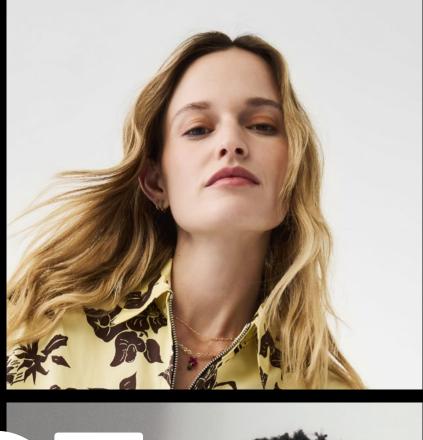
# 2024 MPAC REPOR

Leave it better than you found it.





**NORDSTROM** 

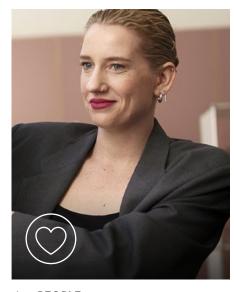
NORDSTROM 2024 IMPACT REPORT WHO WE ARE PEOPLE PRODUCT

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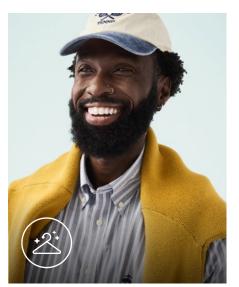
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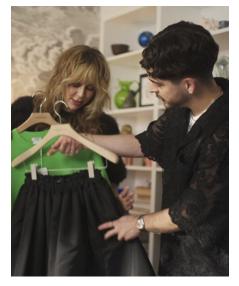


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APPENDIX

# LETTER FROM OUR LEADERS



For nearly 125 years, our purpose at Nordstrom has stayed the same: to help customers feel good and look their best. That idea has guided our business from the very beginning and continues to shape every decision we make.

One way we hold ourselves accountable to that promise is through our Impact Report. It's a look at how we're giving back to our communities, working to reduce our environmental impact, offering products that allow customers to shop their values and creating a supportive, welcoming environment for our customers and our teams.

Our dad used to say, "Leave it better than you found it." That's the spirit behind this work, and it's a value we try to carry forward every day.

# **PEOPLE**

Nordstrom has always been a people business. By building diverse teams, fostering a culture of inclusion and investing in the communities we serve, we aim to ensure our employees can reach their full potential. Our commitment to prioritizing people extends to our supply chain, where we work to ensure safe, fair working conditions for the people who make our Nordstrom Made products. By prioritizing people, we can provide better service to our customers—it's what sets our business apart.

# **PLANET**

We own our responsibility for the impact our business has on the environment, and we've taken action to minimize it—like expanding take-back programs and working to reduce our emissions across our business and our supply chain. These actions contribute to a healthier world, which positively impacts our customers and, in turn, our business.

# **PRODUCT**

Customers come to Nordstrom for discovery and quality, which is why we're increasingly offering merchandise that aligns with these values. Through our Nordstrom for Good assortment, we offer product designed with preferred materials and created through responsible manufacturing—and we follow these same practices for our own Nordstrom Made brands. When our product mix reflects the people we serve, our customers leave feeling good and looking their best.

In this report, you'll see evidence of progress in our impact areas, and you'll also see areas where we can push ourselves to do more and do better. By building on our momentum, we can strengthen our business, better serve our customers and build up our communities.

We thank our people, our customers and our partners for their ongoing support in this important work.

Sincerely,

ERIK NORDSTROM

CO-CHIEF EXECUTIVE OFFICER

Pt ( NH\_

PETER NORDSTROM

CO-CHIEF EXECUTIVE OFFICER

# 2024 **HIGHLIGHTS**



92.5 tons

of beauty packaging have been collected through our BEAUTYCYCLE program



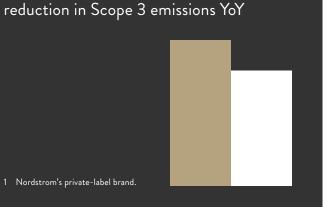
56%

1 Nordstrom's private-label brand.

of Nordstrom Made<sup>1</sup> products are produced in the factories of our global suppliers that invest in gender equity



~21% reduction in total Scope 1 and 2 emissions from the FY21 baseline, and an 8%



\$1.9M

raised by Nordstrom and our customers for Shoes That Fit and Operation Warm, two of our key partnerships



raised by Nordstrom employees through matched donations during Giving Tuesday 2024



19.7% of Nordstrom Made products use preferred fibers







# OUR STRATEGY

To guide our efforts in creating more positive impact, we have created an impact strategy organized around three pillars: People, Planet and Product.

# **OUR THREE AREAS OF IMPACT**

Across People, Planet and Product, we have identified key areas of focus based on the results of our 2023 double materiality assessment. This assessment, which will be refreshed and republished in our 2025 Impact Report, informs our impact work and ensures we focus on the issues that have the greatest impact on people and the planet, as well as those that have a significant impact on our business.



# **PEOPLE**

We're committed to making meaningful contributions to the communities in which we operate, promoting inclusive, fair and consistent workplace practices, upholding employee safety and well-being and protecting human rights throughout our supply chain. The People section of this report covers our work on:

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- Supporting Employees
- · Supply Chain Human Rights
- Responsible Sourcing
- Gender Equity
- · Social Impact and Community Engagement



# **PLANET**

We recognize the environmental impacts of our business and of the fashion and retail industry more broadly. We have set science-based targets to address climate change and are working to reduce waste and responsibly use water and natural resources. The Planet section of this report covers our work on:

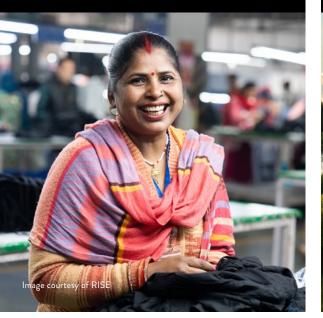
- Climate Action
- Water Management
- Waste Reduction



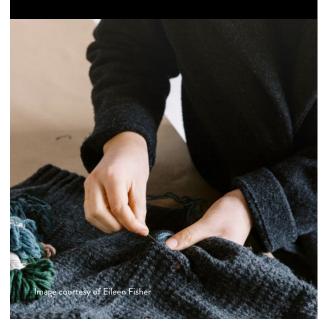
# **PRODUCT**

As a retail company, we recognize the social and environmental impacts of our products and the opportunity we have to drive positive change through our offering. We're working to meet our customers' needs by designing products with a smaller environmental footprint and highlighting goods with sustainability benefits. We curate products from a diverse range of vendors—not only because our customers expect it, but because it's good for our business. Our customers look to us as a destination for newness and discovery. The Product section of this report covers our work on:

- Preferred Fibers
- · Extending Product Lifecycle
- Product Assortment









# Behind our efforts to help customers feel good and look

Behind our efforts to help customers feel good and look their best is a workforce of passionate employees and our global supply chain partners. We are building a workplace culture that promotes inclusion and working with our suppliers to uphold human rights for garment workers. We also look to contribute meaningfully to social impact and community engagement efforts, recognizing our communities are an extension of Nordstrom.

WHO WE ARE

NORDSTROM 2024 IMPACT REPORT

# KEY HIGHLIGHTS & PROGRESS

**GENDER EQUITY IN OUR GLOBAL SUPPLY CHAIN** 

# Goal

Produce 90% of Nordstrom Made products in the factories of our global suppliers that invest in gender equity

**Progress** 

56%



**GENDER EQUITY IN OUR** 

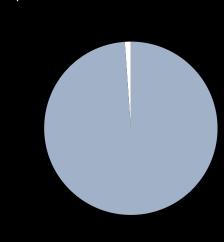
**GLOBAL SUPPLY CHAIN** 

human rights risk areas in 19 countries, gathering insights to enhance our annual gender equity programming





of Tier 1 suppliers that produce Nordstrom Made products are covered by our 2024 Supplier Map, disclosing both names and locations as part of our commitment



**SOCIAL IMPACT & COMMUNITY ENGAGEMENT** 

# Goal:

Invest more than \$50 million in communities where we operate

# Progress

>\$40M







# **SOCIAL IMPACT & COMMUNITY ENGAGEMENT**

Together with our employees, we contributed over \$1 million to nonprofit organizations throughout the U.S. through our annual Giving Tuesday event



# SUPPORTING OUR EMPLOYEES

Our employees help create memorable customer experiences—from delivering excellent service to finding the best brands and designing products that give people confidence. In return, we want to provide our employees with workplaces built on fair opportunities, inclusive support and holistic well-being.

# UNLOCKING POTENTIAL

Great things happen when we bring together multiple perspectives, experiences and ideas. We are cultivating a skilled, high-performing and diverse workforce, knowing these efforts are key to winning with our customers.

Our teammates flourish in a culture where their differences are honored and they are supported no matter where they are in their career journey. It's why we continue to lean into our values, which chart a path of inclusion, kindness and innovation in everything we do.

## **BUILDING A HIGH-PERFORMING TALENT PIPELINE**

We strive to develop a strong pipeline of talent that can contribute meaningfully to our company, leveraging our internship program and other initiatives that help us reach qualified candidates early in their careers. We have created several talent development and career acceleration programs designed to identify and inspire the professionals of tomorrow.

One such program, our Summer Internship, offers college students valuable insight into the breadth of fashion retail career opportunities—from cybersecurity and finance to marketing and design. We welcomed 28 students into the program in 2024, with 78% of participants receiving offers for permanent roles after completion. We also offer the Nordstrom Retail Leadership Training Program for recent graduates interested in breaking into the industry. Two cohorts took part in 2024, with 135 participants promoted into leadership roles within our Nordstrom stores. We believe diverse perspectives fuel innovation and, as such, we were pleased to see a breadth of backgrounds represented across our early in career programs throughout 2024.

## FOSTERING CONNECTION

We aim to create an inclusive and welcoming environment where people feel valued. Our employees build connections in many ways—one of them being through our Employee Resource Groups (ERGs). These voluntary, employee-led communities serve as a bridge between employees' needs and business objectives, fostering belonging, leadership development and innovation. Open to all employees regardless of demographics, ERGs provide valuable insights that enhance both the employee and customer experience.



# **OUR ERGS**

- · AsPIRE (Asian Pacific Islander Resources for Employees)
- Black Employee Network (B.E.N.)
- · ¡Hola! (Latin American & Hispanic)
- NordstromPLUS (LGBTQIA+)
- Nordstrom Veterans Group (NVG)
- Parents@Nordstrom (P@N)
- Thrive (Diverse Ability)
- Women in Nordstrom (WIN)

Employees continued joining ERGs in 2024, with total membership increasing by 6% to nearly 4,900 employees. Furthermore, over 43% of ERG members participate in more than one group.

Our ERGs deepened their impact through a variety of events and by working together on intergroup initiatives. For example:

- Thrive and WIN hosted an Endometriosis Awareness fireside chat, bringing visibility to invisible disabilities.
- **WIN and B.E.N.** led a powerful conversation spotlighting women who advocate for inclusion and belonging.
- **P@N and NordstromPLUS** joined forces for "Parenting in a Queer Community," exploring inclusive family experiences.
- NVG and B.E.N. partnered for a Veterans Day commemoration that honored shared service and stories.

4,900 employees opted into ERGs in 2024, up 6% from the previous year

Individual ERGs also made a remarkable difference:

 AsPIRE raised over \$3,000 for the Asian Counseling and Referral Service (ACRS) through volunteerism and ACRS's Walk for Rice campaign.

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- **Thrive** raised over \$7,000 for the American Foundation for Suicide Prevention, surpassing its fundraising goal.
- ¡Hola! hosted a dynamic conversation on financial empowerment for first-generation Americans featuring author Gigi Gonzalez.
- **B.E.N.** celebrated Juneteenth with a hybrid social hour and raised \$5,000 for the 8 Seconds Rodeo Scholarship.

Through these efforts, our employees deepen community and cultural awareness. We remain dedicated to investing in ERGs as a vital part of our people strategy as we look to the future. These groups strengthen our internal culture and help us better serve our customers by reflecting their communities.

# 2024 WORKFORCE DEMOGRAPHICS

Gender	Executives	Mid-Level Managers	All Employees
Women	62%	64%	67%
Men	38%	36%	32%
Undeclared	_	_	1%

# Race/Ethnicity

American Indian or Alaska Native	_	_	1%
Asian or Pacific Islander	10%	10%	13%
Black or African American	6%	13%	19%
Latin American or Hispanic	5%	21%	25%
Two or More Races	1%	5%	5%
White	77%	50%	35%
Undeclared	1%	1%	2%



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## **COMMITMENT TO CULTURE**

At Nordstrom, our culture is grounded in service, empowerment and personal accountability. Our unique inverted pyramid organizational structure places customers at the top, followed by the employees who serve them, with leadership at the base to provide support. This model reflects our belief that great service starts with empowered people—and that leadership's role is to enable their success.

Our culture is further shaped by the guiding principle to "Leave it better than you found it." This mindset encourages every employee to take initiative, act with care and make a positive impact—whether that's improving a process, supporting a teammate or giving back to the community.

At the heart of it all is our One Rule: Use good judgment in all situations. This simple yet powerful standard empowers employees to make decisions that reflect our values, build trust and uphold the high level of service our customers expect. Together, these principles create a culture where people feel trusted, supported and inspired to do their best work.

