This presentation contains statements 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 results projected in these forward-looking statements, and our actual results could materially differ because of factors discussed in this event, in the comments made during this presentation, and 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.
ERIK NORDSTROM
CHIEF EXECUTIVE OFFICER
FY21 FINANCIAL PERFORMANCE

38%↑ increase in revenue vs FY20

3.4% EBIT margin

Line of sight to achieve our medium-term financial targets
AREAS OF FOCUS

**Improving Nordstrom Rack Performance**

+320bps of sequential Rack sales improvement in Q4\(^1\)

**Increasing Profitability**

Significant improvement in merchandise margin

**Optimizing Supply Chain & Inventory Flow**

Implemented supply chain optimization workstreams

\(^1\) vs Q3 '21
NORDSTROM PERFORMANCE

2% ↑ increase in GMV

~7% outperformance of Southern U.S. vs Northern U.S.

1 vs Q4'19
CONVENIENCE

4x product available for next-day pickup

1 day faster average shipping time

11% of N.com sales were picked up in stores during Q4, a record high

1/3 of next-day N.com demand in Q4 was picked up at a Rack store

NORDSTROM
12x↑ increase in spend for customers who shop both banners, in-store and online¹

67% loyalty penetration in FY21

¹ vs customers who utilize a single channel and banner
ADVANCING OUR PERSONAL STYLING PROGRAM

63%↑
increase in remote selling volume¹

+6x
customer spend vs the average Nordstrom customer

¹ vs FY20
INCREASING OUR DIGITAL VELOCITY

23%↑
increase in digital sales\(^1\)

900bps↑
increase in digital penetration, to 44%\(^1\)

Record high
mobile app usage

70% of total digital traffic from mobile users

\(^1\) vs Q4 '19
PETE NORDSTROM
PRESIDENT & CHIEF BRAND OFFICER
CATEGORY HIGHLIGHTS

Luxury remains strong

Double digit ↑
increase in Designer and Fine Jewelry¹

Growth in Beauty

Double digit ↑
increase driven by strength in both banners¹

Continued strength in pandemic categories

Home → +52%¹
Active → +22%¹

¹ vs Q4 '19
Expanded holiday gifting & increased promotional effectiveness

235 bps improvement in merchandise margin vs Q4 ’19
OPTIMIZING CATEGORY MANAGEMENT

Data-driven, customer-centric approach to category management

- Attract new customers
- Increase share of wallet
- Improve margins
<table>
<thead>
<tr>
<th>Actions</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Improve consistency &amp; predictability</td>
<td>• Improve customer experience</td>
</tr>
<tr>
<td>• Improve velocity &amp; throughput</td>
<td>• Increase sell-through</td>
</tr>
<tr>
<td>• Increase delivery speed</td>
<td>• Reduce markdowns</td>
</tr>
<tr>
<td>• Expand selection for order pickup</td>
<td>• Improve expense efficiency</td>
</tr>
</tbody>
</table>
Evolving Our Merchandising Approach

~300bps increase in alternative partnership penetration for the Nordstrom banner, reaching 10% of GMV\(^1\)

300+ new brands and partnerships launched this year

50% ↑ increase in selection this year\(^2\)
ANNE BRAMMAN
CHIEF FINANCIAL OFFICER
## Q4 '21 RESULTS

<table>
<thead>
<tr>
<th></th>
<th>Q4</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>vs Q4 '20</td>
<td>vs Q4 '19</td>
</tr>
<tr>
<td><strong>NET SALES</strong></td>
<td>23%</td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>GROSS PROFIT %</strong></td>
<td>~500 bps</td>
<td>~340 bps</td>
</tr>
<tr>
<td><strong>SG&amp;A %</strong></td>
<td>~125 bps</td>
<td>~(340 bps)</td>
</tr>
<tr>
<td><strong>EBIT %</strong></td>
<td>~600 bps</td>
<td>~10 bps</td>
</tr>
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</table>

1 FY19 results include $32M non-cash asset impairment
# 2022 OUTLOOK

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY2022</th>
<th>Considerations</th>
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</thead>
<tbody>
<tr>
<td><strong>REVENUE GROWTH</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YoY growth</td>
<td>5% to 7%</td>
<td>Seasonality consistent with pre-COVID levels</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of sales</td>
<td>5.6% to 6.0%</td>
<td>YoY sales growth consistent between Q1 and Q2</td>
</tr>
<tr>
<td><strong>INCOME TAX</strong></td>
<td></td>
<td>Anniversary Sale shifting back to Q2</td>
</tr>
<tr>
<td></td>
<td>~27%</td>
<td></td>
</tr>
<tr>
<td><strong>EARNINGS PER SHARE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excluding share repurchases, if any</td>
<td>$3.15 to $3.50</td>
<td>EBIT margin improvements vs FY2021 consistent between halves</td>
</tr>
<tr>
<td><strong>LEVERAGE RATIO</strong></td>
<td></td>
<td>Q1 EBIT slightly better than breakeven</td>
</tr>
</tbody>
</table>
OUR ALLOCATION PRIORITIES

1. REINVEST IN THE BUSINESS
   - CAPEX of 3% to 4% of sales
   - Investments primarily in technology and supply chain capabilities

2. REDUCE LEVERAGE
   - Combination of earnings improvement and debt reduction
   - Targeting leverage ratio of ~2.5x by end of FY22

3. RETURN CASH TO SHAREHOLDERS
   - Anticipate being in a position to resume returning cash to shareholders in Q1 ’22

We remain committed to an investment grade credit rating