we believe that everyone deserves the opportunity to home, happier.

2020 ESG REPORT
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introduction

our heritage and a new ESG strategy to embed into our comprehensive transformation plan

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we believe that everyone deserves the opportunity to home, happier.

today, as we look back over our first 50 years, we’re also looking forward

For 50 years, Bed Bath & Beyond has been driven by the desire to provide a sense of home — to our associates and communities and through our products and services.

We have embarked on a three-year business transformation that encompasses our entire organization and practices. It is at this inflection point that we want to re-focus on our core purpose, make it easy to feel at home, and pledge to renew our commitments through a bold strategy defining our future environmental, social, and governance (ESG) purpose. In this ESG report, we share how we will continue to bring that purpose to life through our commitments to people, community, and planet.
As we enter our 50th year in business, our “homes” in all forms have never been more important.

The unprecedented global COVID-19 pandemic provided us with a new-found appreciation for our own homes. They have served as places of safety and security, as places of true belonging and connection with our loved ones, and as sources of innovation as we creatively re-imagined and re-engineered our lives from home.

I believe that Bed Bath & Beyond has an important role to play in driving positive change everywhere we call home and beyond. The importance of home is at the very heart of our existence. It is a key part of our enterprise purpose, make it easy to feel at home, and three-year transformation plan that we announced at our Investor Day in October 2020.

That’s why I’m proud to announce our new ESG strategy and plan, built on the fundamental belief that everyone deserves the opportunity to home, happier.
Our new ESG strategy has three pillars of action, underpinned by strong corporate governance:

**People:** Create an equitable, inclusive work environment where all our people feel at home and can thrive through targeted actions to support diversity, equity, and inclusion (DE&I) while providing industry-leading total rewards, learning and development, and upskilling opportunities for our teams.

**Community:** Provide the safety and sense of home to our neighbors through a combination of national and local community action at scale.

**Planet:** Significantly improve our environmental performance by leading by example to build a better home for the next generation through targeted goals and initiatives that drive sustainability improvements throughout our value chain.

As we implement our ESG vision across these three key pillars, we will particularly focus on driving DE&I throughout our value chain; embedding ESG comprehensively into our transformation and culture; and thinking beyond our own “four walls” and status today to continuously innovate and improve over time alongside our partners.

Our ESG strategy is hardwired into our three-year transformation plan that sets the foundations for the future. Throughout the year, we have started rebuilding the foundations of our home, enhancing our financial position, modernizing our operations, and growing sales in key destination product categories. We have also started deploying intelligent innovation and sustainable design throughout our business. This includes prioritizing sustainably sourced materials in our new Owned Brands strategy which is at the core of our business transformation, leveraging our store remodel program to incorporate energy efficient designs, mitigating our environmental footprint as we modernize our supply chain, and embedding ESG criteria and data into the technology transformation that underpins our operations. I am excited by the potential our ESG strategy has to help us think creatively and innovate throughout our business.

We have already started making progress on our new ESG strategy. We have negotiated with our supply chain partners on their climate plans, started leveraging leading-edge Artificial Intelligence techniques to assess and reduce our carbon footprint, are implementing associate parental leave policies, and are forming a new partnership with Rebuilding Together to drive our community work.

I am convinced that with this ambitious strategy in place, we will set ourselves apart in achieving a sustainable business and a positive societal impact for Bed Bath & Beyond — and beyond. We have underpinned our commitment to this strategy by appointing an experienced Vice President for ESG who will lead the execution and delivery of this ambitious ESG strategy. We are excited to share our plans on ESG with you today — we value your interest and welcome your feedback.
Responding to COVID-19

Despite the challenges created by the COVID-19 pandemic, we have relentlessly focused on taking purposeful and bold steps to transform our entire organization as we remained true to our plans to rebuild our authority in home and advance this iconic Company.

Our first priority throughout the pandemic has been to ensure the safety and well-being of our associates, customers, and communities. We followed the latest advice from public health officials as we temporarily closed the vast majority of our stores, and launched our robust Store Safety Plan, including safety measures and operating standards.

In only a few months, we re-engineered our distribution network to mobilize Bed Bath & Beyond stores as local fulfillment centers and launched services such as Buy-Online-Pickup-In-Store and contactless Curbside Pickup to help meet the rapidly changing demands on our homes as they became schools, offices, and sanctuaries from the world outside.

Our teams came together to launch the $10 million “Bringing Home Everywhere” program, creating comfort and providing essential support to communities suffering in the face of this pandemic. From fresh sheets, pillows, and towels for people in the hospital or nursing care, to food and home items for those in need, as well as toys and essential supplies for children, we continue to do what we can to make it easy to feel at home for those most in need at this time.

Championing DE&I

2020 was a year of distressing, troubling moments which reaffirmed our priority to champion DE&I and belonging for our associates, in our communities, and beyond. We responded to tragic deaths and subsequent civil unrest by explicitly supporting the calls for inclusivity and ending racially-motivated violence. We provided targeted support through a donation of essential items to the National Association for the Advancement of Colored People (NAACP) and its charity partners. We are appalled by discrimination against any group, including the targeting of Asian-Americans and Pacific Islanders, and are focused on driving belonging and inclusion across all dimensions of diversity.

Internally, we established the Beyond Black Associates Coalition (BBAC) in 2020. We are currently in the process of setting up an Associate Resource Group for Asian-Americans & Pacific Islanders (AAPI), called AAPI Associates & Beyond. These are the first two in a number of ARGs we plan to create to ensure that the voices from across our diverse community of associates are heard and represented.

We have a long way to go as a global community in tackling systemic racism, and Bed Bath & Beyond is no exception. I am passionate to lead an organization that is anti-racist and equitably creates opportunities regardless of factors including, but not limited to, race, gender, sexual orientation, or socio-economic background. I am proud of the steps we, as a leadership team, have taken on this journey; and I am committed to making more progress over the coming years.

Mark Tritton
President & Chief Executive Officer
who we are

a renewed commitment to our purpose — to make it easy to feel at home

We are an omni-channel retailer that makes it easy for our customers to feel at home. We offer a wide assortment of products and services in the Home, Baby, Beauty and Wellness markets. We have a presence in the U.S., Canada, and Mexico (through a joint venture).

In 2020, we set out to fundamentally transform our business to unlock our full potential and re-establish our authority in home while becoming the preferred omni-channel home destination. We strongly believe that our future value creation needs to start with our purpose: make it easy to feel at home. Our purpose will continue to serve as an anchor for our actions, ambitions, and definition of success.

$9.2 billion
total fiscal year 2020 revenue*

1 billion+
visits to our stores and websites in fiscal year 2020***

~83%
digital growth*

1 in 5
U.S. homes is a Bed Bath & Beyond home**

~38,000
associates as of end of fiscal year 2020

1,000+
stores across banners in the U.S., Canada, and Mexico****

4
banners including
• Bed Bath & Beyond
• buybuy BABY
• Harmon Face Values
• Decorist

~$1.5 billion
in products donated since 2008

* Includes divested concepts.
** See 2020 Investor Day presentation.
*** Based on traffic; traffic not captured for Bed Bath & Beyond Mexico; excludes Harmon.
**** Our Mexico operations are part of a joint venture.
our corporate strategy

**P U R P O S E**
make it easy to feel at home

**M I S S I O N**
re-establish our authority and be the preferred omni-channel home destination driven by teams consistently delivering balanced durable growth

**P R I N C I P L E S:**
- customer-inspired
- omni-always
- people-powered
- performance-driven

**P I L L A R S:**
- product
- price
- promise
- place
- people

**P R O F I C I E N C I E S:**
- reconstruct & modernize
- stabilize & optimize
- invest in & construct
- operationalize

**P R A C T I C E S:**
- stay curious & bold
- be transparent & collaborate
- embrace & drive change
- act with empathy & integrity
- champion diversity & community

---

In 2020, as we ramped up to begin our strategic transformation, we:

1. established a clear and compelling customer value proposition
2. built an entirely new executive team
3. set ambitious goals to drive value
4. streamlined our portfolio
Our company purpose — to make it easy to feel at home — is the foundation of our ESG strategic vision.

Our strategy is hardwired into our transformation plan and will be brought to life as we embed ESG into our transformation activities and assess fundamental business decisions through an ESG lens.

Unveiling our bold ambition in this report marks a turning point in our organization’s commitment to ESG topics and beyond. We recognize that this is just the beginning and are enthusiastic to embark on our ESG journey.

we believe that everyone deserves the opportunity to home, happier.
our starting point: a thorough diagnostic assessment

Our ESG strategy is based on our engagement with — and the perspectives of — multiple stakeholders, carefully considering the ESG topics they have identified as priorities. These stakeholder diagnostics represent only the beginning of our ESG materiality assessment. In addition, we carefully considered critical reporting frameworks such as the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD), in line with key priorities of our major shareholders. We’re seeking to engage with all our stakeholders, including associates, shareholders, customers, industry experts, and non-governmental organizations (NGOs) to build an in-depth materiality matrix for next year’s report.

>60 associates

How we engaged
Interviewed >60 associates including representatives across business functions, our leadership team, and Board members to uncover priorities.

Stakeholder priorities
- Diverse representation within leadership
- Inclusion or “sense of belonging”
- Workforce development and practices
- Flexibility in how we work
- Benefits, e.g., parental leave

>1,000 customers

How we engaged
Conducted customer research, surveying over >1,000 customers to understand what our customers consider a priority within ESG and how they want us to respond.

Stakeholder priorities
- Sustainable choices at accessible prices
- Social partnerships
- Human needs (hunger, poverty, healthcare)
- Animal rights

>80 investor metrics

How we engaged
Evaluated >80 investor metrics across multiple ESG rating agencies and analyzed priorities of our major shareholders, considering key ESG reporting frameworks and requirements (such as SASB, TCFD, and UN Sustainable Development Goals [UN SDGs]).

Stakeholder priorities
- DE&I
- Human rights
- Community engagement
- Climate action
- Sustainable products and reduced packaging

>25 peers

How we engaged
Benchmarked our performance against >25 peer organizations’ ESG strategies and initiatives to identify shortcomings and opportunities to lead.

