GOOD BY DESIGN

CORPORATE RESPONSIBILITY SCORECARD & IMPACT REPORT

2019
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- Strategy & Oversight
- U.N. SDGs
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- Timeline

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- Third-Party Certifications
- Waste & Circularity

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- Fair Trade
- Worker Well-being
- Diversity, Equity & Inclusion
- Supporting Small Business

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A LETTER FROM OUR CEO

“Our value proposition is more relevant than ever.
The current crises have given rise to a deeper appreciation for home
and an increasing focus on quality, safety and sustainability.”

2020 has been a challenging year. As we release this report,
the world is facing social, environmental and health crises on
a scale not seen in our lifetimes — yet we’ve also witnessed
incredible strength, fortitude and bravery. Our associates have
come together to prioritize the health and safety of each other,
our customers and our communities. We’re fortunate to be in
a strong financial position — enabling us to provide pay and
benefits, even when our stores were closed, to associates who
had been working more than 12 hours weekly. Our distribution
centers have implemented strict safety protocols such as social
distancing measures, enhanced sanitization, daily wellness
checks and use of personal protective gear. During COVID-19
stay-at-home orders, associates worked from home and,
whenever possible, we reassigned associates whose work could
not be done from home to other business-critical activities such
as customer care and digital design services.

Globally, our vendors are finding creative ways to care for their
workers and keep their businesses running. Nearly 70% of
our Fair Trade Certified™ factories have used their community
development funds to provide emergency relief to workers.
Many of our vendors in Vietnam and India have converted their
production lines to make sanitizers, face masks, and personal
protective equipment. West Elm has worked with nonprofit
partners in Guatemala to repurpose funds for local families
in need. Across our brands, we’ve raised money for No Kid
Hungry, providing meals for children as the coronavirus closed
schools. Across the U.S., our local and small business community
members are sharing resources, supporting one another
and advocating for racial justice. In solidarity, our company
established an Equity Action Committee to drive positive change
through concrete goals around Black representation, unconscious
bias education and donations to nonprofit organizations
advocating for racial justice and equity.

I believe we’ve fostered resilience through a culture of purpose.
This year, we announced three new Environmental, Social and
Governance (ESG) pillars on which we’ve built our sustainability
strategy: Planet, People and Purpose. By managing resources
responsibly, caring for our people and uniting around our values,
we create a stronger company that can withstand whatever
comes. We have a resilient supply chain because we’ve nurtured
long-term relationships, and we’re always working from a
place of continuous improvement — relying on documentation,
measurement, comparison against benchmarks, and ongoing
innovation in pursuit of better ways to meet our goals. Our
associates are adept at responding to change because we’ve
supported them, attracting the best talent and working hard
to engage and retain our people. Our customers are growing
because our value proposition is more relevant than ever. The
current crises have given rise to a deeper appreciation for home
and an increasing focus on quality, safety and sustainability.

Several years ago, we set ambitious goals for 2020-21: to
transition to 100% responsibly sourced cotton and 50%
responsibly sourced wood; to ensure that the children’s furniture
we make and sell is safe from harmful chemicals; to divert 75% of
our waste from landfills; to empower and educate 100,000 of our
workers; and to promote Fair Trade with $3M paid in Premiums.
As we complete our goals, we see an opportunity to deepen
them. We’ve built a solid foundation from which to expand
responsible materials and nontoxic finishes. We’ve reduced our
energy and emissions year-over-year since 2011. Currently, we’re
documenting the footprint of our entire value chain and using
that information to research and set climate targets. We lead
with our values in everything we do. Our company is Good By
Design — we’ve deeply engrained sustainability into our business.
From our factories to your home, we’re united in a shared
purpose to care for our people and our planet.

Laura Alber
President and CEO
Recognized for our commitments to equality, good design and responsible materials, we continue to rank among the top sustainable companies in the United States.

