

Company Name Nordstrom
Industry Apparel (Supply Chain and Own Operations)
UNGP Core Score (*) 11.5 out of 26

Score	Out of	For indicators
Governance and Policy Commitments		
2	2	A.1.1 Commitment to respect human rights
1.5	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding respect and Human Rights Due Diligence		
Embedding respect		
2	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
1.5	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0.5	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
Remedies and Grievance Mechanisms		
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
1.5	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
11.5	26	

(*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note 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 2020 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

Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	<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: General HRs commitment: The Company commits to respect 'all human rights, as articulated in the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work', according to its Human Rights Commitment document. [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] • Met: UDHR: See above <p>Score 2</p> <ul style="list-style-type: none"> • Met: UNGPs: See above
A.1.2	Commitment to respect the human rights of workers	1.5	<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: ILO Core: The Company commits to respect 'all human rights, as articulated in the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work', according to its Human Rights Commitment document. [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] • Met: Explicitly list 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. It specifically mentions provisions against child labour, forced labour, and discrimination. With respect freedom of association and collective bargaining, the Company indicates: 'Suppliers will respect workers' rights to freedom of association and collective bargaining. Refer to ILO Conventions 87, 98, and 154.' [Partnership Guidelines, N/A: shop.nordstrom.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core: The Company has explicitly only mentioned equal opportunity in its Human Rights Commitment. [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] • Not met: Respect H&S of workers: There is no commitment to respect the health and safety of workers. [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] • Met: H&S applies to AP suppliers: Nordstrom's Partnership Guidelines require its suppliers to 'provide safe, hygienic, and healthy working conditions'. [Partnership Guidelines, N/A: shop.nordstrom.com] • Not met: working hours for workers: There is no commitment to respect labor standards on working hours of their workers. [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] • 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 Guidelines, N/A: shop.nordstrom.com]
A.1.4	Commitment to engage with stakeholders	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: Regular stakeholder engagement: The Company states in its latest report that it is 'committed to stakeholder engagement as part of our audit process'. In the 2018 report it indicates that 'we regularly audit our factory partners to support their compliance with our Partnership Guidelines. We are committed to stakeholder engagement as part of our audit process. During every audit, 20% of factory employees, or at least 20 total employees, are invited to provide confidential feedback about their working conditions through interviews'. [2019

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Corporate Social Responsibility Report, 07/2020: press.nordstrom.com & 2018 Corporate Social Responsibility report, 2019: investor.nordstrom.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement: The Company works with Better Work, and takes 'part in quarterly calls with country managers to understand systemic challenges that may arise in certain countries, which enables us to understand the different local contexts that impact the workers and the factory management.' Additionally, it works with 'BSR's HERproject, a women's empowerment initiative that strives to empower low-income supply chain workers. Through these programs, we're able to receive and respond to more feedback and input from the people who work in factories where our products are made. This stakeholder engagement is helping us design a better social responsibility program over time'. However, it is not clear if the Company regularly engages with affected stakeholders and/or their legitimate representatives in the design or monitoring of its human rights approach. [Human Rights website, N/A: nordstrom.com]
A.1.5	Commitment to remedy	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 remedy: The company makes no explicit commitment to remedy human rights concerns, but states that 'we support human rights in Nordstrom Product Group's supply chain through social compliance audits, factory remediation efforts, management trainings, and worker empowerment programs'. [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] <p>Score 2</p> <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: The Company disclosed that 'When issues are found during an audit, our team works with factories to develop and implement a remediation plan, along with a timeline for change. Most issues found in audits are minor health and safety issues, which can be remedied quickly. For example, if the auditor finds that boxes are blocking an aisle, this issue can be resolved within 24 hours. If we learn that wage records do not separate standard hours from overtime hours or other benefits, we create a remediation and continuous improvement plan to ensure all hours worked are recorded, with types of pay and benefits itemized accurately.' However, no commitment found to work with suppliers to remedy through suppliers own mechanisms or collaborating with those business relationships on the development of third party non-judicial remedies. Evidence seems to refer to the context of remedy non-compliances found during audits. [Human Rights website, N/A: nordstrom.com]

Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	2	<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: Commits to ILO core conventions: See indicator A.1.2. The Company is committed to each ILO core • Met: Senior responsibility for HR: In its HR Commitment the Company indicates: 'oversight and responsibility for the implementation of this policy rests with three teams: Our Corporate Social Responsibility team, led by the Vice President of Corporate Affairs, maintains this policy and manages collaboration on its continued updates and evolution, based on industry best practices and stakeholder expectations; Our Human Resources team, led by the Chief Human Resources Officer, is responsible for the rights of our employees; Our NPG Social Responsibility team, led by the Vice President of NPG Sourcing and Supply Chain, is responsible for human rights in our private-label supply chain. NPG SR collaborates with CSR on human rights issues related to our brand suppliers. Representatives from these three teams meet at least once a year to review this policy, and we publicly share our CSR activities in our Sharing Our Progress report and on NordstromCares.com.' [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Day-to-day responsibility: See above [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] • Met: Day-to-day responsibility for AP in supply chain: See above [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	1.5	<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: Identifying risks in own operations: The Company indicates that 'We work across our business and with external experts and partners to identify and prioritize risks and opportunities related to our social responsibility and environmental sustainability impacts in our operations and in our supply chain, including with our suppliers and their employees. We conduct materiality assessments and other risk assessments regularly, with input from human rights and sustainability experts, customers, employees and other stakeholders. We assess new risks and opportunities as circumstances arise and as we continue to learn more about the global impact of our business and our industry'. [Human Rights website, N/A: nordstrom.com] • Met: Identifying risks in AP suppliers: See above [Human Rights website, N/A: nordstrom.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Ongoing global risk identification: As indicated above, the Company a 'conducts materiality assessments and other risk assessments regularly'. [Human Rights website, N/A: nordstrom.com] • Met: In consultation with stakeholders: While the Company indicates it consults 'other stakeholders', including employees and suppliers. [Human Rights website, N/A: nordstrom.com] • Not met: In consultation with HR experts: The Company indicates that has inputs from human rights and sustainability experts. However, no further details found. [Human Rights website, N/A: nordstrom.com] • Not met: Triggered by new circumstances: The Company assesses 'new risks and opportunities as circumstances arise and as we continue to learn more about the global impact of our business and our industry.' However, it is unclear if human rights risk identification is triggered by new circumstances. [Human Rights website, N/A: nordstrom.com]
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): The Company works 'across our business and with external experts and partners to identify and prioritize risks and opportunities related to our social responsibility and environmental sustainability impacts in our operations and in our supply chain, including with our suppliers and their employees. We conduct materiality assessments and other risk assessments regularly, with input from human rights and sustainability experts, customers, employees and other stakeholders. We assess new risks and opportunities as circumstances arise and as we continue to learn more about the global impact of our business and our industry.' However, no details found on how the process takes factors into account to determine saliency, such as geographical, economic, social and/or others. [Human Rights website, N/A: nordstrom.com] • Not met: Public disclosure of salient risks: The Company states that 'Through our Human Rights Commitment and our Nordstrom Partnership Guidelines, we're taking steps to manage risks, including forced labor, harassment and abuse, discrimination, wages and benefits, hours and overtime, child labor and young workers, health and safety, fire and building safety, freedom of association, grievance mechanisms, subcontracting and more.' However, these seems to relate to material issues contained in its policies, rather than salient risks obtained through a risk assessment, taking into account factors that could affect operations in different locations. [Human Rights website, N/A: nordstrom.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	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: 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. However, this evidence seems to refer to the supply chain. This indicator looks for evidence of action plans to mitigate the specific salient human rights issues/risks that the Company faces through its own operations. Additionally, on the Human Rights section of its website, it states 'As a first step toward sustainable change for systemic issues, and to mitigate human rights risks in our supply chain, we conduct semi-announced audits of the factories that make NPG products to ensure compliance with our Partnership Guidelines. [...] When issues are found during an audit, our team works with factories to develop and implement a remediation plan, along with a timeline for change.' However, this seems to be about compliance audits, and not action plans with a risk approach to mitigate risks considered salient. [California Transparency in Supply Chains Act, N/A: shop.nordstrom.com & Human Rights website, N/A: nordstrom.com] • Not 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. The Company reports that of all audits, 62% of findings have been fully remediated, 24% of findings are pending, while factories implement plans to address issues, and 14% of findings represent issues that are systemic in nature and will take longer to remediate. However this indicator does not look for corrective action plans for specific suppliers as consequence of monitoring compliance, but for broader action plans to mitigate the different human rights risks that it faces in the supply chain. [2019 Corporate Social Responsibility Report, 07/2020: press.nordstrom.com] • Not met: Example of Actions decided: The Company states that 'Through our Human Rights Commitment and our Nordstrom Partnership Guidelines, we're taking steps to manage risks, including forced labor, harassment and abuse, discrimination, wages and benefits, hours and overtime, child labor and young workers, health and safety, fire and building safety, freedom of association, grievance mechanisms, subcontracting and more.' However, no example of actions decided to mitigate any of these specific issues following a risk-based approach. [Human Rights website, N/A: nordstrom.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	0.5	<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: Comms plan re identifying risks: See indicator B.2.1. The Company reports in relation to its global identification process including own operations and supply chain. [Human Rights website, N/A: nordstrom.com] • Not met: Comms plan re assessing risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2 • Not met: Comms plan re action plans for risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.3 • Not met: Comms plan re reviewing action plans • Not met: Including AP suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1 <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns: The Company communicates 'risks, feedback and progress using channels that are relevant for a given stakeholder group.' It goes on to explain the channels of communication used for the Board of Directors, customers, and suppliers and other business partners. However, it is unclear how it communicates externally in response to affected stakeholders concerns raised. [Human Rights website, N/A: nordstrom.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			• Not met: Ensuring affected stakeholders can access communications

Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<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: Channel accessible to all workers: The Company states that 'Nordstrom has an open-door philosophy for asking questions or sharing concerns. Beyond that, employees who are concerned about potential violations of our Code of Business Conduct and Ethics can contact the HR Service Centre, or share concerns anonymously through our ethics website and hotline. Any concerns are addressed through an internal process, and we update our policies and practices as needed, based on our findings'. [Nordstrom Human Rights Commitment, 11/2018: n.nordstrommedia.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved: 'Our employees, customers, suppliers, agents and communities have access to our anonymous ethics hotline, which is accessible in more than 80 languages. In 2019, we received 243 submissions and closed 163 of them. The remainder are active/ongoing.' However, it is unclear how many of the grievances filed had to do with human rights issues and how many were addressed or resolved. [Human Rights website, N/A: nordstrom.com] • Met: Channel is available in all appropriate languages: The Company's 'employees, customers, suppliers, agents and communities have access to our anonymous ethics hotline, which is accessible in more than 80 languages'. [Human Rights website, N/A: nordstrom.com & Ethics Point, N/A: secure.ethicspoint.com] • Met: Opens own system to AP supplier workers: The Company's 'employees, customers, suppliers, agents and communities have access to our anonymous ethics hotline'. [Human Rights website, N/A: nordstrom.com]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1.5	<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: Grievance mechanism for community: The Company's 'employees, customers, suppliers, agents and communities have access to our anonymous ethics hotline, which is accessible in more than 80 languages'. [Human Rights website, N/A: nordstrom.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes accessibility and local languages: See above. Additionally, the Ethics Point website is available to file grievances online. [Human Rights website, N/A: nordstrom.com & Ethics Point, N/A: secure.ethicspoint.com] • Not met: Expects AP supplier to have community grievance systems • Not met: AP supplier communities use global system: The Company's 'employees, customers, suppliers, agents and communities have access to our anonymous ethics hotline'. However, it not clear if this is open to communities where suppliers operate. [Human Rights website, N/A: nordstrom.com]
C.7	Remedying adverse impacts and incorporating lessons learned	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: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found.

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 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, 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.

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