

COLLECTIVE BRANDSSM



performance+
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Collective Brands, Inc. Worldwide Code of Ethics

As adopted by the Collective Brands, Inc.
Board of Directors on November 11, 2010

CODE OF ETHICS

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AlertLine Hotline

For callers from the U.S., Canada and Puerto Rico: 1-800-255-2465 (toll-free). Callers have an English, Spanish, or French language option. Outside these countries, the AlertLine can be accessed through the list of international toll free numbers included on the last page of this Code of Ethics.

The AlertLine is staffed by a live operator from an outside company, 24 hours a day, 7 days a week. Calls are free, confidential and may be made anonymously. Operators are equipped to take these calls in all primary languages.

It is important to report all violations or suspected violations of this Code of Ethics, including concerns regarding accounting, internal accounting controls, or auditing matters. If you suspect a violation, talk to your manager, department head, or the Human Resources or Law Departments. If you are not comfortable doing so, you may e-mail Collective Brands, Inc.'s Ethics Officer at AlertLine@collectivebrands.com or call the AlertLine. A non-retaliation policy is in place to protect individuals who in good faith report suspected violations.

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ABOUT THE CODE

Collective Brands, Inc. (“CBI”), and its subsidiaries, affiliates and related companies, are committed to conducting business according to the highest ethical and legal standards. All associates, officers, and the Board of Directors of CBI (collectively “Associates”) must use sound business judgment and adhere to the highest standards of integrity and propriety while performing their jobs.

This Code of Ethics (the “Code”) applies to all Associates of CBI, is part of the Company’s ethics and compliance program, and is the framework for the high standards we envision. It does not include all company policies or the rules and regulations that apply to every situation and should be viewed as part of the policies, procedures, and requirements of the law that guide you in your daily work. The Code is not a contract of employment and does not create any contractual rights of employment between you and the Company. Employment is on an “at will” basis, where permitted by law, meaning that you can terminate the employment at any time, for any reason, just as the Company may terminate your employment at any time, with or without notice, with or without cause. Only the Senior Vice President-Human Resources-CBI may make another agreement with an Associate concerning the length of employment, which must be in writing and signed by both parties.

Every Associate is expected to adhere to these standards. A violation impacts our competitive position, and may expose the Company and you to civil and criminal liability. Questions about a standard contained in this Code, or a situation presenting an ethical issue not addressed in this Code, should be directed to your manager, department head, local Human Resource Department, or the Law Department (785-295-6624). You may also confidentially and anonymously report ethics concerns by contacting the AlertLine, which can be accessed via e-mail or through the list of current U.S. and international toll free numbers included on the last page of this Code.

Further, Associates who engage vendors, agents, suppliers, franchisees or consultants must use reasonable efforts to monitor their work to ensure they act in a manner consistent with the principles in this Code, and should contact their manager or the Law Department for additional guidance if needed. CBI vendors, agents, suppliers, and franchisees should also be provided with a copy of the Code, are responsible for reviewing and being familiar with its contents, and abiding by the Code where applicable. If you suspect a vendor, agent, supplier, franchisee or consultant is, during the course of conducting business with the Company, acting in a manner inconsistent with the Code, contact your manager, department head, your local Human Resource Department, the Law Department, or the AlertLine.

The Code is distributed annually to all Associates. Certain management Associates also acknowledge their understanding and agreement to comply with the Code upon being hired. The most current version can be accessed on CBI’s intranet (under Ethics & Policies) or the internet at www.collectivebrands.com. Additional education and training materials, including a Train-the-Trainer presentation, Q & As, and FAQs, are also available on the intranet.

COMPLIANCE WITH LAWS

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The Company and all Associates must abide by all applicable laws, rules and regulations of each country where we do business. This is the most fundamental policy underlying our commitment to integrity and ethical conduct. Violation of laws, rules and regulations may subject Associates to disciplinary action up to and including termination, as well as to civil and criminal penalties.

The laws of the United States frequently extend to the Company's operations throughout the world. Other countries may also apply their own laws outside of their borders to their own citizens. In some instances, there may be a conflict between applicable laws of two or more countries. If the Code or the Company require you to take an action (or prohibits you from taking action) you believe is in violation of a law, or you believe there is a conflict between the laws of two or more jurisdictions, consult the Law Department (785-295-6624) or contact the AlertLine..

In keeping with our commitment to meet the highest standards of business conduct wherever we do business, Associates must comply with all aspects of the Code unless prohibited by local law. Even if in some countries certain laws are not enforced in practice, compliance is nonetheless required. Conversely, there may be laws in certain countries which do not apply outside those countries, and therefore, are not specifically addressed in the Code. Such laws would be addressed in Company documents such as Associate Handbooks, Policies and Procedures Manuals, Human Resources Manuals, Operations Manuals, etc. The Company also publishes several "global policies" designed to give Associates a set of rules that are the same for all locations. The Code is an example of a global policy.

The number of laws and regulations around the world affecting the Company increase and become more complex each year. When possible, and to the extent generally applicable, the Code will be modified to conform to changes in laws and customs. Questions regarding applicable laws, rules, and regulations affecting your business activities should be directed to the Law Department.

