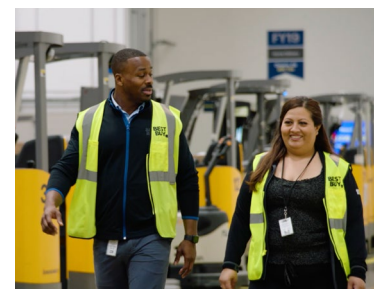




Corporate Responsibility & Sustainability Report

FISCAL 2024
[Corporate.BestBuy.com](https://corporate.bestbuy.com)

What's inside



About Best Buy

- 3 CEO message
- 4 Company strategy
- 5 About this report
- 6 FY24 highlights
- 7 Recognition
- 8 Stakeholder engagement

Environmental

- 10 Environmental progress
- 11 Environmental sustainability
- 12 Sustainable operations
- 15 Water management
- 16 Waste reduction
- 18 Energy
- 19 Sustainable products
- 21 Sustainable packaging
- 23 Product life extension
- 24 Chemicals management

Employees

- 26 A great place to work
- 27 Engaging employees
- 28 Serving our customers
- 29 Learning and development
- 31 Employee benefits
- 32 Employee community engagement
- 35 Inclusion, diversity & equity

Community

- 44 Best Buy community initiatives
- 45 The Best Buy Foundation™
- 47 Best Buy scholarships
- 48 Strategic community initiatives

Responsible Business Practices

- 51 Corporate governance
- 52 CR&S governance
- 53 Ethics
- 54 Data security and privacy
- 55 Health and safety
- 56 Product safety
- 57 Human rights
- 58 Responsible sourcing
- 64 Political activity
- 65 Membership associations

Appendix

- 67 Environmental data
- 69 SASB index
- 70 TCFD index
- 71 Sustainable Development Goals
- 72 GRI Universal Standards

A message from our CEO



Corie Barry, CEO
Best Buy Co., Inc.

FY24 was a year in which Best Buy continued to manage through continued macroeconomic challenges and position itself — through investments and strategy — for growth. All the while, we continued to keep our stakeholders at the forefront, as we have always strived to do.

We strongly believe in the importance of working with those who have a connection to what we do, including our employees, customers, shareholders, vendors, and communities. When we actively engage with these diverse groups, we're not only doing the right thing — we're creating long-term value for all.

Our shared purpose, to enrich lives through technology, is what guides us at Best Buy. This drives a common commitment to our customers, employees and communities.

Best Buy's culture is fundamental to who we are, and it's what fuels our growth. I'm proud of the many ways we support our employees and provide an inclusive environment through a culture of belonging. When everyone feels valued and has the opportunity to thrive, we can realize our strategy, accomplish our goals, and bring our purpose to life.

As you read through this report, you'll see the progress we have made across our corporate responsibility and sustainability goals — and the work we have yet to do. We are building momentum, and we're excited about our progress. It's an honor to receive external recognition for our efforts to support our employees and the environment.

Here are a few ways we've been recognized for this work in FY24:

- Best Buy was named the No. 1 retailer on the JUST Capital list, which evaluates and ranks the largest publicly traded companies in the U.S., in part, on how a company invests in its workers. It's our second time receiving this distinction.
- For the seventh consecutive year, we made CDP's prestigious Climate A List, which looks at best practices associated with environmental leadership.
- We were named to the annual Dow Jones Sustainability North America Index. The index analyzes a variety of criteria, including carbon reduction, human rights, and corporate governance.

We couldn't do this work without the tireless dedication of our team members across the company, and I am so grateful to them. They care deeply about our customers, our communities and one another.

On behalf of Best Buy, let me also express gratitude to our stakeholders, including our employees, customers, shareholders, vendors, and communities where we live and work.

Respectfully,

A handwritten signature in black ink that reads "Corie Barry". The signature is fluid and cursive, with the first name "Corie" and last name "Barry" clearly distinguishable.

Our strategy



Best Buy's purpose is to enrich lives through technology. We are the only U.S. consumer electronics retailer with a full range of products, services and experts who can help customers get the most out of what the world's most innovative technology products can provide.

This unique position allows us to pursue our vision: to humanize and personalize technology solutions for every stage of life.

With this in mind, we're focused on four priorities:

1. **Invigorating and progressing targeted customer experiences.**
2. **Driving operational effectiveness and efficiency.**
3. **Continuing our disciplined approach to capital allocation.**
4. **Exploring, piloting and driving incremental revenue streams.**

We're proud of what we accomplished in FY24, and we are optimistic about the future. We believe we have the right strategy to deliver growth and long-term value for all Best Buy stakeholders, including employees, customers, shareholders, vendors, and communities.

Best Buy at a glance

85,000+

Employees in FY24

1,000+

Stores in the U.S. and Canada

\$43.5 billion

Revenue in FY24

Domestic online sales were

33%

of domestic revenue in FY24

About this report

Best Buy has been reporting yearly on a variety of corporate responsibility and sustainability topics since 2006. This report includes our operations in the U.S. and Canada, reflecting the fiscal year ending February 3, 2024 (FY24) unless otherwise stated. The Responsible Sourcing section reflects only our private-label manufacturing.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Universal Standards. Best Buy's Scope 1, 2 and 3 emissions data is independently verified by Optera at a limited assurance level. Other frameworks referenced or taken into account include Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosures (TCFD) and Sustainable Development Goals (SDGs). Best Buy also reports to CDP. Feedback about this report is welcome at CorporateResponsibility@BestBuy.com.

Through a materiality assessment including stakeholder surveys and interviews, we plotted issues on a matrix based on a five-year outlook. All of the issues listed are of high importance to both external stakeholders and our business; however, the issues were categorized by the degree to which internal and external stakeholders believe we should intensify our efforts to grow our business. For more information and full financial disclosures, please see the Best Buy FY24 Annual Report (Form 10-K) on our [Investor site](#).



FY24 highlights

Environmental

ENERGY

69% carbon emission reduction (over 2009 baseline), compared to our goal of becoming carbon neutral by 2040

WASTE

67%

waste diversion, compared to our goal of achieving 85% waste diversion across our U.S. operations by 2025

14 certified facilities

achieved zero waste TRUE certification, adding 10 supply chain facilities in FY24, compared to our goal of certifying all U.S. supply chain facilities by 2025

WATER

17%

decreased enterprise water usage since 2019, compared to our goal of reducing water usage 15% by 2025

SUSTAINABLE PRODUCTS

109 million

ENERGY STAR® certified products have been purchased at Best Buy since 2017. As a result, we estimate Best Buy customers will save nearly \$4.6 billion in energy costs, working toward our 2030 goal of helping customers save \$5 billion over the lifetime of their products

Over **170 million**

pounds of electronics and appliances collected for recycling in FY24

Employees

30 average training hours per employee

34% U.S. turnover

Over **\$2 million**

employee logged donations which, when coupled with the company match, resulted in over \$2.7 million in donations

\$19.05

average wage of full-time and part-time hourly employees

Community

59 Best Buy Teen Tech Center® locations

supported by The Best Buy Foundation™ at the end of FY24, on its way to its goal of supporting 100 locations

Best Buy customers gifted over

\$8 million

in tax-deductible donations to the Foundation, in support of programs like Teen Tech Centers while making a purchase at Best Buy stores, BestBuy.com, or the Best Buy app

Over **\$19 million**

allocated since 2020 from Best Buy and the Best Buy Foundation™ to expand college preparation and career opportunities for students from disinvested communities, working toward a goal of providing \$44 million by 2025

More than **56,000**

young people reached through Best Buy Foundation™ programming in FY24

Responsible Business Practices

100%

of potential supplier factories audited before doing business

64%

of our Board of Directors members are women



Completed enterprise-wide **Human Rights Impact Assessment**

Recognition



ENERGY STAR®

Our 11th consecutive year being recognized as a Partner of the Year by the U.S. Environmental Protection Agency's ENERGY STAR program



CNBC

Named #1 in Retail Industry for the 2nd year



MSCI Inc.

Rated AAA (highest possible) by MSCI ESG Research



Human Rights Campaign

Equality 100 Award Winner



CLIMATE

CDP Worldwide

Named to CDP Climate A List for the 7th year; among the top 2% of companies reporting to CDP



FTSE4Good

FTSE4Good Index

Included in FTSE4Good Index



ISS Governance

Awarded Prime status on ISS-ESG Corporate Rating



Parity.org

Best Companies for Equal Advancement Opportunity



Disability: IN

Recognized as a Best Place to Work for Disability Inclusion

Ethisphere

10-Time World's Most Ethical Companies Honoree®

Dow Jones Sustainability™ Indices

Included in the Dow Jones Sustainability™ North America Index for the 12th year

Stakeholder engagement

Since the founding of our company in 1966, Best Buy has been cultivating relationships with multiple stakeholders — the many people and organizations who have a collective stake in what we do. We interact daily and in a variety of ways with our employees, customers, shareholders, vendors, and communities where we live and work. We also actively engage in dialogue with external organizations that provide valuable insights that help us to evolve and grow. Ultimately, we make decisions with the future in mind — to strengthen our business, help our employees develop and grow, improve people’s lives and promote the health of our communities for years to come.

Here are a few examples of how we engage and interact with our stakeholders:



Employees

- Create a sense of belonging and foster a welcoming culture that prioritizes an inclusive and diverse work environment and supports career development.
- Focus on holistic well-being for our employees and their loved ones.
- Gain employee insights and feedback through formal surveys and other listening channels.



Customers

- Put customers at the center of all we do, enabling them to enrich their lives through technology.
- Create a world of personalized discovery and inspiration for customers to unlock what technology can do for them.
- Invigorate our customer experiences on the Best Buy app, on our website, in stores and in their homes to take what they love to the next level.
- Lean on customer insights and feedback to understand what’s important to our customers.



Investors and shareholders

- Disclose metrics and information that support our initiatives and engage with shareholders on a variety of topics throughout the year.
- Ensure good company governance and ethics.



Vendors and partners

- Partner with product vendors and manufacturing suppliers to innovate and bring additional business value.
- Work with our manufacturing suppliers to strengthen their social and environmental performance through coaching, focused trainings and capacity building.



Communities and environment

- Invest in opportunities for young people — including access to tech and career training initiatives — to help them unlock their potential and pursue their dreams.
- Connect with underserved communities to understand their needs and collaborate on solutions.
- Reduce our impact on the environment and help our customers do the same.



Elected Officials, Regulators and Non-Governmental Organizations (NGOs)

- Engage in the political process by sharing expertise and insights, and advocating for public policy positions, to protect and grow the business in ways that directly impact our employees, customers, shareholders and communities.
- Maintain relationships with NGOs, including associations and activists, to educate them on our business and understand their priorities.

Environmental

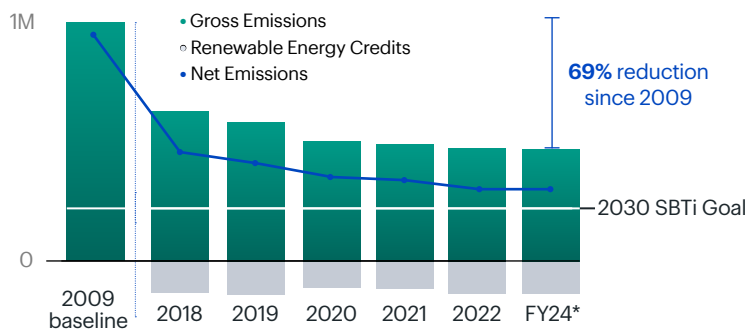
- 10 Environmental progress
- 11 Environmental sustainability
- 12 Sustainable operations
- 15 Water management
- 16 Waste reduction
- 18 Energy
- 19 Sustainable products
- 21 Sustainable packaging
- 23 Product life extension
- 24 Chemicals management



Environmental progress

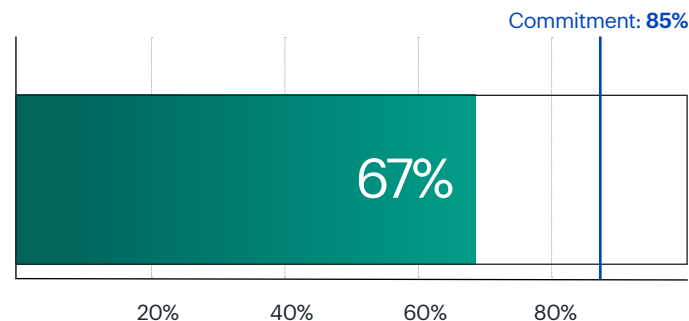
Carbon emissions reduction in U.S. and Canada operations

(in MTCO₂e)



From 2009 through the end of FY24, we reduced our operational carbon usage by 69%, and are working toward achieving carbon neutrality by 2040.

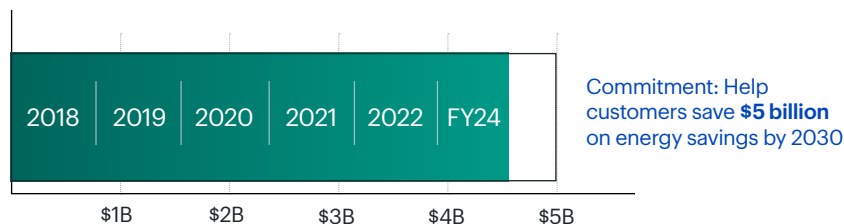
FY24 Waste diversion across our U.S. operations



In FY24 we achieved 67% waste diversion, working toward our goal of 85% waste diversion across our U.S. operations by 2025.

Energy savings in \$ from ENERGY STAR certified products

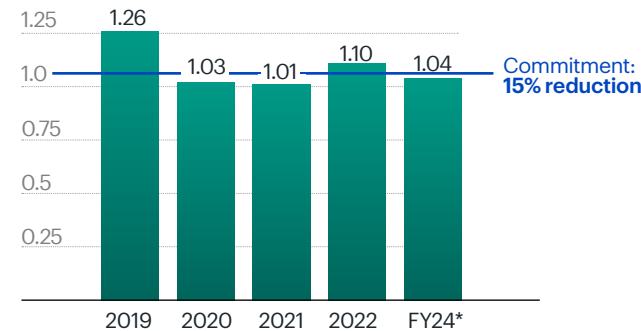
(over the course of the products' lifetime)



More than 109 million ENERGY STAR® certified products have been purchased at Best Buy since 2017. As a result, we estimate Best Buy customers will save nearly \$4.6 billion in energy costs. We have a goal to help customers save \$5 billion over the lifetime of their products by 2030.

Water usage across U.S. and Canada operations

(in millions of cubic meters)



We have reduced enterprise water usage by 17% since 2019. We have achieved our 2025 water reduction goal of 15% reduction.

*To align with regulatory filings, starting with FY24 in this annual report and going forward, we are moving to measuring carbon emissions and water reduction from 12 months of calendar year (CY) to 12 months of fiscal year (FY).

Environmental sustainability

Best Buy aims to meaningfully reduce our impact on the environment and help our customers do the same. We focus on aligning our business model in ways that improve people’s lives and promote the health of our communities for years to come.

We aspire to drive forward the circular economy, a framework developed by the Ellen MacArthur Foundation that addresses global issues like climate change, biodiversity loss, waste, and pollution.

To do that, we prioritize our highest-impact areas, including:

Operations: managing the environmental impacts of our operations to reduce carbon emissions, water usage and waste.

Energy: transitioning to sourcing renewable electricity.

Products: developing and supporting programs that minimize the environmental impact of the products we sell throughout the entire product life cycle.

The foundation of our environmental program is our ISO 14001-certified Environmental Management System (EMS), which covers all U.S. operations. Our EMS helps us systematically manage progress toward our environmental commitments and ensures that we comply with all applicable laws and regulations. We are certified by a third party to the newest standard, ISO 14001:2015.

Circular Economy



- Carbon-neutral goal
- Water efficiency
- Energy efficient equipment
- Waste diversion



- Renewable energy sourcing
- Clean-energy advocacy
- Electrification of transportation



- Eco-friendly products
- Sustainable packaging
- Extending product life
- E-Waste recycling

Sustainable operations

We recognize the urgency of addressing climate change and the impact our operations have on the planet. To help address climate change and reduce our impact, we continually seek opportunities to reduce our energy consumption. We make investments in energy-efficient equipment and look for additional ways to improve our energy-management processes. We then prioritize renewable energy sources for the remainder of our energy consumption.

Our carbon emissions

We measure Scope 1, 2 and 3 carbon emissions following the standards of the Greenhouse Gas (GHG) protocol.