#### CREATING A GREAT PLACE TO WORK

Healthy Workplace Practices is a standardized set of everyday people processes designed to foster connection, resolve conflict with care and empathy and create a positive, productive environment. These consistent practices ensure every employee experiences a healthy workplace—one built on our open-door culture, where conversations are welcomed and concerns are addressed early and with respect. Our open-door culture means leaders at all levels are approachable, accessible and committed to listening—whether through day-to-day interactions or through formal feedback channels like the Voice of the Employee survey. This survey gives us valuable insight into how our teams are experiencing their work environment, highlighting what's going well and where we can improve. Using this information, we then create action plans—when and where they're needed—tailored to our employees' needs.

By combining Healthy Workplace Practices with what we learn from employee feedback, we strengthen our culture, build trust and ensure our workplace reflects the values we share. When we listen, act and follow through, we create a place where everyone can contribute their best and feel proud of the role they play in our success.

# **PAY EQUITY**

Nordstrom is focused on paying employees fairly for the work they do and making pay decisions that are free from potential bias. Paying our people fairly and consistently enables us to deliver on our commitment to create an exceptional culture in which we can all be ourselves, contribute ideas and do our best work.

We conduct regular pay equity reviews using third-party resources and are committed to equal pay for comparable work.

## WELL-BEING FOR EVERYONE

1 in 5 adults in the U.S. experiences mental health issues each year—issues that can impact every area of our lives, from eating and sleep habits to physical health. Focusing on mental health can improve our relationships, mood, self-esteem, emotional well-being, workplace happiness and more.

We're dedicated to creating an employee experience that reflects the customer experience we're known for. Our well-being benefits—such as personalized virtual therapy, parenting support and subsidized elder care—help meet employees' emotional health and caregiving needs. This enables them to thrive and be the best version of themselves, despite the stresses of everyday life.

## EMPLOYEE RELIEF FUND

As well as being committed to serving our customers, Nordstrom employees are committed to one another. One way we empower employees to demonstrate this is through the Nordstrom Employee Relief Fund. Originally a grassroots initiative at the local store level, the fund has evolved into an enterprise-wide program designed to provide temporary financial relief to employees experiencing an unexpected financial crisis. Funded primarily via employee donations, relief totaling over \$400,000 was issued in 2024, supporting over 500 employee cases.

The Employee Relief Fund also provides support for employees impacted by natural disasters. In 2024, employees impacted by events such as severe flooding in Houston and devastating wildfires in Southern California were able to receive temporary financial relief

78% of Summer Internship participants received offers for permanent roles after completion

# MERCHANTS IN THE MAKING

We want to help people achieve their career aspirations, creating pathways to new professions within Nordstrom. In 2024, we launched our Merchants in the Making program, an upskilling initiative that combines in-house mentorship with structured courses from a top design school to prepare Nordstrom store department managers for merchandising careers.

This program seeks to identify high-performing internal talent who are motivated to advance their careers. We onboarded the inaugural cohort of 10 participants and, upon completion, each participant either received a job offer for a position or pipeline placement for entry-level positions in the merchandising organization.



# SUPPORTING COMMUNITIES

Rooted in our history is a deep commitment to helping people thrive-not just our employees, but those in our supply chain and the communities where we operate, too. We have an unwavering commitment to protecting people's basic rights and a collective dedication to giving back to the places where we live and work.

# **HUMAN RIGHTS IN OUR** SUPPLY CHAIN

Throughout our business and supply chain, we are committed to ensuring we foster work environments where all people are treated fairly and with dignity.

# **OUR GUIDING POLICIES**

We maintain policies that define our organizational values and are designed to positively impact people's lives. They also underpin our partnerships with suppliers who share our commitment to human rights.

Our Partner Code of Conduct establishes the minimum standards we expect in terms of compliance, ethical business, labor standards, environmental sustainability and animal welfare. We engage suppliers and business partners to adhere to the Nordstrom Partner Code of Conduct and frequently review it to ensure it remains relevant. We maintain two additional

policies that build on our Partner Code of Conduct and share details of our processes: our Forced Labor Policy and Conflict Minerals Policy.

The Forced Labor Policy outlines our prevention principles inclusive of the American Apparel & Footwear Association Commitment to Responsible Recruitment—as well as our reporting mechanism for forced labor violations.

Our Conflict Minerals Policy, which reflects current industry standards, details our process for monitoring the origin and use of tantalum, tin, tungsten and gold—the 3TG metals—in our Nordstrom Made supply chain. We conduct due diligence on suppliers that provide Nordstrom products using any 3TG metals and obtain third-party verification that our Nordstrom Made supply chain, down to smelters, is conflict mineral-free.

# **HUMAN RIGHTS DUE DILIGENCE**

We are intentional about our efforts to address human rights issues, working hands-on with suppliers to drive real change for the people who make our products. To do so, we follow a defined human rights due diligence approach, aligned with the Organisation for Economic Co-operation and Development's Due Diligence Guidance for Responsible Business Conduct and the United Nations Guiding Principles on Business and Human Rights. We integrate this process throughout our supply chain, including into decisions about how we source, how we onboard suppliers and how we identify, assess and mitigate human rights concerns across our supply chain activities.



To ensure employees and suppliers know how to uphold our expectations and processes, we conduct regular training on key human rights topics. During 2024, we hosted virtual training for employees and external supply chain partners on identifying instances of forced labor—including the International Labour Organization's 11 indicators—and implementing effective mitigation measures. We conducted a similar training specifically for finished goods Nordstrom Made suppliers, achieving a 100% completion rate.

# UNDERSTANDING OUR PRIORITIES

In 2022 and through 2023, we completed a Human Rights Impact Assessment to identify our salient risks, gaining greater insights into our supply chain impacts and developing a three-year forecast for addressing the main areas of concern.

We strengthened our understanding of these salient risks in 2024 using EiQ, a supply chain intelligence software developed by our partner LRQA. We continuously monitored current and potential supply chain partners to identify potential risks while gathering relevant data to inform supplier benchmarking and decision–making.

To engage our suppliers in addressing salient issues, we have developed—and continuously enhance—programs in two key areas: responsible sourcing and gender equity.

#### Our Salient Issues

We work to advance a supply chain that operates free from:

#### Forced labor and child labor

- Inability to move freely
- Trafficking
- Exploitation of vulnerable workers (migrants, women, children)
- Unethical employment practices (recruitment, employment, termination)

# Discrimination, harassment and abuse

- Discrimination during hiring, employment and/or termination practices
- · Unwelcome conduct based on race, color, religion or sex
- Physical or verbal abuse of workers

# Restrictions to freedom of association and collective bargaining

- · Barriers to freedom to assemble with any organization
- Barriers to freedom to join or quit unions or worker representative groups
- Barriers to establishing industry or site collective bargaining agreement

# Unsafe working conditions and inadequate living standards

- Excessive working hours
- Incorrect or withheld wages
- Health and safety concerns
- · Restricted access to essential goods and services

# **RESPONSIBLE SOURCING**

The foundation of our Responsible Sourcing program is partnering with suppliers who share our commitment to ethical, responsible business practices. The program is a fundamental process in our operations and works to ensure that our values and commitment to safe, fair working conditions for the people who make our products are upheld.

Based on the principles of continuous improvement and transparency, the program supports suppliers in developing management systems that strengthen worker well-being and promote social and labor rights.

# BRINGING SIGHT TO SUPPLIER PERFORMANCE

To effectively support our suppliers, we first need to understand how they are performing against our expectations. Using third-party supplier assessments, we regularly assess suppliers' management systems for human and labor rights violations. These assessments are conducted on-site and include worker interviews to enhance our understanding of current performance in terms of wages, working hours and labor conditions and prioritize open dialogue. We expect our suppliers to disclose all aspects of their operations (including subcontractor use) to support collective awareness of improvement areas.

We have adopted LRQA's ELEVATE Responsible Sourcing Assessment (ERSA) as our primary standard for auditing labor, health and safety, environment, business ethics and management systems. ERSA is updated annually in response to changing circumstances in countries where we operate and evolving international standards.

We recognize our suppliers' facilities may be shared with other brands and that suppliers may be engaged in multiple auditing programs, which can contribute to assessment fatigue. To enhance efficiency and reduce costs associated with conducting multiple audits, we maintain a mutual recognition program that enables suppliers to submit assessments from other preapproved tools. EiQ software then allows us to compare reports from across accepted schemes, view supplier performance and identify noncompliance trends.

All Tier 1 facilities<sup>3</sup> are required to undergo an assessment as part of new-supplier screening, and annually thereafter. During 2024, we launched a pilot to expand assessments to Tier 2<sup>4</sup> spinner mills. Across the 10 participating mills, the most common findings related to health and safety, personal protective equipment and environmental issues. Throughout 2025, we will formally incorporate strategic Tier 2 mills into our Responsible Sourcing program.

## FOSTERING CONTINUOUS IMPROVEMENT

Continuous improvement is a key aspect of our responsible sourcing philosophy. After an assessment is conducted, Nordstrom and the supplier come together to review noncompliance findings, identify areas for improvement and collectively create a corrective action plan (CAP). Through the CAP process, suppliers have 90 days to remediate issues and make necessary changes. When suppliers require more time to make the appropriate corrections for complex issues, we provide dedicated assistance via an internal CAP Manager who can provide support beyond the 90-day mark.

Our suppliers embrace continuous improvement, committing to compliance through routine assessment and practical improvement plans. As industry best practice, this approach helps our suppliers become stronger, be a better partner for Nordstrom and, most importantly, realize stable and improved conditions for workers.

- 2 The Social & Labor Convergence Program's (SLCP) Converged Assessment Framework via Worldly, the SMETA 4-Pillar Audit and Better Work assessment tool.
- 3 Factories manufacturing finished goods for Nordstrom.
- 4 Subcontractors to our direct suppliers.

# Our Responsible Sourcing Supplier Manual

When it comes to our values and expectations, we also expect our supply chain partners to champion them throughout their own value chains, therefore we equip suppliers with the tools needed to do so. The Nordstrom Responsible Sourcing Supplier Manual is a one-stop reference guide to our responsible sourcing standards and what to expect during onboarding, assessment and, where relevant, remediation. It also includes links to supporting resources, including our Partner Code of Conduct, policies and commodity-specific requirements.

To ensure this manual remains effective and relevant, we update it biennially. We also translate it into multiple languages so that our suppliers, wherever they are located, can easily understand the information. To date, the manual is available in 17 languages.

# Partnerships for Progress

In addition to building strong, ongoing supplier relationships, we work with expert organizations that have the insights and resources to drive our responsible sourcing efforts forward. For example, we partner with Nirapon to strengthen mechanisms that support workplace safety and structural building integrity among our suppliers in Bangladesh.

We maintain partnerships with <u>Better Work</u> and <u>Impactt Limited</u> to assess and train suppliers on topics such as working conditions and gender equity. Additionally, as of 2024, we have joined the Anker Research Institute's Living Wage Corporate Sponsors program, committing to help in advancing living wages within the supply chain through industry collaboration and support.

#### MAINTAINING SUPPLY CHAIN TRANSPARENCY

#### GOAL

Foster collaboration and transparency by disclosing 95% of Tier 1 suppliers through a data sharing platform

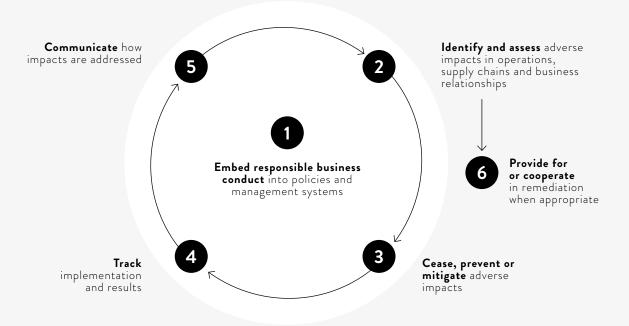
#### **PROGRESS**

99%

We are proud to partner with suppliers that share our dedication to ethical, responsible business practices. We annually publish our full list of finished goods Nordstrom Made suppliers. Our publicly disclosed 2024 <u>Supplier Map</u> covered 99% of Tier 1 suppliers that produce Nordstrom Made products, disclosing both names and locations as part of our commitment.

100% completion rate achieved for our training for finished goods Nordstrom Made suppliers

# **OUR HUMAN RIGHTS DUE DILIGENCE PROCESS**



The Nordstrom human rights due diligence model mirrors the Organisation for Economic Co-operation and Development (OECD) model.

## **OUR ACTIVITIES**



- Partner Code of Conduct adherence as prerequisite to onboarding
- Partner Code of Conduct training
- · Supplier Responsible Sourcing Manual



- · Human Rights Impact Assessment
- · Gender Equity Risk Assessment
- · Supplier segmentation and performance review



- · Gender equity programming
- Forced Labor Prevention trainings
- Responsible Sourcing Expectations training
- Grievance process



- Supplier Performance Monitoring Program through Responsible Sourcing Audits/Assessments
- Supplier performance and progress tracking



- Annual Impact Report
- External Reporting
- Internal Reporting



- Corrective action management support
- Capacity building programs

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# **GENDER EQUITY**

Across the garment industry, 60% of workers globally—and nearly 80% in some regions—are women. At Nordstrom, we are using our scale to promote gender equity in our supply chains to advance a safer, fairer workplace.

