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



Who We Are

Nordstrom at a Glance

This Impact Report represents our continued commitment to sharing our responsible business efforts and progress made during our 2022 fiscal year. Relevant data, including reporting against all goals, has been assessed internally prior to the publication of this report.

\$15.1B

Net Sales

60K

Full- & Part-Time Employees



John W. Nordstrom at the original Walllin & Nordstrom store in Seattle.

38%

of Sales Occurred Through Digital Channels



The Manhattan flagship store.

345

Stores Across the U.S. Through FY 2022

10

Distribution & Fulfillment Centers



Nordstrom Local in Manhattan Beach, CA.

For more information, news and updates about our efforts in Social Responsibility and Diversity, Equity, Inclusion and Belonging, please visit [NordstromCares.com](https://www.nordstromcares.com).

Read or download our [2021 Impact Report](#).

Read or download our [2022 Annual Report](#).

Nordstrom is traded on the NYSE as:

JWN

Letter from Our Leaders: Our Commitment

At Nordstrom, our values and beliefs are deeply embedded in the way we do business. They guide the decisions we make, the partnerships we form and the causes we support. Most importantly, they serve as a unifying force for our teams—a shared understanding of the way we conduct our business that shapes our interactions with each other, our partners and our customers.

Core to these values is our commitment to leaving the world better than we found it. That means making meaningful, positive contributions in the communities where we operate, taking responsibility for the impacts of our business and creating an environment where every customer and employee is welcome, respected and able to be their authentic self. We do these things not only because they are the right things to do, but because we know they matter to our customers and improve the overall health of our business.

In 2020, we introduced a set of five-year ambitions designed to help advance our corporate social and environmental responsibility and diversity, equity, inclusion and belonging efforts. To hold ourselves accountable to this work, we identified specific impact areas and set measurable ambitions that are integrated into the work of teams across the organization.

We know we have a lot more work to do, but we're proud of what we've accomplished together and excited to share the progress we made during our 2022 fiscal year in this report—in particular:

- To help us achieve our goal of taking back 100 tons of beauty packaging by 2025, we **expanded our beauty packaging recycling program, BEAUTYCYCLE**, to Nordstrom Rack stores and took back nearly 30 tons of packaging in 2022—bringing our total to over 30 tons since the program's launch.

- By making strategic changes to packaging throughout our operations, we reached our goal of **reducing single-use plastics by 50% in 2025**—three years ahead of schedule.
- We made progress against our goal to **grow our purchases from businesses owned or founded by Black individuals** by tenfold by the end of 2030. During Black Business Month in 2022, we created Buy Black pop-up markets to highlight a rotating selection of local Black businesses—an initiative that drove \$14 million in sales for Black-owned and -founded brands in August alone. We also onboarded 37 new Black, Hispanic and Latinx brands in 2022, bringing our total offering to 250 brands.
- We are also aiming/striving to **reach \$500 million in retail sales from brands owned, operated or designed by Black, Hispanic or Latinx individuals** by 2025. In 2022, we reached \$245 million, exceeding our interim one-year goal by approximately 24%.
- And finally, in 2022, Nordstrom **donated over \$12 million across more than 350 organizations**, bringing us closer to our goal to invest more than \$50 million in the communities we serve by 2025. In support of this goal, we also partnered with Nike and Shoes That Fit, donating more than 47,000 pairs of brand-new sneakers to kids in need. Since the launch 13 years ago of our partnership with Shoes That Fit, we've donated more than 300,000 pairs of brand-new sneakers to kids who need them.

These are just a few of the ways that we came together with our people, our customers and our partners to support each other and our communities in 2022. While we're proud of our commitments and the progress we've made, we know that this work isn't finished, and we will continue to push ourselves to leave the world better than we found it.

We're grateful for your support and look forward to what we will accomplish together in the future.

Sincerely,



Erik Nordstrom,
Chief Executive Officer



Peter Nordstrom,
President &
Chief Brand Officer





Governance

Overview

All aspects of our responsible business efforts have Board oversight, either through reporting on progress to the Board or reviewing specific issues and benchmarking with the Corporate Governance and Nominating Committee or the Audit and Finance Committee of the Board, as appropriate.

Additionally, executive and senior leaders comprise a separate Corporate Social Responsibility (CSR) Committee to review progress on CSR goals across the business.

Both our CSR team and our Diversity, Equity, Inclusion and Belonging (DEIB) teams are committed to transparency and periodically report our progress toward our 2025 ambitions.

The CSR Committee, chaired by the Chief Marketing Officer, reports into the Board of Directors on a regular basis and generally convenes quarterly to drive alignment, take action on priorities and help overcome roadblocks on complex initiatives so we can continue to make progress on achieving our five-year goals. In 2022, the CSR Committee convened three times.

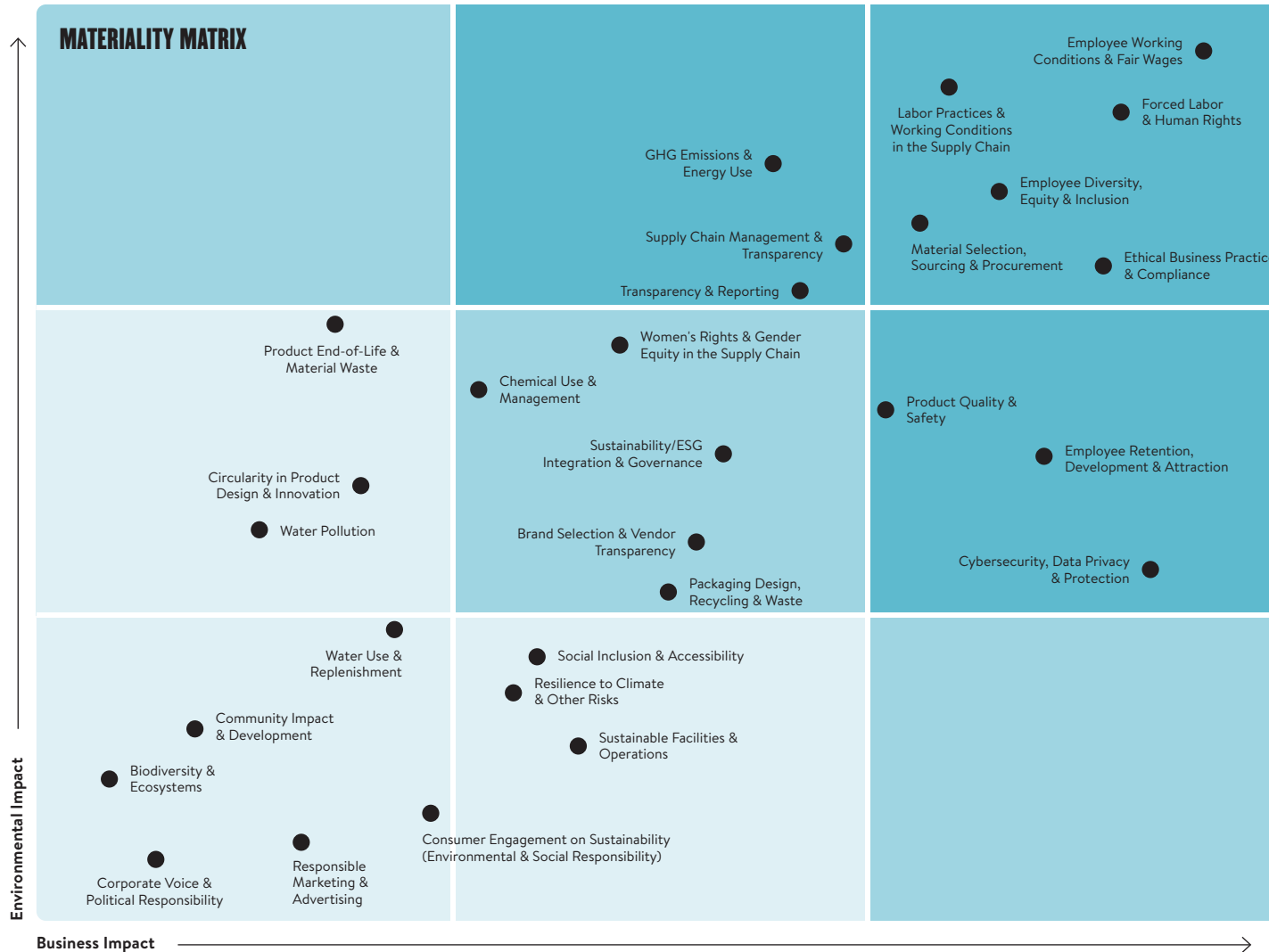
To advance progress toward meeting CSR goals that require cross-functional collaboration from various business units, CSR Action teams have been established and serve as a framework for delivering on our goals. Comprised of key individuals from business units across the company, CSR Action teams work in close partnership with the CSR team as a center of excellence and provide updates to the CSR Committee.

Similarly, to lead and drive our DEIB work, we have operationalized our work in the business, and progress is tracked and reviewed regularly with our Chief Executive Officer and Chief Human Resources Officer. Our Board and its committees track progress toward our ambitions at their regularly scheduled meetings, which generally occur quarterly.

Both the CSR and DEIB teams serve as centers of excellence within the company, helping to embed responsible business efforts and diverse, equitable and inclusive employee strategies across the organization to make progress toward our ambitions.



Our Strategy



At Nordstrom, we strive to build and shape a positive, equitable and sustainable future. We work across the pillars of people, planet and product to address our areas of focus, understand our impact and drive a path forward as a responsible business. We take action by partnering and engaging through initiatives that move our industry forward and leverage our role as a retailer to connect with stakeholders across our value chain.

When we think about the value we can offer to the world, we know that it is critical to protect the environment, give back to the communities we serve, create safe and fair workplaces for the people who make our products and provide our employees with a great place to work. We can and must do more, and we will.

ENVIRONMENTAL AND SOCIAL MATERIALITY


In 2022, we engaged with our key stakeholders, including investors and employees, to conduct a refresh to our materiality assessment. We used the double materiality methodology to identify the most significant impacts of our business on people and the natural environment, as well as to look inward at how important social and environmental issues impact our business. Through this lens, we reviewed our priorities and goals to ensure we are addressing the issues that matter most. Our refreshed materiality matrix will inform how we prioritize our CSR initiatives and set goals from 2023 onward.

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

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


THREE AREAS OF IMPACT

We recognize that we have a responsibility to work toward a more positive, inclusive and sustainable future. Our responsible business efforts span across the company and are organized in three pillars.




People


We're committed to making meaningful contributions to the communities where we operate and produce goods, to promoting the highest principles of diversity, equity, inclusion and belonging, and to protecting human rights across our value chain.




Inclusive Representation



Human Rights




Community Impact




Planet


We take responsibility for the impacts of our business and embrace innovations that raise the bar for environmental issues in fashion and retail. We are setting science-based targets to address climate change and are working to reduce waste and responsibly use water and natural resources.




Climate & Water



Waste




Circularity




Product


As a retail company, we understand the role we play in offering products from a diverse range of vendors, including brands owned, operated or designed by Black, Hispanic or Latinx individuals, to appeal to an equally diverse range of customers. We are also working to lessen the social and environmental impacts of the products we sell and are expanding our offering of sustainably sourced and responsibly manufactured goods.