FAIR DEALING

The Company expects its Associates, agents, vendors, and franchisees to conduct business with integrity and should endeavor to deal fairly and honestly with each other.. Do not take unfair advantage of others, including competitors, through manipulation, concealment, fraud, abuse of privileged information, misrepresentation of facts, or any other unfair dealing practice. Ignorance of this standard is not an acceptable excuse for improper behavior. A violation of this policy is grounds for disciplinary action, up to and including termination.

EQUAL OPPORTUNITY AND RESPECT IN THE WORKPLACE

Equal Employment Opportunity

The Company provides equal employment opportunities to all applicants and Associates without regard to race, religion, color, national origin, ethnicity, age, sex, pregnancy, sexual orientation, disability, marital status, citizenship, veteran's status, and/or any other basis prohibited by applicable law. Reasonable accommodations, including modifying policies and procedures for individuals with disabilities, will also be made if the Company can do so without undue hardship. This policy applies to all aspects of

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employment, including recruiting, hiring, training, transfers, promotions, and compensation. The Company will not tolerate a violation of this policy.

Non-Discrimination and Harassment

The Company is committed to providing a work environment free of discrimination and harassment based on race, color, creed, religion, national origin, ethnicity, ancestry, age, sex, pregnancy, sexual orientation, disability, marital status, citizenship, veteran's status, or any other basis prohibited by applicable law, in the workplace or any functions related to the workplace. Discrimination and harassment, whether caused by an Associate, Customer, distributor, supplier, agent, vendor or franchisee, is unacceptable and will not be tolerated.

One form of harassment is sexual harassment. It is defined as unwelcome or unwanted sexual advances, requests for sexual favors, and any other verbal, visual, or physical conduct of a sexual nature in which submission or rejection of the conduct leads to tangible employment action. Unacceptable harassment also includes unwelcome behavior or actions (e.g., epithets, jokes, comments, gestures, circulating graphic material, or other verbal or physical conduct) directed to a person or group based on their protected class status that unreasonably interferes with work performance or creates a hostile work environment.

All Associates are responsible for creating and maintaining a work environment free from discrimination or harassment. Even if you believe the situation will resolve itself, or do not want to report it, the Company has a legal obligation to investigate. If you experience, witness, or learn of discrimination or harassment in the workplace, here are the steps to take:

- *Payless Store Associates* – report it to your Manager, District Manager, or the AlertLine.
- *Payless/CBI Corporate or Distribution Center Associates* – report it to your Supervisor, the Human Resources Department, or the AlertLine.
- *Stride Rite Store Associates* – report it to your Manager, District Manager, the HR Service Center (1-800-304-1266), or the AlertLine.
- *PLG Corporate and Customer Service Associates* – report it to your Supervisor, Human Resources Representative, the HR Service Center, or the AlertLine.
- *Collective Licensing Associates* – report it to your Supervisor, the Human Resources Department, or the AlertLine.
- *International Associates* – report it to your Supervisor, local Human Resources Department, or the AlertLine..
- Provide a written statement to the Human Resources Department (*Payless/Collective Licensing*: 3231 S.E. 6th Street, Topeka, KS 66607; *PLG*: 191 Spring Street, Lexington, MA 02173).

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Managers and supervisors must promptly report all complaints of harassment or discrimination.

- *Payless Stores* - report it to the District Manager, Manager/Director of Human Resources, or the Loss Prevention Department.
- *Stride Rite Stores* – report it to the District Manager, the HR Service Center, or the Loss Prevention Department.
- *Payless/CBI Corporate Offices or Distribution Centers* - report it to a Human Resources Generalist or DC Human Resources Team Members.
- *PLG Corporate or Customer Service Center Associates* – report it to the Director of Human Resources (1-617-824-6423).
- *Collective Licensing Associates* – report it to the Assistant to the President & CEO (1-303-761-1345, ext. 31).
- *International* – report it to your Supervisor or local Human Resources Department.

All complaints will be promptly investigated. Associates will be questioned who have knowledge of the incident or similar problems. Written statements may also be requested to facilitate the investigation. Confidentiality will be maintained to the extent practical and information sharing limited to individuals with a “need to know.” Upon completion of the investigation, immediate corrective action will be taken if this policy has been violated. If warranted, disciplinary action will be taken, up to and including termination.

A copy of the Company’s separate, more detailed Policy Against Harassment is available on the intranet (at Company > Ethics & Policies > POLICIES: Harassment Policy).

WAGE/HOUR COMPLIANCE

The Company is committed to complying with all applicable local, state and federal wage and hour laws. Hourly Associates are required to record all work time – scheduled or unscheduled, overtime or straight time, benefit or nonproductive hours (e.g. vacation, sick or personal time), authorized or unauthorized -- and take all rest breaks and meal periods as required by law. “Hourly Associates” are those paid an hourly rate. It does not include most managers, supervisors, or Associates paid on a salary basis regardless of the number of hours worked. These individuals are referred to as “Salaried Exempt Associates.”

Intentional alterations or “corrections” to an Associate’s time records misrepresenting actual hours worked is prohibited. Further, never allow a co-worker to complete your time records. If a time entry must be changed, your manager or supervisor must make the change and you must verify it.

