



B R O W N S H O E

**BROWN SHOE COMPANY, INC. AND SUBSIDIARIES
CODE OF BUSINESS CONDUCT**

In addition to emphasizing Brown Shoe Company, Inc.'s shared values, this Code of Business Conduct is designed to define individual and corporate responsibility. Every associate must understand that he or she is responsible for his or her own conduct, and the observance of this Code is necessary in order for the Company to remain a responsible member of the various communities in which it does business.

Although this Code covers a wide range of business practices, it does not cover every issue that may arise. As a result, this Code should be used together with your common sense and good judgment. If in doubt, please obtain guidance from the Legal Department.

Remember, always ask first and act later. Legal difficulties can often be avoided or minimized if counsel is obtained early on. Please do not hesitate to contact the Legal Department if you have a specific business question or need clarification of any part of the Code.

Ronald A. Fromm
Chairman and Chief Executive Officer

Michael I. Oberlander
Senior Vice President, General Counsel and
Corporate Secretary

CODE OF BUSINESS CONDUCT

I. GUIDING PRINCIPLES

This Code provides firm, uncompromising standards for Officers, Directors, and Associates¹ when dealing with customers, suppliers, government agencies, the public, competitors, and other associates. These standards help ensure that the Company complies fully with its ethical and legal responsibilities in its business activities. However, these standards are not necessarily all of the obligations that apply to associates. In general, associates should take care to avoid any conduct that could reasonably appear to be improper or that might injure the Company's reputation for honesty and integrity in its activities.

Legal/compliance obligations – The Company strives to comply with all applicable laws and regulations in all of its operations. This means all associates must follow the letter of the law and do the right ethical thing even when the law is not specific.

Integrity – Long-term business relationships are built by being open, honest and fair. All associates are expected to uphold the highest professional standards.

Respect for People – Outstanding associates are key to the Company's success. Everyone is part of the corporate team and its success, and each of us deserves to be treated with dignity and respect.

Accountability – Adherence to this Code is the responsibility of each associate and is a condition of continued employment. Even well-intentioned actions that violate the law or this Code will subject you to appropriate disciplinary action.

II. CONFLICT OF INTEREST

Associates are prohibited from engaging in activities or holding or trading assets that involve, or even appear to involve, a conflict between their personal interests and the interests of the Company. Such circumstances could compromise or appear to compromise the associate's ability to make impartial business decisions. Disclosures of personal interests or other circumstances which might constitute a conflict of interest must be reported promptly to the Company's General Counsel, who will arrange for appropriate resolution.

¹ The provisions of the Code are applicable to all Officers and Directors even though the term "associate" is used throughout the Code.

Some examples of situations in which a conflict of interest may occur are:

- when an associate, directly or indirectly, receives gifts having more than token or nominal value (generally less than \$75) from a current or potential competitor, supplier or customer;
- consulting with or working in any capacity for a competitor, supplier or customer of the Company;
- owning a financial interest that constitutes a “significant” interest in a competitor, customer or supplier’s business, including ownership of stock, clearly represents a potential conflict of interest. The best policy is to avoid any direct or indirect business connection with a competitor, customer or supplier;
- the employment of immediate family members or close personal friends as contractors or suppliers; and
- when an associate or a member or his or her immediate family receives improper personal benefits as a result of his or her position with the Company. Examples include a loan or guarantee of obligation of such individual.

If you believe you have a potential conflict of interest or if you do have a financial interest that constitutes a “significant” ownership interest in a competitor, customer or supplier’s business, you must disclose that information to the Company’s General Counsel.

For purposes of this section, immediate family members include an individual’s spouse, parents, children, siblings, mother and fathers in law, sons and daughters in law, brothers and sisters in law, and anyone (other than domestic employees) who shares such individual’s home.

III. COMPETITION AND FAIR DEALING

The Company seeks to outperform its competition fairly and honestly. We seek competitive advantages through superior performance, and not through unethical or illegal business practices.

Unfair Advantage

Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each associate should strive to respect the rights of and deal fairly with the Company’s customers, suppliers, competitors, and employees. No associate should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practices.