Transparency



Diverse Brand Offering



Sustainability

2022 Highlights



Raised more than **\$1M** and **donated 47,000 pairs of shoes** to kids in need with Shoes That Fit.

Over **\$245M** in retail sales from brands **owned, operated or designed by Black, Hispanic or Latinx** individuals.

\$14M

in sales of products from Black Owned/Founded brands during **Black Business Month**.



Employees volunteered **26,000+ hours** in support of **320+ nonprofit organizations**—a **50% increase** in employee volunteerism!

Collected **30+ tons of beauty packaging** through our BEAUTYCYCLE recycling program.



Kept **over 360 tons** of clothing out of landfills through **donation, resale or refurbishment**.

Donated over

\$12M

to **350+ organizations** in communities where we operate.



Gave **\$3.9M** to almost **3,000 nonprofits** through our Employee Matching Donation program.

250

Black, Hispanic and Latinx owned and founded brands in our assortment.

Affirmed our **support for the LGBTQ+ community by signing on to the HRC's letter** in support of the Respect for Marriage Act and its Business Statement on Anti-LGBTQ State Legislation.

50%

Halfway to our goal of **producing 90% of Nordstrom Made** products in factories that **invest in gender equity**.



People

We're committed to making meaningful contributions to the communities where we operate, to promoting the highest principles of diversity, equity, inclusion and belonging, and to protecting human rights across our value chain.

Inclusive Representation

BUILDING DIVERSE REPRESENTATION

We've long believed that we're all made better by the diversity that exists within our communities.

Our commitment to fostering a diverse, equitable and inclusive workplace is key to our mission of helping our customers feel good and look their best. Over the past several years, we've amplified our efforts in this area and set ambitions to achieve by the end of 2025.

Progress to our DEIB ambitions is tracked and reviewed regularly, and we are committed to fostering a culture where employees feel they can achieve their career goals through ongoing growth and development opportunities, along with fair and transparent performance management and promotion processes.

LEADERSHIP

In 2022, diverse representation increased throughout the company, where women comprise 63% of leadership and people of color comprise 42% of leadership. Over the past year, diverse representation in leadership and management roles has increased, with Black representation increasing in both mid-level manager roles (+1%) and executive leadership roles (+2%). Hispanic and Latinx representation also increased in mid-level manager roles (+2%).

Our leaders play an essential part in fostering a culture of inclusion, and we review our leaders' performance in this area through our Inclusion and Belonging Index, as measured by our Voice of the Employee survey. So that our employees feel valued and heard, we gather and respond to our employees' feedback, including, but not limited to, anonymous, periodic, formal employee engagement surveys, employee listening sessions and open-door one-on-one and team interactions.

Based on the feedback received, leaders review and create action plans to include and engage employees. In addition, leaders actively complete and participate in conscious inclusion learning aimed at helping individuals understand their dimensions of diversity and fostering an inclusive workplace.

Our Inclusion and Belonging Index will be evolving in 2023 to better capture employee sentiment on leaders' ability to lead inclusively, their team environment and sense of belonging, and perceptions of the fairness of team norms, practices and policies.

Gender	Executives	Mid-Level Managers	All Employees
Female	61%	63%	66%
Male	39%	37%	33%
Not Specified	0%	0%	1%

Race/Ethnicity	Executives	Mid-Level Managers	All Employees
American Indian or Alaskan Native	0%	0%	1%
Asian or Pacific Islander	13%	10%	12%
Black or African American	6%	13%	19%
Hispanic or Latinx	2%	20%	23%
Two or More Races	2%	4%	5%
White	75%	49%	34%
Not Specified	2%	4%	6%

FORTUNE MAGAZINE'S LIST OF WORLD'S MOST-ADMIRED COMPANIES

Fortune, in partnership with Korn Ferry, surveys executives, directors and analysts across 52 industries to rate businesses based on their achievements in investment value and quality of management and products, commitments to social responsibility and their ability to attract talent. For the 13th consecutive year, Nordstrom has been named one of the World's Most-Admired Companies.

NORDSTROM IS #157 ON FORBES' 2022 LIST OF THE WORLD'S BEST EMPLOYERS

This annual ranking is compiled by surveying 150,000 full-time and part-time employees of multinational companies and institutions from 57 countries. In 2022, Forbes ranked 800 companies on their level of excellence in corporate impact and image, talent development, gender equality and social responsibility.



NORDSTROM

PAY PARITY & PAY EQUITY

Nordstrom is focused on paying employees fairly for the work they do and making pay decisions that are free from potential bias. We have continued to allocate resources to understand more deeply how we're doing in this space.

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

We measure this regularly in two ways, and make adjustments as needed:

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

INCLUSIVE HIRING & REPRESENTATION

We believe we have a role to play in contributing to the positive change that's needed to address systemic racial inequities in our communities. We have several initiatives in place to improve pathways into fashion and retail careers for diverse communities as we work toward our 2025 ambitions.

Nordstrom is one of the founding companies of OneTen, a nationwide coalition that seeks to hire, promote and advance 1 million Black individuals into family-sustaining careers over the next ten years. OneTen takes a skills-first approach that focuses on competencies, aiming to close the opportunity gap, provide a living wage and ignite potential for the future.

We also partnered with Morehouse College, a historically Black college and university (HBCU), where we supported the launch of a new product management track. As of the spring 2023 semester, Nordstrom leaders and technologists began teaching and mentoring students enrolled in the program.

We donated over \$35,000 to the National Black MBA Association and attended their annual conference in Atlanta as a way to create deeper connections with Black talent from across the U.S. We were excited to present a look at fall fashions and styling tips for [creating a career-ready capsule wardrobe](#).

We also sponsored HBCU Battle of the Brains, a 24-hour hackathon where students from HBCUs across the U.S. worked to solve real-world problems for large organizations and startups. By joining forces with best-in-class events like HBCU Battle of the Brains, we continue to seek out ways to attract a talented and diverse workforce.

CELEBRATING THE NYC HBCU FOOTBALL CLASSIC

As part of our work with Historically Black Colleges and Universities (HBCUs), Nordstrom hosted a reception at our New York City flagship store to kick off our celebration of the Football Classic. The event was cohosted by Howard University alumna Maya Allen and SVP of Nordstrom Rack Stores, Carl Jenkins, a 30-year Nordstrom employee. The following day, we were excited to honor Collette V. Smith, the NFL's first Black female coach—and Tuskegee University alumna—at our pop-up shop showcasing Black-owned brands and featuring apparel from LegacyHistoryPride, a collegiate fashion brand inspired by HBCUs that helps visiting alums get gameday ready.

CREATING BELONGING THROUGH EMPLOYEE RESOURCE GROUPS

We believe that our people thrive when they feel they truly belong. One way we've come together to nurture our employees' sense of community is through our Employee Resource Groups (ERGs). These employee-led, Nordstrom-sponsored groups represent a variety of seen and unseen identities that exist across our organization and are open to all, regardless of personal identity or work location. ERGs are designed to foster connection and to support and inspire individual development and cultural responsibility. They enrich our company culture by providing opportunities for listening, learning and knowledge sharing through a lens of DEIB. Nordstrom currently offers eight ERGs:

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

In 2022, the number of employees involved in our ERGs increased by 12%, with ERG membership of nearly 4,200, including over 40% of employees that participate in more than one group, highlighting the intersectional identities in our communities.

ERGs are a rich source of information that share authentic year-round programming, offering fellow employees opportunities to listen and learn. Some highlights of our 2022 events include:

- Juneteenth Virtual Tour (Black Employee Network)
- Lei Day with Miss Aloha Hula Mah (AsPIRE)
- Identity in the Hispanic and Latinx Community (¡Hola!)
- Veterans Day with Devil-Dog Dungarees (Nordstrom Veterans Group)

ERG leaders also sought ways to engage and support their communities, including:

- Private viewing parties of *Black Panther* across the U.S. (Black Employee Network)
- Making Strides Against Breast Cancer walk (Women in Nordstrom)
- Out of the Darkness walk (Thrive)
- 2nd annual Pregnancy and Infant Loss Remembrance event (Parents@Nordstrom)
- Launch of a *Queer Connect* podcast (NordstromPLUS)

HUMAN RIGHTS CAMPAIGN

The Human Rights Campaign is an American LGBTQ+ advocacy group focused on protecting and expanding the rights of LGBTQ+ individuals.

We're proud to have earned a 100% ranking on the HRC Foundation's Corporate Equality list for 17 consecutive years. In 2022, we witnessed efforts to undermine protections and support for the identity of LGBTQIA+ youth that conflict with our company values. We also felt it was important to sign the Respect for Marriage Act statement from the Human Rights Campaign, joining other businesses in affirming our support for the LGBTQIA+ community, and to renew our annual contribution to the organization.



Human Rights



Honoring and upholding human rights throughout our operations and for the people who make our products is a Nordstrom priority. We are constantly working to strengthen our policies and enhance our processes to ensure that all people who are connected to our business operations are treated with dignity and respect.

This year we strengthened our human rights strategy by updating our [Partner Code of Conduct](#) to better align with international standards. This change confirms our expectations of our partners and suppliers, ensuring we share an aligned commitment to responsible business practices, meaningful community relationships and quality products. As a result of these efforts, we were able to continue engaging suppliers of our private-label products and increase our engagement with national brand partners, all with the intention to uphold responsible business across our value chain.

DUE DILIGENCE

We've made important strides to implement human rights due diligence across our operations, aligning with the Organisation for Economic Co-operation and Development's [Guidance for Responsible Business Conduct](#) and the United Nations' [Guiding Principles for Business and Human Rights](#). Human rights due diligence is a process for companies to identify and act upon actual and potential human rights risks for people in their value chain. It requires commitment through policy, identification of impacts and risks, addressing those impacts, training to uphold human rights, tracking and communicating progress and ensuring effective grievance mechanisms are in place.

This year we conducted a human rights impact assessment and forced labor assessment to understand our potential impact to human rights and forced labor across our business.

Based on the findings of these assessments, we developed a three-year roadmap to strengthen protections for workers throughout our supply chain. We also continued to train our staff on responsible business expectations and laid the groundwork to train suppliers on how to recognize and mitigate forced labor risks. This is the start of an iterative process to uphold human rights in our supply chain and prevent the most serious violations. We will continue to strengthen our approach year on year and report on our progress.

OUR PARTNER CODE OF CONDUCT

As a company, we believe the impact we have on our employees, customers and communities extends well beyond our operations. When we think about the value we offer to the world, we know that it's critical to protect human rights and the environment, give back to the communities we serve, and create safe and fair workplaces for the people who make our products.

To provide the best product in the most equitable manner, we have established standards to ensure we partner with suppliers that share our commitment to quality products, responsible business principles and strong community relationships. One of our 2025 goals is to ensure that Nordstrom partners adhere to our Partner Code of Conduct (PCOC), laying the foundation for ethical business throughout Nordstrom's value chain, including our requirements for workers' rights, environmental standards and ethical business practices.

