UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended April 3, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 001-06024

WOLVERINE WORLD WIDE, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**38-1185150**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
9341 Courtland Drive N.E., **Rockford**, **Michigan**	**49351**
(Address of principal executive offices)	(Zip Code)

(616) 866-5500
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, $1 Par Value	WWW	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 82,827,340 shares of common stock, $1 par value, outstanding as of April 26, 2021.

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FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements," which are statements relating to future, not past, events, including statements regarding the Company's planned eCommerce investments and priorities. In this context, forward-looking statements also often address management's current beliefs, assumptions, expectations, estimates and projections about future business and financial performance, national, regional or global political, economic and market conditions, and the Company itself. Such statements often contain words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "is likely," "plans," "predicts," "projects," "should," "will," variations of such words, and similar expressions. Forward-looking statements, by their nature, address matters that are, to varying degrees, uncertain. Uncertainties that could cause the Company's performance to differ materially from what is expressed in forward-looking statements include, but are not limited to, the following:

- the potential effects of the COVID-19 pandemic on the Company's business, operations, financial results and liquidity, including the duration and magnitude of such effects, which will depend on numerous evolving factors that the Company cannot currently fully predict or assess, including: the duration and scope of the pandemic; the negative impact on global and regional markets, economies and economic activity, including the duration and magnitude of its impact on unemployment rates, consumer discretionary spending and levels of consumer confidence; actions that governments, businesses and individuals may take in response to the pandemic; and the effects of the pandemic, including all of the foregoing, on the Company's manufacturers, distributors, suppliers, joint venture partners, wholesale customers and other counterparties. The timing and scope of recovery after the pandemic is also uncertain;
- changes in general economic conditions, employment rates, business conditions, interest rates, tax policies and other factors affecting consumer spending in the markets and regions in which the Company's products are sold;
- the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets;
- the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences;
- the inability to effectively manage inventory levels;
- increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export;
- foreign currency exchange rate fluctuations;
- currency restrictions;
- supply chain and capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing;
- the cost and availability of raw materials, inventories, services and labor for contract manufacturers;
- labor disruptions;
- changes in relationships with, including the loss of, significant wholesale customers;
- risks related to the significant investment in, and performance of, the Company's consumer-direct operations;
- risks related to expansion into new markets and complementary product categories as well as consumer-direct operations;
- the impact of seasonality and unpredictable weather conditions;
- the impact of changes in general economic conditions and/or the credit markets on the Company's manufacturers, distributors, suppliers, joint venture partners and wholesale customers;
- changes in the Company's effective tax rates;
- failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company;
- the risks of doing business in developing countries and politically or economically volatile areas;
- the ability to secure and protect owned intellectual property or use licensed intellectual property;
- the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, and litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health;
- risks of breach of the Company's databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other similar events;
- problems affecting the Company's supply chain and distribution system, including service interruptions at shipping and receiving ports;
- strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company's success in integrating acquired businesses and implementing new initiatives and ventures;
- the risk of impairment to goodwill and other intangibles;
- the success of the Company's restructuring and realignment initiatives undertaken from time to time; and
- changes in future pension funding requirements and pension expenses.

These or other uncertainties could cause a material difference between an actual outcome and a forward-looking statement. The uncertainties included here are not exhaustive and are described in more detail in Part I, Item 1A: "Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 2021 (the "2020 Form 10-K"). Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The Company does not undertake an obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Operations and Comprehensive Income
(Unaudited)

(In millions, except per share data)	Quarter Ended April 3, 2021	Quarter Ended March 28, 2020
Revenue	$ 510.7	$ 439.3
Cost of goods sold	288.4	257.5
Gross profit	222.3	181.8
Selling, general and administrative expenses	174.4	156.1
Environmental and other related costs, net of recoveries	(10.2)	8.8
Operating profit	58.1	16.9
Other expenses:		
Interest expense, net	9.6	7.8
Other expense (income), net	2.8	(0.6)
Total other expenses	12.4	7.2
Earnings before income taxes	45.7	9.7
Income tax expense (benefit)	7.3	(3.1)
Net earnings	$ 38.4	$ 12.8
Less: net loss attributable to noncontrolling interests	(0.1)	(0.2)
Net earnings attributable to Wolverine World Wide, Inc.	$ 38.5	$ 13.0
Net earnings per share (see Note 3):		
Basic	$ 0.46	$ 0.16
Diluted	$ 0.45	$ 0.16
Comprehensive income	$ 44.6	$ 2.2
Less: comprehensive loss attributable to noncontrolling interests	(0.4)	(1.4)
Comprehensive income attributable to Wolverine World Wide, Inc.	$ 45.0	$ 3.6
Cash dividends declared per share	$ 0.10	$ 0.10

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
(Unaudited)

(In millions, except share data)	April 3, 2021	January 2, 2021	March 28, 2020
ASSETS			
Current assets:			
Cash and cash equivalents	**$ 364.8**	$ 347.4	$ 472.6
Accounts receivable, less allowances of $25.0, $33.5 and $28.3	**323.6**	268.3	323.4
Finished products, net	**311.2**	237.9	396.2
Raw materials and work-in-process, net	**9.7**	5.2	9.1
Total inventories	**320.9**	243.1	405.3
Prepaid expenses and other current assets	**37.9**	45.4	50.4
Total current assets	**1,047.2**	904.2	1,251.7
Property, plant and equipment, net of accumulated depreciation of $202.6, $197.2 and $187.3	**120.8**	124.6	138.3
Lease right-of-use assets, net	**136.7**	142.5	158.3
Goodwill	**442.7**	442.4	434.7
Indefinite-lived intangibles	**382.3**	382.3	604.5
Amortizable intangibles, net	**71.2**	73.0	76.2
Deferred income taxes	**2.2**	3.2	2.4
Other assets	**64.2**	65.2	87.6
Total assets	**$ 2,267.3**	$ 2,137.4	$ 2,753.7
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	**$ 279.3**	$ 185.0	$ 137.6
Accrued salaries and wages	**17.8**	27.0	15.3
Other accrued liabilities	**157.0**	150.0	129.4
Lease liabilities	**33.7**	34.0	34.9
Current maturities of long-term debt	**10.0**	10.0	12.5
Borrowings under revolving credit agreements	**—**	—	790.0
Total current liabilities	**497.8**	406.0	1,119.7
Long-term debt, less current maturities	**710.4**	712.5	423.6
Accrued pension liabilities	**146.5**	147.0	109.5
Deferred income taxes	**37.0**	35.5	86.5
Lease liabilities, noncurrent	**122.8**	130.3	145.0
Other liabilities	**127.7**	133.1	133.5
Stockholders' equity:			
Common stock – par value $1, authorized 320,000,000 shares; 111,243,844, 110,426,769, and 109,208,832 shares issued	**111.2**	110.4	109.2
Additional paid-in capital	**265.7**	252.6	219.8
Retained earnings	**1,123.1**	1,093.3	1,268.1
Accumulated other comprehensive loss	**(124.1)**	(130.6)	(111.5)
Cost of shares in treasury; 28,359,799, 28,285,274, and 28,146,763 shares	**(766.8)**	(764.3)	(760.0)
Total Wolverine World Wide, Inc. stockholders' equity	**609.1**	561.4	725.6
Noncontrolling interest	**16.0**	11.6	10.3
Total stockholders' equity	**625.1**	573.0	735.9
Total liabilities and stockholders' equity	**2,267.3**	2,137.4	2,753.7

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Cash Flows
(Unaudited)

(In millions)	Quarter Ended April 3, 2021	Quarter Ended March 28, 2020
OPERATING ACTIVITIES		
Net earnings	**$ 38.4**	$ 12.8
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation and amortization	**7.2**	7.8
Deferred income taxes	**1.0**	(12.6)
Stock-based compensation expense	**10.0**	2.7
Pension and SERP expense	**3.5**	2.1
Environmental and other related costs, net of cash payments and recoveries received	**(0.2)**	49.6
Other	**0.6**	5.8
Changes in operating assets and liabilities:		
Accounts receivable	**(56.2)**	4.1
Inventories	**(79.0)**	(61.0)
Other operating assets	**8.9**	1.4
Accounts payable	**95.8**	(64.0)
Income taxes payable	**(0.2)**	2.7
Other operating liabilities	**(3.5)**	(28.0)
Net cash provided by (used in) operating activities	**26.3**	(76.6)
INVESTING ACTIVITIES		
Business acquisition, net of cash acquired	**—**	(5.5)
Additions to property, plant and equipment	**(2.2)**	(3.6)
Other	**(0.5)**	(0.2)
Net cash used in investing activities	**(2.7)**	(9.3)
FINANCING ACTIVITIES		
Payments under revolving credit agreements	**—**	(108.0)
Borrowings under revolving credit agreements	**—**	538.0
Payments on long-term debt	**(2.5)**	(2.5)
Cash dividends paid	**(8.5)**	(9.0)
Purchases of common stock for treasury	**—**	(21.0)
Employee taxes paid under stock-based compensation plans	**(9.2)**	(19.7)
Proceeds from the exercise of stock options	**10.5**	1.5
Contributions from noncontrolling interests	**4.8**	—
Net cash provided by (used in) financing activities	**(4.9)**	379.3
Effect of foreign exchange rate changes	**(1.3)**	(1.4)
Increase in cash and cash equivalents	**17.4**	292.0
Cash and cash equivalents at beginning of the year	**347.4**	180.6
Cash and cash equivalents at end of the quarter	**$ 364.8**	$ 472.6

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Stockholders' Equity
(Unaudited)

(In millions, except share and per share data)	Wolverine World Wide, Inc. Stockholders' Equity: Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Non-controlling Interest	Total
Balance at December 28, 2019	$ 108.3	$ 233.4	$ 1,263.3	$ (102.1)	$ (736.2)	$ 11.7	$ 778.4
Net earnings (loss)			13.0			(0.2)	12.8
Other comprehensive loss				(9.4)		(1.2)	(10.6)
Shares issues, net of shares forfeited under stock incentive plans (727,936 shares)	0.7	(17.6)					(16.9)
Shares issued for stock options exercised, net (151,646 shares)	0.2	1.3					1.5
Stock-based compensation expense		2.7					2.7
Cash dividends declared ($0.10 per share)			(8.2)				(8.2)
Purchase of common stock for treasury (877,624 shares)					(21.0)		(21.0)
Purchases of shares under stock-based compensation plans (88,694 shares)					(2.8)		(2.8)
Balance at March 28, 2020	$ 109.2	$ 219.8	$ 1,268.1	$ (111.5)	$ (760.0)	$ 10.3	$ 735.9
Balance at January 2, 2021	$ 110.4	$ 252.6	$ 1,093.3	$ (130.6)	$ (764.3)	$ 11.6	$ 573.0
Net earnings (loss)			**38.5**			**(0.1)**	**38.4**
Other comprehensive income (loss)				**6.5**		**(0.3)**	**6.2**
Shares issued, net of shares forfeited under stock incentive plans (336,783 shares)	**0.3**	**(7.0)**					**(6.7)**
Shares issued for stock options exercised, net (480,292 shares)	**0.5**	**10.1**					**10.6**
Stock-based compensation expense		**10.0**					**10.0**
Cash dividends declared ($0.10 per share)			**(8.7)**				**(8.7)**
Purchases of shares under stock-based compensation plans (75,690 shares)					**(2.5)**		**(2.5)**
Capital contribution from noncontrolling interest						**4.8**	**4.8**
Balance at April 3, 2021	**$ 111.2**	**$ 265.7**	**$ 1,123.1**	**$ (124.1)**	**$ (766.8)**	**$ 16.0**	**$ 625.1**

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements
Quarters Ended April 3, 2021 and March 28, 2020
(Unaudited)

1. BASIS OF PRESENTATION

Nature of Operations

Wolverine World Wide, Inc. (the "Company") is a leading designer, marketer and licensor of a broad range of quality casual footwear and apparel; performance outdoor and athletic footwear and apparel; kids' footwear; industrial work shoes, boots and apparel; and uniform shoes and boots. The Company's portfolio of owned and licensed brands includes: *Bates*®, *Cat*®, *Chaco*®, *Harley-Davidson*®, *Hush Puppies*®, *Hytest*®, *Keds*®, *Merrell*®, *Saucony*®, *Sperry*®, *Stride Rite*® and *Wolverine*®. The Company's products are marketed worldwide through owned operations, through licensing and distribution arrangements with third parties, and joint ventures. The Company also operates retail stores and eCommerce sites to market both its own brands and branded footwear and apparel from other manufacturers, as well as a leathers division that markets *Wolverine Performance Leathers*™.

Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the instructions to the Quarterly Report on Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for a complete presentation of the financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included in the accompanying financial statements. For further information, refer to the consolidated financial statements and footnotes included in the Company's 2020 Form 10-K.

The COVID-19 pandemic, the duration and severity of which is subject to uncertainty, has had and continues to have, a significant impact on the Company's business. Management's estimates and assumptions used in the preparation of the Company's consolidated financial statements in accordance with U.S. GAAP contemplated both current and expected potential future impacts of COVID-19 on the Company's business based on available information. Actual results may differ materially from management's estimates.

Fiscal Year

The Company's fiscal year is the 52 or 53-week period that ends on the Saturday nearest to December 31. Fiscal year 2021 has 52 weeks and fiscal year 2020 contained 53 weeks. The Company reports its quarterly results of operations on the basis of 13-week quarters for each of the first three fiscal quarters and a 13 or 14-week period for the fiscal fourth quarter. References to particular years or quarters refer to the Company's fiscal years ended on the Saturday nearest to December 31 or the fiscal quarters within those years.

Seasonality

The Company's business is subject to seasonal influences that could cause significant differences in revenue, earnings and cash flows from quarter to quarter. The COVID-19 pandemic has resulted in changes in consumer behavior and preferences and the Company expects the seasonal cadence that the Company has experienced historically may continue to be affected as a result of these changes in consumer behavior and preferences.

2. NEW ACCOUNTING STANDARDS

The Financial Accounting Standards Board ("FASB") has issued the following Accounting Standards Update ("ASU") that the Company has not yet adopted. The following is a summary of the new standard.

Standard	Description	Effect on the Financial Statements or Other Significant Matters
ASU 2020-04, Reference Rate Reform (Topic 848); Facilitation of the Effects of Reference Rate Reform on Financial Reporting (as amended by ASU 2021-01)	Provides practical expedients for contract modifications and certain hedging relationships associated with the transition from reference rates that are expected to be discontinued. This guidance is applicable for the Company's borrowing instruments under the amended senior credit facility, which use LIBOR as a reference rate, and is available for adoption effective immediately but is only available through December 31, 2022.	The Company is evaluating the impact of the new standard on its consolidated financial statements.

3. EARNINGS PER SHARE

The Company calculates earnings per share in accordance with FASB Accounting Standards Codification ("ASC") Topic 260, *Earnings Per Share* ("ASC 260"). ASC 260 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting, and, therefore, need to be included in the earnings allocation in computing earnings per share under the two-class method. Under the guidance in ASC 260, the Company's unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are participating securities and must be included in the computation of earnings per share pursuant to the two-class method.

The following table sets forth the computation of basic and diluted earnings per share.

(In millions, except per share data)	Quarter Ended April 3, 2021	Quarter Ended March 28, 2020
Numerator:		
Net earnings attributable to Wolverine World Wide, Inc.	**$ 38.5**	$ 13.0
Adjustment for earnings allocated to non-vested restricted common stock	**(0.7)**	(0.2)
Net earnings used in calculating basic and diluted earnings per share	**$ 37.8**	$ 12.8
Denominator:		
Weighted average shares outstanding	**82.5**	81.4
Adjustment for non-vested restricted common stock	**(0.4)**	(0.3)
Shares used in calculating basic earnings per share	**82.1**	81.1
Effect of dilutive stock options	**1.1**	0.9
Shares used in calculating diluted earnings per share	**83.2**	82.0
Net earnings per share:		
Basic	**$ 0.46**	$ 0.16
Diluted	**$ 0.45**	$ 0.16

For the quarters ended April 3, 2021 and March 28, 2020, 58,260 and 167,298 outstanding stock options, respectively, have not been included in the denominator for the computation of diluted earnings per share because they were anti-dilutive.

