

2020 SASB Reference Table

The Sustainability Accounting Standards Board (SASB) is an independent, private sector standards-setting organization with a mission to develop comparable sustainability metrics for public corporations to disclose material, decision-useful information to investors.

Our commitment to transparency is core to our Corporate Social Responsibility efforts. Data in accordance with select indicators from the SASB Standards for Multiline and Specialty Retailers & Distributors and Apparel, Accessories & Footwear industries are included below. All data reflect results from fiscal 2020. Additional information is available in Nordstrom, Inc.'s [2020 CSR Report: Sharing Our Progress](#) and in content on nordstromcares.com.

| Topic | Activity Metric | Category | Unit of Measure | Code | Response |
|--|--|-------------------------|-----------------|--------------|---|
| Management of Chemicals in Products | Description of processes to maintain compliance with restricted substances and regulations | Discussion and Analysis | N/A | CG-AA-250a.1 | <p>Nordstrom follows the American Apparel and Footwear Association Restricted Substances List with all Tier 1 suppliers within our Nordstrom Made supply chain.</p> <p>Additionally, we conduct an annual survey for conflict minerals (tin, tungsten, tantalum, gold) of all Tier 1 manufacturer suppliers in our Nordstrom Made supply chain.</p> <p>We conduct testing and reporting for individual state restricted substances for Nordstrom Made products.</p> <p>Nordstrom Conflict Minerals Report</p> |
| | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | Discussion and Analysis | N/A | CG-AA-250a.2 | <p>Nordstrom notifies Nordstrom Made suppliers of our chemical safety requirements in our Supplier Guidelines. Our suppliers are required to acknowledge and comply with these standards, and the standards are included in our ongoing auditing process.</p> <p>We use third-party testing to monitor for compliance with global chemicals regulations and Nordstrom chemical restrictions on our products and product components.</p> |
| Environmental Impacts in the Supply Chain | Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits | Quantitative | Percentage (%) | CG-AA-430a.1 | <p>We strive to audit 100% of Nordstrom Made Tier 1 supplier facilities for compliance with wastewater discharge permits and contractual agreement. Due to COVID-19 restrictions and limitations, auditing in 2020 was delayed and only 41% of Tier 1 supplier facilities could be conducted.</p> |
| | Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment | Quantitative | Percentage (%) | CG-AA-430a.2 | <p>In 2020, 64% of Nordstrom Made suppliers used the Higg FEM, and 36% of these suppliers were verified.</p> |

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| Labor Conditions in the Supply Chain | Percentage of (1) Tier 1 supplier factories and (2) supplier factories beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor | Quantitative | Percentage (%) | CG-AA-430b.1 | <p>We strive to audit 100% of Tier 1 supplier factories in our Nordstrom Made supply chain prior to beginning production of Nordstrom Made products. All audits are conducted by a third-party auditor.</p> <p>2020 was a difficult year for a regular, in-person audit cadence. Due to the impacts of Covid-19, sometimes audits were delayed and/or virtual or peeraudits were accepted. 41% of all Tier 1 supplier facilities were audited in 2020.</p> <p>We do not currently audit beyond Tier 1 suppliers.</p> |
| | Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits | Quantitative | Rate | CG-AA-430b.2 | <p>Nordstrom Made products were manufactured in 373 factories across 25 countries in 2020. We conducted a total of 154 factory audits.</p> <p>Of all audits:</p> <ul style="list-style-type: none"> - 42% of findings were fully remediated - 37% of findings are pending, while factories implement plans to address issues - 21% of findings represent issues that are systemic in nature and require additional follow-up <p>There was one instance where our audit process provided visibility that informed our decision not to begin production in a factory, and one factory that we chose to exit. In our current social responsibility program, whenever we make the difficult decision to leave a factory, our teams continue to work with and provide resources to that factory for an additional six months to help factory leaders address the issues that triggered our exit.</p> |
| | Discussion of greatest (1) labor and (2) environmental, health and safety risks in the supply chain | Discussion and Analysis | N/A | CG-AA-430b.3 | <p>Nordstrom monitors the labor and environmental, health and safety risks in the Nordstrom Made supply chain through our social responsibility program that is focused on continuous improvement.</p> <p>Through our Human Rights Commitment and our Nordstrom Partnership Guidelines, we're taking steps to manage and mitigate social and environmental risks, including forced labor, harassment and abuse, discrimination, wages and benefits, hours and overtime, child labor and young workers, health and safety, fire and building safety, freedom of association, grievance mechanisms, subcontracting and more.</p> <p>Nordstrom Human Rights Commitment Nordstrom Partnership Guidelines</p> |