In 2022, we focused on building our strategy for improving national brand partners' and service providers' adherence to our Partner Code of Conduct, in addition to our existing program for private-label suppliers. For our national brand partners and service providers, we fully integrated our Partner Code of Conduct into our procurement contracts, and began the work to ensure these partners can maintain our standards and verify their adherence to the code.

Through FY 2022:

- 83% of Nordstrom Made private-label partners signed the PCOC; 95% of those onboarded in FY 2022 signed the PCOC
- 2% of brand partners have signed the PCOC; 74% of those onboarded in FY 2022 signed the PCOC





NORDSTROM

RESPONSIBLE SOURCING & OUR SOCIAL COMPLIANCE PROGRAM

We're committed to operating with integrity throughout our supply chain for Nordstrom Made goods. Today, we are manufacturing on a global scale, operating across cultures and languages and ensuring we conduct business in a legal, ethical and socially responsible way. Knowing the garment industry touches more than 60 million workers worldwide, we recognize our role to deliver positive impact for the thousands of people in our supply chain through cooperation with our manufacturing partners and collaboration in the fashion industry in order to collectively provide inclusive economic opportunities across the industry.

To drive this vision, we emphasize progress through partnership. First, we seek to partner with manufacturing suppliers that share our perspective, respect human rights and build relationships based on trust, transparency and mutual accountability. Together, we operate under the model of continuous improvement, which encourages candid, ongoing discussion of compliance challenges and allows sustainable progress to be made. We utilize our Responsible Sourcing program to support these efforts. Second, we participate in industry initiatives that harmonize the tools we use to manage social compliance and create consistent expectations across our supply chains. This work is complex, but it aligns our industry to drive real, meaningful impact.

At Nordstrom, our Responsible Sourcing program is underpinned by social compliance auditing, training and transparency measures. Through our social compliance auditing program, Nordstrom continuously tracks and monitors all Tier 1 facilities (factories where finished goods are produced), with plans to expand this program to our Tier 2 facilities (fabric mills, where the fabric used to create our finished goods is produced).

At the heart of our social compliance auditing program is transparency. Our Nordstrom Made suppliers are expected to allow all Nordstrom Made representatives, including third-party monitors, full access to the facilities with which we work, including areas such as

dormitories. It also means allowing Nordstrom Made representatives to interview workers and inspect wages, working hours and management systems records within a facility. Access to factory operations, documents and management systems allows Nordstrom to accurately assess factory adherence to our Partner Code of Conduct and areas of noncompliance. These areas of noncompliance create a jumping off point for Nordstrom to engage in a constructive conversation with our suppliers around areas for improvement and partnership.

Our social compliance auditing program operates within the continuous improvement model, which requires a commitment to achieving compliance through realistic and measurable plans that incorporate operational and economic realities. Following a social labor audit, we partner with our suppliers to develop a Corrective Action Plan (CAP). Our team works directly with factory management to understand and implement the remediation plan outlined within the CAP, along with a timeline for change. Continuous improvement plans are based on mutually agreed-upon milestones and regular progress reporting. A product of transparency and cooperation, continuous improvement is critical to creating incentives for sustainability and improving the lives of the people who make our products.

While continuous improvement is a key operating principle at Nordstrom, we enforce a zero-tolerance policy for the most serious violations of our Partner Code of Conduct. Those violations follow standards outlined by the International Labour Organization's (ILO) Better Work program, which considers human rights violations including child labor, forced labor, corporal punishment, physical abuse, violence and issues that pose an imminent threat to worker health and safety to be zero-tolerance issues. Nordstrom also considers unethical business practices such as attempted bribery or violations of the Customs Trade Partnership Against Terrorism as zero-tolerance issues. We strive to ensure our products are manufactured under the highest ethical standards, and we partner with businesses that share our philosophy.

SOCIAL COMPLIANCE TOOLS

To conduct our social compliance audits, Nordstrom partners with third-party monitoring firms to conduct audits against our Partner Code of Conduct at all Tier 1 factories producing Nordstrom Made goods (factories where finished goods are manufactured).

Our nominated third-party monitoring firms are trusted business partners; they have regional teams of auditors who understand local cultures and languages, they conduct on-site assessments within our suppliers' factories and they can engage with local communities when necessary. All Nordstrom audits through our third-party monitoring partners are semi-announced (alerted of a 1-2 week window during which the audit may occur) or unannounced.

While Nordstrom initiates our proprietary audits through third-party monitoring firms, we recognize that our suppliers' facilities are shared with other brands within the industry and are engaging in routine auditing through multiple peer programs. We want to make auditing more efficient for our suppliers and reduce audit fatigue, a systemic challenge in the fashion industry. As such, Nordstrom has joined peer brands and retailers to adopt harmonized tools, such as the Social & Labor Convergence Program's (SLCP) Converged Assessment Framework via the Higg Platform. The SLCP is an industry-wide data collection tool that aims to create a sustainable solution for social compliance audits and ultimately helps lower costs for our suppliers by reducing the number of audits conducted at their factories, all while maintaining the integrity of social compliance. As a result, last year 25% of our social compliance audits were comprised of verified Higg SLCP reports.

Lastly, our suppliers' facilities in eligible countries can participate in Better Work factory services. Better Work is a collaboration between the International

Labour Organization and the International Finance Corporation working beyond compliance to engage all levels of the garment industry with ongoing guidance, training and transparent disclosure. The program drives progress through continual engagement with management at manufacturing facilities and garment workers, delivering improved working conditions with enhanced productivity for factories while increasing profitability. This program requires dedication and a multiyear commitment but the result has been lasting positive change for garment workers and manufacturing companies. It is also a harmonized tool, accepted by many brands with a single program for the manufacturer. In 2022, 10% of our social compliance program was assessed through Better Work.

Outside of social compliance audits, Nordstrom engages consulting firms Elevate Limited and Bureau Veritas on their deep knowledge of industry trends to perform benchmarking and ensure that our audit program is ever evolving with the industry. We also utilize online learning materials to train and educate factory management on areas for improvement.

COMBATING FORCED LABOR

We prohibit forced labor of any kind in our supply chain and actively audit against it. In 2022, we strengthened our internal processes to ensure consistency in how we address forced labor throughout our business. We've partnered with third-party organizations Verité and Impactt to fully assess and address our potential risk and have also conducted thorough forced labor trainings for our Responsible Sourcing team on how to identify, remediate and follow through on potential risks.

Furthermore, we strengthened transparency of our grievance mechanism to facilitate better reporting,

100%

of new Nordstrom Made Tier 1 suppliers undergo pre-production screening via onsite social labor assessments. These suppliers receive supplier training on our Partner Code of Conduct and supplier expectations.

65%

of our social compliance audits used Nordstrom's proprietary responsible sourcing assessment.

25%

of our social compliance audits used the SLCP assessment through the Higg platform.

10%

of our social compliance audits were conducted through the Better Work program.

and we will continue to identify opportunities to make our grievance mechanism even more accessible across our value chain. We also emphasize transparency in our supply chain, working with technology partners to digitally map suppliers and their business partners and get deeper visibility into our downstream supply chain partners' labor practices.

In order to set our expectations for our partners, we developed supplier training on human rights due diligence and forced labor risks, and we provided these trainings at our annual supplier summit which was attended by 75% of our strategic suppliers. In addition, we developed training for our Buying teams to better understand and identify forced labor indicators. This training was released in June 2023, and we intend to continue with annual training for both suppliers and employees.



NORDSTROM

MANAGING CONFLICT MINERALS

Our [Conflict Mineral Policy](#) is part of our overall effort to reduce the risk of human rights abuses in our private-label supply chain. We strive to conduct due diligence on all our private-label direct suppliers and partner with a third-party organization, Source Intelligence, to verify to the best of our knowledge that our private-label supply chain, down to the smelters, is free of conflict minerals.

In compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, we monitor our direct suppliers' use of four metals: gold, columbite-tantalite (tantalum), cassiterite (tin) and wolframite (tungsten)—collectively known as 3TG—and whether those conflict minerals originated in the Democratic Republic of Congo or adjoining countries. We endeavor in good faith to ensure that all Nordstrom Made manufacturers' direct suppliers that have shipped private-label product in the previous fiscal year are required to document their compliance by completing the Conflict Minerals Reporting Template.

WOMEN'S EMPOWERMENT

[Women comprise approximately 75% of workers in the global garment industry](#), yet they are often under-represented in leadership roles in their workplaces and communities. To address this disparity and identify Nordstrom's opportunity to improve gender equity, we are working toward a 2025 goal to produce 90% of Nordstrom Made products in factories that invest in women's empowerment.

When addressing systemic challenges like gender equity, we look to partner with organizations that work directly with local communities, understand nuances of culture to drive lasting change and enable effective collaboration within our industry. In 2022, we implemented three new women's empowerment programs: BSRHer Essentials programs in two factories in Guatemala and, with Better Work, a Gender Equality program in Honduras.

As we move forward, we will transition some of our programming in India and Vietnam from BSRHer Essentials programs to Reimagining Industry to Support Equality (RISE). RISE was developed to enable greater economic and career opportunity for female garment workers, and is driven by a coalition of four organizations with deep experience implementing women's empowerment programs in global supply chains: CARE USA, ILO-IFC Better Work, BSR/HerProject and Gap Inc.'s P.A.C.E. This is an important shift to directly support gender equity in the workplace, as well as deliver a unified approach to women's empowerment and gender equality across supply chains. We believe this kind of change will drive meaningful and lasting impact.

We have made great progress. By the end of 2022, almost 50% of Nordstrom Made products were made in factories that offer women's empowerment training, and we are looking forward to building on this milestone through deeper collaboration with our trusted partners.

Community Impact

OUR APPROACH

Caring about the communities where we operate is deeply embedded in our values and ways of working. Over the years, we have prioritized our connection with local communities, increasing our understanding of the needs of our communities as well as opportunities to address the impact of our business. As a result, we set a strategy for our program to invest in equity for the future by meeting basic needs, driving diversity in our industry and promoting a sustainable future.

In 2022, Nordstrom donated over \$12 million across over 350 organizations in communities where we operate. We also made an important shift in how we think about giving and have begun to practice trust-based philanthropy with the goal of dismantling the power dynamic between granters and grantees. We've removed arduous reporting requirements for grantees, and non-profit partners are not required to reach any metrics or outcomes in order to receive funding. We trust that the organizations we choose to invest in know how best to allocate funding to achieve their goals.

GIVING HIGHLIGHT

Several significant happenings in 2022 presented opportunities for us to react quickly in support of issues that align with our company values and matter deeply to our customers and employees. Nordstrom is dedicated to supporting children and families in the communities that support us. As a result, we made donations to the Ms. Foundation for Women in response to the Supreme Court's Dobbs decision overturning Roe v. Wade. Additionally, when Hurricane Ian ravaged the Atlantic Coast, we mobilized our giving efforts to support the American Red Cross relief efforts. In response to the devastating mass shootings in Uvalde, Texas, and Buffalo, New York, our employees quickly came together to drive corporate-matched donations to the League of United Latin American Citizens and the Buffalo Urban League. The ongoing war in Ukraine also inspired company-wide donations, bolstered by matching donations from our leadership team, that resulted in our giving over \$180,000 to Direct Relief, the International Medical Corps and Global Giving Foundation, providing support to those suffering as a result of the war.



