excellence Award, recognizes associates for their outstanding achievements and business contributions. Individuals chosen for this award go above and beyond to drive results and help Burlington meet – or surpass – our goals while reinforcing our Core Values. In 2020, more than 250 Burlington associates earned an award.
- **Store Rallies:** Each morning, Store Managers and their associates gather to review important information. As part of this exercise, Store Managers call out the accomplishments of individual associates for recognition among their peers.
- **Department Town Halls:** Many of our corporate and supply chain departments host town halls throughout the year to provide updates and news about the company. At each forum, a senior leader publicly acknowledges the achievements of individuals or groups within Burlington.



## 1st Up Communications Platform

1st Up is Burlington's new one-stop-shop for information about Burlington. Launched in 2020, the platform allows associates to stay informed about company news, emergency closings, safety information, job opportunities, recognition, reminders and more. Using the app is entirely voluntary.

1st Up can be accessed via Burlington associates' work devices, store computers, associates' personal computers and personal mobile devices. Over the past year, 1st Up was used to discuss our response to COVID-19, including store closures and other actions to protect associates. For corporate associates who shifted to working from home, the 1st Up App became a way to stay connected.

# Learning and Development

## All associates in our stores, distribution centers and corporate offices are offered development opportunities.

We support our associates' career growth by offering a blended learning approach that includes online education, on-the-job training, career coaching and more.

Burlington believes that our learning and development programs are integral to our associates' growth and enable them to take on expanded roles across Burlington. These include:

- **Onboarding and Required Learning:** All store associates are assigned curriculum during onboarding, including courses on Combatting Harassment in the Workplace, Active Shooter Safety and Awareness, Diversity at Burlington, STEPS to Effective Problem Solving and other topics. Store management positions require approximately 20 hours of eLearning in addition to on-the-job training and coaching.
- **Leading @ Burlington (L@B):** L@B is a development program for more than 2,500 management leaders throughout the organization. It focuses on developing attributes and competencies stemming from the Burlington Leadership Competency Model. Learning series may include instructor-led sessions, e-learning, publication sharing, leadership tips, podcasts and more.
- **Growing @ Burlington (G@B):** G@B is available to all corporate and supply chain associates and focuses on developing soft skills, industry knowledge and Burlington best practices.
- **Merchandising Development Programs:** Our merchandising development programs are designed to support newly promoted or hired talent in the buying, planning and allocations teams. Programs include online learning, instructor-led learning, experience-based learning, job shadowing and coaching. Associates learn the off-price retail business model, how it relates to success in their roles and how it contributes to Burlington's success.
- **Tuition Assistance:** Eligible associates taking classes at an accredited college or university can apply to receive reimbursement of 50% of their tuition (up to \$5,000 per year) upon successful completion of their coursework.
- **Talent and Learning Management System:** This system provides Burlington associates with a platform for managing their career development. Associates and managers use the tools to support growth and development, including annual performance objectives, performance appraisal tools and identification of career interests.
- **Individual Development Plans (IDPs):** IDPs outline personal development goals and steps to achieve them. In partnership with their managers, associates work to identify strengths, opportunities and competencies.
- **Talent Review:** Throughout the year, our senior leaders conduct an Organization Development Review (ODR) to identify top talent and opportunities for their advancement.



We also believe that providing opportunities for our associates to develop new skills and grow professionally leads to internal promotions and lower turnover rates.

We provide our associates the support and tools needed to give back to the communities where we operate through our Day of Giving Program. All corporate associates are offered eight paid hours to volunteer throughout the year. To help facilitate and empower volunteerism, we created our [Day of Giving](#) website in partnership with [VolunteerMatch.org](#). On the site, corporate associates can search for virtual volunteer opportunities, request approval from their manager to participate and sign-up with the organization.



# Compensation and Benefits

Burlington works to ensure that our pay structure and benefits are competitive and align with industry standards.

Our wide array of benefits for associates and their families include, among others:

- Comprehensive medical, dental and vision benefits, as well as life insurance and short-term disability insurance for all full-time associates
- A 401(k) plan with a corporate match for eligible associates
- Paid time off for all eligible part- and full-time associates
- Discounts at Burlington and outside vendors
- Adoption assistance for eligible associates
- A range of optional benefits, including pet insurance, legal services, and tuition reimbursement

In response to feedback from previous associate surveys, we updated our paid time off policy to further improve work/life balance for our associates. In 2020, we launched the Manage Your Chronic Condition (MYCC) Program within our medical plan. MYCC expands our plan's focus to include diabetes, hypertension and hyperlipidemia and provides essential medication such as insulin at no cost to plan participants who are compliant with the program.

In addition to being merit-based, Burlington reviews compensation for all of our associates based on market analysis, seeking to ensure associates are fairly and appropriately compensated. We have increased the wages of our hourly associates every year since 2010 as a result of this process.

## Pay Equity

Burlington believes in fairness of pay and is committed to achieving pay equity. In 2020, Burlington completed a pay equity assessment. The study included a review of over 41,000 associates across the company and found Burlington pays associates equitably for comparable work, taking into consideration a variety of appropriate factors including, but not limited to, role, experience, geography and performance.

The assessment reflected total company results of 99.8% pay equity. The assessment also showed that women earn better than 99% of men's wages and people of color earn the same as their counterparts.

“

*At Burlington, we have long been focused on paying associates fairly for the work they do. Our compensation team has developed structures to monitor pay equity throughout the company and each year we conduct a comprehensive review of compensation and apply market adjustments during our annual merit/review process.*

”

—John Crimmins, Chief Financial Officer



# Occupational Health and Safety

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## Our Focus on Health & Safety

Injury rates at our offices, stores and distribution centers have continued to decrease, even as our footprint and associate base has grown. Our safety program is an important element of one of our main tenets: We Are a Caring Company.

Where hazards can be engineered out of the job, we make every attempt to do so. Where policies and safety rules are necessary to address potential injury exposures, they are written and enforced.

We aim to decrease our injury rates by at least 10 percentage points on an annual basis. During Insurance Policy Year 2020, our associate injury claims rate improved by 19% over 2019 and our customer injury claims rate improved by 49%.<sup>1</sup> This reduction was driven partially by lower foot traffic in our stores as well as associates and customers using more caution on the job and while shopping. As COVID-19 restrictions ease, we will continue to observe the effects on our claims rates.

## Safety Protocols and Training

By focusing on trends, performing hazard analysis and making safety part of our business development process, we seek to emphasize best practices to ensure the safety of all associates.

Reporting and mitigating hazardous conditions is critical to workplace safety. As part of our Injury and Illness Prevention Plan, associates are encouraged to alert supervisors and managers of potentially

hazardous situations as soon as possible. Such situations are quickly escalated and addressed by the appropriate teams. Associates can also use our Integrity Hotline to report safety issues. We do not tolerate retaliation against anyone bringing a safety hazard to the attention of management.

Burlington provides new associates with safety information relevant to their workplace environments at orientation. Additionally, as part of our monthly safety topic initiative, all warehouse and store locations deliver and display information on safety topics that meet Occupational Safety and Health Administration (OSHA) Workplace Safety Training requirements for any exposures present in each work environment. We provide store associates with safety information and best practices and provide further training for specialized positions, such as maintenance staff, housekeeping personnel and powered industrial truck operators at the beginning of employment and annually, or as otherwise required by law. These training programs include hazard communication, powered industrial truck re-evaluation and other OSHA training requirements. All associates are also required to complete Active Shooter Safety and Awareness courses, and store associates also receive safety information and best practices via our mobile communications app to help keep safety top of mind.

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<sup>1</sup> Burlington's summary of safety incidents/claims report is based on the December 1, 2019 to November 30, 2020, insurance policy year for worker's compensation and general liability claims.





# Feedback Mechanisms

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**We strive to make Burlington a great place to work, where associates feel supported and comfortable addressing any workplace issues that may arise. We maintain several feedback mechanisms to gather and act on our associates' concerns.**

We want our associates to feel able to come forward if they witness or are the victim of potential harassment. We recognize that, depending on the situation, associates may be more comfortable using an alternate approach to direct conversations when expressing their concerns. Associates can use Burlington's Integrity Hotline to report violations of applicable law and ethical rules, including violations of the company's [Code of Conduct](#), and may remain anonymous.

Our intranet has a dedicated page to educate associates about our policy against unlawful discrimination, harassment and retaliation, as well as guidance on how to report concerns and what to do if they witness or experience harassment or discrimination.

## STEPS Program

Associates can share and resolve their concerns with Steps to Effective Problem Solving (STEPS), our early dispute resolution program.