Stakeholder priorities
- DE&I
- Community
- Governance
- Sustainable products
- Climate action
our ESG framework

people
create an equitable, inclusive work environment where all our people feel at home and can thrive
To learn more, see page 16

community
help provide the safety and sense of home to our neighbors
To learn more, see page 26

planet
lead by example to build a better home for the next generation
To learn more, see page 32

governance & stakeholder engagement

elevate and embed strong ethical values and a robust governance framework
To learn more, see page 44
response to recent events

our COVID-19 response

helping our associates navigate these unprecedented times and serving our customers throughout the pandemic

We established a comprehensive COVID-19 Store Safety Plan. Throughout the pandemic, we prioritized the safety of our associates and customers. We implemented rapid response programs for our associates, including COVID-19 protocols and safety tips to keep our teams safe. In our stores and distribution centers, we mitigated COVID-19 risk with masks, cleaning, distancing, associate temperature checks, and other measures. We also covered benefit contributions to help furloughed associates during this time.

As the pandemic unfolded, we emphasized transparency and communication to our associates, providing them with weekly “essential updates.” Our CEO, Mark Tritton, directly and candidly addressed the challenges we faced. Additionally, we created a COVID-19 mailbox to give associates a direct line to receive help, get questions answered, and stay informed.

We continued to serve our communities.

By implementing our Store Safety Plan, we were able to provide immediate access to essential baby, health, and hygiene items at the height of the public health crisis through our buybuy BABY and Harmon Face Values Stores. At the same time, we re-engineered our distribution network to mobilize some Bed Bath & Beyond stores as local fulfillment centers.

We launched new, safe, easy, and convenient services like Buy-Online-Pickup-In-Store and contactless Curbside Pickup to help our customers meet the rapidly changing demands on their homes as they became schools, offices, and sanctuaries from the world outside. We also improved our omni-channel experience, re-designed our website, and launched new mobile applications to help customers shop online.
providing aid to the hardest hit and most vulnerable

We’re proud of the way our associates stepped up to provide community support where they could. One example is our Harmon team in New York City, who supported essential workers such as fire fighters and homeless women and children by providing access to essential cleaning and hygiene items that were in short supply at the beginning of the pandemic.

“Bringing Home Everywhere” program

In May 2020, we announced our $10 million plan to donate essential items to those affected by COVID-19. Our “Bringing Home Everywhere” program delivered products that provide home comfort and essential support to communities and those on the frontline of the pandemic across the U.S. and Canada. This program was enabled by our strong, long-running partnership with Good360.

Helping families in need

We sent home supplies, infant care items, food, and other essential goods to families in the States of California, New York, New Jersey, and Washington.

Supporting the New York City hospital system in crisis

As the hospital system hit capacity, fresh towels were in short supply. We donated 3,500 towels to 13 hospitals across NYC’s five boroughs for use by patients and healthcare workers or to sanitize medical equipment.
our response to social injustice

Acknowledging that we have a long journey ahead of us, we explicitly supported the calls for inclusivity and ending racially-motivated violence and have taken a clear stance against recent violence against Asian-Americans and Pacific Islanders. We have taken steps to advance social justice and racial equity, and we have plans to embed the values of belonging and DE&I into our organization and beyond.

We gave $1 million in product donations to the National Association for the Advancement of Colored People (NAACP) Empowerment Programs as part of our “Bringing Home Everywhere” program. The donation provided essential items to the organization and its charity partners, supporting Black communities impacted by COVID-19 and unrest across the U.S.

We are providing opportunities for our associates to come together to share meaningful experiences, including:

• associate stories, through which our associates share what Black History Month means to them;
• a lunch and learn with the female founder of a Black-owned business, Urban Hydration, to provide inspiration and access to role models of color; and
• listening circles in response to recent racial violence targeting Asian-Americans, which we are planning to continue to support our associates across all topics that concern racial equity.

These actions are part of our broader program in which we aim to address DE&I for our associates and beyond.

"I am passionate to lead an organization that is anti-racist and equitably creates opportunities"

- Mark Tritton, President & Chief Executive Officer
people

create an equitable, inclusive work environment where all our people feel at home and can thrive

19 diversity, equity, and inclusion
22 learning and development
23 total rewards
24 focus on well-being
25 health and safety
Our people pillar goals

Create an equitable, inclusive work environment where all our people feel at home and can thrive.

- Become a top 10 retail employer by 2030*
- >50% women at all levels by 2030
- >25% racial and/or ethnic diversity** at all levels by 2030
- 100% parental leave at all job levels starting in Q2 2021***
- >$1 million contribution to Associate Relief Fund by 2030****
- >10,000 associates engaged with upskilling trainings by 2030

* As reported by an independent reviewer of employers (e.g., Great Place to Work) or trusted employee review platform (e.g., Glassdoor, Indeed).

** Note that we are committed to regularly monitoring the representation of all main racial and/or ethnic diversity cohorts (including Black, Asian-American, LatinX, Pacific Islander, other racially and/or ethnically diverse groups) and to implementing changes to drive higher representation at all levels where needed. To this end, we are implementing regular tracking and review of representation of each of these groups.

*** For U.S.-based full-time associates.

**** Including matched donations.

Our DE&I program supports UN SDG #5: Gender Equality.
Our DE&I program supports UN SDG #10: Reduce Inequalities.
create an equitable, inclusive work environment where all our people feel at home and can thrive

We deeply believe our associates are our greatest asset. As we communicated at our Investor Day in October 2020, being “people-powered” is a key principle of our three-year business transformation strategy.

We have a strong desire to become leaders in DE&I and model a culture of trust and accountability where our associates know they belong, are encouraged to express their diverse voices, and are provided the opportunity to grow. We are continuing to build on our hiring, leadership and development, and promotion practices to ensure equitable distribution of opportunities and to achieve our DE&I goals.

And we’re committed to go beyond, creating a workforce where our associates thrive by supporting our associates’ physical, mental, social, and emotional well-being. We strive to establish a culture that engages our associates and provides upskilling opportunities and other tools for future success. We want our associates to be proud to work at Bed Bath & Beyond.

Although we have made considerable progress, there is still much more to be done to create a sense of home for all our associates. By continuing to recognize issues, tackle them, and endeavor to be inclusive in our problem solving, we are hoping to improve the lives of all our associates.

| ~38,000 associates | 1,000+ locations |
| ~70% women | ~50% racially and/or ethnically diverse* |

DE&I is a foundational element that spans across all priorities.

For more information about our ongoing engagement with associates, see Stakeholder Engagement, page 55.
diversity, equity, and inclusion

creating a happier environment where all associates feel they belong

Creating a welcoming environment that feels like home for all our associates requires a deep-rooted sense of belonging and acceptance. That’s why we’ve made DE&I a top priority.

We are proud of our diverse team and believe that the varied set of experiences, ideas, and perspectives of our associates are an impactful differentiator. Our diverse team also contributes to the strong connection our associates have with our customers, which is critical to our business success.

While we’ve begun to develop and implement DE&I initiatives, we are now at the point where we need to demonstrate our true commitment through fundamental changes and embed a sense of belonging for all associates into our culture.

As a Company, we believe in driving inclusion and belonging across all dimensions of diversity. We have set a specific goal on our women representation and our racial and ethnic diversity, aimed at improving representation of all racial and ethnic diversity cohorts (Black, Asian-American, LatinX, and Pacific Islander), particularly those that are underrepresented in management and leadership positions. As a Company, we have specific work to do to meaningfully increase representation of Black and LatinX in leadership roles, and are internally committed to tracking individual cohort representation at all levels to ensure all diversity groups are appropriately represented. 2020 and 2021 have seen an increase in appalling attacks directed at individuals of Asian-American and Pacific Islander ethnicity, increasing the need to drive inclusion and belonging of these groups. Therefore, we have included Asian ethnicity in the definition of our racial and ethnic diversity goal.

The success of our people-powered strategy requires building a team of talented, passionate people with diverse backgrounds and experiences.

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**women representation**

| our Board: 2020 | 50% | includes the Chair of the Board of Directors and the Chair of the Nominating & Corporate Governance Committee |
| our associates: 2020 | 70% | up to >70% at certain retail levels and for corporate supervisors, but <40% at distribution center manager level and certain corporate upper management levels |
| our 2030 goal | >50% | women representation at all levels |

**racial and/or ethnic diversity**

| 17% | racial and/or ethnic diversity* |
| 50% | ranging from up to ~50% at corporate and retail individual contributor level and >100% at individual contributor level in distribution centers, but <20% for certain corporate upper management levels |
| >25% | racial and/or ethnic diversity at all levels |

* Includes all racially and/or ethnically diverse groups including Black, Asian-American, LatinX, Pacific Islander, and other racially and/or ethnically diverse groups.
Our DE&I priorities for 2021 build on our evolving work by helping us formalize and better measure our progress against our DE&I goals, and ensuring we are fostering a sense of belonging.

• Hire a Vice President-level Chief Diversity Officer to drive dialogue and activation on DE&I
• Establish a DE&I council to create affiliation groups, discuss DE&I priorities, and track progress against our diversity goals
• Develop and implement an inclusion policy to formalize our commitments
• Support and increase our Associate Resource Groups (ARGs) — starting with the formed Beyond Black Associates Coalition (BBAC) and AAPI (Asian-Americans and Pacific Islanders) Associates & Beyond ARGs — and establish a framework to expand ARGs to, for example, Women and the LatinX and LGBTQ+ communities
• Enhance our focus on DE&I talent acquisition programs to ensure our next generation of associates continues to be diverse
• Recognize and promote diverse talent to grow our future leaders
• Spotlight racially and/or ethnically diverse and female role models to celebrate their success and provide inspiration
• Revamp benefits offerings through lens of diversity

we are embedding DE&I into our recruiting practices:

Recruiter training and technology improvements to the application process to further reduce bias

Incorporate a diverse slate of candidates and a diverse slate of interviewing participants

Diversification of our employment advertising resources

Continue to attend diversity-specific career fairs and events*

* Partner with DiversityWorking.com, an online career opportunity resource and job search engine that focuses on representing diverse communities.

I just want to personally say that it feels really good to know I work for a company that is making the effort to acknowledge these things... The effort does not go unnoticed. Thank you!”

Associate

Our DE&I priorities for 2021 will build on recent initiatives, including:

• committing to an Equal Opportunity and Diversity Statement;
• launching unconscious bias training;
• introducing a human resources book club to discuss Blindspot: Hidden Biases of Good People;
• establishing Martin Luther King Day as a formal company holiday; and
• creating a cultural calendar honoring and celebrating important cultural dates throughout the year.
Black History Month — fireside chat with Urban Hydration founders, Psyche and Vontoba Terry

In celebration of Black History Month, the founders of Urban Hydration, Psyche and Vontoba Terry, were interviewed by Rick Wilkins, Regional Vice President of the West Region.