4. GOODWILL AND INDEFINITE-LIVED INTANGIBLES

The changes in the carrying amount of goodwill are as follows:

(In millions)	Quarter Ended April 3, 2021	Quarter Ended March 28, 2020
Goodwill balance at beginning of the year	$ 442.4	$ 438.9
Foreign currency translation effects	**0.3**	(4.2)
Goodwill balance at end of the quarter	**$ 442.7**	$ 434.7

The Company's indefinite-lived intangible assets, which comprise trade names and trademarks, totaled $382.3 million as of April 3, 2021 and January 2, 2021, and $604.5 million as of March 28, 2020. The carrying value of the Company's *Sperry*® trade name was $296.0 million as of April 3, 2021. Based on the interim impairment assessment as of April 3, 2021, it was determined there were no triggering events of impairment for goodwill and indefinite-lived intangible assets. If the operating results for *Sperry*® decline in future periods compared to current projections, there are changes in the assumptions and estimates the Company uses the value of the *Sperry*® trade name that adversely affect such value, such as an increase in the discount rate or in the assumed tax rate, or macroeconomic conditions deteriorate further due to the COVID-19 pandemic and adversely affect the value of the Company's *Sperry*® trade name balance, the Company may need to record a non-cash impairment charge.

5. ACCOUNTS RECEIVABLE

The Company has an agreement with a financial institution to sell selected trade accounts receivable on a recurring, nonrecourse basis that expires in the fourth quarter of fiscal 2021, subject to renewal. Under the agreement, up to $75.0 million of accounts receivable may be sold to the financial institution and remain outstanding at any point in time. After the sale, the Company does not retain any interests in the accounts receivable and removes them from its consolidated condensed balance sheet, but continues to service and collect the outstanding accounts receivable on behalf of the financial institution. The Company recognizes a servicing asset or servicing liability, initially measured at fair value, each time it undertakes an obligation to service the accounts receivable under the agreement. For receivables sold under the agreement, 90% of the stated amount is paid in cash to the Company at the time of sale, with the remainder paid to the Company at the completion of the collection process.

The following is a summary of the stated amount of accounts receivable that was sold as well as fees charged by the financial institution.

	Quarter Ended	
(In millions)	**April 3, 2021**	March 28, 2020
Accounts receivable sold	$ —	$ 14.1
Fees charged	—	0.1

The fees are recorded in the other expense (income), net line item on the consolidated statements of operations. Net proceeds of this program are classified in operating activities in the consolidated condensed statements of cash flows. The amounts outstanding under this program were $0.0 million and $3.2 million as of April 3, 2021 and March 28, 2020, respectively.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue Recognition and Performance Obligations

The Company has agreements to license symbolic intellectual property with minimum guarantees or fixed consideration. The Company is due $22.9 million of remaining fixed transaction price under its license agreements as of April 3, 2021, which it expects to recognize per the terms of its contracts over the course of time through December 2024. The Company has elected to omit the remaining variable consideration under its license agreements given the Company recognizes revenue equal to what it has the right to invoice and that amount corresponds directly with the value to the customer of the Company's performance to date.

The Company provides disaggregated revenue by sales channel, including the wholesale and consumer-direct sales channels, reconciled to the Company's reportable segments. The wholesale channel includes royalty revenues due to the similarity in the Company's oversight and management, customer base, the performance obligation (footwear and apparel goods) and point in time completion of the performance obligation.

	Quarter Ended April 3, 2021			Quarter Ended March 28, 2020		
(In millions)	Wholesale	Consumer-Direct	Total	Wholesale	Consumer-Direct	Total
Wolverine Michigan Group	**$ 234.4**	**$ 63.3**	**$ 297.7**	$ 214.3	$ 33.5	$ 247.8
Wolverine Boston Group	**150.8**	**50.1**	**200.9**	149.1	33.0	182.1
Other	**11.2**	**0.9**	**12.1**	8.7	0.7	9.4
Total	**$ 396.4**	**$ 114.3**	**$ 510.7**	$ 372.1	$ 67.2	$ 439.3

Reserves for Variable Consideration

Revenue is recorded at the net sales price ("transaction price"), which includes estimates of variable consideration for which reserves are established. Components of variable consideration include trade discounts and allowances, product returns, customer markdowns, customer rebates and other sales incentives relating to the sale of the Company's products. These reserves, as detailed below, are based on the amounts earned, or to be claimed on the related sales. These estimates take into consideration a range of possible outcomes, which are probability-weighted in accordance with the expected value method for relevant factors such as current contractual and statutory requirements, specific known market events and trends, industry data and forecasted customer buying and payment patterns. Overall, these reserves reflect the Company's best estimates of the amount of consideration to which it is entitled based on the terms of the respective underlying contracts. Revenue recognized during the fiscal periods presented related to the Company's contract liabilities was nominal.

The Company's contract balances are as follows:

(In millions)	**April 3, 2021**	January 2, 2021	March 28, 2020
Product returns reserve	**$ 9.9**	$ 15.6	$ 10.3
Customer markdowns reserve	**2.2**	3.7	5.4
Other sales incentives reserve	**4.9**	6.0	2.3
Customer rebates liability	**13.9**	13.4	10.2
Customer advances liability	**4.0**	8.2	3.4

The amount of variable consideration included in the transaction price may be constrained and is included in the net sales price only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized under the contract will not occur in a future period. Actual amounts of consideration ultimately received may differ from initial estimates. If actual results in the future vary from initial estimates, the Company subsequently adjusts these estimates, which affects net revenue and earnings in the period such variances become known.

7. DEBT

Total debt consists of the following obligations:

(In millions)	**April 3, 2021**	January 2, 2021	March 28, 2020
Term Loan A, due December 6, 2023	**$ 177.5**	$ 180.0	$ 190.0
Senior Notes, 5.000% interest, due September 1, 2026	**250.0**	250.0	250.0
Senior Notes, 6.375% interest, due May 15, 2025	**300.0**	300.0	—
Borrowings under revolving credit agreements	**—**	—	790.0
Unamortized deferred financing costs	**(7.1)**	(7.5)	(3.9)
Total debt	**$ 720.4**	$ 722.5	$ 1,226.1

On May 5, 2020, the Company entered into a Second Amendment (the "Amendment") which amended its senior credit facility, which had previously been amended and restated as of December 6, 2018 (as so amended by the Amendment, the "Amended Senior Credit Facility"). In connection with the Amendment, the Company borrowed $171.0 million in aggregate principal amount of an incremental term loan. The incremental term loan was fully repaid by the end of fiscal 2020.

The Amended Senior Credit Facility also included a $200.0 million term loan facility ("Term Loan A") and an $800.0 million Revolving Credit Facility, both with maturity dates of December 6, 2023, that remained unchanged as a result of the

Amendment. The Amended Senior Credit Facility's debt capacity is limited to an aggregate debt amount (including outstanding term loan principal and revolver commitment amounts in addition to permitted incremental debt) not to exceed $1,750.0 million, unless certain specified conditions set forth in the Amended Senior Credit Facility are met. Term Loan A requires quarterly principal payments with a balloon payment due on December 6, 2023. As of April 3, 2021, the scheduled principal payments due under Term Loan A over the next 12 months total $10.0 million and are recorded as current maturities of long-term debt on the consolidated condensed balance sheets.

The Revolving Credit Facility allows the Company to borrow up to an aggregate amount of $800.0 million, which includes a $200.0 million foreign currency subfacility under which borrowings may be made, subject to certain conditions, in Canadian dollars, British pounds, euros, Hong Kong dollars, Swedish kronor, Swiss francs and such additional currencies as are determined in accordance with the Amended Senior Credit Facility. The Revolving Credit Facility also includes a $50.0 million swingline subfacility and a $50.0 million letter of credit subfacility. The Company had outstanding letters of credit under the Revolving Credit Facility of $6.1 million, $6.1 million and $5.7 million as of April 3, 2021, January 2, 2021 and March 28, 2020, respectively. These outstanding letters of credit reduce the borrowing capacity under the Revolving Credit Facility.

The interest rates applicable to amounts outstanding under Term Loan A and to U.S. dollar denominated amounts outstanding under the Revolving Credit Facility are, at the Company's option, either (1) the Alternate Base Rate plus an Applicable Margin as determined by the Company's Consolidated Leverage Ratio, within a range of 0.125% to 1.000%, or (2) the Eurocurrency Rate plus an Applicable Margin as determined by the Company's Consolidated Leverage Ratio, within a range of 1.125% to 2.000% (all capitalized terms used in this sentence are as defined in the Amended Senior Credit Facility). At April 3, 2021, Term Loan A had a weighted-average interest rate of 2.00%.

The obligations of the Company pursuant to the Amended Senior Credit Facility are guaranteed by substantially all of the Company's material domestic subsidiaries and secured by substantially all of the personal and real property of the Company and its material domestic subsidiaries, subject to certain exceptions.

The Amended Senior Credit Facility also contains certain affirmative and negative covenants, including covenants that limit the ability of the Company and its Restricted Subsidiaries to, among other things: incur or guarantee indebtedness; incur liens; pay dividends or repurchase stock; enter into transactions with affiliates; consummate asset sales, acquisitions or mergers; prepay certain other indebtedness; or make investments, as well as covenants restricting the activities of certain foreign subsidiaries of the Company that hold intellectual property related assets. Further, the Amended Senior Credit Facility requires compliance with the following financial covenants: a maximum Consolidated Leverage Ratio and a minimum Consolidated Interest Coverage Ratio (all capitalized terms used in this paragraph are as defined in the Amended Senior Credit Facility). As of April 3, 2021, the Company was in compliance with all covenants and performance ratios under the Amended Senior Credit Facility.

On May 11, 2020 the Company issued $300.0 million aggregate principal amount of 6.375% Senior Notes due on May 15, 2025. Related interest payments are due semi-annually beginning on November 15, 2020. These senior notes are guaranteed by substantially all of the Company's domestic subsidiaries.

The Company has $250.0 million of senior notes outstanding that are due on September 1, 2026. These senior notes bear interest at 5.00% with the related interest payments due semi-annually and are guaranteed by substantially all of the Company's domestic subsidiaries.

The Company has a foreign revolving credit facility with aggregate available borrowings of $4.0 million that are uncommitted and, therefore, each borrowing against the facility is subject to approval by the lender. There were no borrowings against this facility as of April 3, 2021, January 2, 2021 and March 28, 2020.

The Company included in interest expense the amortization of deferred financing costs of $0.7 million and $0.4 million for the quarters ended April 3, 2021 and March 28, 2020, respectively.

8. LEASES

The Company's leases consist primarily of corporate offices, retail stores, distribution centers, showrooms, vehicles and office equipment. The Company leases assets in the normal course of business to meet its current and future needs while providing flexibility to its operations. The Company enters into contracts with third parties to lease specifically identified assets. Most of the Company's leases have contractually specified renewal periods. Most retail store leases have early termination clauses that the Company can elect if stipulated sales amounts are not achieved. The Company determines the lease term for each lease based on the terms of each contract and factors in renewal and early termination options if such options are reasonably certain to be exercised.

In response to the COVID-19 pandemic and the effect the pandemic had on the Company's leased properties, the Company has been actively seeking rent relief from its landlords. The Company considered the FASB staff guidance issued in April 2020 in relation to accounting for lease concessions made in connection with the effects of the COVID-19 pandemic and elected to apply the temporary practical expedient to account for rent deferrals and abatements as though the enforceable rights and obligations existed in each contract. Depending on the timing of the future payments, amounts deferred and payable in future periods have been included in "Other accrued liabilities" and "Other liabilities" on the Company's condensed consolidated balance sheets. The Company continued to recognize lease expense on a straight-line basis for its leases over the related lease terms.

The following is a summary of the Company's lease cost.

	Quarter Ended	
(In millions)	**April 3, 2021**	March 28, 2020
Operating lease cost	**$ 8.1**	$ 8.2
Variable lease cost	**3.2**	3.4
Short-term lease cost	**0.3**	0.3
Sublease income	**(1.8)**	(1.2)
Total lease cost	**$ 9.8**	$ 10.7

The Company made cash payments of $9.1 million and $7.5 million for operating lease liabilities during the quarter ended April 3, 2021 and March 28, 2020, respectively. The Company entered into new or amended leases that resulted in noncash recognition of right-of-use assets and lease liabilities of $0.2 million and $5.1 million during the quarter ended April 3, 2021 and March 28, 2020, respectively. The Company did not enter into any real estate leases with commencement dates subsequent to April 3, 2021.

9. DERIVATIVE FINANCIAL INSTRUMENTS

The Company follows FASB ASC Topic 815, *Derivatives and Hedging* ("ASC 815"), which requires that all derivative instruments be recorded on the consolidated condensed balance sheets at fair value by establishing criteria for designation and effectiveness of hedging relationships. The Company does not hold or issue financial instruments for trading purposes.

The Company utilizes foreign currency forward exchange contracts designated as cash flow hedges to manage the volatility associated primarily with U.S. dollar inventory purchases made by non-U.S. wholesale operations in the normal course of business. These foreign currency forward exchange hedge contracts extended out to a maximum of 538 days, 538 days, and 503 days as of April 3, 2021, January 2, 2021 and March 28, 2020, respectively. If, in the future, the foreign exchange contracts are determined not to be highly effective or are terminated before their contractual termination dates, the Company would remove the hedge designation from those contracts and reclassify into earnings the unrealized gains or losses that would otherwise be included in accumulated other comprehensive income (loss) within stockholders' equity.

The Company had an interest rate swap arrangement to mitigate interest volatility with regard to variable rate borrowings under the Amended Senior Credit Facility. The interest rate swap exchanged floating rate for fixed rate interest payments without the exchange of the underlying notional amounts, and had been designated as cash flow hedge of the underlying debt. The arrangement was terminated during the fourth quarter of fiscal 2020.

The Company has a cross currency swap to minimize the impact of exchange rate fluctuations. The hedging instrument, which, unless otherwise terminated, will mature on September 1, 2021, has been designated as a hedge of a net investment in a foreign operation. The Company will pay 2.75% on the euro-denominated notional amount and receive 5.00% on the U.S. dollar notional amount, with an exchange of principal at maturity. Changes in fair value related to movements in the foreign currency exchange spot rate are recorded in accumulated other comprehensive income (loss), offsetting the currency translation adjustment related to the underlying net investment that is also recorded in accumulated other comprehensive income (loss). All other changes in fair value are recorded in interest expense. In accordance with ASC 815, the Company has formally documented the relationship between the cross-currency swap and the Company's investment in its euro-denominated subsidiary, as well as its risk management objective and strategy for undertaking the hedge transaction. This process included linking the derivative to its net investment on the balance sheet. The Company also assessed at the hedge's inception, and continues to assess on an ongoing basis, whether the derivative used in the hedging transaction is highly effective in offsetting changes in the net investment of the foreign operations.

The notional amounts of the Company's derivative instruments are as follows:

(Dollars in millions)	April 3, 2021	January 2, 2021	March 28, 2020
Foreign exchange hedge contracts	**$ 231.3**	$ 250.7	$ 202.1
Interest rate swap	**—**	—	335.2
Cross currency swap	**79.8**	79.8	79.8

The recorded fair values of the Company's derivative instruments are as follows:

(In millions)	April 3, 2021	January 2, 2021	March 28, 2020
Financial assets:			
Foreign exchange hedge contracts	**$ 1.4**	$ —	$ 6.6
Financial liabilities:			
Foreign exchange hedge contracts	**$ (4.6)**	$ (8.8)	$ —
Interest rate swap	**—**	—	(9.7)
Cross currency swap	**(7.9)**	(10.8)	(1.9)

10. STOCK-BASED COMPENSATION

The Company recognized compensation expense of $10.0 million and $2.7 million, and related income tax benefits of $2.0 million and $0.5 million, for grants under its stock-based compensation plans for the quarters ended April 3, 2021 and March 28, 2020, respectively.

The Company grants restricted stock or units ("restricted awards"), performance-based restricted stock or units ("performance awards") and stock options under its stock-based compensation plans.