Nordstrom employees volunteer alongside Shoes That Fit and Nike employees at distribution events in Chicago, Dallas, Los Angeles, New York, Portland and Seattle.



CUSTOMER FIRST

Shoes That Fit

Each year since 2010, Nordstrom has partnered with Shoes That Fit, a nonprofit making a difference for children in need across the country by giving them brand-new, properly fitting athletic shoes so they can run free at recess, participate in sports, engage with peers shame-free, get a boost of confidence, concentrate in class and experience less stress.

2022 was a landmark year, putting more than 47,000 pairs of new Nike shoes on the feet of underserved children in over 350 schools across the country. More than 300 employee volunteers participated in Shoes That Fit distribution events, and our generous customers gave over \$1 million in donations both in our stores and online.

"We are so grateful to Nordstrom for this partnership that invests in the lives of children and their families. Nordstrom knows the importance of good-quality shoes and the impact they have on a child's self-esteem and dignity," says Amy Fass, CEO and Executive Director of Shoes That Fit. "The smile on each child's face when they realize there is a new pair of Nikes just for them is priceless, and we are so grateful for the joy that Nordstrom gives thousands and thousands of kids each year."

"I love this program. The average person doesn't know what a pair of shoes can do for a child. I do! I have been doing this since it started, and it isn't just a pair of shoes. It is a confidence builder, a support structure and complete joy to see!"

— A teacher at a Shoes That Fit distribution event

Operation Warm

Nordstrom first partnered with Operation Warm in 2018 for our holiday giving campaign, and since then, our employees and customers have donated more than \$1.8 million, supporting the delivery of over 72,000 brand-new, high-quality coats to kids in need across the U.S. and Canada.

"Strong partnerships with organizations like Nordstrom are essential to our mission of fostering healthy, thriving communities. Through the collective efforts of our partners, donors and employees, we are able to make a meaningful impact in the lives of families in need," says Operation Warm's Executive Director, Grace Sica. "Every act of kindness, such as providing a coat to a child, inspires others to join us in building a brighter future for all."

In the 2022 holiday season, we raised over \$600,000 and gave 23,000 children warm winter coats. We had the honor of hosting five distribution events across North America, where Nordstrom employees volunteered a total of over 650 hours and attended gifting events that directly benefited nearly 2,000 kids.

We're proud of all our charitable efforts throughout the year, but the holidays are an especially important time to support those in need. We're grateful for the generosity of our customers and employees that helped thousands of kids in our local communities stay warm.

Big Brothers Big Sisters

In Nordstrom Rack stores, we focus our giving campaigns on support for our long-term partner Big Brothers Big Sisters (BBBS). This well-known organization facilitates one-to-one mentoring relationships between kids (Littles) and adult volunteers (Bigs). Ninety percent of Littles identify their Big as a very important adult in their life, and those relationships increase kids' sense of connectedness with their own family, boost their emotional wellness and help to reinforce their making positive life choices like graduating from high school, pursuing higher education and avoiding or reducing substance use.

In 2022, our customers and employees helped us to raise nearly \$600,000 to support BBBS of America, helping us partner with BBBS in strategic and successful ways, including a year-round online giving campaign at Nordstromrack.com and youth-engagement shopping opportunities for big events like back to school and holiday gift-giving. This donation impacted 87 BBBS agencies serving 38 states and the District of Columbia, reaching more than 250,000 Bigs and Littles. We are especially gratified to report that our giving total in 2022 grew over 20% from 2021, demonstrating the strong correlation between Nordstrom's investment in BBBS and growing appreciation for our partnership among our customers and employees.

"Our partnership with Nordstrom Rack is infused across our agencies and their communities from Hawaii, where the BBBS team and store leadership engage their customers with youth all year long, to New York, where the local store has welcomed a Little into the workforce in their first job! This partnership lives our vision: to ensure that every kid is on a path to graduate with a mentor that impacts their lifetime," says Deborah Barge, BBBS of America's Chief Development Officer.

THE TOMATO SOUP PROJECT & CUSTOMER-SUPPORTED UKRAINE RELIEF EFFORTS

For the past two years, Nordstrom has contributed \$1 from the sale of every jar of our Roma Tomato Basil Soup to World Central Kitchen. Founded in 2010 by chef José Andrés, World Central Kitchen helps disaster-stricken communities by providing emergency food relief in the immediate aftermath of humanitarian or climate devastation and by establishing resilient food systems with locally led solutions. In 2022, our donation of over \$50,000 directly supported their relief work on the ground in Ukraine.



Nordstrom employees volunteer alongside Operation Warm employees at distribution events in New York, Chicago, Seattle, Vancouver and Toronto.

Industry Partners



NORDSTROM

As a prominent U.S. retailer working across many aspects of fashion, we understand our opportunity to create a more inclusive industry and drive diversity in fashion. Our work is centered on creating a pipeline of access for upcoming underrepresented talent in fashion and creating opportunities through education.

BUILDING A MORE EQUITABLE FASHION INDUSTRY

New Concepts@Nordstrom

In August 2022, we introduced Concept 018: Virgil Abloh Securities as part of our ongoing series of pop-up shops in 15 Nordstrom stores and online at Nordstrom.com. New Concepts is a platform we use to highlight the connections between fashion and culture, and in this installation we were able to showcase the ways late visionary Virgil Abloh fundamentally reshaped how we see creativity and the world around us. As part of Concept 018, Nordstrom helped sponsor Virgil Abloh: "Figures of Speech," an exhibition at the Brooklyn Museum.

Nordstrom also invested in the Fashion Scholarship Fund in support of the Virgil Abloh™ "Post-Modern" Scholarship Fund, fostering equity and inclusion in the fashion industry. Our contribution provides scholarships to four talented students who are Black, African American or of African descent.

Fashion Institute of Technology

Nordstrom makes an annual contribution to the Fashion Institute of Technology (FIT) and supports the organization through a board seat and a Circle membership, enabling the creation and funding of scholarships and emergency funding for enrolled students enduring financial hardships. In the 2022 academic year, we were able to provide assistance to over 60 students. Nordstrom also underwrites an annual fundraiser for the Museum at FIT during New York Fashion Week, enabling the museum to remain open and free for all visitors—over 150,000 each year, many of whom are schoolchildren from around New York City.

INVESTING IN KEY CITIES

The Hetrick-Martin Institute

New York City's Hetrick-Martin Institute is the nation's oldest and largest organization serving LGBTQIA+ youth between the ages of 13 and 24 to help meet their health, education and career needs so they can achieve their full potential.

In 2021, we were able to fund the hiring of a critically needed mental health counselor to support their youth, and in 2022, we made a commitment to continuing this funding for another year. This donation moved 20 youth off the waitlist and into free, liberation-focused and identity-affirming monthly counseling services, as well as providing access to group services to many more young people.

Amy Harclerode, Hetrick-Martin's Chief Development Officer, notes, "Nordstrom's corporate values align with our organizational mission to create space for this next generation of LGBTQIA+ leadership, and we look forward to watching how this partnership continues to grow and engage our young people in changing the world."

Central Park Conservancy

In keeping with our commitment to supporting families and children in our communities, Nordstrom made a \$50,000 donation to the Central Park Conservancy. We were also the principal sponsor of their Playground Partners Annual Family Party in 2022, raising funds to support the daily care and maintenance of Central Park's 21 playgrounds, used by millions of families and children annually. This is especially critical in New York City where backyards and green space are rare, and

Central Park and its playgrounds provide this function for the diverse community of New Yorkers who visit the park every day.

Good+Foundation

In 2022, Nordstrom donated over \$300,000 to the Good+Foundation, a nonprofit working to dismantle multigenerational poverty by pairing tangible goods with innovative services for low-income parents in New York and Los Angeles. Our contributions, made in the form of both corporate and product donations—we were able to donate over 4,000 swaddles which were distributed to families to promote healthy sleep for their infants—resulted in service to over 270,000 families, including over 360,000 children. We also hosted special Santa Breakfasts in New York and Los Angeles for program families.

"Nordstrom continues to demonstrate its full-scale commitment to our mission. With product and financial donations and volunteer engagement, Nordstrom stands as an industry leader," says Good+Foundation CEO Katherine Snider.

Baby2Baby

In 2022, Nordstrom and FRAME Denim worked together to host an impactful holiday event that provided basic essentials and holiday joy to underserved kids in greater Los Angeles. All of the families served at this event are living under the poverty line, and many are experiencing homelessness. Nordstrom provided over 8,000 coats, jackets, pants, sweaters and blankets—the most needed and requested items—for these families to select from.

In addition, kids were treated to an unforgettable

holiday experience with Santa, snow and sledding, as well as the opportunity to be on the baseball field, running the bases at Dodger Stadium.

Baby2Baby co-CEOs Norah Weinstein and Kelly Sawyer Patricof say, "For parents who are still grappling with the financial repercussions of the pandemic, the formula shortage and more, gifts are not an option. Being able to provide basic essentials and toys along with some magical experiences makes this day one of our most cherished moments of the year."

Seattle, Our Hometown

Proudly, we continue to partner with the United Way of King County in support of the Bridge to Finish program, which provided immediate resources to over 5,100 college students, including emergency funding for food, assistance applying for scholarships, and budgeting and building financial literacy. Part of this donation was also in support of the Blake Nordstrom Scholarship established in 2021. The scholarship funds were awarded to 20 low-income college students, nearly all of whom are the first in their families to go to college, are parents themselves and have struggled with food and housing insecurity.

Nordstrom maintained significant annual investments in YMCA of Greater Seattle and Friends of Waterfront Seattle, part of a \$1 million commitment over five years to help build the future Waterfront Park in Seattle, a development that will offer open space and free community events along 20 acres of urban shoreline.

We're also proud to partner with several Seattle organizations that focus on improving access and quality in education:

- **Junior Achievement of Washington.** We sponsor two Nordstrom-branded storefronts in their BizTown and Finance Park programs, aiming to help schoolkids of all ages learn about responsible consumerism, financial planning and career development.
- **Rainier Scholars.** Our funding helps to support their general programming which focuses on academics, leadership development and personalized support.
- **Alliance for Education.** We support their Seattle Teacher Residency program, blending classroom experience, mentorship and graduate-level, equity-centered coursework to support and retain excellent, equity-focused teachers in public schools.
- **Museum of History and Industry (MOHAI).** We help to fund MOHAI's Portable Museum Program, providing hands-on learning for students using primary source materials including artifacts, historical photos and documents as well as lesson plans and activities.

COMMUNITY GRANTS PROGRAM

Based on direct feedback from our partners, this year we redesigned our community grants program to reduce complexity, support transparency and increase our focus on equity. This process was led by Social Impact leadership from within each of our ERGs, resulting in a more streamlined, straightforward application that reduces the burden of the application completion requirements for our partners.

