

# NORDSTROM

## 2021 Impact Report

### Fact Sheet

Nordstrom's 2021 Impact Report highlights our efforts over the past year to give back to our communities, reduce our impact on the environment, cultivate safe workplaces for the people who make our products and strive to provide our employee a great place to work while cultivating a culture of inclusion and belonging. In 2021, we reached two goals and made progress in our key impact areas, some of which are outlined below.

### People

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

- **Inclusive Representation**

- We've improved diversity throughout the company, where women make up 62% of leadership and 40% of our Board of Directors, and people of color comprise 40% of leadership and 30% of our Board.
- Over the past year, we've made improvements in representation in leadership and management roles, with Black representation increasing in both front-line (+3%) and mid-level manager levels (+1%). Latinx leadership also improved in front-line roles (+2%).
- We began by collecting and analyzing data to better understand the current state, what impacts our ability to diversify and how we can eliminate roadblocks to hiring a more representative talent base.
- To support our work, Nordstrom is one of the founding companies of [OneTen](#), a nationwide coalition committed to hiring, promoting and advancing 1 million Black individuals into family-sustaining careers over the next 10 years.
- Enhanced our Ambassador Program, an inclusive mentorship experience for young adults in high school and college, bringing it to the digital space and increasing our reach to 38 states and British Columbia.
- We worked to strengthen the existing framework of our eight existing Employee Resource Groups. To make them more accessible to all employees we implemented a technology platform enabling thousands of store employees across the U.S. and Canada to join, if interested.

- **Community Impact**

- Donated nearly \$11 million to 325 organizations in communities where we do business.
- Donated more than 54,000 cloth face coverings to the Compton Unified School District for a safer school year.
- Donated over \$2 million to 260 organizations through the Community Grants Program to hyperlocal and regional nonprofits supporting the communities where we have stores.
- Made an annual donation of \$135,000 to the Human Rights Campaign. Our investment supports the organization's advocacy on behalf of LGBTQIA+ people, particularly those who are trans, people of color and HIV+. Nordstrom is proud to have maintained a

# NORDSTROM

perfect 100% rating on HRC's Corporate Equality Index since 2005 and to be designated by them as a "Best Place to Work for LGBTQ Equality."

- Following acts of racism and violence in 2020—including the murders of George Floyd and Ahmaud Arbery and the unjust killings of Breonna Taylor and others, we set a goal to double our charitable giving to nonprofit organizations that promote anti-racism. One corporate donation in support of that goal was made to our multiyear partner, the National Urban League, for \$200,000.
- Nordstrom provided \$75,000 in donations to support women's empowerment, including a \$50,000 donation to Care International to support women in supply chains, and a \$25,000 donation to Fashion Makes Change to support their efforts to integrate industry support of Empower@Work across the apparel and footwear industry.
- Gave \$3.6M to 2,871 nonprofits through our Employee Matching Donation program.
- On Giving Tuesday, we implemented a 200% match to amplify our employee's giving and donated over \$850,000 on this single day.
- Donated more than 40,000 pairs of Nike shoes with Shoes That Fit made possible from donations totaling more than \$800,000 from our customers.
- Gave 17,000 children warm winter coats through our holiday partnership with Operation Warm nearly \$450,000 from customers during Holiday to give 17,000 children warm winter coats through our partnership with Operation Warm.
- **Human Rights**
  - We strengthened our Code of Conduct and introduced a forced labor policy to increase human rights protections.
  - Worked across operations to proactively address human rights concerns in apparel production in China

## **PRODUCT**

As a retail company, we understand the role we play in offering products from a diverse range of vendors, including Black- and Latinx-owned, -operated and -designed brands, 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.

- **Diverse Brand Offering**
  - Signed the 15 Percent Pledge and committed to buy 10x more merchandise from Black-owned and founded business by 2030.
  - Added 145 Black- and Latinx- owned, -operated and -designed brands to our assortment.
  - We sold \$177,037,500 in sales from brands owned, operated or designed by Black and Latinx individuals
  - Created Latinx- and Black-owned and -founded shopping categories, and we've begun noting items that are from Asian- and Pacific Islander-owned and -founded brands on our product pages.
  - Partnered with Hilal Ibrahim of Henna & Hijabs to launch our first collection of designer hijabs. They are stylish, sustainably made and designed for breathability and comfort in keeping with the needs and expectations of Muslim women who wear them daily.
  - Launched Concept 012: Black\_Space as part of an ongoing series of pop-up shops in 12 Nordstrom stores and on Nordstrom.com. The pop-up presented a national retail

# NORDSTROM

platform for designers, creatives and thought leaders as well as an immersive shopping experience for products developed, designed and curated by Black creatives including Beth Birkett, Harris Elliott, Matthew Henson, Marcus Paul and Azza Yousif.

- **Transparency**
  - Disclosed traceability to the factory for 87% of Nordstrom Made products.
  - Produced nearly 45% of Nordstrom Made products in factories that invest in women's empowerment training.
- **Sustainability and Giveback**
  - 1.12% of our total assortment was made up of more sustainable products that qualify for Sustainable Style.
  - Raised more than \$2 million to support homeless youth through sales of Treasure & Bond products.

## 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 goals to address climate change and are working to reduce waste and responsibly use water and natural resources.

- **Circularity**
  - Met our goal to help customers extend the life of 250 tons of clothing through donation, resale and refurbishment
  - Took back 5.99 tons of beauty packaging, roughly 56,717 items recycled, through our BEAUTYCYCLE program and won Good Housekeeping's 2021 Sustainability Innovation Award. Expanded the program to Canada.
  - Kept 293 tons of clothing out of landfills through donation, resale or refurbishment.
  - Collected over 46 tons of clothing, shoes and accessories in 13 stores and through our mail-in program with Give Back Box, and we're working to expand our in-store donation program to additional stores and markets in 2022
  - Donated \$140,000 to FABSCRAP, a nonprofit recycling, reusing and reselling pre-consumer textile waste from the fashion and design industries.
- **Climate and Water**
  - Met our goal to contribute \$250,000 in corporate donations to help slow and prevent climate change.
  - Joined the Clean Energy Buyers Association (CEBA), a community of nearly 300 energy customers and partners committed to achieving a 90% carbon-free U.S. electricity system by 2030.
  - Donated \$200,000 to the Clean Air Task Force, a global nonprofit organization working to catalyze the rapid development and deployment of low-carbon energy and other climate-protecting technologies.
  - We partnered with Forterra to offset our Puget Sound store emissions for 2021 through the Evergreen Carbon Capture Program.
- **Waste**

# NORDSTROM

- Sourced new, thinner poly mailers with 50% recycled content, an increase from 30% recycled content in the old bags. Reducing the bags' thickness from 3.0 mil to 2.0 mil results in an estimated 192-ton reduction annually.
- Began requiring our NPG suppliers to use polybags made of at least 50% recycled content. In 2022, we're declaring a standard for our manufacturing partners to use polybags made of 100% recycled plastic.
- Provided \$100,000 to Homeboy Industries, a Los Angeles-based social enterprise and the world's largest gang rehabilitation and re-entry program to support the incubation of a clothing and textile recycling service.
- Shifting to using to-go food containers that are fully compostable in 180 days in commercial composting facilities in our restaurants, and 25% of the supplier's profits are donated to grassroots social and environmental organizations and to offset their carbon emissions.
- Replacing plastic to paper bags for to-go orders, committing to sourcing strawless lids for cold-beverage cups in our Ebars and investigating alternative materials to replace plastic cups for cold drinks altogether.