**BARRON’S**
100 MOST SUSTAINABLE COMPANIES
2018-20

**FORTUNE’S**
CHANGE THE WORLD LIST
2020

**REPREVE®**
CHAMPION OF SUSTAINABILITY
2018-20

**TOP 10**
SUSTAINABLE FURNISHINGS COUNCIL
GLOBAL LEADER
In Responsible Wood
2018-19

**FORBES**
BEST EMPLOYERS FOR WOMEN
2019-20
& DIVERSITY
2020

**TOP 10**
TEXTILE EXCHANGE
GLOBAL LEADER
In Preferred Fibers
2016-19
From our factories to your home, we strive for quality, safety and sustainability — for the planet we share, the people we serve and the purpose that unites us.

At Williams-Sonoma, Inc. we aim to be Good By Design. From our factories to our customers’ homes, we strive for quality, safety and sustainability. To this end, we’ve built our sustainability strategy on three pillars: Planet, People and Purpose. By caring for our people, protecting our planet and uniting in shared purpose, we lay the foundation for a more resilient company.

Our strategy is designed to mitigate risks, enhance worker well-being, identify new sustainable business opportunities and ensure authentic, quality, reputable content, and products for our customers and investors.

**OPPORTUNITIES & RISKS**
Climate change accounts for material risks — as extreme weather becomes more frequent and apparent, it poses risk to our production and supply chain, which we’ve mitigated by building a balanced global vendor landscape and sourcing materials strategically. We foster long-term relationships with vendors around the world, enabling us to partner with suppliers in a way that’s responsive to environmental and social challenges.

We’re one of the only large-scale home furnishing retailers with a broad assortment of certified organic, FSC®, reclaimed and recycled, and TENCEL™ products. By leading with our values, we engage and retain talent, creating a competitive advantage.

We’ve also designed our strategy to engage employees and protect human rights — from factory workers to our associates. People First, one of the company’s core values, fundamentally supports this principle. We’re committed to providing a safe and healthy work environment, embedding respect and dignity and upholding equal opportunities for every associate. We go beyond our operations to protect the rights of supply chain workers, with robust social compliance and worker well-being programs.

**METHODOLOGY**
We’ve focused on the areas most significant to our business, where we have the greatest ability to drive change: the materials that make up our products, our production process and our impact on people across the value chain, from factories to stores.

Our Environmental, Social and Governance (ESG) strategy is aligned with all of the United Nations’ Sustainable Development Goals (SDGs). We report on our progress annually. This report is informed by the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB), and additional assessments that include business goals, areas of sustainable impact, and industry benchmarking.

**OUR SUSTAINABILITY Pillars**

**PLANET**
We strive to use resources responsibly, from mindful manufacturing to energy efficiency.

**PEOPLE**
We’re committed to positive change for our customers and the communities we call home.

**PURPOSE**
From local volunteering to industry-wide impact, we’re making a difference at home and beyond.
OUR STRATEGY

Sustainability & ESG Oversight

Our Environmental, Social and Governance (ESG) Working Group collaborates across functions to maximize the company’s social and environmental impact and deliver value for our brands, customers and the communities where we make and source our products.
OUR STRATEGY

U.N. Sustainable Development Goals

We align our strategy with the United Nations’ Sustainable Development Goals (SDGs) and work to scale our sustainability programs in the U.S. and globally. Here’s how we map our programs and progress against the SDGs.

For more details on how we align our strategy with the U.N. SDGs, please refer to the Appendix (pgs. 45-47).
## OUR COMMITMENTS

Our goals embed environmental and social programs in our business. As we near the completion of our 2020-21 goals and set new goals for the next decade, we’re deepening commitments to responsible materials, labor and operations.