Pricing

Antitrust laws are designed to promote competitive pricing in the marketplace, unrestricted by improper conspiracies such as price fixing. Specifically, any agreement or understanding between competitors concerning price, or any element of price (discounts, credit terms), including arrangements which tend to stabilize prices, is prohibited. Also, understandings between competitors concerning (1) the amount of their production, (2) the division or allocation of markets, territories, or customers, or (3) the boycotting of third parties is prohibited.

Remember, there does not need to be a formal document signed by the parties to be an understanding or agreement. Instead, a conspiracy or understanding may be found if there is any kind of mutual understanding that a business practice or decision adopted by one party would be followed, or at least not opposed, by the other party.

Exchanges of business information between competitors and trade association activities may present problems under the antitrust laws. Therefore, you must consult with the Legal Department if you have any questions.

The antitrust laws also prohibit an agreement or understanding by the seller and customer which sets the price at which the customer will resell the product. No restrictions on resale should ever be made without prior legal review.

Business Entertainment and Gifts

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers or suppliers. Although business gifts and entertainment are often used to strengthen business relationships, associates must exercise the utmost care when giving or receiving business-related gifts and/or entertainment.

While business gift giving and entertainment may vary in different cultures, in general, a business gift or entertainment should not be offered or accepted if it (1) is cash, (2) is inconsistent with customary business practices, (3) could be construed as a bribe or payoff, (4) may be perceived as an attempt to influence fair and impartial judgment, or (5) violates any law or regulation.

Also, many of our retail customers have policies that prohibit their employees from receiving gifts or entertainment from suppliers. For others, it is generally against Company policy to give a gift or entertainment of other than token or nominal value to suppliers or customers or their agents or employees. It is against Company policy for any associate to give a gift to, or to provide entertainment for, anyone for whom it is against his or her company's policy to receive such gifts or entertainment.

Please contact the Legal Department to discuss any gifts or entertainment or proposed gifts or entertainment which you are not certain are appropriate.

For more detailed guidelines and Q&As concerning Entertainment and Gifts, please click [here](#)

IV. INSIDER TRADING

It is unlawful to deal in the shares of a company while in the possession of material non-public information. Accordingly, associates who are in possession of material non-public information concerning the Company are not permitted to use or share that information for stock trading purposes. All non-public information (information that has not been disseminated to the public) about the Company should be considered confidential information. It is also unlawful to use non-public information to encourage someone else to make an investment decision on the basis of this information.

This policy also applies to family members who live with you, anyone else who resides in your household, and any family members whose transactions in company securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in company securities). You are responsible for the transactions of these individuals and therefore should make them aware of the need to consult with you before they trade in the Company's securities.

For more detailed information concerning Insider Trading, applicability to Stock Options, 401(k) Plan, and Employee Stock Purchase Plan, and possible penalties, please click [here](#)

V. CONFIDENTIALITY

Associates must maintain the confidentiality of confidential information of the Company and that of suppliers and customers, except when disclosure is authorized by the Legal Department or required by laws, regulations or legal proceedings. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company, its associates, vendors or customers if disclosed.

VI. PROTECTION OF COMPANY ASSETS

All associates have an obligation to protect the Company's assets against loss, theft, misuse and waste. All Company assets should be used for legitimate business purposes, and may not be sold, loaned, given away or disposed of without proper authorization. Any suspected theft, fraud or waste of Company assets should be reported to your Manager or the Legal Department.

VII. CORPORATE OPPORTUNITIES

Associates are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position. No associate may use corporate property, information, or position for improper personal gain, and no associate may compete with the Company directly or indirectly. Associates owe a duty to the Company to advance its legitimate interests when an opportunity to do so arises.

VIII. POLITICAL CONTRIBUTIONS

Political contributions by corporations are prohibited by Federal law and by the laws of most states. Although individual participation in the political process and in campaign contributions is proper, an associate's contribution must not be made, or even appear to be made with, or be reimbursed from, the Company's funds absent approval of the General Counsel; nor should the selection of a candidate or of a party be, or seem to be, coerced by the Company. Severe penalties may be imposed on individuals who violate the political contribution laws, and the Company may be fined.