The Company granted restricted awards and performance awards as follows:

	Quarter Ended April 3, 2021		Quarter Ended March 28, 2020	
(In millions)	Company Shares Issued	Weighted-Average Grant Date Fair Value	Company Shares Issued	Weighted-Average Grant Date Fair Value
Restricted Awards	**552,439**	**$ 34.22**	493,420	$ 32.84
Performance Awards	**620,771**	**$ 35.74**	336,181	$ 35.45

11. RETIREMENT PLANS

The following is a summary of net pension and Supplemental Executive Retirement Plan ("SERP") expense recognized by the Company.

	Quarter Ended	
(In millions)	**April 3, 2021**	March 28, 2020
Service cost pertaining to benefits earned during the period	**$ 1.8**	$ 1.6
Interest cost on projected benefit obligations	**3.2**	3.5
Expected return on pension assets	**(4.9)**	(4.6)
Net amortization loss	**3.4**	1.6
Net pension expense	**$ 3.5**	$ 2.1

The non-service cost components of net pension expense is recorded in the Other expense (income), net line item on the consolidated condensed statements of operations and comprehensive income.

12. INCOME TAXES

The Company maintains management and operational activities in overseas subsidiaries, and its foreign earnings are taxed at rates that are different than the U.S. federal statutory income tax rate. A significant amount of the Company's earnings are generated by its Canadian, European and Asian subsidiaries and, to a lesser extent, in jurisdictions that are not subject to income tax.

The Company intends to permanently reinvest all non-cash undistributed earnings outside of the U.S. and has, therefore not established a deferred tax liability on that amount of foreign unremitted earnings. However, if these non-cash undistributed earnings were repatriated, the Company would be required to accrue and pay applicable U.S. taxes and withholding taxes payable to various countries. It is not practicable to estimate the amount of the deferred tax liability associated with these non-cash unremitted earnings due to the complexity of the hypothetical calculation.

The Company's effective tax rates for the quarters ended April 3, 2021 and March 28, 2020 were 16.0% and (32.3)%, respectively. The lower effective tax rate for the prior year reflected larger discrete benefits than the current year. In addition, the higher pretax income in the current year led to discrete adjustments having a lesser impact on the income tax rate.

The Company is subject to periodic audits by U.S. federal, state, local and non-U.S. tax authorities. Currently, the Company is undergoing routine periodic audits in both U.S. federal, state, local and non-U.S. tax jurisdictions. It is reasonably possible that the amounts of unrecognized tax benefits could change in the next 12 months as a result of the audits; however, any payment of tax is not expected to be significant to the consolidated condensed financial statements. The Company is no longer subject to U.S. federal, state and local or non-U.S. income tax examinations by tax authorities for years before 2017 in the majority of tax jurisdictions.

13. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Accumulated other comprehensive income (loss) represents net earnings and any revenue, expenses, gains and losses that, under U.S. GAAP, are excluded from net earnings and recognized directly as a component of stockholders' equity.

The change in accumulated other comprehensive income (loss) during the quarters ended April 3, 2021 and March 28, 2020 is as follows:

(In millions)	Foreign currency translation	Derivatives	Pension	Total
Balance at December 28, 2019	$ (47.6)	$ (5.8)	$ (48.7)	$ (102.1)
Other comprehensive income (loss) before reclassifications [1]	(10.9)	1.1	—	(9.8)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(1.2) [2]	1.6 [3]	0.4
Income tax expense (benefit)	—	0.3	(0.3)	—
Net reclassifications	—	(0.9)	1.3	0.4
Net current-period other comprehensive income (loss) [1]	(10.9)	0.2	1.3	(9.4)
Balance at March 28, 2020	$ (58.5)	$ (5.6)	$ (47.4)	$ (111.5)
Balance at January 2, 2021	$ (36.8)	$ (20.3)	$ (73.5)	$ (130.6)
Other comprehensive income (loss) before reclassifications [1]	**(1.6)**	**5.0**	**—**	**3.4**
Amounts reclassified from accumulated other comprehensive income (loss)	**—**	**0.6** [2]	**3.4** [3]	**4.0**
Income tax expense (benefit)	**—**	**(0.2)**	**(0.7)**	**(0.9)**
Net reclassifications	**—**	**0.4**	**2.7**	**3.1**
Net current-period other comprehensive income (loss) [1]	**(1.6)**	**5.4**	**2.7**	**6.5**
Balance at April 3, 2021	**$ (38.4)**	**$ (14.9)**	**$ (70.8)**	**$ (124.1)**

(1) Other comprehensive income (loss) is reported net of taxes and noncontrolling interest.

(2) Amounts related to foreign currency derivatives are included in cost of goods sold. Amounts related to foreign currency derivatives that are no longer deemed to be highly effective are included in other income. Amounts related to the interest rate swap and the cross-currency swap are included in interest expense.

(3) Amounts reclassified are included in the computation of net pension expense.

14. FAIR VALUE MEASUREMENTS

The Company follows FASB ASC Topic 820, *Fair Value Measurements and Disclosures* ("ASC 820"), which provides a consistent definition of fair value, focuses on exit price, prioritizes the use of market-based inputs over entity-specific inputs for measuring fair value and establishes a three-tier hierarchy for fair value measurements. ASC 820 requires fair value measurements to be classified and disclosed in one of the following three categories:

Level 1: Fair value is measured using quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value is measured using either direct or indirect inputs, other than quoted prices included within Level 1, which are observable for similar assets or liabilities.

Level 3: Fair value is measured using valuation techniques in which one or more significant inputs are unobservable.

Recurring Fair Value Measurements

The following table sets forth financial assets and liabilities measured at fair value in the consolidated condensed balance sheets and the respective pricing levels to which the fair value measurements are classified within the fair value hierarchy.

	Fair Value Measurements		
	Quoted Prices With Other Observable Inputs (Level 2)		
(In millions)	**April 3, 2021**	January 2, 2021	March 28, 2020
Financial assets:			
Derivatives	**$ 1.4**	$ —	$ 6.6
Financial liabilities:			
Derivatives	**$ (12.5)**	$ (19.6)	$ (11.6)

The fair value of foreign currency forward exchange contracts represents the estimated receipts or payments necessary to terminate the contracts. The interest rate swap was valued based on the current forward rates of the future cash flows. The fair value of the cross-currency swap is determined using the current forward rates and changes in the spot rate.

Fair Value Disclosures

The Company's financial instruments that are not recorded at fair value consist of cash and cash equivalents, accounts and notes receivable, accounts payable, borrowings under revolving credit agreements and other short-term and long-term debt. The carrying amount of these financial instruments is historical cost, which approximates fair value, except for the debt. The carrying value and the fair value of the Company's debt are as follows:

(In millions)	**April 3, 2021**	January 2, 2021	March 28, 2020
Carrying value	**$ 720.4**	$ 722.5	$ 1,226.1
Fair value	**759.0**	765.4	1,228.0

The fair value of the fixed rate debt was based on third-party quotes (Level 2). The fair value of the variable rate debt was calculated by discounting the future cash flows to its present value using a discount rate based on the risk-free rate of the same maturity (Level 3).

15. LITIGATION AND CONTINGENCIES

Litigation

The Company operated a leather tannery in Rockford, Michigan from the early 1900s through 2009 (the "Tannery"). The Company also owns a parcel on House Street in Plainfield Township that the Company used for the disposal of Tannery byproducts until about 1970 (the "House Street" site). Beginning in the late 1950s, the Company used 3M Company's Scotchgard™ in its processing of certain leathers at the Tannery. Until 2002 when 3M Company changed its Scotchgard™ formula, Tannery byproducts disposed of by the Company at the House Street site and other locations may have contained PFOA and/or PFOS, two chemicals in the family of compounds known as per- and polyfluoroalkyl substances (together, "PFAS"). PFOA and PFOS help provide non-stick, stain-resistant, and water-resistant qualities, and were used for many decades in commercial products like firefighting foams and metal plating, and in common consumer items like food wrappers, microwave popcorn bags, pizza boxes, Teflon™, carpets and Scotchgard™.

In May 2016, the Environmental Protection Agency (“EPA”) announced a lifetime health advisory level of 70 parts per trillion (“ppt”) combined for PFOA and PFOS. In January 2018, the Michigan Department of Environmental Quality (“MDEQ”, now known as the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”)) enacted a drinking water criterion of 70 ppt combined for PFOA and PFOS, which set an official state standard for acceptable concentrations of these contaminants in groundwater used for drinking water purposes. On August 3, 2020, Michigan changed the standards for PFOA and PFOS in drinking water to 8 and 16 ppt, respectively, and set standards for four other PFAS substances.

Civil and Regulatory Actions of EGLE and EPA

On January 10, 2018, EGLE filed a civil action against the Company in the U.S. District Court for the Western District of Michigan under the federal Resource Conservation and Recovery Act of 1976 (“RCRA”) and Parts 201 and 31 of the Michigan Natural Resources and Environmental Protection Act (“NREPA”) alleging that the Company’s past and present handling, storage, treatment, transportation and/or disposal of solid waste at the Company’s properties has resulted in releases of PFAS at levels exceeding applicable Michigan cleanup criteria for PFOA and PFOS (the "EGLE Action"). Plainfield and Algoma Townships intervened in the EGLE Action alleging claims under RCRA, NREPA, the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”) and common law nuisance.

On February 3, 2020, the parties entered into a consent decree resolving the EGLE Action, which was approved by U.S. District Judge Janet T. Neff on February 19, 2020 (the “Consent Decree”). Under the Consent Decree, the Company agreed to pay for an extension of Plainfield Township’s municipal water system to more than 1,000 properties in Plainfield and Algoma Townships, subject to an aggregate cap of $69.5 million. The Company also agreed to continue maintaining water filters for certain homeowners, resample certain residential wells for PFAS, continue remediation at the Company’s Tannery property and House Street site, and conduct further investigations and monitoring to the assess the presence of PFAS in area groundwater. The Company’s activities under the Consent Decree are not materially impacted by the drinking water standards that became effective on August 3, 2020.

On December 19, 2018, the Company filed a third-party complaint against 3M Company seeking, among other things, recovery of the Company’s remediation and other costs incurred in defense of the EGLE Action ("the 3M Action"). On June 20, 2019, the 3M Company filed a counterclaim against the Company in response to the 3M Action, seeking, among other things, contractual and common law indemnity and contribution under CERCLA and Part 201 of NREPA. On February 20, 2020, the Company and 3M Company entered into a settlement agreement resolving the 3M Action, under which 3M Company paid the Company a lump sum amount of $55.0 million during the first quarter of 2020.

On January 10, 2018, the EPA entered a Unilateral Administrative Order (the “Order”) under Section 106(a) of CERCLA, 42 U.S.C. § 9606(a) with an effective date of February 1, 2018. The Order pertained to specified removal actions at the Company's Tannery and House Street sites, including certain time critical removal actions subsequently identified in an April 29, 2019 letter from the EPA, to abate the actual or threatened release of hazardous substances at or from the sites. On October 28, 2019, the EPA and the Company entered into an Administrative Settlement and Order on Consent (“AOC”) that supersedes the Order and addresses the agreed-upon removal actions outlined in the Order. The Company has completed almost all of the activities required by to the AOC, and anticipates completing the remaining activities in 2021 pursuant to approved work plans.

The Company discusses its reserve for remediation costs in the environmental liabilities section below.

Individual and Class Action Litigation

Individual lawsuits and three putative class action lawsuits have been filed against the Company that raise a variety of claims, including claims related to property, remediation, and human health effects. The three putative class action lawsuits were subsequently refiled in the U.S. District Court for the Western District of Michigan as a single consolidated putative class action lawsuit. 3M Company has been named as a co-defendant in the individual lawsuits and consolidated putative class action lawsuit. In addition, the current owner of a former landfill and gravel mining operation sued the Company seeking damages and cost recovery for property damage allegedly caused by the Company’s disposal of tannery waste containing PFAS (this suit collectively with the individual lawsuits and putative class action, the “Litigation Matters”).

Assessing potential liability with respect to the Litigation Matters at this time is difficult. The Litigation Matters are in various stages of discovery and related motions. In addition, there is minimal direct and relevant precedent for these types of claims related to PFAS, and the science regarding the human health effects of PFAS exposure in the environment remains inconclusive and inconsistent, thereby creating additional uncertainties. Due to these factors, combined with the complexities and uncertainties of litigation, the Company is unable to conclude that adverse verdicts resulting from the Litigation Matters are probable, and therefore no amounts are currently reserved for these claims. The Company intends to continue to vigorously defend itself against these claims.

In addition, in December 2018 the Company filed a lawsuit against certain of its historic liability insurers, seeking their participation in the Company's defense and remediation efforts. The Company recognized certain recoveries from legacy insurance policies in 2020 and the first quarter of 2021, and continues pursing additional recoveries pursuant to its lawsuit.

Other Litigation

The Company is also involved in litigation incidental to its business and is a party to legal actions and claims, including, but not limited to, those related to employment, intellectual property, and other environmental matters. Some of the legal proceedings include claims for compensatory as well as punitive damages. While the final outcome of these matters cannot be predicted with certainty, considering, among other things, the meritorious legal defenses available to the Company and reserves for liabilities that the Company has recorded, along with applicable insurance, it is management's opinion that the outcome of these items are not expected to have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Environmental Liabilities

The following is a summary of the activity with respect to the environmental remediation reserve established by the Company:

	Quarter Ended	
(In millions)	**April 3, 2021**	March 28, 2020
Remediation liability at beginning of the year	$ 101.8	$ 124.4
Changes in estimate	**—**	—
Amounts paid	**(1.0)**	(8.0)
Remediation liability at the end of the quarter	**$ 100.8**	$ 116.4

The reserve balance as of April 3, 2021 includes $24.7 million that is expected to be paid within the next twelve months and is recorded as a current obligation in other accrued liabilities, with the remaining $76.1 million expected to be paid over the course of up to 25 years, recorded in other liabilities.

The Company's remediation activity at the Tannery property, House Street site and other relevant disposal sites is ongoing. Although the Consent Decree has made near-term costs more clear, it is difficult to estimate the long-term cost of environmental compliance and remediation given the uncertainties regarding the interpretation and enforcement of applicable environmental laws and regulations, the extent of environmental contamination and the existence of alternative cleanup methods. Future developments may occur that could materially change the Company's current cost estimates, including, but not limited to: (i) changes in the information available regarding the environmental impact of the Company's operations and products; (ii) changes in environmental regulations, changes in permissible levels of specific compounds in drinking water sources, or changes in enforcement theories and policies, including efforts to recover natural resource damages; (iii) new and evolving analytical and remediation techniques; (iv) changes to the form of remediation; (v) success in allocating liability to other potentially responsible parties; and (vi) the financial viability of other potentially responsible parties and third-party indemnitors. For locations at which remediation activity is largely ongoing, the Company cannot estimate a possible loss or range of loss in excess of the associated established reserves for the reasons described above. The Company adjusts recorded liabilities as further information develops or circumstances change.

Minimum Royalties and Advertising Commitments

The Company has future minimum royalty and advertising obligations due under the terms of certain licenses held by the Company. These minimum future obligations for the fiscal periods subsequent to April 3, 2021 are as follows:

(In millions)	2021	2022	2023	2024	2025	Thereafter
Minimum royalties	$ 1.1	$ 1.8	$ —	$ —	$ —	$ —
Minimum advertising	2.3	3.4	3.5	3.6	—	—

Minimum royalties are based on both fixed obligations and assumptions regarding the Consumer Price Index. Royalty obligations in excess of minimum requirements are based upon future sales levels. In accordance with these agreements, the Company incurred royalty expense of $0.4 million and $0.4 million for the quarters ended April 3, 2021 and March 28, 2020, respectively.

The terms of certain license agreements also require the Company to make advertising expenditures based on the level of sales of the licensed products. In accordance with these agreements, the Company incurred advertising expense of $1.0 million and $0.6 million for the quarters ended April 3, 2021 and March 28, 2020, respectively.

16. BUSINESS SEGMENTS

The Company's portfolio of brands is organized into the following two operating segments, which the Company has determined to be reportable segments.