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Company policy also prohibits “*off-the-clock*” work. This covers a wide range of activities such as deliberate falsification of time records, coercion of extra unpaid work, or voluntarily working during lunch or after hours performing customer service or finishing a task. To avoid the potential for “off-the-clock” activity, Hourly Associates are prohibited from: (i) inaccurately recording time worked; (ii) failing to record hours for work performed at home; (iii) opening the Store or assisting Customers upon arriving to work, before clocking in; (iv) meeting, training, stocking or performing inventory, working during a lunch break, or closing the Store while clocked out; (v) transferring hours from one day to another on a time record so as to not reflect overtime; and (vi) keying in non-productive pay codes as a substitute for actual hours worked. These activities generally are compensable work, whether performed voluntarily or at management’s request. Managers and supervisors are responsible for ensuring Hourly Associates do not work off-the-clock. Any conduct encouraging or condoning the inaccurate recording of work time is strictly prohibited.

It is also Company policy to provide Associates with *rest breaks and meal periods* as required by law. Consult the Rest Break/Meal Period Poster applicable to your particular state or jurisdiction located on the Company policy bulletin board or your Store’s back room, for additional information. If you do not receive the appropriate rest break or meal period, report it to your manager, supervisor, local Human Resources Department, or the AlertLine.

Managers or supervisors who learn an Hourly Associate is working off-the-clock, or not taking a scheduled rest break or meal period, must immediately report it to the Human Resources Department. Failure to do so may result in disciplinary action, up to and including termination.

FINANCIAL INTEGRITY OF BOOKS AND RECORDS

Financial Records/Accounting Practices

Falsifying, altering, or destroying any account, record or other business-related document in violation of the Company’s records retention guidelines is prohibited. Creating or maintaining any secret or unrecorded fund, asset, or account is also prohibited. Finally, making false statements, misleading or artificial entries, or intentional omissions or misrepresentations in the Company’s books, expense reports, financial records, (e.g. recording false sales or recording them early, understating or overstating known liabilities and assets, or deferring the recording of items that should be expensed), is prohibited.

Maintenance and Preservation of Business Records

Business records, including e-mails, are subject to internal and external audits and may be required to be disclosed in the course of litigation or a government investigation. These records are also often obtained and referenced by outside parties or the media. Be clear, concise, and truthful when preparing business records. Avoid exaggeration, colorful language, conjecture, or derogatory characterizations of events, people or their motives.

The Company complies with all laws and regulations relating to records preservation. A Records Retention Program has been developed setting forth policies and procedures relating to records preservation. Business records must be retained or destroyed in compliance with such program. In the event of actual or reasonably foreseeable

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litigation or a government investigation, relevant records, including e-mails, must be retained and preserved even if they are to be destroyed in accordance with the applicable retention program. As soon as the Law Department determines threatening or pending litigation or an administrative proceeding requires that records be preserved, it will issue a **litigation hold** directive to the custodians of these records explaining this preservation requirement.

A copy of the Records Retention Program may be obtained on the intranet (under Ethics & Policies) or from the Law Department (785-295-6624).

GOVERNMENT PROCEEDINGS AND REQUESTS FOR INFORMATION

It is Company policy to cooperate with appropriate government requests for information and investigations. If asked to provide information (either written or verbally) for a government investigation, or if a government representative appears at the workplace, contact your local Human Resources Department or the Law Department (785-295-6624). All information provided should be truthful and accurate and you must not obstruct or impede the request. Do not alter, falsify, cover up, dispose of, or destroy any documents or records related to a government request or investigation.

AVOIDING CONFLICTS OF INTEREST

Our stockholders expect that business decisions are made in the best interest of the Company. Therefore, any situation creating a conflict of interest between the personal interests of an Associate and the Company's interests must be avoided. Some of the more sensitive areas giving rise to conflicts of interest, and the Company's related guidelines, are set forth below.

Whether a conflict of interest exists can be unclear. If you become aware of an actual or potential conflict, contact your supervisor and local Human Resources Department, who will consult the Law Department. Vice Presidents and above should contact the Senior Vice President-Human Resources – CBI (785-295-2441) or the General Counsel (785-295-6624).

Gifts, Loans and Entertainment

Associates are generally prohibited from giving or receiving from a current or prospective supplier, distributor, vendor, franchisee, landlord, or competitor ("**Third Party**") non-cash gifts, entertainment, gratuities and favors in excess of \$200 (U.S.). Accepting gifts is always prohibited if (i) in cash; (ii) could be construed as a bribe or payoff; (iii) an attempt to influence fair and impartial judgment; or (iv) it violates any law or regulation. Soliciting gifts in any amount is also prohibited. If a gift is received with a value in excess of \$200 (U.S.), either return the gift, turn it over to the Senior Vice President-Human Resources-CBI, or write a personal check to the gift giver for its full value, subject to the discretion provided below.

Discretion may be granted in appropriate circumstances to permit receipt of non-cash gifts in excess of \$200 (U.S.). If the value of the gift exceeds \$200 (U.S.), you must complete an Entertainment and Gift Disclosure Form and submit it for approval by the Senior Vice President-Human Resources-CBI within 10 days of receipt. If the value of the gift exceeds \$200 (U.S.) and involves an officer at or above the Senior Vice President level, completion of an Entertainment and Gift Disclosure Form within 10 days

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of receipt and approval of the Chief Executive Officer is required with a copy sent to the Chair of the Audit and Finance Committee. Similarly, if you receive multiple gifts from a single source in a one (1) year period, and their total value exceeds \$200 (U.S.), written disclosure in the manner specified above is required. Copies of Entertainment and Gift Disclosure Forms are available from the Human Resources Department (785-295-2008), the Law Department (785-295-6624), or on the intranet.