We also established a grant review committee, which is comprised of 17 employees across the company who participated in the decision-making process, establishing a more equitable approach for reviewing the 1,450 grant applications Nordstrom received across the categories of human services, health care and education.

Our community grants program ultimately provided nearly \$2 million to 281 nonprofit organizations across the country addressing basic needs for youth and their families. To learn more, please visit our updated Nordstrom Cares [grants webpage](#), which now includes updated information on the three areas of funding focus.

EMPLOYEE ENGAGEMENT

Our employees are generous and passionate about supporting the causes that matter most to them. As a company, we support their giving through our Employee Charitable Match program, doubling their cash donations, dollar for dollar—up to \$5,000 per year per employee.

In 2022, Nordstrom employees donated \$2.1 million to almost 3,000 organizations that support the community causes that matter most deeply to them. For the second year, on Giving Tuesday, we implemented a 200% match to amplify our employees' giving of almost \$350,000, for a total donation over \$1 million on this single day.

Through our match program, we amplify our employees' volunteer time by donating \$15 per hour volunteered; in 2022, Nordstrom employees volunteered over 26,000 hours of their time with over 320 organizations, allowing us to donate an additional \$396,000 to the organizations where they volunteered. Overall, employee volunteering increased 50% from 2021.

Our employees truly want to support their communities and key causes, and their donations help to direct our company's attention and financial contributions to what matters most to them. Our employee match program is part of our commitment to engaging our employees and encouraging them to live two of our most deeply held company values: Owners at Heart, treating every interaction as an opportunity to make an impact, and Extend Yourself—the personal mantra of Blake Nordstrom, adopted as a company value after his passing in 2019—we do the small things that make a big difference, helping people feel connected, valued and part of one community.

We also provide opportunities for employees to attend regularly scheduled Lunch & Learn programs about topics ranging from environmental sustainability to women's empowerment. We always have waitlists of employees who want to take part in volunteer events and have consistently high attendance rates for Lunch & Learns.





Planet

The global climate change crisis affects us all. We're actively working toward our 2025 environmental goals with the intent to reduce our contribution to the climate crisis and support systemic changes in the fashion industry.

Climate Action



NORDSTROM

SETTING SCIENCE-BASED TARGETS

We are committed to reducing our contribution to climate change and to setting science-based targets by 2025 to reduce our greenhouse gas emissions for scope 1 (emissions from sources we own or control), scope 2 (emissions from purchased electricity, heat and cooling) and scope 3 (indirect emissions associated with the products we sell and our business partners' operations) and do our part to secure a global temperature change of no more than 1.5 degrees before 2050.

Our work includes developing our carbon inventory, identifying the appropriate target for reduction and setting out a roadmap of changes toward a low-carbon economy. Working with Quantis, a global environmental consultancy, we focused on in-depth assessments of our brand assortment and business operations. We are using science-based targets to align with our industry and join the collective effort to drive the most positive change.

We are on a path to not only change the way we operate and serve customers, but to join brands and peers in meaningful climate action to drive real change within the fashion industry.

Nordstrom has modeled and reported on its scope 1 and 2 emissions since 2010 through the Carbon Disclosure Project (CDP). In 2022, we completed a scope 3 carbon footprint for the first time and will continue annual reporting with the CDP.

In calculating our first scope 3 footprint, Nordstrom has set a new baseline year of 2019 for tracking progress against its targets, in accordance with guidance from both the Greenhouse Gas Protocol and the [Science-Based Targets Initiative](#).

SCOPE EMISSIONS

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

RENEWABLE ENERGY

In 2022, we focused our efforts on reducing electricity consumption in our facilities. We reduced our electricity usage by approximately 15% compared to 2021 by leveraging energy audits, real-time interval data from utilities, tighter operational schedules and staggered HVAC scheduling.

In addition, Nordstrom commissioned solar energy systems for two of our New Jersey stores, in Cherry Hill and Short Hills, and the resulting panels will generate a combined one megawatt of capacity per year. We're pleased to have made these investments in local infrastructure as enabled by New Jersey state legislation incentivizing renewable energy installations, and in the future, we'll look for more opportunities to utilize our facilities to drive the renewable energy transition in other states.

CLEAN AIR TASK FORCE

As a retailer, Nordstrom contributes to emissions in our upstream supply chain via ocean shipping. Recognizing our part in a broader industry effort to decarbonize shipping, one of our 2025 goals is to contribute \$250,000 in corporate donations to help slow and prevent climate change. In support of their programming, we provided a \$100,000 grant to the Clean Air Task Force (CATF), a global nonprofit organization working to catalyze the rapid development and deployment of low-carbon energy and other climate-protecting technologies. This donation supports CATF's work to decarbonize marine shipping by shifting to zero-carbon shipping fuels like hydrogen and ammonia. So far, we've donated a total of \$300,000 to CATF, already exceeding our 2025 goal.

According to Jonathan Lewis, Director of Transportation Decarbonization at Clean Air Task Force, "Nordstrom's willingness to back our marine shipping decarbonization project over multiple years has allowed us to plan and begin executing a research and advocacy strategy that has the breadth and depth necessary to tackle a complex, long-term, globe-spanning challenge."



Waste



 BEAUTYCYCLE

NORDSTROM

IN STORES & ONLINE

As a retailer, we generate a significant amount of waste from our products, packaging and operations. In order to tackle this problem, we set a goal to reduce our single-use plastics by 50% in 2025. With our focus and commitment to this challenge, we met our goal in 2022, three years early, through strategic packaging changes in our operations. We continue to reduce plastic waste by:

- Replacing our plastic Nordstrom Rack shopping bags with paper bags.
- Switching to thinner claim and garment bags.
- Reducing our usage of stretch mill wrap.

In addition, we added short shopping bags to our assortments in Nordstrom and Nordstrom Rack stores, giving sales associates an option that better suits smaller purchases and helps reduce paper usage overall.

Moving forward, our packaging team is working to source and test shopping bags and shipping materials that incorporate up to 100% post-consumer waste as well as using recyclable padded mailers and offering curbside-recyclable packaging. We are also working to right-size packaging options in our supply chain, avoiding unnecessary waste where possible.

BEAUTYCYCLE

Our in-store beauty take-back and recycling program launched in our Nordstrom and Nordstrom Local stores in 2020 and expanded into all Nordstrom Rack stores in 2022. The program allows us to accept all brands of beauty packaging waste materials that typically aren't accepted in community recycling bins. They are sorted, cleaned and recycled for reuse as products ranging from watering cans to park benches.

Through the BEAUTYCYCLE program, we aim to take back 100 tons of beauty packaging by 2025. At the end of our 2022 fiscal year, we had collected over 30 tons and are well on our way to meet our 2025 goal.

In 2022, our Downtown Seattle flagship store had the highest level of customer participation. Customers in Nordstrom and Rack stores across the country are invited to rival that level of participation by bringing empty beauty containers from any brand and dropping them off in the BEAUTYCYCLE bins located in the beauty department.

IN OUR RESTAURANTS

We are consciously working to balance our customers' needs, our environmental goals and our fiscal responsibilities to reduce our carbon footprint and ensure our customer experience is the best it can be. We partner with suppliers who share our sustainability and social responsibility commitments around plastics and renewable materials.

In 2022, our Restaurant teams fully transitioned to packaging and disposables made from plant-based materials like wheat straw fiber, sugarcane and corn, which biodegrade and become soil within 2 to 6 months when composted in a commercial facility. We continue to use strawless lids in our coffee bars, only supply straws to customers who request them and, for to-go orders, make a point of verifying that customers need or want disposable serveware.

CIRCULAR ECONOMY

We recognize the importance of a circular economy, particularly in fashion, as a mechanism to better use resources and raw materials and keep them in circulation as long as possible. We have programs in place to encourage our customers to cherish the clothes they have and give a second or third life to those that are no longer needed. Additionally, we actively work to divert lightly used or damaged goods from landfills with channels for refurbishment and resale.

CLOTHING LIFE EXTENSION

One of the best ways Nordstrom can support a circular economy is by making it easier for our customers to extend the life of their clothing or give a new life to clothing that is no longer needed. Nordstrom offers a suite of services to facilitate a longer lifespan for clothing, footwear, housewares and accessories through donation, refurbishment or resale.

Our 2025 goal is to extend the life of 250 tons of clothing. Contributing to this goal are several efforts across our business, including our clothing donation program, our alterations and repair services, our employee sample sale and the work of our Nordstrom Quality Center (NQC). In 2021, we met our 2025 goal. In 2022, we saved over 360 tons of clothing from landfills, of which approximately 190 tons of clothing were saved via NQC, over 160 tons came through alterations and refurbishment, 13 tons arrived via donations and 1 ton of clothing was donated from our private-label brands.

We are proud of what our customers have helped us to accomplish in this area, but we continue to challenge ourselves to think in innovative ways about solutions for product circularity. In 2022, we rejoined the Ellen MacArthur Foundation, with the aim to facilitate broader, industry-wide action.

NORDSTROM QUALITY CENTER

Since 1998, a team of passionate individuals at the NQC has worked to repurpose damaged or returned products, effectively diverting waste from landfills. Sellable goods may be refurbished and routed to Nordstrom Rack or our Last Chance stores in Phoenix and Chicago.

Items that don't meet our selling-floor standards are sold to jobbers, who then resell those items for other uses. Listen to our [Nurdy Pod episode "Last Chance"](#) for a deep dive into what happens with merchandise that doesn't sell at Nordstrom or Nordstrom Rack.

CLOTHING REFURBISHMENT

Nordstrom employs the largest team of professional tailors in the U.S. As our clothing and accessories life extension experts, they can help customers keep their items in use longer by refitting, adjusting hemlines, adding pockets, customizing garments with embellishments, repairing zippers and reinforcing seams.

We also offer a service called Nordstrom to You, a three-hour closet consultation between a customer, a personal stylist and a fitter from our team. Together they review the customer's existing wardrobe, helping them to determine which pieces to keep, hold, donate or recycle—often helping them rediscover items that can be tailored to improve the fit or made more current.



Our Partners for Circular Economy



NORDSTROM

FIBERSHED

In 2022, together with customers who chose to give during Earth Month, Nordstrom donated over \$118,000 to Fibershed, a nonprofit developing farm-forward textiles that are 100% biodegradable and provide meaningful livelihoods along the value network of textiles domestically. Their work transforms the economic systems behind the production of materials like cotton and wool to minimize their contribution to climate change, improve health and contribute to racial and economic equity.

Nordstrom's grant to Fibershed helped support sustainable agriculture practices for hundreds of acres of land in the San Joaquin Valley currently enrolled in the California Cotton and Climate Coalition. This acreage is transitioning to a suite of practices that are reducing and eliminating harmful processes, herbicides and fungicides, and instead incorporating multispecies cover crops, integrating animals and providing options for non-GMO cotton seeds. This work has resulted in over 800,000 pounds of cotton and improved soil aggregation. It also supported growers in finding direct markets for all the cotton grown, improving the value by over 150%, and it has provided small designers access to the most reasonably priced, locally sourced textiles in that region.

