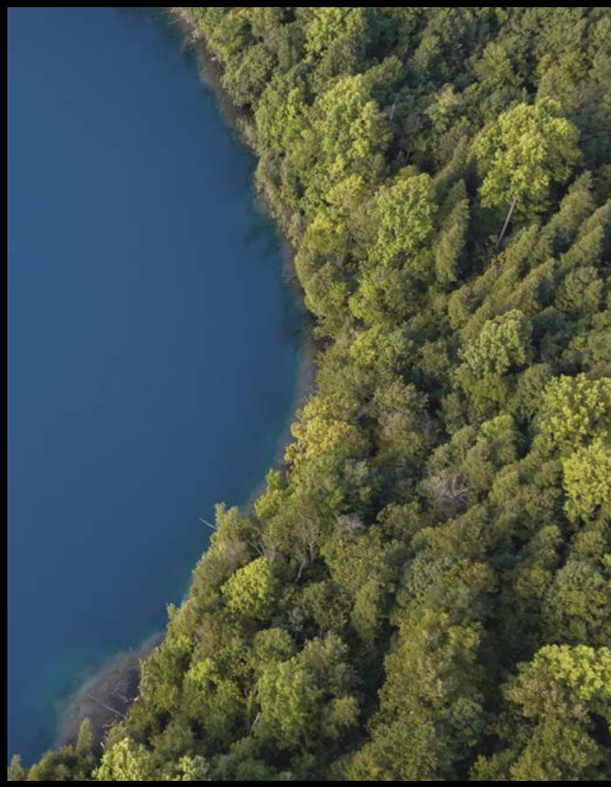
2025 IMPACT REPORT



Leave it better than you found it.

NORDSTROM

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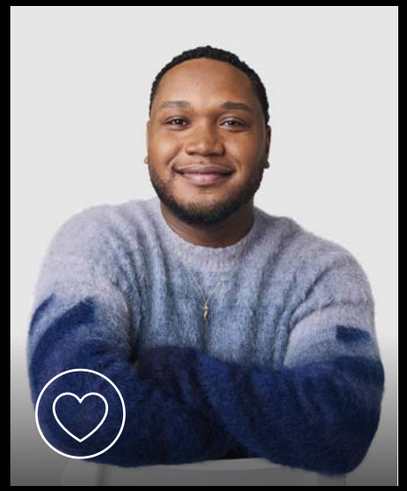

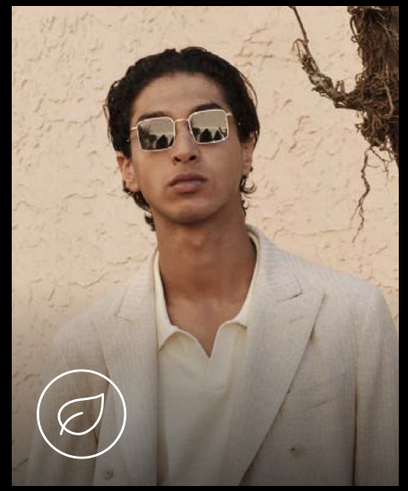

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LETTER FROM OUR LEADERS

This year marks Nordstrom's 125th anniversary—125 years of serving customers, supporting our people and working together to give back to our communities. As we reflect on that legacy, we're also looking toward the future. The decisions we make today will shape the next chapter of this company.

Our annual Impact Report is a valuable tool for communicating transparently with our customers, our employees, our partners and the communities in which we operate. It reflects our progress across three areas: People, Planet and Product.

PEOPLE

Nordstrom has always been a people business. We're stronger when our teams reflect the customers we serve, which is why we invest in meaningful growth opportunities for our people—especially those closest to our customers—while fostering a culture of inclusion and mutual respect. That commitment extends to the factories we contract to manufacture Nordstrom Made[1] products, and we hold ourselves accountable for ensuring they have safe, fair working conditions.

We also give back through partnerships with organizations in the communities where we operate, and we're grateful for the generosity of our teams and customers who show up for these causes every year.

PLANET

Our BEAUTYCYCLE program has kept more than 100 tons of empty beauty packaging out of landfills, and we're working alongside our brand partners and suppliers to reduce emissions and advance our climate action targets. We're also making progress on reducing the amount of packaging we send to customers and waste produced across our own operations—because we know that lasting change requires action at every level of our business.

PRODUCT

Customers come to Nordstrom to find brands and products they want and that appeal to their unique sense of style. We continue to invest in emerging brands and creative talent, and to support the next generation of fashion through partnerships and community-centered activations. When our product mix reflects the priorities of the people we serve, we deliver on our purpose of helping customers feel good and look their best.

As we look ahead, we're focused on where we can have the greatest impact—for our people, our customers and the communities we call home. This report reflects not just where we've been, but where we're headed with this work.

Sincerely,

Erik Nordstrom
Co-Chief Executive Officer

Peter Nordstrom
Co-Chief Executive Officer

[1] Nordstrom's private-label brand.

OUR STRATEGY

Our efforts to drive more meaningful positive impact are guided by our three-pillar impact strategy.

Centered on People, Planet and Product, our strategy guides how we drive change—reducing the environmental impact of our operations and portfolio while advancing benefits for our people, customers and communities. Aligned with our core values, our strategy also supports lasting business value by improving efficiencies and streamlining operational processes.

OUR THREE AREAS OF IMPACT

Guided by our 2023 double materiality assessment, our work focuses on the issues that matter most for people and the planet, as well as those that have a significant impact on our business.

PEOPLE

We're committed to supporting our people in a welcoming, respectful environment that encourages them to grow their skills. We're making meaningful contributions to the communities in which we operate and working to protect human rights throughout our global supply chain. The People section of this report covers our work on:

- Supporting Our Employees
- Social Impact & Community Engagement
- Supply Chain Human Rights
  - Responsible Sourcing
  - Gender Equity

PLANET

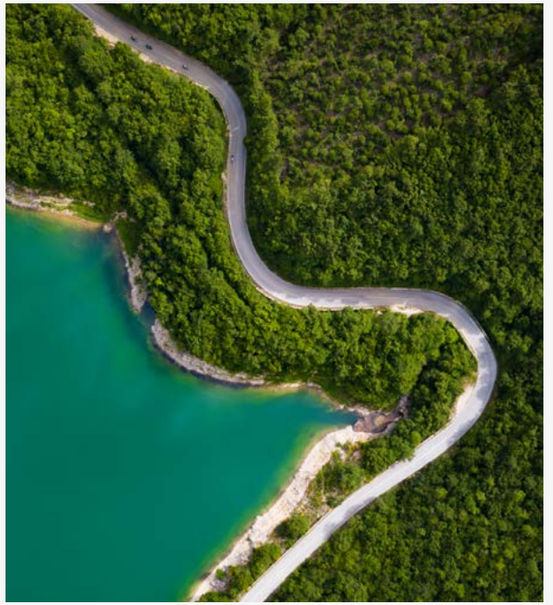
We recognize the environmental impacts of our business and the fashion and retail industry more broadly. Through adopting science-based targets and focusing on resource efficiency, we are actively reducing our emissions. We are also dedicating efforts to conserving water and diverting waste from landfills. The Planet section of this report covers our work on:

- Climate Action
- Water Stewardship
- Waste Reduction

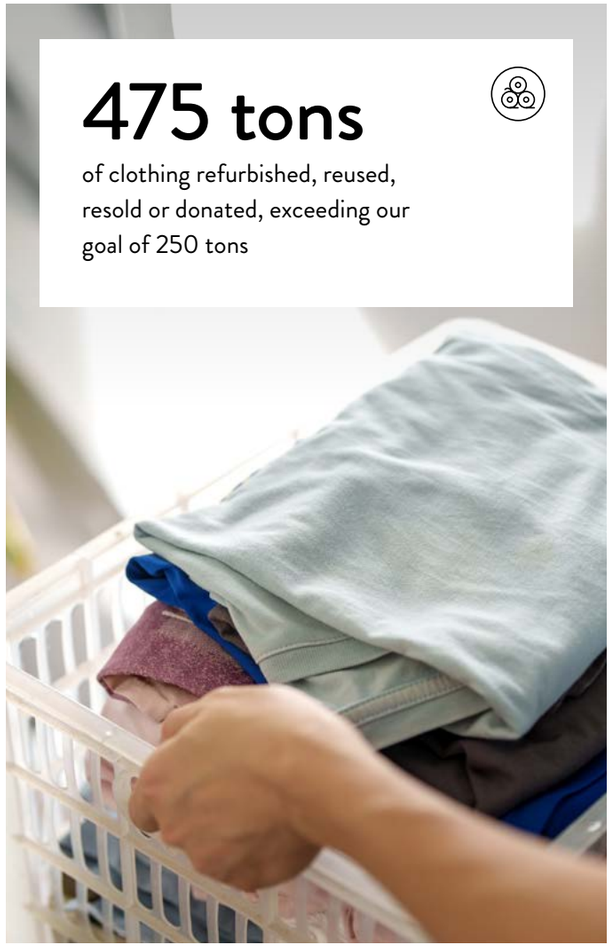
PRODUCT

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 customers' needs by designing products with a smaller environmental footprint and highlighting goods with sustainability benefits. We curate products from a range of vendors—not only because our customers expect it, but because it's good for our business. The Product section of this report covers our work on:

- Preferred Fibers
- Extending Product Lifecycle
- Product Assortment



2025 HIGHLIGHTS



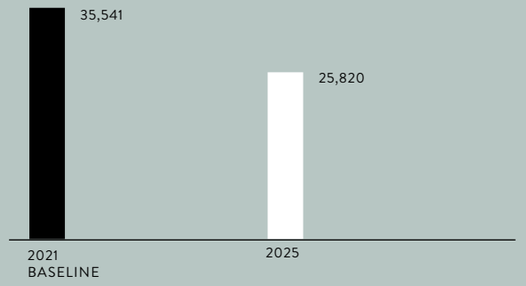
475 tons

of clothing refurbished, reused, resold or donated, exceeding our goal of 250 tons

33%

reduction in absolute Scope 1 and 2 emissions from a FY21 baseline

SCOPE 1 EMISSIONS



100%

of our manufacturing countries received training on responsible workplace practices, supported by our partners at Better Work, LRQA and Impactt Limited

467,500

items went through alterations and repair in 2025

~$49M

contributed to our local communities through our company giving program since 2020

$550,000+

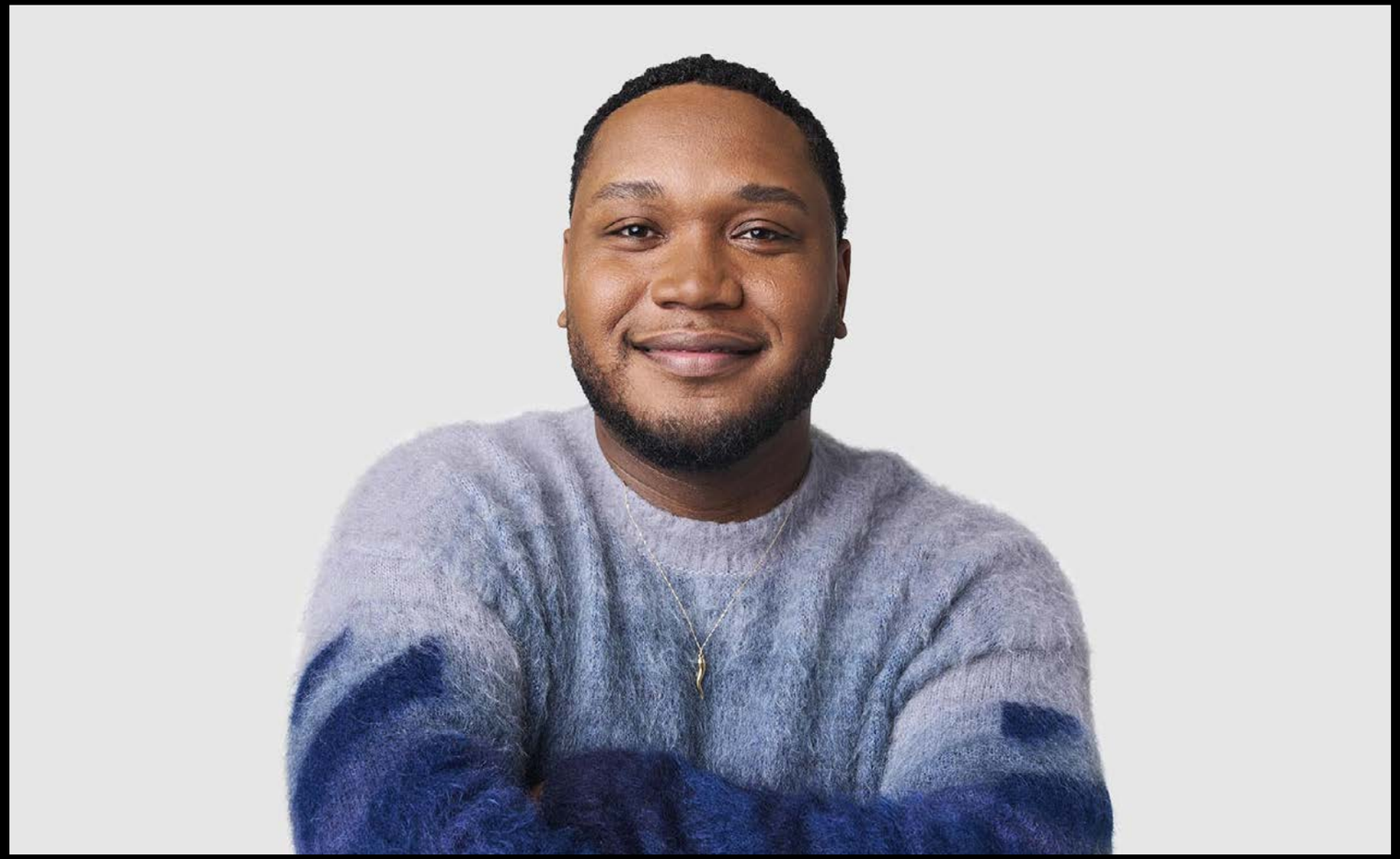
distributed through the Employee Relief Fund in 2025

67%

of operational waste diverted from landfill and incineration

PEOPLE

Our purpose is to help customers feel good and look their best, and that starts with our people. We build inclusive, high-performing teams that reflect the customers we serve, fostering a culture in which our employees can learn, lead, grow and do their best work. We expand that care externally, investing in the communities around our stores and establishing meaningful partnerships to drive more ethical, responsible supply chains globally.



IN THIS SECTION

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PEOPLE
KEY HIGHLIGHTS & PROGRESS

SUPPORTING EMPLOYEES

71%

of participants in the 2025 Retail Leadership Training program were promoted to management roles within Nordstrom stores

RESPONSIBLE SOURCING

Goal

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

GOAL ACHIEVED

99%

of Tier 1 suppliers that produce Nordstrom Made products are included in our 2025 Supplier Map, disclosing both names and locations as part of our commitment

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

GOAL ACHIEVED

92%

of Nordstrom Made products are produced in factories that invest in gender equity initiatives and processes

SOCIAL IMPACT & COMMUNITY ENGAGEMENT

$9M

in community grant donations since the inception of the program

SUPPORTING OUR EMPLOYEES

From exceptional customer service to quality product design and expert brand selection, our employees bring the Nordstrom experience to life. In return, we are committed to creating an environment where they can thrive, offering opportunities to unlock their full potential. We're fostering welcoming places, building a culture that celebrates unique experiences and promotes belonging. And, through it all, we are partnering strategically to nurture the fashion innovators of today and tomorrow.

UNLOCKING POTENTIAL

Meeting the varying needs of our customers starts with embracing the unique perspectives, experiences and ideas that make us stronger. Guided by our values, we empower good judgment and inspire innovation while treating each other with respect and kindness.

OUR VALUES

Customer Obsessed
We strive to know our customers better than anyone else. We listen, anticipate, build trust and move with speed to deliver on their needs. We make customers feel good.

Curious and Ever-Changing
We approach problems with curiosity and create solutions. We unlock potential to be bold, think big and inspire innovation. We disrupt the status quo to solve customer needs in new and relevant ways.

Here to Win
We're committed to delivering results, both today and tomorrow. We win as a team by supporting and challenging one another to be better every day.

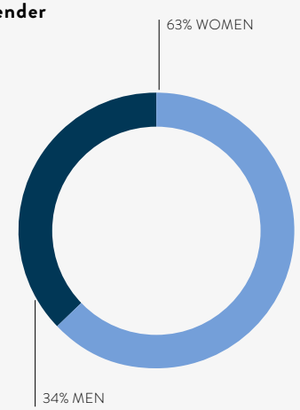
We Extend Ourselves
We treat each other with respect and kindness. We do the small things that make a big difference. We create a welcoming environment, helping people feel connected, valued and part of one community.