Loans, or accepting discounts on personal purchases of products and/or services, from a Third Party is also prohibited unless such discounts are also offered to members of the general public. It is also improper to accept a guarantee of an obligation from a Third Party if doing so may compromise the objectivity of a business decision, or the value exceeds \$200 (U.S.).

Acceptance of normal business entertainment (e.g. lunch, dinner, or a sporting event) from a Third Party is appropriate if the value does not exceed \$200 (U.S.) and involves a bona fide business purpose. You may not accept tickets or invitations to entertainment if the host will not be present. Attending business-related conferences or seminars paid for by a Third Party is also permissible, as is accepting a waiver of registration fees for a business conference, you may not have transportation, hotel expenses, meals, green fees, entertainment, etc. paid for.

Outside Employment

While employed by the Company, Associates are prohibited from serving as an employee, officer, director, or consultant with or on behalf of a competitor or current or prospective supplier, distributor, vendor, franchisee, or landlord. However, after disclosure to your immediate manager, Associates may otherwise engage in outside employment or in “free-lance” or “moonlighting” activity, if it does not create scheduling conflicts, significantly interfere with the time and attention which should be devoted to the responsibilities of the job, or adversely affect the quality of work.

Performing non-Company work on Company time, or soliciting that work on Company premises, including while on a leave of absence, is also prohibited. In addition, Associates may not receive any form of compensation from anyone other than the Company for doing their job. For example, you may not receive compensation for speaking engagements associated with the Company. Such remuneration should be paid to the Company.

Relationships with Suppliers, Agents, Franchisees, Customers, Competitors

Associates may not hold or acquire any investment or financial interest of a Third Party (other than up to 1% ownership of other public companies) without written approval from the General Counsel. You are considered to have an interest in an organization or transaction if any members of your family or close relatives by blood or marriage have a financial interest.

Doing Business with Spouses, Relatives or Friends

Avoid situations where personal interests conflict with, or appear to conflict with, those of the Company. Associates with family members or friends working for a Third Party may not use their influence to affect a decision which could benefit a family member or friend. Notice and written approval from the Senior Vice President-Human Resources-CBI (785-295-2441) is required before an Associate’s spouse, relatives or friends may do business with the Company or assist a family member in obtaining employment or other

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benefit from a Third Party. Further, and as set forth in the Company's Policy and Procedures With Respect to Related Party Transactions, notice and written approval from the Board of Directors is required before a Senior Vice President's or Executive Committee member's spouse, relatives or friends may do business with the Company.

Fraternization & Dating

The Company recognizes that you may develop personal relationships with co-workers and does not restrict more than one family member from being employed by the Company. However, Associates are prohibited from supervising, reviewing, or having any influence on the job evaluation or salary of family members, close relatives, or persons whom they are dating. If this occurs, the Associate must inform his or her supervisor and local Human Resources Department. The Company will work with both individuals to separate their employment responsibilities from their personal relationship so as to avoid a conflict of interest. If the conflict cannot be remedied to the Company's satisfaction, one of the individuals will be required to resign from employment.

Corporate Opportunities

Associates may not divert to themselves the benefit of any venture, opportunity, or potential opportunity in any of the Company's lines of business discovered by using Company property or information, or as a result of his or her position with the Company, without obtaining consent from the Executive Committee, or in the case of members of the Executive Committee, consent from the Board of Directors.

Non-business Activities

Participation in a trade association, professional society, charitable organization or government institution on a non-compensated basis, or the holding of part-time public office, does not generally create a conflict of interest. However, if it will involve a substantial time commitment, approval of your supervisor and the Human Resources Department is required.

PAYMENT PRACTICES

Payments to Government Personnel

When conducting business outside the United States, you must be sensitive to foreign legal requirements and U.S. laws that apply to foreign operations, including the Foreign Corrupt Practices Act ("FCPA"). The FCPA addresses how companies conduct business outside the U.S. and makes it unlawful to pay or give anything of value to foreign government officials to obtain or retain business or secure any improper advantage. This includes making improper payments through intermediaries such as sales representatives or consultants. The fact that such activities may be accepted local practice in a country does not relieve you from complying with the FCPA. Before making payment or giving anything of value to a foreign government official, consult the General Counsel (785-295-6624).

Bribery, Kickbacks, and Fraud

Offering or accepting bribes, kickbacks, or payoffs from a past, current or potential agent, supplier, dealer, distributor, franchisee, or licensee to obtain, influence, or maintain a transaction or relationship is prohibited. Report any actual or attempted bribery, kickback, or fraud to the General Counsel (785-295-6624) or the AlertLine.