IX. NON-DISCRIMINATION AND ANTI-HARASSMENT

Brown Shoe is committed to providing a work environment free of unlawful discrimination and harassment. It is the Company's policy that all associates and applicants for employment are treated fairly and without regard to race, color, gender, religion, national origin, age, disability, sexual orientation, veteran status, or any other factor protected by law. The Company generally prohibits any form of unwelcome, discriminatory, or inappropriate behavior, including joking, making remarks or other abusive conduct that demeans or demonstrates hostility towards an individual because of race, color, gender, religion, national origin, age, disability, sexual orientation, veteran status or other protected status that creates an intimidating, hostile or offensive work environment.

For more detailed information, including reporting and anti-retaliation provisions, access the [Respect in the Workplace](#) policy by clicking [here](#)

X. HEALTH AND SAFETY

The Company strives to provide each associate with a clean, safe and healthy place to work. All associates have a shared responsibility for maintaining a safe and healthy workplace by following all safety and health rules, and reporting any unsafe conditions, practices, accidents or injuries. If you are faced with a health or safety issue, you should contact the Human Resources Department or the Legal Department.

XI. FEDERAL SECURITIES LAWS INCLUDING THE FOREIGN CORRUPT PRACTICES ACT

Accurate Books and Records

Federal securities laws require that publicly-held companies such as the Company maintain complete and accurate records. This requires that all Brown Shoe Company, Inc. member companies use prescribed uniform accounting and control practices. Every associate must ensure that no false or intentionally misleading entries are made in the Company's accounting records. The falsification of Company books and records, and the making of false or misleading statements to the Company's auditors, either independent or internal, are specifically prohibited.

If any associate has concerns or complaints regarding questionable accounting, auditing or other financial records, he or she is expected to report those concerns to the General Counsel, the Step Up For Integrity Hotline, or the Audit Committee of the Board of Directors.

For more detailed information, including reporting questionable accounting and auditing matters, access the Procedures for Reporting Questionable Accounting and Auditing matters by clicking [here](#)

Internal Control

Management is responsible for the conduct and control of Company business transactions. This requires that the Company maintain a system of internal control sufficient to provide management with reasonable assurance that transactions are properly authorized and recorded and that the assets of the Company are adequately safeguarded. Failure to comply with this requirement or knowingly circumventing the internal control systems in place is prohibited.

Disclosure Policy

The Company has a responsibility to communicate effectively and candidly with stockholders and other constituencies so that they have a realistic picture of the Company's financial condition and business operations results as viewed through the eyes of management. The Company is committed to full, fair, accurate, timely and understandable disclosure in its periodic reports filed with the Securities and Exchange Commission and in its other public disclosures.

Illegal Payments/Bribes

In the U.S. and in many other countries, it is illegal to provide, offer or accept a kickback or bribe. Bribery is the giving of money or anything else of value in an attempt to influence unlawfully the action of a public official. No associate should pay, offer or authorize any bribe or make any other unlawful payment on behalf of the Company, no matter how small the amount. This prohibition extends to payments to consultants, agents or other intermediaries

when the associate has reason to believe that some part of the payment or "fee" will be used for a bribe or otherwise to influence government action.

Payment (other than for purchase of a product) or giving of a gift of other than token or nominal value to suppliers or customers or their agents, employees or fiduciaries may constitute a commercial bribe or kickback, which may also be a violation of law. Kickbacks or other commercial bribery are also against Company policy, and no associate may engage in such commercial bribery on behalf of the Company.

XII. COMPLIANCE WITH OTHER LAWS

1. The Company strives to be a good corporate citizen and to comply with applicable foreign and domestic laws and regulations. All associates must respect and obey the laws of the cities, states and countries in which we operate. No associate should take any action on behalf of the Company which the associate knows or reasonably should know violates any applicable law or regulation.
2. Neither the Company nor its associates should assist any third party in violating the laws of any country. This policy applies whether or not the Company's assistance itself violates the laws of any country.
3. Cooperation with foreign country boycotts that discriminate against United States firms or citizens on the basis of certain characteristics such as race, color, religion, sex or national origin, and compliance with the request of a foreign country for conduct or information implementing the boycott of a nation friendly to the United States violates U.S. Law. Criminal penalties and the loss of certain U.S. tax benefits may result. It is the Company's policy to reject all such requests, as well as to report the receipt of such requests to all applicable agencies in a timely manner, in accordance with the requirements of applicable law.