Owners at Heart
We treat every interaction as an opportunity to make an impact and deliver excellence. We collect the right input, we are empowered to use good judgment, we own our decisions and keep it simple. We leave it better than we found it.

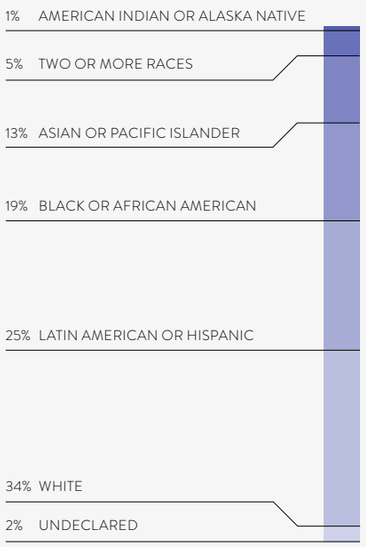
2025 WORKFORCE DEMOGRAPHICS

ALL EMPLOYEES

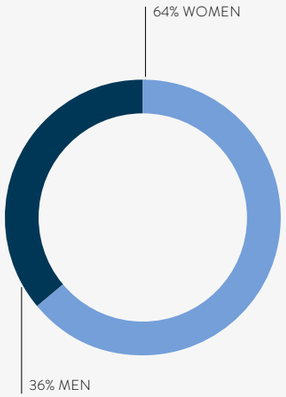
Gender

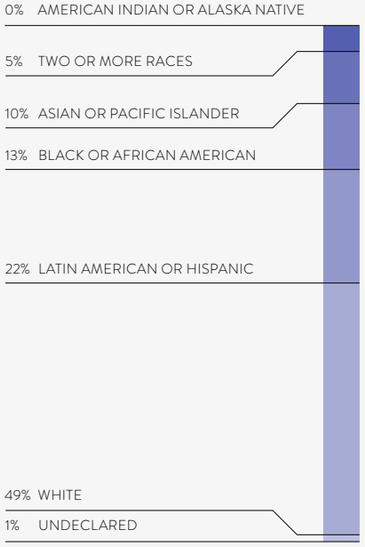


Race/Ethnicity

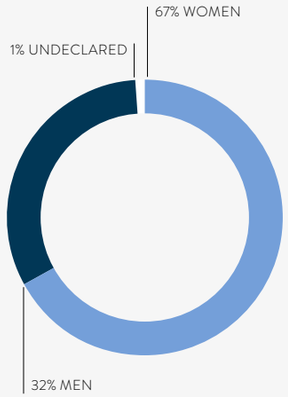


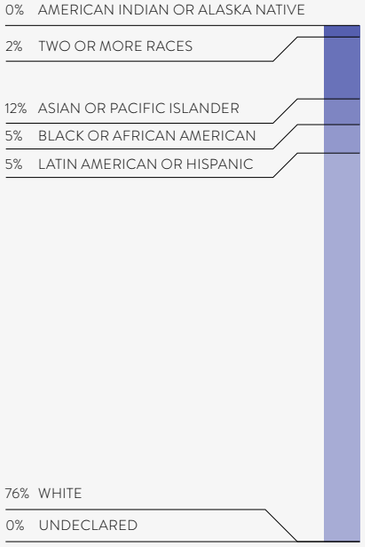
MID-LEVEL MANAGERS





EXECUTIVES





COMMITMENT TO CULTURE

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

We are guided by the 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.

Many of our employees build long-term careers at Nordstrom. In fact, in 2025, of our 54,000 employees, approximately 9,000 had been with the company for at least 10 years, and approximately 2,900 for 20 years or more, reflecting the impact of a culture where people feel supported and inspired to build lasting careers with Nordstrom.

BUILDING A HIGH-PERFORMING TALENT PIPELINE

We are committed to building a strong talent pipeline by attracting passionate people who contribute meaningfully to our company. We prioritize growing talent from within, bringing in external perspectives when needed to strengthen our teams. In 2025, outside of our frontline workforce, 73% of roles were filled by current employees—demonstrating the strength of our existing talent pipeline and our focus on internal mobility.

Growth is a continuous journey, so we invest in meaningful opportunities for employees to develop, learn and advance. We offer development programs anchored in our values and designed to equip employees with the skills, experiences and support they need to grow and succeed.

We bring this approach to life in many ways, including through our:

- Merchants in the Making program, an upskilling initiative that blends in-house mentorship with structured learning to prepare Nordstrom store department managers for merchandising roles. In 2025, we welcomed two cohorts, with 67% of participants advancing into merchandising roles.
- Retail Leadership Training program, a platform for employees and external candidates to sharpen business acumen and gain the confidence to lead in a fast-paced fashion retail environment. Across three 2025 cohorts, 71% of participants were promoted to Nordstrom store management roles.
- Operations Manager in Training program, which brings internal talent and external hires together and accelerates preparedness for Operations Manager roles through structured training and rotational assignments. In 2025, all participants successfully completed the program and are now completing final rotations and placement into manager roles.

5

career accelerator programs run by Nordstrom that build the skills needed to move into high-demand roles

We complement these efforts by engaging early-career talent, creating additional pathways into our business and strengthening our long-term pipeline. Our Summer Internship program gives college students real-world insight into fashion retail career opportunities, from design and merchandising to data analytics and supply chain operations. We welcomed 36 interns in 2025, with 75% receiving offers for full-time roles after completion.

During the year, we also created a pathway to Nordstrom Alterations for graduates of a new tailoring program we launched with the Fashion Institute of Technology. And, through collaborations with the Fashion Scholarship Fund and ICON360, we continue to expand opportunities for talented individuals to enter the fashion industry. Learn more about how we're creating opportunities for emerging talent.

FOSTERING CONNECTION

We want all our people to build meaningful connections in many ways at Nordstrom. This includes our Employee Resource Groups (ERGs)—voluntary, employee-led communities that bring together shared experiences and perspectives. Open to everyone, ERGs help employees develop their skills, network, make connections and find more reasons to love what they do.

We also create consistency in how employees experience our culture across locations through shared moments of recognition and connection, including the celebration of Heritage Months and Awareness Days. These efforts help ensure that cultural milestones are recognized across our stores, sites and buildings, creating opportunities for employees to connect, learn from one another and engage in meaningful ways.

OUR ERGS

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

Year over year, we've seen steady ERG membership growth. In 2025, the number of employees who opted into ERGs increased by 10%, with total membership across all groups reaching approximately 5,300. 39% of employees who participate are involved in more than one ERG.

Throughout 2025, ERGs continued to deepen their impact through various events and inter-group initiatives. For example:

- **AsPIRE** hosted a virtual career panel with four Asian American and Pacific Islander executive leaders to discuss how their cultural identities have shaped their career journeys and informed their approach to leadership and personal growth.
- **¡Hola!, Black Employee Network and AsPIRE** hosted a call during Latin American and Hispanic Heritage Month focused on self-advocacy in the workplace.
- **Parents@Nordstrom** hosted its first Autism Awareness virtual event, promoting conversations and increasing autism awareness across the Nordstrom community.
- **Women in Nordstrom** collaborated with the Nordstrom Benefits team and Swedish Hospital to host a Mobile Mammogram Truck, which provided Seattle-area employees with on-site access to mammograms.
- The **Nordstrom Veterans Group** made a $10,000 donation to FourBlock, a national nonprofit dedicated to preparing veterans and military spouses for civilian employment. This donation marked the beginning of our relationship with FourBlock.
- Members of the **Black Employee Network** volunteered throughout the year to support communities through hands-on efforts, from assembling hygiene kits in Atlanta to contributing to Juneteenth and Black Santa events at the Northwest African American Museum.
- **Thrive** engaged employees in year-round fundraising and awareness efforts, raising approximately $9,000 for the American Foundation for Suicide Prevention and continuing its participation in the Seattle Community Walk.
- **NordstromPLUS** engaged employees through programming focused on authenticity, career development and community, while supporting LGBTQIA+ History Month through awareness and giving efforts to The Trevor Project. Collectively, Nordstrom employees raised $8,000 to support the organization.

3,000

employees opted into ERGs in 2025, up 10% from the previous year

CREATING A GREAT PLACE TO WORK

Nordstrom's Healthy Workplace Practices are a standardized set of everyday people processes designed to foster connection, navigate challenges with care and empathy, and create a positive, productive environment. They seek to ensure every employee, at every level, experiences a healthy workplace. At the heart of our Healthy Workplace Practices is our open-door culture, in which leaders at all levels are expected to be approachable, accessible and committed to listening—whether through day-to-day interactions or through formal feedback channels like the Voice of the Employee (VoE) survey.

The VoE survey gives us valuable insight into how our teams are experiencing their work environment, highlighting what's going well and where we can improve. While we still have work to do, in 2025 we were encouraged to see positive momentum in our VoE survey results across key areas, including engagement, inclusion, career growth and our Healthy Workplace Index. Employees also reported strong experiences related to opportunity, belonging and development, with results exceeding retail benchmarks. These insights help us build on our strengths while informing targeted actions that address employee needs and support continuous improvement.

By combining Healthy Workplace Practices with what we learn from employee feedback, we strengthen our culture, build trust and create a workplace that reflects the values we share.

PAY EQUITY

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

We conduct regular pay equity reviews, using third-party resources, to ensure equal pay for comparable work, and also review median pay across all jobs to evaluate potential pay gaps.

WELL-BEING FOR EVERYONE

We want to support our employees' well-being so they can thrive both at work and in life. In 2025, we continued evolving our benefits to be more accessible and responsive to the realities of our workforce. To provide greater choice and flexibility, we expanded dental and vision eligibility to employees working more than 20 hours per week and added a new dental plan option. We also introduced new voluntary insurance benefits, making accident, critical illness and hospital indemnity insurance available to all employees. These changes reflect our belief that access to care and support should meet employees where they are, across roles, schedules and life stages.

Well-being extends beyond physical health. Our well-being benefits, such as personalized virtual therapy, parenting support and subsidized elder care, help address 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

Our employees want to support one another, and one way we enable this is through the Nordstrom Employee Relief Fund. This enterprise-wide program provides temporary financial assistance to employees experiencing unexpected hardship. Primarily funded through employee donations, the fund issued more than $550,000 in relief in 2025, supporting over 500 employees.

The fund also serves as a vital resource for employees impacted by natural disasters. In 2025, several employees affected by major storms in Oklahoma, Missouri and Texas applied for assistance and received financial relief through the fund.

SUPPORTING COMMUNITIES

Wherever we have a presence, we strive to create positive impact. This begins in our communities—coming together with our employees and partners to give back to the places where we live and work.

SOCIAL IMPACT & COMMUNITY ENGAGEMENT

Our communities are where we live, work and serve our customers. We have a long-standing commitment to giving back, and we keep building our impact through partnerships and philanthropic efforts that help under-resourced communities thrive. We set an ambition to contribute more than $50 million in our communities by 2025 through our company giving program, and we are proud to have nearly achieved this goal, with total giving reaching $48.4 million.

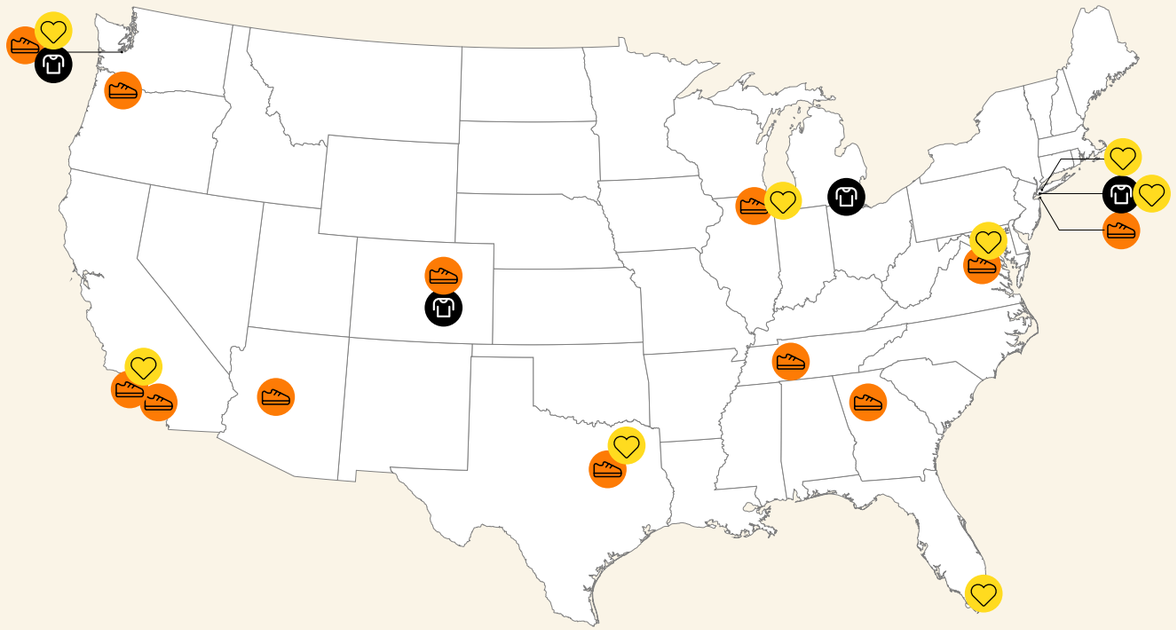
MEETING BASIC NEEDS

When people have what they need to feel safe and stable, they can start building toward something more. That's why access to essentials—food, shelter and clothing—is at the core of our social impact strategy.

We are proud to partner with organizations committed to addressing basic needs and some of the most pressing challenges facing our communities. Homelessness and housing insecurity remain a growing concern in our founding hometown of Seattle, and in 2025 we deepened our commitment to addressing these issues through meaningful partnerships and giving. We donated over $500,000 to Plymouth Housing, which provides permanent supportive housing for people experiencing homelessness in Seattle, and also directed our community grants efforts toward supporting homelessness prevention and family stability efforts across the region. During Global Volunteer Month, employees showed up in the community, delivering warm meals, stocking inventory and organizing the Plymouth Supply Center.

"Plymouth Housing is fortunate to partner with Nordstrom to ensure everyone has a safe home and supportive services to help them thrive. Through financial support and annual volunteer events, Nordstrom is a shining example of how partners can approach social impact and show up for their community. Thank you for your shared commitment to the belief that everyone deserves a place to call home."
Mary Lagomarsino, Director of Partnerships, Plymouth Housing

OUR SOCIAL IMPACT INITIATIVES IN 2025



Shoes That Fit

- Atlanta, GA
- Chicago, IL
- Dallas, TX
- Denver, CO
- Los Angeles, CA (two events)
- Nashville, TN
- Passaic, NJ
- Phoenix, AZ
- Portland, OR
- Santa Ana, CA
- Seattle, WA (3 events)
- Washington, DC

Operation Warm

- Chicago, IL
- Denver, CO
- Detroit, MI
- New York, NY
- Seattle, WA

April Global Volunteer Month

- Chicago, IL (Operation Warm)
- Dallas, TX (Operation Warm)
- Los Angeles, CA (Operation Warm)
- Miami, FL (Good+Foundation)
- New York, NY (CityMeals on Wheels)
- Seattle, WA (Ballard Food Bank, Food Lifeline, Mary's Place, Operation Warm, Plymouth Housing, United Way of King County)
- Short Hills, NJ (Good+Foundation)
- Washington, DC (Good+Foundation)

Giving the Gift of Shoes that Fit

We believe every child deserves 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, tackles one of the most visible signs of poverty in America by giving children in need new athletic shoes to attend school with dignity and joy.

In 2025, we celebrated 15 years of partnership with Shoes That Fit. To mark the occasion, we ran a fall campaign online and in-store, with the goal of raising $1.7 million and providing 50,000 children with brand-new shoes. To advance our partnership, we also hosted 30 shoe measurement and distribution events throughout the year. We expanded our reach, hosting Shoes That Fit events in cities like Washington, D.C., Phoenix, Passaic and Nashville for the very first time. As a result, we donated over 50,000 pairs of shoes, while employees volunteered over 4,250 hours to help children find the perfect pair for them. Furthermore, through targeted marketing campaigns, we raised nearly $1.3 million from the generosity of our customers.

"On behalf of the entire Usher-Collier Elementary School community, I want to extend our deepest gratitude to Shoes That Fit and Nordstrom for your extraordinary generosity and partnership. Thanks to your heartfelt commitment, every single one of our students received a brand-new pair of Nike sneakers—an unforgettable gift that has truly uplifted their spirits and transformed their school experience. The joy on our students' faces was indescribable. From the moment they laced up their new shoes, we saw them walk taller, smile brighter and move with a renewed sense of confidence and pride."
Dr. Danielle Arnold, School Business Manager, Usher-Collier Elementary School

Operation Warm
We have long partnered with Operation Warm, a nonprofit that delivers coats and shoes to children in need, and 2025 was no different. From providing coat design guidance to inspiring customers and employees to donate, Nordstrom played an active role in supporting Operation Warm's mission.