<table>
<thead>
<tr>
<th>Goal</th>
<th>2019 Year End</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% RESPONSIBLY SOURCED COTTON ACROSS WSI</td>
<td>75%</td>
<td>100% BY 2021</td>
</tr>
<tr>
<td>50% RESPONSIBLY SOURCED WOOD ACROSS WSI</td>
<td>47%</td>
<td>50% BY 2021</td>
</tr>
<tr>
<td>75% LANDFILL DIVERSION ACROSS WSI</td>
<td>49%</td>
<td>75% BY 2021</td>
</tr>
<tr>
<td>100% COMPANY-PRODUCED GREENGUARD FURNITURE AT PB KIDS</td>
<td>100%</td>
<td>100% BY 2020</td>
</tr>
<tr>
<td>EDUCATION AND EMPOWERMENT FOR 100K+ WORKERS ACROSS WSI</td>
<td>87,900</td>
<td>100K BY 2020</td>
</tr>
<tr>
<td>$3M IN FAIR TRADE PREMIUMS PAID TO WORKERS ACROSS WSI</td>
<td>$4.7M</td>
<td>$3M BY 2020</td>
</tr>
</tbody>
</table>
Our Timeline: Progress to Date

2006
WSI Commits to 100% FSC®-Certified Catalog Paper
We partnered to develop an environmental catalog paper procurement policy and incorporate post-consumer recycled content into catalogs and packaging.

2007
WSI Launches U.S. Factories & Organic Cotton Collections
By 2007, we achieved 100% FSC-certified catalog paper and offered our first organic cotton collections. We instituted annual third-party factory audits to enforce ethical sourcing and environmental compliance, and we opened our Sutter Street Upholstery Factory in North Carolina.

2008
WSI Begins GHG Emissions Inventory & Responsibly Sourced Wood
In 2008, we began a greenhouse gas (GHG) emissions inventory and joined World Wildlife Fund’s Global Forest and Trade Network (GFTN), working with them to establish a chain-of-custody process to track and validate wood sources.

2009
WSI Creates a Dedicated Sustainability Department
Recognizing the importance of this work in our organizational strategy, we created a dedicated Sustainability Department in 2009.

2010
WSI Develops Comprehensive Sustainability Strategy
In 2010, we formalized our approach with supply chain strategies for organic cotton, FSC-certified wood and more.

2011
1st Annual Sustainability Report
Our first report documented progress using Global Reporting Initiative (GRI) guidelines. The same year, we worked with the nonprofit Textile Exchange to develop our Fiber Procurement Policy for setting, tracking and reporting on public textile goals.

2012
WSI Commits to 10% Organic Cotton & Responsible Wood
We quantified our commitments as a percent of assortment and published our textile procurement policy.

2013
West Elm Commits to $35M to Artisan Business
We committed to ethically sourcing artisan goods through West Elm, impacting 4,500 artisans across 20 countries—leading to our groundbreaking partnership with Fair Trade USA.

2014
West Elm Becomes 1st Home Retailer to Offer Fair Trade Certified™ Products
We became the first home retailer to offer Fair Trade Certified products through our West Elm brand. Today we work with 15 Fair Trade Certified factories in five countries and offer Fair Trade products across all our brands.

2015
WSI Commits to Ambitious 2020-21 Goals
We committed to 100% responsibly sourced cotton and 50% responsibly sourced wood by 2021. By 2015, we’d also created over 500 full-time U.S. manufacturing positions in North Carolina, Mississippi and California.

2016
WSI Commits to $3M in Fair Trade Premiums by 2020
We made a WSI-wide commitment to pay $3M in Fair Trade premiums to workers. By the end of 2019, we had already exceeded our 2020 goal and paid $4.7M into community development funds.

2017
WSI Expands Goals with GreenGuard & 75% Landfill Diversion
We committed to landfill diversion and expanded into lower-emissions furniture with a commitment to 100% GREENGUARD Certified company-produced PB Kids bedroom and nursery furniture.

2018
WSI Empowers 71,000 Workers
By 2018, we provided over 43,000 factory workers with education programs; we provided over 18,000 workers with eye exams and glasses; and we became the first retailer to adopt the Nest Seal of Ethical Handcraft, impacting 8,000+ artisans.