Produce 90% of Nordstrom Made products in the factories of our global suppliers that invest in gender equity

#### **PROGRESS**

56%

Through our Gender Equity program, we target three priorities that align with our Partner Code of Conduct, responsible sourcing expectations and human rights due diligence approach:

- · Freedom from gender-based violence and harassment
- Freedom from discrimination at work
- · Access to equal leadership opportunities at work

Our initial focus has been on working with large-scale, strategic suppliers to advance gender equity. As we move forward, we are also engaging smaller suppliers on efforts to close the gender gap.

## PARTNERING FOR IMPACT

We know gender equity is a complex topic, driven by local nuances and widespread systemic issues. To have real impact across the industry, we partner with organizations that bring expertise to supply chain initiatives, uniting key players to amplify our efforts and deliver meaningful change.

# RISE (Reimagining Industry to Support Equality)

The RISE mission is to empower women garment workers, embed gender equality in business practices and inspire crossindustry, system-level change. The result of a partnership between BSR's HERproject, Gap Inc., P.A.C.E., CARE and Better Work, RISE has the potential to accelerate positive change for women throughout the global garment supply chain.

Nordstrom is an active RISE partner and, during 2024, we implemented the RISE Respect program. We launched the program to prevent and remediate gender-based violence and harassment with five of our India-based supplier factories, reaching over 5,000 workers. The impact has been notable; not only did the program enhance communication between workers, managers and supervisors, but survey results from one of our sites indicated that:

# 100% of participants

now believe they should challenge violent behavior if they witness it, versus 64% of women and 68% of men before the program

During 2024, we also launched a new project together with RISE—RISE Foundations—for two suppliers with facilities in Indonesia. Through the program, participants have the opportunity to build on the foundational gender equity learning they gained in previous training programs.

Each of the RISE programs is delivered by local partners with deep knowledge of cultural norms and historical perspectives. This insight helps them address regional biases to effectively engage and communicate with participants.

# Better Work

Developed by the International Labour Organization, the Better Work program changes supplier attitudes and behaviors through capacity-building, risk assessments and remediation efforts, and we have long partnered with Better Work to promote decent working conditions for garment workers. Across Bangladesh, Cambodia, Indonesia and Vietnam, nearly 30 of our supplier factories participated in the program in 2024, impacting over 40,000 workers globally.

We have also supported Better Work to advance gender equity across the industry more widely. Throughout 2023 and into 2024, we helped the program develop an interactive tool that enables brands to prevent and effectively respond to supply chain instances of gender-based violence and harassment.

We also actively assisted Better Work in transforming its Prevention of Sexual Harassment program methodology. initially launched in Nicaragua, into an easy-to-use guide. The resulting Prevention of Sexual Harassment and Violence toolkit is designed to enable standardized implementation of the program across new geographies.

Additionally, following an in-depth review of all its crosscountry training materials and packages, Better Work developed a Gender 101 toolkit with Nordstrom's aid, containing critical information organizations need to advance supply chain gender equity.



In 2024, we teamed up with Massachusetts Institute of Technology and Fashion Makes Change to support a study of the connection between investing in gender equity training programs in fashion supply chains and enhanced climate mitigation. The study will focus on how workplace training can impact factory water use, chemical use and raw material waste, as well as potential barriers to worker participation in training programs. The findings will be used to evolve our gender equity and climate action programs, and insights will be available to the wider industry to accelerate positive change.

Read more about our climate action.



# Impactt Limited

Recognizing the interconnected nature of social issues, during 2024, we focused on exploring the nexus between forced labor and gender-based violence and harassment. To support us in this work, we engaged Impactt Limited to conduct a country risk benchmarking analysis. The assessment considered 19 countries and 11 human rights themes to identify where the greatest risks exist across our sourcing regions. Using this information, we can continue to develop annual gender equity programming that is relevant and more closely tailored to our risk areas.

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We also worked with Impactt Limited to develop supplier training on gender equity and gender-based violence and harassment. The training, launched in 2025, discusses how suppliers can strengthen their response to gender-based violence and harassment through enhanced grievance and reporting mechanisms.

# **SOCIAL IMPACT & COMMUNITY ENGAGEMENT**

Our communities are more than just areas where we operate; they're the places our employees live, a reflection of the customers we serve and are formed by the people we call neighbors. Creating impact in our communities is a fundamental part of our values, and we are proud to have a long-standing legacy of giving back.

Through strategic partnerships, tailored initiatives and philanthropic efforts, we strive to uncover opportunities for under-resourced communities to thrive. We continued to build on these efforts in 2024, advancing a strategy that helps us better connect with community needs while creating space for more employees to get involved.

# Invest more than \$50 million in communities where we operate

# **PROGRESS**

>\$40M

#### GOAL

Engage 20% of our employees in social impact programs and community initiatives

#### **PROGRESS**

# SUPPORTING YOUTH & FAMILIES: MEETING BASIC NEEDS

We recognize that providing basic necessities is the first step toward fostering stability and enabling people to focus on their long-term goals. At the core of our social impact strategy is an unwavering commitment to ensuring individuals and families have access to the essentials required for survival and dignity.

By addressing immediate needs like food, shelter and clothing, we aim to create a solid foundation upon which individuals and communities can build brighter futures. We are proud partners of many organizations that provide those needs, including Shoes That Fit and Operation Warm, among many more.

# Giving the Gift of Shoes that Fit

As a retailer that started as a shoe store in 1901, we are a firm believer that every child deserves to wear shoes that fit. However, with 1 in 7 U.S. children living in poverty, there are millions who make do with worn-out, ill-fitting, secondhand shoes. Our nonprofit partner, Shoes That Fit, works to give every child the joy, dignity and confidence that comes with owning a pair of new shoes.

In 2024, we were able to work with Shoes That Fit to donate nearly 50,000 pairs of shoes to school-aged children. Employees stepped up to help, volunteering 2,500 hours of service across various Shoes That Fit events to measure children's feet and distribute shoes. At these events, children were able to select colorful laces and charms to customize their shoes, helping them feel valued and express their individuality.

"A young man in third grade was wearing his mom's shoes to school since he did not have any. When he opened the box to try them on, he yelled, 'Oh my goodness, I will look so good in these!' He made sure to show me his new shoes for months after he received them to show how much he appreciated them."

## Teacher liaison

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# Operation Warm

We maintain a long-standing partnership with Operation Warm, a nonprofit that delivers coats and shoes to children in need. From providing coat design guidance to inspiring customers and employees to donate to the cause, Nordstrom plays an active role in supporting Operation Warm's mission.

During 2024, we launched an online and in-store holiday fundraising campaign, with proceeds donated to Operation Warm. We also supported five coat-gifting events across Atlanta, Chicago, Denver, New York and Seattle. During these events, nearly 1,800 children received coats, with employees volunteering over 800 hours in support. All in all, the holiday campaign helped raise \$545,000+ for Operation Warm, giving over 22,000 children the gift of warmth.

"Nordstrom is more than a partner—they are a true collaborator. They don't just support our mission; they understand it, ensuring every step of our work together is meaningful and sustainable. They care about making our programs work for us, not just for the sake of partnership. Most importantly, they lead with need—prioritizing communities where our impact will be greatest. That kind of alignment is rare, and it's what makes working with Nordstrom both effortless and deeply rewarding."

Grace Sica, Executive Director, Operation Warm

Nearly \$3M raised by Nordstrom and our customers since 2018, supporting the delivery of over 119,000 Operation Warm coats

# SUPPORTING YOUTH & FAMILIES: CREATING OPPORTUNITIES

We believe uplifting youth and families is essential for building stronger, more resilient communities. Through strategic partnerships, we provide resources, support and opportunities—from workforce development training and grants to scholarships and mentoring—that enable individuals to reach their full potential.

We are honored to collaborate with several partners who carry out this work, including United Way, Big Brothers Big Sisters of America (BBBSA), the Fashion Scholarship Fund (FSF) and ICON360.

# **United Way**

We want to help youth reach their full potential—an ambition shared by the nonprofit United Way. Since 2018, we have supported United Way's Bridge to Finish program to maintain its network of Benefits Hubs. These hubs help struggling community college students access basic needs such as one-time emergency grants, housing support and food pantries.

To honor the legacy of Blake Nordstrom, our former copresident and dedicated philanthropist, in 2019 we created the Blake Nordstrom Scholarship together with United Way. This scholarship continues to offer transformative support to students in need. In 2024, 20 students in the Bridge to Finish program received \$5,000 in basic needs grants. Of those, 18 were first-generation college students, 15 were experiencing food insecurity, six were experiencing homelessness and all were experiencing housing insecurity.

# Big Brothers Big Sisters of America

Today, 1 in 3 American children lacks a positive mentor. BBBSA is working to address this issue by connecting more young people with supportive role models. Nordstrom Rack collaborated with BBBSA on several impactful 2024 initiatives, for example, inviting "Littles" (mentees) to experience new stores ahead of grand openings. With 23 BBBSA agencies taking part, more than 100 Littles received a \$400 shopping card to purchase items that made them feel confident or to give as meaningful gifts. Participating agencies also received approximately \$60,000 in funding to fuel local programs.

Nordstrom Rack also created several routes for customers to support BBBSA's mission. This included providing opportunities to purchase a \$10 "Sponsor a Moment" card in-store or make a \$1 donation during online or in-store checkout.

# ~\$900,000 raised

via Nordstrom Rack in 2024, supporting 15,000 mentorship moments, enabling training for over 8,550 mentors and providing safe virtual spaces for over 1,665 Littles to connect with their Big



**PLANET** 

# Fashion Scholarship Fund

We teamed up with the FSF in 2024 to create six \$10,000 scholarships for future fashion professionals. Designed to advance innovation and prepare for evolving future demands, the scholarships—alongside expert mentorship and a two-day immersive experience at Nordstrom's headquarters—helped a cohort of young talent take their first career steps. Five of the participants went on to receive internships or full-time job offers in the fashion industry.

# **ICON360**

We have long partnered with Harlem's Fashion Row (HFR) to uplift emerging designers of color by connecting them to established brands. As part of our partnership, we support the organization's nonprofit arm, ICON360, to create impactful opportunities that nurture creativity, cultivate innovation and drive success for emerging industry talent.

During 2024, we donated funding for ICON360's Fashion Scholarship program, designed to catalyze change and foster inclusivity within fashion. It is presented annually to students from Historically Black Colleges and Universities (HBCUs) who are pursuing majors that can be used in the fashion industry. We also sponsored ICON360's HBCU Professor Retreat, a transformative two-day gathering to inspire discussions between industry experts and HBCU faculty on how to connect more students to fashion industry opportunities.

Learn more about our HFR partnership.

## **EMPLOYEE VOLUNTEERISM**

We strive to engage our employees in our social impact and philanthropy efforts, knowing that they care about their local communities and take pride in supporting causes that matter to them. We seek to champion this dedication by offering opportunities to get involved through volunteering and donations. To amplify our employee impact, we offer a Donation Match and Employee Giving program, through which we match donations dollar-for-dollar and match volunteer hours at \$15 an hour.<sup>5</sup>

Volunteering provides our people with the opportunity to see firsthand the impact their support has. In 2024, we had 3,277 employees donate their time and expertise to causes close to their hearts. For example, in February, Black Employee Network (B.E.N.) ERG leaders volunteered to support the King Center in Atlanta, assembling and distributing over 400 hygiene kits to support unhoused communities in the area.

## **COMMUNITY GRANTS**

Every year, we award \$1 million in Community Grants to support local organizations and causes. We involve Nordstrom employees from many areas of our business and throughout our markets in reviewing and approving grant applications to reflect local perspectives and inspire more employees to personally contribute. By drawing on their understanding of what their local communities need most, this committee placed our employees at the heart of our philanthropic work.

In 2024, we awarded 162 grants to local organizations, approximately \$1 million. This brings our total community grant donations to \$7.2 million since 2021. Moving forward, we will continue to evolve our Community Grant program in line with our social impact areas of focus, aligning giving activities with the key areas of supporting youth and local families by providing basic needs and creating opportunities.

"Thank you so much for the opportunity! I love being able to help, see how our company is helping and being able to share with coworkers, customers and candidates how we are investing in our local communities."

Nordstrom employee and grant application reviewer

## **DISASTER RELIEF**

Nordstrom believes in showing up for the communities we serve and the communities our employees live in, especially during times of disaster. In January 2025, we received an outpouring of requests from employees eager to support those impacted by the Los Angeles wildfires. In response, we launched a matched donation effort to raise funds for the Los Angeles Red Cross. The drive raised approximately \$70,000 that went toward urgent relief efforts.

We also reached out to our local partner network to identify opportunities for employees to support through on-the-ground volunteering. Working with the Good+ Foundation, employees helped create 1,000 hygiene kits for those in need. In total, we sent four pallets including the hygiene kits—each containing a personal message from an employee—alongside clothing collected through Nordstrom Rack and an employee donation drive for basic items, including diapers, baby gear and more.

# **GIVING TUESDAY**

We believe in taking local actions to support global impact and, through participating in the annual Giving Tuesday movement, we contribute to worldwide action for change. For our 2024 Giving Tuesday campaign, we increased our employee donation match to 200%. As a result, together with our employees, we contributed over \$1 million to nonprofit organizations throughout the U.S.



# PLANE

As a retail business, we have an impact on the environment, and we rely on natural resources for the products we sell and the stores we operate. Through science-based climate targets, strategic partnerships and a commitment to responsibly using and managing resources, we are taking steps to reduce our environmental footprint.