In 2025, we worked with the nonprofit to host four spring shoe gifting events and five fall coat gifting events. Across these, employees volunteered over 2,400 hours, helping distribute new clothing to local children. We also continued to deliver our online and in-store holiday fundraising campaign, encouraging customers and employees to give back through point-of-sale, digital and matched giving. And, through an ICON Customer Gift collaboration, we raised $211,500 for Operation Warm, helping provide new coats to 8,460 children.

All in all, our work to support Operation Warm in 2025 helped raise over $798,000, giving over 31,900 children the gift of warmth. As we move into 2026, we're excited to expand this partnership, launching a Nordstrom Rack collection with the nonprofit. Operation Warm will become the feature partner for Nordstrom Rack, coming together to deliver more gifting events throughout 2026.

~$4M

raised by Nordstrom employees and our customers for Operation Warm since the beginning of our partnership in 2018

"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

CREATING OPPORTUNITIES

Uplifting youth and families is essential for building stronger, more resilient communities. To help more people reach their full potential, we partner strategically with organizations that unlock the resources, support and opportunities needed to flourish. Our partnerships include long-standing connections with United Way of King County, the Fashion Scholarship Fund (FSF) and ICON360. As of 2025, we are also proud to have launched a specialized tailoring certification course in collaboration with the Fashion Institute of Technology (FIT).

United Way
Together with United Way, we're working to help young people reach their full potential. Since 2018, we have supported United Way's Bridge to Finish program, which works to ensure students in King County have access to the basic needs and resources they need to complete their education. Throughout 2025, Nordstrom employees took action to support United Way and the Bridge to Finish program, with over 150 people helping create 1,000 food kits during Global Volunteer Month.

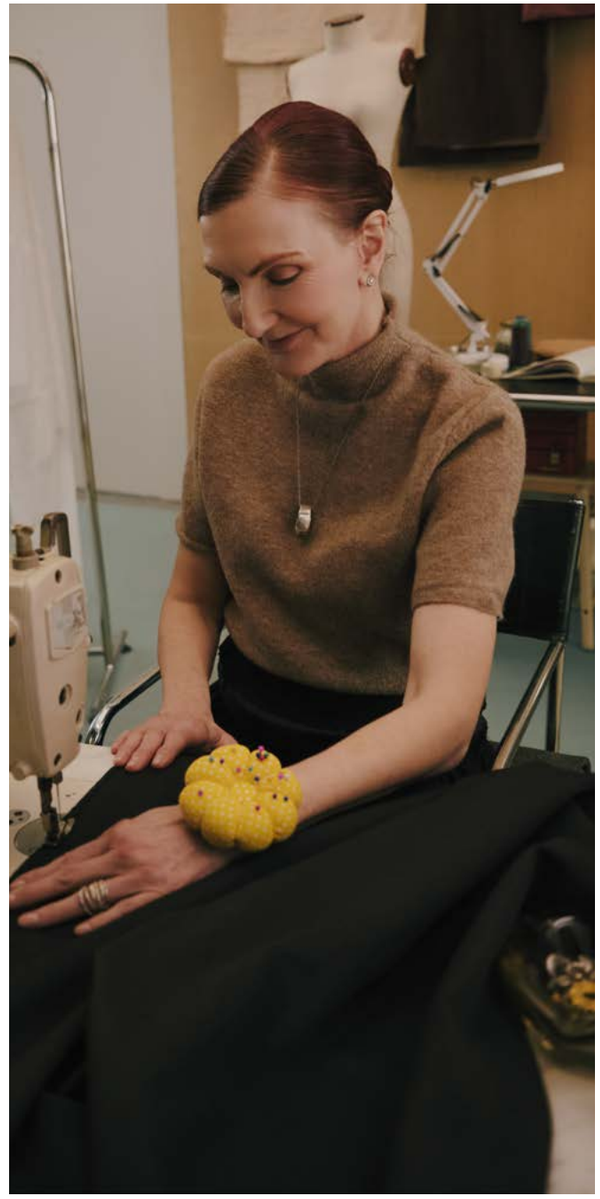
~27,800

students served through 206,000 Bridge to Finish interventions, with Nordstrom's support, since 2018

To honor the legacy of Blake Nordstrom, our former co-president and dedicated philanthropist, in 2019, we created the Blake Nordstrom Scholarship together with United Way. In 2025, we distributed scholarships of $5,000 to 20 students at participating community colleges, offering flexible funding that gives students the freedom to use the funds in the ways they need most.

"The Nordstrom Scholarship was a blessing… Above all, [it gave me] the confidence to fully embrace the life as a college student."
2024–2025 scholarship recipient

Fashion Institute of Technology
In 2025, we joined forces with FIT's Center for Continuing and Professional Studies to create a brand-new tailoring certificate program. Through the nine-week Custom Alterations and Tailoring Techniques certificate course, adult learners gain the sewing and alteration skills needed to excel in a retail environment. Tuition assistance removes financial barriers for applicants, creating greater access to practical, hands-on learning. All graduates are eligible to apply for positions within Nordstrom Alterations, creating a meaningful pathway to employment while strengthening our pipeline of skilled tailors. We're proud that, of the 15 students in the initial cohort, 7 have gone on to work at Nordstrom.



Fashion Scholarship Fund

Together with the Fashion Scholarship Fund, we deliver financial support and industry access to emerging fashion talent, forging early relationships with the students who represent our future pipeline. In 2025, we welcomed a cohort of seven fashion students, including recipients of the Virgil Abloh "Post-Modern" Scholarship Fund.

ICON360

We have long supported emerging designers of color in collaboration with Harlem's Fashion Row (HFR), helping them build meaningful connections with established brands. Our partnership includes supporting HFR's nonprofit arm, ICON360, on initiatives that nurture creativity and help emerging talent succeed in the fashion industry.

In 2025, we continued our partnership with ICON360, collectively funding housing and travel scholarships for four students from Historically Black Colleges and Universities (HBCUs) to participate in competitive fashion internships. Through ICON360's Professor Retreat, we also supported 38 faculty members from 15 HBCUs with opportunities to develop professionally, impacting an estimated 226 students through enhanced curricula and industry connections. And, with a $20,000 grant, we helped Howard University strengthen resources for its fashion program.

EMPLOYEE VOLUNTEERISM

Our people care deeply about their communities, and we are supporting that passion by creating opportunities to give back. We offer employees multiple ways to get involved in community impact, including volunteering and donations. We also maintain a Donation Match and Employee Giving program, matching employee donations dollar-for-dollar and volunteer time at $15 an hour to amplify their impact.[2]

Throughout 2025, we worked to more closely align employee action with our philanthropic focus areas, creating meaningful moments throughout the year for people to help advance basic needs and opportunities in their local communities. In doing so, we are beginning to tell a more collective story that reflects how we show up as a unified company for the causes we support.

Our goal is to engage our employees in social impact programs, community initiatives and opportunities to lend their time and expertise to relevant causes. Through our 2025 Giving Tuesday campaign, we came together with our employees to contribute over $1.2 million to nonprofit organizations. The extent of this participation reflects our workforce composition, including large numbers of customer-facing retail employees with variable schedules and limited availability that can pose challenges to participation.

COMMUNITY GRANTS

Every year, we award approximately $1 million in community grants to local organizations and causes, and we are proud to share that we plan to double that commitment to $2 million in 2026, reflecting our deepened investment in the communities where our customers and employees live and work. To reflect local perspectives and promote employee involvement, we invite people from across the business and throughout our markets to help review and approve grant applications.

In 2025, thanks to concerted efforts to internally communicate our renewed focus on meeting basic needs and creating opportunities, we received the largest number of grant applications to date. In total, we awarded 124 grants to local organizations, totaling approximately $930,000. This brings our community grant donations to $9 million since the inception of our program.

DISASTER RELIEF

We show up for our communities, especially in times of need. Following wildfires in Altadena, we used our role as presenting sponsor for Baby2Baby's holiday event to support children impacted by the disaster. Hosted at Dodger Stadium, the annual event brings joy and essential resources to thousands of children in need. Nordstrom hosted a clothing pop-up at the event, with 20 employee volunteers distributing items such as puffer jackets and other warm clothing to over 500 children.

For residents in impacted areas, 12 of our stores offered a 20% discount for Ebar or restaurant purchases, as well as for any non-designer items under $200 to help cover basic needs. At our Santa Anita store location, the store opened early for impacted customers, many of whom were displaced and sleeping in their cars or in RVs. The store served refreshments, offered a space for people to rest and charge their phones, and provided beauty essentials such as shampoo, face wash and other basic toiletries.

[2] Up to $5,000 per year per employee.

VOLUNTEER MONTH

In April 2025, for the first time ever, we hosted a Volunteer Month, an initiative designed to get employees from across the business engaged in giving back to their communities. We had over 1,000 employees participate all across the country, including through Nordstrom-hosted events held in Seattle; Los Angeles; Dallas; Chicago; Washington, D.C.; Miami; and more.

For example, in California, a team of employees volunteered at Shoes That Fit's brand-new shoe warehouse, helping sort shoes by size to simplify the shipping process for the Shoes That Fit team and to ensure every child could find their perfect match.

HUMAN RIGHTS IN OUR SUPPLY CHAIN

With at least 72 million people worldwide estimated to be involved in manufacturing garments, footwear, leather and textile products,[3] we believe we have a responsibility to support the people who help make ours, upholding a strong commitment to protecting human rights. This includes working with expert partners to foster environments where people are treated fairly and with dignity.

OUR GUIDING POLICIES

Our guiding policies are designed to positively impact lives and convey our organizational values and the shared actions we take together with our suppliers to protect human rights. All suppliers must adhere to our Partner Code of Conduct, which we periodically review and update to ensure we are aligned with industry standards. This policy establishes the minimum standards we expect in terms of compliance, ethical business, labor conditions, environmental sustainability and animal welfare.

Two additional policies support our Partner Code of Conduct and provide additional details of our human rights due diligence process:

- Our Forced Labor Policy outlines our prevention principles—which include the American Apparel & Footwear Association Commitment to Responsible Recruitment—as well as our reporting mechanism for potential forced labor violations.
- Our Conflict Mineral Policy details our process for monitoring the origin and use of tantalum, tin, tungsten and gold—the 3TG metals—in our Nordstrom Made supply chain. In 2025, we refreshed this policy to align with organizational updates. We conduct due diligence on suppliers that provide Nordstrom Made products using any 3TG metals and an annual good-faith inquiry into the origin of conflict minerals used, which is designed to determine whether any 3TG metals or minerals originated in the covered countries or from recycled or scrap sources.

HUMAN RIGHTS DUE DILIGENCE

We uphold human rights in our supply chain through due diligence and work proactively with suppliers to drive positive change for the people who make our products. To ensure our human rights due diligence approach remains fit for purpose, we align with various internationally recognized standards, including:

- The Organisation for Economic Co-operation and Development's (OECD) Due Diligence Guidance for Responsible Business Conduct
- The United Nations Guiding Principles on Business and Human Rights

Our approach covers our entire supply chain, encompassing decisions about how we source, how we onboard suppliers and how we identify, assess and mitigate human rights concerns across supply chain activities.

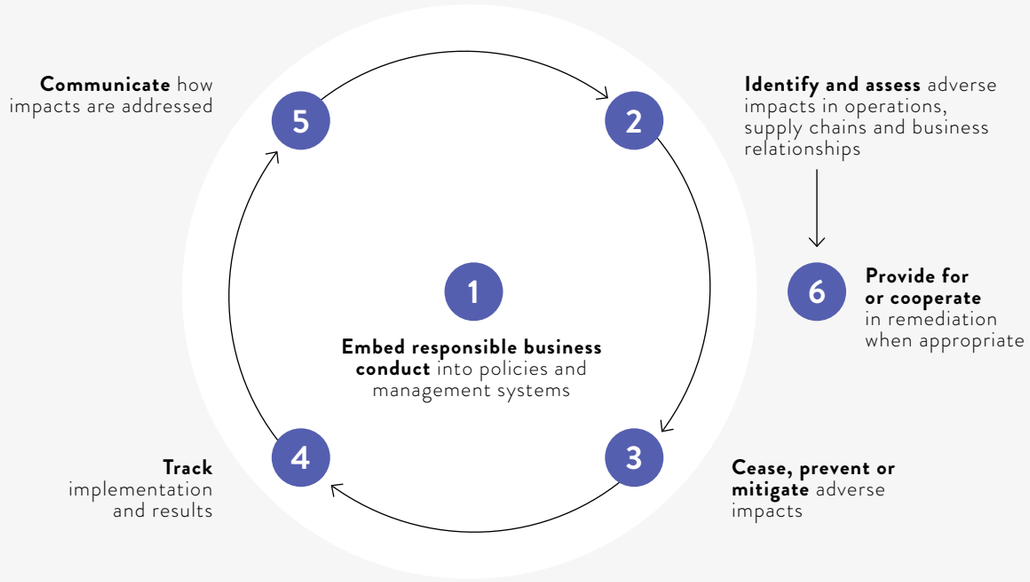
We continuously review our human rights due diligence approach to ensure it remains effective and, in 2025, our major focus was on expanding the reach of our program. In addition to maintaining due diligence with Nordstrom Made suppliers, we took steps to introduce it to our restaurant vendors and key partners in our merchandising group and contracting services. Throughout the year, we laid the foundations for these expanded efforts, including mapping our suppliers to help support traceability in these supply chains.

To make sure employees and suppliers know how to uphold our expectations and processes, we conduct regular training on key human rights topics. This includes how to identify instances of forced labor—through the International Labour Organization's 11 indicators—and how to implement effective mitigation measures. In 2025, we also launched an easy-to-understand training in partnership with LRQA for Tier 1 and 2 suppliers[4] to refresh their understanding of Nordstrom's expectations, including our Partner Code of Conduct, Forced Labor Policy and customs traceability process.

[3] Curley, Martin and Lally, Anne, Global Garment Workers Count: Estimating the Size & Composition of the Global Garment Workforce (August 16, 2024).

[4] Tier 1: Factories manufacturing finished goods for Nordstrom; Tier 2: Suppliers (e.g., mills, spinners) to our direct 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.

1
- Partner Code of Conduct adherence as prerequisite to onboarding
- Partner Code of Conduct training
- Supplier Responsible Sourcing Manual

2
- Human Rights Impact Assessment
- Gender Equity Risk Assessment
- Supplier segmentation and performance review

3
- Gender equity programming
- Forced Labor Prevention trainings
- Responsible Sourcing Expectations training
- Grievance process

4
- Supplier Performance Monitoring Program through Responsible Sourcing Audits/Assessments
- Supplier performance and progress tracking

5
- Annual Impact Report
- External Reporting
- Internal Reporting

6
- Corrective action management support
- Capacity building programs

UNDERSTANDING OUR KEY RISKS

In 2025, we strengthened our understanding of our salient human rights risks, using a supply chain intelligence tool that incorporates supplier assessment reports as well as regional and product-level insights.

We maintain consistent programming in two key areas to effectively address these salient risks: 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 agreements

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

We seek to work with suppliers who share our commitment to ethical, responsible business practices. Guiding these efforts is our Responsible Sourcing program. Designed to ensure proper care is extended to the people who make our products, the program aligns with our values and helps advance safe, fair working conditions throughout our operations and supply chain. At its foundation are two key principles—continuous improvement and transparency—which guide suppliers in developing management systems that strengthen worker well-being and labor rights.

ASSESSING SUPPLIER PERFORMANCE

We work closely with suppliers, tailoring our support to meet their needs. To do this, we first need to understand their current performance. We regularly assess suppliers' human and labor rights management systems, with on-site, third-party assessments and LRQA's ELEVATE Responsible Sourcing Assessment (ERSA) as our primary auditing standards. As part of the process, we conduct worker interviews to inspire open dialogue on current performance in terms of wages, working hours and labor conditions. Through these assessments, we can gain greater insight into working conditions in the facilities that produce our products.

We recognize that assessing supplier performance is important for many companies and that our suppliers may be engaged in multiple auditing programs, contributing to industry audit fatigue. To enhance efficiency and reduce costs, we maintain a mutual recognition program through which suppliers can submit assessments from other preapproved audit programs. EiQ software then allows us to compare reports from across accepted programs, view supplier performance and identify noncompliance trends. In 2025, we expanded the number of assessment programs we accept to include the Social & Labor Convergence Program's Converged Assessment Framework via Worldly, the SMETA 4-Pillar Audit, the Better Work Compliance Assessment Tool and the ERSA social labor audit.

All Tier 1 facilities are required to undergo an assessment as part of new supplier screening and annually thereafter. Throughout 2025, we extended these efforts into our Tier 2 supply base, starting with mills that are owned and operated by Tier 2 suppliers. We also piloted a process of mapping relevant facilities to enhance traceability, ahead of a wider mapping of all contracted and subcontracted Tier 2 suppliers.