The goal of the STEPS program is to preserve work relationships, uphold our company's Core Values and exercise transparency with open and honest communication. Through STEPS, associates can participate in an unbiased and fair process to resolve workplace concerns.

**STEPS is a three-tiered process:**

- 1. Open-Door Policy:** Associates are encouraged to discuss their concerns with their supervisor or Human Resources representative
- 2. Request for Reconsideration:** In cases where workplace issues are not resolved in Step 1 (or if Step 1 was not taken), associates can submit a written request to the STEPS Program Administrator for an independent review of the issue. Decisions are typically made within 45 days.
- 3. Arbitration:** In rare situations where issues are not resolved in Steps 1 or 2, associates can request arbitration through the American Arbitration Association, the largest provider of early dispute resolution services in the U.S.

All associates are automatically enrolled in the STEPS program, with the ability to opt-out of Step 3. They also receive a copy of Burlington's Early Dispute Resolution Program Rules and Procedures, which provides additional details on STEPS. An eCourse is available in our Learning Management System to help associates learn more about the program.

## Open-Door Policy

Burlington has an Open-Door Policy and strongly supports open communication between associates and all levels of management. We encourage our associates to openly voice their concerns, and our management team will work to respond quickly and be available for support, counsel and assistance as appropriate. Associates can use the Open-Door Policy without fear of reprisal. To the extent possible, management will respect the confidentiality of associates and their concerns.

Below is a sample list of topics that associates can address using the Open-Door Policy:

- Pay and benefits
- General questions such as work/life balance and Burlington's work environment
- Scheduling concerns
- Harassment
- Acts of bias or discrimination
- Job tasks and assignments
- Concerns about coworkers and/or management
- Violations of our associate handbook or [Code of Conduct](#)

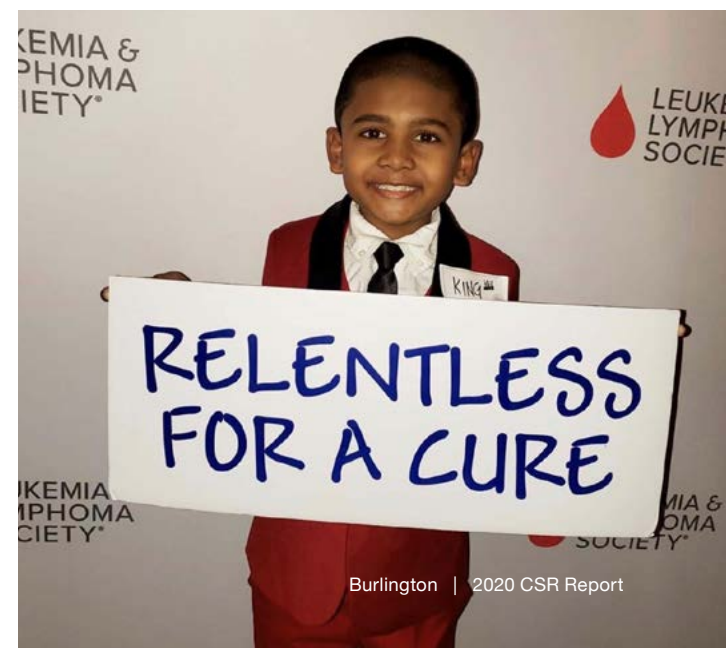
# Our Communities

**Burlington is committed to supporting the strength of the communities in which we live and work.**

We proudly champion causes important to our customers and associates, and have established relationships with charitable non-profit organizations that focus on education, health and poverty relief. National in scale, our community partners have a local impact within our store communities.

In 2020, Burlington partnered with The Leukemia & Lymphoma Society for the 19th year and with AdoptAClassroom.org for the 4th year. Through customer donations at point of sale, Burlington raised a total of more than \$5.5 million for these partners.

From these partnerships and others, we have facilitated customer donations totaling more than \$66.5 million over the past 19 years.



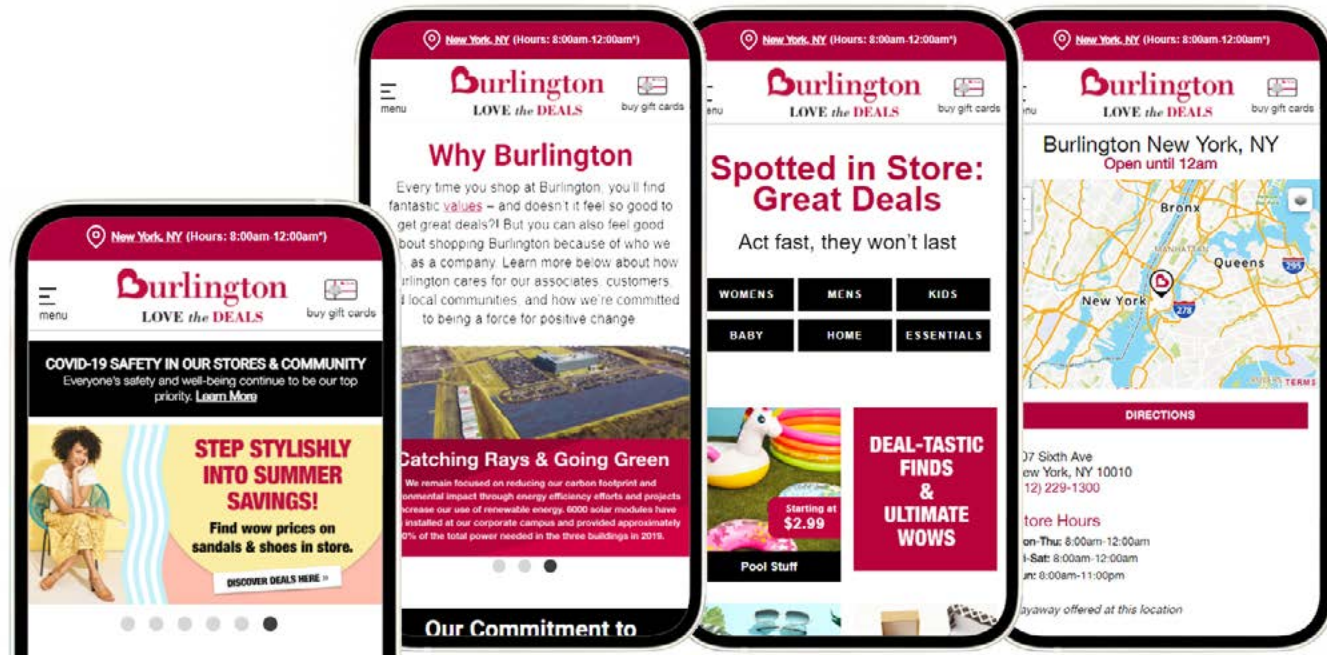


## The Burlington Coat Drive

The 2020 holiday season marked our 14th Annual Burlington Coat Drive. Each year, we collect gently worn coats in our stores nationwide to ensure that those in need within our store communities stay warm. Through our national non-profit partnership with Delivering Good, our stores are matched to local agencies that deliver the coats to those that they serve within the local community. Over the past 14 years, Burlington has collected and donated more than 2.4 million coats to individuals and families nationwide.

## The Burlington Toy Drive: Puerto Rico

As a complement to our Coat Drive, each holiday season for the past 8 years our store locations in Puerto Rico have brought smiles to children in need through our partnership with La Fundación Infantil Ronald McDonald. Since the program's inception, we've collected more than 90,000 new toys for children and their families.



## Communicating Our Commitment

During the first quarter of Fiscal 2020, we made a strategic business decision to transition from an e-commerce website to a marketing-based website designed to offer engaging and fresh content to inspire customers to shop in stores.

The new site features content that showcases our wide assortment of merchandise at our everyday low prices and shares fantastic deals and finds found in store by real customers. Additionally, it educates customers about our caring company and our commitment to community, highlighting the causes and initiatives we support, as well as showcasing what it's like to work at Burlington and our inclusive and diverse workforce.



## The Leukemia & Lymphoma Society

Burlington is the Leukemia and Lymphoma Society's (LLS) #1 National Corporate Partner & Honored Friend. Over the course of our 19-year partnership, Burlington has raised more than \$47 million in the fight against blood cancer. In 2020, we raised nearly \$4 million furthering their LLS Children's Initiative, helping children not only survive blood cancer, but thrive as they recover.