- **Wolverine Michigan Group**, consisting of *Merrell*® footwear and apparel, *Cat*® footwear, *Wolverine*® footwear and apparel, *Chaco*® footwear, *Hush Puppies*® footwear and apparel, *Bates*® uniform footwear, *Harley-Davidson*® footwear and *Hytest*® safety footwear; and
- **Wolverine Boston Group**, consisting of *Sperry*® footwear, *Saucony*® footwear and apparel, *Keds*® footwear, and the Kids' footwear business, which includes the *Stride Rite*® licensed business, as well as Kids' footwear offerings from *Saucony*®, *Sperry*®, *Keds*®, *Merrell*®, *Hush Puppies*® and *Cat*®.

The reportable segments are engaged in designing, manufacturing, sourcing, marketing, licensing and distributing branded footwear, apparel and accessories. Revenue for the reportable segments includes revenue from the sale of branded footwear, apparel and accessories to third-party customers; revenue from third-party licensees and distributors; and revenue from the Company's consumer-direct businesses.

The Company also reports "Other" and "Corporate" categories. The Other category consists of the Company's leather marketing operations, sourcing operations that include third-party commission revenues and multi-branded consumer-direct retail stores. The Corporate category consists of unallocated corporate expenses, such as costs related to the COVID-19 pandemic and environmental and other related costs. The Company's reportable segments are determined based on how the Company internally reports and evaluates financial information used to make operating decisions.

Company management uses various financial measures to evaluate the performance of the reportable segments. The following is a summary of certain key financial measures for each reportable segment.

	Quarter Ended	
(In millions)	**April 3, 2021**	March 28, 2020
Revenue:		
Wolverine Michigan Group	**$ 297.7**	$ 247.8
Wolverine Boston Group	**200.9**	182.1
Other	**12.1**	9.4
Total	**$ 510.7**	$ 439.3
Operating profit (loss):		
Wolverine Michigan Group	**$ 59.2**	$ 43.1
Wolverine Boston Group	**34.1**	18.8
Other	**0.3**	(0.1)
Corporate	**(35.5)**	(44.9)
Total	**$ 58.1**	$ 16.9

(In millions)	**April 3, 2021**	January 2, 2021	March 28, 2020
Total assets:			
Wolverine Michigan Group	**$ 684.8**	$ 626.9	$ 755.3
Wolverine Boston Group	**1,126.8**	1,077.8	1,351.5
Other	**37.0**	31.4	41.4
Corporate	**418.7**	401.3	605.5
Total	**$ 2,267.3**	$ 2,137.4	$ 2,753.7
Goodwill:			
Wolverine Michigan Group	**$ 145.7**	$ 145.4	$ 143.3
Wolverine Boston Group	**297.0**	297.0	291.4
Total	**$ 442.7**	$ 442.4	$ 434.7

ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion of the Company’s results of operations and liquidity and capital resources. This section should be read in conjunction with the Company’s consolidated condensed financial statements and related notes included elsewhere in this Quarterly Report.

BUSINESS OVERVIEW

The Company is a leading global designer, marketer and licensor of branded footwear, apparel and accessories. The Company’s vision statement is “**to build a family of the most admired performance and lifestyle brands on earth**” and the Company seeks to fulfill this vision by offering innovative products and compelling brand propositions; complementing its footwear brands with strong apparel and accessories offerings; expanding its global consumer-direct footprint; and delivering supply chain excellence.

The Company’s brands are marketed in approximately 170 countries and territories at April 3, 2021, including through owned operations in the U.S., Canada, the United Kingdom and certain countries in continental Europe and Asia Pacific. In other regions (Latin America, portions of Europe and Asia Pacific, the Middle East and Africa), the Company relies on a network of third-party distributors, licensees and joint ventures. At April 3, 2021, the Company operated 97 retail stores in the U.S. and Canada and 43 consumer-direct eCommerce sites.

Known Trends Impacting Our Business

The global impact of the COVID-19 pandemic continues to impact the Company’s business. Most importantly, the Company remains focused on the health and safety of our employees, customers and partners around the world. In accordance with regulatory guidance and protocols promulgated by health authorities and government officials, the Company continues to execute a number of enhanced business practices including temporary office closures, travel bans, enhanced cleaning procedures and social distancing designed to protect all employees.

At the onset of the COVID-19 pandemic, the Company took proactive and precautionary measures to mitigate known areas of risk and better equip the Company to navigate the future environment. These included additional debt borrowings, workforce changes, discretionary expense reductions and a number of other liquidity preservation measures. These efforts allowed the Company to maintain adequate financial liquidity and position the Company to shift resources towards future growth. Specifically, a focus has been made to prioritize brand investments towards the Company’s owned eCommerce sites. The Company’s brands on-line growth has accelerated given the investments made in this channel and the consumer preference changes towards digital purchases. The Company is prioritizing eCommerce investments including digital leadership, prioritizing marketing investments to digital platforms, developing richer content and storytelling, and optimizing digital user experiences to increase conversion. Incremental exclusive products are being offered through owned eCommerce sites and enhancements have been made to the customer shopping experience.

The COVID-19 pandemic has had a material adverse impact, and is expected to continue to have an impact on the Company’s financial results. During the first quarter of 2021, disruption in the global supply chain due to vessel shortages, containers damaged and lost in transit, and U.S. port congestion resulted in transportation delays that interrupted the flow of the Company’s inventory and caused delays of shipments to wholesale partners. The Company expects certain aspects of the disruption in the global supply chain to continue, which may impact results into the remaining portion of fiscal 2021. Expenses related to the COVID-19 pandemic incurred in the first quarter of 2021 included $4.0 million of incremental air freight cost to expedite the delivery of inventory resulting from production and shipping delays. Interest expense increased $1.7 million in the first quarter of 2021 compared to the first quarter of 2020 as a result of the proactive liquidity measures taken in the second quarter of 2020 in response to the uncertain market conditions. Expenses in the first quarter of 2020 related to the COVID-19 pandemic included $4.6 million of costs related to severance expenses, credit loss expenses and other costs.

2021 FINANCIAL OVERVIEW

- Revenue was $510.7 million for the first quarter of 2021, representing an increase of 16.3% compared to the first quarter of 2020. The change in revenue reflected a 20.1% increase from the Michigan Group and a 10.3% increase from the Boston Group. Changes in foreign exchange rates increased revenue by $8.6 million during the first quarter of 2021. Owned eCommerce revenue increased during the first quarter of 2021 by 83.6% compared to the first quarter of 2020.
- Gross margin was 43.5% in the first quarter of 2021 compared to 41.4% in the first quarter of 2020.
- The effective tax rates in the first quarters of 2021 and 2020 were 16.0% and (32.3)%, respectively.
- Diluted earnings per share for the first quarters of 2021 and 2020 were $0.45 per share and $0.16 per share, respectively.
- The Company declared cash dividends of $0.10 per share in both the first quarters of 2021 and 2020.

- Cash flow provided by operating activities was $26.3 million for the first quarter of 2021 compared to cash flow used in operating activities of $76.6 million for the first quarter of 2020.
- Compared to the first quarter of 2020, inventory decreased $84.4 million, or 20.8%.

RESULTS OF OPERATIONS

	Quarter Ended		
(In millions, except per share data)	**April 3, 2021**	March 28, 2020	Percent Change
Revenue	**$ 510.7**	$ 439.3	16.3 %
Cost of goods sold	**288.4**	257.5	12.0
Gross profit	**222.3**	181.8	22.3
Selling, general and administrative expenses	**174.4**	156.1	11.7
Environmental and other related costs, net of recoveries	**(10.2)**	8.8	(215.9)
Operating profit	**58.1**	16.9	243.8
Interest expense, net	**9.6**	7.8	23.1
Other expense (income), net	**2.8**	(0.6)	566.7
Earnings before income taxes	**45.7**	9.7	371.1
Income tax expense (benefit)	**7.3**	(3.1)	335.5
Net earnings	**38.4**	12.8	200.0
Less: net loss attributable to noncontrolling interests	**(0.1)**	(0.2)	50.0
Net earnings attributable to Wolverine World Wide, Inc.	**$ 38.5**	$ 13.0	196.2 %
Diluted earnings per share	**$ 0.45**	$ 0.16	181.3 %

REVENUE

Revenue was $510.7 million for the first quarter of 2021, representing an increase of 16.3% compared to the first quarter of 2020. The change in revenue reflected a 20.1% increase from the Michigan Group and a 10.3% increase from the Boston Group. The Michigan Group's revenue increase was driven by mid-twenties increase from *Merrell*®, low-thirties increase from *Cat*®, and high-twenties increase from *Wolverine*®, partially offset by mid-single digit decline from *Chaco*® and low-teens decline from *Hush Puppies*®. The Boston Group's revenue increase was driven by high-fifties increase from *Saucony*®, partially offset by low-teens decline from *Sperry*® and low-thirties decline from *Keds*®. Changes in foreign exchange rates increased revenue by $8.6 million during the first quarter of 2021. Owned eCommerce revenue increased during the first quarter of 2021 by 83.6% compared to the first quarter of 2020.

GROSS MARGIN

Gross margin was 43.5% in the first quarter of 2021 compared to 41.4% in the first quarter of 2020. The gross margin increase in the first quarter was driven by favorable eCommerce mix (145 basis points) and favorable product mix across the brands mainly attributable to *Saucony*® (130 basis points), partially offset by incremental air freight costs resulting from production and shipping delays caused by the COVID-19 pandemic (90 basis points).

OPERATING EXPENSES

Operating expenses decreased $0.7 million, from $164.9 million in the first quarter of 2020 to $164.2 million in the first quarter of 2021. The decrease was primarily driven by lower environmental and other related costs, net of insurance recoveries ($19.0 million), lower non-operating costs incurred due to the COVID-19 pandemic ($4.6 million), lower selling costs ($3.9 million) and lower product development costs ($0.6 million), partially offset by higher incentive compensation costs ($14.3 million), higher advertising costs ($8.6 million), higher general and administrative costs ($4.4 million) and higher distribution costs ($0.1 million). Environmental and other related costs were $5.5 million and $8.8 million in the first quarter of 2021 and 2020, respectively.

INTEREST, OTHER AND INCOME TAXES

Net interest expense was $9.6 million in the first quarter of 2021 compared to $7.8 million in the first quarter of 2020. Interest expense increased in the current year due to higher average debt balances in the first quarter of 2021 compared to the first quarter of 2020.

Other expense was $2.8 million in the first quarter of 2021, compared to other income of $0.6 million in the first quarter of 2020. The decrease in other income was driven by higher non-service pension costs ($1.2 million), higher losses from equity method investments ($1.6 million) and higher foreign exchange remeasurement charges ($1.2 million), partially offset by higher sublease income ($0.6 million).

The effective tax rates in the first quarter of 2021 and 2020 were 16.0% and (32.3)%, respectively. The lower effective tax rate for the prior year reflected larger discrete benefits than the current year. In addition, the higher pretax income in the current year led to discrete adjustments having a lesser impact on the income tax rate.

REPORTABLE SEGMENTS

The Company's portfolio of brands is organized into the following two operating segments, which the Company has determined to be reportable segments.

- **Wolverine Michigan Group**, consisting of *Merrell*® footwear and apparel, *Cat*® footwear, *Wolverine*® footwear and apparel, *Chaco*® footwear, *Hush Puppies*® footwear and apparel, *Bates*® uniform footwear, *Harley-Davidson*® footwear and *Hytest*® safety footwear; and
- **Wolverine Boston Group**, consisting of *Sperry*® footwear, *Saucony*® footwear and apparel, *Keds*® footwear, and the Kids' footwear business, which includes the *Stride Rite*® licensed business, as well as Kids' footwear offerings from *Saucony*®, *Sperry*®, *Keds*®, *Merrell*®, *Hush Puppies*® and *Cat*®.

The Company also reports "Other" and "Corporate" categories. The Other category consists of the Company's leather marketing operations, sourcing operations that include third-party commission revenues and multi-branded consumer-direct retail stores. The Corporate category consists of unallocated corporate expenses, such as COVID-19 related costs and environmental and other related costs.

The reportable segment results are as follows:

	Quarter Ended			
(In millions)	**April 3, 2021**	March 28, 2020	Change	Percent Change
REVENUE				
Wolverine Michigan Group	**$ 297.7**	$ 247.8	$ 49.9	20.1 %
Wolverine Boston Group	**200.9**	182.1	18.8	10.3 %
Other	**12.1**	9.4	2.7	28.7 %
Total	**$ 510.7**	$ 439.3	$ 71.4	16.3 %
OPERATING PROFIT (LOSS)				
Wolverine Michigan Group	**$ 59.2**	$ 43.1	$ 16.1	37.4 %
Wolverine Boston Group	**34.1**	18.8	15.3	81.4 %
Other	**0.3**	(0.1)	0.4	400.0 %
Corporate	**(35.5)**	(44.9)	9.4	20.9 %
Total	**$ 58.1**	$ 16.9	$ 41.2	243.8 %

Further information regarding the reportable segments can be found in Note 16 to the consolidated condensed financial statements.

Wolverine Michigan Group

The Michigan Group's revenue increased $49.9 million, or 20.1%, in the first quarter of 2021 compared to the first quarter of 2020. The revenue increase was driven by mid-twenties increase from *Merrell*®, low-thirties increase from *Cat*®, and high-twenties increase from *Wolverine*®, partially offset by mid-single digit decline from *Chaco*® and low-teens decline from *Hush Puppies*®. The *Merrell*® increase is due to continued strength in the outdoor category and eCommerce growth. The *Cat*® increase is due to the continued strength in the work category and eCommerce growth. The *Wolverine*® increase is due to demand for core franchises and innovative product launches resulting in growth in the U.S. wholesale and eCommerce channels. The *Chaco*® and *Hush Puppies*® declines are due to supply chain constraints resulting in late deliveries of spring orders, partially offset by eCommerce growth.

The Michigan Group's operating profit increased $16.1 million in the first quarter of 2021 compared to the first quarter of 2020. The operating profit increase was due to the revenue increases, partially offset by a 20 basis point decline in gross margin and a $5.3 million increase in selling, general and administrative costs. The decline in gross margin in the current year period was due to higher air freight costs, partially offset by improved product mix including higher margin eCommerce sales. The increase in selling, general and administrative expenses in the current year period was due to higher advertising costs, partially offset by lower employee costs and discretionary spending.

Wolverine Boston Group

The Boston Group's revenue increased $18.8 million, or 10.3%, during the first quarter of 2021 compared to the first quarter of 2020. The revenue increase was driven by high-fifties increase from *Saucony*®, partially offset by low-teens decline from *Sperry*® and low-thirties decline from *Keds*®. The *Saucony*® increase is due to continued momentum from consumers engaging in outdoor/healthy lifestyles and new innovative product launches leading to increased performance footwear revenue at U.S. wholesale customers and through its owned eCommerce channel. The *Sperry*® decline is due to supply chain constraints resulting in late deliveries of spring orders, partially offset by eCommerce growth. The *Keds*® decline is due to lower demand and customer buying trend changes resulting from the COVID-19 pandemic, partially offset by eCommerce growth.

The Boston Group's operating profit increased $15.3 million in the first quarter of 2021 compared to the first quarter of 2020. The operating profit increase was due to the revenue increases and a 390 basis point increase in gross margin, partially offset by a $0.3 million increase in selling, general and administrative costs. The increase in gross margin in the current year period was due to improved product mix including higher margin eCommerce sales. The increase in selling, general and administrative expenses in the current year period was due to higher advertising costs, partially offset by lower discretionary spending.

Other

The Other category's revenue increased $2.7 million, or 28.7%, in the first quarter of 2021 compared to the first quarter of 2020. The revenue increase was driven by mid-twenties increase in the performance leathers business.

Corporate

Corporate expenses decreased $9.4 million in 2021 compared to 2020 primarily due to lower environmental and other related costs, net of insurance recoveries ($19.0 million), lower bad debt expense ($3.3 million) and lower severance costs ($1.5 million), partially offset by higher incentive compensation costs ($13.4 million) and higher indirect purchased services ($1.5 million).

LIQUIDITY AND CAPITAL RESOURCES

(In millions)	April 3, 2021	January 2, 2021	March 28, 2020
Cash and cash equivalents	**$ 364.8**	$ 347.4	$ 472.6
Debt	**720.4**	722.5	1,226.1
Available revolving credit facility [1]	**793.9**	793.9	4.3

[1] Amounts are net of both borrowings, if any, and outstanding standby letters of credit in accordance with the terms of the Revolving Credit Facility.