Consultants, Agents and Foreign Representatives

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Commission or fee arrangements must be made only with bona fide commercial representatives, agents or consultants, must be in writing, and the commission or fee reasonable and consistent with normal industry practice. No undisclosed or unrecorded fund or asset may be established or maintained for any purpose. No payment may be made in cash, and no corporate checks or wire transfers made to “cash,” “bearer” or to third party designees for the party entitled to payment. Inquiry into the reputation and activities of the Company’s commercial intermediaries, including agents, consultants, and distributors, should also be made prior to entering into such arrangements. Do not enter into such arrangements with any firm in which a government official has an interest unless approved by the General Counsel (785-295-6624).

Political Contributions

Federal law prohibits the Company from making contributions of money, goods, or service to candidates for Federal office, or any committees supporting such candidates or parties, and no person may lawfully do so on the Company’s behalf. The CBI Political Action Committee (PAC) is an organization through which the Company’s directors, officers and Associates may pool contributions and provide them to Federal candidates who hold positions consistent with our business interests. Proposed contributions must be presented to the PAC Board of Directors via the General Counsel and approved in accordance with the PAC’s by-laws and rules. To ensure consistency, all proposed political contributions, even those to candidates for state office (where direct corporate contributions are allowed by law) should be administered through the General Counsel.

OBLIGATIONS TO CUSTOMERS, COMPETITORS AND VENDORS

Competition, Anti-Trust & Fair Trade

Company policy is to comply fully with all applicable anti-trust laws. Antitrust laws prohibit agreements among actual or potential competitors to fix or control prices, fix bids, set terms of sale, allocate or apportion markets, boycott specific suppliers or customers, or limit production and sale. These laws also prohibit arrangements with competitors regarding costs, inventories, discounts, rebates, warranties, transportation charges, allocating exports or imports, controlling or limiting product quality or research, or tie-in sales. Avoid any communication – written or verbal – that could be misinterpreted as a request to restrain trade or fix prices. Violation of antitrust laws is a crime and can result in substantial fines and imprisonment.

Normal patronage of competitors’ stores and participating in trade associations and professional societies does not generally create anti-trust problems. However, before engaging in any of the following activities with a competitor, contact the Law Department: (i) discussing a potential merger, acquisition, or joint venture; (ii) standardizing products, processes, materials or services; (iii) collecting and disseminating industry statistics; or (iv) discussing product safety matters. Any instance in which a competitor has suggested collaboration regarding any of these topics should be reported to the General Counsel (785-295-6624).

With regard to international activities, be aware that United States anti-trust laws apply to conduct outside the United States if it has a direct, substantial and reasonably foreseeable effect on commerce within the United States. Moreover, if you transact Company business in foreign countries, you must also comply with the anti-trust laws of the relevant countries, where applicable.

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Confidential Information of Third Parties

The Company is entrusted with confidential information of agents, vendors, suppliers, and consultants and often gives contractual commitments to protect such information. This includes financial, business, scientific, technical, and economic information. Reasonable efforts to safeguard this information should be taken. Questions about whether information is confidential should be directed to the Law Department (785-295-6624).

Associates are also prohibited from using or disclosing confidential information acquired from an agent, vendor, supplier, distributor, consultant, former employer, or competitor, whether in your memory or in writing, if obtained by improper means. Improper means includes stealing, bribery, false identities, misrepresentations, hidden cameras, visits under pretext, and any other manner of fraud, or deception, including removal of the information obtained while in the employ of another.

ENVIRONMENT, HEALTH AND SAFETY

Workplace Health & Safety

Safety, health and environmental laws play an important role in the way we conduct business and, if disregarded, can result in civil and criminal penalties.

Associates are responsible for following the Company's safety and environmental rules and procedures relevant to their job. For example, the packaging, marking, handling, storage, transportation, and disposal of various materials and trash are regulated. All accidents, injuries, and unsafe, unhealthy or hazardous conditions should be reported to the Risk Insurance or Loss Prevention Departments (1-800-426-1141).

The health and safety of Associates, and the quality and productivity demanded by Customers and stockholders, also requires that you report to work free from the use or influence of alcohol, illegal drugs, or controlled substances. Being in possession of, distributing, or under the influence of alcohol, illegal drugs, or controlled substances on the job is prohibited.

The Company will also not tolerate any act of violence or threats of violence, whether committed by or against an Associate, Customer, vendor, or visitor.

Product Safety

The Company strives to provide high quality and safe products to our Customers. Products must be designed and produced to Company standards and comply with all applicable regulations and contractual obligations. The Company also requires its vendors and manufacturers to warrant that all goods sold to it comply with applicable laws, rules, and regulations.

USE AND PROTECTION OF COMPANY ASSETS

Company assets (including merchandise, samples, supplies, hardware, software, telephones, corporate credit cards, trademarks and logos) should only be used for legitimate business purposes and may not be sold, loaned, given away or disposed of, regardless of condition or value, without proper authorization. Theft, fraud, embezzlement, or misappropriation of Company property, or that of Associates, Customers, or vendors, is also prohibited.

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Associates are also prohibited from using Company assets or property for their own advantage or benefit, including any outside business or other employment. This includes the unapproved use or removal of defective merchandise, product samples, or wear-tested shoes. Similarly, Associates are prohibited from purchasing merchandise from Company stores using their discount and then re-selling such merchandise through eBay, swap meets, flea markets, or some other method. Re-selling such merchandise in these venues is acting in competition with the Company.