FABSCRAP

In support of 2022 programming, we donated \$50,000 to FABSCRAP, a nonprofit recycling, reusing and reselling preconsumer textile waste from the fashion and design industries. Our donation is in continued support of FABSCRAP's Partner Portal, an online platform where 700 companies effectively manage their recycling services and track the amount of textile waste they're diverting from landfills year over year.

"We're so proud to work with Nordstrom to build a much-needed fabric recycling and reuse infrastructure. It's a key component of a more sustainable future for fashion. Nordstrom's support actively contributes to our growth, increases the accessibility of our services and accelerates our impact," said Jessica Schreiber, Founder and CEO of FABSCRAP.

FASHION FOR GOOD

According to the U.S. Department of Commerce, textile waste is now the fastest growing waste stream in the United States. Although some of this waste is reused, it is estimated as much as 85% of this textile waste ends up in landfills. Recognizing this challenge to our environment as well as the fashion industry, Nordstrom joined Fashion for Good's "Sorting for Circularity USA" project along with a select group of prominent U.S.-based retailers and brands.

The project is designed to highlight opportunities that could accelerate textile recycling by developing the most representative snapshot of textile waste generated in the U.S. This is essential to understand the true composition of the waste and where it is generated, in order to identify the near- and long-term infrastructure needed to enable effective textile recycling. The work focuses on domestic U.S. textile donation and recycling infrastructure with the goal of understanding the business case for textile-to-textile recycling in the U.S., unlocking the investments necessary to scale collection, sorting and recycling innovations in this market.



Product

As a retailer, the products we make and sell connect us to our customers. We take great pride in offering the selection they are looking for, including products to support causes customers care about, fashion from new and diverse designers and opportunities to shop

their values. We want our customers to purchase products that matter to them and enjoy them for as long as they can, using our services of refurbishment and alterations to provide a more sustainable experience with Nordstrom.

Product Transparency

We are always working to provide more information about our products to our customers, enabling them to make the choices they feel good about. An important part of that work is visibility into the manufacturing origin of our private-label products.

Nordstrom Made, our family of private-label brands, has production in hundreds of factories each year, and we disclose our suppliers' names and locations as part of that commitment to transparency. We publish this list of suppliers on our website for interested stakeholders to see where our products are made.

Our [Supplier Map](#) represents 99% of our strategic suppliers.

UNDERSTANDING OUR ENVIRONMENTAL IMPACT FROM MANUFACTURING

At Nordstrom, we are invested in understanding the environmental impact throughout our Nordstrom Made supply chain. Nordstrom uses the Higg Facility Environmental Module (FEM) and the Brand and Retail Module (BRM) to gain a more thorough understanding of the environmental impacts of our Tier 1 suppliers and national brand partners, respectively.

The Higg FEM and BRM are both important examples of our focus on progress through partnership, where we are aligning with industry standards and sharing learnings as we assess environmental sustainability of manufacturing and social standards and deploy these modules across our value chain. We are also limiting the burden of individual audits and data requests to our suppliers by using the same environmental assessment tool as many of our peers. As a result, our

suppliers can share data and progress one time to many of their customers. The Higg FEM covers energy use, greenhouse gas emissions, water use, wastewater, waste management and chemical management.

We are well on our way to making our 2025 goal of sourcing 95% (by volume) of Nordstrom Made product from Tier 1 suppliers completing the Higg (now Worldly) FEM assessment and verification. In 2022, 87% of Nordstrom Made product was sourced from facilities that had completed FEM assessments, of which 49% completed verification.

MOVING TOWARD MORE SUSTAINABLE RAW MATERIALS

In the design and manufacture of Nordstrom Made goods, we're working toward our 2025 goal to use sustainably sourced raw materials for 50% of Nordstrom Made products made primarily of cotton, polyester or manmade cellulosic fabrics. When possible, we choose certified organic or recycled cotton; certified or branded recycled polyester; and manmade cellulosic fibers made from sustainably managed sources and processed with limited environmental impact.

In 2022, we increased our conversion of generic viscose and other manmade cellulosic fibers to branded alternatives made with wood pulp from sustainably managed forests, reduced energy consumption and increased chemical capture. From 2021 to 2022, Nordstrom Made apparel that contained Lenzing branded manmade cellulosic fibers increased from 23% to 36%. In 2022, our Nordstrom Made products made from more sustainable materials reached about 18%.



Sustainable Style



NORDSTROM

Customer service is our priority, and knowing our customers value sustainable products, we are committed to providing access and visibility to products made with more sustainable materials and sourcing or manufacturing through our shoppable Sustainable Style category. We continue to increase this offer with a goal to make 15% of our online assortment more sustainable by 2025.

Since the introduction of Sustainable Style on Nordstrom.com in 2019, we have made it easy for customers to find consciously manufactured products that align with their values, including items:

- Made from preferred materials like certified organic cotton or recycled polyester from plastic bottles, or certified vegan.
- Responsibly manufactured in factories that support women's empowerment and gender equity.
- Meant to give back, with a portion of the proceeds benefiting people, animals or the planet through charitable giving.
- Responsibly packaged in paper from sustainably managed forests, recyclable and reusable glass or plastics already on their second or third use.

In 2022, we refreshed our sustainability criteria to recognize brands with Butterfly Mark or Fair Labor Association accreditation to qualify for this category at a brand level. This work made it possible for us to double the number of qualifying items in the category, growing to about 5% of our online product assortment.

NEW CONCEPTS@NORDSTROM

We launched Concept 016: PANGAIA as part of our ongoing series of pop-up shops. PANGAIA is a materials science company focused on problem-solving innovations through fashion. Our pop-up concept was developed and designed in partnership with PANGAIA, and the shop featured innovative products that embody the brand's ethos of high-tech naturalism: taking the abundance of nature and infusing it with high-tech yet sustainable processes to augment functionality.

Supplier Diversity

Nordstrom aims to deliver \$500 million in retail sales from brands owned, operated or designed by Black, Hispanic or Latinx individuals by 2025.

In 2022, Nordstrom made progress toward these goals, reaching over \$245 million in retail sales and exceeding our interim one-year goal by 24%.

In accordance with the Fifteen Percent Pledge we signed in 2021, we have continued our commitment to growing our purchases from businesses owned or founded by Black individuals by 10x by the end of 2030.

In 2022, we onboarded 37 new Black, Hispanic and Latinx brands, bringing our total offering to 250 brands. We also worked to refine our brand-onboarding process, adding opportunities for new businesses to self-identify and thereby improving our accuracy in classifying diverse offerings.

Beyond providing a diverse product offering, our work is intended to welcome a broader base of customers to our stores by serving them on their terms.

This year, we:

- Launched a Black Owned/Founded shopping category on all our digital platforms, building greater discoverability for our customers.
- Welcomed eight brands via Black-Owned Brooklyn to our Center Stage during Black History Month.
- Piloted a campaign in six stores highlighting Black Business Month. Company-wide sales totaled \$14 million for our Black Owned/Founded brands in just one month.
- Participated in the Pledge's 2022 Holiday Campaign, #GiftBlack, on our owned social channels, highlighting Black founders and their products and services, as well as information on how to support them.
- Hosted an in-store panel discussion with the Fifteen Percent Pledge and Black founders to share their experiences and insights on entrepreneurship

and the challenges and opportunities of scaling their brands.

MERCHANDISING HIGHLIGHTS

Indigenous Pop-Up Shops in Canada

In 2022, we focused our pop-up program in our Nordstrom Canada stores to partner with Indigenous brands, aiming to amplify awareness via our in-store and social-media platforms. We hosted three pop-up shops featuring:

- Itsooaakii, an art educator and visual artist, at Nordstrom Chinook Centre in Calgary.
- Sisters Sage, handcrafted wellness and self-care products, at Nordstrom Pacific Centre in Vancouver.
- Pacha Arts, a family business selling Indigenous art, accessories, jewelry, leather bags, special masks and home decor, at Nordstrom Toronto Eaton Centre in Toronto.

We're pleased to share that the Pacha Arts pop-up shop was featured in an exclusive story on BlogTO, a popular Toronto blog. Headlined "Small family business that lost storefront to lockdowns launches at major Toronto mall," the story shares the history of the independent family business, Pacha Arts, and quotes from the family.

Black Founders x Center Stage

To honor Black History Month, our Nordstrom NYC flagship launched an in-store marketplace with Black-Owned Brooklyn, a digital publication spotlighting Black-owned, Brooklyn-based businesses. The market showcased eight businesses offering apparel, food, home goods and self-care products—one of which, Modish Decor Pillows, has since become a permanent brand offering at Nordstrom stores and Nordstrom.com.



Nordstrom Made Give-Back Brands



NORDSTROM

TREASURE & BOND

Treasure & Bond, a Nordstrom Made brand with collections for women, men and kids, is a house favorite with a laid-back aesthetic. At its inception in 2014, we designated 2.5% of net sales of the brand's offerings to be donated to youth-empowering organizations. We've since donated more than \$11.5 million.

In 2020, we designated giving to five organizations in cities across the U.S. and Canada that are working to empower local young people who are facing homelessness. These give-back partners provide housing, mental health services and job training:

- The Ali Forney Center (New York, NY)
- Covenant House (Toronto, ON)
- The Night Ministry (Chicago, IL)
- YouthCare (Seattle, WA)
- Youth Emerging Stronger (Los Angeles, CA)

In 2022, customer purchases of Treasure & Bond merchandise allowed us to donate over \$1.9 million to these five organizations.

BP. BE PROUD

We've heard from our customers that finding clothing that fits them regardless of their size, gender, ability or background is important to them. We worked directly with customers and members of the LGBTQIA+ community to create BP. BE PROUD, a Nordstrom Made collection of apparel and accessories for people of all gender expressions.

Sizes range from XXS to 4XL and prices range from \$29 to \$59, making the collection accessible to many. In 2022, we donated 10%—approximately \$140,000—of customer purchases of BP. BE PROUD merchandise to support Trans Lifeline's crisis hotline and provide microgrants that directly aid transgender people across the U.S.

ETHICAL SOURCING IN OUR RESTAURANTS

Our Restaurant team is committed to offering our customers an array of high-quality foods and beverages made with ethically sourced ingredients. Each month, our restaurants highlight a different ingredient, dish or product, inviting customers to learn about organic farming, wild-caught seafood or all-natural, sustainable Australian lamb and support causes that help to clean up trash in the ocean, provide food for children in need and empower women-owned businesses.

Whenever possible we use local, organic produce and feature seasonal ingredients on our menus, so we can support local farmers, minimize emissions and provide customers with the freshest foods. For example, we use only cage-free eggs and ask our suppliers to do the same. Of the coffee we serve in our restaurants and Ebars, 100% is ethically sourced and comes from farms that are promoting social and environmental sustainability by prioritizing responsible sourcing practices.

We source only wild-caught Alaskan salmon, which offers higher nutritional value and helps maintain natural wild fish stocks. This fish is among the most climate friendly proteins in the world, produces lower carbon footprints than farmed fish and is responsibly and sustainably harvested.

