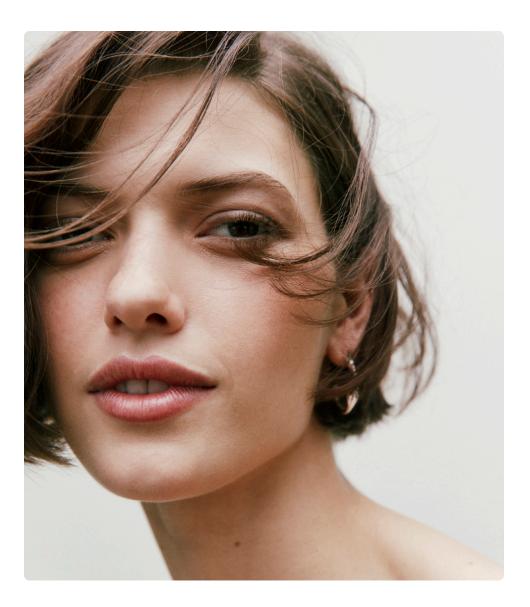


2023 Impact Report

# NORDSTROM

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This report contains statements and goals that are forward looking. These statements are based upon current expectations and assumptions that are subject to risks and uncertainties. We may not achieve the goals set in these forward-looking statements, and our actual results could materially differ because of factors discussed in the risk factors section of our Form 10-K, Form 10-Q and other reports and filings with the Securities and Exchange Commission. The company undertakes no obligation to update or revise any forward-looking statement to reflect subsequent events, new information or future circumstances.

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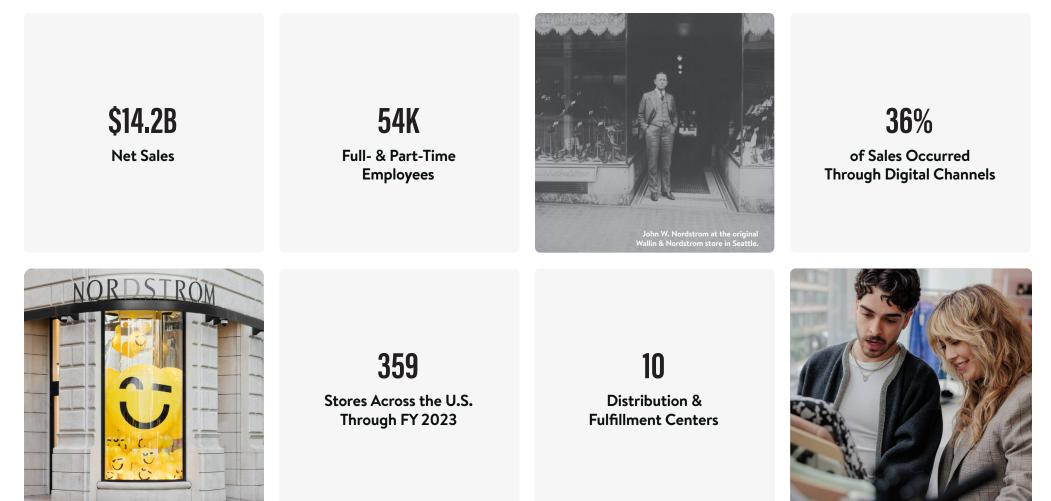
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# Who We Are

NORDSTROM

## Nordstrom at a Glance



For more information, news and updates about our efforts in Corporate Social Responsibility and Diversity, Equity, Inclusion and Belonging, please visit <u>nordstromcares.com</u>. Read or download our 2022 Impact Report. Read or download our 2023 Annual Report. Nordstrom is traded on the NYSE as: **JWN** 

NORDSTROM

# **Letter from Our Leaders:** Our Commitment

Core to Nordstrom's values is our commitment to leaving the world better than we found it. It's a principle that our dad, Bruce — who passed away earlier this year — always embraced, and it's come to define the way we do business. It's why we work to support the communities where we operate, take responsibility for the impacts of our business, and foster a welcoming and supportive culture for every Nordstrom customer and employee.

In 2020, Nordstrom introduced a set of five-year ambitions to hold ourselves accountable to this commitment and help focus our efforts. We identified three key impact areas – people, planet and product – and incorporated measurable targets into the work of teams across the organization.

Four years later, we remain dedicated to the goals we laid out for ourselves. This report highlights the many ways our people, customers and partners collaborated in 2023 to support this important work and leave the world better than we found it. Here are just a few examples of the progress we've made:

**PEOPLE:** We aim to make our stores welcoming for as many customers as possible through the environment we create and the merchandise we carry. In the workplace, we're committed to creating an inclusive culture where employees feel they can bring their whole selves to work and achieve their career goals. These values have long been embedded in the way we do business, and we made progress against them last year.

We're also committed to making meaningful contributions to the communities where we operate. By partnering with organizations like Shoes That Fit and Operation Warm, we provided more than 50,000 pairs of shoes and over 25,000 coats to kids in our local communities in 2023.

**PLANET:** We're also focused on improving the sustainability of our operations and reducing the environmental impact of our products. To that end, we set science-based targets to reduce our greenhouse gas emissions and take action against climate change. As we work toward our sustainability goals, we continue to invest in partnerships and new initiatives that invite our customers and employees to join in our efforts. One example of this work is our beauty packaging recycling program, BEAUTYCYCLE, through which we aim to take back 100 tons of beauty packaging waste by 2025. As of 2023, we've collected over 50 tons of beauty packaging, bringing us halfway to our goal.

**PRODUCT:** As a retailer, we try to offer our customers products from a diverse range of brands with values aligned with their own. In 2023, we partnered with brands and designers who are working to uphold these values by creating a more equitable industry, promoting sustainability, and using responsible sourcing practices. This year, we introduced "Nordstrom for Good" – our updated online shopping category to showcase products with environmental and social benefits.

While we've made progress, we know we have more work to do. As we look ahead, we're sharpening our focus on the programs and initiatives that will drive the most meaningful impact — not only through 2025, but well into the future. We're thankful for the support of our people, our customers and our partners, and we look forward to what we'll accomplish together in the years to come.

Sincerely,

Solonation At SMA

Erik Nordstrom, Chief Executive Officer



Peter Nordstrom.



# 2023 Highlights

Raised more than **\$1.2M** and **donated more than 50,000 pairs of shoes** to kids in need with Shoes That Fit

Donated over \$11M

to nearly **3,000 organizations** in communities where we operate

# \$190M in retail sales from brands owned, operated or designed by Black, Hispanic or Latinx individuals

Employees volunteered over 33,000 hours in support of nearly 400 organizations – a 27% increase in volunteerism from 2022!

JIIL

# +50%

More than half way to our goal, we produced nearly **50% of Nordstrom Made** products in factories that **invest in gender equity** 



Set science-based targets to reduce absolute scope 1 and 2 GHG emissions 42% by 2030



Kept over 1,000 tons of clothing out of landfills through donation, resale and refurbishment



We've now collected over **50 tons of beauty packaging** through our BEAUTYCYCLE program



# Our Strategy

NORDSTROM

## Overview

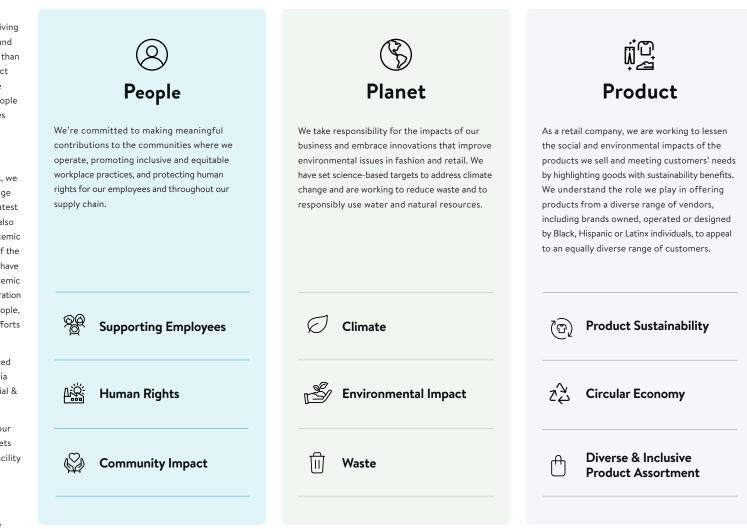
At Nordstrom, we are committed to cultivating a positive, inclusive and more sustainable future by living out our values across the pillars of People, Planet and Product. Our ambition is to leave the world better than we found it, and we know that it is critical to protect the environment, give back to the communities we serve, promote safe and fair workplaces for the people who make our products, and provide our employees with a great place to work.

#### THREE AREAS OF IMPACT

To drive our path forward as a responsible business, we have developed goals and ambitions to direct change and improvements on the issues that have the greatest impact on the planet, society and our business. We also partner with industry initiatives that address systemic challenges within fashion and retail. We are proud of the progress we have made and the robust programs we have in place, but we recognize that we cannot solve systemic challenges alone. We continue to use industry collaboration as a crucial lever to make progress across our People, Planet and Product pillars. Some examples of our efforts to engage in industry collaboration include:

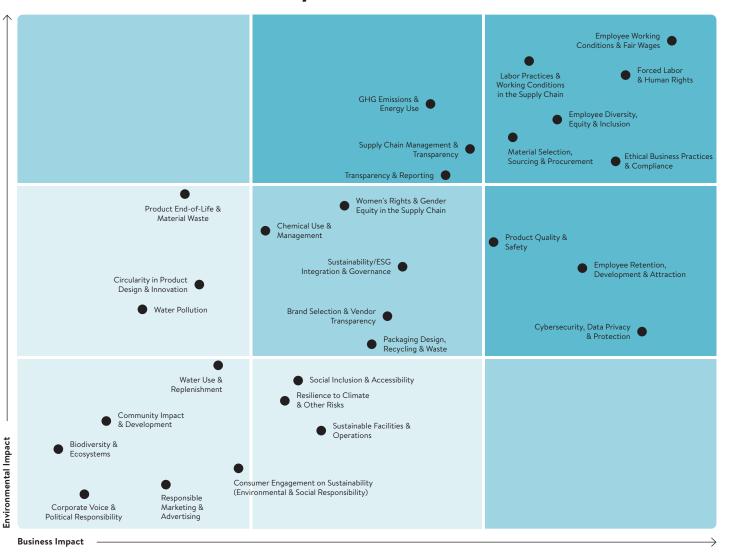
- People: We are involved in industry groups focused on gender equity and human rights due diligence via our participation in RISE, Better Work and the Social & Labor Convergence Program.
- Planet: Our partnerships focus on climate and our supplier environment with the Science-Based Targets Initiative, Apparel Impact Institute and the Higg Facility Environmental Module (FEM).

• Product: Our industry involvement is centered around preferred fibers, packaging and circular economy with groups such as Better Cotton, the Ellen MacArthur Foundation and Fashion for Good.



We know there is more we need to do to achieve our goals and see industry-wide change. Moving forward, we are focused on delving deeper into challenges such as biodiversity and circular economy – areas we know are important and require efforts from us. We are also working to achieve our newly approved science-based greenhouse gas reduction targets.

## 2022 Nordstrom Materiality Matrix



# OUR REFRESHED CSR GOALS & DEIB AMBITIONS

In 2022, we refreshed our materiality assessment, aligned with double materiality methodology, and looked across the industry for best practices. We engaged key stakeholders such as investors and employees to identify the most significant impacts of our business on people and the natural environment, as well as how important social and environmental issues affect our business.

In 2023, we applied the results of our materiality refresh to revise our CSR goals. Through this process, we condensed the number of goals, enabling Nordstrom to address the areas where we are able to make the greatest impact and continue to align with our industry.

As we've continued to assess progress toward our current DEIB ambitions, we've identified opportunities to strengthen our accountability mechanisms and clarify our intentions.

In 2023, we added Equity into our Diversity, Inclusion and Belonging scope. Equity refers to fair treatment for everyone so that the norms, practices and policies in place reduce potential bias, and identity is not predictive of opportunities or workplace outcomes. To ensure we all have the opportunity to achieve our career goals, we will focus on equity throughout the employee experience.

We also updated our employee survey metrics to more closely align with industry standards, enhancing our ability to drive focused action planning.

## **Our 2025 CSR Goals & DEIB Ambitions**

In addition to tracking our annual progress, we've also made efforts to align and map our goals and ambitions to the Sustainable Development Goals (SDGs) to show how Nordstrom is contributing to the United Nation's 2030 Agenda for Sustainable Development. The SDGs, also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

## People

Priority	CSR Goal	Progress	SDG
	Foster collaboration and transparency by disclosing 95% of Tier 1 suppliers through a data sharing platform.	Surpassed Goal	8 BECENT WORK AND ECOMMUNE GROWTH
	Produce 90% of Nordstrom Made products in factories that invest in gender equity.	+50%	5 COURTY COUNTY
Human Rights	Advance living wage within the supply chain through industry collaboration and support.	Progress is discussed in the full report.	3 SOOD HEALTH AND WELL BEING 
	Engage suppliers and business partners to adhere to Nordstrom Partner Code of Conduct.	Progress is discussed in the full report.	8 BEEST WORK AND ECONOMIC GROWTH
Community	Invest more than \$50 million in communities where we operate.	\$39M+	1 № ₱₩₽₽₩ ●
Impact Engage 20% of our employees in social impact programs and community initiatives.		7%	8 весент илях ная солманс саличтн Солманс саличтн Саличтн Саличтн Саличтн Саличтн Саличтн Саличтн Саличтн Саличтн Саличтн Саличтн

# People

Priority	DEIB Ambition	Progress	SDG
	Increase representation of Black, Hispanic and Latinx populations in people manager roles by 50% on average.	Progress is discussed in the full report.	10 INTERCED INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTERCURINE INTER
Inclusive Representation	Continue to foster a culture of inclusion through improvements on our Inclusive Organization and Fairness metrics as measured by the Voice of the Employee Survey.	Progress is discussed in the full report.	
	Build Diversity and Inclusion into our leadership expectations and measure our leaders on their performance in this area through feedback from their teams and coworkers.	Progress is discussed in the full report.	
Leadership	Leverage our internship program and other initiatives that help us reach qualified candidates early in their careers with an ambition, on average, of 50% of participants in these programs coming from underrepresented populations.	Progress is discussed in the full report.	