Finally, using Company letterhead to write letters on matters unrelated to Company business (e.g., seeking contributions for a non-company sponsored charity, political candidate, or writing a reference letter for a former Associate), is prohibited as such practice could expose the Company to liability.

COMPUTER SYSTEMS AND NETWORK SECURITY

No Expectation of Privacy

The Company's computer systems, including e-mail, telephone, wireless devices, and the internet (collectively, the "Computer System"), are provided for the purpose of conducting Company business. All information transmitted by, received from, created, or stored in the Computer System (whether through word processing, e-mail, the internet, or otherwise) is the property of the Company.

You should have no expectation of privacy regarding any information created, stored, sent or received on the Computer System unless required by law. The Company reserves the right, without permission, to monitor any and all aspects of the Computer System in appropriate circumstances. This includes reviewing documents created and stored on it, reviewing e-mail and messages sent or received, monitoring internet sites visited by Associates, monitoring chat rooms, blogs and reviewing files and material downloaded or uploaded from the internet or sent from a home computer.

Professional Use Required

Use of the Computer System should be business-related and its content professional. Any confidential, proprietary, or inappropriate information or materials sent or received by e-mail, text message, voice mail, the Internet, or video about the Company, its Associates, Customers, vendors or other third parties through of the Computer System (i.e., sexual explicit, abusive, offensive, profane, vulgar, hateful, threatening, embarrassing, discriminatory or harassing messages or files; chain letters; commercial, religious or political solicitations) is prohibited.

E-Mail and Instant Messaging

Company-related e-mail messages should not be forwarded to, or stored in, your personal e-mail account (e.g., Yahoo! Mail, Google's Gmail) or downloaded, saved or moved to a thumb drive or some other storage device. If due to travel or extenuating personal reasons an exception is needed, you must delete or remove the Company-related e-mail from your personal e-mail account or other off-site storage device within seven (7) days following such transfer.

Instant messaging ("IM") and text messaging (e.g., SMS text messaging) are permitted for short business conversations only, and will be allowed only on company-approved IM software and devices. Downloading and using personal, consumer-grade software (e.g.,

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AOL Instant Messenger, Yahoo!, Google Talk, or MSN) to transmit messages via the public internet is prohibited.

Social Networking and Social Media

Usage of social or professional networking sites or social media (e.g., Twitter, Facebook, MySpace, LinkedIn, YouTube) on work time for non-work purposes should also be kept to a minimum. Such sites are not allowed for business conversations involving confidential, proprietary or competitive information regarding the Company, its Associates, Customers or business partners, or to discuss the details of a particular engagement or project. Usage of such sites and other social media which is disrespectful, inflammatory, offensive, dishonest or damaging to the Company's business interests is also prohibited.

Do not use the name, trademarks, logos or copyright-protected material of the Company on such sites. Be truthful and respectful of the Company's products and services, refrain from using aliases or pseudonyms, and make it clear in any on-line activity that your views and opinions about work-related matters are your own, have not been reviewed by the Company, and do not necessarily represent the views of the Company. Associates are prohibited from using their Company e-mail address unless the social networking site is used purely for professional or business purposes.

Network Security

Safeguards are in place to ensure the Computer System is protected from unauthorized use or access. Use in a manner that could compromise its security and integrity, including circumventing protective procedures, gaining unauthorized access, or knowingly creating an opportunity for intruders or viruses to enter the Computer System, is prohibited. For example, do not attach ipods, MP3 players, or similar devices to the Computer System. All network connections, direct or remote, must be approved by the IT Department.

The Company has a separate, more detailed Information Security Policy designed to inform Associates about access and use of the Computer System in a manner to minimize risks associated with connecting thereto. Such policy addresses issues such as PCI controls, copying and downloading, remote access, passwords, computer viruses, application development, and encryption. All Associates are responsible for reading and understanding the policy, and agree to comply with it. The policy is available for on-going review from the Information Security Department or on the on intranet (Company > Ethics & Policies > POLICIES: Information Security Policy)

Software

All software used by the Company must be licensed, created or purchased by the IT Department. If the Company has a license for the software, you may download new or updated versions as long as a new maintenance contract is not required. Associates are expected to safeguard the software provided to them, and may not loan or give it to anyone else (including co-workers). Using or distributing personally-owned software on the Computer System is also prohibited.

Commercial software and shareware (typically free for home use only), including trial versions, must be purchased before downloading and may not be downloaded from the internet, purchased via a credit card for Company use, located on Company servers and loaded on Company computers, or purchased for home use and loaded on Company

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computers. Freeware, most of which is already loaded on your work station (e.g., Adobe Reader, Real Media, Flash Media, and Quicktime) may be used or downloaded without purchasing it. Do not copy software manuals for use at home or by other Associates and contractors, or place software on a LAN for use by others, without approval of the Chief Information Officer-CBI.

Questions about software licensing and usage should be directed to the Chief Information Officer-CBI. The need for additional software to perform your job should be discussed with your manager and the IT Help Desk.

SAFEGUARDING CONFIDENTIAL INFORMATION & INTELLECTUAL PROPERTY

Confidential Information

Associates may be exposed to confidential information of the Company during employment. "Confidential information" is defined as all non-public information that might be of use to competitors or harmful to the Company if disclosed, and includes strategic plans, sales figures, financial information, marketing plans and strategies, brand development, quality assurance manuals, product lines or designs, patents, proprietary software, information regarding negotiations, agreements or dealings between the Company and others, and associate-related information (e.g., personal health information or performance history).