Even though Nordstrom and the industry more broadly have experienced shifts in sourcing countries driven by changes in tariffs, Nordstrom remains committed to our Responsible Sourcing program and to upholding human rights due diligence.

FOSTERING CONTINUOUS IMPROVEMENT

When it comes to responsible sourcing, we know progress comes from continuously working with suppliers to align on actions for improvement. We connect with our suppliers after the assessment process to review noncompliance findings, identify areas for improvement and collectively create a corrective action plan (CAP). Suppliers are given 90 days to remediate issues and make necessary changes, with Nordstrom-appointed CAP Managers available to support root cause analysis and identify appropriate corrective actions. Through this process of continuous improvement, we can partner with suppliers to promote stronger, safer and more stable working conditions.

Our Responsible Sourcing Supplier Manual

We expect our suppliers to uphold and champion our values and standards throughout their own value chains, and we provide tools to support them in doing so. One such tool is the Nordstrom Responsible Sourcing Supplier Manual, a one-stop reference guide to our responsible sourcing standards and what to expect during onboarding, assessment and, where relevant, remediation.

We update our manual biennially to ensure ongoing effectiveness and relevance. We also offer it in multiple languages so that, wherever they are located, our suppliers 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 work with the Anker Research Institute as a member of its Living Wage and Income Corporate Sponsors program, which focuses on improving living standards for working people and their families to a decent level throughout global supply chains. Responding to regional risks, we also maintain a partnership with Nirapon to ensure worker safety and structural integrity among our Bangladesh suppliers.

Through our Responsible Sourcing and Gender Equity programs, we continue using our strong partnerships with Better Work, RISE and Impactt Limited to assess and build supplier capacity.

MAINTAINING SUPPLY CHAIN TRANSPARENCY

We are proud to partner with suppliers that share our dedication to ethical, responsible business practices, and we aim to foster collaboration and transparency by disclosing 95% of Tier 1 suppliers through a data sharing platform. We publish our full list of Nordstrom Made finished goods suppliers annually. Our publicly disclosed 2025 Supplier Map included 99% of Tier 1 suppliers that produce Nordstrom Made products, disclosing both names and locations as part of our commitment.

GENDER EQUITY IN OUR GLOBAL SUPPLY CHAIN

Nearly 60% of global garment workers are women, as are a large percentage of our employees and customers. As such, promoting gender equity across our supply chains remains a key focus of our work to advance safer, fairer workplaces.

In 2020, we set out to produce 90% of Nordstrom Made products in the factories of our global suppliers that invest in gender equity. By the end of 2025, we reached 92%. This work is guided by our Gender Equity program and focuses on three workplace priorities that align with our Partner Code of Conduct and human rights due diligence approach:

- Freedom from gender-based violence and harassment (GBVH)
- Freedom from discrimination
- Access to equal leadership opportunities

Our initial focus has been large-scale, strategic suppliers. As we move forward, we are also engaging smaller suppliers. For example, throughout 2025, we engaged both large-scale and smaller suppliers with a new digital training. The training, delivered in 100% of our manufacturing countries, was designed to help factory management better understand what GBVH looks like on the factory floor while equipping them with practical tools to prevent and respond to incidents. We also deployed targeted trainings for garment workers and line managers in eight countries.

PARTNERING FOR IMPACT

We want to create real-world impact for women in our supply chains. To do so, we need to tailor our approach to reflect local nuances, as well as wider systemic challenges. To support our efforts, we collaborate with expert organizations that have the knowledge needed to scale the impact of our initiatives.

RISE (Reimagining Industry to Support Equality)

RISE strives to empower workers in garment, footwear and home textile supply chains by embedding gender equity into business practices while inspiring cross-industry, system-level change. We have worked with RISE since 2007 and, in that time, Nordstrom supplier factories have enrolled in 33 programs across China, Guatemala, India, Indonesia and Vietnam, reaching more than 35,700 workers and 515 managers.

During 2025, we partnered to bring RISE Foundations, a life skills development program that builds worker confidence and raises awareness of health and financial literacy topics, to a new supplier in Indonesia. We also collaborated with industry peers to accelerate impact, collectively funding the introduction of RISE Foundations to another Indonesian supplier. Together, this helped us reach an additional 2,000 workers. Throughout the year, we also completed RISE Respect at five India-based suppliers, bringing valuable learning on how to prevent and remediate GBVH to over 5,000 workers.

Better Work

The Better Work program was developed by the International Labour Organization to support supplier operations through capacity-building, risk assessments and remediation. We maintain a long-standing partnership with Better Work to promote decent working conditions for garment workers. Across Bangladesh, Cambodia, Indonesia and Vietnam, 21 of our supplier factories participated in the program in 2025, impacting 31,994 workers globally. Additionally, in 2026, we introduced Better Work's Gender Equality and Returns (GEAR) program to two facilities in Cambodia, designed to help women garment workers develop the skills they need to pursue supervisory roles.

We participated in various webinars and events organized by Better Work for brand partners to align on industry improvement approaches and share business priorities. The sessions covered various topics, from preventing and responding to GBVH to strengthening industrial relations. Furthermore, having supported Better Work in developing an interactive tool to help brands prevent and respond to GBVH in 2024, we were proud to help scale its impact in 2025. Now, formally launched for—and promoted to—Better Work partners, the organization is working on making the tool more broadly available in the industry.

Impactt Limited

Throughout 2025, we maintained our partnership with Impactt Limited to develop supplier training content on gender equity and GBVH. The training, launched with both Tier 1 and 2 suppliers, was delivered in two parts. The first part aimed to raise awareness of GBVH; the second focused on equipping suppliers with tactical tools they can use to mitigate issues, such as building grievance mechanisms and strengthening policies. In response to this training, nearly 90% of our suppliers plan to provide GBVH training to their workers, while more than 80% intend to train workers on grievance mechanisms. In addition, around 75% plan to update their grievance processes and enhance internal communication about these and their harassment policies.

"Nordstrom's support has been instrumental in helping the industry move beyond intention to insight—enabling us to uncover how investments in women's empowerment and education can directly contribute to more sustainable futures, mitigate climate risk and strengthen the long-term resilience of the global fashion system."
Frank Zambrelli, Vice Chair, FMC

FASHION MAKES CHANGE (FMC)

FMC is a multi-stakeholder platform designed to accelerate systemic transformation across the global fashion industry. In 2025, we supported the organization to advance its women's empowerment research agenda. Through philanthropic aid, we helped FMC design and launch a first-of-its-kind research program together with Yale University to understand women's empowerment interventions in supply chains and how they can drive improved worker well-being and environmental sustainability. This insight will then help inform responsible sourcing practices, targeting investments where they can have the greatest social and environmental impact.

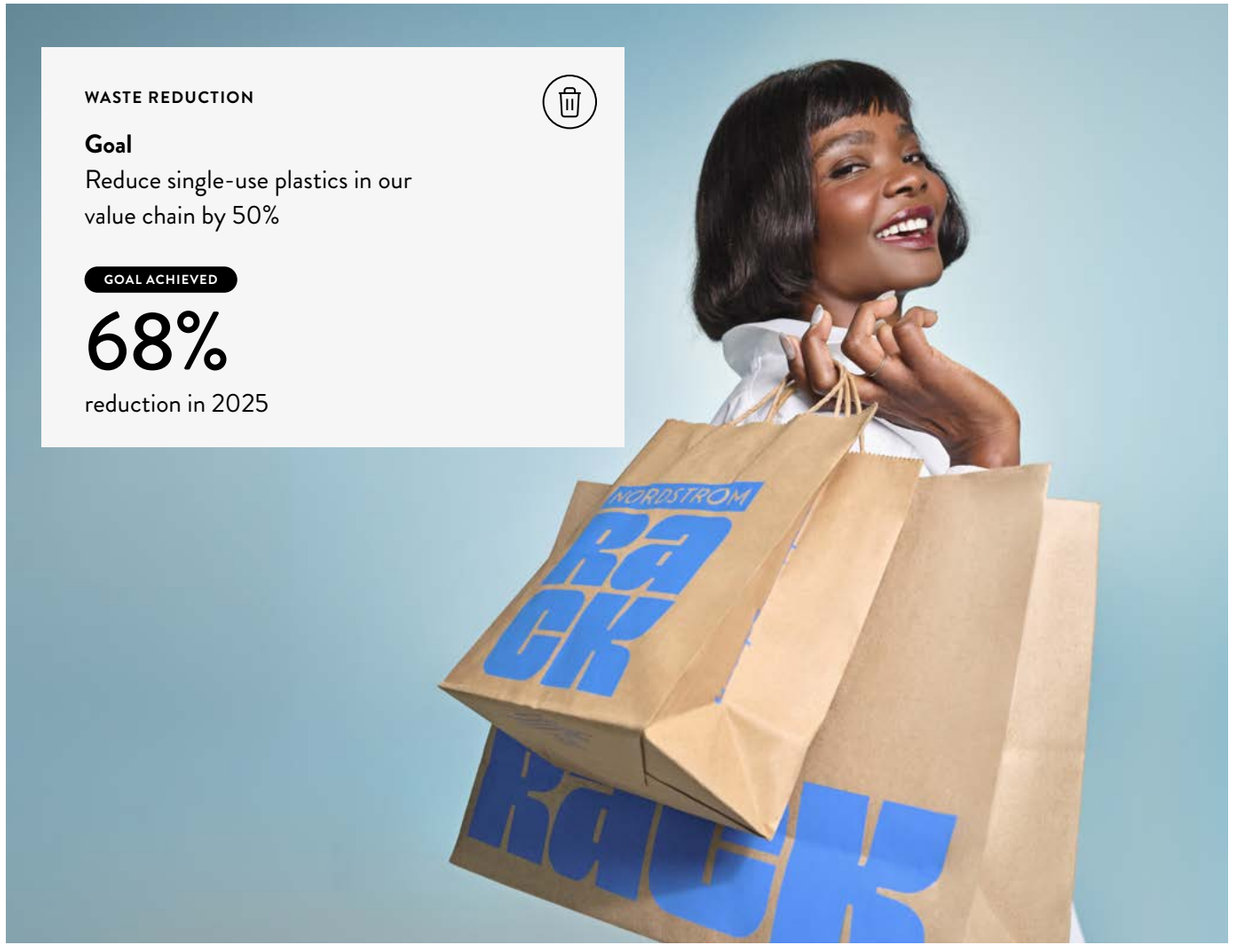
PLANET

We know every part of our business—from sourcing and creating products to running our facilities and stores—has an impact on the environment. As a company that depends on natural resources, we are committed to reducing our environmental footprint, pursuing robust, science-based climate targets, minimizing waste and finding practical ways to conserve water.

IN THIS SECTION

21 Key Highlights & Progress
22 Climate Action
25 Water
26 Waste Reduction

PLANET
KEY HIGHLIGHTS & PROGRESS



WASTE REDUCTION

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

GOAL ACHIEVED

68%
reduction in 2025

CLIMATE ACTION

Goal
Establish a science-based target to reduce Scope 1, 2 and 3 emissions

GOAL ACHIEVED

Established
science-based targets for Scope 1, 2 and 3 emissions

WASTE REDUCTION

128 tons
of plastic tape avoided in 2025 with the rollout of water-activated paper tape in Nordstrom fulfillment centers

CLIMATE ACTION

42%
of Nordstrom Made's 2025 retail value came from suppliers that committed to science-aligned or science-based targets

WATER STEWARDSHIP

13%
reduction in operational water use since setting our 2024 Strategy

CLIMATE ACTION

With the retail industry being a significant contributor to global emissions, companies across the sector will need to come together in collective action for the climate. At Nordstrom, we're bringing that collaborative approach to life, working internally and with partners throughout our supply chain to achieve meaningful emissions reductions.

TARGETING EMISSIONS REDUCTIONS

To support our climate efforts, we have established science-based targets for Scope 1, 2 and 3 emissions.[5] Accepted and validated by the Science Based Targets initiative (SBTi) in 2023, our targets commit us to:

- Reduce absolute Scope 1 and 2 emissions by 42% by FY30 from a FY21 base year
- Reduce absolute Scope 3 emissions from purchased goods and services and upstream transportation and distribution by 42% by FY30 from a FY21 base year

OUR SCOPE 1 & 2 EMISSIONS

Our operations are where we have the greatest control over emissions. Since 2010, we have tracked and reported our Scope 1 and 2 emissions to understand how we're progressing and where we have opportunities to improve. During FY25, our Scope 1 accounted for 1% of our footprint. Scope 2 accounted for 3% on a market-based basis and 5% on a location-based basis, reflecting the two methods used to calculate our footprint.

Nordstrom's Scope 1 emissions are mainly from refrigerant use. As we continue to add new stores, this figure increases. Driving efficiencies across our sites, particularly in our heating, ventilation and air conditioning (HVAC) systems, remains key to reducing our direct emissions. What's more, even while increasing our total number of stores, our absolute Scope 1 emissions decreased by 0.27% year over year.

Our Scope 2 emissions are primarily attributable to facility energy use. Considering this, we continuously explore opportunities to drive greater efficiency, for example, retrofitting sites with LED lighting or installing auto shut-off systems on escalators to prevent unnecessary electricity use. As a result of updates like these, during 2025 we reduced energy consumption across our facilities by around 4%. Alongside decreasing on-site electricity consumption, we purchase renewable energy credits (RECs) annually. Taken together, these efforts helped us achieve a year-over-year reduction of 1.9% in market-based Scope 2 emissions and 8.3% in location-based Scope 2 emissions in FY25.

33%

reduction in absolute Scope 1 and 2 emissions from a FY21 base year

[5] 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.

EMISSIONS FOOTPRINT (METRIC TONS CO2E)

	FY21	FY22	FY23	FY24	FY25
Scope 1	35,541	22,717	26,426	25,890	25,820
Scope 2 (location-based)	188,023	194,336	178,484	165,966	152,025
Scope 2 (market-based)	141,590	184,472	151,895	94,086	92,269
Scope 3[6]		3,427,037	3,146,421	2,887,637	2,832,244
Category 1: Purchased goods and services		3,014,457	2,791,603	2,562,955	2,519,725
Category 2: Capital goods		20,217	19,237	18,911	16,323
Category 3: Fuel- and energy-related activities		65,089	63,496	45,262	43,977
Category 4: Upstream transportation and distribution		102,873	86,989	80,883	80,173
Category 5: Waste generated in operations		6,083	9,661	8,358	8,482
Category 6: Business travel		3,665	6,149	6,665	6,258
Category 7: Employee commuting		56,782	46,107	40,878	39,398
Category 8: Upstream leased assets		4,928	4,928	3,259	3,557
Category 11: Use of sold products		84,445	40,825	42,079	33,508
Category 12: End-of-life treatment		68,498	77,426	78,386	80,843

A key focus for the year was advancing on-site solar. To lay the foundation for this, we engaged a third-party consultant to help determine which sites hold the highest potential for installation. Solar panel installation will commence in 2026. We are also exploring equipment updates we can make to drive greater energy efficiency, for example, harnessing AI-enabled controls for HVAC systems to optimize energy use during peak times.

REDUCING NORDSTROM RACK IMPACTS

One prime opportunity for reducing emissions, even as we expand our physical presence, is by building new stores with sustainability in mind. During 2025, we opened 22 new Nordstrom Rack stores. To ensure responsible building considerations stay front of mind with each opening, we follow a comprehensive list of criteria for energy efficiency and responsible resource use. The criteria establish expectations that HVAC and lighting systems be automated to reduce unnecessary runtime and power consumption. They also detail requirements for reducing construction material use and recycling outbound cardboard waste and plastic film.

OUR SCOPE 3 EMISSIONS

At 95% of our FY25 footprint, Scope 3 emissions represent our largest emissions source. Our Scope 3 footprint remained nearly flat year over year, reflecting the progress of our supply chain engagement even as our private brand assortment continued to grow. Purchased goods and services remain the primary driver of our Scope 3 footprint, and we're focused on working with our top suppliers to reduce emissions intensity as we work toward our science-based target of a 42% reduction from our FY21 baseline.

ENGAGING OUR SUPPLIERS ON COLLECTIVE CLIMATE ACTION

To effectively collaborate with Nordstrom Made suppliers, we need to understand their current efforts. We leverage the Higg Facility Environmental Module (FEM) to assess suppliers' energy use, water impacts, waste, air emissions and chemical management. Using this information, we also calculate the Scope 3 emissions associated with Nordstrom Made products, uncovering potential areas for improvement.

Nordstrom Made suppliers that completed Higg FEM

Throughout 2025, we continued to run Cascale's Manufacturer Climate Action Program (MCAP) with the first cohort of Nordstrom Made suppliers. Through this program, we support suppliers in setting science-aligned 2030 emissions targets. In partnership with Quantis, we established that 80% of Nordstrom Made spend[7] will need to be with suppliers that have set science-aligned targets if we're to achieve our Scope 3 ambitions; as of 2025, we were pleased to have reached 42%.