Bed Bath & Beyond has had a relationship with Urban Hydration since 2015. During the interview, the couple shared their story of starting the company and raising money for scholarship funds at Western Michigan University as well as water donations to communities and the building of two clean-drinking water wells in Kenya.

Women’s History Month volunteer event — My Sisters House

Associates in South Carolina partnered with My Sisters House, a local shelter for women who have experienced domestic violence. They put together transition packages with Bed Bath & Beyond to help the women at the shelter move into new homes.
learning and development

creating opportunities for home-grown leaders

We strive to create a work environment in which all our people can thrive and recognize that how we prepare our associates for future leadership success at Bed Bath & Beyond — and beyond — is fundamental to that vision. Carrying our strength of a diverse workforce from “the bottom up” will be critical to achieving our DE&I goals.

We are therefore planning to implement a comprehensive learning and development (L&D) offering to create a center of excellence that positions us as a learning organization prepared for the future. This will include significantly expanding our skill development programs, including offering a series of upskilling trainings designed to provide associates with technical and competency-based skills that are applicable to a range of career paths.

Our L&D priorities going forward include:
- emphasizing equitable participation in L&D opportunities across associate groups
- developing a more formal career development and mentorship program
- engaging >10,000 associates with upskilling trainings by 2030
- requiring DE&I trainings

Our DE&I program supports UN SDG #4: Quality Education.

Our vision for Leadership Development

We view our L&D program as a catalyst for our three-year strategic transformation. We intend for leadership courses to include coaching, feedback, communication, handling challenging conversations, building relationships, and managing unconscious bias through initiatives like our upcoming Conscious Inclusion for Leaders program.

Our promotion rate to supervisor outweighs the external hire rate by ~3 to 1

For all categories other than supervisor, hours reflect functional training and exclude trainings such as leadership courses.

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<thead>
<tr>
<th>Category</th>
<th>new hire</th>
<th>annual</th>
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<tr>
<td>Corporate</td>
<td>12 - 20 hours</td>
<td>4 - 6 hours</td>
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<tr>
<td>Supply chain</td>
<td>16 hours</td>
<td>4 - 8 hours</td>
</tr>
<tr>
<td>Retail associates</td>
<td>8 - 16 hours</td>
<td>8 - 24 hours</td>
</tr>
<tr>
<td>Retail supervisors</td>
<td>80 - 120 hours</td>
<td>20 - 24 hours</td>
</tr>
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total rewards

modernizing our incentive, recognition, and benefits programs

To reflect the changing needs of our associates and to help them succeed, we design our total rewards programs with the goal to enable our associates to succeed — whether they are home or at work.

To attract, retain, and engage associates, we are ensuring relevancy and attractiveness of our total rewards programs. Throughout 2020, we have focused on redefining our compensation and benefits offerings, including thinking holistically about what our associates need to thrive and providing programs to support associate well-being and feeling of belonging.

We implemented new policies for associates working remotely, including a reimbursement for office supplies, meeting-free lunch hours, and dedicated personal focus time on Friday afternoons.

To attract, retain, and engage associates, we are ensuring relevancy and attractiveness of our total rewards programs.

We adopted our first short-term bonus plan in 2020, directly linking compensation to company financial results. We also transformed our long-term incentive program, emphasizing stock ownership and ensuring market competitive awards. We were able to provide a bonus to all associates in fiscal 2020, including a Frontline Recognition Bonus for all store and supply chain hourly associates.

In 2021, we will conduct compensation benchmarking to ensure alignment and competitiveness with the market. In support of our DE&I goals, we also plan to assess compensation gaps among associates, including by gender and racial and/or ethnic group, with the aim to systematically address any discrepancies over time. In doing so, we will be baselining our pay equity as a first and fundamental step toward truly supporting associate economic empowerment.

We have recently:
• made targeted adjustments to in-hire rates in retail; and
• increased supply chain wages.

We are working on plans to provide access to healthcare and 401k benefits for all of our associates in the future.

Compensation gap assessments

Our Rewards Program supports UN SDG #1: No Poverty.
focus on well-being

We strongly believe that physical and mental well-being lies at the core of a productive, engaged, and thriving workforce and draws out the best in each associate. In 2020, with feedback from our associates, we introduced a series of well-being initiatives designed to enable our associates to re-charge, de-stress, and find peace and focus.

✔️ Beyond Wellness, an Associate Assistance Program

✔️ Headspace partnership, connecting associates with a leading meditation and mindful lifestyle platform

✔️ Well-being Champions group, which is associate-led, taking direct feedback into account

✔️ “Gift of time” policy, a new policy acknowledging the value of personal time to our associates, which included time off on election day to vote

“I think it’s great we are introducing new benefits like Headspace. It’s nice to know it’s available at your fingertips when you want it.”

- Robert Krajczar, Senior DM

Our well-being program supports
UN SDG #3: Good Health and Well-Being.

meet our well-being champions

“I am grateful to be part of Well-being Champions, hoping to inspire and help others find their way or focus in life and work balance. I found a sense of security within the well-being group, and being part of a team to make everyone be inspired is a great reward.”

Carmen Cobba, Imports Coordinator

“I believe that the new programs we offer such as Beyond Wellness, Headspace, MyStrength are a huge step in the right direction. Being able to offer associates ways to create work/life balance is such a huge win for Bed Bath & Beyond. I wanted to be a part of that.”

Jennifer Naples, Talent Acquisition Coordinator

Knowing the conversation is open, and then having tools in a toolbox at our disposal, has really helped people — including me — open up with leaders, and is slowly showing signs of enabling folks to bring their whole selves to work.”

Brian Hansen, Director Commercial Strategy
health and safety

making our people feel at home means keeping them healthy and safe

For our associates, customers, and community, especially during the COVID-19 pandemic

We implemented additional comprehensive health and safety measures in response to COVID-19, see Response to recent events, page 13.

Safety throughout our supply chain

Our Supplier Code of Conduct includes human rights requirements and strict rules against child and forced labor based on local laws and international human rights protocols and practices. For more information about our Supplier Code of Conduct, see Governance, page 44.

Being prepared for emergencies

We conduct training and simulations in our stores and workplaces to protect our associates and customers against a potential workplace violence scenario.

how we keep our associates safe

safety standards

• Lifting and Ladder Certification
• Fire Safety
• Knife Safety
• Workplace Violence Prevention
• Conveyor Safety Certification
• Dunnage Void Fill Certification

workplace training

• Conducted for all associates upon hire
• Repeated as needed to maintain skill levels and awareness
• Reinforced through monthly safety topics and stand-up meetings

safe work practices

• Fair and consistent approach
• Counseling and retraining provided when unsafe practices are observed
• Smoke-free workplace
• Substance use/abuse policy
• Loss prevention rules of conduct
• Safe practices guide for motor vehicle safety
community

help provide the safety and sense of home to our neighbors

28 our impact heritage
29 our national community partners
31 volunteering & associate engagement
31 involving our customers
Community support is an integral part of our heritage and we have a long-standing tradition of providing aid to our neighbors in need. As we celebrate our 50-year history of business and community impact, we’re renewing our commitment as part of our ESG strategy with a bold new program. We will build directly on our promise to help people “home, happier” by putting our purpose to work in our communities.

Our commitments are supported by our two national non-profit partnerships and our thousands of associates across North America who want to contribute and give back to the communities in which we operate.

Our strategy reinforces our purpose and customer value proposition through a signature campaign that supports the important role the home can play in fostering well-being for individuals and communities.

**help provide the safety and sense of home to our neighbors**

**donate $1 billion of products and 2 million hours of service by 2030**
our impact heritage

building on our strong heritage of creating “happier homes”

Since 2008, we have donated $1.5 billion in home goods and other essential items to charities and communities across North America in partnership with Good360 and their local charity partners. In 2019 alone, we created a positive impact by rekindling a sense of home for more than 145,000 families together with Good360.

In 2020, we extended our work through our “Bringing Home Everywhere” program, launching a $10 million donation support program across various initiatives to provide targeted support to communities suffering the most from the effects of the COVID-19 pandemic.

Working to be earth-friendly

At Bed Bath & Beyond, we’re proud to have institutionalized processes across our store network to enable ongoing donations to help those in need while avoiding sending products to landfill and harming the environment. Since 2014, that has amounted to diverting some 1.45 million* tons from landfill, a practice closely aligned to Good360’s mission of creating a “Circle of Good.”

As part of our partnership with Good360, since 2008 alone, we have donated the products that make a house a home.

>1 million beds made
>1 million kitchens equipped
>1 million bathrooms upgraded
>900,000 homes cleaned

* Includes total donations and liquidations since 2014, not just donations to Good360.

Our community program supports UN SDGs #2: Zero Hunger and #11: Sustainable Cities and Communities.
Home and community are more than four walls or a geographic area. They are underpinned by feelings of security, comfort, and vitality. That’s why Bed Bath & Beyond will be partnering with Rebuilding Together to go Beyond the Build by investing home goods, time, and resources to help create environments that not only make a house a home, but also make a home part of a vital, dynamic community.

Working with its corporate and community partners, Rebuilding Together repairs homes, revitalizes communities, and rebuilds lives. Local affiliates are rooted in communities and work closely with residents and leaders to drive targeted impact.

Rebuilds foster independence and increase safety, economic stability, and community connection for local residents.

We will launch our partnership with a targeted investment in 2021, creating a symbiotic program in which Rebuilding Together delivers essential repairs and rebuilds homes in need — and Bed Bath & Beyond renews the sense of home by providing essential products and goods.

Our work with Rebuilding Together will span across all our banners and include both financial contributions and product donations of our newly launched Owned Brands.

We now know more than ever the importance of a happier home, a space that keeps us safe and brings us joy. At Rebuilding Together, we have worked for almost 50 years to make houses safer for our most vulnerable neighbors.

In partnership with Bed Bath & Beyond we will not only make houses safer by addressing essential repairs, but also happier by providing our neighbors with home décor that will brighten their spaces and turn those houses into homes. At a time when we are all coping with the impact of the global COVID-19 pandemic and an economic downturn, I could not think of a better way to bring joy to our communities.

Speaking on behalf of all of us at Rebuilding Together, we can’t wait to get started and work hand in hand with the team at Bed Bath & Beyond to make a difference for our neighbors in need.”
Good360: a 20-year heritage of recreating a sense of home

We are continuing our 20-year relationship with Good360 to deliver essential items to communities in need across North America — supporting hundreds of local charity partners to help disadvantaged communities and provide long-term disaster relief in times of crisis to recreate a sense of home.