Because the nature of the Company's business is highly competitive, confidential information must be held in strict confidence and care exercised to avoid disclosure. All files, records, and reports, including confidential information, acquired or created in the course of employment are Company property. Originals or copies of such information may be removed from offices for the sole purpose of performing your job duties and must be returned upon request. Disclosure to spouses, friends and business partners should be avoided, access limited to persons having a need to know, stamped "Confidential," and properly safeguarded at all times. The same confidentiality safeguards which apply to written documents should also be applied to e-mail communications.

Upon separation from employment, all documents, papers, computer disks, thumb drives, Company-provided laptops, Blackberries, or other material (including copies thereof) in your possession or control which may contain confidential information must be returned.

The head of the department responsible for a project in which confidential information is shared must ensure all vendors, agents, suppliers and other third parties enter into a written Non-Disclosure Agreement ("NDA"). An NDA may be obtained from the Law Department (785-295-6624).

Trademarks, Service Marks, and Copyrights

Trademarks and service marks – words, slogans, symbols or logos used to identify a particular source of goods or services – are valuable assets. Do not enter into any agreement regarding the Company's trademarks, service marks, or logos, or use the trademark or service mark of another company even with whom the Company has a business relationship, without prior approval from the Law Department (785-295-6624). The Company also respects the trademark rights of others and any proposed new product name must be approved by the Law Department.

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The Company is entitled to all rights in the ideas, inventions, and works of authorship relating to its business created, developed or authored by Associates during employment (“Employee Developments”). Upon request, Associates must execute, without further compensation (unless required by law), the documents necessary to assign and transfer all rights in and to the Employee Developments to the Company.

Customer and Data Privacy

The Company respects and values its Associates’ and Customers’ privacy and expects you to do the same. You should maintain personal data with care and respect, while protecting against inappropriate access and disclosure and not use or transmit any personal data for personal benefit or in any other inappropriate way. If you suspect misuse of Associate or Customer personal information, notify a member of management, the Law Department (785-295-6624), or contact the AlertLine.

We comply with all applicable privacy laws, including laws regulating the privacy of personal, employment, financial or medical information. A variety of physical, electronic, and procedural safeguards exist to maintain the safety of this information. Personal data such as phone numbers, credit card numbers, and driver’s license numbers is collected only for legitimate business purposes and reasonable steps to safeguard it are taken, including limiting access and use to only that which is required by an Associate (or third party contractor) to do their job. Specific information may be subject to special privacy rules or procedures. Read, understand and stay current on rules or procedures applicable to your job.

A copy of our Privacy Policy, which addresses the steps taken by the Company to protect Customer privacy, may be obtained at www.collectivebrands.com.

INSIDER TRADING

In the course of employment, Associates may become aware of material non-public information of the Company. “Material nonpublic information” is information not publicly known and likely to be important in determining whether to buy or sell CBI stock or is likely to impact the stock price. Examples include: (i) unannounced significant changes in store-for-store sales; (ii) financial projections or results (e.g. quarterly and annual earnings or losses); (iii) large or uncommon corporate transactions (e.g. mergers or acquisitions); (iv) expansion plans, including international expansion; or (v) changes in operations, business plans, or major senior management changes.

Disclosing or using information not generally known to the public, and which could influence a decision to buy, sell, or hold CBI stock, is prohibited. You must hold such information in confidence and refrain from buying or selling CBI stock (or securities of another company to which the information applies) until the information becomes public. The law imposes serious criminal and civil penalties and fines for individuals who violate it.

Do not share non-public information about the Company with anyone, including family members and friends. Conversations which include material non-public information should not occur in hallways, cafeterias, or other public places. All written and electronic materials containing material non-public information should also be safeguarded.

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The Board of Directors, Executive Committee and certain other “Designated Insiders” are further restricted from trading in CBI stock except during the quarterly “window period.”. Questions about whether to trade in CBI stock, including cashless exercises or transfers in the Profit Sharing 401(k) plan or other Company-sponsored benefit or compensation plan, should be directed to the General Counsel (785-295-6624) or SEC Counsel (785-368-6182).

IMPORT AND EXPORT CONTROLS

All products purchased by the Company must comply with applicable laws, regulations and standards of the United States or any state, local or foreign government (e.g., U.S. Customs Service). Export control regulations require that the Company know the end use, all intermediary users, and the end user for all transactions. Labeling, customs entry, and commercial documents required for entry into the U.S. and all other countries in which the Company operates must be accurate and comply with all government labeling requirements. Compliance helps ensure our imports are not subject to delay or penalties, and allows us to take advantage of applicable programs to reduce duties.

In addition, it is Company policy to comply with U.S. anti-boycott laws. A “boycott” is a restriction on the ability to ship goods into a specific country or do business there. Anti-boycott laws are intended to prevent companies from taking any action in support of a boycott imposed by one country upon a country that is friendly to the U.S. We are required to report to the U.S. government any request to participate in a boycott. Requests are often found in letters of credit, shipping instructions, certificates of origin, and other contract-related documents.