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# KEY HIGHLIGHTS & PROGRESS

# **CLIMATE ACTION**

# Goal

Reduce absolute Scope 1 and 2 emissions by 42% by FY2030 from a FY2021 base year

# **Progress**

reduction



# **CLIMATE ACTION**

# Goal

Reduce absolute Scope 3 emissions from purchased goods and services and upstream transportation by 42% by FY2030 from a FY2021 base year

# **Progress**

15% reduction



# **WASTE REDUCTION**

# Goal

Reduce single-use plastics in our value chain by 50%

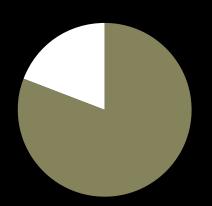
# **Progress**

Achieved and surpassed by 4%



# **CLIMATE ACTION**

of Nordstrom Product Group suppliers completed the Higg Facility Environmental Module



# WATER MANAGEMENT

Conducted a baseline assessment of stores to understand our water footprint





# **WASTE REDUCTION**

Transitioned 100% of our to-go bags from plastic to paper alternatives



# **CLIMATE ACTION**

We aim to leave it better than we found it, and that includes doing our part to reduce greenhouse gas emissions.

# TARGETING EMISSIONS REDUCTIONS

The retail industry is responsible for up to <u>25% of global</u> <u>emissions</u> and, as such, we have a role to play in reducing our collective impact. At Nordstrom, we are actively working to cut emissions, having <u>established</u> a <u>science-based</u> target to reduce **Scope 1, 2** and 3 emissions.<sup>6</sup>

In 2023, the following targets were accepted and validated by the Science Based Targets initiative (SBTi):

- Reduce absolute Scope 1 and 2 emissions by 42% by FY2030 from a FY2021 base year
- Reduce absolute Scope 3 emissions from purchased goods and services and upstream transportation and distribution by 42% by FY2030 from a FY2021 base year

**21% reduction** in absolute Scope 1 and 2 emissions from an FY21 base

6 Scope 1: direct emissions from owned or controlled sources; Scope 2: indirect emissions from purchased electricity, heating and cooling; Scope 3: indirect emissions associated with products we sell and business partner operations.

# **OUR SCOPE 1 & 2 EMISSIONS**

When it comes to minimizing our footprint, we're starting with the areas where we have the greatest influence—our operations. We have modeled and reported our Scope 1 and 2 emissions since 2010, and during FY2024, they accounted for 1% and 3% of our footprint respectively.

Throughout 2024, we opened 23 new stores across the U.S. Our Scope 1 emissions are mainly from refrigerant use, and as we continue to add new stores, this figure increases. However, thanks to efforts to drive efficiencies—for example, reducing refrigerant use in our heating, ventilation and air conditioning (HVAC) systems—we achieved a 2% reduction in Scope 1 emissions intensity (or usage per square foot). As a result, our absolute Scope 1 emissions decreased by 2%.

Our Scope 2 emissions are primarily attributable to facility energy use, and we are continually looking for ways to enhance efficiency. We annually purchase renewable energy credits (RECs) and take clear steps to decrease on-site electricity consumption. In 2025, our facilities will focus on driving efficiency, developing a strategy to improve renewable energy procurement where we operate and supporting on-site solar projects.



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# **OUR SCOPE 3 EMISSIONS**

Indirect Scope 3 emissions represent the largest portion of our overall footprint, at 96% of total FY2024 emissions. We annually track several relevant Scope 3 categories:

- · Category 1: Purchased goods and services
- · Category 2: Capital goods
- · Category 3: Fuel- and energy-related activities
- · Category 4: Upstream transportation and distribution
- Category 5: Waste
- · Category 7: Employee commuting
- · Category 8: Upstream leased assets
- · Category 11: Use of sold products
- · Category 12: End-of-life treatment

To effectively drive reductions in these categories, we look to support our internal efforts through close collaboration with key external partners and suppliers.

# 15% of Nordstrom Made spend in 2024

was with suppliers that had committed to science-aligned targets through MCAP

# **EMISSIONS FOOTPRINT (METRIC TONS CO2E)**

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	Scope 1	Scope 2 (location-based)	Scope 2 (market-based)	Scope 3 <sup>7</sup>	
FY2020	40,163	155,984	140,059		_
FY2021	35,541	188,023	141,590		
FY2022	22,717	194,336	184,472	3,427,037	
FY2023	26,426	178,484	151,895	3,146,421	
FY2024	25,890	165,966	94,086	2,887,637	

# INSPIRING SHARED COMMITMENT IN NORDSTROM MADE SUPPLY CHAINS

To gain a deeper, more precise understanding of our Scope 3 emissions—as well as suppliers' energy use, water impacts, waste, air emissions and chemical management—we look to the Higg Facility Environmental Module (FEM). Using this internationally recognized tool, we calculate Scope 3 emissions associated with Nordstrom Made suppliers, revealing areas for further improvement.

Working with our Nordstrom Made manufacturers is an important part of our approach to reducing Scope 3 emissions. In 2024, we launched a pilot to support suppliers in developing science-aligned targets and roadmaps, sponsoring a cohort of Nordstrom Made manufacturers to participate in Cascale's Manufacturer Climate Action Program (MCAP). The MCAP provides the tools and knowledge for setting science-aligned targets. All participating manufacturers are on track to set science-aligned targets in 2025, and some have taken their efforts even further by committing to conduct a climate risk assessment to understand where to prioritize their actions.

As we move forward, we will continue finding ways to engage Nordstrom Made supply chain partners in pursuing robust emissions targets, bringing them along on our climate journey and inspiring wider industry commitment.

# Nordstrom Made suppliers that completed Higg FEM

2024	81%
2023	94%

# INVESTING IN COMMUNITY SOLAR

We recognize the importance of investing in sustainable energy infrastructure to help advance a lower-carbon future. We purchased 159,312 kWh in RECs in 2024, simultaneously increasing our renewable energy procurement and supporting community-based energy projects. One such organization supported by this investment was PosiGen, a company committed to making solar power accessible and affordable for all homeowners.

Throughout the year, PosiGen delivered solar energy to 14,530 low-to moderate-income and low-FICO-score households in Louisiana. This work also generated 216 new jobs and prevented the generation of 135,760 metric tons of CO2. Going forward, Nordstrom will continue to purchase RECs annually to drive investment in renewable solutions.



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# DRIVING INDUSTRY-WIDE DECARBONIZATION WITH NORDSTROM MERCHANDISING GROUP BRAND PARTNERS

As a multi-brand retailer, most of our emissions footprint is linked to the products we sell (Scope 3, Category 1: Purchased goods and services). To make meaningful progress in this area, we must work closely with brand partners to encourage and support the adoption of more sustainable practices. This includes promoting the use of lower-impact materials and championing manufacturing energy efficiency.

We support our brand partners to set their own climate action targets, and, in 2024, we focused on improving our ability to measure brand progress in setting targets, decarbonizing and investing in renewable energy. We also increased buyer education, ensuring buying teams across every category, as well as emerging areas like Drop Ship and Marketplace, understand Nordstrom's climate action targets.

40.79% of Nordstrom Merchandising Group spend in 2024 was with brands with publicly stated and verified science-based targets

In 2025 and beyond, our focus will be on actively engaging our brand partners in climate efforts, especially the adoption of science-based targets. In doing so, we can collectively reduce our environmental footprint, enhance supply chain resilience and meet growing customer expectations for more sustainable products.

# REDUCING TRANSPORTATION & LOGISTICS DISTANCES

We work with a wide network of brands to offer their products in-store and via our online platform, aiming to bring the best in global fashion closer to the Nordstrom customer. To reduce transportation emissions associated with delivering brand product orders, we are working on process updates that will cut the number of unnecessary miles deliveries have to cover. By shipping products directly to customers from brand warehouses, we can minimize the need for products to first come through a Nordstrom warehouse, enhancing efficiency and reducing emissions. While this progress is promising, we noted a significant increase in FY2024 air shipment emissions due to actual increases in air ton-miles from first mile, as well as the 2024 addition of accounting for air in the final mile methodology.

# REDUCING THE FOOTPRINT OF NORDSTROM RACK

We want to meet customers where they're at, including expanding our physical presence so more people can enjoy the in-store Nordstrom experience. In 2024, we opened 23 new Nordstrom Rack stores. Whenever we look to open a new store, we do so with responsible building considerations in mind. For example, we have developed a comprehensive list of criteria to be followed when constructing new Rack stores to ensure energy efficiency and responsible resource use.

The criteria include requirements that HVAC systems be highly automated, resulting in lower power consumption, fewer runtime hours and improved customer comfort. Lighting systems are also automated, enabling flexible zone control to minimize unnecessary electricity use. Finally, we have set requirements for reducing material use in construction and recycling all outbound waste cardboard and plastic film.



# WATER MANAGEMENT

Water is a vital natural resource we all share, and we want to do our part in preserving it for the future.

# UNDERSTANDING OUR WATER FOOTPRINT

During 2023, we worked with Quantis to conduct our first environmental impact assessment. In 2024, we built on the assessment by mapping the physical water risk of every Nordstrom site<sup>8</sup> to gain insights that will equip us to better target water use efficiencies.

Leveraging water risk definitions and data from the World Resources Institute's Aqueduct Water Risk Atlas tool, we noted California sites—specifically those in the Southern California region—as being the highest risk, with 65% of Nordstrom's extremely high-risk sites located in the state. As a result, we have strategically targeted our Southern California region for a water efficiency review in 2025. This review will focus on the behavioral and operational changes needed to drive greater stewardship of water resources, as well as required equipment upgrades.

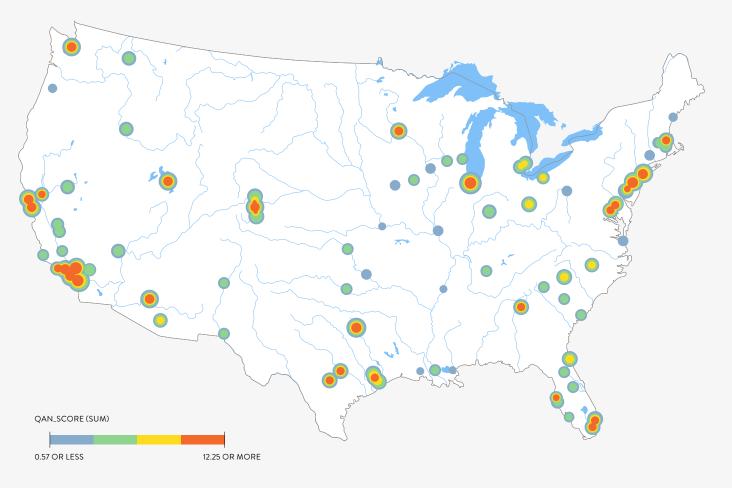
# RESPONSIBLE WATER MANAGEMENT

Across our operations, we look for ways to responsibly manage and reduce our water impact. In our restaurants, we have taken action to make restrooms more efficient. For example, we have worked to install automatic shutoff timers on sinks and reduced-flow toilet facilities. During 2024, we also began work to integrate water-efficiency requirements into construction criteria for Nordstrom Rack stores—requirements we will continue to roll out across future new store developments.

Looking forward, we are working to bring even greater visibility into our water use to inform more targeted reduction efforts. Having analyzed currently available data on our site water use in 2024, we aim to install water meters across our stores throughout 2025 and beyond so we can more precisely identify outliers in efficiency standards and other areas for improvement.

# WATER RISK HEAT MAP

Our Water Risk Heat Map shows where our U.S. locations exist within major water basins facing varying levels of quantitative physical water risk (QAN). Higher values indicate higher risks related to too little or too much water—such as droughts, floods, or seasonal shifts.



RIVERS AND LAKES

<sup>8</sup> Included all sites open and operating in the mainland U.S. as of May 2024; excluded Alaska and Hawaii sites.

# WASTE REDUCTION

Plastic waste generation in the U.S. was estimated at 73 million metric tons in 2019, and that figure is predicted to soar to over 140 million metric tons by 2060. This brings with it various impacts in terms of human health, environmental pollution and biodiversity threats.

GOAL

Reduce single-use plastics in our value chain by 50%

PROGRESS

54%

# MAPPING OUR IMPACT

We made concerted efforts to address our overall waste impact throughout 2024, achieving a 67% diversion rate<sup>9</sup> through a combination of recycling, composting and/or reuse. While this performance demonstrates strong momentum, we recognize there is more we can do to close the gap on waste.

In 2024, we conducted a comprehensive analysis of waste across Nordstrom facilities<sup>10</sup> to establish baseline diversion rates and map waste streams across all facility types. This work also helped us uncover key waste hotspots and opportunities for improvement. We're performing well across our distribution

and supply chain facilities, diverting 91% of waste away from landfill and incineration. In contrast, store diversion rates were generally lower than operational diversion rates at only 38%—an insight that highlights a key area to focus our efforts on.

In response, we have developed a visual waste assessment pilot to be rolled out in 2025, which will evaluate how waste is generated, handled and disposed of across store areas. Through site-level waste flow mapping, we aim to better understand waste volumes, identify inefficiencies and assess the infrastructure supporting sustainable waste management. Insights from the pilot will then guide the development of tailored, high-impact waste-reduction roadmaps for each store, grounded in operational data.

# ADDRESSING OUR PACKAGING FOOTPRINT

We're hearing from customers and employees that lower-impact packaging is a priority, which is why we have made it a central focus of our wider waste efforts. This requires a multifaceted approach: designing right-sized packaging, packing efficiently, prioritizing recycled content and using reverse logistics to optimize collection. It also involves focusing our efforts across outbound, store, restaurant and operational packaging.