## AdoptAClassroom.org

Through Burlington's partnership with the national, award-winning non-profit organization AdoptAClassroom.org, each back-to-school season we host a point-of-sale campaign in all our stores nationwide to support teachers and their students in need, providing funding for school supplies to better learn and succeed. We raised over \$1.5 million in 2020 and \$7 million over the past four years for AdoptAClassroom.org, which has supported nearly 1 million students and hundreds of thousands of teachers nationwide. In 2020, Burlington also became the Founding Sponsor of AdoptAClassroom.org's Racial Equity in Schools Fund, providing support for teachers and schools working to eliminate racial inequities in classrooms nationwide.



## COVID-19 and Our Communities

2020 was a year like no other. To help communities respond to the impact of the pandemic, we teamed up with our national non-profit partner, [Delivering Good](#), to donate nearly \$3 million worth of new merchandise – equivalent to more than 170,000 items – to local non-profits in communities nationwide. We also supported The Leukemia & Lymphoma Society's [COVID-19 Patient Financial Aid Program](#) by helping to offset patient expenses such as rent, utilities and groceries for blood cancer patients and their families impacted by COVID-19.

## Natural Disaster Relief Efforts

When natural disasters occur, Burlington responds. Over the past several years, the world has seen devastating hurricanes, earthquakes, tornados and tsunamis. In response, Burlington and its customers have donated funds and new merchandise to non-profit organizations, including the American Red Cross, The Salvation Army and Delivering Good, to assist those most in need.

## Community Partners Program

Burlington's Community Partners Program works with many local and national organizations that provide charitable support to their communities. This program offers both private and federally funded organizations an opportunity to purchase needed items from Burlington in large quantities at bulk, at discounted pricing. In addition, Burlington provides support to local government and charitable organizations through the acceptance of purchase orders or vouchers in stores.





## Hometown Support

We also support our neighbors around our corporate campus in Burlington, New Jersey. In 2017, Burlington offered the Burlington Township Food Pantry one of our buildings to use, free of charge, when we learned the organization needed a new space. In 2019, we built upon this partnership and formally donated the space for the organization to use as its permanent home, helping ensure the organization furthers its mission to feed local families in need for years to come.

In 2020, we continued our support by donating new sample merchandise and most notably, we worked with our vendor partners and renovated the food pantry's facility making it an inviting location, serving those in need within Burlington County, New Jersey.

## Associate Assistance Fund

Burlington is focused on ensuring our associates receive support, especially in the wake of unforeseen events or disasters. In 2018, we launched Burlington's Associate Assistance Fund (AAF), a cooperative program funded by Burlington associates, for Burlington associates. AAF offers grants of up to \$2,500 to help eligible associates with qualifying expenses resulting from a natural disaster, escape from domestic violence, death of an immediate family member or other qualifying events. Additionally, family members of associates who have passed away can apply to receive a grant to help pay for the associate's funeral expenses. Grants are tax-free and never need to be repaid. Burlington makes an annual contribution to the AAF to cover all administrative costs and provide support to associates in need.

The AAF is administered by a 501(c)(3) nonprofit organization with experience managing emergency funds for Fortune 1000 organizations. The organization confidentially reviews and assesses all grant applications and makes grant decisions based on set criteria.

# Our Environment



**Ensuring the protection and resilience of the physical environment is a cornerstone of Burlington's corporate responsibility efforts.**

Our success as a company, and the health of our associates and communities, depends on the sustainability of the environment and stability of the climate. Burlington focuses on managing our environmental impact and engaging with our associates and communities to work together on issues of common concern.

Since our baseline year of 2016, we have reduced our Scope 1 and 2 emissions per operating square foot and per dollar of sales revenue by

**44%** and **38%**, respectively.





# Sustainability Education and Outreach

**We created our sustainability education and outreach program to help engage our associates in the importance of living sustainably.**

By showcasing Burlington's sustainability programs, efforts, challenges and accomplishments with a broad internal audience, we aim to encourage associates to make positive environmental choices in their roles within the company. For some, this reinforces training they have already received on topics like recycling and energy efficiency. For all associates, we hope the program sparks consideration and grows awareness.

The program's goal is to educate associates not only on how to live sustainably but also why sustainability is so important for our world and Burlington's success. We want our associates to feel like they are equipped with the knowledge to make informed decisions in both their home and work lives, and to know the impact of their actions.

In 2019, Burlington launched our internal sustainability page on our intranet site, the "Heartbeat Portal," which highlights our sustainability work and provides information and resources on how our associates can get involved. Last year, we introduced 1st Up, our communications platform, to better communicate directly with our associates about various issues of importance to our company, including sustainability.

While COVID-19 disrupted many aspects of our lives, Burlington's ability to directly communicate across the company on sustainability issues continued unabated. Over the course of the pandemic, our communication with associates was more important than ever, in part because our 1st Up App and Heartbeat Portal allowed us to connect better with store associates than we had in previous years.

## 1st Up Sustainability Channel

Through Burlington's new communication app 1st Up, we are able to enhance our sustainability communications and reach out to associates on topics including water conservation tips, how to become a "green" grocery shopper and making sustainable choices around the holidays.

To mark Earth Day's 50th anniversary in 2020, we used 1st Up to complete a "50 for 50 Earth Day Challenge," tasking our associates with completing one sustainable act each day. We posted these challenges on 1st Up each morning and asked our associates to share their experiences at the end of each day. The topics of these challenges included nature walks, water and energy usage, recycling habits, TED talks on sustainability topics, personal emissions assessments and more. Due to the widespread positive response from associates, Sustainability now has its own channel with over 1000 subscribers. New content is posted year-round to keep associates informed of Burlington's sustainability initiatives as well as how to incorporate sustainability in their everyday lives.



### Skip the Straw

Plastic Free July Tip #4



### Bottled Water? Hard Pass!

Plastic Free July Tip #3



### Ditch Disposable Utensils

Plastic Free July Tip #2



### Say No to Plastic Bags

An easy tip for a plastic-free July





## Climate Change

Climate change is one of the biggest challenges the world faces.

According to the Intergovernmental Panel on Climate Change (IPCC), greenhouse gas (GHG) emissions from human activity are driving an increase in global temperatures, which in turn exacerbates droughts, floods, hurricanes, wildfires and sea level rise. To avoid the worst impacts of climate change, the IPCC recommends that the world reduce GHG emissions enough to limit global temperature increases to well below [1.5 degrees Celsius](#) as soon as possible compared to pre-industrial levels, as codified in the Paris Climate Agreement. Burlington strives to support this goal through our environmental initiatives.

We also recognize the need to consider the disparate impacts of climate change on marginalized communities. As the world addresses the climate crisis, it is important that governments, companies and other organizations ensure communities at the front lines of climate change are prioritized in the transition to a more sustainable global economy.

## Climate-related Risk

In assessing our exposure to climate-related risks, we have determined our primary risks to be extreme weather events – exacerbated by climate change – where our stores or distribution centers are located. For example, impacts from hurricanes, tornados, floods and other events could severely damage or destroy one or more of our stores or distribution centers. Any of these events or circumstances also could disrupt the operations of one or more of our supply chain partners.

Beyond the impacts of severe storms, Burlington is also susceptible to extended periods of unseasonably warm or cold temperatures throughout the year, which could render a portion of our inventory incompatible with those unseasonable conditions; for example unusually warm weather during autumn or winter. Because higher net sales historically have occurred during the second half of the year, unseasonably warm weather during these months could have a disproportionately large effect on our business and materially adversely affect our financial condition and results of operations. Looking forward, we will continue to monitor and assess how climate change can impact our company and how we can prepare for its impacts.



## Greenhouse Gas (GHG) Emissions

Burlington has been actively assessing our GHG emissions reduction progress since the development of our first analysis in 2018. GHG management is overseen by the Senior Vice President, Vice President and Manager of Sustainability. Oversight also falls under the ESG working group and executive leadership team.

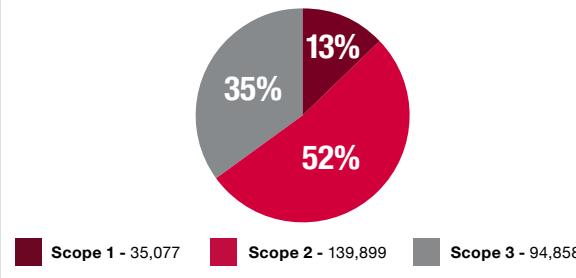
We require all departments that have an impact on our GHG emissions to submit annual reports of their activities that produce or assist in producing those emissions. Once assessed by our internal sustainability team, the data reports are provided to a third party to calculate our annual carbon footprint.