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



Appendix

Our CSR Goals & DEIB Ambitions:

People

In 2023, we will update our employee survey metrics to more closely align with industry standards, enhancing our ability to drive targeted action planning. The Inclusion and Belonging Index and Favoritism Index will be replaced with "Inclusive Organization" and "Fairness" metrics. Our updated ambitions and progress will be shared in the 2023 Impact Report.






The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Priority	CSR Goal	Progress	SDG
Inclusive Representation & Human Rights	Improve our Inclusion and Belonging Index score by 8 points and Favoritism Index score by 6 points by 2025.	<p>Inclusion & Belonging (+1/8)</p> <p>Favoritism (+2/6)</p>	
	Disclose traceability to the factory for 90% of Nordstrom Made products.	<p>99%</p>	
	Produce 90% of Nordstrom Made products in factories that invest in women's empowerment.	<p>50%</p>	
	Contribute \$250,000 in corporate donations to organizations that support women's empowerment to create trainings and resources within our global supply chain.	<p>\$210,000</p>	

Our CSR Goals & DEIB Ambitions: People

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Priority	CSR Goal / DEIB Ambition	Progress	SDG
Inclusive Representation & Human Rights	Increase representation of Black, Hispanic and Latinx populations in people-manager roles by at least 50%, on average.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
	Leverage our internship program and other initiatives that help us reach qualified candidates early in their careers, with an ambition, on average, of at least 50% of participants in these programs coming from underrepresented populations.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
	Ensure that 100% of Nordstrom Made strategic suppliers pay a living wage.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
	Ensure all suppliers and business partners adhere to the Nordstrom Partner Code of Conduct.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
	Build Diversity and Inclusion into our leadership expectations and measure our leaders on their performance in this area through the Inclusion Index and feedback from their teams and co-workers.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	

Our CSR Goals & DEIB Ambitions:

People

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Priority	CSR Goal	Progress	SDG
Community Impact	Invest more than \$50 million in communities where we operate.	 <p>\$31M+</p>	
	Increase employee participation in our charitable match program to 20% annually.	 <p>2.5%</p>	
	Increase employee volunteer hours to 250,000 hours annually.	 <p>17,000+ hours in 2020</p>	
		 <p>21,000+ hours in 2021</p>	
 <p>26,000+ hours in 2022</p>			

Our CSR Goals & DEIB Ambitions:

People

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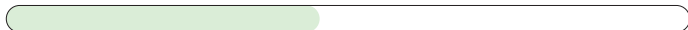


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Priority	CSR Goal	Progress	SDG
Community Impact	Engage our executives to support our philanthropic partners through board participation or service programs.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
	Increase customer awareness of our charitable investments over time.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
	Develop and implement program-wide impact reporting.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
	Improve grantee perceptions of program transparency.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	

Our CSR Goals & DEIB Ambitions:

Planet

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Priority	CSR Goal	Progress	SDG
Climate & Water	Contribute \$250,000 in corporate grants to help slow and prevent climate change.	 \$300,000	
	Establish a science-based target to reduce Scope 1, 2 and 3 emissions.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	 
Circularity	Take back 100 tons of beauty packaging to ensure it is recycled.	 30+ tons	
	Reduce single-use plastics in our value chain by 50%.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	
Waste	Help customers extend the life of 250 tons of clothing through donation, resale and refurbishment.	 650+ tons	
	Contribute \$1 million in corporate grants to support industry innovation for textile recycling.	 \$458,000	
	Establish an internal working group to support the development of circular Nordstrom Made products.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	

Our CSR Goals & DEIB Ambitions: Product

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Priority	CSR Goal / DEIB Ambition	Progress	SDG
Product	Ensure 15% of our product assortment qualifies for Sustainable Style.	 About 5%	
	Use sustainably sourced raw materials for 50% of Nordstrom Made products made primarily of cotton, polyester or manmade cellulosic fabrics.	 18%	
	Deliver \$500M in retail sales from brands owned, operated or designed by Black, Hispanic or Latinx individuals by the end of 2025.	 \$245M+	
	Raise \$5 million from our give-back brand, Treasure & Bond.	 \$5.1M	
	Raise \$5 million from cause-marketing campaigns for core partners who support youth and families.	 \$5.5M	
	Renew our Supplier Diversity programs, which will track and support diverse-owned suppliers across all areas of our business.	Consistent with the 2021 Impact Report, we are not reporting progress on this ambition in this section. Progress is discussed in the full report.	

SASB Reference Table

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

Our commitment to transparency is core to our Corporate Social Responsibility efforts. Data in accordance with select indicators from the SASB Standards for Multiline and Specialty Retailers & Distributors and Apparel, Accessories & Footwear industries are included below. All data reflect results from fiscal 2022. Additional information is available in content at [nordstromcares.com](https://www.nordstromcares.com).

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Discussion & Analysis	N/A	CG-AA-250a.1	<p>Nordstrom follows the American Apparel and Footwear Association Restricted Substances List with all Tier 1 suppliers within our Nordstrom Made supply chain.</p> <p>Additionally, we partner with Source Intelligence to conduct an annual survey for conflict minerals (tin, tungsten, tantalum, gold) of all Tier 1 manufacturer suppliers in our Nordstrom Made supply chain.</p> <p>We conduct testing and reporting for individual state restricted substances for Nordstrom Made products.</p> <p>Nordstrom Conflict Minerals Report</p>
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion & Analysis	N/A	CG-AA-250a.2	<p>Nordstrom notifies Nordstrom Made suppliers of our chemical safety requirements in our Supplier Guidelines. Our suppliers are required to acknowledge and comply with these standards, and the standards are included in our ongoing auditing process.</p> <p>We use third-party testing to monitor for compliance with global chemicals regulations and Nordstrom chemical restrictions on our products and product components.</p> <p>Additionally, in 2022, Nordstrom private label joined ZDHC, and we expect our suppliers to comply with ZDHC Chemical Management framework.</p>

SASB Reference Table

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with 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 2022, through Worldly Facilities Environmental Module (FEM), 87% of our Tier 1 Nordstrom Made suppliers assessed and 49% verified their wastewater management through module verification. Additionally, Nordstrom Made have become ZDHC members with the intent to have our private label suppliers comply with ClearStream requirements.
	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Quantitative	Percentage (%)	CG-AA-430a.2	In 2022, 87% of Nordstrom Made suppliers used the Worldly Facilities Environmental Module (FEM), and 49% of these suppliers 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 2022, 65% of audits were conducted to Nordstrom's labor code of conduct, 10% were audited to BetterWork's SLCP assessment and 25% were audited to the verified FSLM module shared via the HIGG platform. In the Impact Report , we state the extent to which we reduce audit duplicity/fatigue via SLCP and BetterWork assessment acceptance.
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.2	<p>In 2022, we conducted a total of 114 factory audits.</p> <p>Nordstrom's supplier compliance auditing program operates on a continuous improvement model as we work closely with our suppliers over a manageable timeline to come into compliance with our expectations. Although continuous growth is a key value, Nordstrom prioritizes the prompt remediation of priority non-conformances, those findings rated Zero Tolerance or Demands Immediate Attention. By the end of 2022:</p> <ul style="list-style-type: none"> • 36% of all non-conformance findings were fully remediated. • 56% of all non-conformance findings are pending, while factories continue to actively implement plans to address issues. • 8% of all non-conformance findings represent issues that are systemic in nature and require continuous improvement beyond a 1-year or 6-month timeframe.

SASB Reference Table

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Labor Conditions in the Supply Chain	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits (cont.)	Quantitative	Rate	CG-AA-430b.2	<p>In 2022, no contracts with suppliers were terminated as a result of PCOC non-conformances. In the event of contract termination as a result of PCOC non-conformance, Nordstrom follows a clear internal responsible exit policy to limit any negative impact to those working within our supply chain with an aim to:</p> <ul style="list-style-type: none"> Minimize disruption to the supplier's business and maintain professional business relationships where possible. Mitigate morale and productivity issues as a result of the exit. Ensure suppliers can maintain a healthy business after the exit. Reduce legal and reputational risks.
	Description of the greatest (1) labor and (2) environmental, health and safety risks in the supply chain	Discussion & Analysis	N/A	CG-AA-430b.3	<p>Nordstrom monitors the labor and environmental, health and safety risks in the Nordstrom Made supply chain through our social compliance auditing program that is focused on continuous improvement. Through our Human Rights Commitment and our Nordstrom Partnership Guidelines, we're taking steps to manage and mitigate social and environmental risks, including forced labor, harassment and abuse, discrimination, wages and benefits, hours and overtime, child labor and young workers, health and safety, fire and building safety, freedom of association, grievance mechanisms, subcontracting and more.</p>

SASB Reference Table

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Raw Material Sourcing	Description of environmental and social risks associated with sourcing priority raw materials	Discussion & Analysis	N/A	CG-AA-440a.1	The raw materials we use in our Nordstrom Made products have varying levels of environmental and social impacts and risks, including, but not limited to, natural resource use, water use, emissions generation, human exposure to chemicals for processing and deforestation. We are committed to improving impacts from our raw materials sourcing by improving our visibility to their sources and transitioning to more sustainable raw materials, including more sustainable cotton, recycled polyester and more sustainable cellulosic fibers.
Supply Chain	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	N/A	CG-AA-000.A	Tier 1: 334 Nordstrom Made suppliers. Tier 2: JWN has traced sourcing to 203 Tier 2 mills in FY 2022, accounting for 61% of Nordstrom Made suppliers.
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 2022 was 2,368,778 GJ. The percentage of energy Nordstrom consumed that was supplied from the grid was 83.85%. The percentage of energy that Nordstrom consumed from renewable resources was 2.86%.

SASB Reference Table

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Data Security	Description of approach to identifying and addressing data security risks	Discussion & Analysis	N/A	CG-MR-230a.1	Nordstrom has comprehensive privacy and information security programs and dedicated teams that work to identify and address privacy and security risks associated with our data. We have implemented measures to help prevent a breach of our information and comply with cybersecurity requirements and best practices through safeguards and procedures designed to protect the security, confidentiality and integrity of such information. We regularly monitor for emerging information security threats, and we take steps to validate that our information security controls are appropriate and working properly. Our privacy and information security programs are overseen by our Chief Technology and Information Security Officer, who reports to our Chief Executive Officer.

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 & Analysis	N/A	CG-MR-410a.3	<p>As a retailer, we generate a significant amount of waste from our products, packaging and operations. In order to tackle this problem, we set a goal to reduce our single-use plastics by 50% in 2025. With our focus and commitment to this challenge, we made strategic packaging changes in our operations:</p> <ul style="list-style-type: none"> • Replacing our plastic Nordstrom Rack shopping bags with paper bags. • Right sizing and switching to thinner claim bags, garment bags, stretch film and polymailers. • Adding short shopping bags to our assortments in Nordstrom and Nordstrom Rack stores, giving sales associates an option that better suits smaller purchases and reducing paper usage. <p>Carbon. We have made reductions in the carbon impact of our packaging by:</p> <ul style="list-style-type: none"> • Sourcing Rack paper bags domestically rather than internationally, thereby reducing the carbon footprint of shipping activity. • Reducing the paper tonnage of our full-line bags and sourcing domestically. • Sourcing polymailers domestically. <p>Additional projects:</p> <ul style="list-style-type: none"> • We have also moved Rack paper shopping bags from white kraft to natural kraft. 40%PCW to 100%PCW.