# Planet

Priority	CSR Goal	Progress	SDG
Climate Action	Establish a science-based target to reduce Scope 1, 2 and 3 emissions.	This goal has been achieved: our science-based target was approved in 2023.	13 CLIMATE
Waste	Reduce single-use plastics in our value chain by 50%.	Surpassed Goal	11 SUSTAINABLE CITIES AND COMMANTES AND FORDICTION AND FORDICTION

# Product

Priority	CSR Goal	Progress	SDG
	Ensure 15% of our Nordstrom.com product assortment qualifies for Nordstrom for Good.	7% (by the end of H1 2023)	12 RESPONSIBLE AND IMPOLITION AND IMPOLITION
Product Sustainability	Use preferred fibers for 50% of Nordstrom Made products made primarily of cotton, polyester and manmade cellulosic fibers (MMCFs).	15%	7       ATTORNALLAND CLAN WRAPY         Image: Constraint of the state of the stat
	Take back 100 tons of beauty packaging to divert from landfill.	50+tons	11 SUSTAINABLE CITIES 13 CLIMATE 13 ACTION 13 CLIMATE CONSTITUTION
Circular Economy	Create channels to refurbish, reuse, resell or donate 250 tons of clothing.	Surpassed Goal	11 SUSTAINURE CITES AND COMMANDES 13 CLIMATE 13 ACTON
	Increase circular product design and development opportunities for Nordstrom Made products.	Progress is discussed in the full report.	11 SISTAINARE CITES ACTION
Priority	DEIB Ambition	Progress	SDG
Diverse and Inclusive	Deliver \$500M in retail sales annually from brands owned, operated or designed by Black, Hispanic or Latinx individuals by the end of 2025.	\$188M+	8 DECEM WWW AND DOWNNE GROWTH
Product Assortment	Renew our Supplier Diversity programs, which will track and support diverse-owned suppliers across all areas of our business.	Progress is discussed in the full report.	16 PACE JUSTICE INSTITUTIONS

## Governance

Both the Corporate Social Responsibility (CSR) and Diversity, Equity, Inclusion and Belonging (DEIB) teams are governed through centers of excellence within Nordstrom, and each function leads strategy and programming to embed responsible business efforts across the organization. This work is in effort to meet our related CSR goals and DEIB ambitions.

CSR and DEIB strategies and programming are reported to Board committees on a regular cadence by sharing progress toward our goals and ambitions, educating on CSR and DEIB-related issues affecting the fashion retail industry, and reviewing the potential impact of new regulations or operational changes related to these business functions.

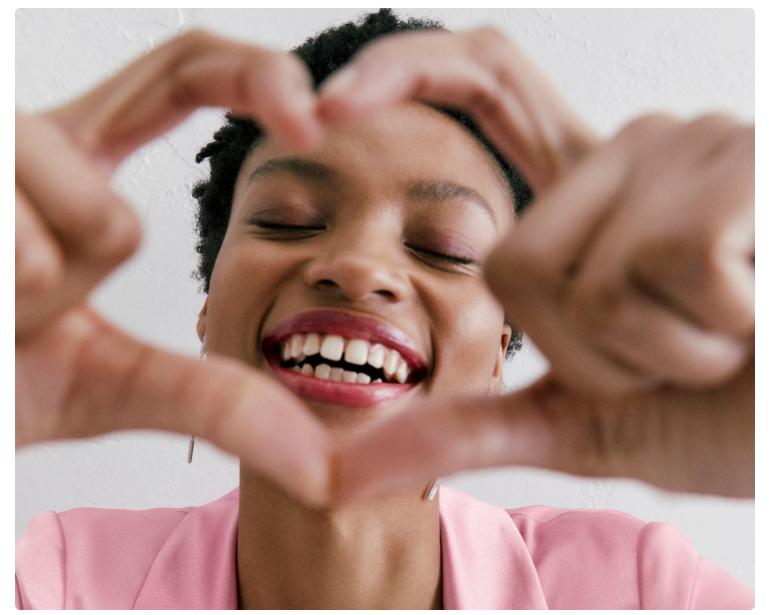
#### CSR Governance

We seek to advance progress toward our CSR goals through a set of cross-functional action teams with operational leads and executive sponsors. The cross-functional action teams are comprised of key individuals from various business units across the company who work in close partnership with the CSR team to drive CSR initiatives and provide updates to the sponsors who serve on the executive-level CSR Committee.

The CSR program is supported by a central CSR Committee made up of cross-functional executive leaders. The CSR Committee convenes throughout the year to review progress on achieving our five-year goals, enabling strategies to overcome roadblocks and advising on CSR priorities. In 2023, the CSR Committee convened twice.

#### **DEIB Governance**

Our focus is on embedding equitable and inclusive business and talent practices throughout the organization. Our work and progress in this space are reviewed regularly with our Chief Executive Officer and Chief Human Resources Officer.





People

We're committed to making meaningful contributions to the communities where we operate, promoting inclusive and equitable workplace practices, and protecting human rights throughout our supply chain.

NORDSTROM

# **Supporting Our Employees**

We believe that we're all made better by the diverse experiences and perspectives that exist within our communities. Our commitment to fostering an inclusive workplace is key to our mission of helping our customers feel good and look their best. Over the past several years, we've amplified our efforts and set clear ambitions in this area.

Progress toward our DEIB ambitions is tracked and reviewed regularly, and we are committed to fostering a culture where employees feel a strong sense of belonging and can achieve their career goals through ongoing growth and development opportunities, along with fair and transparent talent practices.

#### LEADERSHIP

Our leaders are essential in fostering a culture of diversity and inclusion, and through our Voice of the Employee (VOE) survey, we review our leaders' performance in this area.

Our VOE survey enables our employees to feel valued and heard. We also gather and respond to our employees' feedback, including, but not limited to, anonymous, periodic, formal employee engagement surveys, employee listening sessions, and open-door one-on-one and team interactions. Based on the feedback received, leaders review and create action plans to include and engage employees.

Gender	Executives	Mid-Level Managers	All Employees
Female	61%	64%	67%
Male	39%	36%	32%
Race/Ethnicity			
American Indian or Alaskan Native	-%	1%	1%
Asian or Pacific Islander	11%	10%	13%
Black or African American	7%	13%	20%
Hispanic or Latinx	4%	21%	24%
Two or More Races	2%	4%	5%
White	74%	50%	35%

\*This data represents employees that chose to self-identify; therefore, column totals may not add up to 100%.

In 2023, we upskilled employees on the knowledge and practice of inclusive behaviors through company-wide Conscious Inclusion learning. 92% of people leaders completed Conscious Inclusion learning, gaining insights on how to create and foster an equitable organizational culture along with fostering an environment that values diverse experiences and perspectives.

In 2023, diverse representation increased throughout the company, where women make up 64% of leadership and people of color comprise 48% of leadership. Over the past year, diverse representation in leadership and management roles has increased, with Hispanic & Latinx representation increasing in both mid-level manager roles (+1%) and executive leadership roles (+2%). Black representation also increased in mid-level manager roles (+1%), along with American Indian or Alaskan Native representation (+1%). Black, Hispanic and Latinx representation in people manager roles was 34%. Our board is comprised of 36% women and 18% people of color.

#### **PAY PARITY & PAY EQUITY**

Nordstrom is focused on paying employees equitably for the work they do and making pay decisions that are free from potential bias. We partner with third-party resources to evaluate pay parity and pay equity.

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

We measure this in two ways:

- Pay parity, often referred to as the gender pay gap, is measured by comparing the median pay of women to the median pay of men, in all jobs. This can be strongly influenced by having balanced gender representation at all levels of the organization.
- Pay equity is equal pay for comparable work. We conduct pay equity reviews throughout the year and are committed to sustaining 100% pay equity.



#### **BUILDING DIVERSE FASHION FUTURES**

Our values are centered on creating a place where every customer and employee is welcomed, respected, appreciated and valued for who they are. Through the development and support of various initiatives and programs, we're creating pathways for individuals from all backgrounds to pursue meaningful careers.

#### SOME OF OUR 2023 EFFORTS INCLUDE:

- We **launched the Nordstrom Nspire Program**, a week-long early exposure initiative that introduces a diverse group of sophomore college students to careers in technology and merchandising. This experience prepares candidates for internships and eventually full-time roles at Nordstrom through focused upskilling and development opportunities.
- We sponsored ICON360's inaugural HBCU Professor Retreat in New York, which facilitated discussions on talent pipelines, teaching methods and industry opportunities.
- We partnered with Morehouse College, an HBCU in Atlanta, where we supported the launch of a new product management track.
- We organized a 12-session Talent Consortium in partnership with HBCU First, the leading internship and mentoring program for over 70 HBCUs. The sessions covered topics such as career development, leadership skills and networking strategies to upskill students and enhance their career prospects.
- We sponsored the 37th Annual Conference for the Hispanic Association of Colleges and Universities (HACU) and attended their Emerging Leaders' Summit where we facilitated career development workshops for participating students.
- We also partnered with the Fashion Scholarship Fund to create six \$10,000 scholarships for the inaugural class of Nordstrom x FSF Scholars.

"Together, Nordstrom and ICON360 achieved significant milestones in empowering early career development for diverse talent from Historically Black Colleges and Universities (HBCUs) via the creation of a unique retreat experience for HBCU professors, equipping them with invaluable insights and tools to enhance post-graduation success for their students. This accomplishment underscores our collective commitment to fostering a more diverse and inclusive future in fashion."

- Brandice Daniel, CEO and founder of ICON360  $\,$ 

## **EARLY IN CAREER PROGRAMS**

Our early in career programs aim to attract qualified candidates who reflect the diversity of the communities we serve. In 2023, we leveraged our Retail Leadership Training Program and other initiatives to help reach a diverse representation of qualified candidates early in their careers. 52% of our interns/trainees were from an underrepresented group, with 28% identifying as Black, Hispanic or Latinx. We also launched Nspire, an early exposure program that introduces sophomore college students to careers at Nordstrom.

#### CREATING BELONGING THROUGH EMPLOYEE RESOURCE GROUPS

We believe that our people thrive when they feel they truly belong. One way we've come together to nurture our employees' sense of community is through our Employee Resource Groups (ERGs). These employee-led, Nordstrom-sponsored groups represent a variety of seen and unseen identities that exist across our organization and are open to all, regardless of personal identity or work location.

ERGs are designed to foster connection and to support and inspire individual development and belonging. They enrich our company culture by providing opportunities for listening, learning and knowledge sharing.

#### Nordstrom currently offers eight ERGs:

- AsPIRE (Asian Pacific Islander Resources for Employees)
- Black Employee Network
- ¡Hola! (Hispanic and Latinx)
- NordstromPLUS (LGBTQIA+)
- Nordstrom Veterans Group
- Parents@Nordstrom
- Thrive (Diverse Ability)
- Women in Nordstrom

Year over year, we've seen steady ERG membership growth. In 2023, the number of employees involved in our ERGs increased by 11%, with ERG membership totaling approximately 4,700 employees. Over 44% of the employees who participate are in more than one ERG, highlighting the intersectional identities in our communities.

ERGs continue to make an impact among our employee population and their respective communities. These groups directly foster belonging by leading cultural events and initiatives both virtually and in person.

#### **BELOW ARE HIGHLIGHTS FROM 2023**

- ERG Leadership Summit Nordstrom hosted ERG leadership teams at our Seattle headquarters for our inaugural leadership summit which included participation from Executive Sponsors and our CEO. ERG leaders developed plans to expand ERG engagement and belonging to frontline teams.
- "A Seat at the Table: A Black Leadership Panel"
   Discussion Black Employee Network hosted a virtual panel discussion highlighting the career journeys of Black leaders at Nordstrom and the importance of mentorship.
- Honoring Memorial Day & Veterans Day The Nordstrom Veterans Group came together virtually to honor those who paid the ultimate sacrifice, as well as share their personal stories of service.
- Mental Health Awareness and Support Series Thrive hosted a nine-part programming series that provided mental health resources and tools for our employees. They partnered with three other ERGs (Women in Nordstrom, ¡Hola!, Black Employee Network) for collaborative events to speak to the intersectionality of mental health in their communities. As a part of their efforts, they fundraised over \$3,000 for the American Foundation for Suicide Prevention.
- Women Making Space for Themselves in Sports and Society - During Women's History Month, Women in Nordstrom hosted a celebration where women in sports and society could share their stories of success in traditionally male-dominated spaces. The conversation focused on women making space for themselves, demanding better working conditions and advocating against broader social injustice.

## HRC & THE CORPORATE Equality index

The Human Rights Campaign is an American LGBTQ+ advocacy group focused on ending discrimination against LGBTQ+ people and realizing a world that achieves fundamental fairness and equality for all. We're proud to have earned a place on HRC Foundatio's Equality 100 Award list for 2023-2024 with a 100% ranking for 18 consecutive years as a part of our Corporate Equality Index participation.

## MAUI WILDFIRE DISASTER RELIEF

Our highest employee-led point of engagement was around the Maui wildfire disaster relief. Our AsPIRE ERG led a fundraising event that resulted in over 300 employees donating over \$70,000 to three organizations providing disaster relief to those affected by the Maui wildfires. This effort also included supporting our long-term partner, Shoes That Fit, in sending children's shoes to the island.