Burlington recognizes that a responsible business is one that manages its impacts and acts as an environmental steward. Today's environmental challenges — from climate change to pollution to resource scarcity — mean that all companies must prioritize sustainability. Businesses have a unique opportunity to increase efficiency and reduce their environmental impacts. Burlington continues to evaluate and execute ways to achieve those objectives.

With the impact of COVID-19 and our new Burlington 2.0 strategy, we want to ensure we allow time to analyze how we can make the largest impact on reducing our emissions where it makes business sense. Our objective is to align our target(s) with third party standards and/or possible legislative requirements that may be forthcoming and engage our internal teams that have a direct effect on our carbon footprint.

Burlington continues to evaluate setting a GHG reduction target that takes into consideration our future growth and the impacts of our Burlington 2.0 strategy.

### 2020 GHG Emissions by Scope



## Managing Our GHG Footprint

Burlington's GHG emissions stem primarily from the facilities we operate and transporting the merchandise we sell. For this reason, we concentrate our GHG reduction efforts in these areas.

We measure and report on emissions that we have determined to be material to our business operations and those that we can directly control and impact. This includes Scope 1, Scope 2 and select Scope 3 emissions. The primary sources of Burlington's GHG emissions are the electricity consumed in operating our stores, distribution centers and corporate facilities; merchandise transportation across our supply chain; and waste generation from our retail merchandise sold. We measure, report and work to reduce emissions associated with these categories – for example, by using energy efficiency measures in our stores and low-carbon transport for our freight. We also strive to reduce our footprint by monitoring business travel.

In 2020, we responded to CDP's climate change and forestry questionnaires and disclosed our 2019 GHG footprint for the first time.

Year	Baseline Year (2016 <sup>1</sup> )	2019 <sup>1</sup>	2020	
<b>Emissions category</b>	Emissions (MT CO <sub>2</sub> e)	Emissions (MT CO <sub>2</sub> e)	Emissions (MT CO <sub>2</sub> e)	
<b>Scope 1</b>	31,176	43,749	35,077	
<b>Scope 2</b>	242,755	173,701	139,899	
<b>Total (Scope 1+2)</b>	<b>273,931</b>	<b>217,450</b>	<b>174,976</b>	
<b>Scope 3</b>	Upstream Transp.	45,313	62,615	67,438
	Waste Generation	22,765	27,503	26,775
	Business Travel	3,182	4,013	645
<b>Total (Scope 1+2+3)</b>	<b>345,191</b>	<b>311,581</b>	<b>269,834</b>	

<sup>1</sup> Recalculated in 2021 to reflect updated data



## New Store Prototype

One of the key initiatives of Burlington 2.0 is operating a smaller store prototype. Burlington has primarily sought out existing retail space rather than building from the ground up, and our average new store size has been approximately 40,000 square feet. Our new 25,000 square foot prototype will allow for even greater nationwide expansion opportunities. The smaller store footprint enables reduced inventory, leveraging faster inventory turnover and merchandise newness, which is key to off-price retail. From an environmental perspective, the new smaller store footprint reduces resources and has lower energy consumption.

As in our larger stores, this smaller new store prototype are expected to have:

- 100% LED lighting
- High-efficiency HVAC equipment
- Energy Management Systems (EMS) that remotely monitor and control lighting and HVAC to ensure optimal occupant comfort and maximize energy efficiency
- New construction commissioning for all new stores to ensure the buildings have been constructed to Burlington prototype design specifications

Though the 25,000 square foot prototype was created in 2020, the new stores to be built to that specification were delayed due to the COVID pandemic. In 2021, about one third of the new store openings will be the smaller prototype and that number is expected to increase in 2022 and beyond.

## Transportation Logistics

Transporting freight across the country – to our stores and distribution centers – helps Burlington ensure that we meet our customers' needs and continue to grow as a company. However, we recognize that transportation can be a carbon-intensive process and is one of the main drivers of GHG emissions in the United States. To that end, Burlington works to minimize emissions and maximize efficiency through a holistic transportation logistics strategy that relies on three main components:

- Strategically using intermodal rail transportation
- Maximizing cubic capacity to minimize trucks on the road
- Selecting SmartWay participating carriers



## Intermodal rail transportation

Using rail transportation where possible helps us to manage our freight-associated GHG emissions. In fact, according to the American Association of Railroads, moving freight by train instead of truck alone reduces GHG emissions [by up to 75%](#). We intend to use this more efficient transportation alternative where sensible to our business as it reduces both our costs and logistics-related GHG emissions.

## Maximizing capacity

Burlington uses a state-of-the-art Transportation Management System to combine multiple single incoming loads into an aggregated consolidated load, which takes trucks off the road. We have ongoing initiatives in partnership with our merchandise vendors to “floor load” full trucks rather than palletizing freight, where operationally feasible. This loading process maximizes the cubic volume of the load, thereby reducing overall number of loads and the freight’s environmental impact. Burlington also enforces driver compliance at our distribution centers with state and local idling laws aimed at reducing emissions.

## SmartWay Partnership

Burlington deploys a strategy to select transportation service providers that are seeking to manage their own emissions footprint. One way to do this is selecting carriers that participate in the Environmental Protection Agency’s (EPA) SmartWay Transport Partnership – of which 94% of Burlington’s long-haul transportation service providers are participants. This program helps companies and organizations achieve their freight supply chain sustainability goals by providing credible, no cost tools, data and standards for measuring, benchmarking and improving environmental performance. Registered SmartWay Carrier Partners increase efficiency and fuel economy and have the documentation to prove it.

There are five basic steps to achieve success with the SmartWay program:

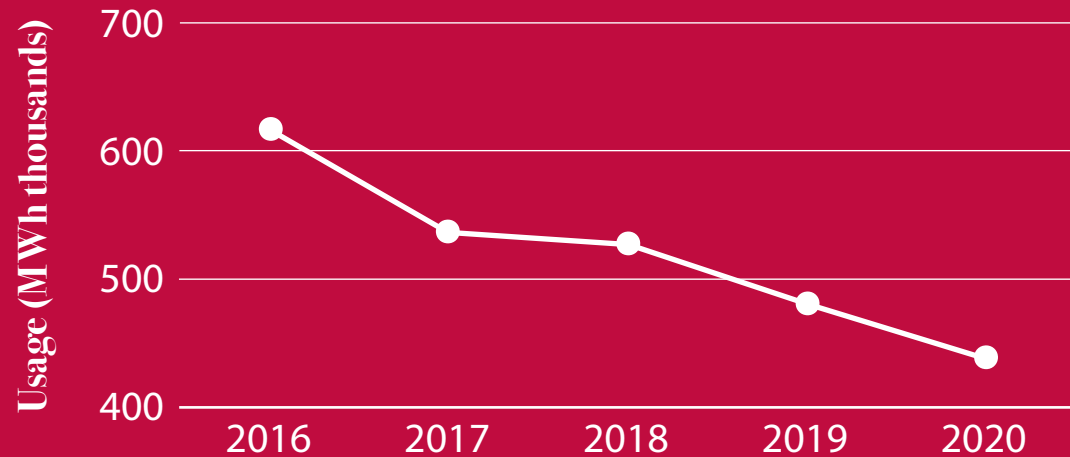
- Measure the supply chain footprint
- Benchmark performance
- Report results
- Innovate operations
- Improve efficiency

Under the SmartWay Carrier program, companies that carry goods measure their fuel efficiency by submitting their data to the EPA. Their fuel efficiency performance is then ranked against that of other companies in their sector. SmartWay carrier partner information is aggregated and provided to enterprises that ship goods or manage freight shipments. These shippers and logistics companies are then able to assess the impact of their current transportation activities and find ways to improve. Because SmartWay Carrier Partners have lower emissions, by using them we are able to better manage our Scope 3 GHG emissions.





## YOY Gross Energy Usage



2020 Total Gross Energy Consumption: **432,800 MWh**  
Gross Reduction from 2019: **44,193 MWh**

### Energy

One of the most impactful ways we manage our GHG emissions is by reducing our energy use in stores, distribution centers and corporate buildings. Burlington is committed to maximizing energy efficiency and scaling renewable energy.

ensure existing equipment is functioning efficiently. Finally, we test and introduce new technology as appropriate to drive further energy use reductions.

Energy management is overseen by an Energy Team that sits within Burlington's Sustainability department and oversees the program initiatives and budgets. This team works directly with other departments – including Facilities, Operations, Store Planning, Construction, Real Estate and Legal – to ensure a collaborative approach to the company's broader energy management strategy. Oversight by our Finance Department also ensures that decisions being made across all departments take impact on annual energy budgets into consideration.

