

Corporate Human Rights Benchmark 2018 Company Scoresheet



Company Name Nordstrom
Industry Apparel (Supply Chain and Own Operations)
Overall Score (*) 8.0 out of 100

Theme Score	Out of	For Theme
0.2	10	A. Governance and Policies
3.1	25	B. Embedding Respect and Human Rights Due Diligence
0.8	15	C. Remedies and Grievance Mechanisms
1.5	20	D. Performance: Company Human Rights Practices
1.6	20	E. Performance: Responses to Serious Allegations
0.8	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2018 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: General HRs commitment: Though the company refers to HR especially with regards to its partners, there is no specifically stated commitment to HR of the company (not expectation from partners) • Not met: UNGC principles 1 & 2 • Not met: UDHR • Not met: International Bill of Rights Score 2 <ul style="list-style-type: none"> • Not met: UNGPs • Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: ILO Core: Though the company specifically applies ILO core to supplier, there appears to be no publically available document specifically committing Nordstrom itself [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: UNGC principles 3-6: As above [Partnership Guideline, June 2018: shop.nordstrom.com] • Met: All four ILO for AP suppliers: Nordstrom's Partnership Guidelines state that it expects all its business suppliers to comply with the International Labor Organization (ILO) Conventions and the United Nations (UN) Guiding Principles on Business and Human Rights. [Partnership Guideline, June 2018: shop.nordstrom.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not met: All four ILO Core [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Respect H&S of workers: There is no there appears to be no publically available document specifically committing Nordstrom itself [Partnership Guideline, June 2018: shop.nordstrom.com] • Met: H&S applies to AP suppliers: Nordstrom's Partnership Guidelines require its suppliers to 'provide safe, hygienic, and healthy working conditions'. [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: working hours for employees: Nordstrom's Partnership Guidelines refers suppliers to ILO Convention 14 on working hours, but there appears to be no publically available information specifically detailing employees working hours. • Not met: Working hours for AP suppliers: Nordstrom's Partnership Guidelines refers suppliers to ILO Convention 14 on working hours, although the stated policy makes a less rigid commitment that workers 'should' be allowed one day off in seven. [Partnership Guideline, June 2018: shop.nordstrom.com]
A.1.3.AP	Commitment to respect human rights particularly relevant to the industry (AP)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Women's Rights: The company does not appear to make specific policy commitments to women's rights. • Not met: Children's Rights: The company does not appear to make specific policy commitments to children's rights, although its Partnership Guidelines refer its business suppliers to ILO Conventions 138 and the UN Convention on the Right of the Child. [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Migrant worker's rights: The company does not appear to make any specific policy commitments to migrant workers' rights. (Although its Partnership Guidelines state it will not do business with any supplier using force labour). [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Expecting suppliers to respect these rights: The company states in its CSR report that it requires all its suppliers to adhere to its Partnership Guidelines (as well as local laws) which include standards for workers' rights. The Guidelines include specific guidance on child labour but do not make clear commitments on women's' rights or the rights of migrant workers. [Partnership Guideline, June 2018: shop.nordstrom.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: CEDAW/Women's Empowerment Principles: The company does not appear to make specific policy statements regarding CEDAW or the Women's Empowerment Principles. • Not met: Child Rights Convention/Business principles: The company does not appear to make specific policy statements but its Partnership Guidance refers its business suppliers to Refer to ILO Conventions 138 and the UN Convention on the Rights of the Child. [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Convention on migrant workers: The company does not appear to make specific policy statements regarding the rights of migrant workers. • Not met: Respecting the right to water: The company does not appear to make specific policy statements regarding respecting the right to water, though its CSR report contains targets for reducing water use and its Partnership Guidelines require business suppliers to have environmental policies that include minimising water pollution. [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Expecting suppliers to respect these rights
A.1.4	Commitment to engage with stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement: The company does not appear to make specific commitments to stakeholder engagement, but its human rights commitments includes 'empowering factory workers' and promotes its partnership with bodies such as the Alliance for Bangladesh Worker Safety, which claims to carry out surveys to "identify worker needs". [Human Rights & Factory Partners, June 2018: shop.nordstrom.com] • Not met: Regular stakeholder engagement: The company's human rights commitments include having "independent, third-party monitoring companies to conduct regular social and labour audits" at its business suppliers, but it is unclear to what extent these entails multi-stakeholder engagement. [Human Rights & Factory Partners, June 2018: shop.nordstrom.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Commits to remedy: The company makes no explicit commitment to remedy human rights concerns, but states that it will 'work with the factory to create and implement a corrective action plan' where issues that are in conflict with its Partnership Guidelines are flagged up. [Human Rights & Factory Partners, June 2018: shop.nordstrom.com] Score 2 <ul style="list-style-type: none"> Not met: Not obstructing access to other remedies Not met: Collaborating with other remedy initiatives Not met: Work with AP suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Zero tolerance attacks on HRs Defenders (HRDs) Score 2 <ul style="list-style-type: none"> Not met: Expects AP suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: CEO or Board approves policy: Though the Co Presidents of the company signed the 216 CSR report, the company HR policy only includes safe and healthy work environments; Support worker empowerment and education programs' which does not suffice. Not met: Board level responsibility for HRs Score 2 <ul style="list-style-type: none"> Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Board/Committee review of salient HRs Not met: Examples or trends re HR discussion Score 2 <ul style="list-style-type: none"> Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Incentives for at least one board member Not met: At least one key AP HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Senior responsibility fo HR (inc ILO) Score 2 <ul style="list-style-type: none"> Not met: Day-to-day responsibility Not met: Day-to-day responsibility in supply chain