## Human Rights



The fashion industry supply chain employs millions of workers, and as a fashion retailer in this ecosystem, we recognize the responsibility we have to respect the rights of the people who make our products. We know that it's critical for the workers making our products to have a safe and decent place to work. To do this, we implement human rights due diligence, taking intentional steps to assess our supply chain, recognize potential risks to human rights and make corrections to minimize those risks.

We align our human rights due diligence efforts across our operations with the Organization for Economic Cooperation and Development's (OECD) <u>Due Diligence</u> <u>Guidance for Responsible Business Conduct</u> and the United Nations' <u>Guiding Principles for Business and</u> Human Rights (UNGP).

#### Our due diligence process includes:

- Embedding responsible business conduct into our policies and management practices
- Identifying and assessing adverse impacts in our operations, supply chains and across our business operations
- Ceasing, preventing or mitigating adverse impacts
- Tracking implementation and results
- · Communicating how impacts are addressed
- Providing for, or cooperating with, remediation, when appropriate

#### EMBED RESPONSIBLE BUSINESS CONDUCT

At Nordstrom, we prioritize partnering with suppliers that share our commitment to quality products, responsible business principles and strong community relationships. Based on internationally recognized standards and guidance, our <u>Partner Code of Conduct</u> (PCOC) provides the minimum standards that must be met by all suppliers regarding compliance, ethical business, labor standards, environmental sustainability and animal welfare. We have several supporting policies to further reinforce the standards provided in the PCOC, including our Forced Labor Policy and Conflict Minerals Policy.

Our <u>Forced Labor Policy</u> defines forced labor for our suppliers, outlines our prevention principles and provides a reporting mechanism for any forced labor violation. Our prevention principles are inclusive of the American Apparel & Footwear Association's Commitment to Responsible Recruitment, which we signed in 2018.

Our <u>Conflict Minerals Policy</u>, in compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, details how we monitor our private-label suppliers' use of four metals: gold, columbite-tantalite (tantalum), cassiterite (tin) and wolframite (tungsten)—collectively known as 3TG—and whether those conflict minerals originated in the Democratic Republic of Congo or adjoining countries. We conduct due diligence on our private-label suppliers that provide Nordstrom products using any of the 3TG metals, including those across apparel, footwear, jewelry, accessories and home goods. We partner with a third-party organization to verify that our private-label supply chain, down to the smelters, is free of conflict minerals to the best of our knowledge.

To support understanding of these policies, we provide training to both our suppliers and our employees. In 2023, we conducted our annual Supplier Summit where we brought together our private-label suppliers for in-person training on our PCOC, human rights-related policies and Nordstrom's supplier expectations. Internally, we have integrated our PCOC into our enterprise training, allowing us to efficiently manage its administration and ensure completion by all Nordstrom employees. Additionally, we provide forced labor indicator training to Nordstrom employees who have buying responsibilities.

#### **IDENTIFY & ASSESS ADVERSE IMPACTS**

In 2022, we completed our Human Rights Impact Assessment to understand the impact of both our direct business and supply chain operations, as well as to assess the severity of these impacts. Using these insights, we identified our salient risks and developed a three-year forecast to address the areas of concern. In 2023, we established a strong governance model and integrated it into our relevant business units.

#### Salient Human Rights Risks

Through our identified salient risks, we focus on strengthening protections for workers throughout our supply chain, upholding human rights for employees, as well as protecting our customers' and communities' health and privacy. These risks are described in the following table.

Salient Issue Categories	Salient Description
Forced labor and child labor	<ul> <li>Forced labor</li> <li>Inability to move freely</li> <li>Trafficking</li> <li>Vulnerable workers (migrants, women, children)</li> <li>Employment practices (recruitment, employment, termination)</li> </ul>
Discrimination, harassment and abuse	<ul> <li>Discrimination during hiring, employment and/or termination</li> <li>Unwelcome conduct that is based on race, color, religion or sex</li> <li>Physical or verbal abuse of workers</li> </ul>
Freedom of association and collective bargaining	<ul> <li>Freedom to assemble with any organization</li> <li>Freedom to join or quit union or worker representative groups</li> <li>Industry or site collective bargaining agreement</li> </ul>
Working conditions and adequate living standards	<ul> <li>Working hours</li> <li>Wages</li> <li>Health and safety</li> <li>Access to essential goods and services</li> </ul>

#### CEASE, PREVENT & MITIGATE ADVERSE IMPACTS

Aligned with our salient risks, we use two major programs to actively address the potential risks to workers in our supply chain: the first is our Responsible Sourcing program, and the second is programming to promote gender equity.

Our Responsible Sourcing program allows us to regularly review and engage with our suppliers and understand their suppliers' management systems to respect human rights. We use various assessment tools and work with third parties to understand on-the-ground operations. Our gender equity programming operates in collaboration with industry initiatives to improve workplace safety and career advancement, with the goal of providing a more equitable work environment for women.

#### **RESPONSIBLE SOURCING**

We support our human rights due diligence with a Responsible Sourcing program, collaborating with our suppliers to strengthen worker well-being and uphold their employees' social and labor rights through sound management systems in their facilities. Our program is based on the two key operating principles: continuous improvement and transparency.

Our commitment to continuous improvement emphasizes consistent progress throughout our business relationship. Our commitment to transparency means we encourage all parties to engage in open conversation regarding compliance challenges. We seek to partner with suppliers that share our perspective, respect human and labor rights, and are committed to building relationships based on trust, transparency and mutual accountability.

Our emphasis on transparency and continuous improvement includes using tools such as third-party supplier assessments to understand our suppliers' management systems that are in place to uphold human and labor rights. In an effort to reduce industry-wide assessment fatigue, this year we implemented a new, industry-recognized assessment methodology, thereby reducing the burden on suppliers to undergo a new assessment for every customer.



#### Supplier Assessments

We have updated and streamlined our responsible sourcing assessment by adopting the ELEVATE Responsible Sourcing Assessment (ERSA) as our primary assessment standard, a best practice tool used within our industry. The ERSA addresses key issues across its five pillars of labor, health and safety, environment, business ethics and management systems. This transition should increase the efficiency and effectiveness of our supplier assessments. We currently require all Tier 1 facilities (factories manufacturing finished goods) to undergo an assessment as part of our new-supplier screening process, and annually thereafter. We plan to expand the program to our Tier 2 facilities (fabric mills, where fabric used to create our finished goods is produced) by 2025.

We recognize that our suppliers' facilities are shared with other brands within the industry and that they are engaging in routine auditing through multiple peer programs. To address the systemic challenge of assessment fatigue and support our suppliers in a more efficient process, we created a mutual recognition program that allows suppliers to submit an assessment using one of our preapproved streamlined tools: the Social & Labor Convergence Program's (SLCP) <u>Converged Assessment Framework</u> via Worldly, the SMETA <u>4-Pillar Audit</u> and <u>Better Work</u> assessment tool. By allowing our suppliers to use industry-wide data collection tools, we will help lower costs for our suppliers by reducing the number of assessments conducted at their factories, all while maintaining the integrity of social compliance.

## 2023 ASSESSMENT BREAKDOWN BY ASSESSMENT FRAMEWORK

**42**%

of our social compliance assessments used Nordstrom's designated third-party sourcing assessment

39%	6
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of our social compliance assessments used the SLCP assessment through Worldly

of our social compliance assessments used the SMETA 4-pillar audit

11%

8%

of our social compliance assessments were conducted through the Better Work program

#### **Continuous Improvement**

Together with our suppliers, we operate under the model of continuous improvement, which encourages candid, ongoing discussion of compliance challenges and allows sustainable progress to be made.

We partner with our suppliers to develop and implement Corrective Action Plans (CAP) when any adverse impacts are identified, and the CAPs include specific milestones with regular progress updates. Our team works directly with supplier management to understand and implement the remediation plan outlined within the CAP, along with a timeline for change. As part of the CAP process, we conduct root cause analysis for the remediation items identified to promote sustainable resolution and reduce the recurrence of noncompliance. Suppliers are also expected to complete assigned eLearning lessons, which are used to support the CAP development. We require suppliers to engage in a follow-up assessment, outside of the annual assessment cycle, to support the verification of remediation as needed. By providing direct support tools to our suppliers, we hope to deepen our partnerships and create more effective outcomes.

#### Transparency

Nordstrom is committed to transparency in our product sourcing and manufacturing. In 2023, our publicly disclosed <u>Supplier Map</u> represented 96% of our Tier 1 private-label suppliers that produce our Nordstrom Made products. The supplier map discloses both the names and locations of these suppliers as part of our commitment.

Transparency is essential for meaningful partnerships between Nordstrom and our suppliers. It entails granting all Nordstrom representatives, including third-party monitors, unrestricted access to the facilities we work with, including dormitories. It also allows Nordstrom representatives to conduct worker interviews while wages, working hours and management systems records are inspected within the facility. To further promote transparency and foster engagement with our suppliers, Nordstrom employees visit suppliers' facilities at various times throughout the year. Furthermore, because traceability is a key component of incorporating transparency throughout the supply chain, we expect our suppliers to openly disclose all aspects of their operations (including the use of any subcontractors). These potential areas of noncompliance create a starting point for Nordstrom to engage in constructive conversation with our suppliers around areas for improvement and partnership.

To better support our suppliers, in 2023, we launched our new Responsible Sourcing Supplier Manual, which provides a central resource for understanding what Nordstrom's responsible sourcing and social compliance assessment requirements are, what suppliers need to complete their assessment and what to expect during an onsite assessment. The guide also includes direct links to relevant supporting resources such as our PCOC, Forced Labor Policy, Conflict Minerals Policy and commodity-specific requirements.

#### **GENDER EQUITY**

Women make up <u>75% of the workforce in the global</u> garment industry, which is approximately 60 million workers. Of these 60 million workers, <u>it is estimated</u> that 75% may experience gender inequality, harassment or violence at work, among other systemic barriers <u>to gender equity</u>. At Nordstrom, we are addressing this disparity in retail garment industry supply chains through our work to produce 90% of Nordstrom Made products in factories that invest in gender equity by 2025.

We recognize the broader benefits gender equity can create, including <u>a healthier work environment for all</u> <u>workers</u>. Since 2007, Nordstrom has worked to support gender equity through our Women's Empowerment program, which has recently evolved into our Gender Equity program. In 2023, we renamed our program to better reflect our current efforts. Our gender equity program is focused on three key priorities:

- Freedom from gender-based violence and harassment at work
- 2) Freedom from discrimination at work
- 3) Access to leadership opportunities at work

Each of these priorities is aligned with our Partner Code of Conduct, responsible sourcing expectations and human rights due diligence approach, and is designed to help provide a safe working environment and decent work opportunities through key partnerships. Two of our key partners include BSRHer Essentials (now Reimagining Industry to Support Equality (RISE) and the International Labor Organization (ILO) Better Work program, organizations that share our commitment to gender equity across global supply chains and have the expertise to support us in scaling our efforts.

In 2023, we completed three previously established gender equity programs: BSRHer Essentials programs in two factories in Guatemala and a Gender Equality program with Better Work in Honduras. Almost 50% of Nordstrom Made products are being produced in factories that invest in gender equity initiatives. We are confident that through our efforts and the deepening of our collaboration with our trusted partners, we are on track to achieve our 2025 goal.

#### RISE

In 2023, a coalition of four organizations with deep experience implementing women's empowerment programs in global supply chains (BSR's HERproject, Gap Inc. P.A.C.E., CARE and Better Work) founded RISE to empower women garment workers, embed gender equality in business practice and generate system-level change in the industry. Nordstrom believes that the collaboration fostered within this new coalition will heighten impact and accelerate positive change for women working within the global garment supply chain.

In 2023, Nordstrom supported the expansion of the RISE Digital program in Guatemala in partnership with two other RISE members. The program supported 445 workers, 45% of whom are women. Training was provided for workers and managers both in person and through tablet-based trainings focused on building worker resilience through awareness of health, gender, digital financial services and harmonious workplace relationships. Almost 94% of women participants said they use the knowledge gained in their daily lives.

We also recently began our partnership with the RISE Respect program to help prevent and remediate gender-based violence and harassment in the garment industry. We launched this program in several factories in India at the beginning of 2024 and plan to provide more detailed updates on the outcomes of this work in future reports.

"2023 was a milestone year for RISE as our founding year. Nordstrom has been with us since the very beginning, building on a successful collaboration with BSR's HERproject, one of RISE's founding partners. In 2023, Nordstrom backed the expansion of the RISE Digital program in Guatemala together with two other RISE members. Thanks to this commitment, RISE has been able to make the case for further investments to support women workers in Guatemala." – Christine Svarer, Executive Director of RISE.

#### Better Work

By including Better Work in Nordstrom's mutual recognition program, we expanded our reach to promote and advance gender equity through Better Work's capacity-building, risk assessment and remediation efforts, which focused on changing the attitudes and behavior of participating suppliers.

In 2023, we completed our Better Work gender equity project in Honduras, which focused on creating awareness and building capacity for participating suppliers on the Prevention of Sexual Harassment (POSH). Through our partnership, Nordstrom also supported Better Work's efforts to improve working conditions for suppliers across Bangladesh, Cambodia, Indonesia and Vietnam.

We are also proud to have helped support Better Work's development of an interactive tool to help brands navigate decisions around prevention of, and response to, gender-based violence and harassment in the supply chain. This includes a digital toolbox of resources on gender equality and inclusion. The tools will be made available publicly for brands, retailers, intermediaries, suppliers and other industry stakeholders with the aim to create aligned understanding and consistent accountability frameworks for the industry going forward.

"As a partner since 2018, Nordstrom has signed up to Better Work's vision of a more transparent, inclusive and ethical industry. With Better Work, Nordstrom encourages factory ownership, strong worker-management dialogue and advancing decent working conditions. Through an additional grant to our organization, Nordstrom has supported innovative approaches to addressing issues around gender and inclusion that will benefit the industry as a whole." – Roopa Nair, Head of Better Work.