Working within the framework of science-based targets, we help suppliers establish their own approaches that align with Nordstrom's targets. In 2025, we took the opportunity to strengthen connections with our suppliers, exploring what climate actions they're already investing in, whether they have targets set and whether they are developing decarbonization plans. Using this information, we were able to enhance the support we deliver, contracting RESET Carbon to provide suppliers with hands-on assistance for data calculations and the development of detailed, personalized decarbonization roadmaps.

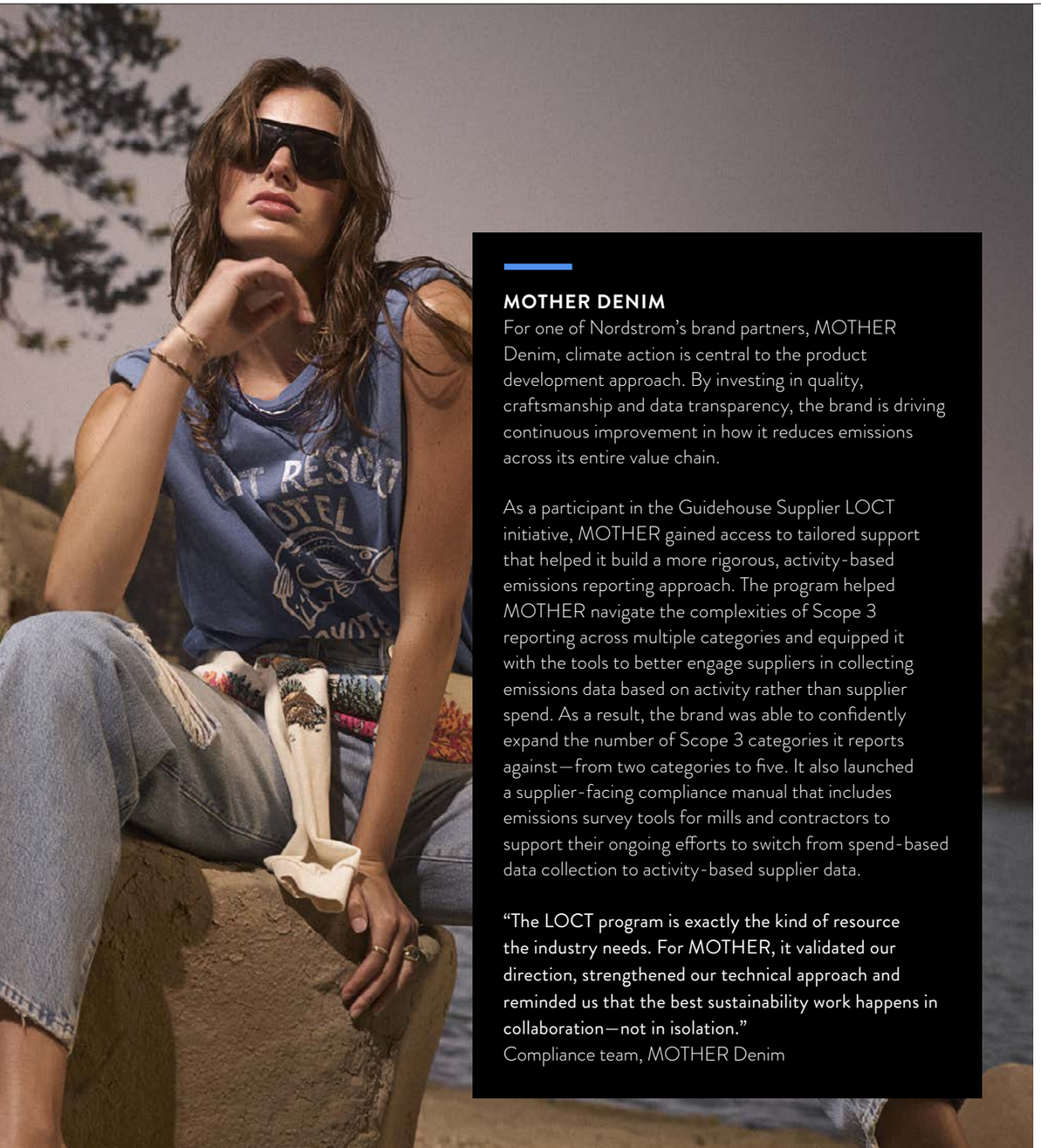
6 FY22 was the first reporting year Nordstrom disclosed a Scope 3 footprint.
7 The cost to purchase goods from our suppliers.

TURNING INSIGHT INTO ACTION

During 2025, two of our participating manufacturers shared how the MCAP had helped inform their climate risk assessments and on-site climate action. One manufacturer, which had identified extreme heat as a key physical risk, upgraded its factory roofs to reduce internal temperatures. Not only did this help build resilience against climate-related impacts, but it also improved working conditions for employees.

Another manufacturer, having completed climate risk assessments for priority sites, has now quantified climate risk profiles for its most material sites, enabling more informed capital planning and a clearer roadmap for emissions reductions. It has also set science-aligned targets and is using MCAP tools to create site-level decarbonization projects, from improving energy data tracking to installing solar panels.

"After joining the program, we identified extreme heat as a key climate risk. In response, we upgraded our factory roofing to reduce temperature; as a result, the temperature has decreased around 7°C, creating a more comfortable working environment for our employees and improving their well-being."
MCAP participant



MOTHER DENIM

For one of Nordstrom's brand partners, MOTHER Denim, climate action is central to the product development approach. By investing in quality, craftsmanship and data transparency, the brand is driving continuous improvement in how it reduces emissions across its entire value chain.

As a participant in the Guidehouse Supplier LOCT initiative, MOTHER gained access to tailored support that helped it build a more rigorous, activity-based emissions reporting approach. The program helped MOTHER navigate the complexities of Scope 3 reporting across multiple categories and equipped it with the tools to better engage suppliers in collecting emissions data based on activity rather than supplier spend. As a result, the brand was able to confidently expand the number of Scope 3 categories it reports against—from two categories to five. It also launched a supplier-facing compliance manual that includes emissions survey tools for mills and contractors to support their ongoing efforts to switch from spend-based data collection to activity-based supplier data.

"The LOCT program is exactly the kind of resource the industry needs. For MOTHER, it validated our direction, strengthened our technical approach and reminded us that the best sustainability work happens in collaboration—not in isolation."
Compliance team, MOTHER Denim

DRIVING INDUSTRY-WIDE DECARBONIZATION WITH BRAND PARTNERS

As a multi-brand retailer, most of our emissions are linked to the products we sell. That is why we work closely with brand partners to promote sustainable practices, like lower-impact material use and energy-efficient manufacturing methods.

We support brand partners in setting their own climate action targets, with a target that 70% of Nordstrom Merchandising Group's revenue comes from brands with science-based targets. As of 2025, we have reached 40%. To continue advancing our efforts, we joined Guidehouse's Supplier Leadership on Climate Transition (LOCT) initiative. Supplier LOCT is a partnership of 22 global brands that invite their suppliers to enroll in a live, online climate learning journey that empowers them to measure and reduce emissions. Through this partnership, suppliers gain the tools they need to:

- Quantify baselines, moving from estimates to primary data collection for emissions inventories
- Set realistic roadmaps for energy and waste
- Standardize reporting by aligning with global disclosure standards to reduce administrative friction across the industry

40%

of Nordstrom Merchandising Group revenue in 2025 came from brands with publicly stated and verified science-based targets

42%

of Nordstrom Made's 2025 retail value came from suppliers that committed to science-aligned or science-based targets

REDUCING TRANSPORTATION & LOGISTICS DISTANCES

We want to bring the best in global fashion to our customers, offering products from a wide network of brands both in-store and via our online platform. To reduce transportation emissions associated with customer orders, we are continuously working to refine our last-mile logistics, shortening delivery distances and cutting transit-related emissions.

As well as shipping directly from brand warehouses to customers—minimizing the need for product to come through a Nordstrom warehouse first—we are working to ensure we have sufficient stock across all our fulfillment centers. By doing so, we can prevent the need for multiple deliveries to fulfill multi-item orders. What's more, by ensuring stock is evenly spread across our national footprint, we have been able to harness more overland transportation solutions, reducing emissions compared to air transportation. Transportation and logistics efforts have kept related emissions to approximately 3% of Nordstrom's total Scope 3 footprint in FY25.

WATER

Water is a shared and finite resource, and we recognize our responsibility to use it carefully. At Nordstrom, we are working to protect water sources and improve efficiency through innovative, cross-operational approaches.

UNDERSTANDING OUR WATER FOOTPRINT

In 2024, we worked with Quantis to map the physical water risk of every Nordstrom site. By 2025, we had transitioned this data into a strategic roadmap, prioritizing interventions in the regions facing the greatest baseline water stress.

Using the World Resources Institute's Aqueduct Water Risk Atlas tool, we identified sites in California—particularly Southern California—as being the highest risk, with 65% of Nordstrom's extremely high-risk sites located in the state. In response, during 2025, we conducted research to assess these sites for water-saving opportunities. The audit covered 12 stores and looked at existing measures across bathrooms, restaurants and Ebars to find out which teams were doing well and where changes could help drive greater water stewardship. It established a baseline for both behavioral and operational efficiency, providing the blueprint for our 2026 Water Stewardship Strategy.

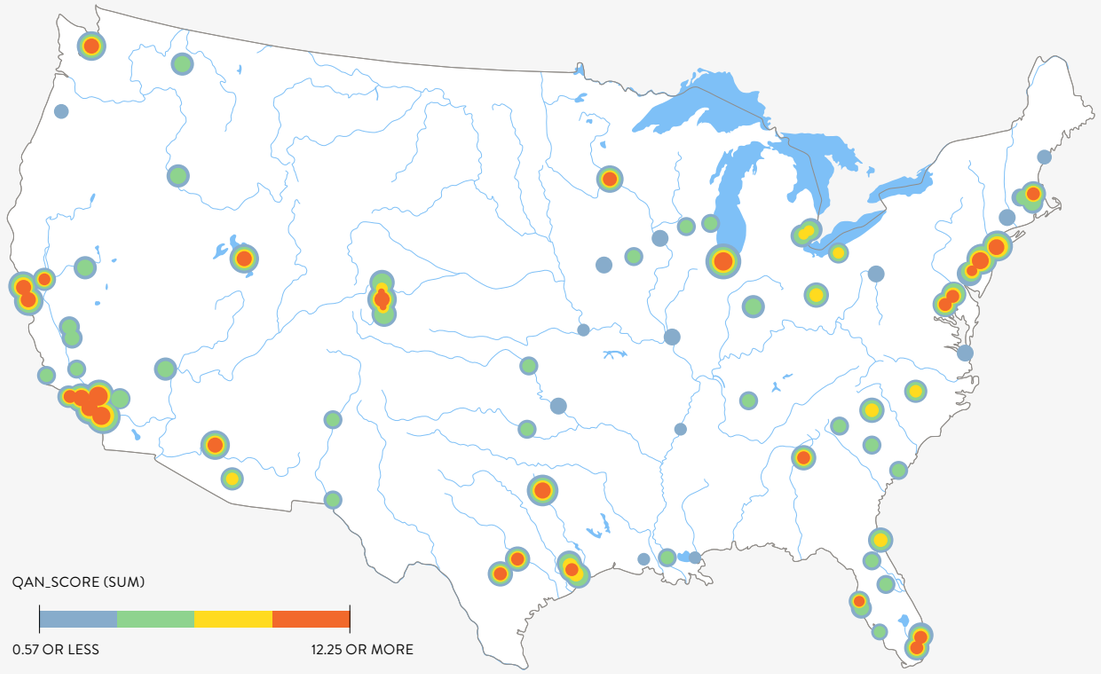
RESPONSIBLE WATER MANAGEMENT

We look to responsibly manage and reduce our water impact across all operations. Our current focus is on improving water conservation in Nordstrom Rack stores, and all new stores now adhere to Water Efficiency Construction Criteria, featuring best-in-class low-flow fixtures and automated sensor technologies.

We also place a strong focus on water use in restaurants and Ebars. In our restaurants, we are assessing food preparation practices, such as quick thawing of ingredients and how fresh produce is washed, to identify opportunities to reduce water use without impacting food quality or safety. In Ebars, where dipper wells with running water are required, we are exploring how to minimize water flow while continuing to meet all regulatory requirements.

Tracking water use is a key step toward being able to reduce it, which is why we install water meters that monitor consumption, providing real-time data and leak detection across our facilities. By installing deduct meters for irrigation and cooling towers, we can also isolate water that does not enter the sewer system. This not only identifies efficiency opportunities but also provides a direct financial return on investment by reducing wastewater sewage fees. We are currently assessing additional sites for deduct meter installation.

WATER HEAT MAP



As part of our energy roadmap and water stewardship efforts, we've begun integrating AI-driven optimization into our HVAC and cooling tower operations. By layering intelligent software over our existing Building Management Systems, our facilities can make real-time micro-adjustments based on external weather forecasts and internal occupancy data, simultaneously addressing two of our priority environmental focus areas:

- Energy efficiency: Reducing the carbon intensity of our cooling operations.
- Water stewardship: Optimizing cooling tower cycles to minimize water waste, particularly in high-risk water regions where we've implemented real-time metering.

WASTE REDUCTION

We want to leave it better than we found it, and that extends to reducing the environmental pollution, biodiversity impacts and human health risks posed by waste. Through targeted actions and a commitment to reducing single-use plastics, we are working to keep valuable materials out of landfill and in use for as long as possible.

MAPPING OUR IMPACT

Throughout 2025, we continued acting to address our overall waste impact, diverting 67% of waste from landfill and incineration[8] through a combination of recycling, composting and reuse. While we are proud of this progress, we know waste reduction is an ongoing endeavor. As such, we are always looking to better understand where waste occurs in our value chain and what we can do to minimize it. Following a comprehensive analysis across Nordstrom facilities[9] in 2024, we conducted an assessment in 2025 to evaluate how waste is generated, handled and disposed of across store areas.

ADDRESSING OUR PACKAGING FOOTPRINT

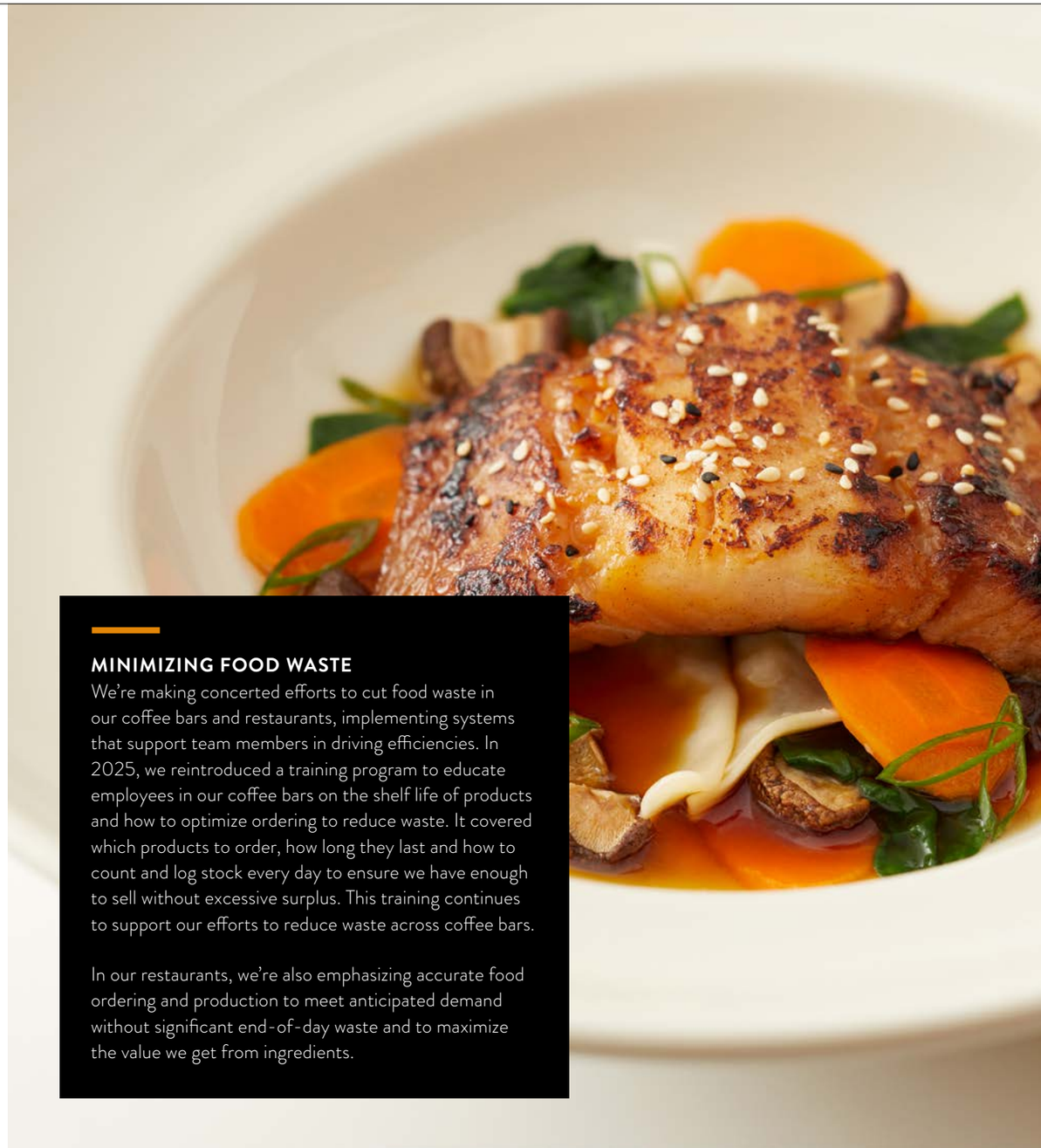
Our goal is to reduce single-use plastics in our value chain by 50%. While single-use plastic waste occurs both upstream and downstream, much of it comes from packaging and delivery activities. Where appropriate, we replace single-use plastics with alternatives like paper, reusable packaging and recovered plastics, and redesign packaging to eliminate excess. These efforts have resulted in a 68% reduction in 2025.

