NORDSTROM

Our Diversity, Inclusion and Belonging Goals

<u>TALENT</u>

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 <u>Customer Bill of Rights</u> 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 multi-year corporate partnership with the <u>National Urban League</u>, 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.

We know we have a lot of ways we can improve as we strive to be a better, more inclusive and antiracist company for our customers, partners, employees 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.