#### **TRACK IMPLEMENTATION & RESULTS**

With the adoption of ERSA, we have updated the ways in which we assess our suppliers' performance to align with their standard A-D scorecard. We anticipate these updates to provide our suppliers with an increased understanding of how we view their performance and allow for more meaningful communication. Given the various social compliance tools our suppliers are able to use, we onboarded a new technology platform in 2023 that allows Nordstrom to conduct assessment scoring equivalencies. We anticipate this platform to increase the effectiveness of our program outcomes by better enabling us to assess and track our suppliers' performance, regardless of the tool they choose.

168 private-label suppliers assessed

1,014 findings from assessments

27% noncompliance findings fully remediated

**46%** noncompliance findings pending at the end of 2023 (these findings were undergoing the 90-day remediation process)

noncompliance findings that are ongoing issues and cannot be remediated within 90 days

#### PROVIDE FOR OR COOPERATE IN REMEDIATION

Our suppliers and partners are required to maintain effective mechanisms for their workers to raise concerns which are aligned with the criteria outlined in our PCOC. We also have our own grievance mechanisms to promote open communication and better identify ethical concerns within our own operations and throughout our supply chain. We encourage employees and suppliers to report any ethical concerns via our online portal or by phone. Both options allow anonymous reporting, and local language interpreters are available 24/7 in 165 languages.

Concerns reported through our ethics hotline (either online or by phone) are reviewed and routed to the appropriate Nordstrom resource for investigation and/or response. We do not tolerate retaliation against those who report misconduct, raise a concern, participate in an investigation or engage in legally protected activities. We are committed to protecting those who report violations from retaliation and taking action in the event of retaliation against those who report in good faith.

Although continuous improvement is a foundational aspect of our supplier engagement philosophy, we do consider specific violations of our PCOC to be zero tolerance. Those violations follow standards outlined by the International Labour Organization's (ILO) Better Work program, which considers human rights violations including child labor, forced labor, corporal punishment, physical abuse, violence and issues that pose an imminent threat to worker health and safety to be zero-tolerance issues. Nordstrom also considers unethical business practices such as attempted bribery or violations of the Customs Trade Partnership Against Terrorism as zero-tolerance issues. We strive to ensure our products are manufactured under the highest ethical standards, and we partner with businesses that share our values.

#### **HUMAN RIGHTS IN FY24**

In the coming year, we will expand the training we provide to both suppliers and employees to continue our support of human rights, while also increasing the accessibility of these trainings. We are working to update our human rights-related policies, expand our assessment and reporting into Tier 2 suppliers and engage with additional technologies aimed at improving our risk assessment process.

27%

# **Community Impact**

#### OUR APPROACH

Caring about our local communities is embedded in our culture. Our company values, along with the issues our employees care about, guide the causes we support. Our community impact program is rooted in trust-based philanthropy, the goal of which is to dismantle the power dynamic between granters and grantees, so they can focus on driving outcomes that foster positive change. We trust our partners know how best to allocate funding to achieve their goals and drive impact in the communities where they operate.

#### **COMMUNITY GRANTS PROGRAM**

In 2022, we established a grants committee made up of Nordstrom employees to lead the grant-giving decision process, establishing a more equitable approach for reviewing applications. In 2023, the committee played an important role in helping direct a portion of our overall giving, which this year totaled over \$11 million to nearly 3,000 organizations across the country. Since establishing our 2025 goals, we have donated nearly \$39 million in total.

To learn more, please visit our updated Nordstrom Cares <u>grants webpage</u>, which includes additional information on our three funding focus areas: education, health care and human services.

## **GRANTEE FEEDBACK**

As we continued to work toward a more streamlined and transparent process, we collected and reviewed feedback provided by our grantees. Last year, our grantees shared the following feedback:

**92%** felt the process of applying for the grant was easy

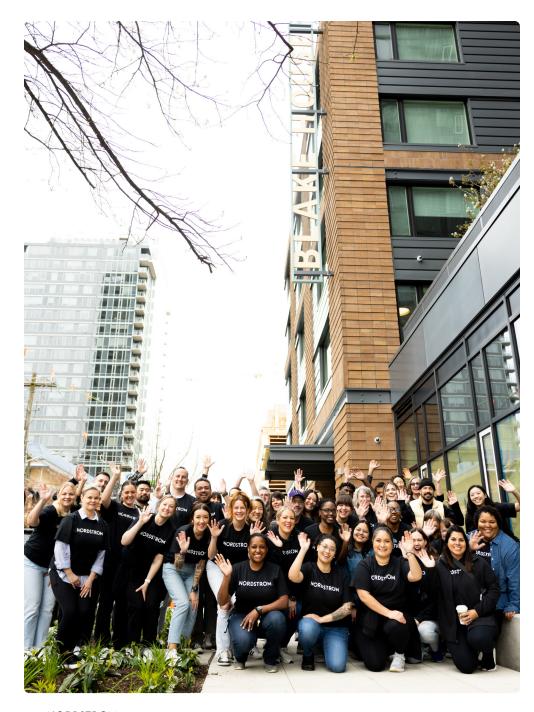
**77%** felt Nordstrom made an impact in their community

**60%** felt Nordstrom's process for selecting grantees is transparent

**69%** felt Nordstrom clearly communicated our program goals

With the help of our Community Grants committee, we will work to improve the transparency with our Community Grants program.





#### **EMPLOYEE ENGAGEMENT**

Our employees are passionate about supporting the causes that matter most to them.

Through our engagement efforts, we encourage our employees to live two of our most deeply held company values: Owners at Heart, treating every interaction as an opportunity to make an impact, and Extend Yourself – the personal mantra of Blake Nordstrom, adopted as a company value after his passing in 2019.

We empower our employees to donate and volunteer with the nonprofits in their communities through our Employee Charitable Match program, which amplifies impact by matching donations dollar for dollar, as well as matching volunteer hours at \$15 per hour – up to \$5,000 per year per employee. Our goal is to engage 20% of our employees in social impact and community initiatives by 2025. Increasing our employee-directed contributions through both donations and volunteering is an important way for Nordstrom employees to generate a positive impact as members of their community.

In 2023, Nordstrom donated over \$1.6 million to support the community causes that matter most deeply to them. Our employees also volunteered almost 33,600 hours of their time with nearly 400 organizations, allowing us to donate an additional \$1.9 million to the organizations where they volunteered. Overall, employee volunteering increased by 27% from 2022.

For the third year, on Giving Tuesday, we implemented a 200% match to amplify our employees' giving of over \$1 million in donations and over 2,500 of volunteer hours.

## **PLYMOUTH HOUSING BLAKE HOUSE**

Nordstrom employees supported Plymouth Housing by funding the furnishing of over 100 apartments for formerly homeless seniors and veterans at Blake House. Nordstrom volunteers set up the apartments, ensuring the new residents were welcomed into a warm, inviting home.

#### Day of Impact

We continue to hear from employees that they want opportunities to give back to causes that are aligned with Nordstrom's giving and community investment initiatives, but they are unsure where to start. As a response to our employee feedback, in 2023 we piloted Day of Impact – a unique engagement experience in our Seattle, Los Angeles and New York City locations that provided employees the opportunity to volunteer in person with some of our core partners, including Mary's Place, Together Washington, Junior Achievement, Plymouth Housing, Good+Foundation and many more.

Working in partnership with Goodera, employees were offered over 10 different volunteer opportunities they could participate in, ranging from supporting food banks to cleaning up public areas to assembling solar kits. We had nearly 1,500 employees participate in our Day of Impact and plan to generate more opportunities for our employees to engage in our key markets in impactful ways.

"I can't say enough about the privilege to partner with Nordstrom on their 2023 Day of Impact. We have never worked with a group so eager, and driven to do good in the community and make a difference. They came out in large numbers, and we heard from many community members who were so encouraged by the tangible difference made. From the litter pickup and graffiti removal in Denny Park to the beautiful mural painted on 3rd Ave. Also, one of the significant impacts made was the food sorting and packing team, which distributed hundreds of fresh food boxes to Bailey **Gatzert Elementary School and to families** in need. The Gatzert Elementary community was overjoyed by the needs met!"

- Tim Gaydos, Executive Director of Together, WA





#### SERVING OUR COMMUNITIES

We know that children are often the most vulnerable members of society, and Nordstrom feels a responsibility to support children and their families in local communities where we do business. This is why, along with the generosity of our customers, we focus on supporting causes that provide basic needs to youth and their families to set them up and empower them to thrive.

#### Shoes That Fit

Having started as a shoe store in 1901, Nordstrom is proud of our long-standing partnership with Shoes That Fit, a nonprofit making a difference for children in need across the country by giving them brand-new, properly fitting athletic shoes so they can run free at recess, participate in sports, get a boost of confidence, concentrate in class and experience less stress.

In 2023, Nordstrom supported Shoes That Fit by putting more than 50,000 pairs of new Nike shoes on the feet of underserved children in 8 schools across the country.

"In our biggest partnership year to date, Nordstrom raised over \$1 million to give shoes to 50,000+ kids through the Shoes That Fit program. Together, we have helped more students than ever join athletic teams for the first time, improved attendance for kids who have missed school because they didn't have shoes and contributed to the confidence so important to a child's success."

 Amy Fass, CEO and Executive Director of Shoes That Fit More than 450 employee volunteers participated in Shoes That Fit distribution events where they measured students' feet, gave out colorful shoelaces and charms so the students could personalize their shoes, and sent each student home with their new pair of Nike shoes. Nordstrom also recognizes that some children have unique needs when it comes to footwear and we work closely with the schools we hold distribution events at to understand the needs of each child, from the need for adaptive shoes to unique sizing and fit requirements. Further amplifying our impact, our generous customers gave over \$1.2 million in donations both in our stores and online.

"I have been at this elementary school for 10 years now, and I have seen every year the impact that these donated shoes make on the kids. They get excited that they have a new pair of tennis shoes to wear, and the parents are extremely grateful for this. The children are proud of their new shoes. It definitely helps with morale and self-esteem. We are very thankful to Nordstrom for their great generosity."

- A teacher at a Shoes That Fit distribution event

#### Operation Warm

Another way we support children in our communities is through our partnership with Operation Warm, a national nonprofit that manufactures brand-new, high-quality coats and shoes for children in need. We are able to help our local communities by providing essentials, like brand-new coats, in a manner that instills confidence and joy. Our product experts play a pivotal role advising Operation Warm's coat designs, ensuring that children in underserved communities feel warm and look their best.

Since 2018, Nordstrom and our customers have collectively raised over \$2 million, which supported the delivery of more than 87,000 brand-new Operation Warm coats for children in need. During the 2023 holiday season, we raised approximately \$357,000 and gave over 25,000 children warm winter coats. This year, Nordstrom employees volunteered over 900 hours with Operation Warm, helping contribute toward Operation Warm successfully achieving their goal of serving over 1 million children on its Wish List.

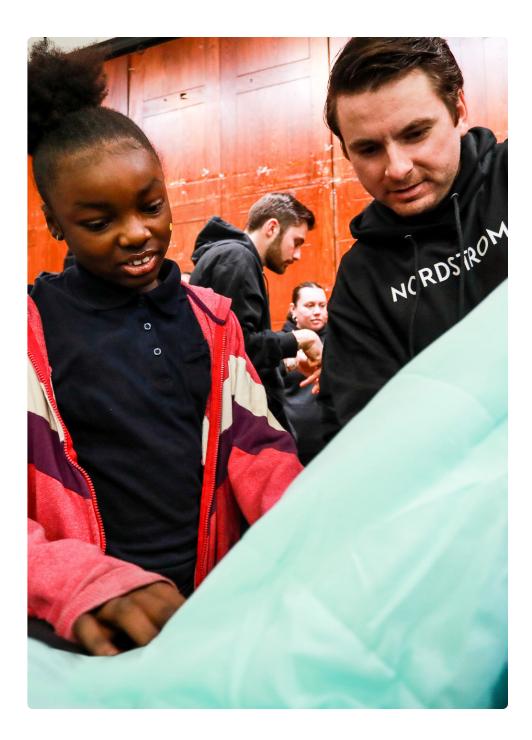
#### **Big Brothers Big Sisters**

Nordstrom Rack stores' giving campaign supports our long-term partner, Big Brothers Big Sisters (BBBS). This well-known organization facilitates one-to-one mentoring relationships between kids (Littles) and adult volunteers (Bigs) to increase kids' sense of connectedness with their own family, boost their emotional wellness, and help reinforce making positive life choices like graduating from high school, pursuing higher education and avoiding or reducing substance use.

We partner with BBBS in several ways, including a year-round online giving campaign at Nordstromrack.com and youth-engagement shopping opportunities for big events like back-to-school and holiday gift giving. In 2023, our customers and employees helped us raise nearly \$595,000 to support BBBS of America.

## THE TOMATO SOUP PROJECT

With every purchase of a Roma Tomato Basil Soup jar, Nordstrom contributes \$1 from the sale to World Central Kitchen. Founded in 2010 by chef José Andrés, World Central Kitchen helps disaster-stricken communities by providing emergency food relief in the immediate aftermath of humanitarian or climate devastation and by establishing resilient food systems with locally led solutions. In 2023, we donated nearly \$40,000.





### BUILDING A MORE EQUITABLE FASHION INDUSTRY

As a leading U.S. fashion retailer, we are committed to highlighting emerging talent with diverse experiences and perspectives to help foster a more inclusive industry by establishing accessible pathways and enhancing opportunities through education.

#### Fashion Scholarship Fund

Nordstrom partnered with the Fashion Scholarship Fund (FSF) to create \$10,000 scholarships for the inaugural class of Nordstrom x FSF Scholars, six undergraduate students who represent Nordstrom's and the FSF's shared commitment to the values of diversity, inclusion and sustainability. We created meaningful opportunities for these scholars to learn about the industry and to get to know Nordstrom through activities such as a two-day career-intensive awareness program in Seattle and matching Nordstrom employees with each scholar as career mentors.