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Senior manager incentives for human rights Not met: At least one key AP HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: HR part of enterprise risk system: Though it is stated in its risk factors that ' if we fail to comply with applicable laws and regulations or implement responsible business, social, environmental and supply chain practices, we could be subject to damage to our reputation' there is no explicit mention of HR and therefore this is not sufficient to get this score. [Form K-10, March 2018: phx.corporate-ir.net]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Communicates its policy to all workers in own operations Score 2 • Not met: Communication of policy commitments to stakeholder • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: Steps to communicate policy commitments to BRs: In the website in number of reference this statement is written: "Nordstrom seeks vendor partners who share our commitment to producing quality products through the use of ethical business practices. Every company we work with receives a copy of our Partnership Guidelines, which outline the requirements we have for our vendor partners around employment practices, workers' rights, environmental standards and work environments. " [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Including to AP suppliers: On its website the company states: "Nordstrom seeks vendor partners who share our commitment to producing quality products through the use of ethical business practices. Every company we work with receives a copy of our Partnership Guidelines, which outline the requirements we have for our vendor partners around employment practices, workers' rights, environmental standards and work environments." However, there is no information about cascading to 2nd tier subcontractors. [Partnership Guideline, June 2018: shop.nordstrom.com] Score 2 • Met: How HR commitments made binding/contractual: In its web page which describes its partnership expectations, the company states that its suppliers need to comply with ILO, and UNGP. Also, in its purchase order which is the contract, the company includes ILO core in it. [NORDSTROM PURCHASE ORDER TERMS AND CONDITIONS, June 2018: nordstromsupplier.com] • Not met: Including on AP suppliers: Though the website explains how the company communicates with its suppliers, there is no indication of cascading it down the supply chain and therefore they do not meet this lock.
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Trains all workers on HR policy commitments • Not met: Trains relevant managers including procurement Score 2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Monitoring implementation of HR policy commitments: Since the company does not indicate that ILO applies to its own operations, it cannot be awarded this point. • Met: Monitoring AP suppliers: In the 2016 CSR report, the company describes its third party audits which include '[audits] are helpful in revealing the range of challenges factories are facing, from minor health and safety findings to critical issues like child labor or long overtime hours'. [SHARING OUR PROGRESS 2016 CORPORATE SOCIAL RESPONSIBILITY REPORT, 2016: i.nordstromimage.com] Score 2 • Not met: Describes corrective action process • Not met: Example of corrective action • Not met: Discloses % of supply chain monitored
B.1.7	Engaging business relationships	1.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: HR affects selection of suppliers: The company states that all their "New suppliers that produce Nordstrom private-label goods agree to adhere to the Nordstrom Partnership Guidelines through confirmation and acknowledgement exercises" [California Transparency in Supply Chains Act, June 2018: shop.nordstrom.com] • Met: HR affects on-going supplier relationships: The company indicates that is will not conduct any business with any supplier that uses involuntary labor of any kind, and if there are any finding in the assessments " we end any relationship or potential relationship with the supplier." [Partnership Guideline, June 2018: shop.nordstrom.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirement under score 1 met: The company sends periodic communication to suppliers making them aware of new laws or revisions to existing ones. [California Transparency in Supply Chains Act, June 2018: shop.nordstrom.com] • Not met: Working with suppliers to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Stakeholder process or systems • Not met: Frequency and triggers for engagement • Not met: workers in the SP engaged • Not met: communities in the SC engaged <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifying risks in own operations • Not met: Identifying risks in AP suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Action Plans to mitigate risks: The company stated that the internal Nordstrom's Internal Audit Department conducts risk assessments through internal audits to identify areas of potential risk in Nordstrom's direct supply chain. When potential risks are identified, a course of action is determined to best address them. The risk assessment includes additional focus on monitoring for human trafficking and slavery risks within the supply chain. [California Transparency in Supply Chains Act, June 2018: shop.nordstrom.com] • Not met: Example of Actions decided • Met: Including in AP supply chain: The company disclose how it integrates and acts on the finding of the audits carried out in the supply chain [SHARING OUR PROGRESS 2016 CORPORATE SOCIAL RESPONSIBILITY REPORT, 2016: i.nordstromimage.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Including AP suppliers