### Energy Efficiency

Our energy management and associated reductions are accomplished through careful energy usage monitoring, data analytics and utility bill audits. We implement projects to enhance energy efficiency and

## Renewable Energy

Scaling renewable energy use is an important component of Burlington's energy management strategy. In recent years, we have been working hard to increase our use of clean, renewable energy wherever possible.

In June 2020, Burlington started receiving renewably sourced energy in approximately 60 stores as part of a 10-year, 100% renewable supply agreement. The agreement is expected to provide an estimated 24,000 megawatt-hours (MWh) of renewable energy in the first year. We anticipate growing our renewable energy procurement as opportunities arise, such as in Virginia, where we switched to 100% renewable power at select stores during 2020. In November 2020, we began installing a rooftop solar array at our new California distribution center. The 4.594 megawatts (MW) array went live in July of 2021 and is expected to produce about 7,685,000 kilowatt-hours (KWh) of electricity annually – the equivalent of taking over a thousand cars off the road for a year. In 2020 we also began participating in community solar renewable energy supply programs in New York, Rhode Island and Massachusetts.

## Electric Vehicles

Burlington has electric vehicle (EV) charging stations at all three New Jersey corporate buildings and select distribution centers in California, which help our associates who are using low-carbon transport in their daily commutes. An EV sharing app notifies associates when chargers are available for use throughout the day and electricity is provided to associates at no cost. While Burlington shifted to a work-from-home policy for most office workers during the pandemic such that the EV charging stations were less utilized during that period, we look forward to exploring opportunities to expand our EV capacity in the future.



## Energy and the Pandemic

Like nearly all brick-and-mortar retailers, Burlington's 2020 energy footprint was impacted by policies put in place in response to COVID-19. Our approach was to prioritize health and safety above all else, and we worked quickly to fulfill any policy mandates set by government and local health officials. At the onset of the pandemic in spring 2020, all of our stores were closed for a period of time and office workers shifted to working from home. These measures had the immediate impact of reducing Burlington's energy, water and waste footprints. Additionally, all energy projects were halted for approximately three months until we could obtain the proper protective equipment for our vendors and associates.

While we implemented fewer energy efficiency projects that required travel to our stores nationwide, day-to-day work for the energy team and other corporate associates moved seamlessly to remote work. Because of the continued dedication of our associates, a number of projects and energy programs were implemented despite disruptions from COVID-19. We utilized technology to work collaboratively across internal Burlington departments and with our vendors and consultants. The Energy Team was able to use Energy Management System data to evaluate irregular energy usage while the stores were fully closed. That data helped identify erroneous energy use and lead to numerous energy-saving projects after the stores reopened and will help inform our evolving approach to energy management.

# Waste Management and Recycling

**Whether at our stores, distribution centers or corporate offices, we take care to measure and manage our waste footprint.**

Because of the off-price retail model of Burlington's business, we do not typically control how merchandise is packaged for shipping to us, the materials used or the volume of packing material. We attempt to mitigate the environmental impact of the waste that flows through our operations by maximizing recycling efforts in all facilities. Burlington makes investments in our stores and distribution centers through education and outreach to our associates and in technology to improve waste and recycling processes; all of which aim to drive merchandise processing speed and increase waste diversion. We measure and report emissions from our operational waste and recycling in our Scope 3 GHG footprint. To drive year over year improvements in diversion, we monitor waste and recycling data to identify under-performing locations and put corrective measures into place to address reoccurring issues.

Burlington has standard operating procedures in place for the numerous waste categories managed including electronic waste (eWaste) handling, hazardous waste collection and marked out of stock (MOS) merchandise, including recalls. Our hazardous waste program is designed to align with California and Washington requirements – states that have enacted more rigorous hazardous waste regulations – in all of our stores and distribution centers nationwide.

Burlington requires waste vendors to provide data for total waste and diverted waste. When actual measured weights are not provided, estimates are calculated based on volumetric totals and industry standard weights for each material.

Despite the impacts of the pandemic, Burlington's waste team continued to use innovative technologies to improve operational waste management and recycling. Remote monitors were installed in approximately 25 stores to gauge the pressure and volume in compactor equipment and to capture that information electronically. This technology optimizes and maximizes the amount of material that can be collected in the compactor receiver box so that it reaches maximum capacity.

In 50 stores, we also began testing a small trash compactor that compresses non-recyclable materials in order to more efficiently store large volumes of material. This is expected to reduce the overall waste storage space in stores during merchandise processing and reduce the number of times a dumpster must be emptied in a given week. Both of these measures are expected to lower expenses, trash truck trips and emissions. Based on early success of the technology, the program is planned to be expanded in 2021 to approximately 50 additional stores.



## Beauty Bucket Alternative Haz Waste Collection

In September 2020, we launched the Beauty Bucket program in partnership with a third-party specialty recycling company. The 15 stores selected to participate in the pilot were instructed to separate specific beauty merchandise such as fragrances, cosmetics, facial cleansers, lotions, shampoo, conditioner and soaps from their larger hazardous waste collection totes and place them into five-gallon buckets provided by the third party. The waste is then recycled into products such as floor wash, paint, vehicle wash and detailer, dumpster deodorizer and commercial cleaners. Where possible, items that can be donated as-is are given to local community assistance organizations instead of being recycled. Due to the pilot's success, the program was expanded to an additional 100 stores in early 2021.

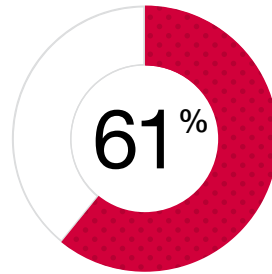




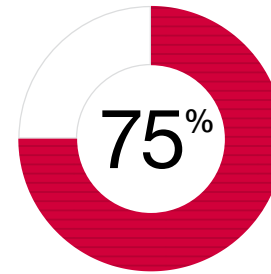
## Our Waste Footprint

The measures Burlington took to address COVID-19 – such as temporary store closures and office associates shifting to remote work— resulted in a lower overall waste footprint from Burlington stores, distribution centers and offices.

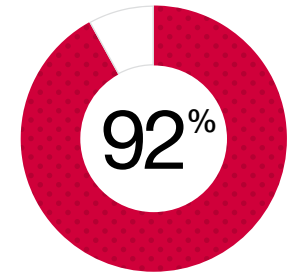
Below are our operational waste totals for 2020.<sup>1</sup> All figures are approximate and in tons.



Overall Diversion Rate



Corporate Diversion Rate



DC Diversion Rate

Our waste footprint varies slightly by location and facility type. At our stores, the vast majority of waste generated is from merchandise processing, primarily in cardboard and plastic film, some polystyrene and other non-recyclable foams and plastics. For our distribution centers, most waste generated is from merchandise processing for shipment to stores, primarily cardboard and plastic film, some Styrofoam and other non-recyclable foams and plastics. Finally, at our corporate offices, our waste footprint primarily consists of trash and mixed recyclables including office paper, cardboard and bottles and cans.

~61% total landfill diversion rate in 2020

**This is a 3% improvement over 2019.**

<sup>1</sup> Totals are for ongoing operational waste streams only and do not include construction waste generated in new store construction and remodeling activities.



## Recycling Programs

We maintain a framework that provides our associates with tools for how to dispose of waste and maximize recycling. We created the framework to increase efficiencies, reduce the amount of waste that Burlington sends to landfills and ensure that we comply with local and state recycling regulations.

Our recycling and waste diversion efforts to help us lower our waste footprint, include:

- **Cardboard:** Over 50,000 tons recycled in 2020. Burlington prioritizes the recycling of all incoming cardboard boxes to our distribution centers. We use vendor boxes to redeploy goods to our stores to decrease the number of new boxes needed. Any boxes that we cannot reuse are properly recycled under applicable regulations.
- **Pallets:** Approximately 7,300 tons recycled in 2020. Our distribution centers reuse pallets when possible and recycle all broken or unusable pallets. Pallets from our stores are returned to network distribution points for reuse or recycling.
- **Hazardous Waste:** Burlington collected and properly disposed of 180 tons of regulated or hazardous waste in 2020, including merchandise that should not be disposed of in standard waste

receptacles because they could cause negative environmental impacts. These products may be flammable or toxic, such as skincare or cleaning supplies, or less toxic, but still regulated in select states, like olive oil and shampoo. Burlington store associates nationwide are trained to separate and properly store these hazardous and regulated materials. Materials are then collected by a third party specializing in proper disposal of these materials.