2019
WSI Moves to Environmental, Social & Governance Framework
To improve transparency and deepen sustainable business, we moved to an Environmental, Social and Governance (ESG) strategy. At year-end 2019, we met, exceeded and neared completion of most of our goals.

2020
WSI Meets Goals & Launches New ESG Website
We met our Fair Trade goals in 2019, are meeting our worker well-being goals in 2020, and are on track to meet our 2021 responsible sourcing goals. We also launched a new ESG site that includes disclosures, policies, stories and more.
PLANET

By managing resources responsibly, we increase our capacity to adapt to the environmental and social challenges that accompany climate change. Here’s how we’re protecting the planet, from emissions reduction to mindful manufacturing.
As part of our commitment to combat the negative impacts of climate change, we use a Climate & Energy Strategy to guide our approach to energy efficiency and GHG emissions reduction. We’ve reported on our Scope 1 and 2 emissions, and reduced our carbon and electricity intensity year-over-year since 2011.

In 2019 and 2020, we’ve focused on establishing quality Scope 3 baseline data to further drive reduction strategies across our value chain. This foundation will set our future strategy and goals, which we’re actively researching and setting now. In 2020, we also made our first public CDP Climate Disclosure submission.

**CLIMATE TARGETS**
We’re currently researching science-based targets while working closely with our suppliers to support their energy and water reduction programs. While we report on Scope 1 and 2 emissions annually, we’re now beginning to understand the full picture of our Scope 3 data, which constitutes our value chain and the majority of our emissions.

As part of this process, we conducted a comprehensive Scope 3 assessment with Anthesis, a third-party expert, in early 2020, which will inform our ongoing strategy. We look forward to publishing our Scope 3 results in next year’s report.

**GHG EMISSIONS REDUCTION**
Despite increases in revenue each year, we’ve reduced our carbon intensity since 2011. Beyond energy efficiency, our commitment to responsibly sourced raw materials has contributed to significantly lowering our carbon footprint. For example, in 2019 alone, our use of organic cotton saved 1,317 metric tons of CO2e and 9.3M kWh in energy savings, as compared to conventional cotton (see pgs. 17-18 for metrics).

**ENERGY EFFICIENCY**
To date, over 420 of our properties have been retrofitted or designed with energy-efficient LED lighting, including 63% of stores (397) and 48% of facilities (29). Our consumer lighting products include LED bulbs across our brands, and brands like Rejuvenation are leading the design of energy-efficient lighting for a broad range of spaces, from homes to businesses.

Currently, our procurement and sustainability teams are actively working with our energy suppliers to develop a renewable energy strategy and plan.

**397**
Stores retrofitted or designed with LED lighting (63% of locations) as of 2019

**29**
Offices, call centers, distribution centers and U.S. factories (48% of non-retail locations) retrofitted with LED lights as of 2019

**9.3M**
kWh in energy savings from our use of organic cotton (pgs. 17-18)
**Carbon & Electricity Intensity**

Reducing emissions from energy and fuel usage directly impacts our bottom line, resulting in significant cost savings in addition to reducing our Scope 1 (direct) and 2 (indirect) emissions.

**TOTAL: SCOPE 1, 2 & PARTIAL SCOPE 3* CARBON INTENSITY: CO2e (KG)/REVENUE**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intensity</td>
<td>0.017</td>
<td>0.019</td>
<td>0.021</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** *Data aggregated by NUS and manual data collection. 2019 emissions calculations performed by Point380. Point380 calculation added radiative forcing factors in 2019. Greenhouse gas emissions (GHG) in kilograms per dollars of revenue. Emissions include Scope 1 (direct GHG emissions from fuel consumption), Scope 2 (indirect GHG emissions from purchased electricity) and partial Scope 3 (emissions from business travel). Emissions from stores, data centers, outsourced data services, distribution centers, in-sourced facilities and corporate offices included.