Reducing single-use plastics is one part of our broader effort to minimize the impact of packaging across outbound shipping, stores, restaurants and operations. We take a multifaceted approach, starting with right-sized packaging and more efficient order packing, and extending to increased use of recycled content and a reverse logistics strategy to optimize collection.

Across our suite of corporate packaging, we have deepened supplier relationships, developing a process to validate supplier sustainability and post-consumer waste claims, including by ensuring they are covered by reputable certification bodies like the Forest Stewardship Council.

100%

of paper shopping bags contain at least 30% recycled content



MINIMIZING FOOD WASTE

We're making concerted efforts to cut food waste in our coffee bars and restaurants, implementing systems that support team members in driving efficiencies. In 2025, we reintroduced a training program to educate employees in our coffee bars on the shelf life of products and how to optimize ordering to reduce waste. It covered which products to order, how long they last and how to count and log stock every day to ensure we have enough to sell without excessive surplus. This training continues to support our efforts to reduce waste across coffee bars.

In our restaurants, we're also emphasizing accurate food ordering and production to meet anticipated demand without significant end-of-day waste and to maximize the value we get from ingredients.

[8] Across all sites where we have operational control over waste.
[9] Data was collected for the years FY19–FY23.

STORE PACKAGING

We've heard from our customers that they want less packaging waste. Addressing our in-store options is one way we can meet that need. Through concerted, long-term efforts, we have maintained our commitment to use paper shopping bags that contain at least 30% recycled content and are recyclable where facilities exist. Our gift boxes are also designed to be recycled, and contain recycled content. Additionally, we are actively monitoring evolving state regulations, such as bag bans and extended producer responsibility requirements, to continue to make locally relevant, more sustainable options available across our locations. Design and sourcing decisions for store bags incorporate recyclability considerations and validation of recycled content claims through supplier documentation.

As well as addressing single-use plastics in store packaging, we look for opportunities to reduce overall material use and waste. For example, in Nordstrom Rack stores, we remove dunnage—paper inserts in shoes—and recycle it to prevent unnecessary waste for our customers. Moving forward, we are considering how we can engage suppliers in further reducing unnecessary dunnage use.

67%

of operational waste diverted from landfill and incineration

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. This includes replacing cardboard boxes with paper padded mailers, which fill transportation vehicles more efficiently and reduce packaging material. We have increasingly rolled out paper padded mailers to more facilities. Additionally, several of our fulfillment centers have transitioned from plastic-based tapes to a water-activated paper alternative, allowing cardboard boxes with the tape to be fully recyclable.

We are reviewing our overall packaging suite to streamline options and support right-sizing. By doing so, we can reduce the amount of empty space in orders as well as unnecessary material use. We are also in the process of launching a new warehouse management system, which will guide employees in selecting the right size and type of packaging for each order.

RESTAURANT PACKAGING

Across our network of more than 190 restaurants, bars and coffee bars, we offer a suite of to-go packaging options that are either fully compostable in 180 days in commercial composting facilities or designed to follow industry-standard plastic recycling guidelines. In fact, as of 2025, most of our restaurant packaging portfolio was compostable. Furthermore, all coffee cups are designed to be recycled, and we transitioned 100% of to-go bags from plastic to paper.

Learn more about how we're advancing responsible restaurant operations.

OPERATIONAL PACKAGING

We continue to evolve our packaging suite to reduce material intensity and improve shipping efficiency. Reverse logistics[10] is key to reducing operational waste, and we require that stores flatten and bale corrugate, and bag clean plastic film. By preparing corrugate and plastic film for return to distribution centers, we can use "backhaul" logistics to reduce empty miles and associated transportation emissions. Once aggregated at distribution centers, materials flow through dedicated pathways. One example is flexible plastic film, some of which we can divert to a third party to be transformed into products like composite decking.

In 2025, we began evaluating opportunities to reduce the gauge of our stretch film to lower material use without compromising performance. Through a process of value engineering, we achieved a film-thickness reduction from 50 gauge to 36 gauge, with the goal of implementing this update in 2026.

TOWARD A SMALLER WASTE FOOTPRINT

We will continue identifying opportunities to further reduce our packaging footprint. This includes exploring more durable, reusable alternatives to corrugated boxes for shipping products from distribution centers to stores. Additionally, we are optimizing inventory placement to reduce split shipments, thereby minimizing the number of separate packages required to fulfill orders.

[10] The process of recovering materials and products from their end use and returning them to the manufacturing or distribution site.

PRODUCT

We create exceptional customer experiences by offering a variety of curated products that reflect our customers' lifestyles and values. At the same time, we develop products with a smaller environmental footprint, provide services that help extend product life and create space to celebrate and spotlight a wide range ofbrands and designers.

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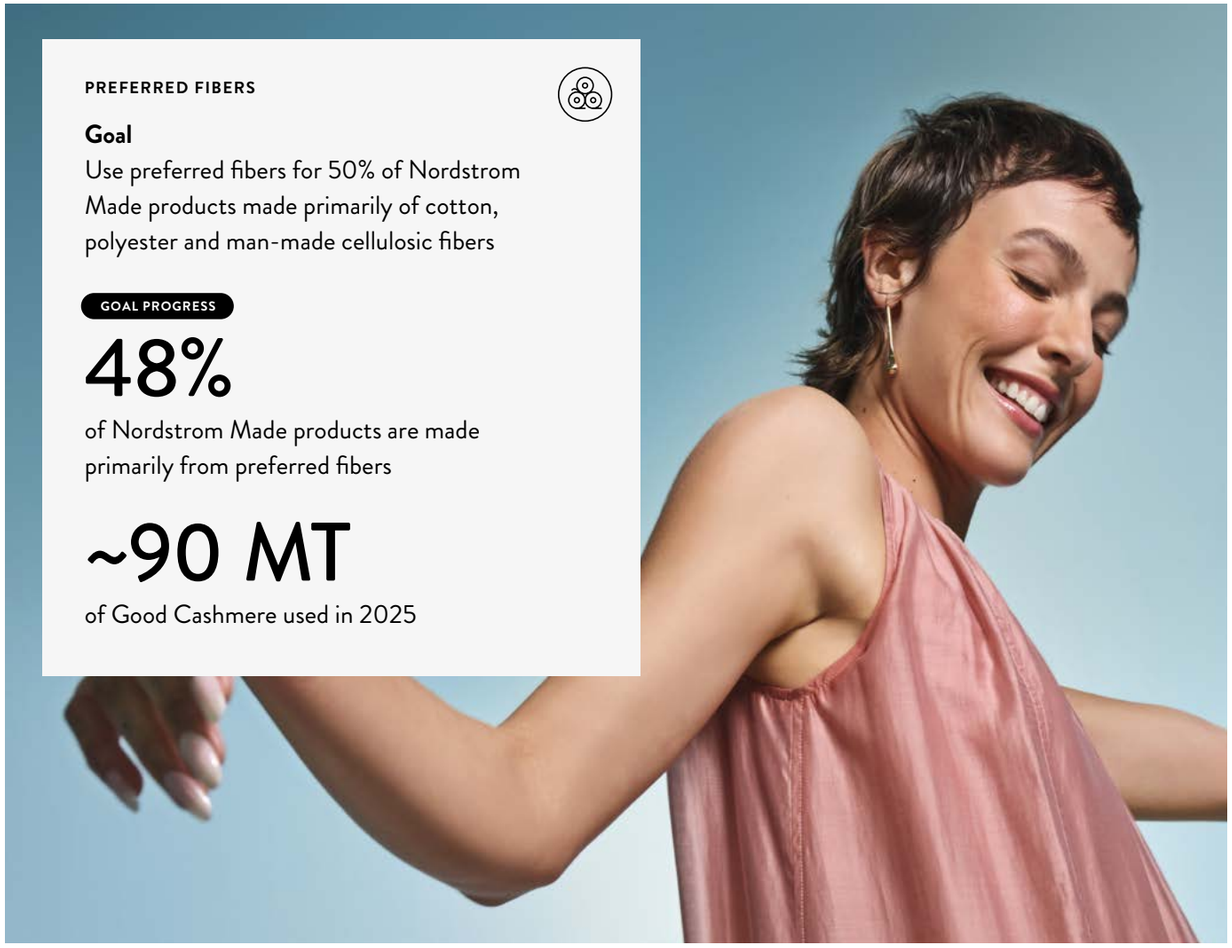
PRODUCT
KEY HIGHLIGHTS & PROGRESS



PREFERRED FIBERS

Goal

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

GOAL PROGRESS

48%

of Nordstrom Made products are made primarily from preferred fibers

~90 MT

of Good Cashmere used in 2025

EXTENDING PRODUCT LIFECYCLE

Goal

Take back 100 tons of beauty packaging to divert from landfill

GOAL ACHIEVED

118 tons

of packaging collected via BEAUTYCYCLE between 2020 and 2025

PRODUCT ASSORTMENT

Goal

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

GOAL ACHIEVED

23%

of Nordstrom.com product assortment qualifies for Nordstrom for Good

400,000+

pounds of certified coffee sourced in 2025

PRODUCT DESIGN

We design our products with customer needs and preferences in mind. As part of this, we are increasingly integrating preferred materials into Nordstrom Made items to offer more responsibly made products.

PREFERRED FIBERS

To meet growing interest in more responsibly made clothing, we're integrating preferred fibers (PFs) in more of our Nordstrom Made assortment. PFs often use less water, fewer harmful chemicals or may be regenerative or made from recycled content. These fibers also tend to align with higher supply chain transparency and labor rights standards, meaning that when we use these materials, we can help support better outcomes for the people producing them. Learn more about responsible supply chains in our Human Rights in Our Supply Chain section.

To maximize our impact, we focus on the fibers we use in the greatest volumes: cotton, polyester and wood-based man-made cellulosic fibers (MMCFs). Our goal is to use PFs for 50% of Nordstrom Made products made primarily of cotton, polyester and MMCFs, and we reached 48% in 2025. We also support the use of more sustainable materials, sourcing methods and production through our online Nordstrom for Good hub.

Our work to bring more PFs into Nordstrom Made products is growing beyond cotton, polyester and MMCFs, offering our customers even more ways to shop with their values. In 2025, we made a commitment to use 100% Responsible Alpaca Standard-certified alpaca wool in lieu of conventional alpaca wool. We're also taking steps to enhance responsible leather sourcing, assessing options to source from more Leather Working Group-certified tanneries.

COTTON

Cotton accounts for approximately 19% of global fiber production, with traditional farming methods contributing significantly to biodiversity loss, water resource depletion, soil degradation and emissions production. We use organic cotton for Nordstrom Home textiles when possible, and, in 2025, this totaled 51% of Nordstrom Home textile products.

~74%

of cotton used in our 2025 Nordstrom Made products was sourced through the Better Cotton Initiative

DRIVING PROGRESS WITH THE BETTER COTTON INITIATIVE

A key part of our cotton approach is our participation in the Better Cotton Initiative (BCI)—the world's largest cotton sustainability program. The BCI exists to help cotton communities survive and thrive while protecting and restoring the environment. Since joining in 2023, we have made significant progress across our product line in increasing our sourcing of BCI Cotton, which is produced in a way that supports cotton farmers, their communities and the environment.

In 2024, we piloted BCI Cotton with 11 Nordstrom Made mill partners for 2025 products, resulting in approximately 74% of cotton sourced for our Nordstrom Made portfolio from BCI Cotton. At the beginning of 2025, we requested that every supplier source BCI Cotton for all 2026 cotton apparel products.

THE GOOD CASHMERE STANDARD

In 2025, Nordstrom became a member of the Good Cashmere Standard, which creates access to independently verified cashmere produced in line with clear criteria for protecting the welfare of cashmere goats, conserving the environment, ensuring decent farm working conditions and promoting supply chain transparency. Throughout 2025, we used approximately 90 metric tons of Good Cashmere, incorporating it into all cashmere apparel as well as some accessories. We also incorporated the Good Cashmere logo into our hang tags for the first time, clearly highlighting certified products to customers looking for value-aligned products.

"The Good Cashmere Standard's partnership with Nordstrom is a powerful endorsement of ethical sourcing, directly contributing to the well-being of cashmere goats, the protection of fragile ecosystems and empowering herding communities—verified by independent audits. This collaboration is particularly vital given the increased regulatory scrutiny and consumer demand for transparent supply chains and trustful communication. It proves that cashmere fashion can indeed be a force for good if responsibility in supply chain management starts at its very beginning—with the goats and the systems around them."
Tina Stridde, Managing Director, Aid by Trade Foundation

POLYESTER

Where possible, we look to use certified recycled polyester in our designs, reducing reliance on fossil fuel-derived materials while balancing product performance, price and practicality. In 2025, 7% of Nordstrom Made products were made with recycled polyester.

MAN-MADE CELLULOSIC FIBERS

Where possible, we opt for MMCFs that come from sustainably managed forests, use less energy and minimize hazardous wastewater. In 2025, 15% of our total PF sourcing came from MMCFs, totaling 260 metric tons of fiber. We use the Canopy Hot Button Report to identify preferred MMCFs, including those that use closed-loop chemical management.

260 metric tons

of fiber sourced from MMCFs accounted for 15% of our total PF sourcing in 2025

PRODUCT LIFECYCLE

We strive to create clothing our customers can enjoy for years, combining quality materials, thoughtful construction and timeless designs into our Nordstrom Made products. We embed circular economy principles to extend the life of our products, including designing for longevity and offering repair and alteration services for our customers.

CIRCULAR ECONOMY

Discarded clothing is one of the largest sources of textile waste in municipal solid waste streams. While some materials are reused, an estimated 85% end up in landfill or are incinerated. We are tackling the issue head-on by finding ways to extend the useful life of our products and beauty packaging.