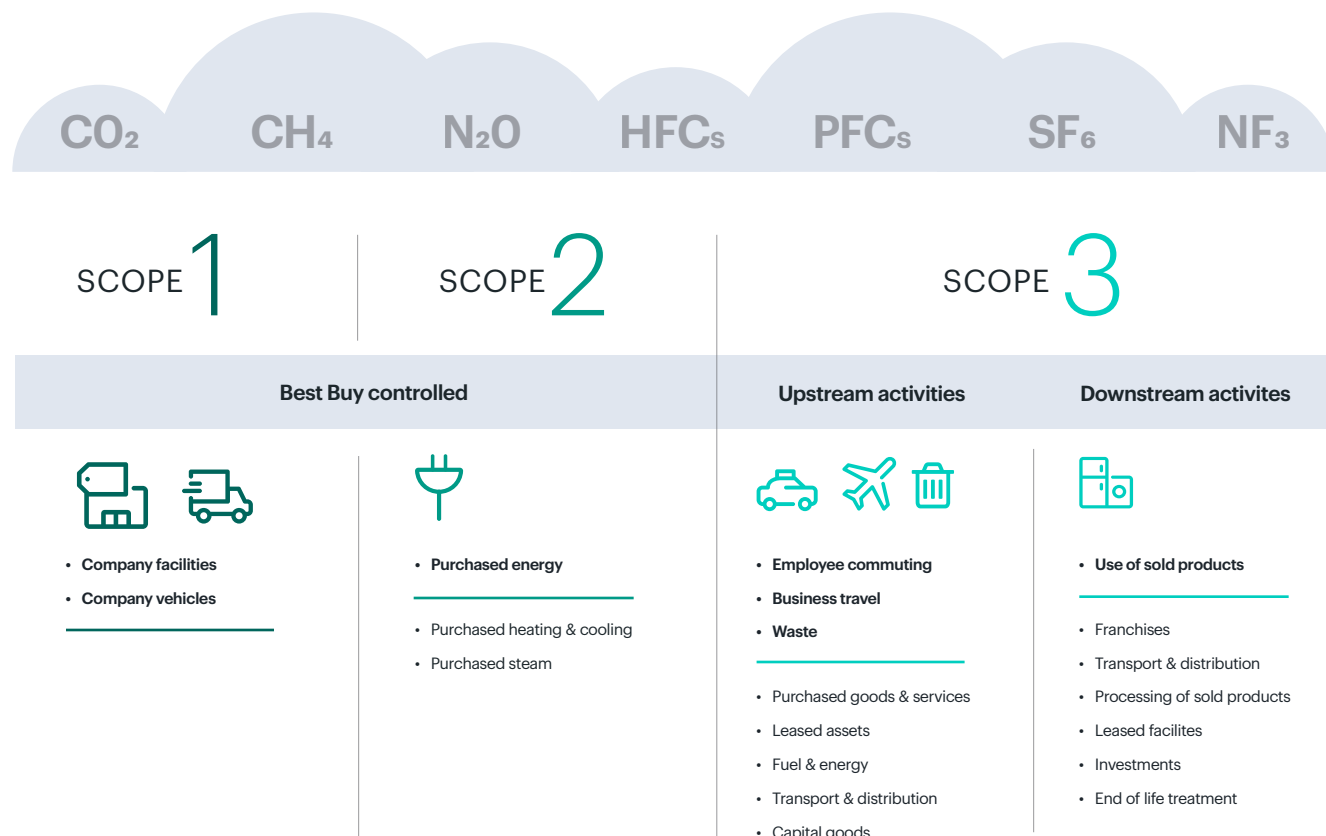
For more information about our Scope 1, 2 and 3 carbon emissions, please see page 67 in the appendix.

Our impact

Scope 1: Our operational activities, encompassing emissions from the facilities we operate and delivery services, are the primary sources of our Scope 1 emissions.

Scope 2: Our Scope 2 emissions comprise the energy we purchase to operate our facilities.

Scope 3: We measure four areas in Scope 3 including employee commuting, business travel, waste and use of sold products.



*Categories above the line in bold are included in our FY24 GHG reporting.
Categories below the line and not bolded are not currently included in our GHG reporting.*

Sustainable operations

Responsibilities for climate-related issues

Our General Counsel & Chief Risk Officer serves as the head of our environmental sustainability programs and reports directly to our CEO. As part of this role, this leader oversees our environmental programs and has direct oversight of climate-related activities, including risks and opportunities. This leader has the authority, influence and resources to act on climate-related risks and opportunities in alignment with our corporate strategy and goals.

Our Board of Directors has an active role in advancing and overseeing our corporate responsibility and sustainability initiatives. Within the Board, the Nominating, Corporate Governance and Public Policy Committee has responsibility and oversight for climate-related issues.

This committee oversees our CR&S strategy and reputational risks by way of discussions on a regularly scheduled basis with leaders. Additionally, this committee oversees our sustainability goals and progress, social responsibility programs, and public policy positions and advocacy.

For more information, see the Nominating, Corporate Governance and Public Policy Committee Charter on our [Investor site](#).

Process for identifying climate-related risks and opportunities

To support our sustainable operations strategy, we follow a process for identifying, assessing and responding to climate-related risks and opportunities. Climate-related risks include impacts to revenue due to extreme weather events like hurricanes and floods that could result in our inability to keep stores open for business as scheduled or the inability to deliver products to our stores for extended periods. Climate-related opportunities include leveraging our business continuity plans for a competitive advantage, enhancing our environmental reputation to attract stakeholders and boost sales, and meeting the growing demand for energy-efficient technologies.

We identify climate-related risks and opportunities on an annual basis, across our direct operations. We then assess the potential size and scope of the risks. Through this assessment, we develop strategies and goals and engage with external stakeholders to minimize environmental impacts across our operations.

Our annual climate change assessments for stakeholder materiality and ISO 14001 significance consider climate-related risks and opportunities up to five years in the future. When developing plans for mitigating risks and recognizing opportunities, we prioritize reducing business operating costs, reducing financial risks associated with energy needs and capitalizing on opportunities to deliver customer value through energy-efficient products and services.

For more information on the management of our climate-related risks and opportunities, see our most recent [CDP Climate Response](#).



Sustainable operations

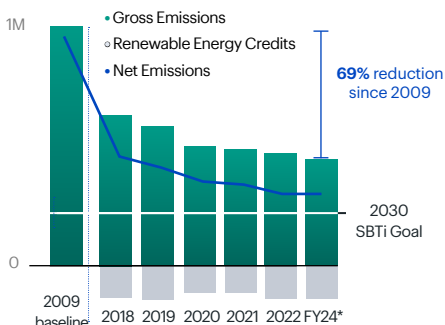
Our Scope 1 and 2 targets

In 2019, we set a goal to reduce carbon emissions by 75% by 2030 (over a 2009 baseline) and to become carbon neutral by 2040.

These goals adhere to Science Based Targets initiative (SBTi) requirements, meaning our reduction is in line with the reduction required to keep the global temperature increase below 2°C as outlined in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

Our progress reducing carbon emissions

At the end of FY24, we have reduced our operational carbon usage by 69% since 2009.



Our actions to reduce carbon emissions

We focus on a variety of initiatives across our operations that contribute to our reduced carbon emissions. This includes projects like investments in LED lighting, process controls and high efficiency Heating, Ventilation and Air Conditioning (HVAC) systems.

In FY24, we installed smart building control units in more than 200 stores, bringing our total to 700 stores that have them. With these enhanced controls, we can easily program our HVAC systems to heat and cool the buildings more efficiently. Additionally, these controls improve lighting efficiency by ensuring lights are only activated during operational hours. The grid is also getting cleaner, which contributes to our carbon emission reduction and is something we actively advocate for with investor-owned utilities and policy makers.

Get There Greener (Best Buy Canada)

Our “Get There Greener” Preferred Carrier Program is a partnership between Best Buy vendors, carriers, and Best Buy Canada that reduces our environmental impact in our supply chain operations.

Through this shared freight program, vendors partner with high-volume, top-performing carriers that deliver daily to our distribution centers — facilitating and consolidating full-truck load deliveries into our distribution centers. This maximizes space in trucks and decreases emissions in our supply chain. In FY24, we saved 6,355 trucks using preferred carriers.

Our path to carbon neutrality

While we have achieved significant progress toward our carbon emissions reduction goals from operational reductions and renewable sourcing, we recognize there is more work to be done. We aim to achieve our carbon reduction goals by minimizing our energy usage, advocating for a cleaner grid, electrifying our fleet, sourcing from renewable energy sources, and neutralizing remaining emissions with additional quantifiable, permanent and socially beneficial offsets.

CDP Climate A List

We are proud to be recognized as an environmental leader for our ongoing work to reduce our impact on the planet. For the seventh consecutive year, CDP, the global authority on climate change, named Best Buy to its prestigious Climate A List. The list recognizes our actions to cut emissions, mitigate climate risks and advance a low-carbon economy. We are among the top 2% of all 15,000 companies participating in CDP (see the appendix for further data).



The Climate Pledge

We were one of the early companies to sign The Climate Pledge, a commitment to be carbon neutral across our business by 2040 — a decade faster than our previous goal of 2050. The Climate Pledge was founded in 2019 to mobilize companies across multiple business sectors to reach net-zero carbon emissions by 2040. Today, more than 500 businesses across the world have signed the pledge.

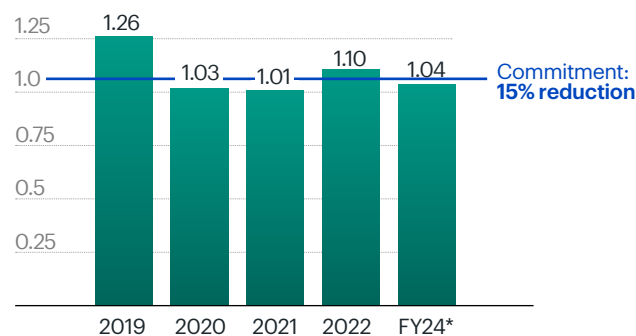


Water management

Water scarcity is a growing, worldwide issue. Our business relies on healthy watersheds in the regions where we operate, and some of the products we offer, like washing machines and dishwashers, are dependent on water.



Water usage across U.S. and Canada operations
(in millions of cubic meters)



**To align with regulatory filings, starting with FY24 in this annual report and going forward, we are moving to measuring water usage from 12 months of calendar year (CY) to 12 months of fiscal year (FY).*

Our water target

By taking steps to reduce our water consumption and helping our customers do the same, especially in water-scarce regions, we strive to make this resource more abundant and readily available to the communities we serve.

From our stores to our distribution centers to our headquarters in Minnesota, we are committed to sustainably managing the water we use. In 2019, we committed to reducing enterprise water usage by 15% by 2025.

Our progress reducing water

In FY24, we used approximately 1 million cubic meters of water in our U.S. and Canadian operations.

We are proud to share that this is a reduction of 17% over calendar year 2019 and that we have achieved our 15% water reduction goal.

We reached this goal by implementing improved processes and reporting tools to quickly address water usage anomalies in our stores, supply chain facilities and corporate campus. Additionally, we upgraded faucets in several facilities to touchless models, which use less water. These water management practices and equipment upgrades are part of our ongoing effort to reduce water usage across our operations. We are also helping our customers reduce their water usage by offering ENERGY STAR certified products that save energy and water. Our full water statement can be found on our [corporate site](#).

Waste reduction

Reducing waste in our operations is an integral part of our environmental strategy to advance the circular economy.

In FY24, we achieved 67% waste diversion*, compared to our goal of 85% waste diversion across our U.S. operations by 2025

Our waste diversion rate fell slightly from last year primarily due to:

- **Reuse of wood pallets:** In our supply chain locations, we have begun reusing more wood pallets. Instead of purchasing new pallets, these locations have implemented new processes for repairing and reusing pallets, which reduced waste and the environmental impact, but also decreased the total recycling volume that is used to calculate the diversion rate.
- **Decreased commodities for recycling:** As the sales of our product categories shift every year, we have a different assortment of waste streams to recycle. In FY24, we saw a decrease in commodities for recycling.
- **Updated methodology:** In previous years, we used a methodology to calculate our diversion rate that included waste from construction projects. While we continue efforts to recycle and reuse waste from construction, the data from our vendors for this waste stream doesn't meet the standards we have for verifying the total weight.

In FY24, we began using a new methodology to calculate our waste diversion rate that aligns with the Environmental Protection Agency's (EPA) waste diversion methodology. Waste data includes information that was reported by our vendors. When exact data was not available, weights have been estimated based on vendor provided samplings, past waste audits, historical data of similar sized facilities, and finally, using EPA provided estimates when actuals or Best Buy specific estimates were not available.

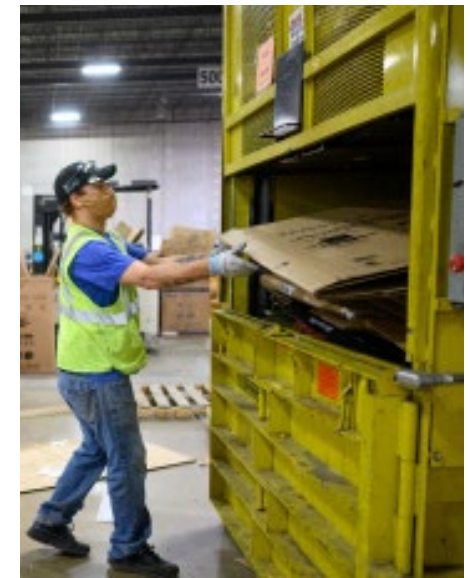
To improve our waste diversion, we partner with a B Corp-certified software provider to use technology and analytics to identify opportunities that reduce waste — with a focus on efforts that support the certification of TRUE zero waste at our supply chain locations.

TRUE certification for zero waste

In FY22, our supply chain facility in Chino, California, was the first location to achieve TRUE certification for zero waste. TRUE (Total Resource Use and Efficiency) certification helps facilities define, pursue and achieve zero waste goals, which increases their resource efficiency, cuts their carbon footprint, and supports public health. Facilities achieve certification by meeting rigorous program requirements administered by Green Business Certification Inc.

In FY24, we achieved TRUE zero waste certification at 10 additional supply chain facilities, bringing our total to 14 certified facilities. We plan to expand certifications to additional locations this year, with a goal to certify all supply chain locations as zero waste by 2025.

We added 84 new cardboard balers in FY24 to help divert cardboard from ending up in a landfill. Cardboard balers help reduce waste by compressing the cardboard so it's easier to transport and recycle with other consolidated bales of recycling. With these additions, we are working to further improve our waste-diversion capabilities. Today, around 88% of our store locations have cardboard balers for recycling. In addition to balers, our supply chain locations use polystyrene densifiers, which break apart and condense polystyrene into cubes, taking up less room on trucks, which makes shipping more efficient.



"I am proud of the exceptional work our teams are leading that prioritize environmental stewardship at every level across our complex supply chain operations. From optimizing packaging to supporting recycling programs, our supply chain facilities are implementing innovative practices to minimize waste generation, maximize resource efficiency and partnering with organizations that operate with the same commitments.

I'm excited to share that we are on track to achieving our goal of certifying all U.S. supply chain facilities as zero waste, a testament to our unwavering commitment to sustainability and responsible business practices."

Mark Irvin, chief supply chain officer

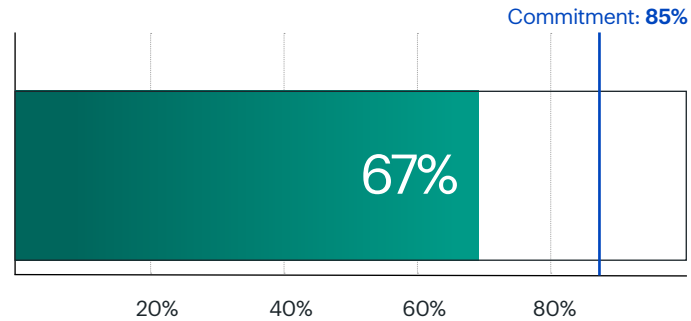
Waste reduction

Employee engagement

Employee engagement is a key component of our waste reduction strategy. In FY24 we expanded our Green Team program to support six additional locations across our supply chain, bringing the total to 20 locations. Members of Green Teams help support our waste diversion goal and zero waste certification efforts, as well as educate and train their colleagues to ultimately drive a zero waste culture and minimize the environmental impacts of our facilities.

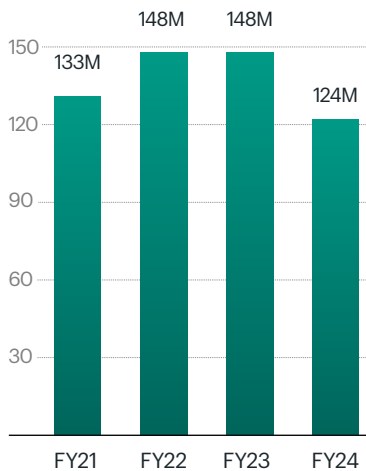
We also expanded our Green Team program at our corporate campus. Through this initiative, leaders across the corporate office volunteered to join the corporate Green Team, creating a sustainability lead for every office area and communal space on our corporate campus. Our Green Team leaders are a resource to empower employees to recycle and compost materials, and bring awareness to Best Buy's zero waste goals and programs in place to divert more trash from the landfill.

FY24 Waste diversion across our U.S. operations

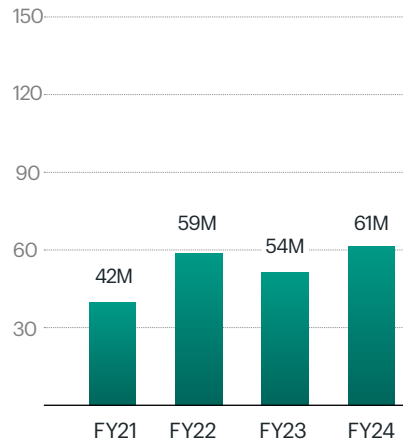


Non-hazardous waste (enterprise)

Pounds of materials recycled

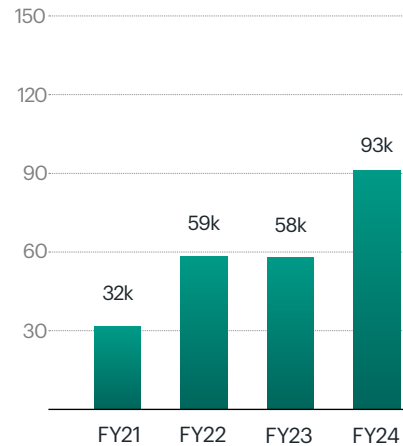


Pounds of materials landfilled

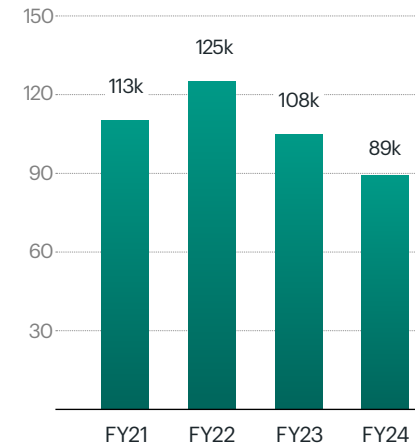


Other waste (enterprise)

Pounds of hazardous waste



Pounds of universal waste



Energy

Finding solutions to save energy and reduce carbon emissions is another part of our strategy to support the transition to a circular economy. We do this through sourcing renewable energy and through a focus on electrification.