- **Metal:** 151 tons recycled in 2020. Metal recycling dumpsters are located at all Burlington distribution centers to capture and divert metals.
- **eWaste:** 27 tons recycled in 2020. Electronic waste (eWaste) consists of any unrepairable electronic devices in our stores and corporate offices. All eWaste from across all our stores, distribution centers and office locations, is returned to a distribution center for proper recycling.
- **Fluorescent Bulbs:** We conduct recycling as part of retrofits. Electricians who perform work at our locations collect and recycle old tubes.
- **Furniture:** All phased-out office furniture from our corporate campuses is donated to various organizations and individuals.

## Reusable Bags

Many consumers are concerned about the impact that single-use plastics, such as plastic bags, have on the environment. In accordance with applicable local legislation, we participate in plastic bag recycling and/or elimination initiatives in our stores. All stores sell inexpensive, reusable Burlington marketed shopping bags to encourage customers to switch from single-use plastic.

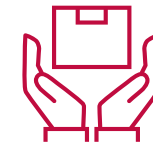
## Water

Although Burlington operations and facilities do not use high volumes of water, we still recognize its importance as a natural resource. We strive to monitor and reduce usage through low flow fixtures and install no irrigation at stores unless required by others.

In 2020, Burlington used approximately 207,500 kGal of water in operating our facilities. There was an overall reduction in water use in part due to temporarily closing our stores, distribution centers and corporate offices in response to COVID-19. Total water usage includes locations where data was readily available – 521 sites with direct utility meter data and 85 locations with landlord controlled water billing where usage data was provided.



# Our Supply Chain



**Ensuring the sustainability of Burlington's supply chain is an integral part of our business success.**

We hold our suppliers to the same expectations that we apply to our own operations, including our commitment to our Core Values, corporate social responsibility and responsible business practices.

## Vendor Due Diligence

Burlington uses third-party vendor due diligence tools and internal screening processes to assess our non-merchandise vendors' financial, legal, reputational, cybersecurity and operational risks. Before a new contract is signed with a vendor and under certain circumstances during the course of a vendor's relationship with Burlington, we evaluate third-party screening reports and vendors' responses to Burlington-created surveys and questionnaires.

Starting in 2021, Burlington plans to upgrade to a more enhanced vendor due diligence third party solution. The new tool will allow us to continue to screen vendors on financial, legal and reputational risk criteria, as well as on supplier diversity certifications to support our efforts to consider more diverse suppliers in our sourcing.

Burlington looks at four main potential risk areas as part of our non-merchandise vendor due diligence process:

- **Financial**
- **Cybersecurity**
- **Legal/Reputational**
- **Operational**

# Managing Risk in the Supply Chain

**We work with a supply chain of domestic and international merchandise vendors to source the approximately 5,100 brands that we carry in our stores.**

All merchandise suppliers are required to provide merchandise that meets the applicable regulations at federal, state and local levels, and, where necessary, provide us with proof of compliance. Burlington does not operate any manufacturing facilities in the U.S. or overseas.

While Burlington only purchases a minority of our products through direct imports, for the goods that do fall under that category we understand that it is important to consider how suppliers can conduct business in a responsible and ethical manner.

All Burlington suppliers are expected to act in accordance with our Code of Conduct and maintain readily available documentation demonstrating they are compliant with our Code and relevant laws. We reserve the right to terminate our business relationship with partners who do not uphold the principles set out in our Code of Conduct. For direct import suppliers, Burlington also conducts our own security risk assessments.

Burlington is also a member of Customs Trade Partnership Against Terrorism (CTPAT), a voluntary public-private partnership program between the trade community and U.S. Customs and Border Protection (CBP) to protect and strengthen international supply chains and border security against terrorism.





## Direct Imports Risk Assessment

Our risk assessments are based on each country’s adherence to laws and number of incidents related to, among other things, money laundering, child labor, forced labor, human trafficking, terrorism, contraband smuggling and organized crime. In instances where Burlington imports merchandise from international vendors, we conduct due diligence, including audits, on-site visits and questionnaires. Due to travel restrictions during the coronavirus pandemic, we did not complete any on-site visits in 2020.

When Burlington’s import department receives a purchase order, the department confirms we have received a CTPAT and Social Compliance Audit report. The shipment is put on hold until the department receives these documents and product testing results. If we are not the importer of record, suppliers are responsible for conducting audits and assessing compliance with our policies and applicable product safety testing and related regulations. Burlington periodically provides vendors with compliance updates, including changes that could cause increased liability. We also encourage our associates to bring any concerns about product safety or compliance to our attention through our Open-Door Policy without fear of retaliation.

In addition to making documents outlining our policies and expectations available in on our website, our Director of Imports reviews all compliance requirements with new direct import vendors, including the onboarding process, CTPAT, Social Compliance, product testing and more.

## 2020 Import Risk Assessments

	Low	Medium	High
<b>Security Risk Assessments</b>	23	18	4
<b>Social Risk Assessments</b>	25	11	9

## Corrective Action Plans

Merchandise manufacturers found in noncompliance with Burlington’s policies, expectations or applicable laws and regulations are put on a corrective action plan. Most plans are due to violations such as missing written documentation, non-working cameras or blocked exit doors. Non-compliant factories have six months to a year to take corrective action on equipment or construction violations and one to three months to submit missing documentation. Direct Import Merchandise Vendors in high-risk countries are audited every year and any resulting corrective action plans must be completed within six months to demonstrate the factory’s compliance plan and progress. See our Human Rights section for our procedure around human rights violations.

<sup>1</sup> There are three levels of CTPAT participation:

- Tier I companies are those whose application has been reviewed and approved, and they are a certified CTPAT member.
- Tier II companies are those who have had U.S. Customs and Border Patrol (CBP) inspect and confirm their documented procedures and, therefore, they are both certified and validated.
- Tier III companies are those who have had CBP inspected their procedures and determined that they go beyond CTPAT minimum security standards.

## Importer Self-Assessment and the Customs Trade Partnership Against Terrorism

In 2019, Burlington created a new Importer Self-Assessment (ISA) handbook to deepen our relationship between importers and U.S. Customs and Border Patrol (CBP) by reporting compliance-related issues annually to CBP. Through the ISA self-assessment, importers demonstrate readiness to manage and monitor their compliance to a secure supply chain. Burlington reports a 10% sample size of direct imports based on a combination of internal, external, quantitative and qualitative risks. This includes any:

- Post-summary corrections to the entries
- Risks that have been identified based on internal Burlington risk assessment
- External risk

Entries are chosen to be tested/assessed based on the number of imports brought in per country, the country’s risk assessment and the product type and value, as well as additional random sampling.

We first joined CTPAT in 2005 and achieved Tier III<sup>1</sup> status in 2018 in recognition of our security measures exceeding the minimum criteria and our management personnel actively monitoring our layers of defense against terrorism and human rights violations. Requiring the factories from which we directly import to have a third-party Security and Social Compliance Audit or complete Burlington’s questionnaire verifies that our supply chain factories or locations are at a reduced risk of terrorist attacks. These efforts help to identify any factories using child labor, human trafficking or forced labor and adjust our sourcing practices to eliminate these human rights violations from our supply chain. Burlington may request corrective action plans if a factory’s security does not meet CTPAT or Social Compliance standards.



# Human Rights

**Burlington is committed to upholding human rights protecting workers in the U.S. and abroad from forced, trafficked or child labor.**

We expect our suppliers to uphold this same commitment by complying with Burlington's policies and applicable domestic and international law.

Our human rights approach is informed by international frameworks and domestic legislation, including the United Nations Universal Declaration of Human Rights and California's Transparency in Supply Chains Act of 2010. Our policies and expectations prohibiting the practice of using forced, trafficked or child labor to produce goods at any point in our supply chain include the [Burlington Commitment to Ethical Sourcing](#), our [Prison and Forced Labor Notification](#) and our [Code of Conduct, Product Safety and Social Compliance Manual](#).

We expect our vendors to uphold workers' rights by paying their associates at least the prevailing minimum wage, providing one day off in every seven-day period and limiting the work week to 60 hours – or less if local limits are lower. Burlington prohibits our vendors from discriminating based on, but not limited to, gender, age, race, disability, sexual orientation or cultural or religious beliefs.

In 2020, Burlington requested and received approximately **1,000** Social Compliance Audits, with a limited number resulting in corrective plans to address non-compliance in factories.