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: As the company explains in its 2015 CSR report: 'We've always provided tools, such as grievance hotlines, for factory workers to voice concerns or complaints directly to our NPG Social Responsibility team, and in 2016 we will be investigating ways to make that access even easier, where possible.' HRs issues are covered in the Company's Partnership Guidance which are applicable to all partners. Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • Not met: Expect AP supplier to have equivalent grievance systems • Not met: Opens own system to AP supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Grievance mechanism for community Score 2 <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects AP supplier to have community grievance systems • Not met: AP supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this Score 2 <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AP suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Response timescales • Not met: How complainants will be informed Score 2 <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Public statement prohibiting retaliation • Not met: Practical measures to prevent retaliation Score 2 <ul style="list-style-type: none"> • Not met: Has not retaliated in practice • Not met: Expects AG suppliers to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights Score 2 <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.1.a	Living wage (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Living wage target timeframe • Not met: Describes how living wage determined <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Achieved payment of living wage • Not met: Regularly review definition of living wage with unions
D.2.1.b	Living wage (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Living wage in supplier code or contracts: Though the company states in the Partnership Guidelines 'that Employers must pay at least the minimum wage, the industry wage or the wage negotiated in a collective agreement, whichever is higher', with regards to suppliers, it encourages them to 'pay workers a wage that meets basic needs and provides discretionary income'. • Not met: Improving living wage practices of suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.2.2	Aligning purchasing decisions with human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Avoids business model pressure on HRs • Not met: Positive incentives to respect human rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.2.3	Mapping and disclosing the supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifies suppliers back to product source (farm, ranch etc): Though the company provides a map with the 30 countries where its suppliers were located in 2016, there is no detail on whether it including indirect suppliers and it does not provide details on what tier it covers. [SHARING OUR PROGRESS 2016 CORPORATE SOCIAL RESPONSIBILITY REPORT, 2016: i.nordstromimage.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Discloses significant parts of supply chain and why: The company provides a list with its top five Nordstrom Product Group (NPG) suppliers by volume but it does not explain what are the most significant parts of its supply chain [SHARING OUR PROGRESS 2016 CORPORATE SOCIAL RESPONSIBILITY REPORT, 2016: i.nordstromimage.com]
D.2.4.a	Child labour: Age verification and corrective actions (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Does not use child labour • Not met: Age verification of applicants and workers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remediation if children identified
D.2.4.b	Child labour: Age verification and corrective actions (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Child Labour rules in codes or contracts: Though the company states that Factories will not employ anyone: under the age of 15, under the minimum age as established by applicable law in the country of manufacture, under the age of completing compulsory education, whichever is older, there is no information on age verification • Not met: How working with suppliers on child labour <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.5.a	Forced labour: Debt bondage and other unacceptable financial costs (in own production or manufacturing operations)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Pays workers in full and on time: The company explicitly says that it is 'committed to paying employees accurately, including only making legally permissible deductions from employees' pay'. However, this does not suffice to be awarded the point as it still could put someone in bonded conditions depending on what is considered legal in that country. [Code of Business and Conduct and Ethics, 0517: investor.nordstrom.com] • Met: Payslips show any legitimate deductions: The company asks employees to review their payslips '.... We encourage you to review your payslips each pay period to ensure they are correct' - this could be evidence to the existence of payslips. [Code of Business and Conduct and Ethics, 0517: investor.nordstrom.com] Score 2 <ul style="list-style-type: none"> • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters
D.2.5.b	Forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Debt and fees rules in codes or contracts • Not met: How working with suppliers on debt & fees Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.2.5.c	Forced labour: Restrictions on workers (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Does not retain documents or restrict movement Score 2 <ul style="list-style-type: none"> • Not met: How sure about agencies or brokers