Good360 is a global leader in product philanthropy and purposeful giving. The organization’s mission is to transform lives by providing hope, dignity, and a sense of renewed possibility to individuals, families, and communities who have been impacted by disasters or other challenging life circumstances.

Good360 also helps companies resolve the business challenge of responsibly distributing donated goods for maximum impact by distributing products through their network of vetted non-profit partners.

Moving forward, we will further formalize our partnership with Good360 to expand our impact by embedding our program across all stores.

Matt Connelly
Chief Executive Officer

“Good360’s collaboration with Bed Bath & Beyond has had a significant positive impact on individuals and families around the country for more than 20 years now. Today, the need in our communities has never been greater, and we know we can continue to count on this partnership to help close that gap.

We look forward to continuing to drive impact alongside Bed Bath & Beyond every single day — to re-establish a sense of home and belonging when and where it is needed most.”
volunteering &
associate engagement

involving our associates to help create
a sense of home where it is needed most

Bed Bath & Beyond associates have a true passion
to extend our core values of belonging and the
comfort of home beyond our business to the
communities we serve.

We are committed to providing our associates with access to
programs and the needed time to play more active roles in
their communities. Our plans include charity-matching
programs through local chapters of Good360 and
Rebuilding Together and providing opportunities
to volunteer.

2 million
hours of service to
our communities
by 2030

involving our
customers

creating avenues for our customers
to help build their communities

Our customers care — and we want to help them to
take action by participating in our mission to create
happier homes with each purchase they make.

We want to enable our customers to donate to our strategic
partners — Good360 and Rebuilding Together — through
the purchase of products and services, or through our
upcoming loyalty program. We’re excited to bring this
program to life in 2021.
lead by example to build a better home for the next generation

35 energy & climate: our net zero by 2040 commitment
37 store network and warehouses
40 reducing waste
41 sustainable products
our planet pillar goals

lead by example to build a better home for the next generation

**improve the sustainability of our supply chain**

- **Net Zero**
  - Scope 1-2 greenhouse gas (GHG) emissions by 2040

- **100%**
  - Of waste diverted from landfill in our own operations by 2050

- **50%**
  - Improved water efficiency across all facilities we operate by 2035

**integrate sustainable products and services**

- **50%**
  - Of cotton responsibly sourced* in Owned Brand lines by 2025

- **50%**
  - Of wood sustainably sourced** in Owned Brand lines by 2025

- **<50%**
  - Of packaging weight from virgin plastic in Owned Brand packaging by 2030

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* Responsibly sourced as defined by third-party certifications such as the Better Cotton Initiative, the Global Organic Textile Standard, or OEKO-TEX®.

** Sustainably sourced as defined by third-party certifications such as the Forest Stewardship Council (FSC) or the Sustainable Forestry Initiative (SFI).
we are committed to building a better home for the next generation

To have an opportunity to “home, happier” in the future, the next generation needs us to act now. As we implement our three-year business transformation, we have the unique opportunity to deeply embed our ESG vision in the critical choices we make, and lead by example to build a better home.

On our path to zero scope 1-2 emissions by 2040, we must elevate and incorporate our ESG priorities into all our decisions. Our supply chain is undergoing an end-to-end transformation as we shift our business model from “brick-and-mortar-focused” to digital and omni-always. We are transforming our store network in parallel as we work to deliver on our customer-centric and customer-inspired model and omni-channel strategy. As we undergo transitions, we are identifying opportunities to become more efficient and environmentally friendly.

Our commitment starts with the products we offer — they are the essence of our business. We have challenged ourselves to offer sustainable products and services that everyone can afford across all categories by 2030. Our Owned Brand strategy represents the perfect starting point for this commitment.

We are also expanding our sourcing practices to be more inclusive of diverse-owned businesses and to focus on affordability and visibility for our customers.

Our planet pillar goals support UN SDGs #11: Sustainable Cities and Communities and #15: Life on Land.

This section follows TCFD guidelines on climate strategy-related disclosures including climate-related risks, strategic environmental planning in the near and long term, and metric-driven target setting.
energy & climate: our net zero by 2040 commitment

We recognize that becoming net zero is the best way to protect our homes and planet while ensuring that future generations can continue to thrive on our planet.

Within our supply chain, our path to becoming net zero by 2040 focuses on two major components:

- **How we run our sites**, which includes our warehouses and our extensive store network.
- **How we deliver our products**, which includes inbound and outbound logistics.

In the past, we implemented initiatives such as our Energy Management Program to reduce energy consumption and energy expenses. As we move ahead, we plan to take a more systematic approach to mitigating our footprint — which we believe will be essential to protecting our home planet for the next generation.

We have the opportunity to embed ESG considerations in each decision we make. Major initiatives include:

- **Our distribution network**: We are shifting to an omni-always strategy which entails switching to regional distribution centers (RDCs) located in strategic geographic areas to serve our customers better and faster.
- **Our store network**: We are optimizing our store network and investing ~$250 million in remodeling our stores with a planned reduction of ~20% of our store footprint.

We have used Artificial Intelligence techniques to help us prioritize these programs. We completed baselining for scope 1 & 2 activities.

The path forward begins here:

**Scope 1-2 CO₂ equivalent baseline**

We have already undertaken critical steps on our path to net zero. We have recently conducted an in-depth assessment leveraging cutting-edge technology to develop an advanced understanding of the scope of our footprint.

<table>
<thead>
<tr>
<th>Source Type</th>
<th>2020 ESG Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel</td>
<td>2%</td>
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<tr>
<td>Gas</td>
<td>13%</td>
</tr>
<tr>
<td>Electricity (distribution)</td>
<td>6%</td>
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<tr>
<td>Electricity (stores)</td>
<td>79%</td>
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<tr>
<td>175k Mt CO₂ equivalent</td>
<td>0.1%</td>
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</tbody>
</table>

Our energy & climate program supports UN SDG #13: Climate Action.

[SASB (CG-MR-130a.1): 1,531,912 GJ, excludes non-operated building electricity]
logistics and transportation

We are driving efficiencies in how we “bring our products home” to reduce the impact on our planet.

In the past, we translated our ESG efforts into “getting fewer miles on the road” and have used dedicated software to reduce our miles.

Intermodal transport

Since 2007, we have moved an increasing percentage of our domestic shipments via intermodal transportation rather than traditional “over-the-road” trucking. By using intermodal rail solutions, we expect to reduce our carbon footprint by an estimated 50% — equivalent to 18,459 vehicles’ CO₂ emissions.

SmartWay

SmartWay was launched by the U.S. Environmental Protection Agency (EPA) in 2004 to identify products and services that reduce transportation-related emissions. In 2020, we continued to partner with SmartWay, building on our 2018 results of 81% of ton-miles of freight with SmartWay carriers.

our scope 3 CO₂ equivalent

We are actively working to baseline our scope 3 CO₂ equivalent with the recognition that scope 3 holds significant potential for impact.

Pool & Consolidation (P&C)

We continue to utilize a P&C network to reduce the number of Less-than-Load (LTL) shipments moving between our suppliers and our store locations. Consolidating our shipments has reduced the number of individual trucks transporting products to our stores, reducing our emissions and fuel consumption per unit.

We have identified additional opportunities to explore that may allow us to reduce emissions and fuel consumption:

- Optimization of fulfillment (minimize distance to customer)
- Electrification of trucks
- Drop trailers/reduced idling
- Optimize delivery frequency to stores
- Overseas consolidation

Our ongoing efforts to increase transportation efficiency have yielded multiple benefits over the past years.

For more information, see our 2019 Corporate Responsibility Report available on our Investor Relations website.

Our preliminary estimates provide transparency into 2.5 million Mt CO₂ equivalent and we are continuing the process of baselining the rest of our scope 3 CO₂ equivalent. The vast majority of these emissions stems from purchased goods, which has implications for how we work with suppliers to reduce their own emissions. We will continue to refine and expand these estimates.
store network and warehouses

reducing our footprint within our own walls

Our best starting point to mitigate our impact is our 41 warehouses and consolidation sites and 1,000+ stores across the U.S., Canada, and Mexico.∗

- Using renewable energy: We have negotiated wind contracts and are leveraging solar energy. We are evaluating alternative energy sources at all leased facilities where applicable and considering alternative energy for stores.

- Retrofitting sites with light-emitting diode (LED) lighting and motion sensors: In 2016, we started retrofitting our store concepts with LED lighting to reduce lighting-related energy usage by ~18% per store. Currently, 90% of all of our sites are retrofitted.

- Updating heating, ventilation, and air-conditioning (HVAC) fans to allow for operations at more efficient speeds: Whenever we replace existing HVAC units, we seek to install units that are more efficient, curbing energy consumption to reduce emissions and electricity costs.**

- Energy management systems (EMS): Since 2001, we have introduced EMS in our stores to enhance store operation and to minimize heating and cooling energy.

Targeted initiatives and incremental improvements can have a large impact. We are constantly evolving our thinking with the objective of curbing energy consumption, decreasing our energy expenses, and mitigating our environmental footprint.

>40% reduction in energy expenses in our pilot store from 2015 to 2019

includes months from April to September, calendar year 2020 not considered due to store closure and COVID-19 impact

Our energy management program supports UN SDG #7: Affordable and Clean Energy.

∗ Mexico operations part of a joint venture.
** We are ensuring compliance with all COVID-19 requirements for air-conditioning.
powering our “sites” with renewable energy

Since 2010, we have been generating renewable energy using our own solar panels and wind power in Texas. We are continuing to retrofit our sites with LED lighting.

renewable energy

11% of the energy we consumed company-wide was wind or solar* in calendar year 2020

wind

6% of our energy consumption (98 GJ*)

solar

5% of our energy consumption (73 GJ*)

* % of total energy consumed, including extrapolations for missing utilities data.

>165 million kWh

by the end of 2020, we generated a total of >165 million kWh of solar power

We currently have rooftop solar panels installed at 29 of our sites* and are looking at ways to increase the use of solar energy as we shift our store and warehouse footprint.

* Compared to 41 sites in 2019, due to divestiture of banners in 2020.

In 2021, we are committed to completing our LED lighting project:

~90 additional sites

~100,000 lamps to be retrofitted

~1.7 million kWh & ~6,550 MT GHG emissions reduction

% of the energy we consumed, including extrapolations for missing utilities data.


11% of the energy we consumed company-wide was wind or solar* in calendar year 2020

6% of our energy consumption (98 GJ*)

5% of our energy consumption (73 GJ*)

~20k homes electricity usage for one year

We are continuing to retrofit our sites with LED lighting.
embedding ESG into our supply chain

We are embedding ESG in RDCs, third-party logistics (3PL), and landlord agreements.