Liquidity

Cash and cash equivalents of $364.8 million as of April 3, 2021 were $107.8 million lower compared to March 28, 2020. The decrease is due primarily to net repayments of debt of $502.5 million and cash dividends paid of $33.1 million, partially offset by cash provided by operating activities during the previous four quarters of $412.0 million, cash inflows from investing activities of $12.7 million, and net cash received from stock-based compensation transaction of $4.5 million. The Company had $793.9 million of borrowing capacity available under the Revolving Credit Facility as of April 3, 2021. Cash and cash equivalents located in foreign jurisdictions totaled $144.1 million as of April 3, 2021.

Cash flow from operating activities is expected to be sufficient to meet the Company's working capital needs for the foreseeable future. Any excess cash flow from operating activities is expected to be used to fund organic growth initiatives, reduce debt, and pay dividends.

The Company may purchase up to an additional $487.4 million of shares under its existing common stock repurchase program which expires in 2023. The common stock repurchase program does not obligate the Company to acquire particular amount of shares and may be suspended at any time. The Company did not repurchase any shares during 2021 and repurchased $21.0 million of shares in the first quarter of 2020.

A detailed discussion of environmental remediation costs is found in Note 15 to the consolidated condensed financial statements. The Company has established a reserve for estimated environmental remediation costs based upon an evaluation of currently available facts with respect to each individual site. As of April 3, 2021, the Company had a reserve of $100.8 million, of which $24.7 million is expected to be paid in the next 12 months and is recorded as a current obligation in other accrued liabilities with the remaining $76.1 million recorded in other liabilities expected to be paid over the course of up to 25 years. The Company's remediation activity at its former Tannery site and sites where the Company disposed of Tannery byproducts is ongoing. It is difficult to estimate the cost of environmental compliance and remediation given the uncertainties regarding the interpretation and enforcement of applicable environmental laws and regulations, the extent of environmental contamination and the existence of alternative cleanup methods. Developments may occur that could materially change the Company's current cost estimates. The Company adjusts recorded liabilities as further information develops or circumstances change.

The the future impact of the COVID-19 pandemic on the Company's statement of operations and cash flows remains uncertain. The actions the Company has taken and continues to take to improve the Company's liquidity are discussed above in this Item 2 and below under "Financing Arrangements."

Financing Arrangements

On May 5, 2020, the Company entered into a Second Amendment (the "Amendment") which amended its senior credit facility, which had previously been amended and restated as of December 6, 2018 (as so amended by the Amendment, the "Amended Senior Credit Facility"). In connection with the Amendment, the Company borrowed $171.0 million in aggregate principal amount of an incremental term loan. The incremental term loan was fully repaid by the end of 2020.

The Amended Senior Credit Facility also includes a $200.0 million term loan facility and an $800.0 million Revolving Credit Facility, both with maturity dates of December 6, 2023, that remained unchanged as a result of the Amendment. The Amended Senior Credit Facility's debt capacity is limited to an aggregate debt amount (including outstanding term loan principal and revolver commitment amounts in addition to permitted incremental debt) not to exceed $1,750.0 million, unless certain specified conditions set forth in the Amended Senior Credit Facility are met. Term Loan A requires quarterly principal payments with a balloon payment due on December 6, 2023.

On May 11, 2020, the Company issued $300.0 million aggregate principal amount of 6.375% senior notes due on May 15, 2025 with related interest payments due semi-annually. The Company also has $250.0 million of 5.00% senior notes outstanding that are due on September 1, 2026 with related interest payments due semi-annually. Both the senior notes are guaranteed by substantially all of the Company's domestic subsidiaries.

As of April 3, 2021, the Company was in compliance with all covenants and performance ratios under the Amended Senior Credit Facility.

The Company's debt at April 3, 2021 totaled $720.4 million compared to $722.5 million at January 2, 2021. The Company expects to use the current borrowings for working capital and general corporate purposes. The decreased debt position resulted from the required payment on Term Loan A made during the first quarter offset slightly by lower unamortized debt issuance costs. The May 11, 2020 Senior Notes allow for greater financial flexibility in light of current uncertainty in the global markets resulting from the COVID-19 pandemic.

Cash Flows

The following table summarizes cash flow activities:

	Quarter Ended	
(In millions)	**April 3, 2021**	March 28, 2020
Net cash provided by (used in) operating activities	**$ 26.3**	$ (76.6)
Net cash used in investing activities	**(2.7)**	(9.3)
Net cash provided by (used in) financing activities	**(4.9)**	379.3
Additions to property, plant and equipment	**2.2**	3.6
Depreciation and amortization	**7.2**	7.8

Operating Activities

The principal source of the Company's operating cash flow is net earnings, including cash receipts from the sale of the Company's products, net of costs of goods sold.

For the first quarter of 2021, an increase in net working capital represented a use of cash of $34.2 million. Working capital balances were unfavorably impacted by an increase in inventories of $79.0 million, an increase in accounts receivable of $56.2 million, a decrease in other operating liabilities of $3.5 million and a decrease in income taxes payable of $0.2 million, partially offset by an increase in accounts payable of $95.8 million, and a decrease in other operating assets of $8.9 million. Operating cash flows were favorably impacted by stock-based compensation expense of $10.0 million and depreciation and amortization expense of $7.2 million.

Investing Activities

The Company made capital expenditures of $2.2 million and $3.6 million in the first quarter of 2021 and 2020, respectively, for building improvements, new retail stores, distribution operations improvements and information system enhancements. During the first quarter of 2020, the Company made a contingent consideration payment of $5.5 million related to the *Saucony®* Italy distributor acquisition.

Financing Activities

The decrease in cash provided by financing activities during the first quarter of 2021 compared to the prior period is due to reduced net borrowings under the revolving credit facility and reduced common stock repurchases. The Company paid $2.5 million associated with its financing arrangements during the first quarters of 2021 and 2020. The Company also paid $9.2 million and $19.7 million in the first quarters of 2021 and 2020, respectively, in connection with shares or units withheld to pay employee taxes related to awards under stock incentive plans and received $10.5 million and $1.5 million in proceeds from the exercise of stock options in the first quarters of 2021 and 2020, respectively. The Company received $4.8 million from noncontrolling owners of the Company's China joint venture to support the growth of the joint venture.

The Company declared a cash dividend of $0.10 per share in each of the first quarters of 2021 and 2020. Dividends paid totaled $8.5 million and $9.0 million for 2021 and 2020, respectively. A quarterly dividend of $0.10 per share was declared on May 5, 2021 to shareholders of record on July 1, 2021.

CRITICAL ACCOUNTING POLICIES

The preparation of the Company's consolidated condensed financial statements, which have been prepared in accordance with U.S. GAAP, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. On an ongoing basis, management evaluates these estimates. Estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Historically, actual results have not been materially different from the Company's estimates. However, actual results may differ materially from these estimates under different assumptions or conditions.

The Company has identified the critical accounting policies used in determining estimates and assumptions in the amounts reported and for information regarding our critical accounting policies refer to Management Discussion and Analysis of Financial Conditions and Results of Operations in the 2020 Form 10-K. Management believes there have been no material changes in those critical accounting policies.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

The Company faces market risk to the extent that changes in foreign currency exchange rates affect the Company's foreign assets, liabilities and inventory purchase commitments. The Company manages these risks by attempting to denominate contractual and other foreign arrangements in U.S. dollars. The Company does not believe that there has been a material change in the nature of the Company's primary market risk exposures, including the categories of market risk to which the Company is exposed and the particular markets that present the primary risk of loss to the Company. As of the date of this Quarterly Report on Form 10-Q, the Company does not know of any material change in the near-term in the general nature of its primary market risk exposure.

Under the provisions of FASB ASC 815, the Company is required to recognize all derivatives on the balance sheet at fair value. Derivatives that are not qualifying hedges must be adjusted to fair value through earnings. If a derivative is a qualifying hedge, depending on the nature of the hedge, changes in the fair value of derivatives are either offset against the change in fair value of the hedged assets, liabilities or firm commitments through earnings or recognized in accumulated other comprehensive income (loss) until the hedged item is recognized in earnings.

The Company conducts wholesale operations outside of the U.S. in Canada, continental Europe, United Kingdom, Colombia, Hong Kong, China and Mexico where the functional currencies are primarily the Canadian dollar, euro, British pound, Colombian peso, Hong Kong dollar, Chinese renminbi and Mexican peso, respectively. The Company utilizes foreign currency forward exchange contracts to manage the volatility associated primarily with U.S. dollar inventory purchases made by non-U.S. wholesale operations in the normal course of business as well as to manage foreign currency translation exposure. As of April 3, 2021 and March 28, 2020, the Company had outstanding forward currency exchange contracts to purchase primarily U.S. dollars in the amounts of $231.3 million and $202.1 million, respectively, with maturities ranging up to 538 and 503 days, respectively.

The Company also has sourcing locations in Asia, where financial statements reflect the U.S. dollar as the functional currency. However, operating costs are paid in the local currency. Revenue generated by the Company from third-party foreign licensees is calculated in the local currencies but paid in U.S. dollars. Accordingly, the Company's reported results are subject to foreign currency exposure for this stream of revenue and expenses. Any associated foreign currency gains or losses on the settlement of local currency amounts are reflected within the Company's consolidated condensed statement of operations and comprehensive income.

Assets and liabilities outside the U.S. are primarily located in the United Kingdom, Canada and the Netherlands. The Company's investments in foreign subsidiaries with a functional currency other than the U.S. dollar are generally considered long-term. As of April 3, 2021, a stronger U.S. dollar compared to certain foreign currencies decreased the value of these investments in net assets by $1.6 million from their value as of January 2, 2021. As of March 28, 2020, a stronger U.S. dollar compared to certain foreign currencies decreased the value of these investments in net assets by $10.9 million from their value at December 28, 2019. The Company has a cross currency swap, which has been designated as a hedge of a net investment in a foreign operation. As of April 3, 2021, the hedge had a notional amount of $79.8 million and will mature on September 1, 2021.

The Company is exposed to interest rate changes primarily as a result of interest expense on borrowings used to finance acquisitions and working capital requirements. As of April 3, 2021 and March 28, 2020, the Company's total variable-rate debt was $177.5 million and $980.0 million, respectively.

The Company does not enter into contracts for speculative or trading purposes, nor is it a party to any leveraged derivative instruments.

ITEM 4. Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on, and as of the time of such evaluation, the Company's management, including the Chief Executive Officer and Chief Financial Officer, concluded that the Company's disclosure controls and procedures, as defined in Securities Exchange Act Rule 13a-15(e), were effective as of the end of the period covered by this report. There have been no changes during the quarter ended April 3, 2021 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. Risk Factors

There have been no material changes in the assessment of the Company’s risk factors from those set forth in the Company’s Annual Report on Form 10-K for the year ended January 2, 2021.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information regarding the Company’s purchases of its own common stock during the first quarter of 2021.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Amount that May Yet Be Purchased Under the Plans or Programs
Period 1 (January 3, 2021 to February 6, 2021)				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	63,288	$ 31.79	—	
Period 2 (February 7, 2021 to March 6, 2021)				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	213,691	$ 33.61	—	
Period 3 (March 7, 2021 to April 3, 2021)				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	—	$ —	—	
Total for the first Quarter Ended April 3, 2021				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	276,979	$ 33.20	—	

(1) On September 11, 2019, the Company’s Board of Directors approved a new common stock repurchase program that authorizes the repurchase of $400.0 million of common stock over a four-year period, incremental to the $113.4 million remaining under the previous program. Since that date, the Company repurchased $26.0 million common stock. The annual amount of any stock repurchases is restricted under the terms of the Company's Amended Senior Credit Facility and senior notes indenture.

(2) Employee transactions include: (1) shares delivered or attested to in satisfaction of the exercise price and/or tax withholding obligations by holders of employee stock options who exercised options, and (2) restricted shares and units withheld to offset statutory minimum tax withholding that occurs upon vesting of restricted shares and units. The Company’s employee stock compensation plans provide that the shares delivered or attested to, or withheld, shall be valued at the closing price of the Company’s common stock on the date the relevant transaction occurs.

ITEM 6. Exhibits

Exhibits filed as a part of this Form 10-Q are incorporated by reference herein.

Exhibit Number	Document
3.1	Amended and Restated Certificate of Incorporation. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on April 24, 2014.
3.2	Amended and Restated By-laws. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 8, 2019.
10.1	2021 Form of Restricted Stock Unit Agreement.*
10.2	Form of Performance Stock Unit Agreement (2021 performance period).*
10.3	Form of Performance Stock Unit Agreement (2021 - 2022 performance period).*
10.4	Form of Performance Stock Unit Agreement (2021 - 2023 performance period).*
10.5	Amendment, dated as of March 25, 2021, to the Executive Severance Agreement between Brendan Hoffman and the Company, dated as of September 8, 2020*. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 26, 2021.
31.1	Certification of Chairman, Chief Executive Officer and President under Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Senior Vice President, Chief Financial Officer and Treasurer under Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification pursuant to 18 U.S.C. §1350.
101	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended September 26, 2020, formatted in Inline XBRL: (i) Consolidated Condensed Statements of Operations and Comprehensive Income; (ii) Consolidated Condensed Balance Sheets; (iii) Consolidated Condensed Statements of Cash Flows; (iv) Consolidated Condensed Statements of Stockholders' Equity; and (v) Notes to Consolidated Condensed Financial Statements.
104	The cover page of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 2021, formatted in Inline XBRL (included in Exhibit 101).

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WOLVERINE WORLD WIDE, INC.

May 13, 2021	/s/ Blake W. Krueger
Date	Blake W. Krueger Chairman and Chief Executive Officer (Principal Executive Officer and Duly Authorized Signatory for Registrant)
May 13, 2021	/s/ Michael D. Stornant
Date	Michael D. Stornant Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer and Duly Authorized Signatory for Registrant)

Exhibit 10.1

Restricted Stock Unit Agreement

RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (the "**Agreement**") is made as of the award date set forth in the grant (the "**Grant Date**"), between WOLVERINE WORLD WIDE, INC., a Delaware corporation ("**Wolverine**"), and the employee identified in the grant ("**Employee**").

The Wolverine World Wide, Inc. Stock Incentive Plan of 2016, as amended and restated and as it may be further amended from time to time (the "**Plan**") is administered by the Compensation Committee of Wolverine's Board of Directors (the "**Committee**"). The Committee has determined that Employee is eligible to participate in the Plan and has awarded restricted stock units to Employee, subject to the terms and conditions contained in this Agreement and in the Plan.

The Committee has awarded to Employee restricted stock units of Wolverine subject to the terms, conditions and restrictions contained in this Agreement and in the Plan (the "**Restricted Stock Unit Award**"). Employee acknowledges receipt of a copy of the Plan and accepts this restricted stock unit award subject to all of the terms, conditions, and provisions of this Agreement and the Plan.

1. Award. Wolverine hereby awards to Employee the Restricted Stock Unit Award consisting of the number of restricted stock units as set in the grant (the "**Restricted Stock Units**"), which shall be eligible to vest in in accordance with the terms of this Agreement and the Plan. Each Restricted Stock Unit shall represent the conditional right to receive, without payment but subject to the terms, conditions and limitations set forth in this Agreement and in the Plan, on the applicable vesting date one share of common stock of the Company ("**Common Stock**") or, at the option of the Committee, a cash payment in an amount equal to the Fair Market Value (as defined in the Plan) of a share of Common Stock on the date of vesting multiplied by the number of shares of Common Stock that vest hereunder, subject to any applicable withholdings required by applicable laws.

2. Transferability. Until the Restricted Stock Units vest as set forth in this Agreement, the Plan provides that Restricted Stock Units are generally not transferable by Employee except by will or according to the laws of descent and distribution, and further provides that all rights with respect to the Restricted Stock Units are exercisable during Employee's lifetime only by Employee, Employee's guardian, or legal representative.

