

# NORDSTROM

## SHARING OUR PROGRESS 2010

When it comes to our social responsibility efforts at Nordstrom, we hold ourselves accountable by setting goals and by demonstrating our progress toward meeting those goals. This allows us to not only recognize our accomplishments but to also identify opportunities for continuous improvement. You will find our 2010 Progress Report below.

### GOALS

### 2010 RESULTS

### 2011 FOCUS

#### RECYCLING

Reduce total waste sent to landfills and/or incinerators by recycling plastic, glass, metal, paper, corrugated cardboard and organic waste.

#### MADE PROGRESS BUT BELOW TARGET

We didn't meet the higher goal we set in this area but we still had strong results, which we attribute to our successful nationwide recycling program. Our Fulfillment and Distribution Centers each had a 98% waste diversion rate, and our Rack stores had a 83% rate. Though 41% percent of our stores participated in composting programs to recycle organic waste from our restaurants and specialty coffee bars, we faced challenges with the organic waste/recycling infrastructures in certain markets where our locations exist.

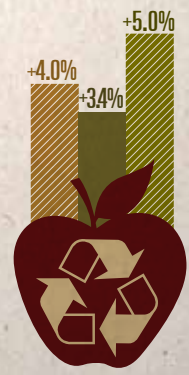
We'll hold ourselves to a high goal for waste diversion again in 2011. We see opportunity for improvement in recycling rates at our full-line stores, in new store and remodeling construction and in our corporate facilities. We're already seeing progress related to the organic waste challenges we've faced in certain municipalities and hope to achieve an increase in this area next year.

2010 Target 2010 Results 2011 Target



#### INCREASED RECYCLING RATES

Percentage of total waste diverted from landfills and/or incinerators and into recycling streams.



#### INCREASED ORGANICS RECYCLING

Percentage of total organic (food) waste from our restaurants recycled into composting programs.

#### ENERGY

Reduce energy consumption through more efficient technologies, elimination of excess energy use, creation of streamlined processes and researching alternative energy sources.

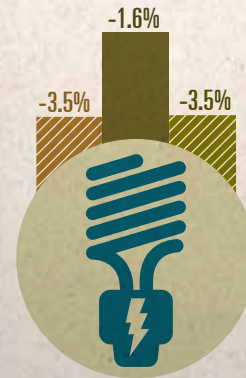
#### MADE PROGRESS BUT BELOW TARGET

Because we saw a significant reduction in our energy consumption in 2009, we expected that we might not see the same high results in 2010. Regardless, we aimed for a high goal and even though we didn't meet it, we are pleased with the 1.6% reduction we achieved.

Continued focus on things like lighting conversions (replacing older bulbs with energy efficient ones) and updating energy management circuitry are helping us create reductions. Our goal is that the efforts that we're undertaking now lead to another large reduction in 2011.

#### REDUCED ENERGY USAGE

With energy efficiency measures in place and additional savings efforts underway, we've set a goal to further reduce our annual energy usage per store square foot year over year.



2010 Target  
2010 Results  
2011 Target

#### TRANSPORTATION

Reduce carbon dioxide (CO2) emissions through improved fleet fuel economy, carton delivery optimization, and reduced air freight.

#### MADE PROGRESS BUT BELOW TARGET

Again, we set a high goal for ourselves, and while we didn't reach it, we feel good about our accomplishments. We had a 5% improvement over last year's miles per gallon results largely due to us replacing older tractors with new and improved equipment. During the summer months we hit a high of 7.41 mpg, but the winter months continue to present challenges.

In 2011 we will make additional progress as we replace older trucks with more fuel-efficient rigs. In addition, aerodynamic devices installed on all over-the-road and select store delivery trailers will help deliver better miles per gallon. We set another high goal for ourselves in 2011 but feel good about the possibility of achieving it.

#### INCREASED FUEL EFFICIENCY

By increasing miles per gallon savings we are reducing the impact of carbon dioxide (CO2) emissions.



2010 Target  
2010 Results  
2011 Target

Average MPG for store deliveries and over-the-road deliveries

**GOALS**

**2010 RESULTS**

**2011 FOCUS**

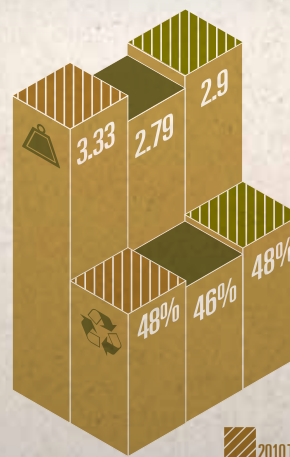
**PAPER & PACKAGING**

Reduce consumption of paper and packaging and increase recycled content in forest products we use (paper, corrugated cardboard, shopping bags, gift boxes, catalogs and collateral).