Renewable energy

In the last four years, we have invested in five solar fields, helping to accelerate progress toward our carbon reduction goals. Through these investments, we acquire Green-e® certified Renewable Energy Credits (RECs), which encourage the production of new renewable energy systems. We are proud to be a Green Power Partner (GPP), an EPA-led program that seeks to develop new renewable generation capacity nationwide while also helping to protect the environment.

Electrification

In our effort to meet our carbon neutral goal, we are partnering with other companies to accelerate the adoption of zero emission vehicles (ZEVs) in our Geek Squad® fleet, which includes electric vehicles (EV) and EV charging infrastructure. In FY24, our Geek Squad team conducted several EV pilots to learn how they affect the efficiency of our in-home operations and to better enable widespread adoption of EV. We are also part of Ceres' Corporate Electric Vehicle Alliance (CEVA), a collaborative group of companies focused on accelerating the transition to electric vehicles.



Sustainable products

Best Buy is committed to helping our customers live more sustainably. To support this commitment, we are developing and supporting programs that minimize the environmental impact of the products we sell — throughout the entire product life cycle.

ENERGY STAR®

We sell ENERGY STAR products in over 30 categories, including appliances, televisions, smart thermostats, and more. ENERGY STAR certified products save money, reduce energy and water use, and protect the environment by meeting strict energy-efficiency guidelines set by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy.

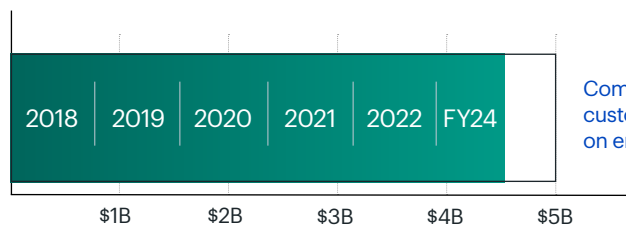
Best Buy is proud to be a 2024 ENERGY STAR Partner of the Year. It's the 11th consecutive year we've won this award, and we also received a special distinction for Sustained Excellence.



According to the EPA, the ENERGY STAR mark is recognized by 90% of American households. Nearly 840 utilities, state and local governments, and nonprofits leverage ENERGY STAR in their efficiency programs, reaching roughly 95% of households in all 50 states.

We make it easy for customers to shop for energy-efficient products, both online and in our stores, by highlighting the ENERGY STAR mark. For the past 13 years, we have offered an employee e-Learning specific to ENERGY STAR through our training platform, the Learning Network. Store employees who take the training learn about the benefits of ENERGY STAR certified products, which products are certified, how to identify them, and how to help customers find them.

Energy savings in \$ from ENERGY STAR certified products (over the course of the products' lifetimes)



Commitment: Help customers save **\$5 billion** on energy savings by 2030

Our Scope 3 target

We are committed to helping our customers reduce their carbon emissions from the products we sell.

Many of the products we sell at Best Buy require energy to be used. Within Scope 3 emissions, the "use of sold products" category is our largest sources of emissions at Best Buy. That's why in 2019, we set a goal to reduce carbon emissions from ENERGY STAR products sold to our customers by 20% by 2030 (over the 2017 baseline), saving our customers \$5 billion in energy costs. This is the Scope 3 component of our science-based carbon goal.

Our progress helping customers live more sustainably

At a time when the climate crisis seems too big to solve, we recognize that our customers are making an impact every time they select an ENERGY STAR certified product. More than 109 million ENERGY STAR certified products have been purchased at Best Buy® since 2017. As a result, we estimate Best Buy customers will save nearly \$4.6 billion in energy costs, working toward our 2030 goal of helping customers save \$5 billion over the lifetime of their products.



Sustainable products

Expanding our assortment of sustainable products

In FY24, we expanded and grew our existing lineup of products that we offer in our electric transportation, electric tools and EV charging categories as customers look for alternatives to gas-powered modes of transportation and lawn care equipment. This includes additional brands, colors and sizes of electric bikes and scooters, lawn mowers, snow throwers, and other yard equipment at varying price points. Beyond our expansion of those categories, our [Sustainable Living page](#) offers more items, including portable solar solutions and ENERGY STAR certified products.

Last year we also expanded our assortment of energy-efficient appliances, including washer/dryer all-in-one combination products that use heat pump technology, as well as additional models of heat-pump dryers. Heat pump dryers can reduce energy usage and are also ventless, providing customers more flexibility in where they do laundry in their home.

Additionally, ENERGY STAR added a new certification of products which includes electric ranges and cooktops, with many models available at Best Buy.

Rebates

To improve the purchasing experience of energy efficient products, we partner with electric utilities to help customers access rebates for products that use less energy and water. Utility rebates can reduce the cost to consumers, making it a more affordable purchase option. Through our online [Rebate Finder](#), we help customers find localized rebates for refrigerators, freezers, dryers, smart thermostats, and more.



Sustainable packaging

We continue to work with industry stakeholders to make our packaging more sustainable in our private-label products and in the fulfillment of customer purchases.

Our packaging statement

In FY24, we released our first [public statement](#) to support our enterprise initiatives that address how we can improve our packaging so that it preserves the value of the product and supports circular economy opportunities. With this commitment, we focus on the following principles when considering the impacts of packaging:

Material efficiency and effectiveness

We are working to right-size and optimize our packaging while protecting products from damage. This helps reduce resources required for shipping, lowers the costs and reduces waste.

In FY24, we implemented a new system to consolidate customer orders to be shipped in fewer boxes for multiple orders. With this change, we consolidated 9% more of our multi-item orders, resulting in more than 205,000 fewer boxes shipped compared with the previous fiscal year.

Additionally, our supply chain locations continued reducing the amount of corrugate material used in shipping materials. When vendors send products to our supply chain locations, the boxes contain “inner packs” of corrugate material that separates the boxes that were previously distributed to stores. We continue working with our vendors to reduce the material needed for those products.

Last year we also partnered with our vendors to use a new assortment of box sizes that would reduce void fill to “right size” boxes in relation to the products being shipped.

Packaging messaging

We recognize the importance of putting messaging on our packaging to help our customers know how to recycle it.

Last year we partnered with How2Recycle®, a standardized labeling system that provides transparent on-package disposal instructions. Because recycling programs vary by region, it's sometimes hard to know if recyclables end up in the right place. The How2Recycle program helps get more materials in the recycling bin by providing clearer package messaging.



Sustainable packaging



Design for recovery

With a focus on design, we are concentrating on procuring packaging materials that are recyclable, compostable or reusable to reduce environmental impacts and improve the end-of-life management.

In FY25 we will be pivoting from using padded poly mailers to curbside recyclable paper mailers at all our locations.

For televisions that need to be shipped and do not have their original box, we use a modular packaging unit called a “TV taco”, or a recyclable cardboard corrugate box. These units protect the televisions, extending their life so they can be repaired or purchased again as an open-box product.

Recycled content

We are working to include more packaging materials made from recycled content.

We have transitioned some of our shipping boxes to an option made from more than 30% recycled content.

Circular value chain

To reduce the amount of virgin plastic used in shipping, we are working with vendor partners on a pilot where we close the loop for bubble wrap that is typically used for open-box items, or items that have been previously purchased and then returned. With this new process, we collect bubble wrap and other plastic films that are used to protect televisions and appliances and recycle it into feedstock for the bubble wrap we procure.

Additionally, to improve the efficiency of our equipment at supply chain locations and reduce waste, we continue to collaborate with local companies and our recycling partners to recycle expanded polystyrene (EPS). In FY24, we recycled approximately 4.8 million pounds of EPS.

Our full Packaging Statement can be found on our [corporate site](#).

Product life extension

Our repair, trade-in and recycling programs help our customers throughout the lifecycle of their products by keeping old tech out of landfills and giving it a second life.

Repair

We help our customers extend the life of their products by utilizing the skills of our Geek Squad® Agents and repair partners. Most Best Buy® stores house a Geek Squad Precinct, where products — from computers to mobile phones to digital cameras — are repaired. Our repair technicians fix larger items like TVs and appliances in customers' homes. We also operate repair facilities within our distribution centers including Geek Squad City, a facility near Louisville, Kentucky. Best Buy's repair operations are a critical asset in our circular economy strategy of keeping products in the "in use" phase for as long as economically possible.

Trade-in

The Best Buy® Trade-In Program is the core of our "reuse" phase of the product life cycle. In nearly all of our stores, we offer customers a convenient way to get value for products that are still in good working condition. Many companies offer phone trade-in options, but Best Buy goes beyond phones and includes laptops, tablets, cameras, smart watches, and video game consoles.

In FY24, we helped customers trade in more than 500,000 devices.

These products are typically resold in secondary markets, bringing a useful second life to products that might otherwise sit idle in someone's home, get recycled or end up in a landfill.

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

Standalone Haul-Away service

Through our Standalone Haul-Away service that was launched in FY23, customers can request pickup and recycling for old electronics. This keeps tech, including appliances, out of landfills and gives it a second life. The Best Buy Standalone Haul-Away service will remove and recycle up to two large products, including TVs, major appliances, all-in-one computers, monitors, and select smaller products.

Best Buy outlet stores

Best Buy® outlet stores offer a wide assortment of discounted products like appliances, televisions, computers, accessories and more. In FY24, we increased our total outlet stores from 19 to 22 stores that are in operation across the country. Each has a Geek Squad area where customers can get tech support. By shopping at our outlet stores, customers are extending the life of non-new technology, maximizing the use of the product, and they can also find energy-efficient products at lower prices.

E-waste recycling

To address the global issue of electronic waste, we established our recycling program in 2009, a comprehensive consumer electronics and appliances takeback program. Through this program, our customers can bring their tech to Best Buy to be recycled responsibly — no matter where the products were purchased from. After customers drop off their devices, the products are delivered to one of our recycling partners who then determines if the product can be repaired, repurposed or recycled.

Our recycling partners process the products and provide the data to support how much weight we have collected to recycle.

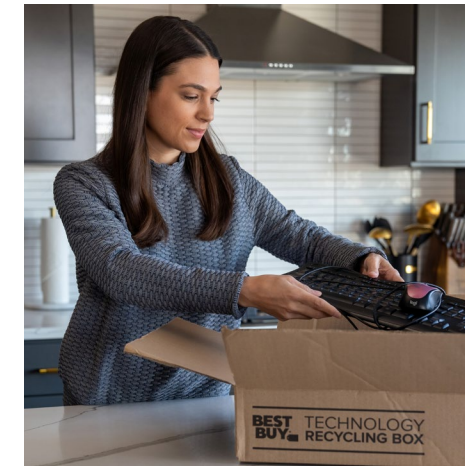
In FY24, we collected an estimated 170 million pounds of electronics and appliances for recycling.

Through our e-waste recycling collection program, we are helping to keep electronics out of landfills, which benefits the environment and human health.

Before partnering with Best Buy, our recycling partners must pass a thorough environmental, safety and downstream audit process, and they are subject to recurring on-site, desktop and downstream assessments. In addition to our own standards, we require all electronics recycling partners to maintain ISO 14001 certification, an ISO 45001 safety certification or industry equivalent, and be certified to eStewards® or R2® industry certifications.

Recycle-by-mail technology boxes

We offer a service to help our customers easily recycle their tech by mail. To request this service, customers can order the prepaid Best Buy® Technology Recycling Box online and then fill it with tech like tablets, cords, keyboards and more. Customers can drop off the box at their nearest UPS drop-off location for it to be shipped, so the tech can be responsibly recycled.



Chemicals management

Best Buy supports the responsible use of chemicals in compliance with all laws and regulations. Through our chemical management program, we reduce the potential for exposure to chemicals of high concern (CHCs) for our employees, our customers and in the disposition of the products we sell.

Our [chemicals statement](#) that was published in 2022 reflects the latest changes in our chemicals management program. This includes a commitment that new televisions in our private-label brand will adhere to the European Union's eco-friendly display enclosure requirements outlined in Commission Regulation 2019/2021. Our commitment is designed to promote a safer circular economy and better support the recycling of plastics.

We address the human health and environmental risks of chemicals in the following ways:

Regulatory compliance: Our compliance management systems ensure the products we sell comply with all applicable chemical regulations.

Beyond compliance restrictions: Our Restricted Substances List (RSL) constrains the use of CHCs in products and packaging, going beyond what is required by regulations.

Goals: We publicly share quantifiable goals to reduce or eliminate chemicals in our products and packaging.

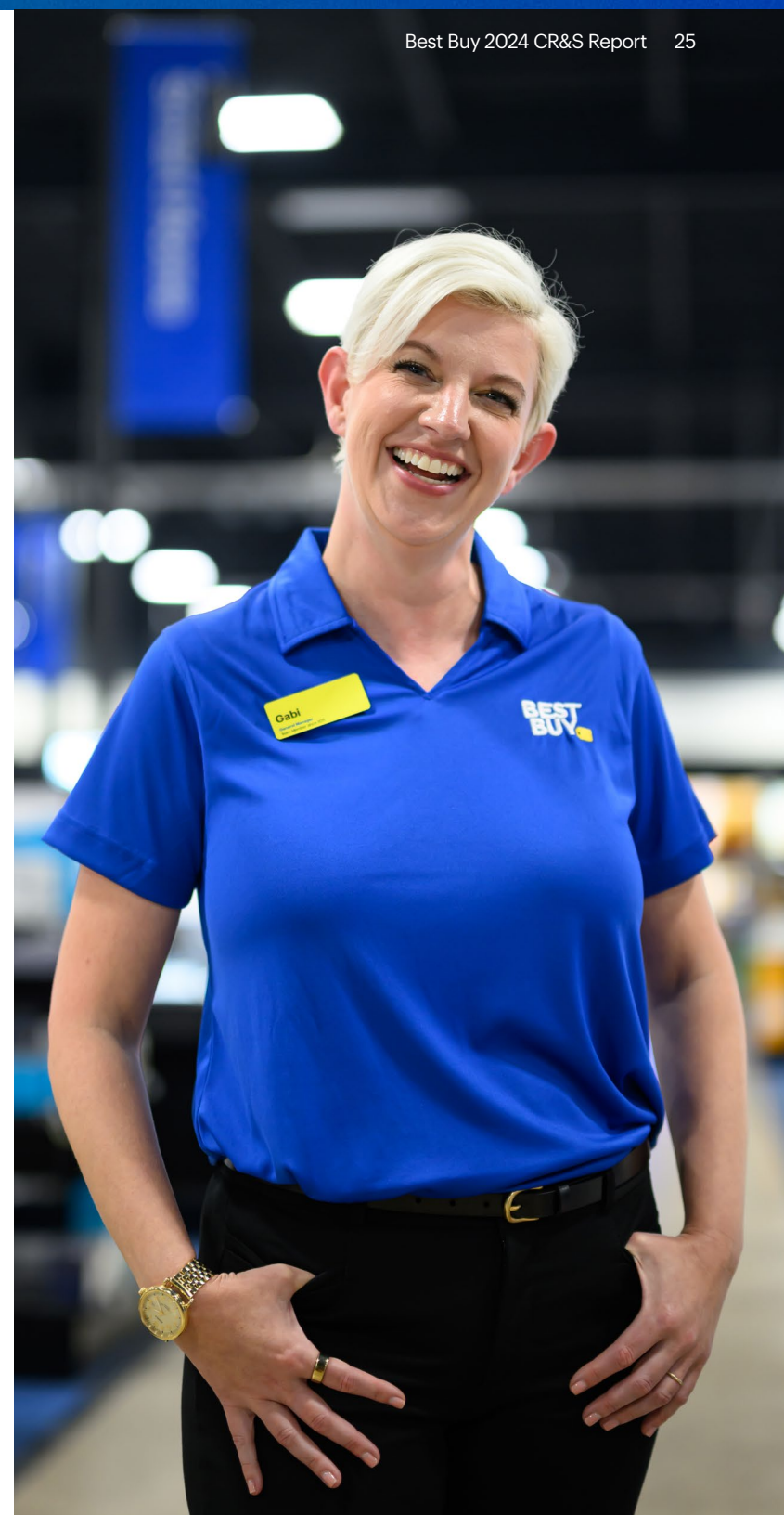
Transparency: We report progress toward our goals, including in this annual report.

Supplier monitoring and corrective action: We participate in the Responsible Business Alliance supplier audit program to monitor the safe use of chemicals by our private-label suppliers and require them to correct any identified gaps, as referenced on page 58.

Trade organization participation: We support innovation in green chemistry and product chemical disclosure through our membership on the Green Chemistry and Commerce Council (GC3) and our participation on their Retail Leadership Committee.

Employees

- 26 A great place to work
- 27 Engaging employees
- 28 Serving our customers
- 29 Learning and development
- 31 Employee benefits
- 32 Employee community engagement
- 35 Inclusion, diversity & equity



A great place to work

Best Buy employees work in stores, distribution centers, homes, offices and call centers. We are focused on bringing the best experiences to our customers — and that starts with a strong company culture.