Furthermore, in April, Nordstrom hosted all Class of 2023 FSF Scholars at the Nordstrom flagship store in NYC for a lunch and panel discussion by industry experts from the Nordstrom team. The panelists shared their professional journeys and provided their advice on pursuing a career in the fashion industry. In the fall, the Nordstrom flagship store in NYC also hosted "A Night Out at Nordstrom" for FSF Scholars and Alumni to hear how Nordstrom has been refreshing the in-store experience.

#### Fashion Institute of Technology

Nordstrom makes an annual contribution to the Fashion Institute of Technology (FIT) and supports the organization through a board seat and a Circle membership, enabling the creation and funding of scholarships and emergency funding for enrolled students enduring financial hardships. In the 2023 academic year, we were able to support the Couture Council, FIT Circle and the Annual Fund. Nordstrom also underwrites an annual fundraiser for the Museum at FIT during New York Fashion Week, enabling the museum to remain open and free for all visitors.

"I believe winning the Nordstrom x FSF Scholarship has become a pivotal factor in my journey as a fashion designer. The mentorship I have received and the relationships I was able to build have been a very important part of my life. This scholarship has helped me continue to open so many doors and helps me to continue moving forward."

 Jakarie Whitaker, two-time Nordstrom x FSF scholar, and Hikari no Yami designer

#### **INVESTING IN KEY CITIES**

Nordstrom's social impact philosophy is to invest in communities where we operate. Two of our largest markets in terms of employee presence are Seattle, our hometown, and New York City.

#### SEATTLE, OUR HOMETOWN

Nordstrom has been a staple in the Seattle community for over 100 years. Our respect and love for our hometown and its people is what drives our passion for social change and impact.

#### Junior Achievement of Washington

We are proud to partner with several Seattle organizations that focus on improving access and quality in education.

The Junior Achievement of Washington is one of the largest financial education agencies in the state for youth. Each year, thousands of students across Washington visit the Junior Achievement facility in Auburn to learn vital life skills connected to finance and career readiness. Nordstrom is pleased to continue our partnership with Junior Achievement of Washington focused on their Finance Park programming tailored to K-8th graders, as well as their BizTown programming for older students.

"We are so grateful for an engaged and community-minded partner like Nordstrom! Nordstrom volunteers have been amazing — acting as mentors for students and inspiring them to not only achieve in their careers, but also to give back to the community by sharing time and resources, something Nordstrom employees actively model. Nordstrom's philanthropic efforts are absolutely making the world a better place."

-Heather Longhurst, Corporate Partnerships Development Manager Last year we were proud to be a diamond sponsor of the Dare to Dream event, Junior Achievement of Washington's biggest fundraiser of the year at T-Mobile Park, which includes inspirational student and educator stories as well as live and online auctions of unique items and experiences.

#### **Rainier Scholars**

In 2023, Nordstrom was pleased to provide in-kind space to Rainier Scholars to host their annual Career Expo. The event brings together recruiters, mentors, and high school and college age scholars to Nordstrom's flagship store in downtown Seattle for a day of workshops and learnings for students across the state.

"Rainier Scholars is continually grateful for the support that Nordstrom provides, dating all the way back to 2006. In 2023, Nordstrom not only sponsored our annual luncheon, but also hosted our Career Expo, which provided a welcoming space to engage in meaningful discussions about navigating and advancing in the workplace as first-generation college graduates of color. We are so thankful for Nordstrom's unwavering commitment to educational equity and providing meaningful support to our program, staff and scholars."

-Sara Jackson, Director of Career Development

In addition to hosting the Career Expo, Nordstrom provides an unrestricted grant for general operations and programming support of Rainier Scholars' mission to cultivate academic and leadership potential of underestimated students, directly contributing to transformative opportunities that increase college graduation rates and empower new generations of leaders. Our funding helps to support their general programming which focuses on academics, leadership development and personalized support.

#### United Way of King County

We are also proud to continue to partner with the United Way of King County in support of various initiatives, including the Bridge to Finish program, which provided immediate resources to over 5,700 college students, including emergency funding for food, assistance applying for scholarships, and budgeting and building financial literacy.

Part of this donation was also in support of the Blake Nordstrom Basic Needs Scholarship which awards funds to 20 low-income college students, nearly all of whom are the first in their families to go to college, are parents supporting their families, and have experienced food and housing insecurity.

"The Blake Nordstrom Scholarship has provided financial relief, allowing students to replace broken laptops, pay for school supplies, cover rent, pay off debts and meet other essential expenses. The scholarship has been described as a life-changing opportunity for some recipients, without which they might have had to drop out of school."

-Emily Portillo, Senior Program Manager, Bridge to Finish at United Way

#### Friends of Waterfront Seattle

In 2023, we continued to support Friends of Waterfront Seattle, part of a \$1 million commitment over five years to help build the future Waterfront Park in Seattle, a development that will offer open space and free community events along 20 acres of urban shoreline. The park is expected to open to the community in early 2025.



#### NEW YORK

Over the past five years since opening our NYC Flagship, we've been excited about how the NYC community has embraced the Nordstrom stores and brand. As the fashion capital of the U.S., NYC is home to a number of our partners who are connected to our goal of diversifying the fashion industry.

#### Good+Foundation

Since 2019, Nordstrom has partnered with Good+Foundation, an organization that seeks to dismantle multigenerational poverty by pairing tangible goods with innovative services for low-income parents across the U.S. Started in NYC, Good+Foundation originally focused on giving new life to gently used baby products for expecting families. Now, they partner with companies like Nordstrom to give new products to low-income families and have become a leading partner for diaper banks across the U.S.

With a strong focus on supporting communities in NYC, Good+Foundation is an important partner that enables Nordstrom to support families in one of our key markets. In 2023, our donation helped launch Good+Foundation's family cash grants, which support families in covering critical expenses, as well as host special Santa Breakfasts in New York and Los Angeles for program families. "Since 2019, Nordstrom has provided comprehensive support to Good+Foundation and has played an instrumental role in driving positive change for the under-resourced families we serve. Through a true 360 partnership, Nordstrom strengthens our mission on multiple fronts including hosting meaningful experiences for families at Nordstrom locations, donating essential goods and volunteering at our warehouses."

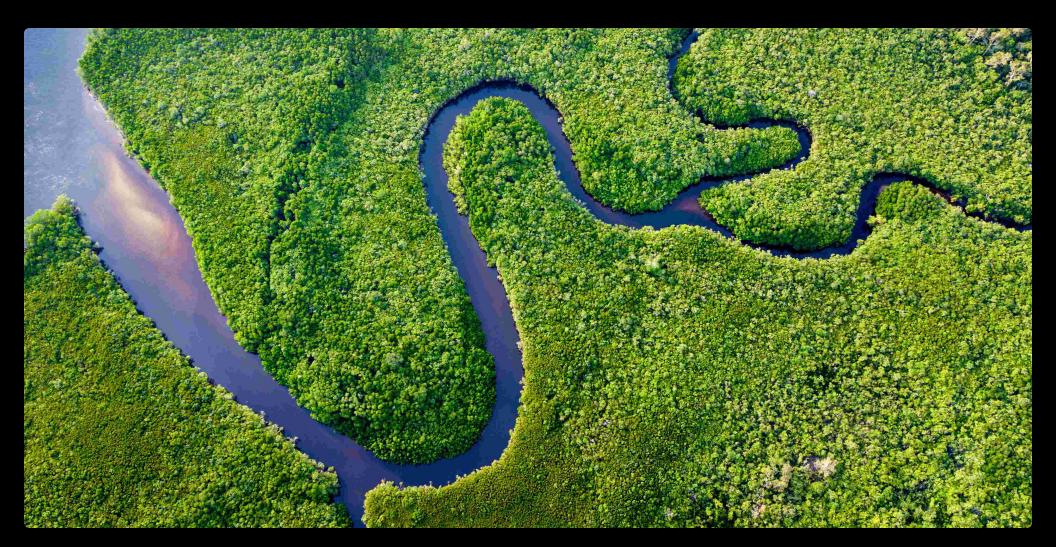
- Katherine Snider, CEO of Good+Foundation

Nordstrom gave over \$4,650,000 in products and programmatic support to Good+Foundation in 2023 and we are excited to bring more to expecting families in 2024 with a focus on product donations and direct support for Good+Foundation programming.

#### **COMMUNITY IMPACT IN FY24**

We are focused on deepening our impact through employee engagement and amplifying employee voices as part of our employee-led giving. We are also scaling our key partnerships to more widely cover our operational footprint. With these efforts, we aim to both go broader and deeper in the communities in which we operate.





# Planet

One of the ways we aim to leave the world better than we found it is through delivering on our 2025 environmental goals. Our work emphasizes climate action with assessment across our value chain to reduce our contribution to the climate crisis. We are also committed to understanding and managing other direct environmental impacts, with initiatives to reduce the plastic waste related to the products we sell and waste from beauty packaging.

# **Climate Action**

#### SETTING SCIENCE-BASED TARGETS

At Nordstrom, we recognize the role we must play to reduce our emissions and help prevent the average global temperature from rising above 1.5 degrees (from pre-industrial levels). We are on a path to not only change the way we operate and serve customers, but also to join brands and peers in driving meaningful climate action and real change within the fashion industry. We are actively working to combat climate change by reducing our greenhouse gas (GHG) emissions across scope 1 (emissions from sources we own or control), scope 2 (emissions from purchased electricity, heat and cooling) and scope 3 (indirect emissions associated with the products we sell and our business partners' operations).

We are using science-based targets to align with our industry and join the collective effort to drive greater positive change. With the help of Quantis, a global environmental consultancy, we conducted in-depth assessments of our brand assortment and business operations to set our science-based GHG emissions reduction targets. Our work included calculating our GHG inventory, identifying the appropriate target for GHG reductions and developing a roadmap of changes toward a low-carbon economy. Throughout this process, we engaged various leaders across Nordstrom's business units to understand how we will implement our roadmap as we work toward these reductions.

We are proud to share that at the end of 2023, Nordstrom's GHG emissions reduction targets were accepted and validated by the <u>Science Based Targets</u> <u>Initiative</u>. Nordstrom commits to reducing absolute scope 1 and 2 GHG emissions by 42% by FY2030 from a FY2021 base year. Nordstrom also commits to reduce absolute scope 3 GHG emissions from purchased goods and services and upstream transportation and distribution by 42% within the same timeframe.

#### **EMISSIONS REDUCTIONS**

Nordstrom has modeled and reported its scope 1 and 2 emissions since 2010 through CDP, formerly the Carbon Disclosure Project. As part of our GHG emissions efforts, we are continuously working to increase the quality and accuracy of our data. In 2023, we completed our second full GHG inventory across scopes 1 through 3 and will continue annual reporting with the CDP. In 2023, we continued our focus to reduce electricity consumption in our facilities. In previous years, we conducted energy audits, increased real-time interval data from utilities, created tighter operational schedules, staggered HVAC scheduling, and updated to more efficient equipment for HVACs and lighting across all retail and supply chain locations. Last year, our efforts included prioritizing the use of real-time data management and reports that better enable best practices to be shared across locations in similar operational and climate areas.

## SCOPE EMISSIONS

Year	Scope 1	Scope 2 (Location)	Scope 2 (Market)	Scope 3
2019	46,521	186,379	151,757	
2020	40,163	155,984	140,059	
2021	35,541	188,023	141,590	
2022	22,717	194,336	184,472	3,427,037
2023	26,426	178,484	151,895	3,146,421

# OUR CLIMATE ACTION PARTNERS

#### Clean Air Task Force

Recognizing our part in a broader industry effort to decarbonize shipping, we provided a \$110,000 grant to the <u>Clean Air Task Force</u> (CATF), a global nonprofit organization working to catalyze the rapid development and deployment of low-carbon energy and other climate-protecting technologies. This donation supports CATF's work to decarbonize marine shipping by shifting to zero-carbon shipping fuels like hydrogen and ammonia.

#### Apparel Impact Institute

In 2023, we provided a \$100,000 donation to the <u>Apparel Impact Institute</u>, an organization aimed at transforming the apparel and footwear industry by identifying, funding, scaling and measuring proven solutions and programs that decrease carbon emissions. Our donation supports the Apparel Impact Institute's work in conducting country- and region-specific research, helping the industry deploy decarbonization solutions and foster critical relationships.

#### **CLIMATE ACTION IN FY24**

With the approval of our science-based GHG reduction targets, we plan to focus our efforts on executing our roadmap and tracking progress against our targets. We also plan to grow our climate-focused industry collaboration through our partnership with the Apparel Impact Institute.

## **Understanding Our Environmental Impact**



In order to better understand our broader environmental impact, including the effect of our operations and products on biodiversity and water consumption, we are improving our environmental due diligence.

In 2023, we worked with Quantis to conduct our first environmental impact assessment with guidance from the Science Based Targets for Nature standards, which focus on waste, water and nature-related topics. To assess our business' impact on nature, we examined our operations through the lenses of land use, water consumption, water quality, soil pollution and biodiversity.

The assessment highlighted key areas of focus for our business: our private label's use of preferred fibers, management of wastewater in the communities where our suppliers manufacture products, and the impacts of water stress in our operations.

To gain a deeper, more precise understanding of the environmental impact from our private-label supply

chain, Nordstrom uses the Higg Facility Environmental Module (FEM). This tool covers energy use, greenhouse gas emissions, water use, wastewater, waste management and chemical management and allows us to understand the environmental impacts of our Nordstrom Made private-label Tier 1 suppliers. The learnings we gain from Higg, which is also the primary tool we utilize to calculate scope 3 emissions for our Nordstrom Made product, allow us to partner with our suppliers and offer strategic guidance on improvements that can be made within the supply chain.

In 2023, the percentage of our suppliers that completed the Higg FEM assessment increased while the percentage of suppliers completing verification of their assessment decreased slightly.