475

tons of clothing refurbished, reused, resold or donated by the end of 2025

~4M

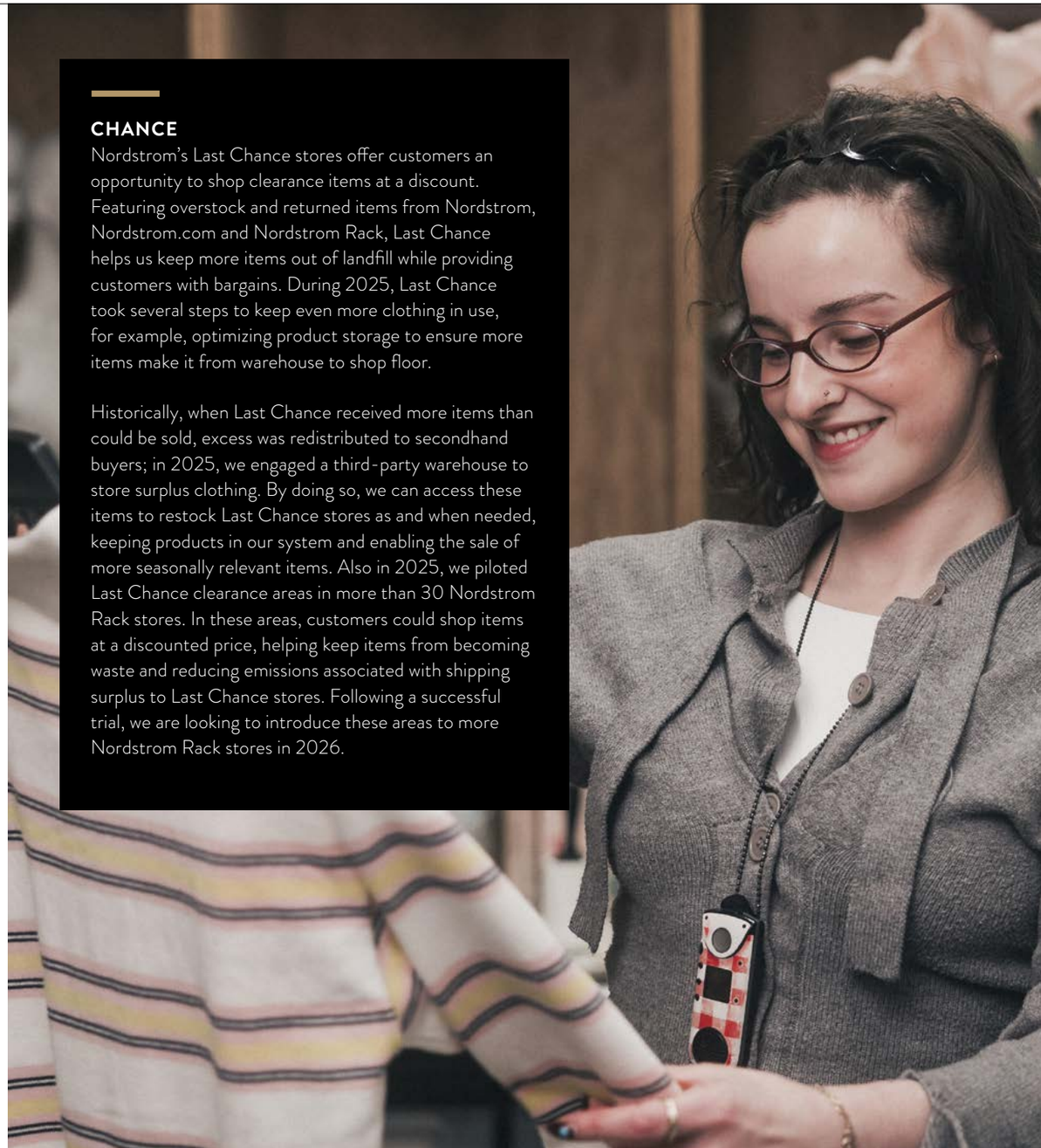
items sold in Last Chance stores in 2025

EXTENDING THE LIFE OF PRODUCTS

We believe in keeping quality clothing out of landfill. In 2025, we exceeded our goal to refurbish, reuse, resell or donate 250 tons of clothing, reaching 475 tons by the end of the year. We maintain defined processes for ensuring as many returned products and as much excess inventory as possible are diverted from landfill, led by the Nordstrom Quality Center (NQC).

Established in 1998, NQC receives returned products. It then refurbishes and redistributes sellable goods to Nordstrom Rack or our Last Chance stores. When products do not meet selling-floor standards, NQC sells them to secondhand buyers to be resold for alternative uses.

We also offer resale of high-quality, secondhand items through our partnerships with REKLAIM and Watchfinder & Co. Preowned luxury handbags are sold in select stores, while customers can purchase preowned luxury watches on Nordstrom.com.



CHANCE

Nordstrom's Last Chance stores offer customers an opportunity to shop clearance items at a discount. Featuring overstock and returned items from Nordstrom, Nordstrom.com and Nordstrom Rack, Last Chance helps us keep more items out of landfill while providing customers with bargains. During 2025, Last Chance took several steps to keep even more clothing in use, for example, optimizing product storage to ensure more items make it from warehouse to shop floor.

Historically, when Last Chance received more items than could be sold, excess was redistributed to secondhand buyers; in 2025, we engaged a third-party warehouse to store surplus clothing. By doing so, we can access these items to restock Last Chance stores as and when needed, keeping products in our system and enabling the sale of more seasonally relevant items. Also in 2025, we piloted Last Chance clearance areas in more than 30 Nordstrom Rack stores. In these areas, customers could shop items at a discounted price, helping keep items from becoming waste and reducing emissions associated with shipping surplus to Last Chance stores. Following a successful trial, we are looking to introduce these areas to more Nordstrom Rack stores in 2026.

Giving Beauty Packaging a Second Life

Only a fraction of the 120 billion cosmetic packages created each year is recycled, which is why, back in 2020, we became the first major retailer to launch an in-store beauty take-back and recycling program: BEAUTYCYCLE. 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. Today, all Nordstrom and Nordstrom Rack stores in the contiguous U.S. feature collection bins.

A cornerstone of our customer-facing circularity, in 2025, we diverted 26 tons of beauty packaging from landfill through BEAUTYCYCLE. Since 2020, we have achieved and exceeded our goal and are proud to have taken back 118 tons. To support BEAUTYCYCLE, we have partnered with Pact Collective since 2024, a nonprofit organization that wants to bring the beauty industry together to reduce packaging waste and advance more circular solutions.

"Pact's partnership with Nordstrom has been a powerful demonstration of what's possible when retail meets purpose. We've seen remarkable growth across all locations participating in the BEAUTYCYCLE program, with collection volumes scaling dramatically year over year. We're especially proud to have supported Nordstrom in achieving its commitment to collect 100 tons of hard-to-recycle beauty packaging by 2025, a milestone that reflects the shared dedication of both our organizations to keeping beauty empties out of landfills and moving toward a more circular future."
Carly Snider, Executive Director, Pact Collective

EXTENDING PRODUCT LIFECYCLE THROUGH REPAIRS & ALTERATIONS

With the largest team of professional tailors in the U.S., we are on hand to help customers get the most out of their clothing through expert alterations and repairs. All Nordstrom stores and 86 Nordstrom Rack stores offer alteration services, so wherever they shop, customers can get the same level of tailored care.

We also offer our Shoe Care program in 31 Nordstrom stores, helping customers extend the life of their shoes through services like leather shining and sneaker cleaning. Additionally, our jewelry repair service is available across all Nordstrom and Nordstrom Rack stores, with customer items sent to our repair shop in Seattle to be fixed or altered.

PRODUCT ASSORTMENT

We aim to offer something for everyone, with a varied product assortment that supports more conscious consumption and celebrates a wide range of brands. At the same time, we continually review our restaurant offerings, embedding responsible sourcing considerations deeply into our procurement approach.

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 more positive social and environmental impact.

NORDSTROM FOR GOOD

Customers are increasingly considering the impacts of the products they purchase. Through Nordstrom for Good, our online hub for products with sustainability benefits, we seek to make it easier for customers to shop with their values by highlighting options in the following categories:[11]

- Preferred materials
- Responsible manufacturing and sourcing
- Preferred ingredients (beauty category)
- Responsible packaging (beauty category)
- Responsible brands

In 2025, we expanded the program's impact by introducing climate action as a key area, allowing brands with SBTi-verified targets or Climate Neutral certification to be considered for inclusion.[12] In addition to highlighting individual products with sustainability attributes, this expansion allowed more brands to qualify based on company-level commitments. We also showcase various brands that align with internationally recognized standards like B Corp and the Butterfly Mark. We strive for 15% of our Nordstrom.com product assortment to qualify for Nordstrom for Good, reaching 23% in 2025.

Nordstrom for Good delivers greater visibility into more responsible products and brands by supporting claims with credible, verifiable certifications. Looking ahead, we will continue to grow Nordstrom for Good to bring new, sustainability-focused brands to our customers.

[11] Nordstrom for Good criteria align with industry best practices and ensure we accurately capture and quantify 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 benefits they advertise.

[12] Brands can qualify for Nordstrom for Good inclusion through science-based targets for two years, after which they need to demonstrate third-party verification in one of the program's other key areas to remain included.

SPOTLIGHTING VALUES-DRIVEN BRANDS

HEAR FROM SOME OF THE NORDSTROM FOR GOOD BRANDS DEDICATED TO BEST-IN-CLASS SUSTAINABILITY.

MAKING SELF-EXPRESSION COMFORTABLE FOR ALL

UGG strives to champion community, the planet and its products through thoughtful design and purposeful innovation. The brand is committed to being mindful of its environmental footprint by including recycled, renewable, regenerated and natural materials in its products. Demonstrating its commitment to more responsible production, UGG set SBTi-verified targets for emissions reductions.

"We believe self-expression and brand responsibility can coexist, which is why we're proud to participate in the Nordstrom for Good program alongside brands committed to more mindful practices and positive impact."
Tracy Paoletti, VP & General Manager, UGG North America

DESIGNED BY NORDSTROM. MADE TO LAST.

The Nordstrom brand delivers a range of stylish essentials, designed to make customers feel good and look their best. Every season, we deliver a combination of style-driven, on-trend essentials that feature exceptional quality and lasting value, crafted with responsible practices in mind.

"Nordstrom for Good reflects our commitment to delivering quality products made with integrity. From prioritizing preferred materials to advancing responsible sourcing and climate action, we're committed to building trust through transparency and more sustainable practices. Through partnerships like the Good Cashmere Standard, we're proud to show our dedication to the well-being of the communities, animals and ecosystems that support our business."
Jamie Nordstrom, Chief Merchandising Officer, Nordstrom

CULTIVATING A VARIED BRAND OFFERING

We source options from a wide range of suppliers, meeting customers where they are with products that help them express their own unique tastes and heritage. By doing so, we simultaneously create space for exceptional suppliers to pursue a meaningful partnership with Nordstrom.

Connecting Customers to Global Brands

We seek out impactful, purpose-driven partnerships with organizations that share our commitment to inclusion. In 2025, we were excited to launch a new partnership with Latinas In Beauty, a nonprofit dedicated to increasing representation of Latinas across every level of the beauty industry. We came on board as a founding corporate partner of the organization's inaugural Beauty Bravura Accelerator, a leadership and professional development program designed to empower emerging talent. In this role, we funded 10 full scholarships, helping reduce barriers to participation for members. With beauty representing a key area of growth for Nordstrom, this new partnership supports our efforts to advance industry inclusion while aligning with our business strategy and values.

"Nordstrom's partnership was instrumental in turning vision into reality. By funding scholarships and championing the Beauty Bravura Accelerator, they didn't just support a program—they helped unlock access, confidence and opportunity for a new generation of Latina leaders. Together, we are not only changing individual career trajectories, but reshaping what leadership in beauty looks like."
Nadine Tapia, Beauty Bravura Program Director & Founding Board Member

Supporting Small Businesses

Our Neighborhood Pop-Ups spotlight small, local businesses, creating space for them to showcase their products in our stores. By bringing these curated experiences into our stores, we can offer products that reflect the communities we serve while supporting local economic growth and helping smaller brands grow.

In 2025, we worked with Latinas In Beauty, as well as our existing partner, The Folklore Group, to create a Neighborhood Pop-Up in celebration of Latin American & Hispanic Heritage Month. Held in New York, the event kicked off with a cocktail reception where Latina influencers and community members could learn more about our partnerships. We also featured a curated collection at our flagship New York store, which spotlighted products from three Latina-owned brands: DOIZPE, a Mexican brand that creates modern accessories; YAPA New York, which specializes in artisanal knitwear made in Bolivia; and Lombia+Co., which sells handbags handcrafted by Wayuu Indigenous artisans in Colombia.

We hosted several other Neighborhood Pop-Ups with The Folklore Group throughout 2025, offering opt-in participation for all stores for the first time. In doing so, we made space for brand partners to create authentic, in-store touchpoints with customers while reinforcing Nordstrom's role as a platform for emerging brands.

RESPONSIBLE RESTAURANT OPERATIONS

We are committed to sourcing, preparing and serving best-in-class food and beverage experiences to our customers. Our Restaurant team offers many high-quality products, prioritizing local, organic and seasonal items on menus where it can. To amplify our efforts, we seek farmers, producers and suppliers who value the same commitment to responsibly produced, sustainably sourced ingredients. We intentionally identify producers that prioritize climate action, circularity and social impact.

We seek to embed excellence across every customer touchpoint, guided by integrity and the thoughtful pursuit of social responsibility and environmental stewardship.

LOWER-IMPACT INGREDIENTS

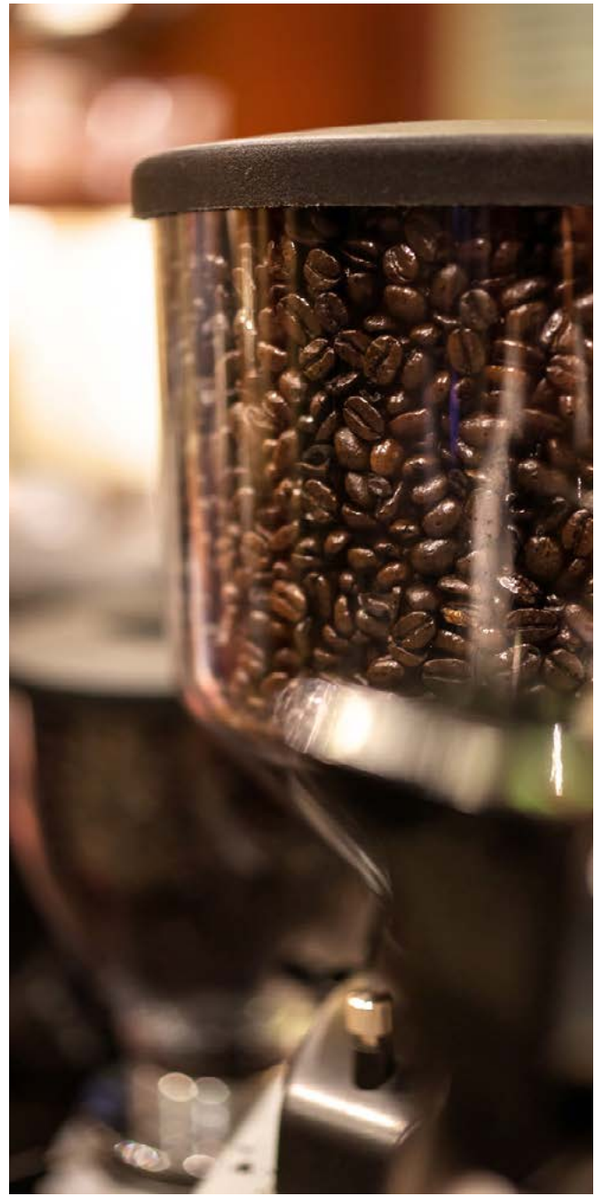
We source cage-free eggs, wild-caught Mexican shrimp and wild-caught Alaskan salmon. During 2025, we continued to work with the Alaska Seafood Marketing Institute, an organization committed to the future health and resilience of fish populations and the marine ecosystem through science-based resource management. Likewise, Del Pacifico Seafoods' mission is to produce the world's highest-quality seafood using the most sustainable methods of harvesting and processing that exist today. Its shrimp-catching process uses nets fitted with Turtle Excluder Devices, specialized metal grid structures installed in shrimp nets that allow sea turtles to escape unharmed. As a result, the process has the lowest bycatch and fuel consumption per pound in the world.

CERTIFIED AND TRANSPARENT COFFEE

When sourcing coffee, we prioritize options that are certified as supporting environmental sustainability and social responsibility. For example, our organic Holiday Blend coffee is Fair Trade-certified, while our entire Debut line of coffees is Rainforest Alliance-certified. In 2025, we sourced over 400,000 pounds of certified coffee.

Alongside certifications, we're working to drive greater transparency in our coffee lines through single-origin products. Together with our partner Farmer Brothers Coffee, we feature a rotating selection of women-produced coffees. In 2025, this included products from Las Rosas in Colombia—a brand committed to SBTi-validated targets that align with Nordstrom's wider commitment—and Las Mercedes in El Salvador.

Amplifying our impact, we supported the Finca Las Mercedes Project, which looks to improve health and well-being by expanding access to preventive and primary care. Through an on-site clinic, 23 women received critical cancer screenings and health education in 2025. We are proud to feature a selection of women-produced coffees in our stores and online, partnering with women-led co-ops that advance more sustainable practices.



GOVERNANCE

Our approach to responsible fashion is grounded in strong governance, helping ensure ethical and sustainable principles are embedded across every part of our business.

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38 Ethics & Compliance
38 Data Security & Privacy

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 sits with the Board of Directors, which receives regular updates on our impact and inclusion strategies, programming and goals, as well as relevant industry issues. It also frequently reviews potential regulatory impacts and operational updates.

GOVERNANCE

Our Environmental, Social and Governance (ESG) team leads our ESG strategy and programming, acting as an internal center of excellence and guidance. It is supported by a network of cross-functional action teams that bring together cross-business representatives to support goal progress, with an executive sponsor to provide guidance and oversee progress of each goal.

An ESG Committee, composed of goal sponsors and executive-level leaders, reviews progress on our goals, supports strategy development, helps navigate roadblocks and advises on current impact priorities.

We also maintain a dedicated team whose focus is on advancing a fair and supportive workplace for everyone. This team sits within human resources and works with business leaders to develop and implement strategies and practices that benefit all employees. This work is consistently reviewed by Erik Nordstrom, our co-CEO, and Lisa Price, our Chief Human Resources Officer.

ETHICS & COMPLIANCE

Our customers want to shop with confidence, knowing the businesses they support are committed to acting with integrity and doing the right thing. We strive to meet that expectation, guided by a central rule for operating ethically: Use good judgment in all situations.