We believe in the power of our people

At Best Buy, we are focused on bringing the best experiences to our customers — and that starts with a strong company culture. By fostering a culture of belonging and engagement, we help our employees feel appreciated and comfortable being their authentic selves at work. We support one another, our identities and our communities.

At the end of FY24, we employed more than 85,000 employees in the U.S. and Canada. Approximately 56% were full-time, 34% part-time and 10% occasional/seasonal.



Engaging employees

Best Buy has always embraced our culture as a fundamental part of our values and identity. Employee feedback plays an important role in helping us evolve, work together better, and achieve our goals.

In FY24 we asked all employees to participate in a confidential and voluntary survey called Blueprint. The survey included questions that helped identify how we can build a more inclusive culture, with a focus on belonging and engagement.

After the survey closed, leaders across the enterprise reviewed the results and acted on the feedback. They met with their teams, held conversations, and selected one key area to focus on with the goal of improving their employees' engagement and experience. Instead of relying solely on one-time results, we encouraged leaders to stay connected with employees in a variety of ways throughout the year, including regular check-ins, development conversations, and team meetings. This ensures employees' voices are heard and leaders are equipped to take immediate steps to address concerns and elevate ideas.

Quarterly Conversations

Our Quarterly Conversation program provides structured time for employees and leaders to have meaningful, purpose-driven conversations about performance and development. The format is consistent across the enterprise.

In FY24, we added questions to capture skills employees are working on to identify key learning experiences to support their growth. These questions help leaders and employees prioritize individualized development targeted through experiential learning opportunities.

Through these conversations, we emphasize the importance of frequent touchpoints through check-ins, coaching, feedback, and development to build trust between employees and their leaders. The consistent interactions enable leaders and employees to have more authentic conversations grounded in accomplishments, key learnings and progress.

Continuous listening and learning

Throughout the year, corporate and field employees from hundreds of teams across the enterprise participated in listening sessions, which brought together their voices, experiences and insights about the work environment. These discussions were held in person and virtually. Topics included how we can continue to share visions of good across teams while also creating a better understanding of where we can improve. Collectively, these sessions not only yielded helpful context to the Blueprint survey feedback but also, in many cases, the discussions helped highlight specific issues and identify possible solutions.

We also continued investing in tools to guide leaders in their action taking. With LinkedIn Learning, full-time employees can participate in a variety of online courses, including those that specifically focus on employee engagement and leadership development in the areas they seek to improve. Our survey platform also included templates and programs to track leader focus areas and progress over time, encouraging leaders to continue conversations that focus on employee experiences throughout the year.



Serving our customers

At Best Buy, we put customers at the center of everything we do. We know that our customers' expectations have evolved and, while they no longer need us to be the experts all of the time (they still need help and support), they do need us to care. With a new, added layer of personalization in our app and online experiences, we're creating a world of discovery so they can explore the magic of technology and find the best-for-them tech, no matter where or how they choose to shop. We're revitalizing our brand to better suit, engage and inspire our customers of today and tomorrow.

Customer feedback

Best Buy's customer experience measurement program encompasses a holistic and robust approach. We gather feedback from customers at key moments in their shopping journeys, as well as perceptions they have about Best Buy at an overarching, relational level. It's critical to understand what's working (or not working) for our customers in the stores, online, in their homes, and virtually. Insights garnered from these various listening posts are critical to frontline associates all the way up to executive leaders, as they inform everything from coaching opportunities for individual employees to tactical, operational opportunities all the way to strategic-level decisions.

We utilize the Net Promoter System (NPS) to quantify customers' perceptions of their experiences. An NPS score is based on whether a customer would recommend a product or service. We measure changes in NPS by using basis points (bps).

For more than a decade, we've been measuring NPS — and we've built a strong culture around this approach to understanding customers' experiences. We saw improved customer perceptions around availability and price of products in stores, in-home services, as well as improved perceptions around delivery times.

FY24 NPS growth compared to FY23

^ 120bps

In-Store Services

^ 200bps

In-Home Services

^ 560bps

Home Delivery



Learning and development

Creating economic mobility and career paths are at the heart of our learning strategy, which is why we invest in training and developing our employees' skills. We believe these investments open career opportunities and create a more productive, engaged and adaptable workforce. It's critical to Best Buy's success that our employees are trained to have diverse knowledge and skill sets to meet customer needs and expectations.



Here are a few examples of how we did this last year:

Many of our field and corporate leaders engaged in a leadership development program. This included participating in skill development and the leadership skills framework that focuses on the 4 Quotients (4Qs) — adaptability, emotional, intelligence and technology — to help us be clear and consistent in how we think about leadership development and career movement in the company. More details about the 4Qs can be found on page 30.

We introduced new ways for our teams to learn, including working alongside a specialty coach. This has allowed us to upskill our teams by certifying them in important skills and product categories. Team members who have worked with a coach are more confident in their roles and better able to serve customers.

We established a Center of Excellence team dedicated to executive coaching and officer development to connect the growth and development of our officers to the success of Best Buy. Making this happen requires that the programs and services we deliver help leaders continually expand their thinking, enhance their capabilities, and refine their skill sets.

For the first time, we built an internal Officer Development Program that applies industry-leading learning methodologies to build enterprise leaders who are more equipped to lead through times of uncertainty and change.

We evolved and optimized the employee onboarding experience. We also created new, consistent onboarding experiences in our supply chain, services teams, and call centers. Our measurement shows that prioritizing this experience kickstarts development, establishes a clearer career path, and results in better retention with the organization.

Leadership skills framework

We utilize a leadership skills framework called the 4Qs that are based on four types of competencies: adaptability, emotional, intelligence and technology. Employees are encouraged to learn the new framework, talk about the skills that align to these competencies with their leaders, and explore trainings that develop these skill sets. We also utilize the 4Qs Behavioral Competency Model that ties behaviors to each competency. This allows our employees to focus on their development and better understand their strengths and weaknesses.

These groups include leaders from across the company who are well-positioned to empower employees to learn and grow. More information on the Inclusion and Diversity Steering Committee (IDSC) program and ERG leaders can be found on pages 40, 41, and 42.

The 4 Quotients (4Qs)

Adaptability Quotient (AQ)

Ability to lead, adapt, and thrive in a time of uncertainty and change.

Emotional Quotient (EQ)

Ability to leverage social and emotional skills to understand people’s strengths, work effectively with others, and create a culture of belonging.

Intelligence Quotient (IQ)

Ability to apply reason, cognitive thinking and learning experiences to one’s role.

Technology Quotient (TQ)

Digital fluency and the ability to understand and thrive in a digital economy.



Experiential learning

As we look to the future, we continue to evolve our learning approach to consider all aspects of the Best Buy employee experience — knowledge, performance, career goals and learning preferences — and create customized, relevant and impactful topics.

Our leaders are gaining valuable insights through our leadership development programs by actively engaging in experiential learning opportunities. This hands-on approach enables them to effectively apply the knowledge and skills they acquire. Last year we offered a new learning solution for all employees focused on conscious inclusion, which is about working together to achieve a shared goal while communicating, interacting with, and understanding people’s different identities and cultures. In addition, we supported functional upskilling across the organization with role-specific workshops and in-market training. This skills-development program is helping boost confidence and proficiency in our teams as we continue to adapt to an evolving customer and environment.

In FY24, we estimate our U.S. employees spent an average of more than 30 hours each on training and development.

Empathy Learning Lab

The goal of Best Buy Health is to enable care at home for everyone — including supporting aging adults with technology and meaningful connections designed for their unique needs. That’s why we offer The Empathy Learning Lab, a resource and training tool that helps our employees better understand the physical and emotional needs of aging adults. Through immersive video and audio experiences, our employees step into our customers’ lived experiences to help them better engage, support and design products and services for our customers.

As part of our Empathy Learning Lab, we launched an aging simulation training that provides hands-on, small-group activities that help participants learn about the common physical changes that come with aging and the impact it can have on navigating daily life. We also offered a virtual immersion where participants learn what it’s like to have Alzheimer’s disease, have vision loss, experience social isolation and more.

Through these Empathy Lab activities, participants can better understand the lived experiences of different perspectives, which helps cultivate empathy among learners of all ages and backgrounds.

Employee benefits

We invest in a wide array of benefits to support employees and their loved ones with their overall well-being, including physical, mental, financial and work-life balance. We believe that focusing on our employees' well-being allows them to bring their whole selves to work and creates a culture of belonging, leading to greater employee engagement.

Meaningful moments

Over the last few years, we have made intentional investments in benefits that help us meet the unique needs of all employees, especially during critical, meaningful moments. Some of these focus areas include:

Caregiver support: We partner with Wellthy to provide caregiver support for employees, which includes personalized help with issues ranging from emergency housing and health care to substance abuse, elder care, and many other moments of crisis or complexity. We offer full-time and part-time employees access to Joshin, providing disability and neurodivergence support in the workplace and at home. We provide caregiver pay, up to four weeks of 100% base pay, during a qualified leave of absence for child bonding or family care. We also offer backup childcare.

Pay continuation: We provide up to six weeks of pay at 100% during a qualifying medical leave of absence, ensuring predictable pay for employees in need. When combined with caregiver pay, eligible employees can receive up to 10 weeks at 100% pay for maternity leave.

HOPE Fund: We support employees facing personal financial hardships through the HOPE Fund, which stands for Helping Our People in Emergencies. Offered in partnership with the Richard M. Schulze Family Foundation, the HOPE Fund allows employees to apply for up to \$2,500 in financial assistance. Read more about the HOPE Fund on page 34.

Included Health: We offer all employees and their household members free access to Included Health, a comprehensive health platform and concierge service that connects them to high-quality providers who understand the unique needs of their community. One-on-one Care Coordinators can also help users find trusted community advocates and local resources, plus answer benefits and care questions.

Tuition support: We've expanded our list of universities and training programs that offer tuition discounts, special scholarship opportunities and reduced fees for employees, and in some cases, their immediate family members. When combined with our tuition assistance program, eligible employees could earn a degree, online or on-campus, with no out-of-pocket costs.

Mental health support: We support employees' mental health by equipping them with the resources needed to notice these issues in themselves or others, so they know when and where to seek support. In FY24, a team of dedicated leaders became certified instructors of a suicide prevention course through a partnership with the QPR Institute, an industry-leading training organization. Since launching, hundreds of Best Buy leaders have been trained to effectively intervene on behalf of employees in crisis.

Personalized support

We have strengthened our ability to provide personalized support to our employees through our Well-being Ambassador Network. In FY24, this Network grew to more than 1,000 employee volunteers throughout the country who generate awareness of our benefits, serve as a resource when employees have questions, and provide insights to our program managers. Additionally, we offer a benefits concierge service through our HR Support Center, with dedicated agents who can help employees get connected to all the benefits that apply to their unique situation.



Employee community engagement

Best Buy employees play an active role in supporting our communities. Through our employee community engagement initiatives, we are focused on deepening relationships with community members and our partner organizations. We do this through programs like Geek Squad® Academy (GSA), employee volunteer opportunities and employee gift-matching.

Geek Squad Academy

The GSA program facilitates short, high-impact, educational camps for youth. The program sparks excitement and interest in tech through a series of high energy, interactive classes on topics such as robotics, music production and coding. Our Geek Squad Academy Partners consist of local nonprofits and youth-serving organizations that share a focus on teaching students about the latest technology in a fun, hands-on environment.

GSA classes are led by Best Buy employees from the same communities in which the students live. Camps are offered in two lengths to allow for a wider variety of nonprofit organizations across the country to host the program; full-scale camps host from 100 to 200 students over two days, and mini-camps host from 20 to 60 students over a single day.

The GSA program started in 2007 when several Geek Squad Agents piloted programs in the Midwest to teach high school students how to build their own computers. During the pilot, an Agent looked at the local technical education market and realized none of the programs were designed for young women. She decided to change that and, in the summer of 2007, a weekend “PC Build” in Chicago was replaced with a weeklong

technology camp for girls — and the first GSA was born. In the years since, the program has expanded to serve young people across the United States, including U.S. military bases. In FY24, the GSA program hosted 55 camps and events, training more than 2,600 youth between the ages of 10 and 18 to become “Junior Geek Squad Agents” through hands-on experiences with some of the latest technology, including new curriculum focused on learning through video game design.

The FY24 Geek Squad Academy program was supported by more than 900 employees.



"I am continually inspired by the role Best Buy employees play in serving and enriching our communities, and our Geek Squad Academy and other programs are great examples of this coming to life. These initiatives are hallmarks of what makes our culture unique and special, and they're made possible because of our inspiring and engaged team members. Our people aren't just teaching technical skills, they're setting these youth up with life-long skills that open doors they never thought were possible. That's incredible and I couldn't be prouder."

David Nygaard, president, home and enterprise services



Employee community engagement

Best Buy Canada and Geek Squad Academy

Geek Squad Academy in a Box

In June 2023, Geek Squad Academy in a Box was launched across communities in Canada. Through this new GSA format, Best Buy stores interested in running a GSA workshop are empowered to find a local partner or community organization. Store employees help manage the logistics, recruit volunteers and run the workshops with members from their team.

Once a store team is trained in GSA content, they can host workshops on their own schedule and work with other stores in their market to collaborate on events. In FY25, we plan on expanding this program to be offered across more communities in Canada.

Providing space to community nonprofits

In FY24, we began providing space in our Vancouver headquarters to local nonprofit partners, allowing them to use our facilities for events and conferences at no charge. This reduces their event costs and provides Best Buy employees with the opportunity to volunteer and connect with these groups. In FY24, we provided space for several events that help connect teens with technology, integrating Geek Squad Academy robotics workshops when possible.



Employee community engagement

Volunteer and donation match

Best Buy offers a volunteer match program that financially supports nonprofit organizations where Best Buy employees volunteer. For every 10 hours a Best Buy employee volunteers at a qualifying nonprofit, Best Buy donates \$100 to that organization, with a maximum donation of \$1,000 per employee. Best Buy employees can also volunteer in teams for an added incentive; volunteer events with 10+ employees are eligible for an additional \$500 grant.

Best Buy offers a 40% match on reported employee donations to qualifying nonprofit organizations.

In FY24, employees logged over \$2 million in donations which, when coupled with the company match, resulted in over \$2.7 million in donations to nearly 2,000 nonprofits.

Employee volunteering

Best Buy supports our communities through employee volunteer programs. These volunteer initiatives focus on helping Best Buy employees deepen relationships in their communities by supporting programming that increases access to technology, as well as providing tech training for teens from disinvested communities. This work is supported by a variety of volunteer resources offered to Best Buy employees.

Volunteer toolkit

To prepare employees to volunteer on behalf of Best Buy, we offer a series of trainings that provide a foundational understanding on topics that empower employees to become better partners in their communities. The toolkit encompasses web-based courses and a resource library that covers subjects like cultural collaboration, managing and planning volunteer events, safety and well-being, and navigating Best Buy's community resources.

Voting

Best Buy encourages employees to be engaged in the communities where we live and work, which includes exercising their right to vote. For nearly two decades, our internal, nonpartisan Turn Up the Vote program has provided tools and resources to help employees vote. These include voter registration assistance; polling place locators; help with absentee, mail-in and early voting; and access to candidate and ballot initiative information.

We partner with nonpartisan, business-led organizations that are committed to civic engagement and fair and transparent elections, including the Civic Alliance and Time to Vote. Additionally, we offer paid time off for employees who volunteer at the polls on Election Day.



HOPE Fund

The Best Buy HOPE Fund (Helping Our People in Emergencies) was established in 2021 to help employees who are facing financial difficulties due to an unforeseen personal hardship beyond their control. In partnership with The Richard M. Schulze Family Foundation, the HOPE Fund supported more than 600 Best Buy employees experiencing financial hardship in FY24. Employees who are supported through the HOPE Fund can receive up to \$2,500 in financial assistance.

In FY24, Best Buy hosted the first-ever HOPE Fund employee fundraising campaign, where Best Buy matched employee donations to the HOPE Fund dollar-for-dollar. Additionally, we hosted a day of events at our corporate campus to support fundraising efforts.

Inclusion, diversity & equity

We believe in an inclusive work environment with a culture of belonging where everyone feels valued and has the opportunity to thrive. Creating this environment is not only the right thing to do at Best Buy and within our communities, but is also directly tied to driving the long-term success of our business.



Building an impactful and inclusive culture for all

We are incredibly proud and encouraged by what we've accomplished collectively to expand inclusion, diversity and equity (ID&E) over the past few years.

Now, we're evolving our strategic focus to advance four outcomes:

Culture of belonging: We endeavor to foster an environment where employees feel welcomed and can build strong relationships through demonstrating our inclusive behaviors: vulnerability, empathy, courage and grace.

Employee engagement: We want Best Buy employees to feel connected to the company's purpose, vision and values, and have opportunities to thrive.

Retention: We seek to establish and uphold a best-in-class retention approach across all demographics.

Representation: We aim to provide Best Buy employees from diverse backgrounds with equal opportunities at all levels in the organization.

Inclusion, diversity & equity

Measuring progress

Sharing turnover and representation data with our stakeholders is one way we provide transparency on our efforts to build a more inclusive culture. As we continue this work, we're proud to share our progress from FY24, as well as how we measure progress in our focus areas.

Focus areas

Measuring progress from FY24

Culture of belonging and employee engagement

To measure progress in creating a culture of belonging and employee engagement, we use metrics from our annual employee survey, Blueprint. This survey is offered to all employees and is both confidential and voluntary.