In the coming year, these findings will inform our biodiversity and operational water management strategies.

	2022	2023	
NPG suppliers that completed Higg FEM	87%	94%	
NPG suppliers that completed verification	49%	46%	

#### **RESTAURANT GROUP**

Our Restaurant Team is committed to offering our customers a range of high-quality foods and beverages made with ethically sourced ingredients. We try to partner with suppliers that share our commitment to sustainability, take efforts to reduce their carbon footprint, and seek to empower women-owned businesses. Each month, our restaurants highlight a different ingredient, dish, product or practice such as organic farming. Whenever possible, we use local, organic produce and feature seasonal ingredients on our menus so we can support local farmers, minimize emissions and provide customers with the freshest foods.

For example, we only use cage-free eggs, sell wild-caught Mexican shrimp from Del Pacifico Seafoods, and source wild-caught Alaskan salmon from the Alaska Seafood Marketing Institute, a company committed to the future health and resiliency of fish populations and the surrounding marine ecosystem through science-based resource management. Likewise, Del Pacifico Seafoods' mission is to produce the world's highest-quality seafood using the most sustainable methods of harvest and processing that exist today. Their shrimp-catching process uses turtle-free nets and has the lowest bycatch and fuel consumption per pound in the world.

The coffee brewed at Nordstrom comes from farms that support sustainable production, treat workers fairly and protect the environment. We're also proud to feature a selection of women-produced coffees in our stores and online throughout the year.

Finally, the cocoa we source is from farmers supported by the Cocoa Horizons Foundation, an impact-driven program focused on cocoa farmer prosperity that helps build self-sustaining farming communities to protect nature and children. The Cocoa Horizons Foundation is committed to a deforestation-free, carbon-positive cocoa supply chain, a type of harvesting strongly linked to lifting farmers out of poverty.

## MCBRIDE SISTERS WINE COMPANY

Founded by real-life sisters Robin McBride and Andréa McBride John, McBride Sisters Wine Company, served in 88 of our locations, is the largest Black-owned and women-founded wine company in the United States. In 2023, McBride Sisters Wine Company became Certified Carbon Neutral and offset their 2022 carbon emissions by purchasing carbon credits from projects around the world that are focused on environmental, social and economic equity for historically marginalized communities.

#### **ENVIRONMENTAL IMPACT IN FY24**

As our environmental program continues to mature, we are developing internal targets and strategies to address additional areas of impact such as water conservation and protecting biodiversity. We will build programs to educate internal and external business partners, and track progress quantitatively. Additionally, with more verified data from our suppliers through the Higg FEM assessment, we will work together to reduce emissions across our supply chain.



## Waste



In recent years, there has been a rise in the percentage of consumers within the United States avoiding buying products with excessive plastic packaging. As a retailer, much of our waste generation comes from our products, packaging and operations, and we recognize the reduction of plastic waste as an area of opportunity for Nordstrom. Our goal is to reduce our single-use plastics by 50% by 2025. Through strategic packaging changes in our operations, we met our 2025 goal in 2022, three years early. The work continues to manage this reduction as new plastics enter the business. We continue to reduce plastic waste by:

- Using thinner claim and garment bags, stretch film and poly mailers
- Using paper bags for Nordstrom Rack shopping bags (in 2022, we fully transitioned all Rack shoppers from plastic to paper. In 2023, we moved away from white paper bags, which are comprised of 40% recycled content, to natural kraft, which is comprised of 100% recycled content)
- Using paper padded mailers to replace a small portion of boxes for outbound packaging to stores and beauty fulfillment centers
- Adding short shopping bags for Nordstrom and Nordstrom Rack stores, giving sales associates an option that better suits smaller purchases
- Adding paper shoppers that are reusable and
  water-resistant to Nordstrom and Nordstrom Rack stores

Furthermore, in 2023, we expanded our use of water-activated tape. This paper-based tape reduces the use of single-use plastic tape and is curbside recyclable. Through this expansion, we expect that over the course of a year we will be able to reduce our need for single-use plastic tape by 40 tons.

In our restaurants, we partner with suppliers who share our sustainability and social responsibility commitments around plastics and renewable materials. We continue to use strawless lids in our Ebars, only supply straws to customers upon request, and are committed to investigating alternative materials to replace plastic cups for cold drinks. For to-go orders, we verify that customers need disposable serviceware before providing it and have fully transitioned from plastic to paper bags. To-go food containers are either fully compostable within 180 days in commercial composting facilities or follow industry standard plastic recycling guidelines.

#### WASTE IN FY24

Moving forward, our packaging team is working to right-size packaging options in our supply chain, avoiding unnecessary waste where possible.



# Product

As a retailer, we connect to our customers through the products we make and sell. We want our customers to have an opportunity to purchase products that support causes they care about, come from new and diverse designers and align with their values. We are also focusing our efforts to address systemic challenges in the fashion industry, such as the short active lifespan of clothing, through our refurbishment and alteration services that enable our customers to enjoy their products for as long as they can. Lastly, we collaborate with our peers to support changes that must be driven at an industry level, including textile waste recycling infrastructure.

### **Moving Toward Preferred Fibers**

The fashion industry relies on biodiversity for raw materials and their initial processing. These materials used in the products we make also have the potential to contribute to broad environmental and social impacts such as water stress and pollution and climate change. To better protect the environment and local communities, we aim to use preferred fibers in Nordstrom's private-label products.

Using our fiber portfolio as a guide, we identified significant opportunities to reduce our environmental footprint related to biodiversity, soil health, water consumption and forestry by implementing thoughtful cotton sourcing and specific criteria to identify preferred wood-based fibers. Our work in 2023 focused on refreshing our strategies for these materials.

To address the impacts of conventional cotton farming, Nordstrom became a Better Cotton member in 2023. Through its implementing partners, Better Cotton trains farmers to care for the environment and respect workers' rights and well-being. We view this partnership as a key lever to sourcing more sustainable cotton for our products and promoting improved cotton agriculture on a global scale.

We aim to reduce deforestation, energy consumption and hazardous wastewater related to wood-based or manmade cellulosic fibers (MMCFs) and the processing required to create these fibers. We identify preferred MMCFs as those ranked with a dark green shirt icon and use of closed loop chemical management on the Canopy Hot Button Report.

#### Examples of Nordstrom-approved preferred fibers\* include:

- Certified regenerative, organic, recycled cotton or Better Cotton
- Certified generic or branded recycled polyester
- Dark green shirt rated brands that also have a chemicals & emissions score of 1 or more in the Canopy Hot Button report

\*We regularly review materials and sourcing programs to improve our preferred fiber list.

In 2023, preferred fibers were used in nearly 15% of our Nordstrom Made apparel that was made primarily of cotton, polyester and manmade cellulosic fibers. While the emphasis for our preferred fibers goal for Nordstrom Made products is on cotton, polyester and MMCFs, we also support the use of more sustainable materials, sourcing methods and production through our updated Nordstrom for Good criteria. With an emphasis on industry-recognized standards and certifications — including preferred fibers (as well as animal fibers, chemical management and responsibly mined gemstones) — we aim to support organizations and activities that reduce the negative social and environmental impacts of the fashion industry.

### FIBERSHED

In 2023, Nordstrom donated to Fibershed, a nonprofit developing farm-forward textiles that are 100% biodegradable and provide meaningful livelihoods along the value network of textiles domestically. Our donation supported Fibershed's <u>Climate Beneficial Agriculture Program</u>, a project aimed at working directly with producers to implement land management practices that build soil carbon and increase productivity naturally. The program is in the process of scaling from North Central California to farming communities across the Southeast, Northeast and Northern Great Plains.

Producers in the program collectively implemented a total of 150 carbon farming practices, resulting in an estimated 17,905 Mg CO2e sequestered and 23,677 Mg CO2e drawdown projected over the next 20 years. Our partnership has also enabled Fibershed to enter national partnerships and receive investment from the USDA to further amplify the impacts of this work.

#### **PREFERRED FIBERS WORK IN FY24:**

We are focused on increasing our use of Better Cotton in Nordstrom Made products, promoting an uptake in preferred MMCFs, and reducing our reliance on conventional polyester.



### Nordstrom for Good

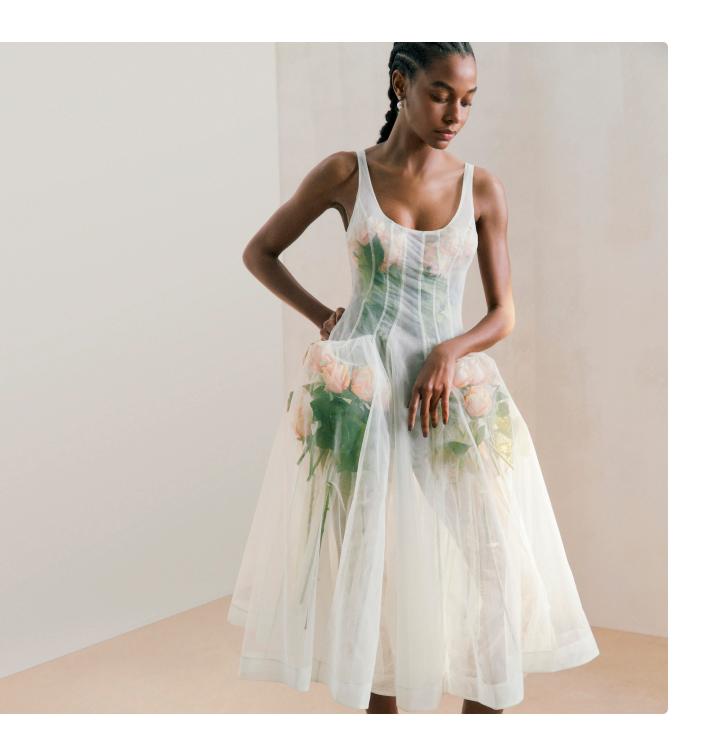
At Nordstrom, we are working to ensure that customers seeking eco-friendlier and socially responsible options have a diverse selection of products made from preferred materials or produced through responsible practices available to them.

Since 2019, we have made it easy for customers to find products that align with their values through the introduction of Sustainable Style on Nordstrom.com. As we continue our work in this area, our Sustainable Style program will now be called Nordstrom for Good, which encompasses a new scope and continued rigor for the products that qualify within this category. Our biggest adjustment to the program now requires verification of the claims brands are making to be considered as part of the Nordstrom for Good assortment. This will largely be completed through our partnership with Bureau Veritas and the use of their OneSource platform. We also worked to align with industry-recognized certifications and standards. Finally, we have refocused our program on four key areas: preferred materials, responsible manufacturing and sourcing, preferred ingredients, and packaging for the beauty category.

Our goal is for 15% of our online assortment to qualify for Nordstrom for Good by 2025. In 2023, we saw an increase in progress toward our 2025 goal, with nearly 7% of total online assortment qualified under the Sustainable Style requirements for the first half of the year. With our evolution to Nordstrom for Good, we paused measurement during the latter half of 2023 and expect that future progress may not be linear given the updated program.

#### NORDSTROM FOR GOOD IN FY24

We implemented significant changes to our Nordstrom for Good program in 2023 and expect to continue working toward making 15% of our online assortment qualify for this designation in FY24.



## **Circular Economy**

Over the last 25 years, clothing sales across the fashion industry have increased while the average number of times a garment is worn before it ceases to be used has decreased. We recognize the importance of a circular economy to better use resources and raw materials and keep them in circulation as long as possible.

We are actively exploring this work and focusing our efforts on circularity principles for both clothing and product packaging. Our work emphasizes extending the life of clothing through repair and refurbishment, donation or resale channels and, when necessary, downcycling to divert products from landfills. We are also focused on collecting and recycling packaging from beauty products to find new purposes for materials that would otherwise become a waste stream.

#### **CLOTHING LIFE EXTENSION**

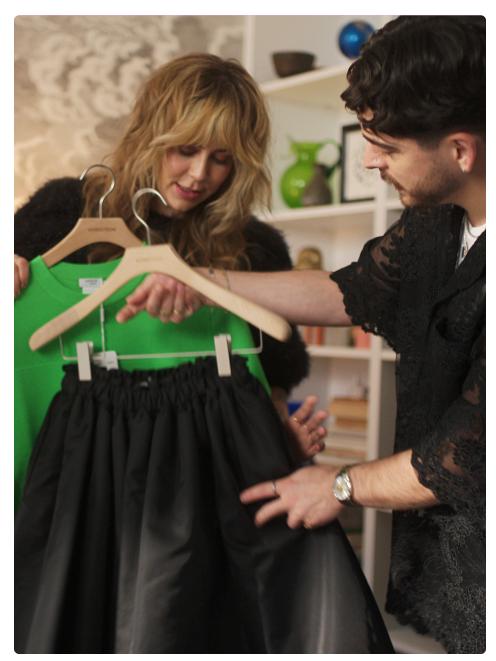
One of the most impactful ways consumers can support a circular economy is by extending the life of clothing, footwear and jewelry through repair, refurbishment and reuse. Nordstrom offers a suite of services to facilitate a longer active life for these items through repurpose, resale or donation channels.

Our dedication to customer service extends to all aspects of our in-store experience, including for products that have come to the end of their life. Through Nordstrom's refurbishment offerings, customers can refresh their current fashion items to keep them in use longer. To carry out these efforts, Nordstrom employs the largest team of professional tailors in the U.S. Our team can help customers keep their items in use longer by refitting, adjusting hemlines, adding pockets, customizing garments with embellishments, repairing zippers and reinforcing seams. Watch Nordstrom's Director of Tailoring and Repair Services' feature on a <u>local news</u> <u>network</u> for more on the tailoring and refurbishment options Nordstrom provides to our customers. Clothing donation is another way we support circular economy, with donation sites available in selected store locations with our partner Give Back Box. All donations are directed to local nonprofit partners, where they are sold to support community programs like job training, education and access to healthcare.