**ON TARGET**

Reductions in corrugate purchases helped us achieve significant decreases in the tonnage of paper and packaging we used. Also, a concerted focus on recycling (see recycling section above) has proved successful. We narrowly missed our goal for increasing the percentage of recycled content of total paper purchases due to changes in our paper stock selection and an increase in the number and types of boxes used for store-to-store and customer shipping.

Packaging – both for internal and external shipping – continues to be a big focus area for us, and we continue to look for opportunities to implement solutions in that area. Outside of our internal efforts, during 2011 we'll kick off focused vendor supplier packaging efforts with our vendor partners. This will create a baseline with our partners that will move us closer to our goal of identifying areas for incorporating reduction and sustainable materials into their future production.



**PAPER PRODUCTS USAGE**

We've made strides to reduce our paper consumption per \$1 million of sales but still have work to do. In the paper we purchase, we continue to increase the percentage of recycled content it contains.



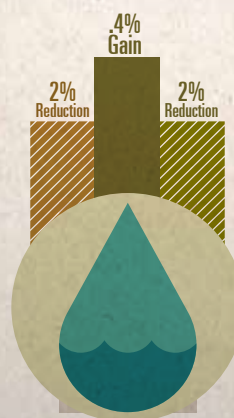
**WATER**

Practice clean and responsible water use in our operations by decreasing demand in our stores, headquarters, and all our facilities, and by encouraging our supply chain partners to adopt more efficient methods and processes.

**BELOW TARGET**

In 2009, we did not have good baseline information in place on our water use, so we used 2010 as a year to establish an even better reporting baseline and identify areas for improvement. With better monitoring in place in 2010, we actually saw a minimal increase in the total water usage in our facilities over the 2009 reduction.

We still have plenty of work to do in this area and will keep holding ourselves to a high standard. We will continue to sub-meter and monitor our facilities so we can spot issues such as leaks in our irrigation systems, boiler rooms or flush valves and more quickly react to solve them and minimize water waste. We will also continue to look for opportunities to work with our supply chain partners through our own and other collaborative efforts, such as the Sustainable Apparel Coalition.



**REDUCED WATER USAGE**

By reducing demand and identifying wasteful practices, we are working to achieve a total reduction in water usage year over year.



**NATURAL AND ORGANIC FOOD OFFERINGS**

Find alternative, sustainable cleaning solutions and increase the use of organic and sustainably produced food products in our restaurants.

**BELOW TARGET**

We did not meet our target goal of 25 (out of a possible 25 points) on the Nordstrom Food Index Rating\*. One of the reasons is because we were unable to complete our conversion to an all Fair Trade coffee offering. However, we did make progress in many other areas: all of our eggs are cage free and organic; we now only use organic spinach, tomatoes and herbs (unless availability and quality preclude us from doing so); and all of the turkey we use comes only from CAK suppliers.

We're looking to increase our Fair Trade and now Direct Trade coffee and focus on sustainable food options with buying local as a priority. We're always expanding our organic offerings (produce remains an emphasis), but we're looking farther into our menu – for example, we will soon be able to offer all organic pizza dough. We remain committed to finding vendors who can provide us with CAK pork and chicken.



**NATURAL AND ORGANIC FOOD OFFERINGS**

We are providing our customers with more natural and organic food choices that are produced using sustainable practices.

\*Our Nordstrom Food Index Rating, a zero to 25 point weighted system, measures progress in providing healthier food choices that are produced with greater social and environmental benefits. Scoring for each of the four priority food categories (use of rBGH-free dairy, organics, trans fat-free food, 100% Fair Trade tea and coffee offerings) is based on the percentage of all stores that have the option in place (where available).

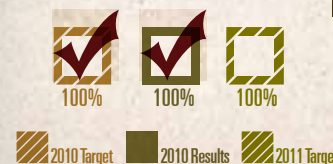
**HUMAN RIGHTS**

Ensure the rights and safety of workers in contract to manufactures facilities

**ON TARGET**

Following our Nordstrom Partnership Guidelines, we monitor the facilities where we do business, identify those that may need closer attention and aim to audit them all. We work with those facilities that don't meet our standards on remediation plans.

Our 2011 focus will remain the same: to preserve the rights of the workers in the facilities where we manufacture Nordstrom-label products through monitoring, auditing and remediation



**HUMAN RIGHTS**

We audit identified facilities for compliance to Partnership Guidelines and launch remediation in specific facilities

**SAFER CLEANING PRODUCTS**

Our goal in this area was to find alternative, sustainable cleaning solutions. We met our goal in 2009, maintained it in 2010 and will continue to do so in 2011. Moving forward, we will not report on this area in this Sharing Our Progress report.