FY24 survey results were shared with leaders at all levels across the enterprise who met with their teams about the feedback received, then took action to address the results.

We also measure progress in belonging and engagement through employee participation in our Quarterly Conversations, and through unique Employee Resource Groups (ERGs) membership growth.

For more information on Blueprint, Quarterly Conversations and ERGs, see pages 27, 40 and 42.

Retention

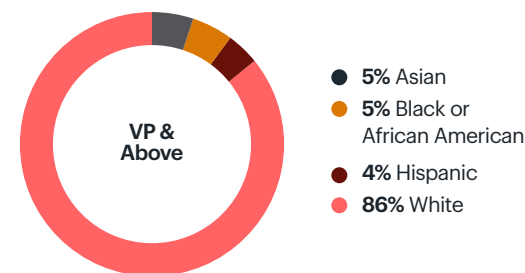
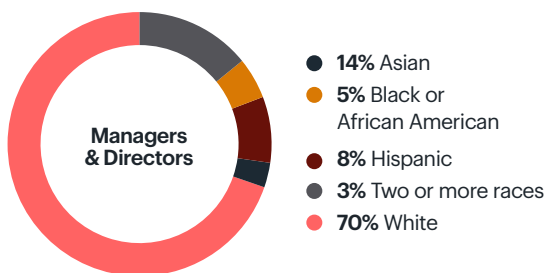
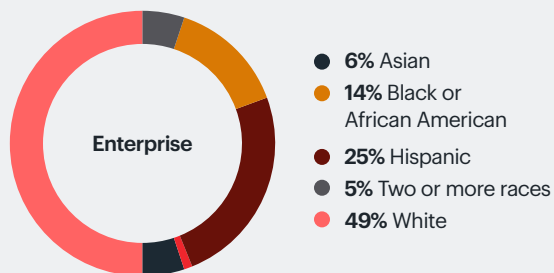
34% U.S. turnover

30% U.S. voluntary turnover



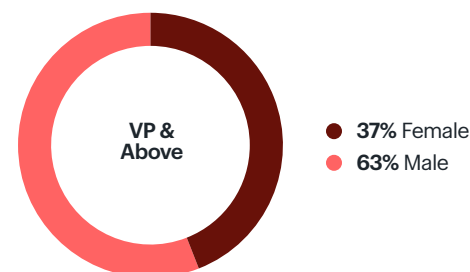
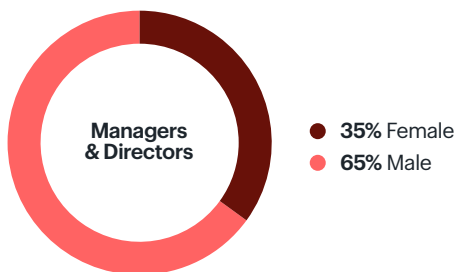
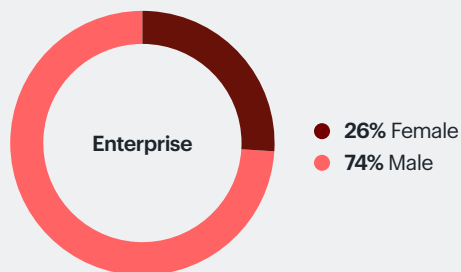
Inclusion, diversity & equity

FY24 U.S. racial and ethnic diversity by role

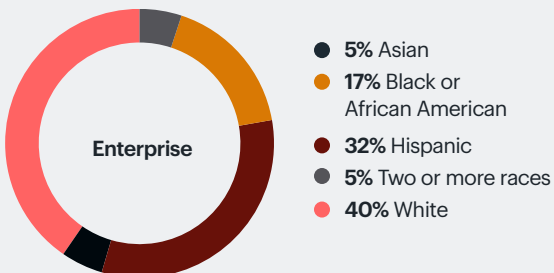


FY24 enterprise* gender diversity

*U.S. and Canada



FY24 U.S. hiring



Representation data is self-reported. Due to rounding and exclusion of employees who do not self-identify, numbers presented may differ from exact totals. Groups with 1% or less representation are included in the total calculation but are not included in these graphs. Please see our [EEO-1 report](#), which provides additional demographic data about Best Buy's U.S. workforce, reported according to categories required by the EEOC.

Inclusion, diversity & equity

Our Inclusive Behaviors

Nurturing a culture of inclusion is fundamentally important to the long-term success of our business and strengthens our employees' sense of belonging. The inclusive culture we strive for is supported by our Inclusive Behaviors, a framework that empowers employees to bring their true authentic selves forward.

These behaviors include:

Vulnerability is the ability and willingness to share our life experiences, shortcomings and mistakes with others today to be stronger tomorrow, together.

Empathy is being purposeful about understanding the unique experiences of everyone around us.

Courage is the ability to think or act boldly in the presence of fear.

Grace encourages us to create an environment to take calculated risks, learn and recover from mistakes, and be kinder to ourselves and others in the process.

Used together, these behaviors transform our self-awareness and ability to understand, collaborate with, and support others.

Recruitment and hiring

Demonstrating inclusive hiring practices and developing a diverse talent pipeline are integral parts of our ID&E strategy.

Blue Check Interview Panelists: We strive to make our hiring experience more inclusive. One way we do this is through Blue Check Interview Panelists (BCIPs). BCIPs are Best Buy employees who have completed trainings on inclusion and diversity and are trained to deliver an exceptional interview experience for candidates, hiring leaders and their peers. Their purpose is to provide objectivity in the interview process and create a psychologically safe space for candidates.

Internships: In FY24, we hosted our annual Corporate Internship Program at our corporate offices in Richfield, Minnesota, and Atlanta, Georgia. Interns participated in professional development events, trainings, social events, volunteer opportunities, and talks with senior executives. They also had the chance to explore mentorship opportunities, join employee resource groups, and network with Best Buy employees.

Our annual Store Internship Program gave participants the opportunity to work at Best Buy® retail stores and be immersed in various areas, including customer service, sales and Geek Squad®. Additionally, interns had access to mentorship from Best Buy store leaders and professional development workshops hosted by partners of the Best Buy Foundation™.



"We are fostering an inclusive work environment where everyone feels valued and is empowered to contribute their unique skills and perspectives. By enhancing employee engagement, retention, representation, and our culture of belonging, we can drive even more positive change at Best Buy and beyond. We know this work directly impacts our long-term business success and are committed to integrating it across the enterprise."

Amelia Hardy, chief inclusion & diversity officer



Inclusion, diversity & equity

Pay equity

As part of our goal of remaining a best place to work, we are focused on creating a culture where people feel valued and can be their true, authentic selves. That recognition includes equitable pay, regardless of gender, race, ethnicity, or other identities.

Pay is an important part of our overall compensation offering, and ensuring employees see our pay system as fair helps to fuel our culture and support employee engagement. We recognize pay gaps associated with gender or race persist across various industries and often reflect the broader social challenges we're facing where unconscious bias and unequal access to opportunities are factors. Within Best Buy, we combat these challenges through regular reviews of our pay data, policies, practices, and tools.

Evolving pay structure

Best Buy is committed to offering a pay structure that recognizes the value our employees create for our customers every day and ensures we are paying our employees competitively. We continually review and evolve our pay structure.

How pay gaps are measured

Ensuring employees are paid fairly is a goal across our pay processes. Annually, we conduct an enterprise pay review, which considers employees' responsibilities, tenure and location, and other job-related factors. Adjustments are made as needed.

Best Buy's U.S. pay equity results

	Women relative to men	BIPOC* relative to white
Unadjusted Pay Gaps** Median Pay Rate	101.2%	93.9%
Adjusted Pay Gaps*** Controlled Pay Gap	99.7%	99.7%

***BIPOC** represents the following: American Indian or Alaskan Native, Asian, Black or African American, Hispanic or Latino of any race, Native Hawaiian or other Pacific Islander, and anyone of two or more races.

****Unadjusted or raw median pay gaps** measure the difference between the median pay of one group of employees versus another (group refers to male, female, white, BIPOC). Median pay represents a typical employee's pay. Employees in a group are ranked based on their pay, and the individual who is ranked in the middle between the highest and lowest paid is the representative for the entire group.

The unadjusted median pay rate includes all U.S. employees (hourly and salaried) as of Feb. 3, 2024. The pay rate was calculated using all wages, bonuses and stock awards that vested in FY24 and dividing by hours worked.

*****Adjusted pay gaps** measure pay differences associated with race or gender after factors are considered such as job responsibilities, seniority, experience and local labor market conditions. This is calculated using a statistical model to explicitly focus on measuring whether peers doing similar work with similar qualifications are paid fairly.

The adjusted pay gap includes all U.S. employees as of Feb. 3, 2024, excluding officers, commission-based sales professionals, and employees on tenure-based, step-rate programs in Supply Chain. The model focuses on base pay, as almost all bonus and stock programs for this population are driven by job level, salary and company results on a formulaic basis. Control variables in the model include job level, time in job level, tenure with Best Buy, and local geography.

\$15

minimum starting wage

\$19.05

average wage of full-time and part-time hourly employees

99.3%

percentage of hourly employees paid more than local statutory minimum wage*

*Based on local statutory minimum wage for each U.S. location in which we do business.
^As of end of FY24.

Inclusion, diversity & equity



Enterprise Inclusion Groups (EIGs)

Our enterprise inclusion groups build relationships, grow from exploration and learning, and are one of the best forms of networking by offering an opportunity for all employees to connect with others who have similar — or different — cultures, interests, perspectives, and hobbies. EIGs are open to all employees and include Employee Resource Groups (ERGs) and Focused Inclusion Networks (FINs).

Last year, we worked to increase cultural and community events and initiatives that further drive a sense of belonging, especially as more employees returned to work at our corporate offices. Due to this focus, membership in EIGs grew by more than 16% in FY24.

Employee Resource Groups (ERGs)

Our ERGs create connection through shared identity and lived experience, foster community, belonging and allyship, elevate cultural and generational perspectives, and inspire growth.

Best Buy's ERGs include:

- Asian ERG
- Black ERG
- disABILITIES ERG
- Emerging Careers ERG
- Indigenous ERG
- Military ERG
- Pride ERG
- Unidos ERG
- Women's ERG

The professional development group, formerly known as Young Professionals, recently evolved into the Emerging Careers Employee Resource Group. Along with the new name, the group has a refreshed mission, to serve and support all employees on their career journey, regardless of age, tenure or position, while continuing to elevate generational perspectives and opportunities to enable a culture of belonging. Through this group, employees can build connections outside of their existing network and participate in events that assist in their growth and development.

Focused Inclusion Networks (FINs)

FINs allow employees to engage through a broader intersectional scope of diversity. Through active opportunities for inclusive leadership learning experiences, FIN leaders and members can engage in communities of belonging around shared interests, beliefs, skills, hobbies and passions. In FY24, we added an Enneagram FIN, where employees can learn more about this framework — to better understand their own motivations and how we perceive the world and others.

- Best Buy Auto Club
- Best Buy Cycling
- Best Buy Run & Walk Club
- BlueSounds
- Christian Connection Network
- Conservative
- Data Analytics
- Enneagram
- Families
- Gaming
- Jewish Network
- Muslim Network
- Natural Employee Wellness (N.E.W.)
- Net Impact
- Photography
- Project Management Practitioners
- University of St. Thomas Alumni
- Remote Workers
- Saint Cloud State University Alumni
- Toastmasters
- University of Minnesota Alumni



Inclusion, diversity & equity

Inclusion and Diversity Steering Committees (IDSCs)

Our IDSCs are an integral part of our strategy to foster inclusion among all employee groups. IDSCs are made up of a cross-functional group of leaders who meet regularly to drive initiatives that support inclusion and diversity efforts in collaboration with the enterprise ID&E team.

With the support of IDSCs, each business group within Best Buy integrates the enterprise ID&E strategy into its unique team. As an example, our Category Management teams started an initiative last year where they identified and collaborated with a single point of contact from our ID&E team. These contacts are responsible for facilitating regular conversations related to ID&E topics, encouraging greater consistency in how inclusive topics and behaviors show up as part of a team's business rhythms.

Every month, the single points of contacts were provided with several activities, and they selected one topic best suited to encourage meaningful change and impact for their team members. Examples of these conversations included educational sessions on autism and neurodiversity and the importance of allyship.

Racial Equity Leadership Immersion (RELI): We offer the RELI program for employees who are nominated by their leaders or peers to participate in bi-weekly conversations that explore the roots of systemic racism, and how they impact the workforce and communities. While practicing Best Buy Inclusive Behaviors, building a culture of belonging and psychological safety, they have opportunities to ask questions, challenge respectfully, and share their own lived experiences.

The sessions consist of a mix of facilitated large-group learning and small-group interactions, anonymous polling, guest facilitators, panel discussions, simulation/immersive experiences, film screenings, and more. The work is aimed at helping leaders be more inclusive and collaborative across cultures and make the connection in applying their RELI experience into their work and lives in a practical and meaningful way.

Through the program, hundreds of leaders have experienced leadership transformation, developed intercultural communication competencies, and have become agents of positive change within Best Buy. They build on these experiences by embedding ID&E into how they make business decisions and by becoming more inclusive leaders.

Candid Conversations: We continue to host Candid Conversations, a powerful virtual forum for finding connection with colleagues through purposeful conversation and storytelling. In FY24, topics in these sessions included the potential and power of feedback and how to build a culture of belonging. By creating relaxed, inclusive environments that encourage vulnerability, we find courage in exchanging the stories and perspectives of our difficult realities, helping us better empathize with those around us, regardless of differences.



Inclusion, diversity & equity

Employee development

We are committed to providing development opportunities for all of our employees.

Tidal Wave: Our Tidal Wave initiative provides opportunities for employees both in the field and at our corporate offices to grow their career interests and gain new skills. The program puts participants on a 12-month rotational assignment across Best Buy to help them develop new skills, meet new colleagues and learn a different part of the business. At the end of their Tidal Wave assignment, participants return to their jobs with greater experience, and skills or continue with the role on their Tidal Wave team. In FY24, we expanded Tidal Wave to include employees and their leaders to allow both groups to actively participate in the program and saw increased retention from the participants.

Mentoring

We are growing our mentorship programs, which are available to all employees to help create career development opportunities and increase a sense of belonging. Our ERGs also promote mentorship and career development and provide insight on the changing U.S. workforce.

#IamRemarkable, created by Google, is an initiative focused on empowering everyone to celebrate their accomplishments in the workplace and beyond, thereby challenging current perceptions and breaking modesty norms and glass ceilings. In FY24, employees and leaders from across Best Buy became certified facilitators and champions for the initiative. We also hosted workshops for members of the Women's ERG.

Women's ERG Mentor Circles are designed to bring employees with diverse backgrounds, careers and job levels together to share ideas, advice and experiences in an inclusive environment. Our circles are designed to foster authentic dialogue, a sense of community, and an opportunity to learn and grow professionally and personally.

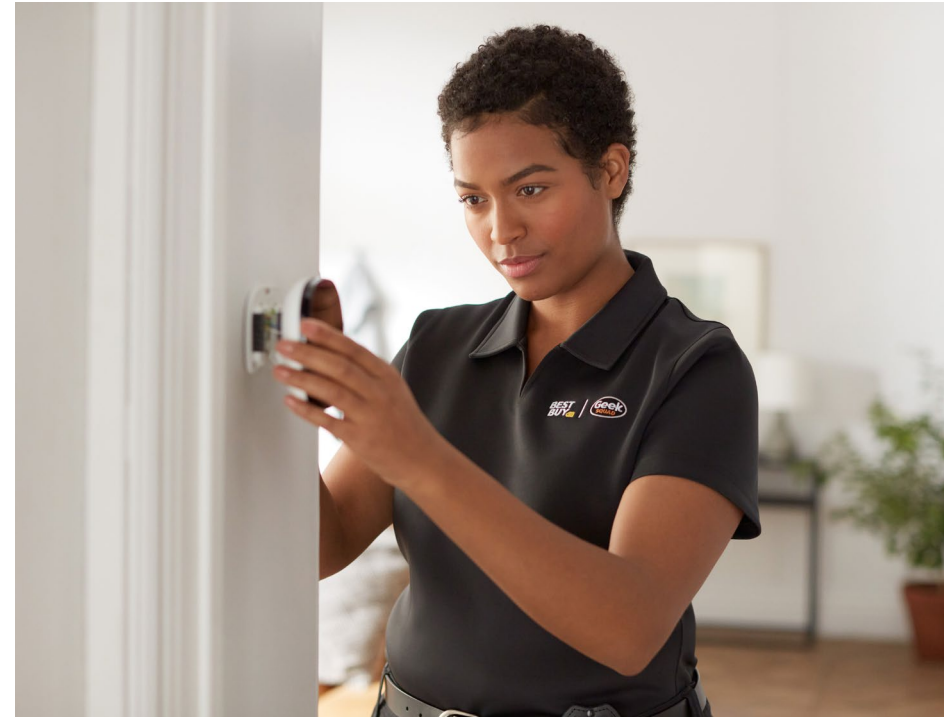
The Emerging Careers ERG Mentorship Program is designed to connect employees with a mentor from outside their normal work hierarchy to encourage personal and professional development, career pathing, and networking. Pairing is based on not only current job roles but also organizational interests, leadership types, and career-development experiences.

The Asian ERG Mentorship Program was offered to employees for the first time in FY24, connecting Asian ERG members with Best Buy leaders throughout the enterprise. Through this program, mentors helped mentees identify opportunities in their professional development plan to help accelerate their career growth.

Supplier diversity

Ensuring equal opportunities for diverse suppliers increases competition, promotes innovation, serves customer needs and aligns with our business strategy. We continue investing in and supporting partner organizations that are empowering emerging leaders in the tech and consumer products industries.