As we modernize our supply chain, we will operate RDCs in strategic locations to bring our products home faster — whether to the store or directly to our customers.

We will select a 3PL partner and will ensure our partner has a strong ESG program to operate these facilities in a more eco-efficient way. We are using the opportunity to negotiate favorable ESG terms with our landlords and site operators as we increase the sustainability and eco-efficiency of these sites.

Increasing water efficiency

To achieve our water efficiency goal, we are:

• evaluating our baseline to better understand the work required to meet our target; and

• implementing applicable best practices regarding water consumption, including harvesting, low flow fixtures, and filtered water reusable bottle filling stations.

Electrical vehicles (EV) charging station installation

As we return to our office locations in the future, we want to enable our associates to make sustainable choices. By integrating charging stations for EVs, we are making it easier for them to commute in eco-friendly vehicles.

Our ESG program supports UN SDG #6: Clean Water and Sanitation.
reducing waste

identifying opportunities to reduce waste in our home and beyond

We’re committed to minimizing the use of natural resources by identifying areas in which we can reduce, recycle, and reuse or repurpose waste. We are considering process enhancements related to all stages of the product lifecycle, as well as inventory transformation and packaging changes and efficiencies. We also believe there are significant opportunities to repurpose “end-of-life” inventory, such as through product donations to community partnerships.

Repurposing unsold inventory

Moving forward, we plan to implement a national “unsold inventory diversion” hierarchy designed to prolong the lifetime of products, allowing us to reduce inventory waste. We are also brainstorming ways to engage our customers in this process by encouraging recycling and implementing take-back programs in our stores.

Improving inventory efficiency

We are working to improve inventory turn rates through automated, fully centralized, and consistent ordering practices and by implementing dynamic allocation and supplier-to-distribution-center forecasting and ordering tools. We expect this will result in more accurate product allocation and sell-through to further decrease inventory waste.

In the past few years, we have taken several actions to reduce waste:

**Donations**

~13,300 tons of merchandise diverted from landfill through donations and liquidation in 2019

**Recycling**

~66%

or ~27,000 tons diverted from landfill* in 2020, equivalent to 3,000 dump trucks

~400,000 mature trees saved

* Diversion expresses % of recyclable as of % of total waste across stores and corporate locations.

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* Diversion expresses % of recyclable as of % of total waste across stores and corporate locations.
sustainable products

leading with responsible, inclusive, and accessible products for all of our homes

Our products don’t just provide the opportunity to “home, happier” for our customers, but by carefully choosing the materials used in our Owned Brands, we can conserve resources for future generations.

We acknowledge the complexities of our global supply chain and are convinced that our new Owned Brand strategy serves as the perfect starting point for our ESG vision — with products that we have carefully crafted and curated, working closely in collaboration with our suppliers.

supporting women- and diverse-owned businesses

Supporting women- and diverse-owned businesses enables us to offer inclusive products as part of our assortment.

Over the next year, we will evaluate options on how to strategically increase our engagement with women- and diverse-owned suppliers in the U.S. with the aim of contributing to wealth creation in the communities close to us. We will establish a baseline as a first step to set forth an ambitious goal by which to measure our progress.

Our new collection of spa-inspired bath essentials uses exclusively organic cotton in our 100% cotton products.**

Our new bed and bath collection for everyday comfort offers sustainable choices.*

A number of Nestwell products feature organic and responsibly sourced materials, including Certified STANDARD 100 by OEKO-TEX®, MADE IN GREEN by OEKO-TEX®, GOTS, earth-friendly dyes made from agricultural byproducts, organic cotton sateen, hemp, and recycled polyester.

Any products that are 100% cotton such as certain robes, towels, and shower curtains use only organic cotton. Products with a cotton blend do not use organic cotton.

* Our sustainable products program supports UN SDG #9: Industry, Innovation and Infrastructure.
working with our suppliers

We’re implementing sustainable options in our products by working with suppliers. See Governance section on page 44 for more details on our product safety standards.

We prioritize suppliers that use ISO 14001:2004 or equivalent Environmental Management Systems.

We work with suppliers that report their environmental and sustainability performance using Metafore’s Environmental Paper Assessment Tool (EPA T) and that qualify for eco-labels like Blue Angle and Nordic Swan. [SASB (CG-MR-410a.1)]

sustainability in packaging

An inherent component of increasing sustainability in our products is addressing our product packaging. For our Owned Brands, we have ongoing efforts in place to reduce the use of printing and ink and to increase our use of sustainable packaging.

We are actively working on four strategies:

- **Reducing plastic in our packaging** — we are currently baselining our plastic usage so we can accurately identify the highest impact areas and track our progress.
- **Considering alternative packaging solutions** to achieve a net positive effect. We’re exploring alternative packaging materials such as bio-based packaging, including sugar cane and bamboo.
- **Evaluating options for introducing recycled plastics** in our packaging as a first step to eliminate virgin plastic from our product packaging.
- **Procuring our paper for packaging** — we increase sustainability by maximizing use of FSC and SFI certifications.

We are already implementing initiatives to reduce, reuse, or recycle in secondary and tertiary packaging:

**reduce**

- **Reduce label size** from 4” x 8” to 4” x 6”
- **Replace airbags** with paper dunnage
- **Utilize envelopes** vs carton shipping containers where applicable
- **Replace paper packing slips** with electronic packing slips
- **Reduce cartons** per order through minimizing split shipments

**reuse**

- **Reuse inbound supplier cartons** as outbound shipping cartons when possible
- **Reuse existing pallets**

**recycle**

- **Use biodegradable** shipping materials
- **Recycle electronics and industrial metals**
- **Utilize eco-friendly** water-based inks and dyes that are easier to recycle

Our sustainable products program supports UN SDGs #12: Responsible Consumption and Production and #14: Life Below Water.

[SASB (CG-MR-410a.3)]
make it easy to make sustainable choices

Providing visibility and affordability to our customers is a key step to advance our overall ESG goals and empower our customers to take part in our journey.

over the next year, we plan to evaluate potential programs and initiatives including:

**giving our customers a voice**

We plan to actively seek customer input over the next year to learn which ESG topics they value most.

**enabling our customers to make sustainable choices**

Moving forward, we plan to integrate ESG along the customer journey, including in-store, online, and omni-channel activities with the aim of increasing visibility and highlighting sustainable products and services where available.

**allowing our customers to participate in sustainability**

We will consider recycling programs we can integrate into our stores.

**prioritizing affordable, sustainable choices**

It is our ambition to make “home” accessible for everyone. Enabling the connection of sustainability efforts to our Owned Brands initiative will provide sustainable options at accessible price points.
elevate and embed strong ethical values and governance throughout the business to enable the ESG strategy

46  governance structure
49  our ESG governance
51  ethical business practices
54  cybersecurity
55  stakeholder engagement
our ESG governance principles

- build robust reporting and disclosure processes to track our progress
- continuously improve our internal governance framework, embedding ESG throughout to ensure strong oversight
- hardwire ESG into the organization and decision-making to drive more effective activation of our ESG vision
- elevate a clear and robust set of business ethics to guide our decisions and practices
- transparently communicate with stakeholders to receive feedback and share progress
As Chairs of the Board and the Nominating and Corporate Governance Committee, we believe it is essential to establish clear links between ESG and our Company’s unique business model, overall business plans, and risk management processes. The newly created ESG strategy is authentically ours — it maps to the Company’s transformation plans and strategy to build authority in the home and seeks to improve business returns, contribute to broader societal goals, enable us to attract and retain top talent, and respond to the interests of shareholders, customers, and the community.

The Board is focused on providing oversight to ESG matters that are important and material to the Company and its stakeholders. This includes setting goals, establishing metrics, and providing a proper governance structure to monitor progress in areas such as: minimizing the Company’s environmental footprint; optimizing the health and safety of associates; ensuring fair employment practices; developing its DE&I program to improve diversity at all levels of the Company; and effective supply chain management. In addition, we are focused on Board composition and Board diversity, shareholder rights, and capital allocation.

The Board is excited about, and committed to, the vision, goals, and natural fit of our newly created ESG strategy. We look forward to our ESG initiatives further distinguishing our Company, driving success, and making an impact.”

Our Board of Directors is structured to provide oversight, direction, and leadership to management. In recent years, following engagement with shareholders, the Board has undergone a complete transformation, with all of our directors appointed within the last four years. The Board conducts rigorous self-assessment and composition assessment processes to determine its effectiveness and refreshment needs on a continuing basis.

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a diverse, independent, and highly qualified Board

- **tenure**: 100% appointed within the last four years
- **women representation**: 50% includes the Chair of the Board of Directors and the Chair of the Nominating and Corporate Governance Committee
- **racial and/or ethnic diversity**: 17%
- **age**: 58 average age
- **independence**: 92% independent
  - 1 non-independent (CEO)

**core skills for oversight of our strategy**
- Digital/Omni-Channel: 8/12
- Growth/Business Transformation: 10/12
- International Experience: 11/12
- Marketing (including Digital Marketing)/Personalization/Customer Experience: 9/12
- Operations Management Experience: 9/12
- Retail Industry Experience: 10/12
- Senior Leadership & Strategic Planning: 12/12

**core skills for effective Board oversight and corporate governance**
- CEO Experience: 7/12
- Financial Literacy: 12/12
- Public Affairs/Corporate Governance: 8/12
- Public Company Board Service: 9/12
- Risk Management: 7/12

**Board diversity**
Our Board values diversity in its broadest sense, reflecting, but not limited to, gender, age, race, ethnicity, and life experience, and is committed to a policy of inclusiveness. Our Nominating and Corporate Governance Committee nominates new Board members and endeavors to include women and racially and/or ethnically diverse candidates in the qualified pool from which Board candidates are chosen.
a highly engaged Board in 2020

In 2020, our Board’s extensive experience was employed to address the myriad challenges impacting Bed Bath & Beyond as a result of the global COVID-19 pandemic, while continuing our ongoing strategic transformation.

Our Board is continually evaluating and enhancing our governance policies and practices as part of our efforts toward best-in-class governance.