While single-use plastic waste occurs both upstream and downstream in our value chain, much of it comes from packaging and delivery activities. Where it makes sense, we are continually working to replace single-use plastics with alternatives like paper, reusable packaging and recovered plastics.

# STORE PACKAGING

We seek to offer our customers a more sustainable suite of instore packaging options. Over the years, we have strategically transitioned to paper bags containing at least 30% recycled content that are designed to be recycled, where facilities exist. Our gift wrap is also a recyclable paper that contains recycled content. Thanks to these and other ongoing efforts, we are pleased to have achieved our single-use plastics goal three years early, and to have maintained it ever since, reaching a 54% reduction in 2024 over our 2021 baseline.

91% of waste diverted away from landfill and incineration across our distribution and supply chain facilities



# A SHARED COMMITMENT TO WASTE DIVERSION

As we look for opportunities to divert more waste from landfill, one site that exemplifies strong work in this area is our distribution center in lowa, which achieved a diversion rate of over 93% in FY2023. Reaching this level of diversion starts with ensuring every employee knows how to properly separate waste streams. The distribution center provides employees with all the tools they need to effectively separate plastic, paper and landfill waste when processing freight.

Each station is equipped with clearly labeled trash cans as well as designated containers for storing full bags of waste. The on-site cleaning crew works diligently to ensure materials are correctly sorted and sent to the right destination for recycling. Where sorting issues are identified, the crew works hand in hand with the operations manager to ensure employees are retrained on the proper process.

Achieving nearly 100% recycling is a reflection of the center's dedication to reducing its waste footprint and a true testament to the power of collective action.



# **OUTBOUND PACKAGING**

We are always on the lookout for packaging options with a lower environmental impact in terms of waste, resource use and associated emissions. One such option has been making the switch to paper padded mailers as an alternative to larger corrugated boxes. We first piloted paper mailers in select beauty fulfillment centers, testing three types to identify the best choice in terms of cost efficiency, sustainability, product protection and hassle-free customer experience.

Having selected the optimal type, we fully launched paper padded mailers across beauty fulfillment centers. We also developed training materials to help employees understand what packaging to use for different deliveries—striking the right balance between keeping products safe in transit and reducing our packaging footprint.

By replacing boxes with mailers, we were able to reduce associated CO2e emissions and packaging material requirements.

100% of to-go bags across our network of restaurants were transitioned from plastic to paper

# **RESTAURANT PACKAGING**

Across our network of more than 200 restaurants, bars and coffee bars, we are committed to delivering customer experiences that are both enjoyable and more sustainable. We maintain a suite of to-go packaging options that are fully compostable in 180 days in commercial composting facilities or follow industry-standard plastic recycling guidelines. Furthermore, all coffee cups are designed to be recycled, and we transitioned 100% of our to-go bags from plastic to paper.

Learn more about how we're advancing <u>responsible</u> <u>restaurant operations</u>.

# OPERATIONAL PACKAGING

We use reverse logistics<sup>11</sup> to reduce waste in our operations, encouraging stores to flatten and bale corrugate, and bag clean plastic film for return to our distribution centers and recycling via third parties. By doing so, we can also reduce the number of empty miles our trucks travel when returning from stores to distribution centers. Going forward, our focus will be on driving consistency in this process to divert more waste from landfill.

# TOWARD A SMALLER WASTE FOOTPRINT

Reducing waste is an ongoing journey, and we are continuously looking for ways to divert even more materials from landfill. In 2025, we will complete a waste assessment to find opportunities to increase recycling and reduce waste at our sites. This effort will also support evolving extended producer responsibility (EPR) legislation designed to enhance ownership and accountability of generated waste.

We will continue to focus on reducing single-use plastics across our operations, incorporating more recycled content into our packaging and driving the behavioral and organizational changes needed to minimize store-based waste. In food service environments, our focus will be on reducing food waste and increasing composting across restaurants, bars and coffee bars.

<sup>11</sup> The process of recovering materials and products from their end use and returning them to the manufacturing or distribution site.

The products we sell are central to providing the best possible experiences for our customers, and we want to offer options that align with their lifestyles and values. That means developing our products with a smaller environmental footprint, finding ways to extend the lifespan of our customers' clothing and accessories they purchase through us, and making space to celebrate and spotlight a wide range of brands.



# KEY HIGHLIGHTS & PROGRESS

# PRODUCT LIFECYCLE

# Goal

Take back 100 tons of beauty packaging to divert from landfill

# Progress

92.5 tons

of empties collected via BEAUTYCYCLE to date



# PRODUCT ASSORTMENT

In 2024, we became members of the Good Cashmere Standard, providing access to independently verified cashmere produced in line with clear sustainability criteria



# **PRODUCT ASSORTMENT**

# Goal

Ensure 15% of our Nordstrom.com product assortment qualifies for Nordstrom for Good

# Progress

6%



# **USING PREFERRED FIBERS**

# Goal

Use preferred fibers for 50% of Nordstrom Made products made primarily of cotton, polyester and man-made cellulosic fibers (MMCFs)

# Progress

19.7%



# PRODUCT DESIGN

In addition to prioritizing high-quality and long-lasting Nordstrom Made items, we also look to weave preferred materials and responsible design principles into our products.

# PREFERRED FIBERS

For over 100 years, we have worked to deliver best-in-class customer experiences. Today, this includes using preferred fiber (PF) options in more of our Nordstrom Made products to meet rising interest in responsible consumption.

PFs are often regenerative, use less water and fewer harmful chemicals or are made from recycled content. They also tend to align with higher supply chain transparency and labor rights standards, meaning that when we use these materials, we can also help support better outcomes for the people making them.

Learn more about responsible supply chains in our <u>Human</u> Rights section.

#### COAL

Use preferred fibers for 50% of Nordstrom Made products made primarily of cotton, polyester and MMCFs

#### **PROGRESS**

19.7%

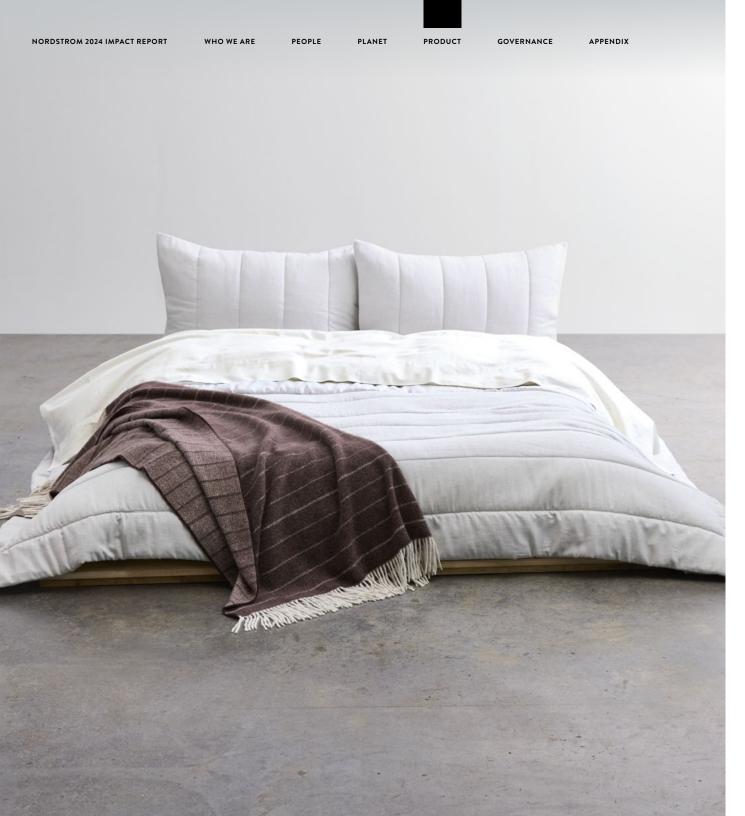
To maximize our impact, we focus on the fibers we use in the greatest volumes: cotton, polyester and MMCFs. We also support the use of more sustainable materials, sourcing methods and production through Nordstrom for Good, through which we showcase brands and products with more responsible attributes.

Throughout 2024, we continued discussions to explore opportunities to switch to PF alternatives without impacting the high product quality or price point we know our customers love and expect.

## COTTON

Cotton is fundamental to our industry, accounting for approximately 22% of global fiber production, with traditional cotton farming methods contributing significantly to biodiversity loss, water resource depletion, soil degradation and emissions production. To support our efforts in sourcing cotton with a lower environmental impact and to help promote responsible growing practices globally, in 2023, we became members of the world's largest cotton sustainability program, the Better Cotton Initiative.





In 2024, we piloted our membership with Better Cotton with 11 of our Nordstrom Made mill partners, allowing us to source 65 tons of lint cotton as Better Cotton. Following this successful pilot, we began to increase our collaboration with Better Cotton, bringing more mill and manufacturing partners into the program.

Nordstrom Home has made strong strides in using organic cotton wherever possible. To date, 77% of Nordstrom Home cotton products and 16% of our Rack home offerings use organic cotton. This represents 47% of the total textile assortment sold for Nordstrom Home.

# 77% of Nordstrom Home cotton products

sold use organic cotton, and 16% of our Rack home offerings do too

# **POLYESTER**

We look to use certified recycled polyester in our designs when possible. By doing so, we reduce our reliance on fossil fuel-derived materials and help keep plastics out of landfill, all while balancing product performance, price and practicality.

As of 2024, our Zella brand has incorporated recycled polyester into 23 styles, which represents over 8% of Zella sales. Nordstrom Home has also made progress in converting more of its throw pillows and holiday assortment to recycled polyester, with 41% of Nordstrom Made units across Nordstrom and Rack produced with recycled polyester. Through 2024, 21.5% of Nordstrom products' polyester usage was recycled.

# **MMCFS**

We want to play an active role in protecting the world's endangered forests, opting for MMCFs and wood-based cellulosic fibers that help reduce associated deforestation, energy consumption and hazardous wastewater production. Through the Canopy Hot Button Report, we identify preferred MMCFs as those with a dark green shirt icon and use of closed-loop chemical management. To achieve dark green shirt status, MMCF producers must confirm that all sourcing is low risk for being from Ancient and Endangered Forests. They must also show leadership in accelerating next-generation solutions—low-carbon, forest-friendly alternatives to virgin wood fibers.

Across several Nordstrom Made products, we are making a shift toward responsible cellulose-based fibers made by the textile innovator Lenzing. Our No. 1 seller in sleepwear, the Moonlight Eco pajama collection, is made with a fabric containing 91% Tencel, a Lenzing fiber option made through closed-loop processing with EU Ecolabel certification for having a lower environmental impact throughout its entire lifecycle. In 2024, 50% of our total PF sourcing came from MMCFs, totaling 478 metric tons of fiber.



We strive to make our customers feel good and look their best, which means providing clothing that our customers can wear for years to come. To facilitate this, we are increasingly looking for ways to apply a circular mindset to our offering, delivering services and products that help extend the life of meaningful pieces and that stand the test of time.

# **CIRCULAR ECONOMY**

Today, <u>discarded clothing is the main source of textiles in municipal solid waste</u>. Some of these materials are reused, but approximately <u>85% end up in landfill or incinerators</u>. To help address this, we want to extend the lifecycle of our clothing and high-value beauty packaging.

92.5 tons of beauty packaging recovered through BEAUTYCYCLE

to date, with over 24 tons collected in 2024 alone

#### GOA

Take back 100 tons of beauty packaging to divert from landfill

# **PROGRESS**

92.5 tons

#### GOAL

Create channels to refurbish, reuse, resell or donate 250 tons of clothing

#### **PROGRESS**

586 tons

# **DESIGNING FOR CIRCULARITY**

We seek to create timeless pieces that people will love for years to come by designing our Nordstrom Made products with an eye toward durability, longevity and utilizing quality materials that are longer lasting. Through our <u>preferred fibers</u> work, we pursue opportunities to incorporate more recycled materials into our designs, helping divert resources from landfill.

Our aim is to increase circular product design and development opportunities for Nordstrom Made products. That's why, in 2024, we launched an internal circular design working group, marking an important step in our journey. The group spans critical teams, from product design to raw materials, and meets regularly to explore potential circular product developments for the future.



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The working group follows guidelines from the Ellen MacArthur Foundation, of which we are a member. We also attend regular roundtables hosted by Textile Exchange to learn about the latest innovations and updates in areas such as recycled and next-gen fabrics.

## **DIVERTING MATERIALS FROM LANDFILL**

We believe in keeping quality clothing out of landfills and maintain defined processes for ensuring as many returned products and excess inventory as possible are directed toward recycling, reuse and resale. Much of this work is led by the Nordstrom Quality Center (NQC), a facility we established in 1998 to identify valuable ways to repurpose products.

Our NQC receives returned products and refurbishes and sends sellable goods to Nordstrom Rack or our Last Chance stores in Phoenix and Chicago. When products do not meet selling-floor standards, NQC sells them on to secondhand buyers to be resold for alternative uses.

We are increasingly looking for opportunities to resell high-quality, secondhand items to customers, for example through the Reklaim program, which offers preowned luxury handbags in select stores, as well as preowned luxury watches from our partner, Watchfinder & Co., on Nordstrom.com. Through Nordstrom Rack, we offer a range of refurbished electronics, from laptops to vacuum cleaners.