**TOTAL: SCOPE 2 ELECTRICITY INTENSITY: kWh/SQFT**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intensity</td>
<td>10.84</td>
<td>11.98</td>
<td>13.43</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Data aggregated by NUS, manual data collection and WSI Real Estate. 2019 electricity intensity calculations performed by Point380. Electricity consumed in kilowatt hours (kWh) per square foot of real estate annually. Consumption for stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, owned production facilities and corporate offices included. Real estate square footage is an annual average.

**Emissions by Source**

While our revenues have increased, we’ve cumulatively reduced our emissions year-over-year.

**TOTAL: SCOPE 1 & 2 EMISSIONS (METRIC TONS) | OFFICES | DCs | STORES**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores</td>
<td>5,592</td>
<td>5,919</td>
<td>6,929</td>
</tr>
<tr>
<td>DCs</td>
<td>34,841</td>
<td>38,111</td>
<td>30,466</td>
</tr>
<tr>
<td>Offices</td>
<td>51,905</td>
<td>58,294</td>
<td>67,782</td>
</tr>
<tr>
<td>Total</td>
<td>92,338 total</td>
<td>102,324 total</td>
<td>103,176 total</td>
</tr>
</tbody>
</table>

**OFFICES: SCOPE 1 & 2 EMISSIONS (METRIC TONS)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions</td>
<td>5,592</td>
<td>5,919</td>
<td>6,929</td>
</tr>
</tbody>
</table>

**DISTRIBUTION CENTERS (DCs) & HUBS*: SCOPE 1 & 2 EMISSIONS (METRIC TONS)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions</td>
<td>34,841</td>
<td>38,111</td>
<td>30,466</td>
</tr>
</tbody>
</table>

**RETAIL STORES: SCOPE 1 & 2 EMISSIONS (METRIC TONS)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions</td>
<td>51,905</td>
<td>58,294</td>
<td>67,782</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** *DCs, in-sourced hubs, production facilities & data centers. Data aggregated by NUS & manual data collection. 2019 calculations performed by Point380. GHG in kilograms per dollars of revenue. Emissions include Scope 1 (direct GHG emissions from fuel consumption) and Scope 2 (indirect GHG emissions from purchased electricity). Emissions from stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, corporate offices, corporate jet & owned and leased vehicles are included.
Responsible Materials & Finishes

Our materials and supply chain constitute the majority of our emissions, and we’ve taken significant steps to reduce our impact through commitments to responsibly sourced materials and finishes.

As we audit our value chain emissions and prepare to track and report on them in next year’s scorecard, we can see that our supply chain constitutes the majority of our emissions. Because our sustainability teams are embedded in our supply chain, we’ve already made significant progress towards adopting low-impact materials.

Our focus on certified sustainable materials began in 2008 with our long-term Global Forest & Trade Network partnership, and we formalized our process in 2010 with a sustainable supply chain strategy. Since then, we’ve set increasingly ambitious goals for environmentally and socially responsible labor and materials, including 100% responsibly sourced cotton and 50% responsibly sourced wood by 2021. Since 2007, we’ve continuously used 100% FSC®-Certified catalog paper across all our brands. All of our suppliers are expected to follow applicable environmental laws and regulations in the country of operation, adopt reasonable measures to mitigate negative operational impacts on the environment, and strive to continuously improve environmental performance.

As we set new material goals through the lens of emissions reduction, we’re expanding beyond cotton and wood. In 2019, we launched lower-impact materials such as ECONYL® regenerated nylon rugs, textiles made from REPREVE® recycled fibers, low-impact hemp rugs and Fair Trade Certified™ hemp bedding. REPREVE® also named WSI a 2020 Champion of Sustainability for converting 57 million water bottles into recycled fibers, which we used in collections across our brands.

We’re also continuing our leadership in low-emissions and safe finishes. We continue to be rigorous about CARB compliance testing, ensuring our materials adhere to all U.S. air emissions requirements. We’ve also expanded the use of low-VOC and water-based finishes and launched GREENGUARD shops across our brands.