3. Vesting. ***Except as otherwise provided in this Agreement, the Restricted Stock Units shall vest as follows: twenty percent (20%) at the end of the first, twenty percent (20%) at the end of the second, thirty percent (30%) at the end of the third, and thirty (30%) at the end of the fourth year anniversary of the Grant Date, respectively.***

4. Termination of Employment Status.

(a) If Employee's employment with Wolverine or any of its Subsidiaries is terminated prior to the date on which the Restricted Stock Units vest hereunder, any then unvested Restricted Stock Units shall be automatically forfeited with no consideration due to Employee.

(b) Notwithstanding the above, if Employee's employment with Wolverine or its Subsidiaries terminates due to Employee's (a) death; (b) Disability; or (c) Retirement, any then unvested Restricted Stock Units will immediately vest in full.

(c) Upon a Change in Control, unvested Restricted Stock Units will vest, if at all, in accordance with Section 13(b)(ii) of the Plan. Employee's rights under this sub-Section (c) are in addition to any other rights

Employee has under this Section 4.

(d) If, in connection with a Change in Control, the Restricted Stock Units are not assumed or continued, or a new award is not substituted for the Restricted Stock Units by the acquirer or survivor (or an affiliate of the acquirer or survivor) in accordance with the provisions of Section 13(b) of the Plan, the Restricted Stock Units will automatically vest in full upon the occurrence of such Change in Control.

5. Settlement. On or within sixty (60) days following the vesting date of the Restricted Stock Units, Wolverine will deliver shares of Common Stock and/or pay cash, as applicable, in respect of such vested Restricted Stock Units, unless such payment or delivery is deferred in a manner consistent with Section 409A of the Code.

6. Employment by Wolverine. The Agreement and the Restricted Stock Unit Award under this Agreement shall not impose upon Wolverine or any Subsidiary any obligation to retain Employee in its employ for any given period or upon any specific terms of employment. Wolverine or any Subsidiary may at any time dismiss Employee from employment, free from any liability or claim under the Plan or this Agreement, unless otherwise expressly provided in any written agreement with Employee. By accepting this Award, Employee reaffirms the obligations of any Employee Confidentiality, Intellectual Property Protection, and Restrictive Covenant Agreement or similar agreement, previously entered into between Wolverine and Employee.

7. Stockholder Rights. Employee (or Employee's permitted transferees) shall not have any voting and liquidation rights with respect to the Restricted Stock Units or the underlying Common Stock represented thereby unless and until shares of Common Stock are actually issued to Employee upon vesting of the Restricted Stock Units, in accordance with the terms of this Agreement. Employee shall be paid a dividend equivalent ("**Dividend Equivalent**") in the form of cash, with respect to any cash dividend, and additional Restricted Stock Units, with respect to any stock dividend, as of each dividend payment date, if any, prior to the vesting of the Restricted Stock Award (or portion thereof), on which dividends are paid on Common Stock underlying outstanding Restricted Stock Units. Such Dividend Equivalent shall be computed by multiplying the amount of the cash dividend or the amount of the stock dividend, as applicable, declared and paid per share of Common Stock by the number of Restricted Stock Units held by Employee on the record date for the payment of such dividend. Any stock dividends declared on the Common Stock underlying the Restricted Stock Units prior to vesting of the award (or any portion of the award) will be credited by the Company for Employee's account and will be paid, if at all, to Employee on the applicable vesting date with respect to the applicable Restricted Stock Units to which such dividends relate. Any cash Dividend Equivalent will be paid within seven days of the payment date of such cash dividend, and, for the avoidance of doubt, will be paid on unvested Restricted Stock Units. Upon vesting of the Restricted Stock Units and issuance to Employee of underlying shares of Common Stock, if applicable, Employee shall have all stockholder rights, including the right to transfer the underlying shares of Common Stock, subject to such conditions as Wolverine may reasonably specify to ensure compliance with applicable federal, provincial and state securities laws.

8. Withholding. Wolverine or one of its subsidiaries shall be entitled to (a) withhold and deduct from Employee's future wages (or from other amounts that may be due and owing to Employee from Wolverine or a Subsidiary), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all applicable federal, state and local withholding and employment-related tax requirements attributable to the Restricted Stock Units award under this Agreement, including, without limitation, the award, vesting, or settlement of Restricted Stock Units and any Dividend Equivalents; or (b) require Employee promptly to remit the amount of such withholding to Wolverine or a Subsidiary before taking any action with respect to the Restricted Stock Units. Unless the Committee provides otherwise, withholding may be satisfied by withholding shares of Common Stock to be received by Employee pursuant to this Agreement or by delivery to Wolverine or a Subsidiary of previously owned Common Stock of Wolverine.

9. Section 409A of the Code.

(a) If Employee is deemed on the date of his or her termination of employment to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B), then, with regard to any payment that is considered nonqualified deferred compensation under Section 409A of the Code, to the extent applicable, payable on account of a "separation from service", to the extent required in order to avoid any accelerated taxation or the imposition of an additional tax, interest or penalty under Section 409A of the Code, such payment will be made or provided on the date that is the earlier of (i) the expiration of the six-month period measured from the date of such "separation from service" and (ii) the date of the Participant's death (the "**Delay Period**"). Upon the expiration of the Delay Period, all payments delayed pursuant to this Section (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such delay) will be paid on the first business day following the expiration of the Delay Period in a lump sum and any remaining payments due under the Award will be paid in accordance with the normal payment dates specified for them in this Agreement. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid any accelerated taxation or the imposition of an additional tax, interest or penalty under Section 409A of the Code, Employee shall not be considered to have terminated employment with the Company or any affiliate for purposes of this Restricted Stock Unit Award until Employee would be considered to have incurred a "separation from service" from the Company and its affiliates within the meaning of Section 409A of the Code (after giving effect to the presumptions contained therein).

(b) For purposes of Section 409A of the Code, each payment made hereunder will be treated as a separate payment.

(c) With regard to any payment considered to be nonqualified deferred compensation under Section 409A of the Code, to the extent applicable, that is payable upon a Change in Control or other similar event, to the extent required in order to avoid any accelerated taxation or the imposition of an additional tax, interest or penalty under Section 409A of the Code, no amount will be payable unless such change in control constitutes a "change in control event" within the meaning of Section 1.409A-3(i)(5) of the Treasury Regulations.

(d) This Restricted Stock Unit Award is intended to comply with, or be exempt from, the requirements of Section 409A of the Code and shall be interpreted consistent with this intent. Notwithstanding the foregoing, neither the Company, any affiliate of the Company, the Committee, nor any other person shall have any liability to Employee with respect to the foregoing.

10. Effective Date. This Restricted Stock Unit Award shall be effective as of the Grant Date.

11. Agreement Controls. The Plan is hereby incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement shall have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the provisions of the Agreement shall control.

WOLVERINE WORLD WIDE, INC.

/s/ Michael D. Stornant
Michael D. Stornant
Senior Vice President, Chief Financial Officer and Treasurer

Exhibit 10.2

FORM OF PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

Performance Restricted Stock Unit Agreement

PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

This Performance Restricted Stock Unit Award Agreement (together with Attachment 1 hereto, the "**Agreement**") is made as of the award date set forth in the grant (the "**Grant Date**"), by and between WOLVERINE WORLD WIDE, INC., a Delaware corporation ("**Wolverine**" or the "**Company**"), and the employee identified in the grant ("**Employee**").

Wolverine maintains a Stock Incentive Plan of 2016 (as amended and restated and as it may be further amended from time to time, the "**Plan**") that is administered by the Compensation Committee of Wolverine's Board of Directors (the "**Committee**"), under which the Committee may award restricted stock units as all or part of a long-term incentive award.

The Committee has determined (i) that Employee is eligible to participate in the Plan and receive a long-term incentive award, (ii) Employee's participation level, and (iii) the performance criteria for the award. The Committee has awarded to Employee restricted stock units of Wolverine subject to the terms, conditions and restrictions contained in this Agreement and in the Plan (the "**Restricted Stock Unit Award**"). Employee acknowledges receipt of a copy of the Plan and accepts this Restricted Stock Unit Award subject to all such terms, conditions and restrictions.

By accepting this Restricted Stock Unit Award, Employee hereby forgoes, releases and forever discharges any rights Employee had under the performance-based restricted stock units previously granted to Employee for the 2019-2021 performance period, which performance-based restricted stock units shall be deemed void, cancelled and of no further force or effect.

1. Award. Wolverine hereby awards to Employee the Restricted Stock Unit Award consisting of a target number of restricted stock units as set forth in the grant (the "**Restricted Stock Units**"), which shall be eligible to vest in accordance with the terms of this Agreement and the Plan. The ultimate "**Incentive Award**" received by Employee will be the number of Restricted Stock Units that vest hereunder as determined by the Committee. Each Restricted Stock Unit represents the conditional right to receive, without payment but subject to the terms, conditions and limitations set forth in this Agreement and in the Plan, one share of common stock of the Company ("**Common Stock**") in accordance with this Agreement. On the Payout Date (as defined in Attachment 1), the Company shall deliver to Employee a number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents (as defined below) thereon, or, at the option of the Company, a cash payment in an amount equal to the Fair Market Value on the Payout Date multiplied by the number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents thereon, subject to any applicable withholdings required by applicable law.

2. Transferability. Until the Restricted Stock Units vest as set forth in Section 3 below and Attachment 1, the Plan provides that Restricted Stock Units are generally not transferable by Employee except by will or according to the laws of descent and distribution. The Plan further provides that all rights with respect to the Restricted Stock Units are exercisable during Employee's lifetime only by Employee, Employee's guardian or legal representative.

3. Vesting. Except as otherwise provided in this Agreement or by action of the Committee to reduce the number of Restricted Stock Units that would otherwise vest hereunder, the Restricted Stock Units shall vest as set forth in Attachment 1.

4. Termination of Employment Status.

(a) Except as set forth in subsection (b) or Section 5 below, Employee:

(i) must be an employee of the Company or one of its subsidiaries at the time the Committee certifies the achievement of the Performance Period performance criteria for the vesting of any portion of the Restricted Stock Unit Award (the performance criteria being Revenue, as defined in Attachment 1); and

(ii) shall forfeit the entire unvested Restricted Stock Unit Award if, before such certification, Employee's employment with Wolverine or its subsidiaries terminates (the "**Employment Termination**") or the Committee terminates the Restricted Stock Unit Award (an "**Award Termination**").

(b) If the Employment Termination is:

(i) due to Employee's:

(1) Disability;
(2) death; or
(3) Retirement; or

(ii) due to such other circumstances as the Committee in its discretion allows;

then the number of Restricted Stock Units which shall vest at the end of the Performance Period shall be calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion. If there is an Award Termination, the Committee may in its discretion allow some or all of the Restricted Stock Units to vest, calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion.

(c) As soon as reasonably practicable following the end of the Performance Period, the Committee shall calculate, as set forth in Attachment 1, the number of Restricted Stock Units that would have vested based on the attainment of the performance criteria if Employee's employment or Restricted Stock Units had not been terminated prior to the certification. The remainder of the Restricted Stock Units shall be automatically forfeited.

5. Change in Control. If, prior to the Performance Period End Date (as defined in Attachment 1), a Change in Control occurs, to the extent the Restricted Stock Units are outstanding immediately prior to such Change in Control, they shall vest in accordance with Section 13(b)(iii) of the Plan.

6. Post-Vest Holding Period. Employee may not sell or otherwise transfer the shares of Common Stock (the "**Shares**") issued pursuant to this Restricted Stock Unit Award until one (1) year after the vesting of the underlying Restricted Stock Units ("**Post-Vest Holding Period**"). During the Post-Vest Holding Period, Employee will be able to vote the Shares and receive any dividends issued, if any, with respect to the Shares. Notwithstanding the foregoing, these restrictions shall immediately lapse upon Employee's death, Disability or a Change in Control.

7. Employment by Wolverine. The Agreement and the Restricted Stock Unit Award shall not impose upon Wolverine or any of its Subsidiaries any obligation to retain Employee in its

employ for any given period or upon any specific terms of employment. Wolverine or any of its Subsidiaries may at any time dismiss Employee from employment, free from any liability or claim under the Plan or this Agreement, unless otherwise expressly provided in any written agreement with Employee. By accepting this Award, Employee reaffirms the obligations of any Employee Confidentiality, Intellectual Property Protection, and Restrictive Covenant Agreement or similar agreement, previously entered into between Wolverine and Employee.

8. Stockholder Rights. Employee (or Employee's permitted transferees) shall not have any voting and liquidation rights with respect to the Restricted Stock Units or the underlying Common Stock represented thereby unless and until shares of Common Stock are actually issued to Employee upon vesting of the Restricted Stock Units in accordance with the terms of this Agreement. Employee shall be entitled to receive a dividend equivalent ("**Dividend Equivalent**") in the form of cash, with respect to any cash dividend that is declared and paid on the Common Stock underlying the Restricted Stock Units prior to the Payout Date, with the amount that is paid to Employee in respect of the Dividend Equivalents equal to the aggregate cash dividends declared and paid per share of Common Stock during the period beginning on the Grant Date and ending immediately prior to the Payout Date multiplied by the number of Restricted Stock Units that vest hereunder in accordance with Appendix 1. For greater certainty, no Dividend Equivalent shall be payable to Employee in respect of any unvested Restricted Stock Units that are forfeited. Upon vesting of the Restricted Stock Units and issuance to Employee of underlying Common Stock, if applicable, Employee shall have all stockholder rights, including the right to transfer the underlying Common Stock, subject to such conditions as Wolverine may reasonably specify to ensure compliance with applicable federal and state securities laws.

9. Withholding. Wolverine and any of its Subsidiaries shall be entitled to (a) withhold and deduct from Employee's future wages (or from other amounts that may be due and owing to Employee from Wolverine or a Subsidiary, including amounts under this Agreement), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all applicable federal, state and local withholding and employment-related tax requirements attributable to the Restricted Stock Units Award under this Agreement, including, without limitation, the award, vesting or settlement of Restricted Stock Units and any Dividend Equivalents; or (b) require Employee promptly to remit the amount of such withholding to Wolverine or a Subsidiary before taking any action with respect to the Restricted Stock Units. Unless the Committee provides otherwise, withholding may be satisfied by withholding shares of Common Stock to be received by Employee pursuant to this Agreement or by delivery to Wolverine or a Subsidiary of previously owned Common Stock of Wolverine.

10. Effective Date. This grant of Restricted Stock Units shall be effective as of the Grant Date set forth in the grant.

11. Agreement Controls. The Plan is hereby incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement shall have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the provisions of the Agreement shall control.

WOLVERINE WORLD WIDE, INC.
COMPENSATION COMMITTEE

ATTACHMENT 1 TO RESTRICTED STOCK UNITS AWARD AGREEMENT

The number of Restricted Stock Units that will vest is equal to the number resulting from the formula set forth immediately below, but not in excess of 600% of the target number of Restricted Stock Units (“the Maximum RSU Amount”), subject to any exercise of negative discretion of the Committee.