# Giving Beauty Packaging a Second Life

A 2023 survey found that over 75% of U.S. consumers think sustainable cosmetics packaging is important, but because beauty packaging is often small, flexible or made from mixed materials, it can be difficult to recycle in traditional curbside recycling programs. Only a fraction of the 120 billion cosmetic packages created are recycled. That's why we became the first major retailer to launch our in-store beauty take-back and recycling program, BEAUTYCYCLE, back in 2020.

Accepting all brands of hard-to-recycle beauty packaging, BEAUTYCYCLE helps customers responsibly recycle waste materials that aren't typically accepted in municipal recycling bins. Through the program, we aim to take back 100 tons of beauty packaging by 2025. To date, we have recovered 92.5 tons—with over 24 tons collected in 2024 alone. BEAUTYCYCLE bins are now available in all Nordstrom and Nordstrom Rack stores in the contiguous U.S.

# **EXTENDING THE PRODUCT LIFECYCLE**

One of the most effective steps consumers can take to prevent products from becoming waste is to keep using them. We employ the largest team of professional tailors in the U.S. to help customers extend the life of their clothing through expert alterations and repairs. We also offer services to refresh and maintain shoes and jewelry, helping customers get the most out of every item. We offer alterations in all Nordstrom stores and over 90 Nordstrom Rack stores, ensuring customers can get the same level of tailored care no matter where they choose to shop.

In 2024, we relaunched our Shoe Care program (previously Shoe Shine) across 31 Nordstrom stores. Highlighting our commitment to helping customers get the most out of their clothing, Shoe Care offers in-store services such as leather shoe shining and sneaker cleaning.

We have long offered a jewelry repair service, available across all Nordstrom and Nordstrom Rack stores, through which customer items are sent to our repair shop in Seattle to be fixed or altered. During 2025, we aim to conduct a study to understand customer uptake of this offering and how we can enhance it to best meet customer needs.

31 Nordstrom stores offered our relaunched Shoe Care program

during 2024, with instore services such as leather shoe shining and sneaker cleaning

# PARTNERING WITH PACT COLLECTIVE

We joined Pact Collective in 2024, bringing the organization on board as our BEAUTYCYCLE packaging collection partner. A nonprofit, member-led organization, Pact aims to unite the beauty industry in reducing packaging waste and collaborating for more circular solutions. By offering collection programs for hard-to-recycle beauty packaging, Pact and its members—including Nordstrom—helped divert more than 113 tons of beauty material from landfill in 2024.

"Pact is proud to have welcomed Nordstrom and its industry-leading BEAUTYCYCLE program to our community of beauty stakeholders. Nordstrom's commitment to Pact's mission of reducing beauty packaging waste across the industry sets a strong example for our peers."

Carly Snider, Pact Collective Executive Director



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# PRODUCT ASSORTMENT

Through our product assortment, we seek to offer options that work for everyone. From clothes that support more conscious consumption to restaurant options that are responsibly sourced, our portfolio puts customer needs first.

# HELPING CUSTOMERS SHOP THEIR VALUES

We take pride in being a great place for our customers to shop. That includes offering a wide range of products, showcasing brands that align with our values and have a positive social and environmental impact.

## NORDSTROM FOR GOOD

Customers today are increasingly considering the impacts of the products they buy. We strive to help meet their needs with Nordstrom for Good, our online assortment hub for more responsible products.

#### GOAI

Ensure 15% of our Nordstrom.com product assortment qualifies for Nordstrom for Good

#### **PROGRESS**

6%

Nordstrom for Good shines a spotlight on brands and products that deliver positive impact in five key areas:

- · Preferred materials
- · Responsible manufacturing and sourcing
- Preferred ingredients (beauty category)
- Packaging (beauty category)
- · Responsible brand

Our Nordstrom for Good program criteria aligns with industry best practices and ensures we are accurately capturing and quantifying the important work brands do to create more responsible products. All product claims must be third-party certified, and before being included in Nordstrom for Good, brands undergo a verification process with Bureau Veritas to ensure claims are accurate and validated. This allows our customers to be confident that the products they purchase deliver the environmental or social benefit they advertise.

Throughout the year, we took strides to give more brands the support they need to include products in Nordstrom for Good. In partnership with our Marketplace team, we developed systems that help <u>Marketplace</u> brands successfully engage with the product qualification process. We piloted these systems with several brands, representing over 462 styles that will be included in Nordstrom for Good in early 2025.

We recognize the responsible fashion space is continuously evolving, and we want Nordstrom for Good to evolve at pace. As we look to 2025 and beyond, we are considering how we can develop the initiative to offer customers more opportunities to shop with their values in mind. We continually revisit and revise our verification criteria, exploring opportunities to provide more complete insights into how Nordstrom for Good brands are developing responsible, purpose-driven designs.

# Championing Responsible Brands

In addition to highlighting individual products with sustainability benefits, Nordstrom for Good showcases brands that uphold best practices in sustainability and responsible business by including brands that align with internationally recognized standards like <u>B Corp</u> and the <u>Butterfly Mark</u>. We are excited to showcase several of these brands in this year's report.





# THE GOOD CASHMERE STANDARD

Alongside showcasing brand-level sustainability achievements, Nordstrom for Good creates space to highlight responsible practices at the individual product level. During 2024, we became members of the Good Cashmere Standard. Established by the Aid by Trade Foundation, the Good Cashmere Standard provides access to independently verified cashmere that has been produced in line with clear sustainability criteria. A global leader in sustainable cashmere production, the standard aims to protect the welfare of cashmere goats, conserve the environment, ensure decent farm working conditions and promote supply chain transparency. Becoming a member represents a major step for Nordstrom Made's commitment to leaving the world better than we found it, embedding animal welfare as part of our definition of quality.



# SPOTLIGHTING VALUES-DRIVEN BRANDS

Hear from some of the Nordstrom for Good brands dedicated to best-in-class sustainability.

Image courtesy of Monica Vinader



For over 40 years, Eileen Fisher has been known for creating simple, timeless clothing. Since 2015, it has also been recognized by B Corp for its high standards of social and environmental performance, transparency and accountability.

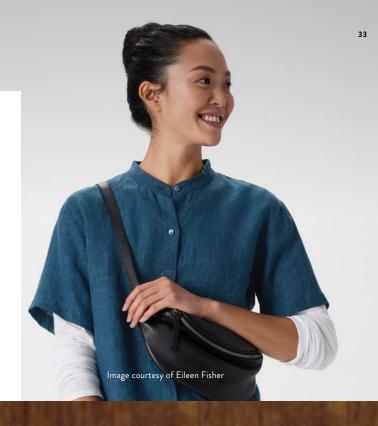
"We chose B Corp because it communicates the intentionality that we put into every product. We are so pleased that Nordstrom recognizes our efforts to do good in all our operations as a B Corp, for our communities and the natural world."

Susan Scow, Sustainability Impact Specialist, Eileen Fisher

EILEEN FISHER

Image courtesy of Veja





# MONICA VINADER: BALANCING LUXURY & SUSTAINABILITY

Founded on the principle of doing the right thing, luxury jeweler Monica Vinader is committed to preserving the planet, protecting people and inspiring the industry to pursue more responsible practices. Through its Product Passport initiative, Monica Vinader brings sight to supply chains, letting customers trace the journey of their jewelry from design to delivery. Learn more in the Nordy Podcast.

"Nordstrom for Good aligns seamlessly with Monica Vinader's long-standing commitment to sustainability. We share Nordstrom's belief that fashion can be a force for change, and this is reflected in our dedication to transparent sourcing, environmental stewardship and social responsibility at every stage of our supply chain. Partnering with Nordstrom for Good allows us to elevate these values within a refined retail context, reaching conscious consumers who expect luxury to reflect both excellence and ethics."

Katie Richards, Head of Sustainability, Monica Vinader

MONICA VINADER





VEJA takes a different approach to creating sneakers, combining responsible materials and social impact projects to reduce their product impact. From organic cotton and natural Amazonian rubber to 100% recycled plastic, VEJA sneakers are made in ways that respect the environment and the people who rely on it.

"Nordstrom for Good's commitments to materials, ethical sourcing and manufacturing reflect the very principles VEJA was founded on. From wild Amazonian rubber to organic cotton and recycled materials, VEJA's approach to sneaker production is deeply rooted in continuing these values."







# **CULTIVATING A VARIED BRAND OFFERING**

We want to provide customers with a broad range of products that help them express their own unique tastes and heritage. Sourcing a wide range of options from diverse fashion talent is part of how we do that. We strive to set the stage so every exceptional supplier has meaningful opportunities to pursue a partnership with Nordstrom.

# Connecting Customers to Global Brands

We seek out impactful, purpose-driven partnerships with organizations that share our commitment to inclusion. We joined the Folklore Group in 2023, a first-ofits-kind community that helps us discover historically underrepresented, sustainable and innovative brands from across the globe. We have since continued strengthening this partnership, expanding our wholesale partnerships and engaging in ongoing conversations about how we can better support a wide variety of independent brands.

We worked with the Folklore Group in 2024 to develop a new campaign concept, culminating in Black History Month 2025, which features several Black-owned brands across select Nordstrom locations. It is designed to be an exciting, multi-store activation that will shine a light on talented Folklore Group brands and reinforce our shared values of inclusion and celebrating cultural heritage. As we move through 2025, we will continue uncovering opportunities to collectively elevate awareness of these brands, leveraging celebrations like Women's History Month, Pride and Native American Heritage Month to showcase cultural diversity in fashion.

"The Folklore deeply values our partnership with Nordstrom. Its commitment to elevating emerging, diverse brands goes beyond retail—it's about building a future in which inclusion is the standard, not the exception. Together, we've been able to bring visibility, opportunity and impact to communities that have long been overlooked in traditional retail spaces. We're excited to continue co-creating a more inclusive and inspired future for fashion and design."

# The Folklore Group

# Supporting Small Businesses

Our Neighborhood Pop-Ups create opportunities for small, local businesses to grow by giving them space to show up inside our stores without cost. These partnerships are designed to help community-rooted brands tap into Nordstrom's instore traffic, introduce their products to new customers and drive awareness back to their own businesses. By bringing these curated experiences into our stores, we're able to offer customers products that reflect the communities we serve while supporting local economic growth.

During 2024, we launched Black History Month pop-ups online and in our New York and Los Angeles stores. These featured carefully curated Black-owned brand collections across a wide assortment, including apparel, accessories, beauty, kids and home. Other moments included pop-ups around Diwali and Latin American and Hispanic Heritage Month, with products featuring South Asian and Latin American founders.

Also in 2024, we once again partnered with Harlem's Fashion Row (HFR) to co-develop new capsule collections from three incredible designers. The collections feature the designs of Megan Renee, House of Aama and Harbison, each offering a distinct design perspective and must-have items. Available online and in 20 stores, the capsule collections feature vibrant colors, bold prints and tailored silhouettes.

# Learn more about our HFR partnership.

Through our restaurant partnerships, we introduce emerging chefs to Nordstrom customers, spotlighting their stories, cooking styles and cultural perspectives in a way that feels both personal and inspiring. In 2024, these collaborations came to life through special events like the Sunday Dinner Series, a chef-curated dining experience hosted in select Nordstrom restaurants. The series featured multi-course menus crafted by celebrated guest chefs, including Lauren Von Der Pool and Paola Velez.

While designed to connect with customers in new and relevant ways, these partnerships also provide valuable learning opportunities for our restaurant teams. By working alongside guest chefs, our back-of-house teams gain hands-on exposure to new cooking techniques, plating styles and kitchen workflows. This creates an organic upskilling opportunity, enhancing both culinary capability and confidence while reinforcing our restaurants as places where talent can thrive.

# RESPONSIBLE RESTAURANT OPERATIONS

Our Restaurant team offers a range of high-quality foods and beverages. Whenever possible, we use local, organic produce and feature seasonal ingredients on our menus. We also aim to partner with suppliers that share our commitment to sustainability, take efforts to reduce their carbon footprint and empower women-owned businesses. We also look to identify food packaging options with a smaller environmental impact. Learn more about our restaurant packaging.

## LOWER-IMPACT INGREDIENTS

We source cage-free eggs, wild-caught Mexican shrimp and wild-caught Alaskan salmon. We partner with 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. Its shrimp-catching process uses turtle-free nets and has the lowest bycatch and fuel consumption per pound in the world.

We're also proud to feature a selection of women-produced coffees in our stores and online throughout the year, as well as offer specific blends that protect the environment and support more sustainable production and the fair treatment of workers.

# SUSTAINABLY SOURCED WINE

We weigh sustainability considerations when it comes to selecting the wines we serve our customers. For example, we offer wines from Duckhorn, a premier producer dedicated to implementing sustainable practices in its vineyards. Duckhorn's portfolio has earned several certifications, including LEED Gold at the Goldeneye Winery in California, Certified Organic Farmers for estate vineyards on Mt. Harlan and Fish Friendly Farming at all North Coast Estate vineyards. We also offer a selection from Ste. Michelle Wine Estates, which is committed to conserving water, reducing solid waste production and thoughtfully consuming energy. These efforts have resulted in the company being certified by the state of Washington as an EnviroStar business.

DAOU Vineyards holds a Sustainability in Practice certification, thanks to its efforts in responsible land, wildlife and water management, as well as its commitment to ethical business practices. And, to expand the variety of options we can offer our customers, we also provide wines from McBride Sisters, a Minority Business Enterprise-certified, Carbon Neutral-certified brand committed to closing the gender and race gap in male-dominated industries through their SHE CAN Fund.