## Human Rights Risk

Burlington screens suppliers from which we import good in order to identify and address human rights risks and violations using the Burlington Questionnaire in low-risk countries and social compliance third party audits in medium- and high-risk countries. In 2020, among our import suppliers, approximately 1,000 were audited for social impact, and multiple audits resulted in corrective plans to address non-compliance in factories. Such factories must take corrective action on human rights issues within 30 days. If an audit uncovers forced, trafficked or child labor, Burlington will terminate the relationship, report the finding to the CTPAT and U.S. CBP and notify the merchant, buying agent and factory that the order will be cancelled. Burlington then places the factory on a banned list. If the factory addresses the issues uncovered in the audit, it may reapply to be a Burlington vendor after one year and undergo an audit performed by an auditor of Burlington's choosing. There were two suppliers with whom Burlington terminated its relationship in 2020, one due to safety concerns and one due to child labor issues.

## Uyghur Human Rights Policy Act

The Uyghur Human Rights Policy Act, a U.S. federal law passed in 2020 and currently in effect, prohibits entry of merchandise produced in whole or in part by prison labor and forced labor in Xinjiang Province, China.

Burlington is committed to respecting human rights and labor rights throughout our supply chain and we will not do any business with any vendors, factories or agents that use prison or forced labor, nor will we source raw materials or components that were made using prison or forced labor. We expect our business partners to not only comply with all applicable laws governing the prohibition of prison or forced labor but also ensure those who supply their raw materials or components also are in compliance.

In the event that a business partner violates the Uyghur Human Rights Policy Act, Burlington will cease doing business with that partner immediately.



# Product Safety

## At Burlington, we take seriously our commitment to protect our customers' safety by providing safe and responsibly sourced products.

We require the finished products we purchase from vendors to be manufactured in compliance with all applicable U.S. federal, state and local safety regulations and to meet our high ethical standards.

Our purchasing and selling strategies are informed by relevant regulations and safety standards. To protect the safety of consumers, including children, we require suppliers to test their products and provide a test report or certification before shipment. Where the products we are selling contain hazardous chemicals, such as beauty products, we require vendors to supply us with products that comply with the Federal Hazardous Substances Act, which mandates proper labeling, warning requirements and product testing. We have also implemented rigorous requirements for the children's products we sell by requiring vendors to adhere to the Consumer Product Safety Improvement Act. Compliance is strictly enforced by the Consumer Product Safety Commission (CPSC). Where Burlington is the importer of record of children's products, we

review third-party test reports and require importers issue a Children's Product Certificate confirming the products meet the CPSC's requirements. Additionally, Burlington vendors are required to abide by all applicable regulations in the country of manufacturing or exportation.

COVID-19 led to increased demand for hand sanitizer, cleaning solutions and other disinfectants. Because these products' active solutions are regulated by the Environmental Protection Agency (EPA) and the Federal Drug Administration (FDA), Burlington requires all suppliers of these products to submit the ingredients list and labeling for pre-approval to ensure these products do not contain harmful chemicals.

The FDA's regulations encompass many of our products, including cosmetics, homeware, human and animal foods and over-the-counter medications. Each product category has standard operating procedures in place to review test reports and require suppliers to

To further protect customer safety during the COVID-19 outbreak,

**Burlington required suppliers to submit ingredients lists for hand sanitizer, cleaning solutions and other disinfectants.**

submit labeling and ingredients lists for pre-approval before shipment. Food products sold in our stores are required to comply with the FDA Food Safety Modernization Act.

Animal fur is another product area of concern. Burlington does not knowingly purchase or sell products that contain real animal fur. We return or donate to a charitable, not-for-resale, organization any merchandise with fur.



# Our Governance and Ethics



**Our success as a company is grounded in strong standards of ethical business practices and governance systems that reinforce them.**

These standards serve as a foundation for all of Burlington's operations, from how risk is managed to how associates treat one another to how accountability takes place within the top levels of the organization. Burlington's commitment to be a caring company means ensuring we hold ourselves to the highest standards in all realms and that we consistently challenge ourselves to do better.

## Board of Directors

Burlington's Board of Directors is committed to strong corporate governance, as it promotes the long-term interests of stockholders, enhances board and management accountability and helps build public trust in our company. The Board has adopted policies and processes that foster effective oversight of critical matters such as strategy and risk management. The Board and its committees review our major governance documents, policies and processes regularly in the context of current corporate governance trends, regulatory changes and recognized best practices.

Please see our [2021 proxy statement](#) for a detailed description of Burlington's corporate governance framework.

### Corporate governance highlights include:

- Independent Board chair
- 9 out of 10 directors are independent
- 3 out of 10 directors are female
- 3 out of 10 directors represent racial/ethnic diversity
- Each director attended 100% of the meetings of the Board and of the committees of which such director was a member in FY2020.
- Majority voting and director resignation policy for directors in uncontested elections
- Majority of director compensation paid in stock
- Pay-for-performance philosophy
- Annual Board, director and committee self-evaluations
- No unequal voting rights
- Robust CEO, executive and non-employee director stock ownership guidelines
- Board oversight (through Nominating and Corporate Governance Committee) of ESG matters



**Our Board is committed to a diversified membership, in terms of both the individuals involved as well as their various experiences and areas of expertise.**

**3/10** directors reflect ethnic/racial diversity

**3/10** directors are female





# Risk Oversight

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**While our Board is ultimately responsible for risk oversight, the Board has delegated to the Audit Committee the primary responsibility for oversight of our risk assessment and management process.**

The Audit Committee reviews periodic assessments from the company's ongoing enterprise risk management process that is designed to identify potential events that may affect the achievement of business objectives or have a material adverse effect on the company.

Our management team is responsible for day-to-day risk management. This includes identifying, evaluating and addressing potential risks that may exist at the enterprise, strategic, reputational, financial, operational, legal, compliance and reporting levels.

Our Board committees also consider and address risk as they perform their respective committee responsibilities. For example, the Compensation Committee considers the risks to our business associated with our compensation policies and practices. Additionally, the Audit Committee considers, among other risks, financial risk exposures, financial reporting, internal controls and internal information systems, and those risks related to legal and compliance matters, data protection and cybersecurity, receiving quarterly reports on these matters from senior members of our information technology, internal audit and legal departments.

The Nominating and Corporate Governance Committee considers risks related to the company's overall corporate governance profile and processes. This committee also provides oversight of the social, political and environmental trends, issues and concerns, including legislative and regulatory developments, which could significantly affect our public affairs.

Day-to-day, the Vice President of Sustainability provides leadership for all initiatives focused on the environment, energy and sustainability. The Vice President is responsible for all tasks pertaining to benchmarking environmental performance, setting sustainability goals and engaging with industry groups. This includes identifying, evaluating and addressing potential risks that may exist at the enterprise, strategic, reputational, financial, operational, compliance and reporting levels.

In addition, our ESG Working Group regularly meets to review risks and opportunities as it pertains to all ESG issues, including reporting and disclosure. This group includes the Vice President of Sustainability, as well as representatives from business units across the company, including Investor Relations, Legal, Supply Chain, Human Resources, Public Relations/Marketing and Internal Audit.





# Operating Ethically

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**The Burlington [Code of Conduct](#) is the central pillar of our ethics and compliance program. It establishes policies and procedures that address many issues, including general ethics, anti-discrimination and harassment, and maintenance of a safe and healthy workplace.**

All associates receive training on diversity and combatting harassment in the workplace as part of their onboarding process. Furthermore, all corporate associates and field leaders are required to complete Code of Conduct training annually. In conjunction with its Open-Door Policy, Burlington also offers an Integrity Hotline to provide associates with a mechanism for anonymously reporting ethics and compliance concerns.

As noted in our Code of Conduct, Burlington is committed to providing a workplace free of unlawful discrimination or harassment. All employment decisions are based on qualifications, contributions and performance without regard to race, color, religion, creed, sex, pregnancy, sexual orientation, gender, gender expression, gender identity, transgender status, national origin, ancestry, age, physical or mental disability, medical condition, veteran status, marital status (including domestic partnership status) or any other personal characteristic protected by law. Unlawful discrimination is strictly forbidden. We make reasonable accommodations in the workplace for qualified individuals with disabilities consistent with applicable laws.

## Civic Engagement

We are committed to acting as good corporate citizens in our communities and support our associates in giving back to the communities where they live and work. While we are a non-partisan company and do not make any political contributions, we respect the right of our associates to use their voices to advocate for the ideas and change they want to see in their communities and beyond.