Since 1998, the passionate Nordstrom Quality Center (NQC) team has worked to repurpose damaged or returned products and divert waste from landfills. Sellable goods may be refurbished and sent to Nordstrom Rack or our Last Chance stores in Phoenix and Chicago. Items that don't meet our selling-floor standards are sold to jobbers, who then resell the items for other uses. Listen to our <u>Nordy Pod episode "Last Chance</u>" for a deep dive into what happens with merchandise that doesn't sell at Nordstrom or Nordstrom Rack.

### LANDFILL DIVERSION Through circularity

According to the U.S. Environmental Protection Agency (EPA), one of the main sources of textile waste in municipal solid waste is discarded clothing. Although some of this waste is reused, it is estimated that as much as 85% of this textile waste ends up in landfills. We aim to divert and prevent clothing items from ending up in the landfill through our clothing donation program, alterations and repair services, employee sample sales and the work of our NQC. In 2023, we saved over 400 tons of clothing from landfills, of which approximately 240 tons of clothing were saved via NQC, over 150 tons via alterations and refurbishment, nearly 13 tons via donations, and 1.2 tons of clothing donated via our private-label brands. Since inception, we have taken back over 1,000 tons of clothing that would have otherwise ended up in landfills.





#### BEAUTYCYCLE

Back in 2020, we were the first major retailer to launch an in-store beauty take-back and recycling program, BEAUTYCYCLE, in response to customer and employee feedback around beauty product packaging and limited channels for recycling. Through our program, now available in all Nordstrom, Nordstrom Local and Nordstrom Rack stores in the contiguous U.S., we accept all brands of hard-to-recycle beauty packaging, regardless of where items were originally purchased. By utilizing BEAUTYCYCLE, customers can responsibly recycle waste materials that aren't typically accepted in municipal recycling bins. Our aim is to take back 100 tons of beauty packaging by 2025. At the end of our 2023 fiscal year, we had collected more than 30 tons of beauty packaging. Since the program's inception, we have taken back more than 50 tons of beauty packaging and are on track to meet our 2025 goal. Our Downtown Seattle flagship store had the highest level of tonnage collected through our BEAUTYCYCLE program.

We work with a third party to support our effort to keep resources in use beyond their initial purpose. This process starts with sorting beauty waste items, then cleaning and recycling wasted packaging into new products ranging from watering cans to park benches.

#### OUR PARTNERS FOR CIRCULAR ECONOMY

#### Fashion for Good

Recognizing the challenge textile waste presents to our environment and the fashion industry, Nordstrom supports Fashion for Good's "Sorting for Circularity USA" project alongside recycling consultancy Resource Recycling Systems (RRS) and a select group of prominent U.S.-based retailers and brands. Fashion for Good is a global innovation platform that supports access to funding and expertise, and collaboration with brands and manufacturers to scale and accelerate supply chain implementation.

Sorting for Circularity highlights opportunities that could accelerate textile recycling by developing the most representative snapshot of textile waste generated in the U.S. The goal of this work is to build the business case for textile-to-textile recycling and unlock the investments necessary to scale collection, sorting and recycling innovations in the U.S.

"Fashion for Good's mission thrives on partnerships with visionary industry leaders like Nordstrom, whose dedication to sustainability and pioneering innovation is paramount. Through initiatives like Sorting for Circularity USA, we're harnessing the power of collaboration to drive real change in the industry. Together, we're pioneering innovative solutions, quantifying environmental impacts and forging partnerships that pave the way for a more sustainable future."

- Katrin Ley, Managing Director at Fashion for Good

#### Forum for the Future

In 2023, Nordstrom partnered with Forum for the Future (Forum), a leading global sustainability nonprofit that uses expertise in futures and system change to help catalyze change on key global challenges. Together with Forum, we developed a thought piece about extending the life of clothing through refurbishment and alteration, highlighting the environmental benefit of holding on to clothes longer. The piece includes a futures scenario and recent data and trends around the climate impacts of extending the life of clothes. As part of this work, Forum interviewed our tailors, explored innovative practices and learned more about consumer behaviors that support clothing repair and refurbishment.

The piece has been used as a thought starter to inspire discussions about longer-term waste reduction and circular economy planning.

#### **CIRCULAR ECONOMY IN FY24**

We are beginning to explore the options we have in extending our circular economy efforts to the fabric scraps generated by our clothing refurbishment offering. We are also focusing our BEAUTYCYCLE program on sorting and cleaning the beauty waste items received to recirculate the items as beauty packaging. In 2024, we seek to increase the number of items that are reused for beauty packaging as part of our BEAUTYCYCLE program.

### **Diverse & Inclusive Product Assortment**

#### **DIVERSIFYING OUR PRODUCT ASSORTMENT**

We signed the Fifteen Percent Pledge in 2021 and have continued our ambition to buying 10x more merchandise from Black-owned or -founded businesses by 2030.

In 2023, our total offering of Black, Hispanic and Latinx-owned or -founded brands reached 231. We conducted our second annual Black Business Month campaign in August where we supported and recognized Black businesses nationwide and expanded our #BuyBlack Market pop-ups to 12 Nordstrom stores. Curated in partnership with The Fifteen Percent Pledge, we invited local businesses to pop up with us throughout the month in New York City, Atlanta, Charlotte, Durham, Houston, Dallas, Chicago, Los Angeles, Seattle, Miami and Washington, DC.

We also held events during Hispanic and Latinx Heritage Month. These included inviting customers to enjoy collaborative dishes with award-winning pastry chef and social justice advocate Chef Paola Velez under her lifestyle brand Doeki Doeki and hosting pop-ups in our New York City and Los Angeles stores that featured local Hispanic and Latinx businesses throughout the month.

Furthermore, we launched new website capabilities that enable customers to easily identify products by brands that are Asian, Pacific Islander, Black, Hispanic or Latinx-owned or -founded. Beyond providing a diverse product offering, our work is intended to inspire a sense of discovery for both new and existing customers when they visit Nordstrom.

#### The Folklore Group

Nordstrom became a retail partner of The Folklore Group in 2023 to bring the best in global fashion closer to our customers. Through The Folklore Connect platform, a first-of-its-kind e-commerce tool, Nordstrom is better able to identify and engage in wholesale partnerships with diverse and global fashion and lifestyle brands, as well as brands located in emerging markets. In 2023, we supported the launch of several emerging brands discovered on the platform.

"Nordstrom has been thoughtful and strategic about how they approach partnering with The Folklore. They are really invested in introducing more diverse brands and learning how best to work with them so that these brands can succeed long term."

- Amira Rasool, CEO of The Folklore Group

#### Harlem's Fashion Row

Nordstrom has partnered with Harlem's Fashion Row (HFR), an agency that connects brands with designers of color, and its nonprofit arm ICON360 for several years. We have engaged with the agency on key events including their annual Fashion Show and Style Awards and HBCU Professor Retreat.

"Nordstrom's commitment to fostering diversity and inclusion has enabled ICON360 to make tangible impacts, from hosting transformative retreats to providing educational materials that celebrate the rich diversity of designers of color. This partnership is not just about collaboration; it's about driving lasting change and building a more inclusive future for all aspiring fashion professionals."

- Brandice Daniel, CEO and Founder of Harlem's Fashion Row and ICON360

#### Gold House

We renewed our support for Gold House in honor of AAPI Heritage Month. Gold House is the leading AAPI changemaker community advocating for socioeconomic equity. Renewing our contribution aligns with our strategy of partnering with national nonprofits focused on supporting racial equity and underrepresented or marginalized communities.

#### **OUR PROGRESS**

While Nordstrom participated in many events and programs that foster a diverse and inclusive product assortment in 2023, we learned that additional actions are needed to resource and operationalize the achievement of our 2025 DEIB ambitions in this area.

In 2020, we set the ambition to deliver \$500 million in retail sales annually from brands owned, operated or designed by Black, Hispanic or Latinx individuals by 2025. In 2022, we showed progress toward this ambition, reaching \$245+ million in retail sales and exceeding our interim goal by 24%. In 2023, we delivered nearly \$190 million in retail sales; while this did not meet our interim goal, it has provided us with valuable insights to refine our strategies moving forward.

#### **DIVERSE & INCLUSIVE PRODUCT ASSORTMENT IN FY24**

We are constantly sourcing new and emerging brands to curate our assortment with the intent to provide a diverse product offering that meets varying customer needs.









NORDSTROM

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 2023. Additional information is available in content on nordstromcares.com.

Торіс	Activity Metric	Category	Unit of Measure	Code	Response
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	N/A	CG-AA-250a.1	Nordstrom follows the AFIRM Restricted Substances List with all Tier 1 suppliers within our private-label supply chain. Product scope includes Apparel, Footwear, Accessories, Jewelry, Sporting goods equipment, Wearables, and Home Textiles. Additionally, we partner with Source Intelligence to conduct an annual survey for conflict minerals (tin, tungsten, tantalum, gold) of all Tier 1 manufacturer suppliers in our private-label supply chain. We conduct testing and reporting for individual state restricted substances for Nordstrom Made products. <u>Nordstrom Conflict Minerals Report</u> <u>AFIRM RSL</u>
	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	Nordstrom notifies private label suppliers of our chemical safety requirements through our supplier site, Supplier Guidelines, and PO Terms and Conditions. Our suppliers are required to acknowledge and comply with these standards. We use 3rd party testing to monitor compliance with global chemical regulations and Nordstrom's Restricted Substance List (AFIRM) on all products and product components.

Торіс	Activity Metric	Category	Unit of Measure	Code	Response
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with	Quantitative	Percentage (%)	CG-AA-430a.1	In our supplier assessment program, we aim to assess 100% of our private-label Tier 1 suppliers, using multiple tools to gain this visibility.
	wastewater discharge permits and/or contractual agreement	In 2023, through Worldly Facilities Environmental Module (FEM), 94% of our Tier 1 private-label suppliers assessed and 46% received verification of which wastewater management is included.			
	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	In 2023, 94% of Nordstrom Made suppliers used the Worldly Facilities Environmental Module (FEM), and 46% of these suppliers were verified.
	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities 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	In 2023, 65% of audits were conducted to Nordstrom's labor code of conduct, 11% were audited to BetterWork's SLCP assessment, 8% were audited to SMETA, and 39% were audited to the verified FSLM module shared via the HIGG platform. In the Impact Report under PEOPLE > HUMAN RIGHTS > Social Compliance Tools, we state the extent to which we reduce audit duplicity/fatigue via SLCP and BetterWork assessment acceptance.

Торіс	Activity Metric	Category	Unit of Measure	Code	Response
Labor Conditions in the Supply Chain	Priority nonconformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.2	In 2023, we conducted a total of 168 factory audits. Nordstrom's supplier compliance auditing program operates on a continuous improvement model as we work closely with our suppliers over a manageable timeline to come into compliance with our expectations. We found 1,014 nonconformance findings within our Tier 1 supply chain by the end of 2023's fiscal year. As a Nordstrom operating standard, suppliers are required to create a corrective action plan for all identified supplier noncompliance findings. Therefore, all findings are subject to corrective action. Furthermore, Nordstrom prioritizes the prompt remediation of priority nonconformances; violations with the highest severity scoring. By the end of 2023: 100% of priority nonconformance findings were fully remediated, 27% of all nonconformance findings were fully remediated, 27% of all nonconformance findings remain pending with suppliers actively implementing plans to remediate, and 27% of nonconformance findings remain issues that are systemic in nature and require continuous improvement beyond a 1 year or 6-month timeframe. In 2023, no contracts were terminated with suppliers as a result of PCOC nonconformance. Although our supplier operations revolve around a continuous improvement and partnership-based philosophy, Nordstrom cannot ensure that business may not be impacted for Zero Tolerance and/or irreconcilable issues. In the event of contact termination as a result of PCOC nonconformance, Nordstrom strives to minimize the negative impact to those working within our supply chain and reduce disruption to the Supplier's business as much as possible.

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Labor Conditions in the Supply Chain	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Quantitative	N/A	CG-AA-430b.3	Nordstrom monitors the labor and environmental, health and safety risks in the Nordstrom Made supply chain through our social compliance auditing program that is focused on continuous improvement. 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.
Raw Material Sourcing	Description 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 materials, including more sustainable cotton, recycled polyester and more sustainable cellulosic fibers.
Supply Chain	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	Number	CG-AA-000.A	Tier 1: 274 mills Tier 2: 270 mills

Торіс	Activity Metric	Category	Unit of Measure	Code	Response
Energy Management in Retail and Distribution	(1) Total energy consumed, (2) percentage grid electricity,	Quantitative	Gigajoules (GJ), Percentage (%)	CG-MR-130a.1	The total amount of energy Nordstrom consumed in 2023 was 2,262,739 GJ.
(3) percentage renewable	The percentage of energy Nordstrom consumed that was supplied from the grid was 81.76%.				
					The percentage of energy that Nordstrom consumed from renewable resources was 10.20%.
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	N/A	CG-MR-230a.1	Nordstrom has comprehensive privacy and information security programs and dedicated teams that work to identify and address privacy and security risks associated with our data. We have implemented measures to help prevent a breach of our information and comply with cybersecurity requirements and best practices through 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 privacy and information security programs are overseen by our Chief Technology and Information Security Officer, who reports to our Chief Executive Officer.