In fiscal year 2020, we:

- updated our Corporate Governance Guidelines regarding service on other public and private company boards, which are intended to prevent “over-boarding.”
- conducted a Board composition and peer assessment process for the first time, facilitated by an independent third party, which we plan to continue at least biennially going forward in addition to our annual Board and Committee self-assessments; 
- created a Board education program, which begins with a comprehensive new director orientation process, continues director education as part of Board meetings, and encourages periodic attendance at outside continuing education seminars (with company reimbursement up to $10,000 per director in any fiscal year);
- implemented a performance-driven executive compensation program designed to support our business transformation strategy, be responsive to shareholders, and reflect market-leading practices; 
- enhanced our Compensation Recoupment Policy to expand the events that will enable the Company to recoup incentive compensation from senior officers in the event of misconduct; 
- amended our Nominating and Corporate Governance Committee Charter to include responsibility for the oversight of ESG and emergency management succession planning; 
- amended our Compensation Committee Charter to include responsibility for the oversight of human capital matters and express review of the Company’s Say-on-Pay vote results and other shareholder feedback; 
- enhanced disclosures in our annual report, proxy statement, and ESG report in response to stakeholder feedback; and
- enhanced our stock ownership guidelines to increase minimum requirements for directors.

Our Governance program supports UN SDG #16: Peace, Justice and Strong Institutions.
our ESG governance

embedding ESG into our governance, organization, and culture

We formalized Board oversight of ESG matters.

We believe it is critical to recognize the importance of all of our stakeholders. Accordingly, in January 2021, we updated our Corporate Governance Guidelines to state that the Board shall, as appropriate, “also consider the interests of other stakeholders, including customers, associates, suppliers, and the communities in which [we] operate[es].”

We designated the Nominating and Corporate Governance Committee and amended its charter to facilitate and provide oversight to the Company’s ESG strategies, policies, and practices. In addition, the full Board of Directors reviewed and provided input to the strategy, targets, and milestones.

We also amended the charter of our Compensation Committee to expressly state that they will facilitate and provide oversight to the Company’s human capital matters, including associate demographics which may include, but are not limited to, associate demographics; associate diversity and inclusion policies; and programs and initiatives, including recruitment, retention, talent development, and internal communications programs.

We appointed a new Vice President of ESG.

In early 2021, we established a new VP of ESG role to lead ESG efforts across the Company. Going forward, the VP of ESG will have primary responsibility for driving our ESG strategy, act as a center of excellence, and engage with various stakeholders. The VP of ESG is also tasked with oversight of governance as it relates to ESG. When deemed appropriate and necessary, the VP of ESG will engage directly with the Nominating and Corporate Governance Committee and Board of Directors on ESG matters.

We established an ESG Executive Leadership Committee.

We created a new ESG Committee comprised of our VP of ESG and cross-functional senior leaders from within the business. This committee is charged with assessing ESG risks and opportunities, providing insights and guidance, measuring and tracking our progress, and approving any changes to our ESG strategy.
disclosures & risk management

Disclosures

We are committed to creating a culture that prioritizes transparency and accountability. We plan to increase disclosures around our ESG strategy, beginning with this report. Our approach to materiality has been informed by engagement with shareholders, customers, and associates. We also used TCFD, SASB, the Global Reporting Initiative (GRI), and the UN SDGs to help us align on material areas of focus. TCFD standards on governance disclosure, including Board oversight of ESG programs and risk management assessment, were considered as we started our materiality journey this year. We are also building our capabilities to measure and track progress on our ESG goals and commitments, with the intent to provide ongoing comprehensive reporting to allow our stakeholders to hold us accountable.

Risk management

As part of its oversight responsibility, the Board receives reports on the material risks facing the Company, which are identified through multiple means, including the Company’s Enterprise Risk Management (ERM) process. Reports are presented to the Audit Committee by Internal Audit, and are prepared through a rigorous process by Internal Audit to identify and assess significant risks across the Company. Areas of risk and mitigation efforts reviewed with the Audit Committee and the full Board in furtherance of the Board’s oversight responsibilities include: economic forces, competition, and weather; people and culture risks such as recruitment and retention, safety, and succession; cybersecurity and data security risks; compliance risks associated with the range of legal, accounting, tax, and financial reporting systems under which the Company operates; supply chain risks, including disruption arising from political instability or labor disturbances, supplier financial stability, and legal compliance; and compliance with a variety of product, labor, social, and environmental standards. In addition to the Audit Committee having oversight of cybersecurity, the full Board will review strategy, investments, and defenses at least once per year.

We recognize the current and ever-increasing need to protect our associates, customers, and business partners against potential data and cybersecurity risks, and we prioritize our actions in the space accordingly. Over the last year, we conducted two reviews, facilitated by independent parties, to assess our current status on data and cybersecurity. One review focused on baselining and benchmarking our current process against best practices in IT security controls and we also conducted a continuity maturity assessment based on the internationally accepted security framework ISO 27000. We are actively working on addressing any improvements that resulted from these assessments.

The ERM process and report to the Audit Committee, and the Audit Committee’s report to the Company’s Board of Directors, also informs the more detailed Risk Factor disclosure in the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the SEC.
ethical business practices

conducting business with the highest ethical principles & strict safety standards

We are committed to elevating and embedding a culture of strong ethical values and uncompromising integrity as we continue to strengthen governance procedures that increase transparency and accountability.

We strive to be known as a company that embodies the highest ethical standards, and we are taking steps to instill these values into our culture throughout the organization, ensuring ethics are at the forefront of everything we do.

We expect associate honesty and personal accountability, and we provide opportunities to ask questions or report ethics concerns to our Chief People Officer, Chief Legal Officer, or through our ethics hotline (which may be contacted anonymously). We recently upgraded our ethics hotline so that associates have even more options to report ethics concerns, using the services of NAVEX, a best-in-class employee hotline and advanced incident reporting provider.

Our governance commitments are founded on unwavering principles that are defined in our recently refreshed Corporate Governance Guidelines as well as our Policy of Ethical Standards for Business Conduct.

Required annual training

business ethics
all associates

bribery and anti-corruption (FCPA)
officers and buying teams

insider trading
corporate associates and field management

regulation fair disclosure
senior executives and certain other associates

Our Policy of Ethical Standards for Business Conduct includes our expectations related to:

- compliance with laws
- bribery & anti-corruption
- fair competition
- conflicts of interest
- confidentiality

The policy sets forth our expectations for all associates and our Board of Directors.
We validate social compliance for all factories manufacturing our Owned Brand products and all factories where we are the importer of record. Our audit program consists of the review of existing third-party audits and/or on-site factory audits. Our audit program covers all aspects of our Supplier Code of Conduct, including assessing risks of human trafficking and slavery.

We have partnered with a third-party provider to help facilitate and manage our audit program, whose on-site audits will include meetings with factory managers, a factory tour, and worker interviews outside the presence of factory management, as well as document review. Each supplier is notified in advance of a two-week window when an on-site audit is expected to take place, but the actual audit is unannounced.

**on-site factory audit scoring**

- **red**: serious violations
- **orange**: major violations
- **yellow**: general compliance
- **green**: high level of compliance

Our Supplier Code of Conduct program supports UN SDG #8: Decent Work and Economic Growth.
we have robust policies that drive the highest standards

We expect that our products meet all industry safety standards, such as, but not limited to, applicable ASTM standards, as well as our corporate requirements standards.

labor

We do not knowingly buy or sell products that were made, in whole or in part, using forced or underage labor. Because forced and underage labor is actively being used in the cotton fields of Uzbekistan and Turkmenistan, we will not knowingly accept products containing Uzbek or Turkmen cotton, regardless where produced.

In addition, no direct or indirect production of our products shall take place in Xinjiang, China, and no cotton from this region shall be used in our products. Please see our Supplier Code of Conduct for more details.

animal welfare

We are committed to sourcing materials of animal origin in a humane, ethical, and sustainable manner with respect to animal welfare and proper handling of all animals that are used in the production of products sold at the Company.

We also no longer purchase product using mohair.

See our Animal Welfare Policy.

down and feather

When sourcing products containing feather and down, we require suppliers to take reasonable steps to ensure that the down and feather contained in their products are a byproduct of the food chain. Feather or down obtained by live plucking of birds is not permitted.

Bed Bath & Beyond requires all down and feather products to be certified to the Textile Exchange Responsible Down Standard (RDS), which ensures that animals in the supply chain have not been subjected to any unnecessary harm.

restricted substances and chemicals

We have established a Restricted Substance List (RSL) to identify chemicals of potential concern. These substances may or may not be subject to current legislation but are of potential concern to human health and the environment. As a subset of the RSL, we have also established a Priority Chemical List to further reduce the use of certain chemicals of concern in household cleaning, personal care, and cosmetic products.

See our Restricted Substance List.

See our Priority Chemical List.

Bed Bath & Beyond requires Owned Brand textile products to be certified to OEKO-TEX® STANDARD 100, which tests for harmful substances.
cybersecurity

protecting data with which we are entrusted through rigorous cybersecurity standards

We maintain a robust cybersecurity framework that protects the confidentiality, integrity, and availability of data with which we are entrusted. Data protection and encryption strategies are in place for data at rest and in transit within our data centers, with our business partners, and in the cloud. With the continuously transforming digital and cyber threat landscape, our Information Security team is always working to ensure security and privacy throughout our business processes in order to protect our customers’ and associates’ data. We also employ a supplier risk management process to understand the security posture of prospective and active business partners. Our Senior Director, Information Security Officer, who is part of the IT organization, oversees all matters concerning cybersecurity and data protection.

Our information security program is aligned with recognized information security management system standards (ISO/IEC 27000) and cybersecurity frameworks (NIST SP-800), and our related policies are continuously reviewed, approved annually, and made available to all associates. A targeted security awareness training program is administered to all our associates annually so they can identify and properly address phishing and social engineering attempts.

Our Security Operations Center continuously monitors external threats, defends against malicious activity, and ensures all Company assets are enabled with multiple layers of protection. A dedicated information security incident response team addresses security incidents concerning malicious intent, data exfiltration, policy violation, or confidential Company information.

Regular audits, performed by internal and external resources, and penetration tests are conducted to ensure our systems and applications are not vulnerable to threats and in compliance with governmental and industry regulations.

