NORDSTROM

A Year in Review: Closer to You in 2022

December 19, 2022

As we close out another year, we're celebrating the milestones and progress we made in 2022.

What's most important to us is how our people remained focused on serving our customers each day and supporting our communities, planet and each other.

Join us as we reflect on this year and look forward to a bright 2023!

Closer to Our Digital-First Platform

As our business and customers become increasingly digital, we took many steps to enhance our digital experience and extend our heritage of service into a digital world. We expanded our advertising opportunities for our brand partners with the Nordstrom Media Network and launched our first augmented reality experience in the Nordstrom app.

Chief Customer Officer, Ken Worzel joined Shoptalk and discussed the importance of digital connection, saying, "Nordstrom Media Network is about getting relevant brand content for customers at the right time. That's hugely valuable to our brand partners who are looking to expand their audience, and it's also important for our customers who are looking for new discovery."



Ken Worzel Chief Customer Officer

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Closer to Our Customers

We extended our heritage of service by opening a Nordstrom Local pop-up in Southampton, offering our customers convenient services including online order pickup, alterations, returns and more for customers who live, work and travel in the Hamptons. We opened two new Nordstrom Rack stores in Arizona and California and expanded our restaurant offering with the opening of Burger Bar in NYC and Milk Bar in Vancouver.

Closer to The Runways

This year we continued our mission to be a retail partner of choice. In partnership with ASOS, we created an immersive shopping experience named ASOS | Nordstrom at The Grove., bringing the brand to customers in person for the first time. We hoped to delight our customers with new and existing brand partnerships like Mach, Brady, Vince, Topshop and Topman, Parachute and more.

President and Chief Brand Officer Pete Nordstrom spoke at The National Retail Federation (NRE) about our approach towards brand partnerships saying, "One of the most common things we hear from customers, which validates our merchandising strategy, is now I can buy my favorite brand at my favorite store. That's how we approach partnerships —it's a win-win for everyone."



Pete Nordstrom President, Chief Brand Officer

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We can't talk about fashion without mentioning New York Fashion Week. We hosted Fern Mallis to celebrate the launch of her latest book, *Fashion Lons 2: Fashion Lives with Fern Mallis*, We celebrated New York Fashion Month with LaQuan Smith and even went backstage with Rickie De Sole. We also continue to champion the future of fashion and emerging designers. As a longstanding partner of the CFDA Vogue Fashion Fund, we created a showcase at our New York City Flagship to highlight the CVFF finalist designs to our customers.

Closer to Your Playlist

In the spirit of connecting with our customers, we entered the podcasting space by launching <u>The Nordy Pod</u>. Hosted by Pete Nordstrom, The Nordy Pod explores topics that are relevant to brands and designers in today's fashion landscape, spotlighting prominent industry voices including <u>Jessica Alba</u>, <u>Aurora James</u>, <u>Emma Grede</u>, <u>Steve Madden</u> and <u>Sue Bird</u> to name a few. "Customer stories are central to our ability to develop and sustain a culture of service – they're what motivates us to continue to show up for our customers every day. The podcast is a new way to bring those stories to life and highlight some of those legendary customer interactions that have helped create our legacy of service", said Pete Nordstrom.



23 podcast episodes

4.9-STAR
rating on Apple Podcasts

169,000+ episode downloads

TOP 3% downloaded podcast on Apple

Closer to Our Communities and Commitments

our communities.

Our employees teamed up with Shoes That Fit and Nike to deliver brand-new shoes to kids across the country. Along with our customers, we exceeded our goal to raise \$1 million and donate more than 40,000 pairs of shoes to kids in local communities.

On Giving Tuesday, we launched our holiday giving campaign with our partners Big Brothers Big Sisters and Operation Warm, raising funds with our customers to foster mentoring relationships and to donate more than 20,000 coats to kids who need them most.





40,000 shoes delivered with Shoes That Fit



20,000 coats provided with Operation Warm



7,000Nordstrom Made products distributed to kids in local communities

We believe in the value diversity brings to our company and our communities, and we know we have a role to play in contributing positive change with our employees and company leadership, within our communities and in the marketplace. This year, we sponsored the HBCU Battle of the Brains for their fifth annual competition and hosted a series of events to welcome students and alumni to our NYC Flagship store for the inaugural NYC HBCU Football Classic. We also kicked off a brand new partnership with Morehouse College where we launched a new Product Management track. We celebrated Black Business Month with #BuyBlack Market Pop-Ups at select Nordstrom stores where customers could shop a curated rotating selection of Black-owned brands.



We're also supporting our hometown of Seattle, by donating \$1 million to Friends of Waterfront Seattle over the next five years to contribute to the growth of the future Waterfront Park in Seattle. This development will offer open space and free community events along 20 acres of urban shoreline.

Closer to Our 2025 Goals

We <u>expanded BEAUTYCYCLE</u>, our industry-leading beauty takeback program to Nordstrom Rack, more than doubling our drop-off locations. Through BEAUTYCYLE, we've taken back 20 tons of hard-to-recycle beauty packaging and are on our way to reaching our 2025 goal of 100 tons.



Gigi Ganatra Duff VP, Corporate Affairs

We are proud of the goals we set and the work we have done to reach them. We know our employees and customers care about the work we are doing within environmental sustainability and we have the opportunity to lead in an industry that can make a better impact on our planet."

We also launched several brands that share our values and qualify for <u>Sustainable Style</u> including <u>Allbirds</u> and <u>PANGAIA</u>. Gigi Ganatra Duff joined the <u>FIT's annual sustainable business and design conference</u>, highlighting our commitment to leaving the planet better than we found it, "We know our employees and customers care about the work we are doing within environmental sustainability and we have the opportunity to lead in an industry that can make a better impact on our planet."

We're excited for the year to come! Follow us on LinkedIn and sign-up for our Nordstrom Now news alerts to receive the latest news.