1. The number of Restricted Stock Units that will vest under this Attachment 1 and this Agreement, as determined by the Committee, is equal to:

(Award Percentage x Target Value)/Market Price

rounded up to the nearest whole number (but not in excess of the Maximum RSU Amount) where:

Award Percentage will be calculated as follows:

If the Revenue is < Threshold Revenue, Award Percentage = 0%

If the Revenue is ≥ Threshold Revenue and < Target Revenue, Award Percentage =

$$\left(\left[\left[\frac{\text{(Revenue – Threshold Revenue)}}{\text{(Target Revenue – Threshold Revenue)}}\right] \text{x } 0.5\right] + 0.5\right) \text{x}100$$

If the Revenue is ≥ Target Revenue and < Goal Revenue, Award Percentage =

$$\left(\left[\left[\frac{\text{(Revenue – Target Revenue)}}{\text{(Goal Revenue – Target Revenue)}}\right] \text{x } 0.5\right] + 1.0\right) \text{x}100$$

If the Revenue is ≥ Goal Revenue and < Stretch Revenue, Award Percentage =

$$\left(\left[\left[\frac{\text{(Revenue – Goal Revenue)}}{\text{(Stretch Revenue – Goal Revenue)}}\right] \text{x } 0.5\right] + 1.5\right) \text{x}100$$

If the Revenue is ≥ Stretch Revenue, Award Percentage = Award Cap

The other defined terms shall have the following meanings for the purpose of this Agreement:

Award Cap	200%
Award Recipient	An employee of the Company to whom the Compensation Committee of the Board of Directors or the Board of Directors grants a Performance Restricted Unit Award, for such portion of the Performance Period as the Committee determines.
Fiscal Year	The fiscal year of the Company for financial reporting purposes as the Company may adopt from time to time.
Forfeited Award	The performance-based restricted stock units previously granted to Employee for the 2019-2021 performance period.
Market Price	The Fair Market Value on the Grant Date.
Payout Date	The date determined by the Committee upon the vesting of Restricted Stock Units for the issuance and delivery of Common Stock and, if applicable, any cash payment, to which such Payout Date relates, which date shall be as soon as practicable, but in no event more than sixty (60) days following the date of vesting (or, if earlier, within 30 days following the date of a Change in Control, to the extent provided in Section 5 of this Agreement and the Plan).
Performance Period	The one-year period beginning on the first day of the Company's 2021 Fiscal Year and ending on the last day of the Company's 2021 Fiscal Year.
Performance Period End Date	The last day of the Company's 2021 Fiscal Year.
Revenue	The total revenue of the Company for the 2021 Fiscal Year.
Target Value	Subject to the forfeiture provisions of Section 4 of the Agreement, the Target Value shall be the highest dollar target amount granted during the Performance Period, multiplied by a fraction, the numerator of which is months employed and participating during the performance period that originally applied to the Forfeited Award and the denominator of which is 36. For clarification, the dollar target amount is only counted once for corresponding cycle grant year in cases where grants are made on the same date for multiple performance periods. Partial months employed/participating shall only be included in the numerator, above, if Employee is employed/participating for the majority of days in such month.
Threshold Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.
Target Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.
Goal Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.
Stretch Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.

FORM OF PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

Performance Restricted Stock Unit Agreement

PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

This Performance Restricted Stock Unit Award Agreement (together with Attachment 1 hereto, the “**Agreement**”) is made as of the award date set forth in the grant (the “**Grant Date**”), by and between WOLVERINE WORLD WIDE, INC., a Delaware corporation (“**Wolverine**” or the “**Company**”), and the employee identified in the grant (“**Employee**”).

Wolverine maintains a Stock Incentive Plan of 2016 (as amended and restated and as it may be further amended from time to time, the “**Plan**”) that is administered by the Compensation Committee of Wolverine’s Board of Directors (the “**Committee**”), under which the Committee may award restricted stock units as all or part of a long-term incentive award.

The Committee has determined (i) that Employee is eligible to participate in the Plan and receive a long-term incentive award, (ii) Employee’s participation level, and (iii) the performance criteria for the award. The Committee has awarded to Employee restricted stock units of Wolverine subject to the terms, conditions and restrictions contained in this Agreement and in the Plan (the “**Restricted Stock Unit Award**”). Employee acknowledges receipt of a copy of the Plan and accepts this Restricted Stock Unit Award subject to all such terms, conditions and restrictions.

By accepting this Restricted Stock Unit Award, Employee hereby forgoes, releases and forever discharges any rights Employee had under the performance-based restricted stock units previously granted to Employee for the 2020-2022 performance period, which performance-based restricted stock units shall be deemed void, cancelled and of no further force or effect.

1. Award. Wolverine hereby awards to Employee the Restricted Stock Unit Award consisting of a target number of restricted stock units as set forth in the grant (the “**Restricted Stock Units**”), which shall be eligible to vest in accordance with the terms of this Agreement and the Plan. The ultimate “**Incentive Award**” received by Employee will be the number of Restricted Stock Units that vest hereunder as determined by the Committee. Each Restricted Stock Unit represents the conditional right to receive, without payment but subject to the terms, conditions and limitations set forth in this Agreement and in the Plan, one share of common stock of the Company (“**Common Stock**”) in accordance with this Agreement. On the Payout Date (as defined in Attachment 1), the Company shall deliver to Employee a number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents (as defined below) thereon, or, at the option of the Company, a cash payment in an amount equal to the Fair Market Value on the Payout Date multiplied by the number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents thereon, subject to any applicable withholdings required by applicable law.

2. Transferability. Until the Restricted Stock Units vest as set forth in Section 3 below and Attachment 1, the Plan provides that Restricted Stock Units are generally not transferable by Employee except by will or according to the laws of descent and distribution. The Plan further provides that all rights with respect to the Restricted Stock Units are exercisable during Employee’s lifetime only by Employee, Employee’s guardian or legal representative.

3. Vesting. Except as otherwise provided in this Agreement or by action of the Committee to reduce the number of Restricted Stock Units that would otherwise vest hereunder, the Restricted Stock Units shall vest as set forth in Attachment 1.

4. Termination of Employment Status.

(a) Except as set forth in subsection (b) or Section 5 below, Employee:

(i) must be an employee of the Company or one of its subsidiaries at the time the Committee certifies the achievement of the Performance Period performance criteria for the vesting of any portion of the Restricted Stock Unit Award (the performance criteria being Revenue, as defined in Attachment 1); and

(ii) shall forfeit the entire unvested Restricted Stock Unit Award if, before such certification, Employee's employment with Wolverine or its subsidiaries terminates (the "**Employment Termination**") or the Committee terminates the Restricted Stock Unit Award (an "**Award Termination**").

(b) If the Employment Termination is:

(i) due to Employee's:

(1) Disability;
(2) death; or
(3) Retirement; or

(ii) due to such other circumstances as the Committee in its discretion allows;

then the number of Restricted Stock Units which shall vest at the end of the Performance Period shall be calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion. If there is an Award Termination, the Committee may in its discretion allow some or all of the Restricted Stock Units to vest, calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion.

(c) As soon as reasonably practicable following the end of the Performance Period, the Committee shall calculate, as set forth in Attachment 1, the number of Restricted Stock Units that would have vested based on the attainment of the performance criteria if Employee's employment or Restricted Stock Units had not been terminated prior to the certification. The remainder of the Restricted Stock Units shall be automatically forfeited.

5. Change in Control. If, prior to the Performance Period End Date (as defined in Attachment 1), a Change in Control occurs, to the extent the Restricted Stock Units are outstanding immediately prior to such Change in Control, they shall vest in accordance with Section 13(b)(iii) of the Plan.

6. Post-Vest Holding Period. Employee may not sell or otherwise transfer the shares of Common Stock (the "**Shares**") issued pursuant to this Restricted Stock Unit Award until one (1) year after the vesting of the underlying Restricted Stock Units ("**Post-Vest Holding Period**"). During the Post-Vest Holding Period, Employee will be able to vote the Shares and receive any dividends issued, if any, with respect to the Shares. Notwithstanding the foregoing, these restrictions shall immediately lapse upon Employee's death, Disability or a Change in Control.

7. Employment by Wolverine. The Agreement and the Restricted Stock Unit Award shall not impose upon Wolverine or any of its Subsidiaries any obligation to retain Employee in its

employ for any given period or upon any specific terms of employment. Wolverine or any of its Subsidiaries may at any time dismiss Employee from employment, free from any liability or claim under the Plan or this Agreement, unless otherwise expressly provided in any written agreement with Employee. By accepting this Award, Employee reaffirms the obligations of any Employee Confidentiality, Intellectual Property Protection, and Restrictive Covenant Agreement or similar agreement, previously entered into between Wolverine and Employee.

8. Stockholder Rights. Employee (or Employee's permitted transferees) shall not have any voting and liquidation rights with respect to the Restricted Stock Units or the underlying Common Stock represented thereby unless and until shares of Common Stock are actually issued to Employee upon vesting of the Restricted Stock Units in accordance with the terms of this Agreement. Employee shall be entitled to receive a dividend equivalent ("**Dividend Equivalent**") in the form of cash, with respect to any cash dividend that is declared and paid on the Common Stock underlying the Restricted Stock Units prior to the Payout Date, with the amount that is paid to Employee in respect of the Dividend Equivalents equal to the aggregate cash dividends declared and paid per share of Common Stock during the period beginning on the Grant Date and ending immediately prior to the Payout Date multiplied by the number of Restricted Stock Units that vest hereunder in accordance with Appendix 1. For greater certainty, no Dividend Equivalent shall be payable to Employee in respect of any unvested Restricted Stock Units that are forfeited. Upon vesting of the Restricted Stock Units and issuance to Employee of underlying Common Stock, if applicable, Employee shall have all stockholder rights, including the right to transfer the underlying Common Stock, subject to such conditions as Wolverine may reasonably specify to ensure compliance with applicable federal and state securities laws.

9. Withholding. Wolverine and any of its Subsidiaries shall be entitled to (a) withhold and deduct from Employee's future wages (or from other amounts that may be due and owing to Employee from Wolverine or a Subsidiary, including amounts under this Agreement), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all applicable federal, state and local withholding and employment-related tax requirements attributable to the Restricted Stock Units Award under this Agreement, including, without limitation, the award, vesting or settlement of Restricted Stock Units and any Dividend Equivalents; or (b) require Employee promptly to remit the amount of such withholding to Wolverine or a Subsidiary before taking any action with respect to the Restricted Stock Units. Unless the Committee provides otherwise, withholding may be satisfied by withholding shares of Common Stock to be received by Employee pursuant to this Agreement or by delivery to Wolverine or a Subsidiary of previously owned Common Stock of Wolverine.

10. Effective Date. This grant of Restricted Stock Units shall be effective as of the Grant Date set forth in the grant.

11. Agreement Controls. The Plan is hereby incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement shall have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the provisions of the Agreement shall control.

WOLVERINE WORLD WIDE, INC.
COMPENSATION COMMITTEE

ATTACHMENT 1 TO RESTRICTED STOCK UNITS AWARD AGREEMENT

The number of Restricted Stock Units that will vest is equal to the number resulting from the formula set forth immediately below, but not in excess of 600% of the target number of Restricted Stock Units ("the Maximum RSU Amount"), subject to any exercise of negative discretion of the Committee.

1. The number of Restricted Stock Units that will vest under this Attachment 1 and this Agreement, as determined by the Committee, is equal to:

(Average Award Percentage x Target Value)/Market Price

rounded up to the nearest whole number (but not in excess of the Maximum RSU Amount) where:

Average Award Percentage will be equal to (x) the sum of the Award Percentage for each Fiscal Year during the Performance Period divided by (y) two.

Award Percentage for each Fiscal Year during the Performance Period will be calculated as follows:

If the Revenue for the applicable Fiscal Year is < Threshold Revenue, Award Percentage = 0%

If the Revenue for the applicable Fiscal Year is ≥ Threshold Revenue and < Target Revenue, Award Percentage =

$$\left(\left[\left[\frac{(\text{Revenue} - \text{Threshold Revenue})}{(\text{Target Revenue} - \text{Threshold Revenue})}\right] \text{x } 0.5\right] + 0.5\right) \text{x100}$$

If the Revenue for the applicable Fiscal Year is ≥ Target Revenue and < Goal Revenue, Award Percentage =

$$\left(\left[\left[\frac{(\text{Revenue} - \text{Target Revenue})}{(\text{Goal Revenue} - \text{Target Revenue})}\right] \text{x } 0.5\right] + 1.0\right) \text{x100}$$

If the Revenue for the applicable Fiscal Year is ≥ Goal Revenue and < Stretch Revenue, Award Percentage =

$$\left(\left[\left[\frac{(\text{Revenue} - \text{Goal Revenue})}{(\text{Stretch Revenue} - \text{Goal Revenue})}\right] \text{x } 0.5\right] + 1.5\right) \text{x100}$$

If the Revenue for the applicable Fiscal Year is ≥ Stretch Revenue, Award Percentage = Award Cap

The other defined terms shall have the following meanings for the purpose of this Agreement:

Award Cap	200%
Award Recipient	An employee of the Company to whom the Compensation Committee of the Board of Directors or the Board of Directors grants a Performance Restricted Unit Award, for such portion of the Performance Period as the Committee determines.
Fiscal Year	The fiscal year of the Company for financial reporting purposes as the Company may adopt from time to time.
Forfeited Award	The performance-based restricted stock units previously granted to Employee for the 2020-2022 performance period.
Market Price	The Fair Market Value on the Grant Date.
Payout Date	The date determined by the Committee upon the vesting of Restricted Stock Units for the issuance and delivery of Common Stock and, if applicable, any cash payment, to which such Payout Date relates, which date shall be as soon as practicable, but in no event more than sixty (60) days following the date of vesting (or, if earlier, within 30 days following the date of a Change in Control, to the extent provided in Section 5 of this Agreement and the Plan).
Performance Period	The two-year period beginning on the first day of the Company's 2021 Fiscal Year and ending on the last day of the Company's 2022 Fiscal Year.
Performance Period End Date	The last day of the Company's 2022 Fiscal Year.
Revenue	The total revenue of the Company for a Fiscal Year.
Target Value	Subject to the forfeiture provisions of Section 4 of the Agreement, the Target Value shall be the average of the sum of (i) the target amount granted for this Award in 2021 (reflecting the reduction percentage that was applied to the original total long-term incentives granted for the 2020-2022 period (the "Reduction Percentage")), and (ii) the highest dollar target amount of total long-term incentives granted in 2022, multiplied by the Reduction Percentage, multiplied by a fraction, the numerator of which is months employed and participating during the performance period that originally applied to the Forfeited Award and the denominator of which is 36. For clarification, the dollar target amount is only counted once for corresponding cycle grant year in cases where grants are made on the same date for multiple performance periods. Partial months employed/participating shall only be included in the numerator, above, if Employee is employed/participating for the majority of days in such month.
Threshold Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.
Target Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.
Goal Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.
Stretch Revenue	As set by the Compensation Committee within the first 90 days of the Performance Period.

Exhibit 10.4

FORM OF PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

Performance Restricted Stock Unit Agreement

PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

This Performance Restricted Stock Unit Award Agreement (together with Attachment 1 hereto, the "**Agreement**") is made as of the award date set forth in the grant (the "**Grant Date**"), by and between WOLVERINE WORLD WIDE, INC., a Delaware corporation ("**Wolverine**" or the "**Company**"), and the employee identified in the grant ("**Employee**").

Wolverine maintains a Stock Incentive Plan of 2016 (as amended and restated and as it may be further amended from time to time, the "**Plan**") that is administered by the Compensation Committee of Wolverine's Board of Directors (the "**Committee**"), under which the Committee may award restricted stock units as all or part of a long-term incentive award.

The Committee has determined (i) that Employee is eligible to participate in the Plan and receive a long-term incentive award, (ii) Employee's participation level, and (iii) the performance criteria for the award. The Committee has awarded to Employee restricted stock units of Wolverine subject to the terms, conditions and restrictions contained in this Agreement and in the Plan (the "**Restricted Stock Unit Award**"). Employee acknowledges receipt of a copy of the Plan and accepts this Restricted Stock Unit Award subject to all such terms, conditions and restrictions.

1. Award. Wolverine hereby awards to Employee the Restricted Stock Unit Award consisting of a target number of restricted stock units as set forth in the grant (the "**Restricted Stock Units**"), which shall be eligible to vest in accordance with the terms of this Agreement and the Plan. The ultimate "**Incentive Award**" received by Employee will be the number of Restricted Stock Units that vest hereunder as determined by the Committee. Each Restricted Stock Unit represents the conditional right to receive, without payment but subject to the terms, conditions and limitations set forth in this Agreement and in the Plan, one share of common stock of the Company ("**Common Stock**") in accordance with this Agreement. On the Payout Date (as defined in Attachment 1), the Company shall deliver to Employee a number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents (as defined below) thereon, or, at the option of the Company, a cash payment in an amount equal to the Fair Market Value on the Payout Date multiplied by the number of shares of Common Stock in respect of the Restricted Stock Units that vest hereunder, together with any Dividend Equivalents thereon, subject to any applicable withholdings required by applicable law.

2. Transferability. Until the Restricted Stock Units vest as set forth in Section 3 below and Attachment 1, the Plan provides that Restricted Stock Units are generally not transferable by Employee except by will or according to the laws of descent and distribution. The Plan further provides that all rights with respect to the Restricted Stock Units are exercisable during Employee's lifetime only by Employee, Employee's guardian or legal representative.