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Our business practices are driven by a commitment to responsible fashion and are guided by strong oversight, a shared sense of ethics and the responsibility for maintaining the trust of our customers.

## PEOPLE, PLANET & PRODUCT OVERSIGHT

To deliver on our impact strategy, we require a robust governance structure that guides us in achieving our goals and ambitions.

Ultimate oversight for our impact efforts sits with the Board of Directors. The Board is regularly updated on our impact and inclusion strategies, programming and goals, as well as relevant issues facing the fashion retail industry. They also regularly review the potential impact of regulations and stay abreast of operational updates on our business.

To ensure our Board can effectively carry out its responsibilities, we look to ensure Directors hold expertise across a range of topics, from the retail industry, business transformation and online growth to inclusion, risk management and technological expertise.

#### **GOVERNANCE**

In response to evolving and increasingly stringent environmental, social and governance (ESG) legislation, in 2024, our Corporate Social Responsibility team moved under Legal and became the ESG team. This program continues to serve as an internal center of excellence, leading our Nordstrom strategy and associated programming.

To drive progress toward our ESG goals, cross-functional action teams bring together representatives from across our business; each goal has ESG and non-ESG co-leads, with an executive sponsor who provides guidance and oversees progress.

Each goal sponsor, along with other executive-level leaders across the business, serves on the ESG Committee, the governing body that reviews progress on our goals, supports the development of our ESG strategy, helps navigate roadblocks and advises on current impact priorities. This committee convened three times in 2024.

Our efforts to create a fair and supportive workplace for everyone are supported by a dedicated team within human resources that collaborates with business leaders to develop and implement strategies and practices that benefit all employees, wherever they are in their career journeys. In addition, this work is supported by consistent reviews with Erik Nordstrom, our co-Chief Executive Officer, and Lisa Price, our Chief Human Resources Officer.



NORDSTROM 2024 IMPACT REPORT

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Our customers want to feel good about where they shop, knowing their purchasing decisions support businesses that act with integrity and do the right thing. At Nordstrom, we have a central rule when it comes to operating ethically: Use good judgment in all situations.

By promoting a collective culture of ethics and compliance, and equipping our people with the tools and knowledge they need to make the right judgment calls, we are committed to operating as an honest and responsible business.

#### **OUR CODE OF CONDUCT & ETHICS**

Underpinning our approach to responsible business is our <u>Code of Conduct & Ethics</u>, which applies to all employees. The Code details our expectations for operating with integrity, maintaining trust and advancing a fair, respectful and healthy workplace. It also establishes a general framework for how we do business ethically and how our employees and leaders should exercise good judgment.

We also maintain a range of other internal policies on topics such as anti-corruption and bribery, anti-harassment and discrimination, and conflicts of interest so that, no matter what situation they are presented with, our employees know exactly the behaviors and practices they're expected to maintain.

### INSPIRING AN OPEN-DOOR CULTURE

Open, honest and respectful communication is key to moving the needle on ethical conduct. Across Nordstrom, our leadership team maintains an open-door policy, inviting anyone to come forward with thoughts, questions and concerns. We also provide a variety of channels through which employees can report potential misconduct, Code or policy violations, or other illegal or unethical conduct. This includes an ethics hotline through which employees can report concerns anonymously.

# DATA SECURITY & PRIVACY

At Nordstrom, our customers are at the heart of what we do. We strive to make their experience the best it can be, including tailored product and service recommendations based on their interests and demands. We use personal information to deliver customized journeys and strive to ensure we collect and use customer personal information in safe, responsible ways.

#### UPHOLDING CUSTOMER PRIVACY

We recognize the trust our customers place in us to use their personal information appropriately and securely. We seek to uphold that trust, every day, through the commitments reflected in our <u>Privacy Policy</u>, which details what information we collect and how, how we use it and the choices available to customers in how their data is managed. No matter how we collect, use or store personal information, we do so in line with relevant laws and regulations.

### PROTECTING CUSTOMER PERSONAL INFORMATION

In support of our efforts to protect personal information entrusted to us, we employ comprehensive policies, procedures and relevant training to address and mitigate current and emerging threats and risks. Our employees receive regular training that emphasizes their role in protecting personal information and teaches them how to identify and avoid cybersecurity threats. These efforts reflect our commitment to maintaining the privacy and security of our customers' personal information.

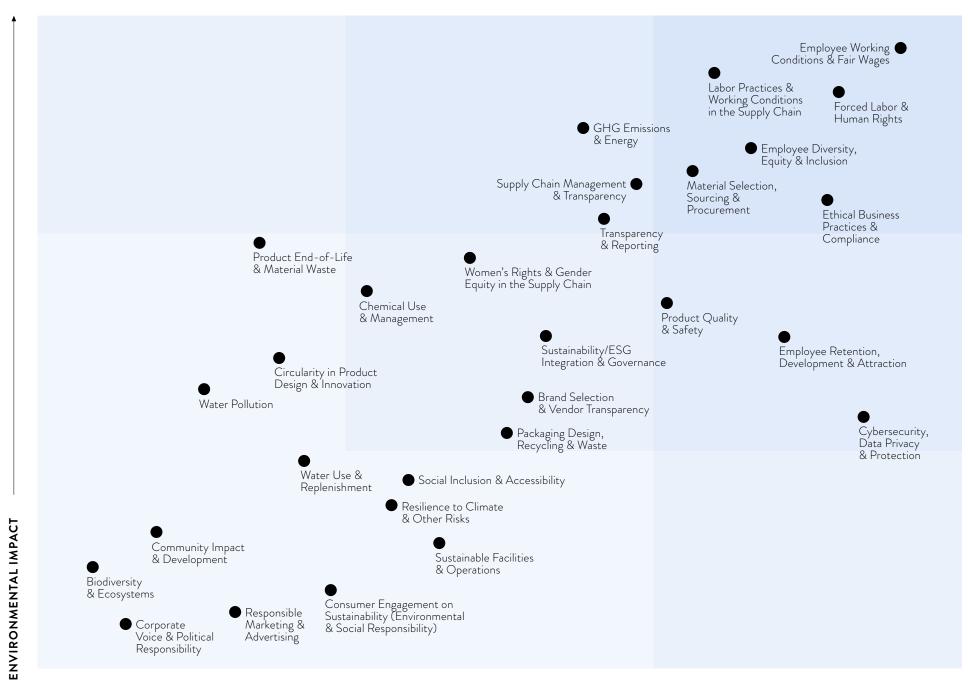
# APPENDIX

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## 2023 NORDSTROM MATERIALITY ASSESSMENT

High-priority topics are denoted in dark blue in the top-right section of this matrix, while lower-priority issues are in light blue in the bottom left. We report on all priority issues within this report as well as on our website.



**BUSINESS IMPACT** 

## SASB REFERENCE TABLE

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

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 year 2024. Additional information is available on nordstromcares.com.

Topic	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 Nordstrom Made 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) for all Tier 1 manufacturer suppliers in our Nordstrom Made supply chain. We conduct testing and reporting for individual state-restricted substances for Nordstrom Made products.  Nordstrom Conflict Minerals Report, AFIRM RSL
	Discussion of processes to assess and manage risks and/or hazards	Discussion and Analysis	N/A	CG-AA-250a.2	Nordstrom notifies Nordstrom Made 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.
	associated with chemicals in products				We use third-party testing to monitor compliance with global chemical regulations and Nordstrom's Restricted Substance List (AFIRM) on all products and product components.
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	Quantitative	Percentage (%)	CG-AA-430a.1	In our supplier assessment program, we aim to assess 100% of our strategic Tier 1 suppliers, using multiple tools to gain this visibility. In 2024, through Higg Facilities Environmental Module (FEM), 53% of our Tier 1 strategic suppliers were assessed and 34% of these supplier FEMs were verified.
	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Worldly Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Quantitative	Percentage (%)	CG-AA-430a.2	In 2024, 53% of Nordstrom Made suppliers completed the Higg FEM, and 34% of these supplier FEMs were verified.

#### SASB REFERENCE TABLE

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Labor Conditions in the Supply Chain	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 2024, 67% of audits were conducted to Nordstrom's Code of Conduct & Ethics, 13% were audited to BetterWork's Social & Labor Convergence Program (SLCP) assessment, 14% were audited to SMETA and 50% were audited to the verified FSLM module shared via the Higg platform. In the Impact Report under People > Responsible Sourcing > Bringing Sight to Supplier Performance, we state the extent to which we reduce audit duplicity/fatigue via SLCP and BetterWork assessment acceptance.
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.2	In 2024, we conducted a total of 176 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 comply with our expectations. We found 758 nonconformance findings within our Tier 1 supply chain by the end of 2024'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 2024: 100% of priority nonconformance findings were fully remediated, 27% of all nonconformance findings were fully remediated, 58% of nonconformance findings remain pending with suppliers actively implementing plans to remediate and 14% of nonconformance remain issues that are systemic in nature and require continuous improvement beyond a one-year or six-month timeframe. In 2024, no contracts were terminated with suppliers as a result of Partner Code of Conduct (PCOC) nonconformance. Although our supplier operations revolve around a continuous improvement and partnership-based philosophy, Nordstrom cannot ensure that business will 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 on those working within our supply chain and reduce disruption to the supplier's business as much as possible.
	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain		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.  Human Rights Commitment  Nordstrom Partnership Guidelines

Торіс	Activity Metric	Category	Unit of Measure	Code	Response
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.
Activity metric: Supply Chain	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	Number	CG-AA-000.A	Tier 1: 225 suppliers. Tier 2: 237 mills.
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	CG-MR-130a.1	The total amount of energy Nordstrom consumed in 2024 was 2,657,958 GJ. The percentage of energy Nordstrom consumed that was supplied from the grid was 80%. The percentage of energy that Nordstrom consumed from renewable resources was 27%.
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, with dedicated teams working to identify and address privacy and security risks associated with our data. We have implemented measures to help prevent breaches of our information and comply with cybersecurity requirements and best practices through safeguards and procedures designed to protect the security, confidentiality and integrity of that information. We regularly monitor for emerging information security threats and take steps to validate that our information security controls are appropriate and functioning properly. Our privacy and information security programs are overseen by our Chief Information Security Officer, who reports to our Chief Technology and Information Officer, who is an executive officer of the company.

#### SASB REFERENCE TABLE

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Product Sourcing, Packaging & Marketing	Discussion of strategies to reduce the environmental impact of packaging		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:  Replacing our plastic Nordstrom Rack shopping bags with paper bags.  Addition of water-activated tape at fulfillment centers (FCs): Approx. 200 machines purchased. FCs transitioned from poly tape (single-use plastic) to a paper/carbon fiber tape that is curbside recyclable.  Rightsizing and switching to thinner claim bags, garment bags, stretch film and poly mailers.  Adding short shopping bags to our assortments in Nordstrom and Nordstrom Rack stores, giving sales associates an option that better suits smaller purchases and reducing paper usage.  Addition of paper padded mailers to packaging suite, helping eliminate the need for small boxes and drive less material and lower carbon footprint.
					<ul> <li>Carbon. 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 regions of the U.S.</li> <li>Reducing the paper tonnage of our full-line bags and sourcing domestically.</li> </ul>
					<ul> <li>Additional projects:</li> <li>We have also moved Rack paper shopping bags from white kraft to natural kraft. 40% post-consumer waste (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>
Activity Metric: Operational Facilities	Number of: (1) retail locations and (2) distribution centers	Quantitative	N/A	CG-MR-000.A	2024 Annual Report: pg. 23–24
	Total area of: (1) retail space and (2) distribution centers	Quantitative	N/A	CG-MR-000.B	2024 Annual Report: pg. 23–24

### GRI CONTENT INDEX

#### **VERIFICATION STATEMENT**

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

Statement of use	Nordstrom Inc. has reported the information cited in this GRI content index for the period February 4 2024, through January 1, 2025, with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	GRI DISCLOSURE	LOCATION		
GRI 2: General Disclosures 2021	2-1 Organizational details DISCLOSURE	<ol> <li>Nordstrom, Inc.</li> <li>2024 Annual Report: pg. 1</li> <li>2024 Annual Report: pg. 1</li> <li>Our Stores</li> </ol>		
	2-2 Entities included in the organization's sustainability reporting	<ol> <li>Significant Subsidiaries of the Registrant</li> <li>The same entities included in the consolidated financial statements are included in the Impact Report.</li> <li>2024 Annual Report: pg. 50</li> <li>This is an annual report, covering the period from February 4, 2024 to January 1, 2025.</li> <li>2024 Annual Report: pg. 1</li> <li>The publication date is: September 18, 2025</li> <li>The contact point for the report: CSR@nordstrom.com</li> </ol>		
	2-3 Reporting period, frequency and contact point			
	2-4 Restatements of information	There are no restatements of information to report.		
	2-5 External assurance	The report is not externally assured.		
	2-6 Activities, value chain and other business relationships	<ol> <li>2024 Annual Report: pg. 8-9, 17-18</li> <li>2024 Annual Report: pg. 17-18</li> <li>2024 Annual Report: pg. 71</li> </ol>		
	2-7 Employees	<ol> <li>Impact Report 2024: People; Supporting Our Employees; Unlocking Potential</li> <li>2024 Annual Report: pg. 10</li> <li>The methodology used to compile data is head count.</li> </ol>		