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| Raw Material Sourcing | Discussion of environmental and social risks associated with sourcing priority raw materials | Discussion and Analysis | N/A | CG-AA-440a.1 | The raw materials we use in our Nordstrom Made products have varying levels of environmental and social impacts and risks, including but not limited to natural resource use, water use, emissions generation, human exposure to chemicals for processing and deforestation. We are committed to improving impacts from our raw materials sourcing by improving our visibility to their sources and transitioning to more sustainable raw materials, including more sustainable cotton, recycled polyester and more sustainable cellulosic fibers. |
| | Percentage of raw materials third- party certified to an environmental and/or social sustainability standard, by standard | Quantitative | Percentage (%) by weight | CG-AA.440a.2 | In 2020, 4% of our Nordstrom Made products used sustainably sourced raw materials—primarily cotton, polyester and cellulosic fibers, including cashmere. We expect to increase to 8% by 2021 and have a goal of 50% by 2025. We are continuously improving our internal data management to better track and report on our use of more sustainable raw materials, including more sustainable cotton, recycled polyester and more sustainable cellulosic fibers. |
| Energy Management in Retail & Distribution | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Quantitative | Gigajoules (GJ), Percentage (%) | CG-MR-130a.1 | The total energy consumption in our operations, which include our stores, Nordstrom Local locations, distribution centers and fulfillment centers, was 2,446,045.2 GJ. Of this, 73% was grid electricity and 23% was renewable energy. |
| Data Security | Description of approach to identifying and addressing data security risks | Discussion and Analysis | N/A | CG-MR-230a.1 | Nordstrom has a comprehensive information security program and dedicated teams that work to identify and address security risks for our data. We have taken measures to help prevent a breach of our information and comply with cybersecurity requirements and best practices by implementing safeguards and procedures designed to protect the security, confidentiality and integrity of such information. We regularly monitor for emerging information security threats, and we take steps to validate that our information security controls are appropriate and working properly. Our information security program is overseen by our Chief Information Security Officer, who reports to our Chief Technology Officer. |

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| Labor Practices | (1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region | Quantitative | Reporting currency, Percentage (%) | CG-MR-310a.1 | <p>The average hourly wage for our Nordstrom FLS and Nordstrom Rack store employees is \$18.71. Note that some store-based employees are commission eligible. The average hourly wage for this group includes the average commissions they earn over a six month period.</p> <p>Over 98% of our Nordstrom FLS and Nordstrom Rack store employees earn an hourly rate that is above minimum wage. The small portion of Nordstrom employees who earn minimum wage for their hourly rate are also eligible to receive tips, commissions or other forms of compensation in addition to their hourly wage.</p> |
| | (1) Voluntary and (2) involuntary turnover rate for in-store employees | Quantitative | Rate | CG-MR-310a.2 | <p>We work hard to ensure our employees are proud to work for us.</p> <p>Our voluntary turnover rate for in-store FLS Nordstrom employees was 32.6%. Our voluntary turnover rate for in-store Nordstrom Rack employees was 48.6%.</p> <p>Our involuntary turnover rate for in-store FLS Nordstrom employees was 30.9%. The involuntary turnover rate for in-store Nordstrom Rack employees was 21.7%.</p> |
| Workforce Diversity & Inclusion | Percentage of gender and racial/ ethnic group representation for (1) management and (2) all other employees | Quantitative | Percentage (%) | CG-MR-330a.1 | <p>In 2020, women made up:</p> <ul style="list-style-type: none"> - 67% of all employees - 63% of leadership (vice president and above) - 57% of the executive team <p>Our Employees by the Numbers:</p> <ul style="list-style-type: none"> - 22% Hispanic or Latino - 19% Black or African American - 12% Asian/Pacific Islander - 37% White - 10% Other <p>Mid-Level Managers:</p> <ul style="list-style-type: none"> - 16% Hispanic or Latino - 10% Black or African American • 10% Asian/Pacific Islander - 55% White - 9% Other <p>Executives:</p> <ul style="list-style-type: none"> - 1% Hispanic or Latino - 5% Black or African American • 15% Asian/Pacific Islander - 71% White - 8% Other |

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| Product Sourcing, Packaging & Marketing | Revenue from products third- party certified to environmental and/or social sustainability standards | Quantitative | Reporting currency | CG-MR-410a.1 | <p>This data is not available for 2020, but we are improving our internal data management to better track and report on the more sustainable and socially responsible products we offer through our sustainable shopping category, Sustainable Style.</p> <p>We launched Sustainable Style in 2019, and through it, our customers can find products made from sustainably sourced materials and ingredients, produced in factories with higher social and environmental standards, packaged more responsibly, and that give back to social and environmental causes with purchase.</p> |
| | Discussion of strategies to reduce the environmental impact of packaging | Discussion and Analysis | N/A | CG-MR-410a.3 | <p>We are working to reduce the environmental impact of packaging by using less packaging, making better choices for packaging materials, supporting our vendors in using less and better packaging, and helping our customers recycle hard-to-recycle packaging elements.</p> <p>We maintain a set of packaging guidelines for our shoe vendors, which guides them to use preferred packaging for shoe dunnage. Preferred packaging is paper-based and minimal. We also outline accepted packaging and unacceptable packaging such as polystyrene foam and plastic shoe forms.</p> <p>In 2020 we released our 2025 Corporate Social Responsibility goals, which include goals to reduce single use plastic across our value chain by 50% and recycle 100 tons of our customers’ hard-to-recycle Beauty packaging by 2025. In 2020, we collected 1,700 units (0.16 tons) of hard-to-recycle Beauty packaging through our program.</p> |