DIVERSITY, INCLUSION AND BELONGING

We are committed to creating an environment where our customers feel a sense of belonging and our employees can be themselves, contribute their ideas, be heard and do their best work.

Having a diverse workforce and a culture of inclusion fosters innovation, enables us to better serve customers and strengthens our ability to attract and retain top talent. As a retailer, diversity also means opening our doors to a broader range of brands, sizes and styles that will appeal to more customers.

Key 2019 accomplishments:

- Launched our internal "Be Known, Belong" campaign with employees, to encourage them to bring their full selves to work
- Achieved pay parity and pay equity, and established a plan for continued maintenance
- Expanded our Conscious Inclusion workshops to help managers lead inclusively (See details below)
- Honored cultural and heritage months and awareness days, to better recognize and celebrate the various identities of our employees and customers in the workplace and in our communities
- Introduced our Leadership Evolutions series to help vice presidents lead inclusively through the lens of Nordstrom's values

With the belief that leaders are accountable for creating the conditions that lead to success, we empower them to actively champion diversity, inclusion and belonging—and ensure that this work is integrated throughout the organization.

Having a diverse workforce and a culture of inclusion fosters innovation, enables us to better serve customers and strengthens our ability to attract and retain top talent.

WE FOCUS OUR DIVERSITY, INCLUSION AND BELONGING EFFORTS UNDER FOUR STRATEGIC PILLARS:



EMPLOYEE RESOURCE GROUPS

One way we foster an inclusive culture is through our Employee Resource Groups (ERGs), which are employee-led, Nordstrom-sponsored groups open to all Seattle-based employees. ERGs embrace diversity of thought, experience, gender, race and identity and are designed to nurture connection, communication and meaningful insight.

In 2019, we launched three new ERGs: AsPIRE (Asian Pacific-Islander Resources for Employees), ¡Hola! (Latinx) and Parents @Nordstrom. They joined our four existing groups: Black Employee Network, NordstromPLUS (LGBTQIA+), Nordstrom Veterans Group and Women in Nordstrom.

DIVERSITY MARKETING PANEL

As we target a more diverse customer base, we're looking beyond traditional external customer focus groups to gather valuable feedback. In 2019, we began reaching out to our own employees—including Employee Resource Group members—to seek unique perspectives and ideas. We developed the Diversity Marketing panel, a 25-person forum whose members represent a variety of both visible and invisible identities. This group helps to shape Nordstrom's marketing strategies, advertising campaigns and product offerings to better serve customers.

CONSCIOUS INCLUSION WORKSHOPS

Employee education continues to be a critical component of our overall strategy. Our Conscious Inclusion workshops seek to embed diversity, inclusion and belonging concepts into practical, everyday practice.

In 2019, we had 17 certified facilitators deliver Conscious Inclusion workshops that reached more than 900 employees across the company.



I am proud to work for a company that continues to move the needle not only for our customers, but for employees as well.99

> Nordstrom employee, after attending a Black Employee Network Employee Resource Group event

ACHIEVING 100% PAY EQUITY

Nordstrom has always focused on having strong gender representation, paying employees fairly for the work they do and making pay decisions that are free from bias. In the last few years, we have increased our focus in this area and have made significant investments to better understand how we're doing.

In 2019, we achieved <u>100% pay equity</u> for men and women of all genders and races. This means that we provide equal pay for comparable work—which we believe is essential to creating an environment where every employee feels valued and respected. We evaluated pay equity by analyzing base pay to assess whether employees with similar roles, experience and performance earn equal pay for comparable work.

Nordstrom is also committed to pay parity—a way to measure and report on gender representation at all levels of the company. We're at nearly 100% pay parity for men and women, which reflects our strong female representation across the company.

In 2019, women represented:

68%	60%	36%	45%
of all employees	of leadership (vice president and above)	of the executive team	of our board of directors

We will continue our efforts in this area to build our representation of women at all levels across the organization.

•• Paying our people fairly, regardless of gender or race, enables us to deliver on our commitment to create an equitable environment where we can all be ourselves, contribute ideas and do our best work.

- Christine Deputy, chief human resource officer and executive vice president



OUR EMPLOYEES BY THE NUMBERS



MUMAN RIGHTS CANTAGE	BEST PLACES TO WORK		
2019	for LGBTQ Equality		
100% CORPORATE EQUALITY INDEX			

Human Rights Campaign: Corporate Equality Index

For the 14th year in a row, Nordstrom scored a perfect 100% on the Human Rights Campaign's annual <u>Corporate Equality Index (CEI)</u> <u>survey</u>. The list rates U.S. companies on their practices and policies for LGBTQA customers, employees and vendors.