Compliance
We are compliant with the Payment Card Industry (PCI) Data Security Standards, the Sarbanes Oxley Act (SOx), and California Consumer Privacy Act (CCPA).
stakeholder engagement

communicating regularly with all our stakeholders

While we have historically engaged with our stakeholders — both formally and informally — we have worked to significantly increase our outreach in the last 12-18 months to shape and communicate our ESG strategy and to shape, communicate, and share progress on our strategic transformation.

how we will enable stakeholder communications

associates
Over the past year, we have focused our associate engagement through CEO communications, such as direct SMS, emails, weekly bulletins and videos, and townhalls. We are now expanding channels to receive feedback from associates. We are planning an associate engagement survey in Spring 2021, which incorporates the voice of associates in survey vendor selection and survey design. We expect to share the results of our 2021 survey with associates and create a baseline from which we can continue to improve our work environment for our associates to thrive.

customers
Before we finalized our business transformation plan, we engaged ~5,000 customers in a nationwide survey, and separately engaged over 1,000 customers on a survey specifically on our ESG strategy. Moving forward, we strive to provide our customers with a growing voice.

suppliers
We conducted our first Supplier Summit in November 2020, which we are planning to repeat at least annually in the future. We expect to continue dialogue with our suppliers through the RFP negotiation process, as well as social and environmental auditing and supplier ESG training.

shareholders
In recent years, we have strengthened our relationships with shareholders through our shareholder outreach program, including involving our Board of Directors. In October 2020, we held our first-ever Investor Day. We have also enhanced our investor communications through press releases, slide presentations, FAQs, infographics, and videos.

external peers, groups, and partners
We periodically engage with our industry peers, potential partners, and other external entities to gather their perspectives and work together on issues where positive customer or societal impact can be achieved.
appendix

57 our policies, guidelines, and procedures
58 SASB: Sustainability Accounting Standards Board disclosure
60 TCFD: Task Force on Climate-related Financial Disclosures
61 UN SDGs: United Nations Sustainable Development Goals disclosure
Our actions and decisions, the way we conduct ourselves, and the way we do business are guided by a set of policies and procedures. Listed below are the most relevant to ESG.

<table>
<thead>
<tr>
<th>Policies, Guidelines, and Procedures List</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animal Welfare Policy</td>
</tr>
<tr>
<td>Commitment to Equal Opportunity and Diversity</td>
</tr>
<tr>
<td>Compensation Recoupment Policy</td>
</tr>
<tr>
<td>Conflict Minerals Policy**</td>
</tr>
<tr>
<td>Corporate Governance Guidelines</td>
</tr>
<tr>
<td>Other Social Compliance Audit Program Policies*</td>
</tr>
<tr>
<td>Policy of Ethical Standards for Business Conduct</td>
</tr>
<tr>
<td>Priority Chemical List</td>
</tr>
<tr>
<td>Privacy Policy</td>
</tr>
<tr>
<td>Restricted Substance List</td>
</tr>
<tr>
<td>Supplier Code of Conduct</td>
</tr>
<tr>
<td>2019 Corporate Responsibility Report</td>
</tr>
</tbody>
</table>

* This includes non-public policies such as the Product Safety & Compliance manual, internal alerts to suppliers, etc.

** Beyond external policies and guidelines, Bed Bath & Beyond has a number of internal policies and guidelines in place, including, but not limited to, Conflict Minerals Policy, Mutual Respect/Anti-Harassment Policy, and COVID-19 policies and procedures.
SASB: Sustainability Accounting Standards Board disclosure

The Sustainability Accounting Standards Board’s (SASB) objective is to enable companies to communicate industry-specific sustainability accounting standards to their shareholders. With the help of SASB Standards, shareholders can integrate ESG and sustainability considerations into their investment decisions. Bed Bath & Beyond ensures ESG transparency by reporting metrics deemed relevant to the industry. The following table outlines our ESG data in accordance with the SASB framework.

<table>
<thead>
<tr>
<th>SASB Topic</th>
<th>Metric</th>
<th>Our Response</th>
<th>SASB Code</th>
<th>2020 ESG Report Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Management in Retail &amp; Distribution</td>
<td>Total energy consumed</td>
<td>1,531,912 GJ Excludes non-operated building electricity</td>
<td>CG-MR-130a.1</td>
<td>Planet</td>
</tr>
<tr>
<td></td>
<td>Percentage grid electricity</td>
<td>94%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Percentage renewable</td>
<td>11%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data Security</td>
<td>Description of approach to identifying and addressing data security risks</td>
<td>Bed Bath &amp; Beyond is committed to protecting its customers’ and associates’ personal data throughout the organization. Data protection and encryption strategies are in place for data at rest and in transit within our data centers, with our business partners, and in the cloud. Information security policies are continuously reviewed, approved annually, and made available to all associates. The information security program at Bed Bath &amp; Beyond is aligned with recognized information security management system standards (ISO/IEC 27000) and cybersecurity frameworks (NIST SP-800). We are compliant with the Payment Card Industry (PCI) Data Security Standards, the Sarbanes Oxley Act (SOx), and California Consumer Privacy Act (CCPA).</td>
<td>CG-MR-230a.1</td>
<td>Governance</td>
</tr>
<tr>
<td></td>
<td>(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected</td>
<td>Bed Bath &amp; Beyond is committed to protecting customer data and has policies and processes in place to do so.</td>
<td>CG-MR-230a.2</td>
<td></td>
</tr>
<tr>
<td>Labor Practices</td>
<td>Average hourly wage*</td>
<td>Segment</td>
<td>Average wage</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Distribution center</td>
<td>$ 15.80</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retail – store associates</td>
<td>$ 12.50</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retail – all hourly</td>
<td>$ 13.30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Percentage of in-store employees earning minimum wage, by region</td>
<td>We started to invest in our retail wages to ensure all associates are paid above federal minimum wage and in line with the locally applicable minimum wage. We are continuously investing in initiatives to ensure greater market alignment and to promote equitable pay for our associates.</td>
<td>CG-MR-310a.1</td>
<td>People</td>
</tr>
</tbody>
</table>

* As of fiscal year end 2020.
<table>
<thead>
<tr>
<th>SASB Topic</th>
<th>Metric</th>
<th>Our Response</th>
<th>SASB Code</th>
<th>2020 ESG Report Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Labor Practices</strong></td>
<td>Voluntary and involuntary turnover rate for in-store employees</td>
<td><strong>In-store Segment</strong> Voluntary turnover Involuntary turnover</td>
<td>CG-MR-310a.2</td>
<td>People</td>
</tr>
<tr>
<td></td>
<td>Manager</td>
<td>13% 22%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Supervisor</td>
<td>24% 18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Individual contributor</td>
<td>85% 14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total amount of monetary losses as a result of legal proceedings</td>
<td>Not reported this year</td>
<td>CG-MR-330a.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>associated with labor law violations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Workforce Diversity &amp; Inclusion</strong></td>
<td>Percentage of gender and racial/ethnic group representation for management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Segment</strong></td>
<td><strong>2020</strong> <strong>2019</strong> <strong>2018</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Female Racially and/or ethnically diverse*</td>
<td>Female Racially and/or ethnically diverse*</td>
<td>CG-MR-330a.1</td>
<td>People</td>
</tr>
<tr>
<td></td>
<td>Manager</td>
<td>45% 28%</td>
<td>45% 27%</td>
<td>45% 26%</td>
</tr>
<tr>
<td></td>
<td>Non-management</td>
<td>72% 52%</td>
<td>71% 49%</td>
<td>70% 48%</td>
</tr>
<tr>
<td></td>
<td>Total workforce</td>
<td>70% 50%</td>
<td>69% 47%</td>
<td>68% 46%</td>
</tr>
<tr>
<td></td>
<td>* Includes all racially and/or ethnically diverse groups, inc. Black, Asian-American, LatinX, Pacific Islander, and other racially and/or ethnically diverse groups.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-discrimination policy</td>
<td>Employment at any of our locations is based solely on job-related qualifications: we recruit, hire, train, promote, and compensate our associates, and provide all other conditions of employment including company-sponsored events without regard to race, color, creed, religion, national origin, ancestry, age, sex, gender identity or gender expression, genetic information, marital status, lawful alien status, sexual orientation, physical or mental disability, citizenship status, veteran status, employment status, or any other basis prohibited by applicable law.</td>
<td>CG-MR-330a.2</td>
<td>People</td>
</tr>
<tr>
<td></td>
<td>Total amount of monetary losses as a result of legal proceedings</td>
<td>Not reported this year</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Product Sourcing, Packaging &amp; Marketing</strong></td>
<td>Revenue from products third-party certified to environmental and/or social sustainability standards</td>
<td>Bed Bath &amp; Beyond prefers suppliers who report their performance using Metafor’s Environmental Paper Assessment Tool (EPAT) and meet other criteria as discussed in the Planet pillar. We use clear guidelines for exclusionary criteria (e.g., restricted chemicals, animal welfare). We hold all suppliers accountable to our Supplier Code of Conduct. We set bold goals to grow our use of responsible cotton and wood in our Owned Brand.</td>
<td>CG-MR-410a.1</td>
<td>Planet</td>
</tr>
<tr>
<td></td>
<td>Discussion of processes to assess and manage risks and/or hazards</td>
<td>Restricted Substance List (RSL) has been established to identify chemicals of potential concern. These substances may or may not be subject to current legislation but are of potential concern to human health and the environment. The Priority Chemical List has been established, which is a subset of the RSL, to further reduce the use of certain chemicals of concern in household cleaning, personal care, and cosmetic products.</td>
<td>CG-MR-410a.2</td>
<td>Governance</td>
</tr>
<tr>
<td></td>
<td>associated with chemicals in products</td>
<td>Our approach to tackle packaging is oriented along a material hierarchy. While we acknowledge that in the near-term, it is a necessity to increase recyclability of packing solutions, we are committed to identifying more sustainable options in the long term.</td>
<td>CG-MR-410a.3</td>
<td>Planet</td>
</tr>
</tbody>
</table>
TCFD: Task Force on Climate-related Financial Disclosures

Bed Bath & Beyond is committed to provide consistent disclosures on climate-related risks and opportunities and promote transparency to our shareholders and other stakeholders. Therefore, we followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The following table outlines our climate-related discussions in accordance with the TCFD framework. Bed Bath & Beyond has reported information relevant to these metrics and is committed to building toward more robust analysis and reporting in future years.