# Data Privacy and Protection

**Through a robust privacy compliance program, we are committed to safeguarding the personal data we collect and maintain on our own behalf and on behalf of our customers and associates.**

Burlington operates with a robust internal framework that is overseen and managed by a cross-functional team across our Finance, Human Resources, Legal, Marketing, Supply Chain and Technology Departments. This team and its partners across the organization seek to ensure compliance with privacy laws, the management of customer and associate privacy rights, and associate adherence to our Privacy and Security policies.

Security awareness training at Burlington includes a combination of training as part of onboarding and periodic initiatives with all associates. Newly hired associates are required to review security materials and complete basic security retention questions. Additionally, routine security bulletins are sent to associates throughout the year to enhance awareness of associate responsibility regarding

security risks. “Security Awareness Month” activities also occur on an annual basis and include sessions with guest speakers, relevant communication and additional educational opportunities related to security risks.

We use privacy management software to assist with managing personal information and data. The program offers customers opportunities to opt out of the collection of certain personal information and provides a program that allows us to collect, receive, track and respond to customer requests for access to or deletion of personal information, in accordance with state laws. We continue to seek opportunities to gain efficiencies, including determining if automated technologies could be used in partnership with vendor systems. For more information, please see our [Privacy Policy](#).



# Safe Harbor for Forward-Looking and Cautionary Statements

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**This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.**

All statements other than statements of historical fact included in this report are forward-looking statements. Readers can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. The principal forward-looking statements in this report include our sustainability goals, commitments and programs; our business plans, initiatives and objectives; our assumptions and expectations; the scope and impact of corporate responsibility risks and opportunities; and standards and expectations of third parties. We do not undertake to publicly update or revise our forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied in such statements will not be realized. If one or more forward-looking statements are updated, no inference should be made that we will make additional updates with respect to those or other forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from expectations. Such risks and uncertainties include, but are not limited to, those described in “Item 1A - Risk Factors” included in our most recent Annual Report on Form 10-K and as may be updated from time to time on Form 10-Q or other subsequent filings with the Securities and Exchange Commission.



## Burlington Stores: Investor-Focused ESG Data Index

Topic	2020 Disclosure/Metric	ESG Reporting Framework
<b>Social</b>		
Number of associates	55,959	GRI 102-7.a.i
Percentage of associates who are female	75% of associate <sup>1,2</sup> positions; 70% of management <sup>1,2</sup> positions and up	GRI 405-1.b.i
		SASB CG-MR-330a.1
Percentage of associates who are of a diverse/minority background	78% of associate <sup>1,2</sup> positions; 52% of management <sup>1,2</sup> positions and up	GRI 405-1.b.iii
		SASB CG-MR-330a.1
Breakdown of associates by age group	Associates: 40% Gen Z; 30% Gen Y; 18% Gen X; 11% Baby Boomers <sup>3</sup>  Management positions and up: 4% Gen Z; 40% Gen Y; 42% Gen X; 14% Baby Boomers <sup>3</sup>	GRI 405-1.b.ii
Breakdown of governance body by gender, age and those of a diverse/minority background	30% (3 out of 10) are female  30% (3 out of 10) self-identify as a person of color  80% (8 out of 10) are Baby Boomers (57 to 75 years old)  20% (2 out of 10) are Generation X (41 to 56 years old)	GRI 405-1
Description of training programs	See “Learning & Development”	GRI 404-2.a
Percentage of associates receiving regular performance and career development reviews	100% of associates receive, at minimum, an annual performance appraisal and/or performance discussion	GRI 404-3.a

<sup>1</sup> Associates include Stores, DCs and Corporate non-manager positions. Management refers to supervisory positions up to and including our executive leadership.

<sup>2</sup> Totals vary based on associate designation and self-identification.

<sup>3</sup> Percentages may not foot due to rounding.

## Burlington Stores: Investor-Focused ESG Data Index Continued

Topic	2020 Disclosure/Metric	ESG Reporting Framework
<b>Social</b>		
Description of employee compensation and benefits	See “Compensation & Benefits”	GRI 401-2.a
Description of Burlington’s occupational health and safety system	Burlington does not currently use a defined OH&S management system	GRI 403-1.a,b
Description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis	See “Occupational Health & Safety” for information on our Injury and Illness Prevention Plan, Integrity Hotline and training for specialized positions	GRI 403-2.a
Description of the processes for workers to report work-related hazards and hazardous situation	See “Occupational Health & Safety” for information on our Injury and Illness Prevention Plan, Integrity Hotline and training for specialized positions	GRI 403-2.b
Description of Burlington’s workplace safety policies and trainings	See “Occupational Health & Safety”	GRI 403-5.a
Description of how Burlington works to prevent or mitigate occupational health and safety impacts related to its operations	See “Occupational Health & Safety”	GRI 403-7.a
Associate injury rate reduction	Down 19% from 2019 <sup>4</sup>	GRI 403-9
Description of processes to assess and manage risks and/or hazards associated with chemicals in products and comply with regulations	See “Product Safety”	SASB CG-MR-410a.2
		SASB CG-AA-250a.1
		SASB CG-AA-250a.2

<sup>4</sup> Burlington’s summary of safety incidents/claims report is based on the December 1, 2019 to November 30, 2020, insurance policy year for worker’s compensation and general liability claims.

## Burlington Stores: Investor-Focused ESG Data Index Continued

Topic	2020 Disclosure/Metric	ESG Reporting Framework
<b>Environmental</b>		
Total energy use	432,800 MWh	GRI 302-1.e SASB CG-MR-130a.1
Renewable energy consumed	29,594 MWh	GRI 302-1.b SASB CG-MR-130a.1
Energy intensity	557,731 KWh/number of locations	GRI 302-3.a
Total energy reduced from FY2019	Gross building <sup>5</sup> : 44,193 MWh (9%) Stores: 45,210 MWh Corporate offices: 500 MWh	GRI 302-4.a
Scope 1	FY2020 emissions: 35,077 MTCO <sub>2</sub> e Reduction from FY19: 8,672 MTCO <sub>2</sub> e	GRI 305-1.a
Scope 2	FY2020 emissions: 139,899 MTCO <sub>2</sub> e Reduction from FY19: 33,802 MTCO <sub>2</sub> e	GRI 305-2.a
Scope 3 (Upstream transportation; Waste generation; Business travel)	FY2020 emissions: 94,858 MTCO <sub>2</sub> e Increase from FY19: 727 MTCO <sub>2</sub> e	GRI 305-3.a
Total emissions reduced across Scopes 1, 2 and 3 from FY2019 (%)	13% overall 14% per operating square footage	GRI 305-5.a,d
Total Water Consumption	785 megaliters (MI) (See “Water”)	GRI 303-5.a
Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	See “Waste”	SASB CG-MR-410.a2

<sup>5</sup> Gross energy calculations include data from all buildings operated by Burlington, existing stores and new construction.

## Burlington Stores: Investor-Focused ESG Data Index Continued

Topic	2020 Disclosure/Metric	ESG Reporting Framework
<b>Environmental</b>		
Total hazardous waste diverted from landfill (weight)	180 tons	GRI 306-2.a.vii
Total non-hazardous waste recycled (weight)	61,107 tons	GRI 306-2.b.ii
Total non-hazardous waste landfilled (weight)	39,706 tons	GRI 306-2.b.vii
<b>Governance</b>		
Percentage of board directors who are female	30% (3 out of 10)	GRI 405-1.a.i
Percentage of board directors who are independent	90% (9 out of 10)	
Percentage of board and relevant committee meetings each director attended	100%	
Description of management approach to identifying and addressing data security risks	See “Data Privacy and Protection”	SASB CG-MR-230a.1
Number of retail locations and distribution centers	761 stores, 4 distribution centers and 5 warehouses	SASB CG-MR-000.A
Total area of retail space and distribution centers	Stores: 48,000,000 gross square footage Distribution centers: 2,884,000 gross square footage Warehousing Facilities: 2,058,000 gross square footage	SASB CG-MR-000.B



## Taskforce on Climate-related Financial Disclosures Index

Disclosure Category	Burlington Disclosure
<b>Governance</b>	
Disclose the organization's governance around climate-related risks and opportunities.	<a href="#">Our Governance and Ethics: Risk Oversight</a>
<b>Strategy</b>	
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	<a href="#">Our Environment: Climate-related Risk</a>
<b>Risk Management</b>	
Disclose how the organization identifies, assesses, and manages climate-related risks.	<a href="#">Our Governance and Ethics: Risk Oversight</a>
<b>Metrics and Targets</b>	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<a href="#">Our Environment: Greenhouse Gas (GHG) Emissions</a> <a href="#">Our Environment: Transportation Logistics</a> <a href="#">Our Environment: Energy</a>