Торіс	Activity Metric	Category	Unit of Measure	Code	Response
Product Sourcing, Packaging & Marketing	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	N/A	CG-MR-410a.3	As a retailer, we generate a significant amount of waste from our products, packaging and operations. To tackle this problem, we set a goal to reduce our single-use plastics by 50% in 2025. With our focus and commitment to this challenge, we made strategic packaging changes in our operations:
					<ul> <li>Replacing our plastic Nordstrom Rack shopping bags with paper bags.</li> <li>Addition of water-activated tape at FCs, with approx. 200 machines purchased. FCs transitioned from poly tape (single-use plastic) to a paper/carbon fiber tape which is curbside recyclable.</li> <li>Right sizing and switching to thinner claim bags, garment bags, stretch film and poly mailers.</li> <li>Adding short shopping bags to our assortments in Nordstrom and Nordstrom Rack stores, giving salespeople an option that better suits smaller purchases and reducing paper usage.</li> <li>Addition of Paper Padded Mailers to packaging suite. Product to eliminate need of small boxes to drive less material and carbon footprint.</li> <li>We have made reductions in the carbon impact of our packaging by:</li> <li>Sourcing Rack paper bags domestically rather than internationally, thereby reducing the carbon footprint of shipping activity. Production in Southwest, Southeast and Northeast.</li> <li>Reducing the paper tonnage of our full-line bags and sourcing domestically. Additional projects:</li> <li>We have also moved Rack paper shopping bags from white kraft to natural kraft. 40%PCW to 100%PCW.</li> <li>Increased PCW in mailers from 40% to 80%.</li> <li>Eliminated packaging products with laminate and non-water-soluble inks from suite.</li> </ul>

Торіс	Activity Metric	Category	Unit of Measure	Code	Response
Operational Facilities	Number of (1) retail locations and (2) distribution centers	Quantitative	N/A	CG-MR-000.A	2023 Annual Report, page 22-23
	Total area of (1) retail space and (2) distribution centers	Quantitative	N/A	CG-MR-000.B	2023 Annual Report, page 22-23

The Centre for Sustainability and Excellence (CSE) assessed the Nordstrom, Inc. Sustainability Report using the GRI Standards and confirms that they are in compliance level "with reference."

Nordstrom, Inc. has reported the information cited in this GRI content index for the period January 29, 2023, and February 3, 2024, with reference to the GRI Standards.

GRI 1 Used: GRI 1 Foundation 2021

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-1	Organizational details	a. Nordstrom, Inc. b. <u>2023 Annual Report</u> , page 1 c. <u>Our Stores</u>
	2-2	Entities included in the organization's sustainability reporting	<ul> <li>a. <u>Significant Subsidiaries of the Registrant</u></li> <li>b. The same entities included in the consolidated financial statements are included in the (sustainability) impact report.</li> <li>c. <u>2023 Annual Report</u>, page 50</li> </ul>
	2-3	Reporting period, frequency and contact point	<ul> <li>a. This is an annual report, covers the period from January 29th, 2023, to February 3rd, 2024.</li> <li>b. The same reporting period applies to the Company's financial reporting.</li> <li>c. The publication date is: September 23, 2024</li> <li>d. The contact point for the report: <u>CSR@nordstrom.com</u></li> </ul>
	2-4	Restatements of information	a. There are no restatements of information to report.
	2-5	External assurance	a. The report is not externally assured.
	2-6	Activities, value chain and other business relationships	<ul> <li>a. As per the Sustainable Industry Classification System® (SICS®), Nordstrom's Primary Sector is Consumer Goods and Primary Industry is Multiline and Specialty Retailers &amp; Distributors.</li> <li>b. <u>2023 Annual Report</u>, pages 8-9</li> <li>c. <u>2023 Annual Report</u>, page 16</li> <li>d. <u>2023 Annual Report</u>, page 71</li> </ul>

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-7	Employees	<ul> <li>a. Impact Report "<u>Who We Are</u>," "<u>Nordstrom at a Glance</u>,"</li> <li><u>2023 Annual Report</u>, pages 9-10</li> <li>c. The methodology used to compile data is head count.</li> </ul>
	2-9	Governance structure and composition	<ul> <li>a. <u>Board of Directors</u></li> <li>b. <u>Committee Composition</u></li> <li>c. <u>Corporate Governance and Nominating Committee of the Board of Directors</u></li> <li>d. <u>Nordstrom Proxy Statement 2024</u>, pages 26-33</li> </ul>
	2-10	Nomination and selection of the highest governance body	<ul> <li>a. <u>Nordstrom Proxy Statement 2024</u>, pages 16-17</li> <li>b. <u>CORPORATE GOVERNANCE AND NOMINATING COMMITTEE OF THE</u> <u>BOARD OF DIRECTORS CHARTER</u>, section: "DUTIES AND RESPONSIBILITIES" 1.2 &amp; 1.3 <u>CORPORATE GOVERNANCE GUIDELINES</u></li> </ul>
	2-11	Chair of the highest governance body	a. <u>Nordstrom Proxy Statement 2024</u> , page 16
	2-12	Role of the highest governance body in overseeing the management of impacts	<ul> <li>a. <u>Nordstrom Proxy Statement 2024</u>, pages 13-16</li> <li><u>Corporate Governance and Nominating Committee of the BoD Charter</u>, <u>Audit and Finance Committee of the BoD Charter</u></li> <li><u>Nordstrom Proxy Statement 2024</u>, pages 10-11</li> </ul>
	2-13	Delegation of responsibility for managing impacts	a. <u>Nordstrom Proxy Statement 2024</u> , pages 13-15

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-14	Role of the highest governance body in sustainability reporting	a. Impact Report, section " <u>Governance</u> "
	2-15	Conflicts of interest	<ul> <li>a. <u>Corporate Governance and Nominating Committee of the BoD Charter</u>, section "Duties and Responsibilities" 1.12 <u>Code of Business Conduct and Ethics for the Members of the Board of Directors</u></li> <li>b. <u>PARTNER CODE OF CONDUCT</u>, page 4</li> </ul>
	2-17	Collective knowledge of the highest governance body	a. <u>Nordstrom Proxy Statement 2024</u> , page 13-15
	2-18	Evaluation of the performance of the highest governance body	a. <u>Corporate Governance and Nominating Committee of the BoD Charter</u> , section "Performance Evaluation"
			<ul> <li><u>Corporate Governance and Nominating Committee of the BoD Charter</u>, section "Membership"</li> <li>The annual performance evaluations are conducted solely by independent directors.</li> </ul>
			c. <u>Corporate Governance and Nominating Committee of the BoD Charter</u> , section "Duties and Responsibilities" 1.3
	2-19	Remuneration Policies	<ul> <li>a. <u>Nordstrom Proxy Statement 2024</u>, pages 39-43</li> <li>b. <u>Nordstrom Proxy Statement 2024</u>, pages 44-45</li> </ul>
	2-20	Process to determine remuneration	a. <u>Compensation, People and Culture Committee of the Board of</u> <u>Directors Charter</u>

GRI Standard	GRI Number	Disclosure	Location	
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	a. <u>Nordstrom Proxy Statement 2024</u> , page 66	
	2-22	Statement on sustainable development strategy	a. Impact Report, section: " <u>Letter from our Leaders</u> "	
	2-23	Policy commitments	<ul> <li>a. <u>Policies &amp; Commitments</u></li> <li>b. <u>Nordstrom Human Rights Commitment</u></li> <li>c. <u>Policies &amp; Commitments</u></li> <li>d. <u>Nordstrom Human Rights Commitment, section "GOVERNANCE AND IMPLEMENTATION"</u></li> <li>e. <u>PARTNER CODE OF CONDUCT, CODE OF BUSINESS CONDUCT AND IFOR THE MEMBERS OF THE BOARD OF DIRECTORS</u></li> </ul>	ETHICS
	2-24	Embedding policy commitments	a. PARTNER CODE OF CONDUCT, CODE OF BUSINESS CONDUCT AN ETHICS FOR THE MEMBERS OF THE BOARD OF DIRECTORS, CODE BUSINESS CONDUCT AND ETHICS	
	2-25	Processes to remediate negative impacts	a. <u>Nordstrom Proxy Statement 2024</u> , pages 13-16	
	2-26	Mechanisms for seeking advice and raising concerns	a. <u>Grievance Processes</u>	
	2-28	Membership associations	a. Impact Report, section: "Key Partnerships"	

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	a. <u>Stakeholder Engagement</u> b. Impact Report, section: " <u>Our Strategy</u> "
	2-30	Collective bargaining agreements	<ul> <li>a. None of the Company's employees are covered by a collective bargaining agreement.</li> <li>b. <u>2023 Annual Report</u>, pages 9-10</li> </ul>
GRI 3: Material Topics 2021	3-1	Process to determine material topics	a. <u>Materiality Assessment</u> b. Impact Report, section: " <u>Our Strategy</u> "
	3-2	List of material topics	<ul> <li>a. Impact Report, section: "<u>Our Strategy</u>"</li> <li>b. There are no changes in the list of material topics from the last reporting period.</li> </ul>
	3-3	Management of material topics	Impact Report, sections: " <u>Climate Action,</u> " " <u>People,</u> " " <u>Human Rights,</u> " " <u>Community Impact</u> "
GHG Emissions and Energy Use GRI 302: Energy 2016	302-1	Energy consumption within the organization	<u>CDP Questionnaire</u> , sections C8.2a, C8.2c

GRI Standard	GRI Number	Disclosure	Location	
Material Topic: GHG Emissions and Energy Use	305-1	Energy direct (Scope 1) GHG emissions	Impact Report, section: " <u>Climate Action: Setting Science-Based Targets</u> "	
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	Impact Report, section: " <u>Climate Action: Setting Science-Based</u> <u>Targets</u> "	
	305-3	Other indirect (Scope 3) GHG emissions	Impact Report, section: " <u>Climate Action: Setting Science-Based Targets</u> "	
	305-4	GHG emissions intensity	<u>CDP Questionnaire</u> , section: C6.10	
	305-5	Reduction of GHG emissions	CDP Questionnaire, section: C7.9a	
	305-6	Emissions of ozone-depleting substances (ODS)	CDP Questionnaire, section: C7.3c	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	CDP Questionnaire, section: C7.1a	
Material Topic: Employee Retention, Development and Attraction	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2023 Annual Report, page 10	
GRI 401: Employment 2016				

GRI Standard	GRI Number	Disclosure	Location	
Employee Diversity, Equity & Inclusion	405-1	Diversity of governance bodies and employees	Impact report, sections: " <u>Our Strategy,</u> " " <u>Building Diverse Fashion Futures,</u> " " <u>Gender Equity</u> "	
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	Impact Report, section: " <u>Pay Parity &amp; Pay Equity</u> "	
Forced Labor & Human Rights GRI 409: Forced or Compulsory	409-1	Operations and suppliers at significant risk for inci- dents of forced or compulsory labor	Impact Report, sections: " <u>Human Rights,</u> " " <u>Provide for or Cooperate in Remediation</u> "	
Labor 2016				
Product Quality & Safety	3-3	Management of material topics	Impact Report, sections: " <u>Human Rights,</u> " " <u>Embed Responsible Business Conduct</u> "	
Cybersecurity, Data Privacy & Protection	3-3	Management of material topics	2023 Annual Report, pages 15-16, 21	
Employee Working Conditions & Fair Wages	3-3	Management of material topics	Impact Report, sections: " <u>People,</u> " " <u>Human Rights</u> "	
Labor Practices & Working Conditions in the Supply Chain	3-3	Management of material topics	Impact Report, sections: " <u>Human Rights,</u> " " <u>Cease, Prevent &amp; Mitigate</u> <u>Adverse Impacts</u> "	

GRI Standard	GRI Number	Disclosure	Location	
Ethical Business Practices & Compliance	3-3	Management of material topics	Impact Report, section " <u>Human Rights</u> "	
Material Selection Sourcing & Procurement	3-3	Management of material topics	Impact Report, section " <u>Responsible Sourcing</u> "	
Material Topic: Transparency and Reporting	3-3	Management of material topics	Strategy, Governance & Reporting	
Supply Chain Management & Transparency	3-3	Management of material topics	<ul> <li>a. <u>Conflict Mineral Policy</u></li> <li>b. Impact Report, section: "<u>Cease, Prevent &amp; Mitigate Adverse Impacts</u>"</li> </ul>	

### **Our Policies & Commitments**

Nordstrom Human Rights Commitment

Nordstrom Partner Code of Conduct

Nordstrom Exotic Animal Skin and Fur Free Policy

Nordstrom Forced Labor Policy

# Key Partnerships

Priority	Partner		
Environment	Apparel Impact Institute Better Cotton Carbon Disclosure Project (CDP) Cascale (formerly the Sustainable Apparel Coalition) Clean Air Task Force (CATF)	Ellen MacArthur Foundation Fashion for Good Fibershed Forum for the Future Give Back Box	GreenBiz Quantis Retail Industry Leaders of America (RILA) Zero Discharge of Hazardous Chemicals (ZDHC)
Human Rights	American Association of Footwear and Apparel (AAFA) Better Work (ILO-IFC) Bureau Veritas Business for Social Responsibility (BSR)	Impactt International Labor Organization (ILO) LRQA (formerly ELEVATE) Nirapon	Reimagining Industry to Support Equality (RISE) Social and Labor Convergence Program (SLCP) The Industry We Want (TIWW) Worldly
Social Impact & DEIB	Ali Forney Center Alliance for Education American Red Cross Baby2Baby Benevity Big Brothers Big Sisters of America Central Park Conservancy Council of Fashion Designers of America (CFDA) Direct Relief Elizabeth Glaser Pediatric AIDS Foundation (MAC Viva Glam giveback partner for 2023) Fashion Institute of Technology Fashion Scholarship Fund Fifteen Percent Pledge Friends of Waterfront Seattle Gold House Goodera Good+Foundation Harlem's Fashion Row	Hetrick-Martin Institute Human Rights Campaign ICON360 Institute for Sustainable Diversity and Inclusion Junior Achievement of Washington Museum of History and Industry (MOHAI) National Retail Federation Foundation NationSwell NYC Pride One Ten Foundation Operation Warm MAC Viva Glam Seattle Children's Hospital Foundation Shoes That Fit The Folklore Group The Night Ministry Trans Lifeline	Two Ten Footwear Foundation United Way of King County Youth Emerging Stronger