More information on our supplier diversity program can be found on our [Partner Portal](#).



Marketing

Being thoughtful about how we market our products, reach potential customers, and represent diversity in our social media and advertising is critical part of our marketing strategy. In FY24, we continued our efforts to better represent our communities through a focus on our Marketing Review Council.

The council is composed of a cross-functional group of employees that consults, discusses and advises on Best Buy's marketing and creative work to ensure it accurately and respectfully reflects the diversity of our employees and customers, while authentically representing members of disinvested groups. Through FY24, this council reviewed and provided guidance on advertising campaigns across broadcast, digital, online, radio, social, influencer, and in-store channels.

Community

- 44 Best Buy community initiatives
- 45 The Best Buy Foundation™
- 47 Best Buy scholarships
- 48 Strategic community initiatives



Best Buy community initiatives

As a purpose-driven company, we work to strengthen the places where our employees and customers live and work by supporting the Best Buy Foundation™ and its investments in tech access, career training, and vibrant communities — creating opportunities for young people to unlock their potential and pursue their dreams.



BEST BUY Foundation™

On a mission to build brighter futures

By investing in tech access, career training and vibrant communities, the Best Buy Foundation™ creates opportunities for young people to unlock their potential and pursue their dreams.

Grantmaking

The Best Buy Foundation supports a robust grant portfolio, in partnership with nonprofit organizations across the country that focus on assisting young people in building brighter futures through tech access, career training and the cultivation of vibrant communities.

Best Buy Teen Tech Centers

The Best Buy Teen Tech Center® program is the Best Buy Foundation's signature initiative. Best Buy Teen Tech Centers™ are located in disinvested communities across the U.S. and Canada. They include a network of creative, youth-centered community hubs where teens can develop critical skills through hands-on activities that explore their interests in areas like augmented and virtual reality, audio engineering, 3D design, entrepreneurship and more.

Select Best Buy Teen Tech Centers offer Career Pathways programming to help participants explore STEAM (science, technology, engineering, art, and math) careers while gaining both technical and life skills. The program culminates in a paid internship with a local employer, providing real-world experience.

The Best Buy Teen Tech Center program provides a wide range of options for teens to explore their next step in education, the workforce or entrepreneurial ventures. Through partnerships with national nonprofits, local employers and diverse education and training institutions, young people gain technical skills and enhance their social-emotional development, while older teens can participate in more structured career programs that culminate in a paid internship.



The Best Buy Foundation Fundraising

The Best Buy Foundation's work is made possible by the generosity of dedicated employees, community organizations, Best Buy business partners, philanthropic supporters and customers.

Best Buy customers play an important role in supporting the Best Buy Foundation and its work. Between March and October 2023, Best Buy customers contributed more than \$8 million to the Foundation through tax-deductible donations made at check-out.

In FY24, the Best Buy Foundation launched a new website that includes comprehensive information on Teen Tech Centers and Foundation grantmaking and allows individuals to make independent donations.

To learn more, visit the [Best Buy Foundation website](#).

Progress in FY24

- At the end of FY24, the Best Buy Foundation supported a network of 59 Best Buy Teen Tech Centers, working toward a goal of supporting 100 locations.
- Since 2020, Best Buy and the Best Buy Foundation have allocated more than \$19 million to expand college preparation and career opportunities for students from disinvested communities, including increasing scholarship funding. We are working toward a goal of spending \$44 million by 2025.
- In FY24, the Best Buy Foundation expanded opportunities for teens in the Twin Cities through \$2.6 million in grants to Best Buy Teen Tech Centers and continued hometown giving.
- In FY24, Best Buy Foundation programming reached more than 56,000 young people.



St. Jude campaign

Best Buy has supported St. Jude Children's Research Hospital® through the annual *St. Jude Thanks and Giving® Campaign* since 2013. In FY24, Best Buy customers donated more than \$13 million. Best Buy employees also participate in St. Jude walk and run events in support of the organization.

Best Buy scholarships

Best Buy scholarships provide financial support to enable teens (especially those who have attended Best Buy Teen Tech Center® locations and other strategic partners specializing in college and career readiness programs) to attend postsecondary institutions and earn a degree.

As a part of our commitment to expand college prep and career opportunities, we provide scholarships for students to attend Historically Black College and Universities (HBCUs) and increased scholarship funding for Teen Tech Center youth through a growing scholarship portfolio.

Since 2020, Best Buy and the Best Buy Foundation have allocated more than \$19 million to expand college preparation and career opportunities for students from disinvested communities, increasing scholarship funding. We are working toward a goal of spending \$44 million by 2025.

United Negro College Fund (UNCF)

Through a partnership with UNCF, students who receive Best Buy scholarships can attend a variety of post-secondary institutions, including traditional four-year universities and technical and community colleges. UNCF provides scholarship assistance, wraparound student support services, and professional development opportunities for scholars.

In FY24, UNCF, Best Buy and the Best Buy Foundation™ partnered to deepen the connections between youth attending Best Buy Teen Tech Center locations and HBCUs by developing webinars for interested teens.

Carlson School of Management

An endowed fund at the University of Minnesota Carlson School of Management in Minneapolis supports young people interested in pursuing business-related careers with the education and on-the-job experiences needed to achieve their goals.

Carlson proactively provides case management services to scholars to help them address barriers that may be impacting their studies and connects students with industry professionals and mentorship opportunities. Scholars are prioritized for paid internships at Best Buy's corporate headquarters.

College of Saint Benedict

The Barry Family/Best Buy Scholars program launched this year in partnership with the family of Best Buy CEO Corie Barry and the College of Saint Benedict (St. Ben's) in St. Joseph, Minnesota. The program aims to attract and support students from Best Buy Teen Tech Center locations to attend the college.

Corie Barry is a 1997 graduate of St. Ben's and a trustee on the Common Boards of the College of Saint Benedict and Saint John's University. The Barry Family/Best Buy Scholars program expands the impact of the Barry family's financial and personal investments in the college.

The first cohort received scholarships in the spring of 2023 for use in the school year starting in fall 2024. Priority is given to students who are a current or past participant of a Teen Tech Center, as well as to teens participating in a Best Buy Foundation partner organization.

Strategic community initiatives

We are connecting and building trust with disinvested communities to co-create solutions that help solve pressing societal needs, specifically in the areas of early childhood education, health equity and environmental justice. We also support our communities through partnerships with a variety of organizations that support diverse communities, including HBCUs.

Early childhood education

We help remove barriers to receiving quality education by strengthening services and expanding programs to reach underserved children and families.

In FY24, Best Buy partnered with Twin Cities organizations that help students close the achievement gap in early childhood education by connecting family educators with parents and children from disinvested communities.

We are proud to continue our partnership with Richfield Public Schools in Richfield, Minnesota, where Best Buy is headquartered, and have connected the district with other strategic partners to bolster early childhood educational programming. Last year, we deepened our partnership by collaborating with the Richfield Central Education Center to build an outdoor classroom for preschool aged children.

Health equity

Our Best Buy Health™ goal is to enable care at home for everyone. This includes a focus on health equity as we work to improve health outcomes and access to quality, affordable care for people in underserved communities and partner with organizations to support urgent community health needs and diverse representation in health careers.

In FY24, Best Buy provided funding to organizations that help drive health equity by connecting youth to healthcare careers, teaching young people important health lessons, and supporting the health needs of communities near Best Buy Health locations.

To provide greater awareness of healthcare careers, we funded a series of Youth with Stethoscopes events at Hennepin Healthcare to give students hands-on experiences in realistic medical simulations and gain exposure to the healthcare field. We also provided technology to scholars in the Bluford Healthcare Leadership Institute, a program that supports potential future leaders in healthcare. In addition, we supported Hip Hop Public Health to create learning modules that teach fourth and fifth-graders about important health topics and Everyday Miracles to expand culturally competent doula care in Minnesota.

In partnership with local chapters of the American Diabetes Association and American Alzheimer's Association, Best Buy Health employees volunteered, participated, donated, and raised funds to support community events. These efforts help to further the missions, reach and community impact of these organizations and their community health initiatives.



Strategic community initiatives

Environmental justice

As part of our strategy to reduce our impact on the planet and to strengthen our communities, we are working to support healthy, sustainable and more environmentally equitable communities. We continue to invest in and look for opportunities to support community-led solutions that address environmental injustice and support nonprofit partners who are leading efforts in this area. For example, in FY24, Best Buy helped fund Environmental Initiatives' Environmental Justice Coordinating Council to create a guide for integrating an environmental justice perspective into corporate initiatives and programming.

Engagement with HBCUs

We partner with HBCUs to help close digital literacy and tech access gaps, to support the career development of students attending HBCUs, and to strengthen Best Buy's talent network.

In FY24, we funded students from HBCUs across the country to travel to the University of Minnesota Carlson School of Management for its annual Analytics for Good Hackathon. The event brings students together to help drive community collaboration and organization. In addition to participating in the Hackathon, HBCU students visited Best Buy's corporate headquarters to tour the campus, meet with inclusion groups, and discuss opportunities after graduation.



Responsible Business Practices

- 51 Corporate governance
- 52 CR&S governance
- 53 Ethics
- 54 Data security and privacy
- 55 Health and safety
- 56 Product safety
- 57 Human rights
- 58 Responsible sourcing
- 64 Political activity
- 65 Membership associations



Corporate governance

Our longstanding approach to corporate governance is to develop and implement principles that enable the success of our strategy and business objectives, are rooted in a robust ongoing dialogue with our shareholders, and are inspired by best practices. Consistent with this approach, we continue to build upon a strong framework of corporate governance policies and practices, including the following:

Board structure

- Independent Chair
- Lead Independent Director (at times when our Chair is not independent)
- Annual Director Elections
- Robust Annual Board Evaluation Process
- Majority Vote for Directors
- All Independent Committees
- No Director Related Party Transactions
- Director Overboarding Policy
- Director Retirement Policy

Compensation

- Pay-for-Performance Compensation Programs
- Annual Say-on-Pay vote
- Anti-Hedging and Anti-Pledging Policies
- Clawback Policies for both Cash and Equity Awards, including a Policy Compliant with the Dodd-Frank Act
- Stock Ownership Guidelines for Directors and Executives

The Board seeks a wide range of experience and expertise from a variety of industries and professional disciplines in its directors and carefully assesses and plans for the director skill sets, qualifications and diverse perspectives required to support the company’s long-term strategic goals. More detail can be found in our FY24 Proxy Statement and Corporate Governance Principles, located on our [Investor site](#).

Shareholder rights

- No Cumulative Voting Rights
- No Poison Pill
- Proxy Access By-Laws
- No Supermajority Voting Requirements in our Articles of Incorporation

Director gender diversity



Director ethnic diversity



Director tenure



Data current as of July 1, 2024.

Executive Compensation — Short-Term Incentive program

The Best Buy Board of Directors believes the best way to create long-term shareholder value is for our company to be mindful of our impact on all our stakeholders.

In FY23, we adjusted our executive compensation to incorporate sustainability and social performance alongside our company’s financial and operating performance. One part of our CEO and her direct reports’ Short-term Incentive (STI) program was a qualitative component based on progress toward important CR&S metrics, including Culture of Belonging, Social Impact and Sustainability. We extended these STI metrics to all employees at vice president level and above (approximately 100 leaders) in the U.S. in FY24, and CR&S metrics will continue to be part of the FY25 officer STI program.

Corporate responsibility and sustainability governance

Our CR&S Governance starts at the highest level of our company. Given the depth and breadth of risks relating to CR&S matters, we share oversight and responsibility for such risks across the entire Board and all its committees, leveraging the risk oversight expertise of each Board committee based on subject matter.

- The Nominating, Corporate Governance and Public Policy Committee oversees the Best Buy's CR&S strategy and reputational risks by way of discussions on a regularly scheduled basis with management. This Committee oversees our sustainability goals and progress, social responsibility programs, and public policy positions and advocacy.
- The Audit Committee plays a significant role in the oversight of relevant risks related to compliance, including ethics and environmental and safety audits.
- The Compensation and Human Resources Committee oversees Best Buy's human capital management and ID&E-related risks through a rigorous regular review of our human resource policies and programs.
- The Finance and Investment Policy Committee focuses on the risks of our CR&S-related financial investments to ensure alignment with the company's objectives.



"Our Board and Executive Leadership team strongly believe that Corporate Responsibility and Sustainability governance is a foundational pillar of a thriving and sustainable company. We recognize that our business impacts the well-being of the planet, people and communities we serve. By prioritizing robust governance practices, we uphold our commitments and position ourselves for sustained success."

Todd Hartman, general counsel and chief risk officer



Ethics

We are a purposeful, value-driven organization dedicated to serving our employees, customers, shareholders, vendors, and communities where we live and work, in an ethical manner. Our culture is at the heart of everything we do, and we are committed to cultivating a “speak-up” environment where employees are encouraged to raise concerns if they see or experience something that doesn’t align with our high standards.

Our Code of Ethics encourages employees to do business with integrity. We expect our suppliers, vendors and other third-party business partners to uphold the same high standards of business conduct as we do. These high standards are outlined in our Supplier Code of Conduct located in our [Partner Portal](#).

In addition to this, our Code of Ethics encourages employees to speak up when they see conduct that is inconsistent with our values and responsibilities. It provides the resources to do so, including our independent, third-party operated Open & Honest Ethics Line, available 24/7, through which reports can be made anonymously.

Every year, our employees participate in a Code of Ethics training, which contains real-life examples of situations employees encounter to help guide their decision-making. In FY24, employees also received guidance about the type of details that are helpful to include when making a report, noting the range of corrective actions that may be taken when a report is substantiated. In addition, employees across the enterprise participated in anti-harassment training, further strengthening our ethical culture. Newly hired employees are also greeted with a host of onboarding courses on topics such as conflict of interest and vendor gifts and entertainment aimed at fostering our ethical culture.

We are committed to being a transparent and responsible business. In line with this commitment, we are sharing the following FY24 information with employees and stakeholders:

Number of reports addressed.....more than 16,000

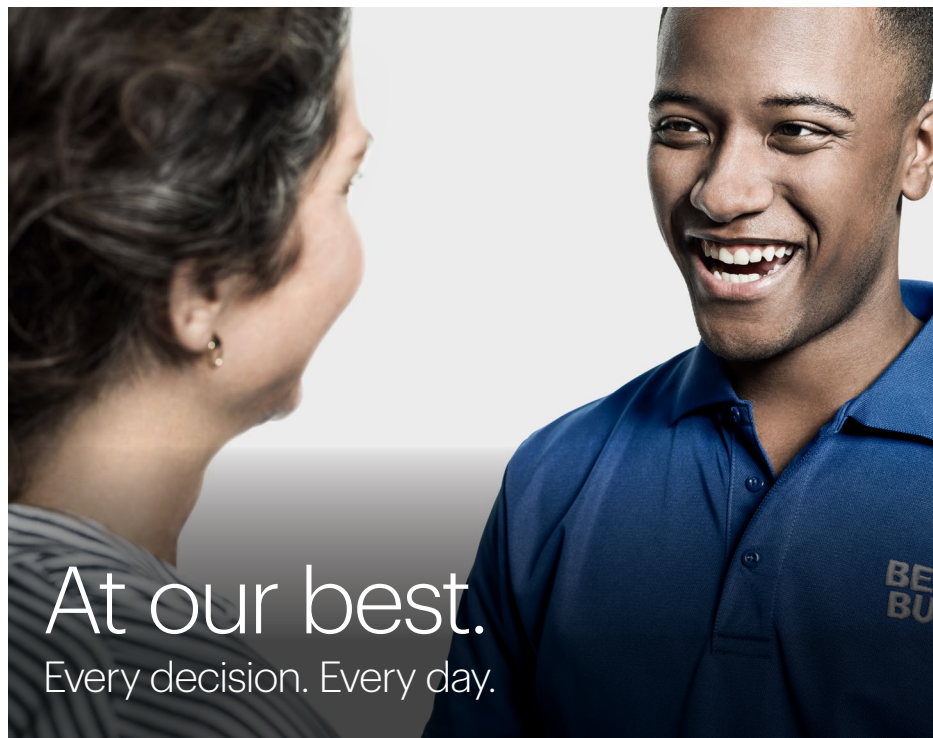
Percentage of reports categorized as allegations71%

Percentage of reports categorized as inquiries.....29%

These metrics reflect the “speak-up” culture we seek to foster where employees feel comfortable sharing concerns and raising questions.

In FY24, approximately 54,000 employees took our optional, bi-annual Ethical Culture Survey. Most notably, 89% answered favorably to the statement “I am comfortable approaching the leader I report to with issues or questions related to ethical behavior.” This favorability reflects an improvement since the survey was first launched in 2017, illustrating our dedication to fostering a “speak-up” culture across our organization. One way we do this is by supporting our leaders with Ethics Chats, a series of resources to help guide conversations in team settings about the importance of ethical behavior at Best Buy.

We have been recognized by Ethisphere as one of the 2024 World’s Most Ethical Companies®, our 10th time being named to the list. We are one of two retailers to receive the honor this year, which considers issues such as culture, environmental and social practices, ethics and compliance activities.



Data security and privacy

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

Cybersecurity

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

Our information security program, led by our Chief Information Security Officer (CISO), is designed around the industry-standard National Institute of Standards and Technology's Cyber Security Framework. We periodically engage with outside expertise to

help develop this program and are audited annually for compliance with Payment Card Industry Data Security Standards as applicable. The CISO updates our Board of Directors' Audit Committee regularly on our program and cybersecurity matters.