We are dedicated to operating as an honest, responsible business, equipping our people with the resources they need to make the right judgment calls. We promote shared responsibility for upholding a strong culture of ethics and compliance.

OUR CODE OF CONDUCT & ETHICS

Our Code of Conduct & Ethics applies to everyone at Nordstrom and details our expectations for operating with integrity, maintaining trust and advancing a fair, respectful and healthy workplace. Underpinning our responsible business approach, the Code acts as a framework for ethical business operations. Nordstrom has also adopted policies that further support our people in exercising good judgment, including in areas like anti-corruption and bribery, anti-harassment and discrimination, and conflicts of interest.

INSPIRING AN OPEN-DOOR CULTURE

To inspire a shared culture of ethical conduct, we need to ensure our people feel comfortable and confident asking questions and voicing their concerns. We maintain an open-door policy, inviting everyone at Nordstrom to communicate honestly and openly with any leader in the organization. A variety of additional channels support this, enabling employees to report potential misconduct, Code or policy violations, or other illegal or unethical conduct. In particular, we maintain an ethics hotline through which employees can anonymously report concerns.

DATA SECURITY & PRIVACY

Our customers are at the heart of what we do. To continue delivering exceptional experiences, we responsibly use personal information to offer tailored product recommendations, relevant services and more personalized consumer journeys. Wherever we collect and use data, we prioritize security, responsibility and transparency.

UPHOLDING CUSTOMER PRIVACY

We seek, every day, to uphold the trust our customers place in us. As part of this, we maintain a clear Privacy Policy, which details what information we collect, 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

To ensure everyone at Nordstrom understands what's expected of them in terms of protecting personal information, we uphold defined procedures and deliver targeted training on addressing and mitigating current and emerging threats and risks. This includes regular training that emphasizes employees' role in protecting personal information and teaches them how to identify and avoid cybersecurity threats.

APPENDIX

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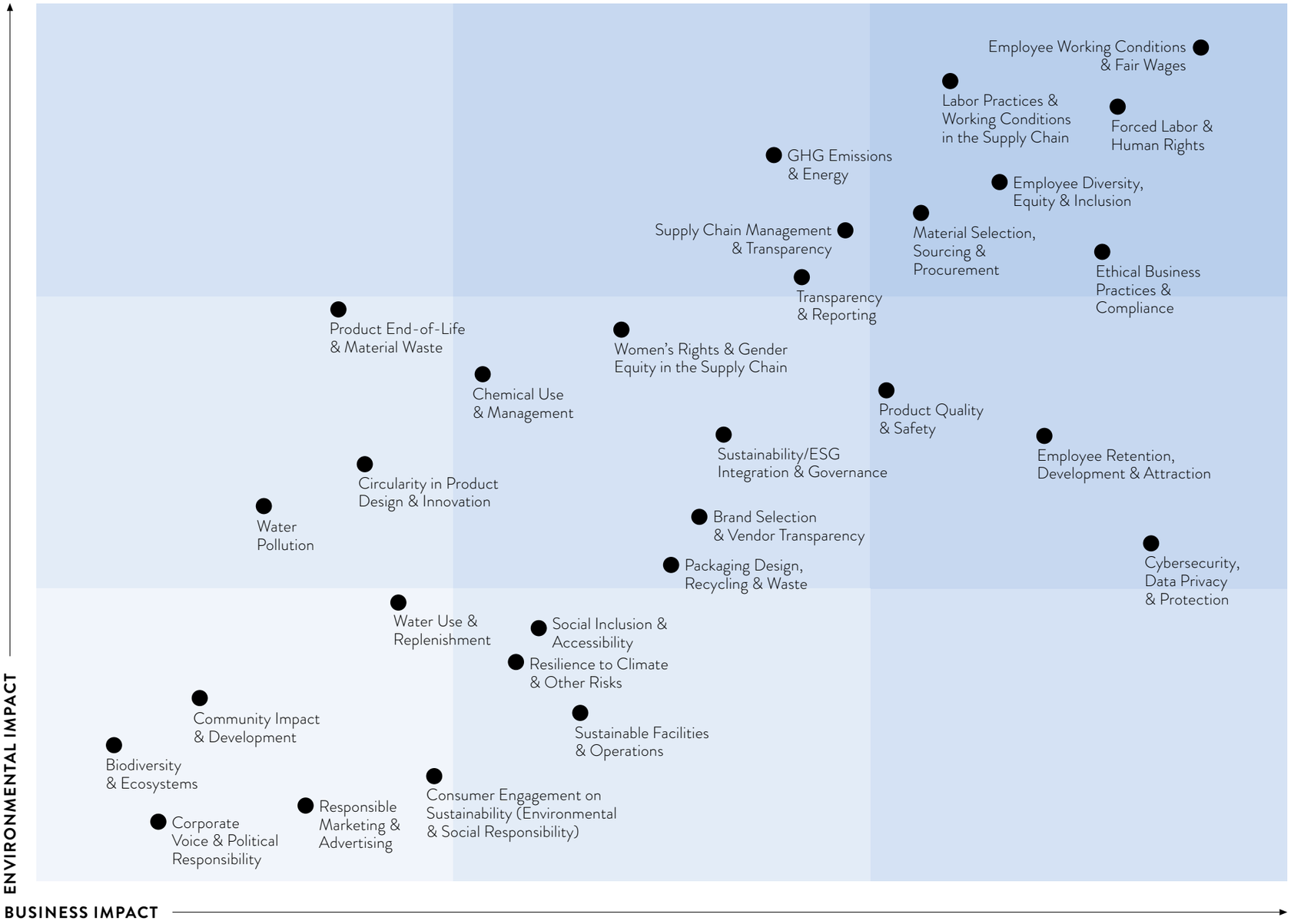
NORDSTROM DOUBLE MATERIALITY ASSESSMENT

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.



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 2025. Additional information is available on nordstrom.com/browse/impact.

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 and equipment, wearables, and home textiles. Additionally, we partner with Source Intelligence to conduct an annual survey for conflict minerals (tantalum, tin, tungsten, gold) of all Tier 1 manufacturer suppliers in our Nordstrom Made supply chain. We conduct testing and reporting for individual states' restricted substances for Nordstrom Made products. AFIRM RSL
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-AA-250a.2	Nordstrom notifies 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. We use third-party testing to monitor compliance with global chemical regulations and Nordstrom's Restricted Substances 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 2025, through Higg Facility Environmental Module (FEM), 47% of our Tier 1 strategic suppliers were assessed and in compliance.
	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 2025, 47% of active Tier 1 facilities have completed the Higg FEM, and 73% of responses 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 2025, 86% of active Tier 1 supplier facilities and 89% of active Tier 2 in-scope supplier facilities have been audited to a labor code of conduct. 100% of Nordstrom audits are conducted by third-party auditors.
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.2	In 2025, the priority nonconformance rate was 1%. The corrective action rate for priority nonconformance was 87.5%.
	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain		N/A	CG-AA-430b.3	Greatest labor conditions issues: 1. Hours of Work; 2. Wages & Benefits; 3. General Work Environment (lighting, sanitation, etc.) Greatest environmental, health and safety issues: 1. Emergency Preparedness; 2. Employee PPE and Machine Safety; 3. Chemical and Hazardous Substances Management Human Rights Commitment Nordstrom Partnership Guidelines
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 the impacts from our raw materials sourcing by improving our visibility to their sources and transitioning to more sustainable raw materials, including more sustainable cotton, recycled polyester and more sustainable man-made cellulosic fibers.
Supply Chain	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	Number	CG-AA-000.A	Tier 1: 221 suppliers. Tier 2: 270 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 2025 was 2,112,772 GJ. The percentage of energy Nordstrom consumed that was supplied from the grid was 76%. The percentage of energy that Nordstrom consumed from renewable resources was 34%.
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	Discussion and Analysis	N/A	CG-MR-410a.3	As a retailer, we generate a significant amount of waste across our products, packaging and operations. We continue to focus on reducing the environmental impact of packaging through a combination of material reduction, increased recyclability and transitioning to lower-impact alternatives, while also preparing for evolving regulatory requirements such as extended producer responsibility (EPR). Building on our prior goal to reduce single-use plastics, we have continued to implement and scale packaging improvements: • Reducing material use and transitioning to lower-impact formats • Continued replacement of plastic shopping bags with paper alternatives • Expanded use of paper mailers and right-sized corrugate, reducing reliance on polybags and excess packaging • Ongoing conversion of polymailers to paper or alternative materials, with a focus on high-volume categories where feasible • Continued right-sizing initiatives across boxes, mailers and garment packaging, reducing total material use • Increasing recyclability and recycled content • Transitioning to packaging that is reusable, recyclable or compostable, in line with long-term ESG goals • Increasing the post-consumer recycled (PCR) content in outbound packaging, including polybags where alternatives are not yet viable • Expanding use of recyclable alternatives for films, bubble wrap and tape to eliminate non-recyclable components • Eliminating non-recyclable materials and improving design • Continuing to phase out non-recyclable plastic bags and packaging formats over time • Implementing design improvements and material substitutions to reduce environmental impact while maintaining product protection and customer experience • Driving circularity and waste diversion • Advancing programs to divert packaging from landfill, including initiatives to increase recycling and explore take-back programs (e.g., beauty packaging) • Exploring opportunities to engage customers in circular systems, including reuse, recycling and lower-impact packaging formats • Responding to regulation and improving data and strategy • Preparing for EPR regulations, which shift the cost of packaging waste to producers, creating stronger incentives to reduce packaging volume and improve recyclability • Enhancing packaging data, tracking and reporting methodologies to better measure impact and support compliance and decision-making • Partnering cross-functionally (sourcing, supply chain and stores) to evaluate cost, material and customer trade-offs in packaging decisions

GRI CONTENT INDEX

VERIFICATION STATEMENT

The Center for Sustainability and Excellence (CSE) assessed the Nordstrom, Inc. Impact Report using the Global Reporting Initiative (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 2, 2025, to January 31, 2026, 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	a. Nordstrom, Inc. b. Our Stores
	2-3 Reporting period, frequency and contact point	a. This is an annual report, covering the period from February 2, 2025, to January 31, 2026. b. The publication date is: September 21, 2026 c. The contact point for the report: CSR@nordstrom.com
	2-4 Restatements of information	There are no restatements of information to report.
	2-5 External assurance	The report is not externally assured.
	2-15 Conflicts of interest	Partner Code of Conduct, pg. 4
	2-22 Statement on sustainable development strategy	Impact Report 2025: Letter from Our Leaders
	2-23 Policy commitments	a. Policies & Commitments b. Nordstrom Human Rights Commitment: Governance and Implementation c. Partner Code of Conduct d. Impact Report 2025: Ethics & Compliance
	2-24 Embedding policy commitments	Partner Code of Conduct Code of Conduct & Ethics Impact Report 2025: Ethics & Compliance
	2-26 Mechanisms for seeking advice and raising concerns	Grievance Processes
	2-28 Membership associations	Impact Report 2025: Partnerships for Progress

GRI Standard	GRI Disclosure	Location
Material topic: GHG Emissions & Energy Use **GRI 302: Energy 2016** **GRI 305: Emissions 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
	305-1 Direct (Scope 1) GHG emissions	Impact Report 2025: Targeting Emissions Reductions; Our Scope 1 & 2 Emissions CDP Questionnaire 2024: 7.5, 7.5.2, 7.8.2, 7.8.3
	305-2 Energy indirect (Scope 2) GHG emissions	Impact Report 2025: Targeting Emissions Reductions; 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 2025: Our Scope 3 Emissions; MOTHER Denim; Reducing Transportation & Logistics Distances CDP Questionnaire 2024: 7.5.2, 7.5.3, 7.8.2, 7.8.3
	305-5 Reduction of GHG emissions	Impact Report 2025: Targeting Emissions Reductions; Turning Insight Into Action; Spotlighting Values-Driven Brands CDP Questionnaire 2024: 7.55.3.1, 7.55.3.2
Material topic: Employee Working Conditions & Fair Wages / Employee Retention, Development & Attraction **GRI 401: Employment 2016**	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Impact Report 2025: Well-Being for Everyone; Employee Relief Fund

GRI Standard	GRI Disclosure	Location
Material topic: Employee Diversity, Equity & Inclusion **GRI 405: Diversity and Equal Opportunity 2016**	405-1 Diversity of governance bodies and employees	Impact Report 2025: Gender Equity in Our Global Supply Chain; Partnering for Impact
	405-2 Ratio of basic salary and remuneration of women to men	Impact Report 2025: Pay Equity
Material topic: Forced Labor & Human Rights **GRI 409: Forced or Compulsory Labor 2016**	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Impact Report 2025: Human Rights in Our Supply Chain; Human Rights Due Diligence
Material topic: Community Impact & Development **GRI 413: Local Communities**	413-1 Operations with local community engagement, impact assessments and development programs	Impact Report 2025: Key Highlights & Progress (People); Supporting Communities
Material topic: Labor Practices & Working Conditions in the Supply Chain	3-3 Management of material topics	Impact Report 2025: Human Rights in Our Supply Chain; Responsible Sourcing; Fostering Continuous Improvement; Our Responsible Sourcing Supplier Manual; Maintaining Supply Chain Transparency; Human Rights Due Diligence
Material topic: Material Selection, Sourcing & Procurement	3-3 Management of material topics	Impact Report 2025: Understanding Our Key Risks; Responsible Sourcing; Our Responsible Sourcing Supplier Manual
Material topic: Ethical Business Practices & Compliance	3-3 Management of material topics	Impact Report 2025: Human Rights in Our Supply Chain; Human Rights Due Diligence; Responsible Sourcing; Ethics & Compliance
Material topic: Supply Chain Management & Transparency	3-3 Management of material topics	Impact Report 2025: Human Rights Due Diligence; Responsible Sourcing; Fostering Continuous Improvement; Our Responsible Sourcing Supplier Manual; Maintaining Supply Chain Transparency
Material topic: Transparency & Reporting	3-3 Management of material topics	Strategy, Governance & Reporting
Material topic: Women's Rights & Gender Equity in the Supply Chain	3-3 Management of material topics	Impact Report 2025: Human Rights in Our Supply Chain; Gender Equity in Our Global Supply Chain
Material topic: Sustainability/ESG Integration & Governance	3-3 Management of material topics	Impact Report 2025: Our Strategy; Governance

GRI Standard	GRI Disclosure	Location
Material topic: Brand Selection & Vendor Transparency	3-3 Management of material topics	Impact Report 2025: Product; Product Assortment; Helping Customers Shop Their Values; Spotlighting Values-Driven Brands; Responsible Restaurant Operations; Preferred Fibers; Responsible Sourcing; Fostering Continuous Improvement; Our Responsible Sourcing Supplier Manual; Maintaining Supply Chain Transparency
Material topic: Packaging Design, Recycling & Waste	3-3 Management of material topics	Impact Report 2025: Addressing Our Packaging Footprint; Store Packaging; Outbound Packaging; Restaurant Packaging; Operational Packaging; Toward a Smaller Waste Footprint; Product Lifecycle; Giving Beauty Packaging a Second Life; Key Highlights & Progress (Product)
Material topic: Product Quality & Safety	3-3 Management of material topics	Impact Report 2025: Product Assortment; Spotlighting Values-Driven Brands; Cultivating a Varied Brand Offering; Responsible Restaurant Operations
Material topic: Cybersecurity, Data Privacy & Protection	3-3 Management of material topics	Impact Report 2025: Data Security & Privacy; Upholding Customer Privacy; Protecting Customer Personal Information Privacy Policy
Material topic: Circularity in Product Design & Innovation	3-3 Management of material topics	Impact Report 2025: Product Design; Preferred Fibers; Cotton; Polyester; Man-Made Cellulosic Fibers; The Good Cashmere Standard; Product Lifecycle
Material topic: Water Pollution	3-3 Management of material topics	Impact Report 2025: Water; Responsible Water Management; AI-Powered Efficiency CDP Questionnaire 2024: 9.15.1
Material topic: Water Use & Replenishment	3-3 Management of material topics	Impact Report 2025: Water
Material topic: Responsible Marketing & Advertising	3-3 Management of material topics	Impact Report 2025: Spotlighting Values-Driven Brands
Material topic: Social Inclusion & Accessibility	3-3 Management of material topics	Impact Report 2025: People; Commitment to Culture

TCFD INDEX

	TCFD Metrics	Response
Governance	a. Describe the Board's oversight of climate-related risks and opportunities.	CDP 4.1
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	CDP 4.3
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	CDP 2.1, 3.1, 3.6
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	CDP 3.1
	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 5.2, 5.3, 5.3.2, 5.14.1
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	CDP 2.1, 2.2, 2.2.1
	b. Describe the organization's processes for managing climate-related risks.	CDP 2.1, 2.2.1
	c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	CDP 2.1, 2.2.1
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 7.53
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	CDP 7.53, 7.6, 7.7, 7.8
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Impact Report 2025: Planet