GRI STANDARD	GRI DISCLOSURE	LOCATION
	2-9 Governance structure and composition	Impact Report 2024: Governance; People, Planet & Product Oversight 2024 Annual Report: pg. 75–79
	2-10 Nomination and selection of the highest governance body	Proxy Statement 2024: pg. 16, 26–33
	2-11 Chair of the highest governance body	Proxy Statement 2024: pg. 14
	2-12 Role of the highest governance body in overseeing the management of impacts	Proxy Statement 2024: pg. 13–15
	2-13 Delegation of responsibility for managing impacts	Proxy Statement 2024: pg. 13–15
	2-14 Role of the highest governance body in sustainability reporting	Proxy Statement 2024: pg. 15
	2-15 Conflicts of interest	a. Corporate Governance and Nominating Committee of the Board of  Directors Charter, section "Duties and responsibilities" 1.12  Code of Business Conduct and Ethics for the Members of the Board of  Directors, section "Conflicts of interest"  b. Partner Code of Conduct, pg. 4
	2-17 Collective knowledge of the highest governance body	Proxy Statement 2024: pg. 14-15

GRI STANDARD	GRI DISCLOSURE	LOCATION
	2-18 Evaluation of the performance of the highest governance body	a. Corporate Governance and Nominating Committee of the Board of Directors Charter, section "Performance Evaluation." b. Corporate Governance and Nominating Committee of the Board of Directors Charter, section "Membership." The annual performance evaluations are conducted solely by independent directors. c. Corporate Governance and Nominating Committee of the Board of Directors Charter, section "Duties and Responsibilities" 1.3.
	2-19 Remuneration policies	2024 Annual Report: pg. 78–81
	2-20 Process to determine remuneration	2024 Annual Report: pg. 78–81
	2-21 Annual total compensation ratio	2024 Annual Report: pg. 80–82
	2-22 Statement on sustainable development strategy	Impact Report 2024: Who We Are; <u>Letter from Our Leaders</u>
	2-23 Policy commitments	a. Policies & Commitments b. Nordstrom Human Rights Commitment c. Policies & Commitments d. Nordstrom Human Rights Commitment, section "Governance and implementation" e. Partner Code of Conduct, Code of Business Conduct and Ethics for the Members of the Board of Directors Impact Report 2024: Governance; Ethics & Compliance
	2-24 Embedding policy commitments	Partner Code of Conduct, Code of Business Conduct and Ethics for the Members of the Board of Directors, Code of Conduct & Ethics Impact Report 2024: Governance; Ethics & Compliance
	2-25 Processes to remediate negative impacts	<u>Proxy Statement 2024</u> : pg. 14–15
	2-26 Mechanisms for seeking advice and raising concerns	Grievance Processes
	2-28 Membership associations	Impact Report 2024: People; Supporting Communities; Partnerships for Progress

GRI STANDARD	GRI DISCLOSURE	LOCATION
Material topic: GHG Emissions & Energy Use GRI 302: Energy 2016	302-1 Energy consumption within the organization	CDP Questionnaire 2024: 7.30.1.2, 7.30.1.3, 7.30.1.4, 7.30.6, 7.30.7.2, 7.30.7.3, 7.30.7.4, 7.30.16.1, 7.30.16.2, 7.30.16.4, 7.30.16.5, 7.30.16.6
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Impact Report 2024: Planet; Climate Action; <u>Targeting Emissions</u> Reductions CDP Questionnaire 2024: 7.5, 7.5.2, 7.8.2, 7.8.3
	305-2 Energy indirect (Scope 2) GHG emissions	Impact Report 2024: Planet; Climate Action; Our Scope 1 & 2 Emissions CDP Questionnaire 2024: 7.5.1, 7.5.2, 7.8.2, 7.8.3
	305-3 Other indirect (Scope 3) GHG emissions	Impact Report 2024: Planet; Climate Action; Our Scope 3 Emissions CDP Questionnaire 2024: 7.5.2, 7.5.3, 7.8.2, 7.8.3
	305-5 Reduction of GHG emissions	Impact Report 2024: Planet; Climate Action; <u>Targeting Emissions</u> Reductions CDP Questionnaire 2024: 7.55.3.1, 7.55.3.2
Material topic: Employee Working Conditions & Fair Wages / Employee Retention, Development & Attraction	401-2 Benefits provided to full- time employees	Impact Report 2024: People; Supporting Our Employees Impact Report 2024: People; Supporting Our Employees; Well-Being for Everyone
GRI 401: Employment 2016		
Material topic: Employee Diversity, Equity & Inclusion	405-1 Diversity of governance bodies and employees	Impact Report 2024: People; Supporting Communities; Understanding Our Priorities Impact Report 2024: People; Supporting Communities; Gender Equity Impact Report 2024: People; Supporting Communities; Partnering for
Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Impact Impact Report 2024: People; Supporting Our Employees; Pay Equity
Material topic: Forced Labor & Human Rights	409-1 Operations and suppliers at significant risk for incidents of	Impact Report 2024: People; Supporting Communities; Human Rights in Our Supply Chain
GRI 409: Forced or Compulsory Labor 2016	forced or compulsory labor	Impact Report 2024: People; Supporting Communities; Human Rights Due  Diligence Impact Report 2024: People; Supporting Communities; Understanding Our  Priorities

GRI STANDARD	GRI DISCLOSURE	LOCATION
Material topic: Community Impact & Development	413-1 Operations with local community engagement, impact assessments	Impact Report 2024: People; <u>Key Highlights &amp; Progress</u> Impact Report 2024: People; <u>Supporting Communities</u>
GRI 413: Local communities		
Material topic: Labor Practices & Working Conditions in the Supply Chain	3-3 Management of material topics	Impact Report 2024: People; Supporting Communities; Responsible Sourcing Impact Report 2024: People; Supporting Communities; Fostering Continuous Improvement Impact Report 2024: People; Supporting Communities; Our Responsible Sourcing Supplier Manual Impact Report 2024: People; Supporting Communities; Maintaining Supply Chain Transparency Impact Report 2024: People; Supporting Communities; Impactt Limited Impact Report 2024: People; Supporting Communities; Human Rights Due Diligence Impact Report 2024: People; Supporting Communities; Understanding Our Priorities
Material topic: Material Selection, Sourcing & Procurement	3-3 Management of material topics	Impact Report 2024: People; Supporting Communities; Responsible Sourcing
Material topic: Ethical Business Practices & Compliance	3-3 Management of material topics	Impact Report 2024: People; Supporting Communities; Human Rights in Our Supply Chain Impact Report 2024: People; Supporting Communities; Human Rights Due Diligence Impact Report 2024: People; Supporting Communities; Responsible Sourcing Impact Report 2024: People; Supporting Communities; Understanding Our Priorities

GRI STANDARD	GRI DISCLOSURE	LOCATION
Material topic: Supply Chain Management & Iransparency	3-3 Management of material topics	Impact Report 2024: People; Supporting Communities; Responsible Sourcing Impact Report 2024: People; Supporting Communities; Fostering Continuous Improvement Impact Report 2024: People; Supporting Communities; Our Responsible Sourcing Supplier Manual Impact Report 2024: People; Supporting Communities; Maintaining Supply Chain Transparency Impact Report 2024: People; Supporting Communities; Impactt Limited Impact Report 2024: People; Supporting Communities; Human Rights Due Diligence Impact Report 2024: People; Supporting Communities; Understanding Our Priorities
Material topic: Transparency & Reporting	3-3 Management of material topics	Strategy, Governance & Reporting
Material topic: Women's Rights & Gender Equity n the Supply Chain	3-3 Management of material topics	Impact Report 2024: People; Supporting Communities; <u>Understanding Our Priorities</u>
Material topic: Sustainability/ ESG ntegration & Governance	3-3 Management of material topics	Impact Report 2024: <u>Governance</u>
Material topic: Brand Selection & Vendor Iransparency	3-3 Management of material topics	Impact Report 2024: Product; Product Assortment; Helping Customers Shop Their Values Impact Report 2024: Product; Product Assortment; Championing Responsible Brands Impact Report 2024: Product; Product Assortment; Responsible Restaurant Operations Impact Report 2024: Product; Product Assortment; Nordstrom for Good Impact Report 2024: Product; Product Assortment; Nordstrom for Good Impact Report 2024: People; Supporting Communities; Responsible Sourcing Impact Report 2024: People; Supporting Communities; Fostering Continuous Improvement Impact Report 2024: People; Supporting Communities; Our Responsible Sourcing Supplier Manual Impact Report 2024: People; Supporting Communities; Maintaining Supply Chain Transparency

GRI STANDARD	GRI DISCLOSURE	LOCATION
Material topic: Packaging Design, Recycling & Waste	3-3 Management of material topics	Impact Report 2024: Planet; Waste Reduction; Addressing Our Packaging Footprint Impact Report 2024: Planet; Waste Reduction; Store Packaging Impact Report 2024: Planet; Waste Reduction; Outbound Packaging Impact Report 2024: Planet; Waste Reduction; Restaurant Packaging Impact Report 2024: Planet; Waste Reduction; Operational Packaging Impact Report 2024: Planet; Waste Reduction; Toward a Smaller Waste Footprint Impact Report 2024: Product; Product Lifecycle; Circular Economy Impact Report 2024: Product; Product Lifecycle; Partnering with Pact Collective Impact Report 2024: Product; Product Lifecycle; Giving Beauty Packaging a Second Life Impact Report 2024: Product; Key Highlights & Progress
Material topic: Product Quality & Safety	3-3 Management of material topics	Impact Report 2024: Product; Product Assortment; Championing Responsible Brands Impact Report 2024: Product; Product Assortment; Spotlighting Values- Driven Brands Impact Report 2024: Product; Product Assortment; The Good Cashmere Standard Impact Report 2024: Product; Product Assortment; Cultivating a Varied Brand Offering Impact Report 2024: Product; Product Assortment; Responsible Restaurant Operations
Material topic: Cybersecurity, Data Privacy & Protection	3-3 Management of material topics	Impact Report 2024: Governance; Data Security & Privacy Impact Report 2024: Governance; Data Security & Privacy; Upholding Customer Privacy Impact Report 2024: Governance; Protecting Customer Personal Information Privacy Policy
Material topic: Circularity in Product Design & Innovation	3-3 Management of material topics	Impact Report 2024: Product; <u>Product Design</u> Impact Report 2024: Product; Product Design; <u>Preferred Fibers</u> Impact Report 2024: Product; Product Design; <u>Cotton</u>
Material topic: Water Pollution	3-3 Management of material topics	Impact Report 2024: Planet; Climate Action; Inspiring Shared Commitment in Nordstrom Made Supply Chains Impact Report 2024: Planet; Water Management CDP Questionnaire 2024: 9.15.1
Material topic: Water Use & Replenishment	3-3 Management of material topics	Impact Report 2024: Planet; Water Management

GRI STANDARD	GRI DISCLOSURE	LOCATION
Material topic: Corporate Voice & Political Responsibility	3-3 Management of material topics	Impact Report 2024: People; Supporting Our Employees; <u>Creating a Great Place to Work</u>
Material topic: Responsible Marketing & Advertising	3-3 Management of material topics	Impact Report 2024: Product; Product Assortment; Championing Responsible Brands Impact Report 2024: Product; Product Assortment; Spotlighting Values- Driven Brands
Material topic: Social Inclusion & Accessibility	3-3 Management of material topics	Impact Report 2024: People Impact Report 2024: People; Supporting Our Employees; Commitment to Culture
Material topic: Resilience to Climate Change & Other Risks	3-3 Management of material topics	Impact Report 2024: Who We Are; Our Strategy
Material topic: Sustainable Facilities & Operations	3-3 Management of material topics	Impact Report 2024: Planet; Waste Reduction; Addressing Our Packaging Footprint Impact Report 2024: Planet; Waste Reduction; Store Packaging Impact Report 2024: Planet; Waste Reduction; Outbound Packaging Impact Report 2024: Planet; Waste Reduction; Restaurant Packaging Impact Report 2024: Planet; Waste Reduction; Operational Packaging Impact Report 2024: Planet; Waste Reduction; Toward a Smaller Waste Footprint Impact Report 2024: Product; Product Lifecycle; Circular Economy Impact Report 2024: Product; Product Lifecycle; Partnering with Pact Collective Impact Report 2024: Product; Product Lifecycle; Giving Beauty Packaging a Second Life Impact Report 2024; Product; Key Highlights & Progress

## TCFD INDEX

	TCFD Metrics	Response
Governance	a. Describe the Board's oversight of climate-related risks and opportunities.	CDP <u>4.1</u>
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	CDP <u>4.3</u>
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	CDP <u>2.1</u> , <u>3.1</u> , <u>3.6</u>
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	CDP <u>3.1</u>
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree celsius or lower scenario.	CDP <u>5.2</u> , <u>5.3</u> , <u>5.3.2</u>
Risk Management	a. Describe the organizations processes for identifying and assessing climate-related risks.	CDP <u>2.1</u> , <u>2.2.1</u> , <u>2.2</u>
	b. Describe the organization's processes for managing climate-related risks.	CDP <u>2.1</u> , <u>2.2.1</u>
	c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	CDP <u>2.1</u> , <u>2.2.1</u>
Metrics & Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	CDP <u>7.53</u>
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	CDP <u>7.53</u> , <u>7.6</u> , <u>7.7</u> , <u>7.8</u>
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Impact Report 2024: <u>Planet, pg.</u> 20–22