D.2.5.d	Forced labour: Restrictions on workers (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Free movement rules in codes or contracts [Code of Business and Conduct and Ethics, 0517: investor.nordstrom.com] • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters: Though the company prohibits suppliers to restrict workers movement or to be required to lodge "deposits" or identity papers upon commencing employment', it is only mentioned as a restriction on suppliers, not its own staff. [Partnership Guideline, June 2018: shop.nordstrom.com] Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.2.6.a	Freedom of association and collective bargaining (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation • Not met: Discloses % covered by collective bargaining Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
D.2.6.b	Freedom of association and collective bargaining (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: FoA & CB rules in codes or contracts: The company Partnership Guideline it states that "Suppliers will respect workers' rights to freedom of association and collective bargaining. Refer to ILO Conventions 87, 98, and 154." [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: How working with suppliers on FoA and CB Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.7.a	Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Injury Rate disclosures • Not met: Lost days or near miss disclosure • Not met: Fatalities disclosures Score 2 <ul style="list-style-type: none"> • Not met: Set targets for H&S performance • Not met: Met targets or explains why not
D.2.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Sets out clear Health and Safety requirements: The company requires its suppliers to provide safe, hygienic, and healthy working conditions. This includes written standards that comply with local laws. This includes safety standards related to building structure, electrical safety, fire safety, chemical safety, sanitation, emergency preparedness, first aid, personal protective equipment and other safety policies. Refer to ILO Convention 187. [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Injury rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosures Score 2 <ul style="list-style-type: none"> • Met: How working with suppliers on H&S: The company uses technology to share information, tools and resources with factories. 2016 was the second year they provided factories with an eLearning program to educate leaders on our standards and guidelines. Topics in the training include among other things implementing health and safety management systems. • Met: Provide analysis of trends in progress made: In 2016 , 61 factories received this course and In 2017,they plan to reach 200 factories with this program, engaging several managers within each factory.
D.2.8.a	Women's rights (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Process to stop harassment and violence • Not met: Working conditions take account of gender • Not met: Equality of opportunity at all levels Score 2 <ul style="list-style-type: none"> • Not met: Meets all of the requirements under score 1
D.2.8.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Women's rights in codes or contracts • Not met: How working with suppliers on women's rights Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Provide analysis of trends in progress made
D.2.9.a	Working hours (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Respects max hours, min breaks and rest periods in its own operations Score 2 <ul style="list-style-type: none"> • Not met: How it implements and checks this
D.2.9.b	Working hours (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Working hours in codes or contracts • Not met: How working with suppliers on working hours: Though the company has guidelines for suppliers, the language used is not binding - "Workers' hours should not extend past 60 hours per week or above the local law. All overtime work must be voluntary and at a compensated rate per local law. Workers should be allowed one day off in seven. Refer to ILO Convention 14." [Partnership Guideline, June 2018: shop.nordstrom.com] Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met [Partnership Guideline, June 2018: shop.nordstrom.com] • Not met: Provide analysis of trends in progress made

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity thresholds were found, and so the score of 6.42 out of 80 points scored in themes A-D & F has been applied to produce a score of 1.60 out of 20 points for theme E.

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	0.83 out of 4	Out of a total of 48 indicators assessed under sections A-D of the benchmark, Nordstrom made data public that met one or more elements of the methodology in 10 cases, leading to a disclosure score of 0.83 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Not met: Company reports on GRI • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	Nordstrom met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly <ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.2.1.a : Living wage (in own production or manufacturing operations) • Not met: Score 2 for D.2.7.a : Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2018 Key Findings report for more details of the research process.

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As CHR B Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.