<table>
<thead>
<tr>
<th>TCFD Topic</th>
<th>Metric</th>
<th>Our Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>Describe the board’s oversight of climate-related risks and opportunities</td>
<td>Governance: Governance Structure, Our ESG Organization and Governance</td>
</tr>
<tr>
<td></td>
<td>Describe management’s role in assessing and managing climate-related risks and opportunities</td>
<td>Governance: Our ESG Organization and Governance</td>
</tr>
<tr>
<td>Strategy</td>
<td>Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term</td>
<td>Planet: Introduction, Governance: Our ESG Organization and Governance</td>
</tr>
<tr>
<td></td>
<td>Describe impact of climate-related risks and opportunities on the businesses, strategy, and financial planning</td>
<td>Planet: Introduction, Energy &amp; Climate: Our Net Zero by 2040 Commitment</td>
</tr>
<tr>
<td></td>
<td>Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</td>
<td>Not relevant this year, but Bed Bath &amp; Beyond is committed to building toward more robust analysis and reporting in future years.</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Describe the organization’s processes for identifying and assessing climate-related risks</td>
<td>Governance: Our ESG Organization and Governance</td>
</tr>
<tr>
<td></td>
<td>Describe the organization’s processes for managing climate-related risks</td>
<td>Governance: Our ESG Organization and Governance</td>
</tr>
<tr>
<td></td>
<td>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management</td>
<td>Governance: Our ESG Organization and Governance</td>
</tr>
<tr>
<td>Metrics and Targets</td>
<td>Disclose metrics used to assess climate related risks and opportunities in line with strategy and risk management process; describe whether related performance metrics are incorporated into remuneration policies</td>
<td>We report according to relevant SASB and TCFD metrics. Bed Bath &amp; Beyond is committed to building tracking and reporting capabilities to increase transparency in impact of business activities.</td>
</tr>
<tr>
<td></td>
<td>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</td>
<td>Scope 1 &amp; 2: 175k MT CO₂ equivalent</td>
</tr>
<tr>
<td></td>
<td>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</td>
<td>Planet: Introduction</td>
</tr>
</tbody>
</table>
UN SDGs: United Nations Sustainable Development Goals disclosure

Bed Bath & Beyond recognizes its important role in contributing to universal efforts to address key issues that the global community faces and to create a more sustainable future for all. As such, we are committed to joining forces with companies around the world to support the United Nations Sustainable Development Goals (SDGs). By aligning our objectives to the SDG goals, we believe we can create meaningful contributions and significant impacts through improved business operations, strategic investments, and ethical business practices.

The following table outlines our alignment with the SDG goals.

<table>
<thead>
<tr>
<th>Sustainable Development Goal</th>
<th>Our Response</th>
<th>2020 ESG Report Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>End Poverty in All Forms</strong></td>
<td>Bed Bath &amp; Beyond values our people across the business, both locally and globally. All our associates earn at least minimum wage, and our suppliers are held to our Supplier Code of Conduct, which holds our suppliers to ethical business practices. Our COVID-19 response was developed to protect families suffering from the effects of the pandemic.</td>
<td>People Location</td>
</tr>
<tr>
<td><strong>Food Security</strong></td>
<td>During the crisis of COVID-19, our teams came together to launch the $10 million “Bringing Home Everywhere” program, which restores the comfort of home and provides essentials, such as food and home items to families suffering in the wake of the pandemic.</td>
<td>Introduction</td>
</tr>
<tr>
<td><strong>Promote Well-Being</strong></td>
<td>The health of our associates is of critical importance, and we have set internal and external goals, aiming to lead in our industry through the benefits we offer. To further support our associates’ mental health and well-being, we have created a Well-being Champions Group and partnered with Headspace, a leading meditation and mindful lifestyle platform.</td>
<td>People</td>
</tr>
<tr>
<td><strong>Lifelong Learning</strong></td>
<td>Bed Bath &amp; Beyond is setting ambitious goals to provide upskilling opportunities for associates to enable them to develop their career paths. We continuously engage with all associates through annual trainings and L&amp;D workshops.</td>
<td>People</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sustainable Development Goal</th>
<th>Our Response</th>
<th>2020 ESG Report Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender Equality</strong></td>
<td>We are committed to promoting gender equality at all levels of Bed Bath &amp; Beyond. We recognize our role in promoting DE&amp;I for women, and we are committed to improving access to maternity leave at all levels.</td>
<td>People</td>
</tr>
<tr>
<td><strong>Clean Water and Sanitation</strong></td>
<td>Through systemwide efforts to reduce water consumption, we can protect the scarce resource of water. Bed Bath &amp; Beyond has set targets to reduce our water usage across sites, in stores, warehouses, and corporate offices.</td>
<td>Planet</td>
</tr>
<tr>
<td><strong>Affordable and Sustainable Energy</strong></td>
<td>Across the country, Bed Bath &amp; Beyond has invested in solar panels on both stores and warehouses to offset carbon emissions due to the consumption of grid energy. We have set ambitious goals to reach net zero and have been building Artificial Intelligence-based tools to accelerate this process.</td>
<td>Planet</td>
</tr>
<tr>
<td><strong>Decent Work for All</strong></td>
<td>Bed Bath &amp; Beyond has and will continue to make sourcing changes in our supply chain based on reports of unfit labor conditions. Further, to ensure the health and safety of all individuals in our supply chain, we have strict child labor, forced labor, and human rights rules. Bed Bath &amp; Beyond conducts a series of annual trainings on topics ranging from harassment to equipment etiquette to ensure safety for all associates.</td>
<td>Governance</td>
</tr>
<tr>
<td>Sustainable Development Goal</td>
<td>Our Response</td>
<td>2020 ESG Report Location</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Inclusive Industrialization</td>
<td>We want to increase our spend with diverse- and women-owned suppliers to support wealth creation within underrepresented groups and smaller scale manufacturers. We will evaluate how to do so in 2021 and publish clear commitments in the next ESG report for calendar year 2021.</td>
<td>Planet</td>
</tr>
<tr>
<td>Reduced Inequality</td>
<td>We are taking strides to create an environment where every associate feels they belong at Bed Bath &amp; Beyond, and we are launching efforts to ensure that every associate has the opportunity to thrive. We are particularly passionate about advancing racially and/or ethnically diverse groups and women. We are excited to continue to advocate for our associates and create opportunities for advancement.</td>
<td>People</td>
</tr>
<tr>
<td>Make Cities Inclusive and Resilient</td>
<td>We have partnered with Good360 for the past 20 years to provide essentials serving families (over 145,000 families and individuals in 2019 alone). Through the partnership, we have delivered bedding, towels, appliances, baby products, and much more to make “home” accessible for those in need.</td>
<td>Community Planet</td>
</tr>
<tr>
<td>Sustainable Consumption</td>
<td>We have set ambitious targets to utilize a materials hierarchy and actively choose more responsibly sourced materials in our products and packaging. This includes moving away from virgin plastic and toward recyclable materials or paper where feasible.</td>
<td>Planet</td>
</tr>
<tr>
<td>Urgent Action to Combat Climate Change</td>
<td>Bed Bath &amp; Beyond has invested in the development of a cutting-edge, Artificial Intelligence technology to map out carbon emissions across the whole value chain. This dynamic tool will enable informed decisions to maximize our carbon reduction impact. We will identify emissions hotspots and act with intentionality to improve our impact on the planet.</td>
<td>Planet</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sustainable Development Goal</th>
<th>Our Response</th>
<th>2020 ESG Report Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conserve the Oceans</td>
<td>Plastic waste has an immense impact on our ocean ecosystems. We recognize the growing urgency to reduce waste and the use of plastics. We have grown our waste diversion initiatives to both increase donations where feasible and use alternatives to landfills. Additionally, our Owned Brands will be a focus for our plastic reduction efforts.</td>
<td>Planet</td>
</tr>
<tr>
<td>Sustainably Manage Forests and Halt Land Degradation</td>
<td>Our forests are essential resources, and Bed Bath &amp; Beyond is committed to responsible sourcing of wood and paper in our products. We have set goals to increase the percentage of responsibly sourced fibers in our Owned Brand packaging. Our waste diversion efforts prevent significant in-store and product waste from going to landfills, which is a first step toward reducing the demand for landfill space.</td>
<td>Planet</td>
</tr>
<tr>
<td>Build Accountable Institutions</td>
<td>We strive to hold ourselves accountable to the highest standards. We recognize the responsibility to demonstrate transparency and growth, and we are committed to raising the bar to which we hold ourselves.</td>
<td>Governance</td>
</tr>
<tr>
<td>Strengthen SDG Goal Implementation through Partnerships</td>
<td>Our product-related goals are supported by recognized third-party certifications. We partner with Smartway to ensure that we are improving our transportation network to utilize the most efficient modes and routes. We are building strong relationships with recognized charity organizations to mobilize funds and products where they are needed most.</td>
<td>Planet</td>
</tr>
</tbody>
</table>
about this report

Scope. This is the ESG report of Bed Bath & Beyond Inc., which includes subsidiaries buybuy BABY, Harmon Face Values, and Decorist. The report was completed in May 2021 and covers the 2020 calendar year, if not otherwise indicated. Where relevant and available, more recent data points or data prior to calendar year 2020 has been included. Our previous report was completed in December 2019 — you’ll find it here.

Structure. The report provides a look back at our ESG highlights and lays out our future plans, brought to life by our newly defined ESG strategy along three key pillars: 1) people, 2) community, 3) planet — all enabled by a transparent and effective governance structure. We included disclosures determined to be most meaningful to our shareholders and other stakeholders, informed by disclosure reporting frameworks and guidance of leading sustainability organizations, such as Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), and United Nations Sustainable Development Goals (SDGs).

materiality

Materiality, as defined for this report, refers to our current and evolving view on what is most impactful for the Company’s ESG performance. This definition is different than the definition of materiality used for filings with the U.S. Securities and Exchange Commission (SEC).

forward-looking statements

This Report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) about future events and expectations that are inherently uncertain. These forward looking statements include, but are not limited to, our progress and anticipated progress toward our long-term strategic objectives. Many of these forward-looking statements can be identified by use of words such as “may,” “will,” “expect,” “anticipate,” “estimate,” “assume,” “continue,” “model,” “project,” “plan,” “goal,” or similar expressions.

We caution you that a number of important factors could cause our actual results and future financial condition to differ materially from the plans, targets, goals, expectations, estimates, and intentions expressed in such forward-looking statements. Such factors include, without limitation: general economic factors beyond our control, including the impact of COVID-19, and changes in the economic climate and related changes in the retail environment; competition from existing and potential competitors and the use of emerging technologies and unanticipated changes in the pricing and other practices of competitors in our industry; changes in consumer preferences, spending habits, and adoption of new technologies; demographics and other macroeconomic factors that may impact the level of spending for the types of merchandise we sell; challenges in executing our omni-channel strategy and expanding our e-commerce operations; our ability to establish and maintain the appropriate mix of digital and physical presence in the markets we serve; and our ability to successfully execute our store network optimization strategies and divestiture activities. A further description of these and other risks and uncertainties can be found in the Company’s Annual Report on Form 10-K for the year ended February 27, 2021 and the Company’s other filings with the U.S. SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We undertake no obligation to update or revise any forward-looking statements.