SASB Reference Table

Topic	Activity Metric	Category	Unit of Measure	Code	Response
Operational Facilities	Number of (1) retail locations and (2) distribution centers	Quantitative	N/A	CG-MR-000.A	10-K, page 20
	Total area of (1) retail space and (2) distribution centers	Quantitative	N/A	CG-MR-000.B	10-K, pages 20-21

GRI Content Index

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

Nordstrom, Inc. has reported the information cited in this GRI content index for the period January 1, 2022, and December 31, 2022, with reference to the GRI Standards.

GRI 1 Used: GRI 1 Foundation 2021

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-1	Organizational details	<ul style="list-style-type: none"> a. Nordstrom, Inc. b. Annual Report, page 1 c. Annual Report, page 1 d. Our Stores
	2-2	Entities included in the organization's sustainability reporting	<ul style="list-style-type: none"> a. Significant Subsidiaries of the Registrant b. The same entities included in the consolidated financial statements are included in the (sustainability) impact report. c. Annual Report, page 46
	2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> a. This is an annual report covering the period from January 30, 2022, to January 28, 2023. b. The same reporting period applies to the Company's financial reporting. c. The publication date is: September 18, 2023 d. The contact point for the report: CSR@nordstrom.com
	2-4	Restatements of information	<ul style="list-style-type: none"> a. There are no restatements of information to report.
	2-5	External assurance	<ul style="list-style-type: none"> a. The report is not externally assured.
	2-6	Activities, value chain and other business relationships	<ul style="list-style-type: none"> a. As per the Sustainable Industry Classification System® (SICS®), Nordstrom's Primary Sector is Consumer Goods and Primary Industry is Multiline and Specialty Retailers & Distributors. b. Annual Report, pages 8-9 c. Annual Report, page 52 d. N/A

GRI Content Index

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-7	Employees	<ul style="list-style-type: none"> a. Impact Report "Who We Are," "Nordstrom at a Glance," "Building Diverse Representation" b. Annual Report, page 9 c. The methodology used to compile data is head count.
	2-9	Governance structure and composition	<ul style="list-style-type: none"> a. Nordstrom Proxy Statement 2023, pages 12-14 b. Nordstrom Proxy Statement 2023, page 15 c. Nordstrom Proxy Statement 2023, pages 26-32
	2-10	Nomination and selection of the highest governance body	<ul style="list-style-type: none"> a. Nordstrom Proxy Statement 2023, pages 14-15 b. Corporate Governance and Nominating Committee of the Board of Directors Charter, section: "Duties and Responsibilities" 1.2 & 1.3 Corporate Governance Guidelines
	2-11	Chair of the highest governance body	<ul style="list-style-type: none"> a. Nordstrom Proxy Statement 2023, page 14
	2-12	Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> a. Nordstrom Proxy Statement 2023, page 12 Corporate Governance and Nominating Committee of the BoD Charter, Audit and Finance Committee of the BoD Charter b. Nordstrom Proxy Statement 2023, pages 13-14 c. Nordstrom Proxy Statement 2023, pages 13-14
	2-13	Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> a. Nordstrom Proxy Statement 2023, pages 13-14 b. Nordstrom Proxy Statement 2023, pages 12-13

GRI Content Index

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-14	Role of the highest governance body in sustainability reporting	a. Impact Report, section " Governance "
	2-15	Conflicts of interest	a. Corporate Governance and Nominating Committee of the BoD Charter , section "Duties and Responsibilities" 1.12 Code of Business Conduct and Ethics for the Members of the Board of Directors b. Nordstrom Proxy Statement 2023 , page 12
	2-17	Collective knowledge of the highest governance body	a. Nordstrom Proxy Statement 2023 , page 12
	2-18	Evaluation of the performance of the highest governance body	a. Corporate Governance and Nominating Committee of the BoD Charter , section "Performance Evaluation" b. Corporate Governance and Nominating Committee of the BoD Charter , section "Membership" The annual performance evaluations are conducted solely by independent directors. c. Corporate Governance and Nominating Committee of the BoD Charter , section "Duties and Responsibilities" 1.3
	2-19	Remuneration policies	a. Nordstrom Proxy Statement 2023 , pages 19, 37 b. Nordstrom Proxy Statement 2023 , page 46
	2-20	Process to determine remuneration	a. Compensation, People and Culture Committee of the Board of Directors Charter

GRI Content Index

GRI Standard	GRI Number	Disclosure	Location
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	<ul style="list-style-type: none"> a. Nordstrom Proxy Statement 2023, page 65 b. Nordstrom Proxy Statement 2023, page 65 c. Nordstrom Proxy Statement 2023, page 65
	2-22	Statement on sustainable development strategy	<ul style="list-style-type: none"> a. Impact Report, section "Letter from Our Leaders: Our Commitment"
	2-23	Policy commitments	<ul style="list-style-type: none"> a. Policies & Commitments b. Nordstrom Human Rights Commitment c. Policies & Commitments d. Nordstrom Human Rights Commitment, section "Governance and Implementation" e. Partner Code of Conduct, Code of Business Conduct and Ethics for the Members of the Board of Directors
	2-24	Embedding policy commitments	<ul style="list-style-type: none"> a. Partner Code of Conduct, Code of Business Conduct and Ethics for the Members of the Board of Directors, Code of Business Conduct and Ethics
	2-25	Processes to remediate negative impacts	<ul style="list-style-type: none"> a. Nordstrom Proxy Statement 2023, pages 12-14
	2-26	Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> a. Grievance Processes
	2-28	Membership associations	<ul style="list-style-type: none"> a. Impact Report, section "Key Partnerships"

GRI Content Index

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

GRI Content Index

GRI Standard	GRI Number	Disclosure	Location
Material Topic: GHG Emissions & Energy Use GRI 305: Emissions 2016	305-1	Energy direct (Scope 1) GHG emissions	Impact Report, section " Climate Action: Setting Science-Based Targets "
	305-2	Energy indirect (Scope 2) GHG emissions	Impact Report, section " Climate Action: Setting Science-Based Targets "
	305-3	Other indirect (Scope 3) GHG emissions	Impact Report, section " Climate Action: Setting Science-Based Targets "
	305-4	GHG emissions intensity	CDP Questionnaire , section C6.10
	305-5	Reduction of GHG emissions	CDP Questionnaire , section C7.9a
	305-6	Emissions of ozone-depleting substances (ODS)	CDP Questionnaire , section C7.3c
	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	CDP Questionnaire , section C7.1a
Employee Retention, Development and Attraction GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	a. Annual Report , page 10

GRI Content Index

GRI Standard	GRI Number	Disclosure	Location
Employee Diversity, Equity & Inclusion	405-1	Diversity of governance bodies and employees	Impact Report, sections " Inclusive Representation ," " Building Diverse Representation ," " Women's Empowerment "
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	Impact Report, sections " Inclusive Representation ," " Pay Parity & Pay Equity "
Forced Labor & Human Rights	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Impact Report, sections " Human Rights ," " Combating Forced Labor "
GRI 409: Forced or Compulsory Labor 2016			
Product Quality & Safety	3-3	Management of material topics	Impact Report, section " Our Partner Code of Conduct "
Cybersecurity, Data Privacy & Protection	3-3	Management of material topics	Annual Report , pages 14-15
Employee Working Conditions & Fair Wages	3-3	Management of material topics	Impact Report, section " People "
Labor Practices & Working Conditions in the Supply Chain	3-3	Management of material topics	Impact Report, section " Social Compliance Tools "

GRI Content Index

GRI Standard	GRI Number	Disclosure	Location
Ethical Business Practices & Compliance	3-3	Management of material topics	Impact Report, section " Human Rights "
Material Selection Sourcing & Procurement	3-3	Management of material topics	Impact Report, section " Responsible Sourcing & Our Social Compliance Program "
Transparency and Reporting	3-3	Management of material topics	Strategy, Governance & Reporting
Supply Chain Management & Transparency	3-3	Management of material topics	Impact Report, sections " Social Compliance Tools ," " Managing Conflict Minerals "

Our Policies & Commitments

[Nordstrom Human Rights Commitment](#)

[Nordstrom Partner Code of Conduct](#)

[Nordstrom Exotic Animal Skin and Fur Free Policy](#)

[California Transparency in Supply Chains Acts Disclosure](#)

[Nordstrom Forced Labor Policy](#)

[Conflict Minerals Report](#)

[SASB Reference Table](#)

Key Partnerships

Priority	Partner		
Environment	Carbon Disclosure Project (CDP)	FABSCRAP	Retail Industry Leaders of America (RILA)
	Clean Air Task Force (CATF)	Fibershed	Sustainable Apparel Coalition (SAC)
	Clean Energy Buyers Association (CEBA)	Forterra	Sustainable Packaging Coalition
	Elevate	Give Back Box	TerraCycle
	Ellen MacArthur Foundation	Quantis	Zero Discharge of Hazardous Chemicals (ZDHC)
Human Rights	American Association of Footwear and Apparel (AAFA)	Higg Index	Nirapon
	Article One Advisors	Impactt	Social and Labor Convergence Program (SLCP)
	Better Work (ILO-IFC)	International Labor Organization (ILO)	Verité
Social Impact & DEIB	AFIRM	Friends of Waterfront Seattle	National Retail Federation Foundation
	Ali Forney Center	Global Giving Foundation	National Urban League
	Alliance for Education	Gold House	NationSwell
	American Red Cross	Good+Foundation	NYC Pride
	Asian American Legal Defense & Education Fund	Harlem's Fashion Row	One Ten Foundation
	Baby2Baby	Hetrick-Martin Institute	Operation Warm
	Benevity	Hispanic Heritage Foundation	People of Color Against AIDS Network
	Big Brothers Big Sisters of America	Human Rights Campaign	Seattle Art Museum
	Big Brothers Big Sisters of Canada	Indian Residential School Survivors Society	Seattle Children's Hospital Foundation
	Black Joy Parade	Institute for Sustainable Diversity and Inclusion	Seattle Foundation
	Business for Social Responsibility (BSR)	International Medical Corps	Shoes That Fit
	CARE USA	JDRF Seattle	The Night Ministry
	Central Park Conservancy	Junior Achievement of Washington	Trans Lifeline
	Council of Fashion Designers of America (CFDA)	Mayor's Fund to Advance NYC	Two Ten Footwear Foundation
	Covenant House Toronto	Metropolitan Museum of Art	United Way of King County
	Direct Relief	Ms. Foundation for Women	Washington Employers for Racial Equity
	Elizabeth Glaser Pediatric AIDS Foundation	Museum of History and Industry (MOHAI)	YMCA of Greater Seattle
	Fashion Institute of Technology	Museum of Modern Art (MoMA)	Youth Emerging Stronger
	Fashion Scholarship Fund	National Black MBA	
	Fifteen Percent Pledge	National Center for Truth & Reconciliation	