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

We operate a suite of technical information-security capabilities designed to protect our organization from and detect attempted attacks. Our cyber security operations and response teams continually monitor and respond to threats to keep our systems secure. We have a detailed and exercised response plan prepared to guide our response to major information security events. Best Buy did not experience any material cyber incidents in FY24.

Privacy

We work to ensure that consumers can actively engage with us concerning their privacy. For example, the California Consumer Privacy Act grants California consumers a set of personal information options, including asking for access to the information a business has collected about them or to delete certain information. Best Buy has extended the availability of these personal information options to all U.S. consumers.

Consumers can learn more about our privacy practices on our dedicated [Privacy Policy Hub](#).

Employee training

All employees participate in Best Buy's security and privacy awareness program, Valuable Information Protection (VIP). VIP uses a variety of approaches to educate employees on information security and privacy to foster a security-minded culture. VIP leverages traditional online training, incentivized engagement activities and targeted role-specific training based on responsibilities and risk level. We update VIP content frequently to reflect current security and privacy challenges.

Our Phishing and Social Engineering Program is another critical component of our VIP efforts. Our strategy for preparing employees to serve as the critical line of defense against cybercriminals includes high-frequency simulation exercises, leadership accountability achieved through the regular sharing of simulation results and metrics, and immersive learning and engagement opportunities such as phishing simulation competitions and cybersecurity virtual escape rooms.



Health and safety

The health and safety of our employees and customers is a top priority at Best Buy. We regularly review our health and safety programs and adjust as needed to the changing demands of our business. Our goal is to prevent and reduce the number of injuries that occur to our employees and customers, and only through the full engagement of all employees are we able to achieve this goal.

We take care of our employees so that they can take care of our company and customers. This starts with giving them the tools they need to avoid harm while doing their jobs. We train employees on how to take ownership of their safety at work through our “Own Your Safety” campaign, which includes information on proper use of equipment, de-escalation techniques and how to protect themselves in the case of an active shooter event.

We work to go above and beyond in employee health and safety. This includes sending employees text messages when a natural disaster strikes to verify that they are safe, shutting down stores threatened by civil unrest or severe weather, and offering financial help through the HOPE Fund, which is described on pages 31 and 34.

A healthy safety culture is one that effectively reviews all incidents, including “close calls” or near-miss incidents where a worker might have been hurt if the circumstances had been slightly different. In FY24, we implemented a program in our stores that helps identify hazards in the workplace before an injury can occur, giving us the opportunity to remove or fix the hazard or to retrain our employees.

By reporting and reviewing these near-miss incidents, we can make changes to prevent injuries. The resulting actions could be anything from creating a new process or training,

retraining, making an engineering change, or having accountability discussions with employees. Ultimately, any unsafe act or unsafe environment that does not result in or cause an injury is a near miss.

Last year in our stores, we converted our inspection checklist for Health and Safety Walks and Powered Industrial Truck inspections to an online tool, allowing for greater visibility in a more accessible format. Health and Safety Walks are completed monthly and include a comprehensive questionnaire with checklist items related to the interior and exterior safety of stores, emergency resources and compliance, and store equipment. Truck inspections are made up of eight steps, each examining a different part of the vehicle to ensure all parts are functioning properly.

We train our employees to address workplace violence by recognizing the warning signs and specific levels of violence, and following up with the appropriate response based on that assessment. In this way, our program teaches employees how to identify and de-escalate potentially unhealthy or unsafe situations, whether in store or in our customers' homes.



**OWN YOUR
SAFETY**

Product safety

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

For all of our products, we review product inquiries and reported incidents. We monitor product safety legislation to ensure clarity for retailers and safety for customers. In addition, for our private-label and direct import products, we focus our product safety efforts in complying with various voluntary and mandatory standards and through managing hazardous substances through our Chemicals Management Program.

Nothing is more important than our employees' and customers' safety. We will continue to monitor our broad assortment of products, assess our product categories for safety improvements, and act when necessary to ensure the safety of our valued customers. Product recall information can be found by searching "product recalls" at [BestBuy.com](https://www.bestbuy.com), calling 1-800-566-7498, or visiting the Consumer Product Safety Commission website.



Human rights

Best Buy is committed to respecting human rights as outlined in the United Nations Guiding Principles on Business and Human Rights. We seek to avoid adverse human rights impacts, remediate impacts we may cause or contribute to, and drive continuous improvement of our human rights management. Furthermore, we seek to advance human rights through our actions and operations, with special consideration to vulnerable groups, such as women and migrant workers in our supply chain.

We believe that we can have the greatest impact by focusing on our most salient human rights risks as determined by our Human Rights Impact Assessment (HRIA).

In FY24, we partnered with an independent human rights consulting organization to conduct an updated HRIA. The HRIA analyzed Best Buy's policies, activities and processes related to human rights, labor, ethics, sustainability, and other topics. The assessment indicated where the most notable risks within our enterprise may lie. A gap analysis looked at our management and governance practices against those risks. Using this information, Best Buy is setting its responsible sourcing and human rights priorities to most effectively manage those risks, including vulnerable groups, such as women and migrant workers in the supply chain.

We seek to manage these risks by:

- Respecting the rights of workers in the supply chain and leveraging industry partners through the Responsible Business Alliance to improve raw material sourcing, recruiting practices, working conditions, and environmental performance in the global electronics supply chain.

- Respecting the right to a safe and healthy workplace by reducing the potential for exposure to chemicals of high concern.
- Respecting the rights of Best Buy employees and striving for a diverse, inclusive and respectful workplace free of harassment and discrimination.
- Respecting the rights of our customers, including children, and their right to privacy.
- Respecting the rights of Best Buy Health™ customers and their right to health by providing access to quality services and products to enable care at home for everyone.
- Seeking to advance the right to education in the communities where we operate by sharing our knowledge of technology.
- Respecting the rights of workers in the consumer electronics recycling value chain through adherence to policies and standards for safe and responsible recycling.

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

- Following global standards of human rights such as the United Nations Guiding Principles on Business and Human Rights.
- Maintaining strong governance practices, including our Human Rights Executive Committee, that includes several of the company's most-senior executives.
- Communicating our human rights commitments.
- Proactively engaging stakeholders to protect and advance human rights through our memberships and partnerships.
- Heightening our engagement with suppliers to improve upon the issues found at the factory level and to provide targeted training, resulting in an increased closure rate of our supplier Corrective Action Plans (CAPs).

- Elevating the visibility of our supply chain grievance mechanism to ensure it's more accessible to factory workers.
- Enhancing our supplier training to include more content on responsible recruitment practices and carbon reduction efforts.
- Optimizing our minerals due diligence process. For more details, see our [Human Rights Corporate Statement](#).

Responsible sourcing

In addition to being a retailer, Best Buy manufactures private-label products. We partner with 157 factories on the design and packaging, production and testing of these products. We also partner with them to ensure they meet our expectations for safe workplaces where workers are treated fairly. Our Responsible Sourcing program was developed to adhere to the Organization for Economic Cooperation and Development's (OECD) Due Diligence Guidance for Responsible Business Conduct and the United Nations Guiding Principles for Business and Human Rights. Our company measures responsible sourcing risks in the supply chain on an ongoing basis.

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

All of our supplier contracts require adherence to our Supplier Code of Conduct. Additionally, we engage with internal cross functional teams including sourcing, engineering and supply chain, to promote awareness of our program and deepen the integration of the work into all functions of our business.

Our Responsible Sourcing program for our private-label suppliers consists of a five-step process, working closely together to manufacture quality products while ensuring workers are treated fairly in a safe environment.



"I am proud of the level of engagement we have with our private-label suppliers and the high-quality and affordable products we offer to customers. As we look to evolve our supply chain manufacturing locations, we are committed to continuing our robust responsible sourcing program with our suppliers, ensuring fair treatment of our workers and upholding responsible environmental practices."

Newton Guillen, vice president of Best Buy private-label brands

1. Code introduction

Before working with new suppliers, Best Buy provides an in-depth training on our code and program, including our expectations on critical risks such as human trafficking and forced labor.

We regularly update our due diligence processes, procedures and protocols to ensure their continued adherence to international norms and effectiveness for the issues we encounter in the supply chain. Version 8.0 of the RBA Code of Conduct went into effect on January 1, 2024. We adopted this new code, which provided additional provisions for workers on topics like equal pay for equal work, reasonable accommodation for workers with disabilities, and tightened requirements for facilities in creating a comfortable, safe and appropriate work environment.

2. Self-reporting

New suppliers are required to complete a self-assessment questionnaire (SAQ) in the supplier qualification process.

Existing suppliers assess their performance against the code by completing an annual SAQ. In FY24, we achieved a 100% completion rate for SAQs for both new and existing suppliers.

3. Monitoring

Best Buy conducts third-party audits at 100% of our potential supplier factories, which includes environmental and human rights screening criteria. If we identify any priority non-conformance, our highest severity audit finding, it must be addressed immediately. Suppliers that are unwilling or unable to address priority violations are rejected. For all other issues identified, we require the supplier to take corrective action.

For existing suppliers, Best Buy conducts a full audit at least every other year to identify any gaps between suppliers' performance and the code. We align our own audit protocol to that of RBA, and we also accept other approved third-party audits. Our audits include worker interviews and visits to all structures on the factory premises, including warehouses, dormitories and canteens. We not only assess their social and environmental performance, but we also review the management systems they have in place.

Our audit protocol, non-conformance classifications and corrective action protocol can be found on our [Human Rights page](#).

Corrective Action Plans (CAP)

We believe continued dialogue with suppliers results in more meaningful improvements for supply chain workers, promotes healthy and safe working conditions, and reduces negative environmental impacts.

Therefore, whenever non-conformances are found during an audit, we expect our suppliers to identify the root cause of the issues and indicate how they intend to improve the issue and measure progress. The suppliers then must close the non-conformances according to Best Buy's timelines and provide the supporting evidence.

While we recognize the time and effort it takes suppliers to address non-conformances, we believe we can make a stronger impact on remediation efforts by implementing a monitoring mechanism.

Based on our audits and accepted report findings, we found six factories in violation of fees charged to workers. Through our CAP process, we worked with the factories to return physical examination fees to 308 workers and to purchase social or commercial insurance for 1,302 workers.

Our progress in FY24

The data below shows the progress of CAP closures for findings that were required to be closed by the end of FY24.

86% of all findings were closed or downgraded.

Of these:

100% of priority non-conformances were closed.

100% of high-risk major non-conformances were closed.

85% of major non-conformances were closed.

98% of minor non-conformances were closed.

Starting in FY24, we require an additional third-party audit if the supplier does not submit a CAP or if they do not remediate the non-conformance within the reasonable timeframe allowed.

4. Training and communication

Best Buy is transparent with our suppliers on our priorities, monitoring approaches, audit assessment steps, code requirements, key elements of a supply chain sustainability management system, and the steps to improve their adherence to our requirements. We host our annual supplier meeting and leverage virtual trainings to deliver this content and deepen our relationship and engagement with our suppliers. We have made RBA's training resources available to all suppliers to improve factory performance.

In FY24, we:

- Assigned seven training courses, which 96% of factories completed.
- Monitored the completion of our onboarding training by new suppliers to ensure they have the tools necessary to integrate the expectations of the Supplier Code of Conduct into their operations.
- Hosted a course on Greenhouse Gas Emission data collection for our suppliers to raise awareness and build capacity on carbon reduction management.
- Organized an on-site supplier workshop in Hanoi, Vietnam, to enhance suppliers' awareness of code compliance, and build capacity of their social and environmental management systems to mitigate risk and build a more resilient supply chain.



5. Reporting

Each year we publicly disclose our suppliers' compliance with our Code of Conduct. The "Audit Results" table aggregates the performance of suppliers across our key audit categories.

Category	Compliance Rate
Labor	78%
Health and Safety	78%
Environment	94%
Ethics	99%
Management system	92%



Worker voice

Our supply chain workers are critical stakeholders who provide insights on factory performance and inform our efforts and resources to deliver the greatest impact.

To empower workers to voice their opinions and concerns in the workplace and beyond, we launched our Worker Voice program in FY22, which enables supply chain workers to answer customized survey questions through their personal mobile devices. Workers are surveyed anonymously and remotely in their native language.

In FY24, we updated our approach and implemented a survey into our third-party audit validation process to reach a wider set of workers. As a result, we reached 888 workers in China, Vietnam, Thailand and Mexico. The survey collected feedback on worker satisfaction, working conditions, working hours, wages and benefits, and evaluated their knowledge of available tools. The survey results inform how we develop our programs to have a greater impact on some of the most systemic issues at the supplier and factory level and on individual workers.

Evolution of factory oversight management

The lifting of COVID-19 pandemic travel restrictions globally has allowed for a significant increase in our on-site monitoring efforts. Because of this shift, we have reduced our reliance on remote audits and desktop reviews over the past three years. While we rely primarily on third parties for our core program audits, Best Buy's own team conducts new supplier facility visits and is increasingly on site conducting post-audit validation visits. During these visits, we cross-reference information submitted in worker voice interviews with the audit results, follow up on discrepancies, and conduct on-site audit checks on high-risk findings.



Foreign migrant workers

While migrant workers are a small percentage of the workers in our private-label supply chain, we seek to do our part to mitigate the risks they face.

We recognize that foreign migrant workers (those who travel temporarily from their home country for employment in another) face unique risks in pursuit of employment.

Responsible employment and recruitment, including its associated fees and cost, is critical to the protection of foreign migrant workers and their rights. To that end, we are committed to working with our suppliers to ensure no foreign migrant worker pays recruitment fees for their job and that all workers retain control of their travel documents and have full freedom of movement. We align with RBA on its parameters around prohibited fees and leverage its advanced due diligence guidelines, tools and examples of best practices to stay informed of macro and emerging risks to continually enhance our approach.

Our due diligence efforts can be summarized as follows:

Risk identification: When evaluating a new supplier located in a key labor migration receiving country, an additional pre-screening assessment is conducted to investigate whether any foreign migrant workers were hired and, if so, whether they paid prohibited recruitment fees, have full access to their government-issued documents, have full freedom of movement, and have safe and adequate living conditions.

Risk response and reimbursement: If a prohibited recruitment fee is identified, the supplier is required to conduct the fee investigation and provide a full list of all fee items that workers paid from their country of origin along the way to the country of factory location. A reimbursement plan with pay date and impacted workers is required. We work closely with suppliers to reimburse all applicable fees to workers based on the agreed-upon timeframe. Once the issue is closed, a third-party follow-up audit is scheduled to validate the fee reimbursement.

Prevention: We continue to look for ways to provide our suppliers with tools to prevent forced labor in the supply chain, and we have expanded our efforts to known labor recruitment agencies used by our suppliers.

For newly hired foreign migrant workers, suppliers are required to follow our policy to ensure all related recruitment fees should be supplier-paid with no costs incurred by the workers.

While we did not find any instances of forced labor or prohibited recruitment fees in FY24, we remain committed to our no fees policy and will continue to report on these findings. Since FY18, we have worked with suppliers to ensure they have reimbursed all RBA-prohibited recruitment fees, totaling more than \$500,000 to 735 workers.

Responsible sourcing beyond private-label:

Since 2015, factories manufacturing products for direct import, or for companies acquired by Best Buy, have been covered by our Responsible Sourcing program. We take the same monitoring approach to managing these suppliers as we do our private-label suppliers, including code introduction, self-reporting, monitoring, training and communication.

Best Buy has also expanded our Responsible Sourcing program into our Goods Not for Resale (GNFR) third-party risk management program. While this program performs due diligence on third parties across a wide range of risk areas, the responsible sourcing program assesses the management systems of a subset of new and existing high-risk third parties against Best Buy's Supplier Code of Conduct. This includes assessing salient risks according to factors like geography and industry, requiring vendor completion of SAQs, and following up with vendors to ensure expectations are met. Our GNFR Responsible Sourcing Program increasingly assesses risk across Health and Safety, Labor, Environment, Ethics, and Management Systems in line with Best Buy's Code of Conduct. When issues are identified through the assessment process, the program helps manage risk by providing training and resources to bring third parties in line with our expectations. We centralize this process to allow for a holistic view and management of the risks inherent with our third parties.

Additionally, we developed a holistic risk assessment to leverage branded vendors in high-risk areas or categories. As we continue to adapt to the evolving geopolitical landscape, we created a framework that can dive into key risk areas nimbly and efficiently, allowing our category teams to bring a more complete view to their business decisions.

Chemicals

Chemicals, while necessary as part of many manufacturing processes, directly impact the health of the people who make our products. To this end, we have adopted a [Manufacturing Restricted Substance List](#) (MRSL) to build a supply chain without hazardous substances.

We continue to engage and work closely with industry initiatives, NGOs and multi-stakeholder workgroups on methodology exploration. For example, through our participation in RBA's Chemical Management Workgroup, we have access to some of the tools and guidance being developed by the Clean Electronics Production Network (CEPN). We have adopted the CEPN's Process Chemical Data Collection (PCDC) template and have surveyed all our suppliers using this tool. We shared results from key suppliers with RBA so that they, along with CEPN, can begin to assess the landscape of processing chemicals across the electronics industry. This transparency directly contributed to the development of a prioritized list of chemicals targeted for substitutions for the electronics industry.

Our suppliers also play a key role in chemical management. We work closely with our suppliers on MRSL chemical identification, management, and minimization of risk. We leveraged the updated PCDC and Qualitative Exposure Assessment Tool (QEA Tool) into our chemical management program. In FY24, 100% of our factories base completed the PCDC assessment. All in-scope suppliers are educated on the QEA Tool, and through that training, expectations related to chemical management programs are set.