3. Vesting. Except as otherwise provided in this Agreement or by action of the Committee to reduce the number of Restricted Stock Units that would otherwise vest hereunder, the Restricted Stock Units shall vest as set forth in Attachment 1.

4. Termination of Employment Status.

(a) Except as set forth in subsection (b) or Section 5 below, Employee:

(i) must be an employee of the Company or one of its subsidiaries at the time the Committee certifies the achievement of the Performance Period performance criteria for the vesting of any portion of the Restricted Stock Unit Award (the performance criteria being BVA, EPS, and TSR Percentile Ranking, as defined in Attachment 1); and

(ii) shall forfeit the entire unvested Restricted Stock Unit Award if, before such certification, Employee's employment with Wolverine or its subsidiaries terminates (the "**Employment Termination**") or the Committee terminates the Restricted Stock Unit Award (an "**Award Termination**").

(b) If the Employment Termination is:

(i) due to Employee's:

(1) Disability;
(2) death; or
(3) Retirement; or

(ii) due to such other circumstances as the Committee in its discretion allows;

then the number of Restricted Stock Units which shall vest at the end of the Performance Period shall be calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion. If there is an Award Termination, the Committee may in its discretion allow some or all of the Restricted Stock Units to vest, calculated as set forth in subsection (c), subject to reduction by the Committee in its discretion.

(c) As soon as reasonably practicable following the end of the Performance Period, the Committee shall calculate, as set forth in Attachment 1, the number of Restricted Stock Units that would have vested based on the attainment of the performance criteria if Employee's employment or Restricted Stock Units had not been terminated prior to the certification. The remainder of the Restricted Stock Units shall be automatically forfeited.

5. <u>Change in Control</u>. If, prior to the Performance Period End Date (as defined in Attachment 1), a Change in Control occurs, to the extent the Restricted Stock Units are outstanding immediately prior to such Change in Control, they shall vest in accordance with Section 13(b)(iii) of the Plan.

6. <u>Employment by Wolverine</u>. The Agreement and the Restricted Stock Unit Award shall not impose upon Wolverine or any of its Subsidiaries any obligation to retain Employee in its employ for any given period or upon any specific terms of employment. Wolverine or any of its Subsidiaries may at any time dismiss Employee from employment, free from any liability or claim under the Plan or this Agreement, unless otherwise expressly provided in any written agreement with Employee. By accepting this Award, Employee reaffirms the obligations of any Employee Confidentiality, Intellectual Property Protection, and Restrictive Covenant Agreement or similar agreement, previously entered into between Wolverine and Employee.

7. <u>Stockholder Rights</u>. Employee (or Employee's permitted transferees) shall not have any voting and liquidation rights with respect to the Restricted Stock Units or the underlying Common Stock represented thereby unless and until shares of Common Stock are actually issued to Employee upon vesting of the Restricted Stock Units in accordance with the terms of this Agreement.

Employee shall be entitled to receive a dividend equivalent (“**Dividend Equivalent**”) in the form of cash, with respect to any cash dividend that is declared and paid on the Common Stock underlying the Restricted Stock Units prior to the Payout Date, with the amount that is paid to Employee in respect of the Dividend Equivalents equal to the aggregate cash dividends declared and paid per share of Common Stock during the period beginning on the Grant Date and ending immediately prior to the Payout Date multiplied by the number of Restricted Stock Units that vest hereunder in accordance with Appendix 1. For greater certainty, no Dividend Equivalent shall be payable to Employee in respect of any unvested Restricted Stock Units that are forfeited. Upon vesting of the Restricted Stock Units and issuance to Employee of underlying Common Stock, if applicable, Employee shall have all stockholder rights, including the right to transfer the underlying Common Stock, subject to such conditions as Wolverine may reasonably specify to ensure compliance with applicable federal and state securities laws.

8. Withholding. Wolverine and any of its Subsidiaries shall be entitled to (a) withhold and deduct from Employee’s future wages (or from other amounts that may be due and owing to Employee from Wolverine or a Subsidiary, including amounts under this Agreement), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all applicable federal, state and local withholding and employment-related tax requirements attributable to the Restricted Stock Units Award under this Agreement, including, without limitation, the award, vesting or settlement of Restricted Stock Units and any Dividend Equivalents; or (b) require Employee promptly to remit the amount of such withholding to Wolverine or a Subsidiary before taking any action with respect to the Restricted Stock Units. Unless the Committee provides otherwise, withholding may be satisfied by withholding shares of Common Stock to be received by Employee pursuant to this Agreement or by delivery to Wolverine or a Subsidiary of previously owned Common Stock of Wolverine.

9. Effective Date. This grant of Restricted Stock Units shall be effective as of the Grant Date set forth in the grant.

10. Agreement Controls. The Plan is hereby incorporated in this Agreement by reference. Capitalized terms not defined in this Agreement shall have those meanings provided in the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the provisions of the Agreement shall control.

WOLVERINE WORLD WIDE, INC.
COMPENSATION COMMITTEE

ATTACHMENT 1 TO RESTRICTED STOCK UNITS AWARD AGREEMENT

The number of Restricted Stock Units that will vest is equal to the number resulting from the formula set forth immediately below, but not in excess of 600% of the target number of Restricted Stock Units (“the Maximum RSU Amount”), subject to any exercise of negative discretion of the Committee.

1. The number of Restricted Stock Units that will vest under this Attachment 1 and this Agreement, as determined by the Committee, is equal to:

[(Overall Award Percentage x Target Value)/Market Price] x the Adjustment Factor

rounded up to the nearest whole number (but not in excess of the Maximum RSU Amount) where:

Overall Award Percentage will be the sum of (i) the BVA Average Award Percentage multiplied by the BVA Factor, and (ii) the EPS Average Award Percentage multiplied by the EPS Factor.

BVA Average Award Percentage will be equal to (x) the sum of the BVA Award Percentage for each Fiscal Year during the Performance Period divided by (y) three.

EPS Average Award Percentage will be equal to (x) the sum of the EPS Award Percentage for each Fiscal Year during the Performance Period divided by (y) three.

(a) BVA Award Percentage for each Fiscal Year during the Performance Period will be calculated as follows:

If the BVA for the applicable Fiscal Year is < Threshold BVA, BVA Award Percentage = 0%

If the BVA for the applicable Fiscal Year is ≥ Threshold BVA and < Target BVA, BVA Award Percentage =

$$\left(\left[\left[\frac{(\text{BVA} - \text{Threshold BVA})}{(\text{Target BVA} - \text{Threshold BVA})}\right] \text{x } 0.5\right] + 0.5\right) \text{x}100$$

If the BVA for the applicable Fiscal Year is ≥ Target BVA and < Goal BVA, BVA Award Percentage =

$$\left(\left[\left[\frac{(\text{BVA} - \text{Target BVA})}{(\text{Goal BVA} - \text{Target BVA})}\right] \text{x } 0.5\right] + 1.0\right) \text{x}100$$

If the BVA for the applicable Fiscal Year is ≥ Goal BVA and < Stretch BVA, BVA Award Percentage =

$$\left(\left[\left[\frac{(\text{BVA} - \text{Goal BVA})}{(\text{Stretch BVA} - \text{Goal BVA})}\right] \text{x } 0.5\right] + 1.5\right) \text{x}100$$

If the BVA for the applicable Fiscal Year is ≥ Stretch BVA, BVA Award Percentage = Award Cap

(b) EPS Award Percentage for each Fiscal Year during the Performance Period will be calculated as follows:

If the EPS for the applicable Fiscal Year is < Threshold EPS, EPS Award Percentage = 0%

If the EPS for the applicable Fiscal Year is ≥ Threshold EPS and < Target EPS, EPS Award Percentage =

$$\left(\left[\left[\frac{(\text{EPS} - \text{Threshold EPS})}{(\text{Target EPS} - \text{Threshold EPS})}\right] \text{x } 0.5\right] + 0.5\right) \text{x}100$$

If the EPS for the applicable Fiscal Year is ≥ Target EPS and < Goal EPS, EPS Award Percentage =

$$\left(\left[\left[\frac{(\text{EPS} - \text{Target EPS})}{(\text{Goal EPS} - \text{Target EPS})}\right] \text{x } 0.5\right] + 1.0\right) \text{x}100$$

If the EPS for the applicable Fiscal Year is ≥ Goal EPS and < Stretch EPS, EPS Award Percentage =

$$\left(\left[\left[\frac{(\text{EPS} - \text{Goal EPS})}{(\text{Stretch EPS} - \text{Goal EPS})}\right] \text{x } 0.5\right] + 1.5\right) \text{x}100$$

If the EPS for the applicable Fiscal Year is ≥ Stretch EPS, EPS Award Percentage = Award Cap

2. The number of Restricted Stock Units that vest based on performance as determined under Section 1 above will be adjusted by the following “**Adjustment Factor**”:

a. If the TSR Percentile Rank is greater than or equal to 75.00, then the number of Restricted Stock Units that vest will be a number equal to the number of Restricted Stock Units that would vest based on performance as determined under Section 1 above, multiplied by an Adjustment Factor of 1.25 (e.g., if 100 Restricted Stock Units would vest under Section 1 prior to applying the Adjustment Factor, 125 would vest), subject to the Maximum RSU Amount.
b. If the TSR Percentile Rank is greater than 25.01 and less than 74.99, the Adjustment Factor is 1.0 (e.g., there shall be no adjustment to the number of Restricted Stock Units that vest based on performance as determined under Section 1 above).
c. If the TSR Percentile Rank is less than or equal to 25.00, then the number of Restricted Stock Units that vest based on performance as determined under Section 1 above will be a number equal to the number of Restricted Stock Units that would vest based on performance as determined under Section 1 above, multiplied by an Adjustment Factor of 0.75 (e.g., if 100 Restricted Stock Units would vest under Section 1 prior to applying the Adjustment Factor, 75 would vest).

The other defined terms shall have the following meanings for the purpose of this Agreement:

Award Cap	200%
Award Recipient	An employee of the Company to whom the Compensation Committee of the Board of Directors or the Board of Directors grants a Performance Restricted Unit Award, for such portion of the Performance Period as the Committee determines.
BVA	An economic value added measurement that equals the operating income for a Fiscal Year reduced by (i) a provision for income taxes equal to the operating income multiplied by the Company’s total effective tax rate for the same Fiscal Year; and (ii) a capital charge equal to a 13-point average of “**net operating assets**” at the beginning and end of a Fiscal Year (with “net operating assets” defined as the net of trade receivables (net of reserves), inventory (net of reserves), other current assets, property, plant and equipment, trade payables and accrued liabilities) multiplied by 10%, as adjusted by resolution of the Compensation Committee within the first 90 days of the Performance Period.
EPS	The total after-tax profits for a Fiscal Year divided by the fully-diluted weighted average shares outstanding during the Fiscal Year, as adjusted by resolution of the Compensation Committee within the first 90 days of the Performance Period.
Fiscal Year	The fiscal year of the Company for financial reporting purposes as the Company may adopt from time to time.
Market Price	The Fair Market Value on the Grant Date.
Payout Date	The date determined by the Committee upon the vesting of Restricted Stock Units for the issuance and delivery of Common Stock and, if applicable, any cash payment, to which such Payout Date relates, which date shall be as soon as practicable, but in no event more than sixty (60) days following the date of vesting (or, if earlier, within 30 days following the date of a Change in Control, to the extent provided in Section 5 of this Agreement and the Plan).
Performance Period	The three-year period beginning on the first day of the Company’s 2021 Fiscal Year and ending on the last day of the Company’s 2023 Fiscal Year.
Performance Period End Date	The last day of the Company’s 2023 Fiscal Year.
Russell 3000 Companies	The companies making up the Russell 3000 Consumer Discretionary Index as of the first day of the Performance Period.
Target Value	Subject to the forfeiture provisions of Section 4 of the Agreement, the Target Value shall be the average of the sum of the highest dollar target amount granted each year of the Performance Period, multiplied by a fraction, the numerator of which is months employed and participating for that year of the Performance Period and the denominator of which is 12. For clarification, the dollar target amount is only counted once for corresponding cycle grant year in cases where grants are made on the same date for multiple performance periods. Partial months employed/participating shall only be included in the numerator, above, if Employee is employed/participating for the majority of days in such month.

Total Shareholder Return	The change in value expressed as a percentage of a given dollar amount invested in a company’s most widely publicly traded stock over the Performance Period, taking into account both stock price appreciation (or depreciation) and the reinvestment of dividends (including the cash value of non-cash dividends) in such stock of the company. The thirty (30) calendar-day average closing price of shares of Common Stock and the stock of the Russell 3000 Companies (i.e., the average closing prices over the period of trading days occurring in the thirty (30) calendar days prior to the first day of the Performance Period and ending on the first day of the Performance Period and the average closing prices over the period of trading days occurring in the final thirty (30) calendar days ending on the Performance Period End Date) will be used to value shares of Common Stock and the stock of the Russell 3000 Companies. Dividend reinvestment will be calculated using the closing price of a share of Common Stock or the stock of the applicable Russell 3000 Company on the ex-dividend date or, if no trades were reported on such date, the latest preceding date for which a trade was reported. If a company that is included in the Russell 3000 Consumer Discretionary Index as of the first day of the Performance Period ceases to be publicly traded (other than through bankruptcy) during the Performance Period, or if it publicly announced that any such company will be acquired, whether or not such acquisition occurs during the Performance Period, such company shall not be treated as Russell 3000 Company for purposes of the determinations herein and such company’s Total Shareholder Return shall not be included for purposes of the calculations herein. Companies that were in the Russell 3000 Consumer Discretionary Index on the first day of the Performance Period but that exit due to bankruptcy before the end of the Performance Period remain Russell 3000 Companies and are assigned a Total Shareholder Return value of -100%. Companies that exit the Russell 3000 Consumer Discretionary Index before the end of the Performance Period but remain publicly-traded throughout the Performance Period remain Russell 3000 Companies.
TSR Percentile Rank	The percentage of Total Shareholder Return values among the Russell 3000 Companies at the Performance Period End Date that are equal to or lower than the Company’s Total Shareholder Return at the Performance Period End Date, provided that if the Company’s Total Shareholder Return falls between the Total Shareholder Return of two of the Russell 3000 Companies the TSR Percentile Rank shall be adjusted by interpolating the Company’s Total Shareholder Return on a straight line basis between the Total Shareholder Return of the two Russell 3000 Companies that are closest to the Company’s. For purposes of the TSR Percentile Rank calculation, the Company will be excluded from the group of Russell 3000 Companies.
BVA Factor	As set by the Compensation Committee within the first 90 days of the Performance Period.
Threshold BVA	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.
Target BVA	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.
Goal BVA	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.

Stretch BVA	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.
EPS Factor	As set by the Compensation Committee within the first 90 days of the Performance Period.
Threshold EPS	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.
Target EPS	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.
Goal EPS	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.
Stretch EPS	As set by the Compensation Committee for each Fiscal Year during the Performance Period within the first 90 days of the Performance Period.

Exhibit 31.1

CERTIFICATION

I, Blake W. Krueger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wolverine World Wide, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2021

/s/ Blake W. Krueger
Blake W. Krueger
Chairman and Chief Executive Officer
Wolverine World Wide, Inc.

Exhibit 31.2

CERTIFICATION

I, Michael D. Stornant, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wolverine World Wide, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2021

/s/ Michael D. Stornant

Michael D. Stornant
Senior Vice President, Chief Financial Officer and Treasurer
Wolverine World Wide, Inc.

Exhibit 32

CERTIFICATIONS

Solely for the purpose of complying with 18 U.S.C. § 1350, each of the undersigned hereby certifies in his capacity as an officer of Wolverine World Wide, Inc. (the “Company”) that the Quarterly Report of the Company on Form 10-Q for the quarter ended April 3, 2021 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such report fairly presents, in all material respects, the financial condition of the Company at the end of such period and the results of operations of the Company for such period.

Date: May 13, 2021

/s/ Blake W. Krueger
Blake W. Krueger
Chairman and Chief Executive Officer
(Principal Executive Officer)

/s/ Michael D. Stornant
Michael D. Stornant
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)