

# NORDSTROM

## Black Lives Matter - What We've Heard & What We're Doing

August 24, 2020

Today, Pete and Erik Nordstrom sent the following email to all employees regarding feedback we've heard and the specific goals we've set for ourselves to address diversity, inclusion and belonging at Nordstrom. We'd like to share those details with you as well.

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Over the past few months, we've done a lot of listening. We've heard from employees, customers, our Board of Directors and Nordstrom partners about what it means to be Black in our communities today. Recent events of racial injustice and inequality have shone a light on the dark history of the systemic racism our country desperately needs to change moving forward.

These conversations have been humbling and educational, and we've taken the insights away to help inform our path forward. As we think about our values and who we want to be as a company, it's clear we have an opportunity to extend ourselves in new ways and set the standard for what Nordstrom represents to our people.

Your input has and will continue to be essential in this process. Today, we are sharing with you the biggest pieces of feedback we've heard, and the specific goals we've set for ourselves to address our opportunities. Our diversity, inclusion and belonging (DIB) strategy is focused on four pillars, and each of our new goals aligns with one of those.

### **TALENT**

*We will increase demographic diversity in our corporate and all leadership positions to better reflect the North American population.*

**Our team of 60,000+ employees needs to better reflect the diversity that exists within our country.**

- From the salesfloor to the board room, we're doing ourselves a disservice when we don't have strong representation across racial and gender identities throughout our team, especially at the leader level. Today, 60% of our employees identify as non-white, and three of our 11 board of directors are Black. We're proud of this progress but need to ensure this level of diversity is reflected at all leadership levels throughout the company. **By the end of 2025, we will increase representation of Black and Latinx populations in people manager roles by at least 50%.**
- We have a terrific talent pipeline in the form of our internship program and other initiatives that help us reach qualified candidates early in their careers. We're going to leverage those programs in order to reach a more diverse population, **with the goal on average of at least 50% of participants in these programs coming from underrepresented populations.**

### **MARKETPLACE**

*We will serve customers on their terms, through a lens of anti-racism, identity and equity at every touchpoint.*

**Every person who walks in our doors needs to feel welcome and respected.**

- We've had a [Customer Bill of Rights](#) in place for several years, which explains our zero-tolerance for unreasonable searches, profiling and discrimination of any kind in our stores. But having a policy isn't enough. We need to take a hard look at our practices, and further educate and train our employees to support it. **We're revisiting our practices and the training resources we offer for customer-facing roles to ensure they include anti-racism and bias content.**

**We need to prioritize improving the diversity of the brands we partner with across our business.**

- We can and will do better in offering Black owned or designed brands, along with those created by all people of color. We want to do this the right way, so we can create meaningful and successful partnerships with these brands. **We're committing to delivering \$500M in retail sales from brands owned by, operated by, or designed by Black and/or Latinx individuals by the end of 2025.**
- Part of this work will be supported by our Supplier Diversity program, which will track and support diverse-owned suppliers across all areas of our business. **We are renewing this program and will publicly share the total program's long-term goals in February 2021.**

### **CULTURE**

*We will strengthen belonging and address favoritism through greater consistency, collaboration, communication and connection.*

**Every Nordstrom employee needs to feel they can bring their whole selves to work, and that Nordstrom can provide them with opportunity to build a rewarding career.**

- Success in this area will be measured, in part, by feedback from you. **Our Voice of the Employee survey will be our benchmark, and we are working to improve our Inclusion and Belonging Index score by 8 points and Favoritism Index score by 6 points by 2025.**

These conversations must continue, and we need to create space and opportunity for employees to connect, share their stories and learn to act as allies.

- Our Employee Resource Groups (ERGs) are an essential component in our ability to gather feedback from employees and offer a sense of belonging. **By the end of 2020, we'll expand our Employee Resource Groups (ERGs) beyond the Seattle area so all employees can participate.**

#### **LEADERSHIP**

*We will declare and commit to compelling, future-oriented leadership expectations and shared culture that will drive our business ambition.*

To be successful, a commitment to diversity, inclusion and belonging needs to be felt across all levels and aspects of our company.

- Our leaders play an essential part in bringing this part of our culture to life. **We will build diversity and inclusion into our leadership expectations and will measure our leaders on their performance in this area through the Inclusion Index and feedback from their teams and coworkers up and down the pyramid.**

In addition to supporting children and families through our Charitable Giving program, we will partner specifically with organizations focused on anti-racism.

- We give millions of dollars each year to hundreds of nonprofits across the U.S. and Canada. We want to ensure we're specifically directing a portion of our giving to these important topics. **We're pleased to share we will double our charitable giving to nonprofit organizations that promote anti-racism, bringing that total to approximately \$1M per year for the next five years.**
- We're excited to share a new, multi-year corporate partnership with the [National Urban League](#), a historic civil rights organization dedicated to economic empowerment, equality and social justice. The Urban League has an affiliate network that spans the U.S., reaching every community where we do business. They'll be a tremendous support and resource for us across all our efforts to better reach, serve, hire, retain and connect with Black and other underrepresented groups. We'll also be partnering with them on ways to get employees across the company involved in these efforts and volunteering.

**To lead and drive this work, we're launching the Nordstrom Diversity, Inclusion and Belonging Council.** This new group, co-chaired by the two of us and Christine Deputy, is made up of a diverse mix of leaders from across our company and our board of directors. We will focus on developing, implementing and measuring programs that drive our diversity, inclusion and belonging strategy. We'll share regular updates with you as this group's work progresses.

We firmly believe we must be focused on the opportunities we have to make Nordstrom a better place for you and our customers. But we'd be remiss if we didn't acknowledge our responsibility to be an active corporate citizen. One way we can do that is by using our platform to encourage our employees, customers and communities to vote. Voting is both a privilege and a responsibility, and we strongly encourage all Nordstrom employees to register and to vote. **To make getting to the polls easier for our U.S. employees, we're declaring November 3, 2020 a holiday this year.** We're also excited that we are working on a new partnership with a nonpartisan organization focused on increasing participation in every election. Stay tuned for more details on what this will look like and how you can get involved in the coming weeks.

We know we have a lot of ways we can improve as we strive to be a better, more inclusive and anti-racist company for you, our customers, partners and communities. These concrete actions represent the next phase in our journey, not the finish line. We continue to be committed to doing the work, being transparent about our progress along the way and holding ourselves accountable. We ask that you continue to help us by giving feedback, sharing ideas and challenging us to grow and evolve.

We're better together and we appreciate all you do,

Pete & Erik