XIII. COMPLIANCE WITH COMPANY POLICIES

The Company establishes and implements various policies, procedures and guidelines ("policies"), which all divisions are required to adopt where applicable to their operations. The Company expects every associate to comply with all Company policies applicable to their job and to adhere to the guiding principles set forth in the Code.

Each Supervisor and Manager is responsible for overseeing the conduct of each associate under his or her supervision and to ensure compliance with these policies. Anyone violating these policies, whether occurring through individual misconduct or a failure to exercise adequate supervisory oversight, will be subject to appropriate disciplinary action on a case by case basis.

In unique situations, the Company's business activities may give rise to complex ethical issues that are not easy to resolve. When an associate is faced with a difficult ethical decision or

whenever he or she has doubts as to the correct course of action in a particular situation, that associate should talk to a Supervisor, Manager, or the Legal Department.

XIV. REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

Associates are encouraged to talk to their Supervisor or Manager about observed illegal or unethical behavior and, when in doubt, about the best course of action in a particular situation. If an associate is not comfortable approaching his or her Supervisor or Manager about concerns or complaints, then the associate may contact the Legal Department, the Step Up For Integrity Hotline at 1-877-468-5461, or submit a report online at www.tnwinc.com/BSC. Additionally, associates should report violations of laws, rules, regulations or this Code to the Company's General Counsel.

All associates are expected to cooperate in internal investigations of misconduct and unethical behavior. Confidentiality will be protected to the extent possible, subject to applicable laws or legal proceedings.

XV. NO RETALIATION

Open communication of issues and concerns by all associates without fear of retaliation or retribution is vital to the successful implementation of this Code. Therefore, the Company prohibits retaliation of any kind by or on behalf of the Company and its associates against good faith reports or complaints of violations of this Code or unethical conduct. Further, the Company prohibits retaliation of any kind against any associate who participates or assists in any investigation of a reported violation.

XVI. VIOLATIONS

Associates are responsible and accountable for adhering to all provisions of this Code. Associates who violate any provision of this Code are subject to appropriate disciplinary action, up to and including termination of employment. Further, Associates who violate the laws and government regulations outlined in this Code could expose themselves and the Company to civil and/or criminal action.

XVII. AMENDMENT, MODIFICATION AND WAIVER

This Code may be amended or modified by the Board of Directors or a Committee of the Board subject to the disclosure and other provisions of the Securities Act of 1934 and the rules thereunder, and the applicable rules of the New York Stock Exchange. Any waiver of this Code for Executive Officers or Directors may be made only by the Board of Directors or a Committee of the Board, and will be promptly disclosed to shareholders.

IN SUMMARY, you must:

- ALWAYS adhere to the provisions of the Code. Associates who violate these standards will be subject to appropriate disciplinary action.
- ALWAYS be alert to possible violations of the Company's Code of Business Conduct so that they may be reported to and investigated by the Company's General Counsel.
- ALWAYS seek advice from the Legal Department if you are in doubt about the application of law or Company policy to a particular situation.

In the best interests of both you and the Company, please read this statement carefully and then either confirm that you have carefully reviewed and understand the attached statement, or indicate that you do not feel that you understand the entire statement, or indicate that you require further clarification. If you would like to discuss this statement before you send your acknowledgement, please contact or Lora Wilson, Associate General Counsel at lwilson@brownshoe.com or call 314.854.2791 or Michael Oberlander, General Counsel at moberlander@brownshoe.com or call 314.854.4119.

A C K N O W L E D G E M E N T

(NOTE: Check only one.)

_____ I understand the Company's policies, and to the best of my knowledge and belief I have complied and intend to continue to comply with all such policies.

_____ I would like to discuss these matters.

(SIGNATURE)

(PRINT NAME)

Date Signed