Based on the PCDC assessment across our supplier base, we identified factories using chemicals on the MRSL, provided them with advanced training, and required these factories to remove or to adhere to MRSL restrictions and exposure levels. We have established a regular reporting mechanism to require our suppliers to report their latest status on MRSL management and removal plan annually. We will continue to work closely with our suppliers to control the risk of hazardous substances by removal, replacement, or other actions in the coming years.

We identified 47 factories using chemicals on the MRSL over the past three fiscal years. Of those, 36 factories have removed the chemicals from the manufacturing process. Best Buy continues working closely with the remaining factories to reduce, replace or take other appropriate risk mitigation actions.



Energy consumption and Greenhouse Gas (GHG)

To enhance our circular economy efforts and help to scale GHG capabilities across our global supply chain, we require our suppliers to report their Scope 1 and Scope 2 carbon emissions, establish a carbon reduction goal, and look for carbon reduction opportunities through energy efficiency or renewable energy sourcing.

Over the last year, we redefined the scope of our program to focus primarily on Category 1 (Purchased Goods and Services) Scope 3 emissions. Moreover, we optimized the emissions calculation toolkit and conducted training for our in-scope factories on the new toolkit, enabling our factories to account for their emissions more efficiently.

We also offer additional training to our suppliers through RBA to build awareness and knowledge on climate change and carbon accounting. Best Buy also developed and implemented a carbon inventory calculator that is based on methodology from the International Panel on Climate Change (IPCC) and the GHG Protocol. With this tool, our suppliers were then able to calculate their own Scope 1 and Scope 2 emissions to develop their own carbon inventory. We continue to monitor our suppliers' carbon emissions, working toward setting carbon reduction goals with more suppliers in the coming years.



117 (100%)

in-scope private-label factories reported Scope 1 and Scope 2 carbon emissions data for 2023.

72 (62%)

in-scope private-label factories established a carbon reduction goal.

38 (32%)

in-scope private-label factories were identified as using energy from renewable sources.

Conflict minerals

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

Best Buy is committed to working toward a conflict-free supply chain for our private-label products. We align our conflict minerals program with the OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas, an internationally recognized framework.

We have evolved our minerals due diligence program to enable us to focus on those suppliers with whom we have the most influence. Therefore, we only include those private-label suppliers where we have a sufficient level of influence over their manufacturing.

Despite advances in supply chain transparency and traceability capabilities, it remains a challenge to identify, with absolute certainty, the smelters, refiners and recyclers in our private-label supply chain. Training our direct suppliers and auditing their performance are key steps to addressing this.

In FY24, 100% of our in-scope suppliers received training specific to conflict minerals.

Our practices

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

Our performance

Relevant processing facilities reported by these suppliers have been found conformant to the RMI, LBMA or RJC standard via an independent, third-party audit or have committed to go through an audit — 87%

Products containing necessary 3TG that have had their supply chains surveyed — 100%

Relevant suppliers who returned a conflict minerals reporting template — 100%

Relevant suppliers who have a conflict minerals policy — 94%

More details can be found in our conflict minerals statement and conflict minerals report on our [corporate site](#).

Political activity

Best Buy engages in the political process by developing and advocating for public policy positions that impact our business and communities where we live and work. As part of our commitment to transparency, Best Buy discloses our efforts, priorities and any use of corporate funds for political purposes.

2023* public policy priority issues

Cybersecurity, Data Privacy and Internet of Things:

We supported policies that strengthen the nation's cyber infrastructure. We are committed to safeguarding our customers' data, ensuring a relationship that understands and serves their needs and interests.

Emerging Technologies and Innovation: We supported policies that allow for the expansion of telehealth, the emergence of new, innovative technologies, and products that improve consumers' lives.

Environmental Sustainability: We promoted the responsible recycling of electronic waste, as well as policies that encourage energy efficient design, innovation and use.

Fair Competition: We supported the review and modernization of antitrust laws to ensure applicability to large technology platforms, and we supported efforts to curb organized retail crime and counterfeits, including increasing transparency of online marketplace sellers. We also continue to advocate for increased competition in the payments ecosystem and expanded interchange reforms to debit and credit cards to reduce "swipe fee" expenses.

Health: We supported coverage and payment policies that allow the home to be a site of care for health systems and providers.

Immigration Reform: We supported policies that advance comprehensive immigration reform.

Retail Crime: We supported the continued creation of federal, state and local task forces to work in partnership with local district attorneys.

Supply Chain and Infrastructure: We supported investments in the nation's multimodal infrastructure and the free flow of commerce while promoting a safe and secure supply chain.

Tax: We supported efforts to retain a fair and competitive corporate tax code and protected against drastic corporate tax increases that would disproportionately impact the retail industry.

Trade: We supported trade policies that address barriers disproportionately challenging to businesses.

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

Political contributions

Best Buy did not make any corporate political contributions directly to candidates in calendar year 2023. All contributions of more than \$5,000 to political organizations are reviewed and approved by the Best Buy Contributions Steering Committee. These political organizations received equal funding totaling \$100,000:

- Democratic Governors Association
- Republican Governors Association

Best Buy did not make any contributions that could be considered independent expenditures or that supported electioneering communications or ballot measures in 2023.

Best Buy maintains an employee-funded, non-partisan political action committee ("Best Buy Employee Political Forum"), and its activity can be viewed on the Federal Election Commission's website for additional information.

Please see the Best Buy Political Activity & Government Affairs Policy and the 2023 U.S. [Political Activity & Public Policy Report](#) for additional information on Best Buy's political activity and membership associations.



*Calendar year

Membership associations

Best Buy maintains memberships across many non profit organizations including trade associations, policy groups, and professional organizations. Some of the organizations we are active members of include:

- Alliance to Save Energy
- American Indian Opportunities Industrialization Center
- Attorney General Alliance
- Business for Social Responsibility (BSR)
- Business Roundtable
- Ceres
- Civic Alliance
- Clean Energy Buyers Association
- Consumer Technology Association
- Disability:IN
- Environmental Initiatives Sustainable Growth Coalition
- Green Chemistry and Commerce Council
- Hispanic Association on Corporate Responsibility
- Human Rights Campaign
- International Consumer Product Health and Safety Organization
- Merchants Advisory Group
- Minnesota Business Partnership
- National Center for Electronics Recycling
- National Governors Association
- National Minority Supplier Development Council
- National Retail Federation
- Public Affairs Council
- Responsible Business Alliance
- Responsible Labor Initiative
- Responsible Minerals Initiative
- Retail Council of Canada
- Retail Industry Leaders Association
- State Government Affairs Council
- State Legislative Leaders Foundation
- Sustainable Packaging Coalition
- U.S. China Business Council
- Women's Business Enterprise National Council

For a more detailed look at our membership associations, see our 2023 U.S. [Political Activity & Public Policy Report](#).

Appendix

- 67 Environmental data
- 69 SASB index
- 70 TCFD index
- 71 Sustainable Development Goals
- 72 GRI Universal Standards

Environmental data

Carbon data	CY21	CY22	FY24
Scope 1 emissions, direct emissions	257,049 MTCO ₂ e	236,269 MTCO ₂ e	209,440 MTCO ₂ e
Scope 2 emissions, indirect emissions (market-based)	131,875 MTCO ₂ e	114,658 MTCO ₂ e	105,120 MTCO ₂ e
Scope 2 emissions, indirect emissions (location-based)	257,641 MTCO ₂ e	265,649 MTCO ₂ e	266,501 MTCO ₂ e
Scope 3 emissions, other indirect emissions: Business travel: commercial air	12,152 MTCO ₂ e	15,577 MTCO ₂ e	27,829 MTCO ₂ e
Scope 3 emissions, other indirect emissions: Employee commute to/from Corporate Campus	668 MTCO ₂ e	2,395 MTCO ₂ e	1,598 MTCO ₂ e
Scope 3 emissions, other indirect emissions: Use of sold products*	13,646,233 MTCO ₂ e	12,635,835 MTCO ₂ e	14,202,986 MTCO ₂ e
Scope 3 emissions, other indirect emissions: Waste generated in operations	25,870 MTCO ₂ e	21,177 MTCO ₂ e	24,125 MTCO ₂ e
Total Scope 3 emissions, other indirect emissions (business travel, employee commute, use of sold products, waste generated in operations)	13,684,943 MTCO ₂ e	14,097,974 MTCO ₂ e	14,256,538 MTCO ₂ e
Energy consumption within the organization	Fuel consumption: 3,465,161,017,412,860 joules Total Scope 1 and 2: 1,717,405 MWh	Fuel consumption: 3,544,963,200,000,000 joules Total Scope 1 and 2: 1,737,006 MWh	Fuel consumption: 3,017,318,400,000,000.00 joules Total Scope 1 and Scope 2: 1,590,611 MWh
Energy intensity (Scope 1 + Scope 2)**^	0.0294 MWh/Sq Ft	0.0282 MWh/Sq Ft	0.0259 MWh/Sq Ft
GHG emissions intensity (Scope 1 + Scope 2)**^	0.0088 MTCO ₂ e	0.0082 MTCO ₂ e	0.0077 MTCO ₂ e
Reduction of GHG emissions (Scope 1 + Scope 2)**	14,036 MTCO ₂ e or 2.7% decrease YOY	12,772 MTCO ₂ e or 2.5% decrease YOY	25,977 or 5.2% decrease YOY
Reduction of GHG emissions (Scope 1 + Scope 2 market-based)	12,165 MTCO ₂ e or 3% decrease YOY	37,997 MTCO ₂ e or 9.8% decrease YOY	36,592 MTCO ₂ e or 10.4% decrease YOY

*Emissions are calculated for the lifetime of the product when the product was purchased.
The EPA recently updated the measurement methodology for Use of Sold Products, and we have restated our historical emissions accordingly.

**Number does not include RECs.

***To align with regulatory filings, starting with FY24 in this annual report and going forward, we are moving to measuring carbon emissions from 12 months of calendar year (CY) to 12 months of fiscal year (FY).

^In prior years, the square footage used for these calculations only included U.S. and Canada retail square footage. In the table above, the calculations for all three periods presented have been updated to include U.S. and Canada retail space, U.S. and Canada distribution centers, and our corporate campus.

Environmental data

Materials recycled	FY23 (lbs.)	FY24 (lbs.)
Paper	2,775,940	2,473,573
Cardboard	73,613,200	70,032,180
Plastic	2,710,582	2,330,500
Expanded polystyrene	5,170,991	4,812,580
Metal	174,720	88,900
Pallets	39,298,480	27,585,920
Totes	475,980	355,769
Single stream	5,212,445	14,736,120
Organics/compost	259,055	443,140
Large equipment batteries	958,240	1,700,161
Other	63,620	66,000
Total recycling	130,713,253	124,624,843

SASB index

The Sustainability Accounting Standards Board (SASB) provides a global disclosure framework to help business and investors develop a shared understanding of enterprise value and inform a wide range of decisions. We have provided relevant data noted below according to SASB's industry standard for Multiline and Specialty Retailers & Distributors.

Table 1. Sustainability Disclosure Topics & Metrics

Topic	Metric	Location of disclosure
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Pg. 67, Environmental Appendix
Data Security	Description of approach to identifying and addressing data security risks	Pg. 54, Responsible Business Practices, Data Security and Privacy
	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of customers affected	Pg. 54, Responsible Business Practices, Data Security and Privacy
Labor Practices	(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	Partially reported on Pg. 39, Employees, ID&E
	(1) Voluntary and (2) involuntary turnover rate for in-store and distribution center employees	Pg. 36, Employees, ID&E
Workforce Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management and (c) all other employees	Pg. 37, Employees, ID&E
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental or social sustainability standards	Pg. 19, Environmental, ENERGY STAR (partially)
	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	Pg. 24 and 62, Environmental, Chemicals Management
	Discussion of strategies to reduce the environmental impact of packaging	Pg. 21–22, Environmental, Sustainable Packaging

Table 2. Activity Metrics

Topic	Topic
Number of: (1) retail locations and (2) distribution centers	Pg. 19–20, Form 10-K
Total area of: (1) retail space and (2) distribution centers	Pg. 19–20, Form 10-K

TCFD index

The Task Force on Climate-Related Financial Disclosure (TCFD) has developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities through their existing reporting processes.

Governance	Found on	Strategy	Found on	Risk management	Found on	Metrics & targets	Found on
Board's oversight of climate-related risks and opportunities.	CDP Climate 2022 C1.1, C1.1a, C1.1b CDP Water 2022 W6.2, W6.2a, W6.2b	Climate-related risks and opportunities identified over the short, medium and long term.	CDP Climate 2022 C2.2, C2.2a, C2.4a, C2.4a CDP Water 2021 W7.3, 7.3a	Processes for identifying and assessing climate-related risks.	CDP Climate 2022 C2.1, C2.1a, C2.2, 2.2a CDP Water 2022 W4.1, W4.1a, W7.3 W3.3a, W3.3b	Metrics used to assess climate-related risks and opportunities in line with strategy and risk management process.	CDP Climate 2022 C2.2 CDP Water 2022 W1.2, W1.5e, W8.1b
Management's role in assessing and managing climate-related risks and opportunities.	CDP Climate 2022 C1.2 CDP Water 2022 W6.3	Impact of climate-related risks and opportunities on business, strategy and financial planning.	CDP Climate 2022 C2.2, C2.2a, C2.4a, C2.4a CDP Water 2021 W7.3, 7.3a	Processes for managing climate-related risks.	CDP Climate 2022 C2.2 CDP Water 2022 W3.3, W3.3b	Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions, and the related risks.	CDP Climate 2022 C2.3a, C6.1, C6.3, C6.4a, C6.5, C6.10
		Resilience strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	CDP Climate 2022 C3.1, C3.2, C3.2a, C3.3 CDP Water 2022 W7.3, W7.3a	Processes for identifying, assessing and managing climate-related risks are integrated into overall risk management.	CDP Climate 2022 C3.3, C2.2 CDP Water 2022 W3.3b, W7.1, W7.3	Targets used to manage climate-related risks and opportunities and performance against targets	CDP Climate 2022 C4.1, C4.1a, C4.2, C4.2b, C4.2c CDP Water 2022 W8.1, W8.1a, W8.1b

Sustainable Development Goals

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



GRI Universal Standards

Best Buy has reported the information cited in this GRI content index for the period from Jan. 29, 2023 to Feb. 3, 2024, with reference to the GRI Standards.

GRI standard	Disclosure number	Disclosure	Found on
GRI 2: General Disclosures 2021	2-1	Organizational details	Pg. 4-5, Form-10K Pg. 5
	2-2	Entities included in the organization's sustainability reporting	Pg. 5
	2-3	Reporting period, frequency and contact point	Pg. 5
	2-4	Restatements of information	Pg. 10, 14, 15, 67
	2-5	External assurance	Pg. 5
	2-6	Activities, value chain and other business relationships	Pg. 4, Form-10K Pg. 4
	2-7	Employees	Pg. 37
	2-9	Governance structure and composition	Pg. 51-52, Proxy Pg. 2, 29, 31-41
	2-10	Nomination and selection of the highest governance body	Proxy Pg. 26
	2-11	Chair of the highest governance body	Proxy Pg. 4
	2-12	Role of the highest governance body in overseeing the management of impacts	Pg. 52, Proxy Pg. 17-18, CDP Climate 2022 C1.1, C1.1a, C1.1b
	2-13	Delegation of responsibility for managing impacts	Proxy Pg. 17-18, CDP Climate 2022 C1.2
	2-14	Role of the highest governance body in sustainability reporting	Pg. 52
	2-16	Communication of critical concerns	CDP Climate 2022 C1.2
	2-17	Collective knowledge of the highest governance body	Form-10K Pg. 31-41
	2-18	Evaluation of the performance of the highest governance body	Proxy Pg. 20
	2-19	Remuneration policies	Proxy Pg. 51-73
	2-20	Process to determine remuneration	Proxy Pg. 50-55
	2-21	Annual total compensation ratio	Proxy Pg. 78
	2-22	Statement on sustainable development strategy	Pg. 3, 70, CDP Climate 2022
	2-23	Policy commitments	Pg. 57-58
	2-24	Embedding policy commitments	Pg. 57-61

GRI Universal Standards

GRI standard	Disclosure number	Disclosure	Found on
GRI 2: General Disclosures 2021	2-26	Mechanisms for seeking advice and raising concerns	Pg. 53, 57, 61
	2-28	Membership associations	Pg. 65
	2-29	Approach to stakeholder engagement	Pg. 5
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Form-10K Pg. 63
	201-2	Financial implications and other risks and opportunities due to climate change	CDP Climate 2022 C2.2, C2.2a, C2.4a, C2.4a
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Pg. 67
	302-3	Energy intensity	Pg. 67
	302-4	Reduction of energy consumption	Pg. 67
	302-5	Reductions in energy requirements of products and services	Pg. 19
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	Pg. 15
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Pg. 67
	305-2	Energy indirect (Scope 2) GHG emissions	Pg. 67
	305-3	Other indirect (Scope 3) GHG emissions	Pg. 67
	305-4	GHG emissions intensity	Pg. 67
	305-5	Reduction of GHG emissions	Pg. 67
GRI 306: Waste 2020	306-3	Waste generated	Pg. 16–17
	306-4	Waste diverted from disposal	Pg. 17, 68
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Pg. 36–37
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Pg. 30
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Pg. 37, Proxy Pg. 29, 31–41
	405-2	Ratio of basic salary and remuneration of women to men	Pg. 39
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Pg. 44–49
GRI 415: Public Policy 2016	415-1	Political contributions	Pg. 64