The Company participates in the U.S. Customs and Border Protection’s Customs-Trade Partnership Against Terrorism (C-TPAT) Program. All members of our Supply Chain are expected to participate in the C-TPAT Program, if available, and to implement all C-TPAT and other reasonable recommendations to increase supply chain security.

COMMUNICATIONS WITH THE PUBLIC

The Company strives to communicate with the public in an accurate and consistent manner and provide full and prompt disclosure of material events to the media, securities analysts, and stockholders. This is normally accomplished through a press release or a report filed with the U.S. Securities Exchange Commission. To ensure compliance with the law and protect our business interests, do not speak to the public or the media on behalf of the Company because doing so risks providing incorrect information or revealing proprietary strategy. Only the CEO, the Corporate Media Relations Department (785-559-6966 or 612-928-0202), and the Investor Relations Department (785-559-5321) are authorized to represent the Company to the public or the media.

REPORTING POLICY VIOLATIONS

It is important to promptly report any situation which may violate the law or Company policy – whether you are involved in the situation or not. It is generally advised that you first report a suspected violation to your immediate supervisor. If this is not a viable

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option, report it to your supervisor's manager, local Human Resources Department, the Loss Prevention Department, of the AlertLine.

The Company encourages Associates to provide full information and their name in order to facilitate a complete investigation. We may not be able to investigate and respond to some matters, such as allegations of sexual harassment, without such information. Do not, however, investigate a situation on your own. Investigations may involve complex legal issues and acting on one's own may compromise the integrity of the investigation or adversely affect the Company and the Associate.

Call the AlertLine

The AlertLine may be contacted 24 hours a day, 7 days a week, and is equipped to handle all primary local languages. Calls are free, confidential and may be made anonymously. The AlertLine is staffed by an organization not affiliated with the Company, and to the extent possible (and in conformity with local law), callers may not have to give their name. In all cases, your privacy will be respected to the fullest extent possible under the law. The operator will relay the information to the AlertLine office, and will provide you with a case number and call back date if desired.

U.S., Canada and Puerto Rico:

Dial 1-800-255-2465

For all other locations:

Dial the country specific AT&T international toll free number included on the last page of this Code.

Mail

Collective Brands, Inc. (Attn: Ethics Office)
3231 S.E. 6th Avenue
Topeka, KS 66607

E-mail

AlertLine@collectivebrands.com

COMPANY RESPONSE & DISCIPLINARY ACTION

Reports or complaints are referred to the Human Resources, Loss Prevention, or Law Department, depending upon the nature and subject matter of the complaint, potential legal implications, or the individual(s) involved. Ethical or legal issues, or violations of the Code, are referred to designated members of the Human Resources, Finance, Loss Prevention and Law Departments. Complaints raising concerns about accounting practices, internal controls, and auditing matters are referred to the Audit and Finance Committee. Administrative issues (e.g. lost paychecks), compensation (e.g., salary, bonus, or overtime), e-mail abuse, poor management, and misconduct (e.g., discrimination, harassment, falsification of company records, or theft) are referred to the Human Resources and/or Loss Prevention Department. When appropriate, the Company will provide the Associate with the status of the investigation and the outcome.

Management, in consultation with the Human Resources and/or Law Departments, will take appropriate corrective action, up to and including termination of employment, in connection with a violation of the Code. Conduct that may result in disciplinary action,

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up to and including termination, includes: (i) violation of the law or Company policy, including requesting others to do so; (ii) failure to report a suspected violation of Company policy; (iii) failure to cooperate in an investigation; or (iv) retaliation against an Associate who makes a complaint or cooperates in an investigation.

NO RETALIATION

The Company will take no adverse action or retribution against an Associate for reporting in good faith any concerns or possible violations of the Code, Company policy, or the law.

INTERNATIONAL ALERTLINE CONTACT INFORMATION

International dialing instructions:

1. Check that the phone from which you are dialing can handle international calls.
2. If applicable, enter the AT&T Direct Access Code number from the country from which you are calling. Do not dial any other numbers. When you hear the voice message, or a series of tones, enter the second number. Do not press 1 or 0 before dialing unless indicated below. The call will be connected to the AlertLine.
3. In those countries without a Direct Access Code number, the contact phone number will connect you immediately to the AlertLine.

Country	Access Code	Contact phone number
Brazil	Access code not necessary	0800-891-4256
Colombia	01-800-911-0011	866-490-3415
Costa Rica	Access code not necessary	0-800-011-1061
China	108-11	866-599-1807
Dominican Republic	Access code not necessary	1-888-596-4487
Ecuador	1-999-119 or 1-800-225-528	866-599-1825
El Salvador	800-1785 or 800-1288	866-599-1826
Guatemala	999-9190 or 138-126	866-599-1828
Honduras	800-0123	866-714-1290
Hong Kong	800-93-2266	866-599-1807
India	Access code not necessary	000-800-100-1479
Jamaica	Access code not necessary	1-888-667-6793
Nicaragua	800-0164 or 1-800-0174	866-714-1295
Panama	Access code not necessary	001-800-442-9168
Taiwan	Access code not necessary	00801-10-4119
Thailand	Access code not necessary	001-800-11-002-2134
Trinidad & Tobago	Access code not necessary	1-800-311-2936
Vietnam	Access code not necessary	704-752-6215 (collect)