In 2019, Pottery Barn Kids reached their goal of 100% GREENGUARD Certified bedroom and nursery furniture and we continue to expand GREENGUARD across all our brands. In 2019, GREENGUARD Certified kids’ furniture outperformed sales goals, demonstrating that our customers want responsible materials and finishes. As we deepen our commitments, we continue to focus our efforts on the materials that make up our largest volumes, building off the work we’ve done in cotton and wood to expand into low-emissions materials such as hemp, recycled fibers and TENCEL™ branded fibers.
**Cotton & Wood by Volume**

Across our value chain, we’ve focused on high-volume materials as opportunities to improve sustainable sourcing and reduce emissions.

**TOP 10 FIBERS**

We’ve concentrated our sustainability efforts around the materials that make up our largest volumes. We’re on track to reach nearly 100% responsibly sourced cotton by 2021, and we’re increasingly opting for lower-impact fibers, such as recycled polyester and renewable/biodegradable materials like jute, linen and wool.

**TOP 10 FURNITURE WOOD TYPES**

As we near our goal of 50% responsibly sourced wood by 2021, we’ve increased our use of FSC®-certified, reclaimed and recycled wood. We’ve also increased third-party certifications — including GREENGUARD — across many types of wood, including medium density fiberboard (MDF), plywood and particle board.
## Responsible Cotton & Wood

We reached 47% responsibly sourced wood in furniture and 75% responsibly sourced cotton in 2019. As we near our 2021 goals, we’re deepening our commitments.

### RESPONSIBLY SOURCED WOOD: PROGRESS TO 50% BY 2021 | GOOD | BETTER | BEST

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOOD</td>
<td>19%</td>
<td>17%</td>
<td>20%</td>
</tr>
<tr>
<td>BETTER</td>
<td>10%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>BEST</td>
<td>18%</td>
<td>16%</td>
<td>8%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Tracked by Ecodesk reporting and SKU-level wood volumes from vendors. FSC® volume verified by Rainforest Alliance. Percent of responsibly sourced wood in our furniture in cubic meters. Responsibly sourced wood is categorized through a Good-Better-Best approach: Best – Forest Stewardship Council® (FSC); Better – Programme for the Endorsement of Forest Certification (PEFC), Rediscovered wood (reclaimed/recycled and orchard wood sources), FSC Controlled Wood; Good – verified legal and low-risk wood for legality (as defined by NEPCon’s Timber Risk Assessments and FSC’s National Risk Assessments).

### RESPONSIBLY SOURCED COTTON: PROGRESS TO 100% BY 2021 | GOOD | BETTER | BEST

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOOD</td>
<td>44%</td>
<td>52%</td>
<td>33%</td>
</tr>
<tr>
<td>BETTER</td>
<td>4%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>BEST</td>
<td>27%</td>
<td>16%</td>
<td>15%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Tracked by vendor textile survey. Percent of responsibly sourced cotton used in our textiles in pounds. Responsibly sourced cotton is categorized through a Good-Better-Best approach: Best – Global Organic Textile Standard (GOTS); Better – Organic Content Standard (OCS) and recycled cotton; Good – Better Cotton Initiative™ (BCI) and STANDARD 100 by OEKO-TEX® certified products. Total reflects the volume of responsibly sourced cotton as a percent of WSI’s total volume of cotton.
Across our brands, we carry thousands of third-party certified sustainable items, including organic, sustainably sourced, lower emissions, Fair Trade Certified™ and handcrafted products.
**SPOTLIGHT**

**Organic Cotton**

In 2019, our use of organic cotton saved over 7 billion liters of water, over 10,000 kilograms of pesticides and over 1 million kilograms of fertilizers.

Every year since 2016, WSI has been named a global leader in preferred fibers by the nonprofit Textile Exchange. We carry organic cotton products across our brands and lead the industry in responsibly sourced alternatives to conventional cotton. Our use of organic cotton has translated into significant energy, emissions and water savings (pg 18).

As we near our 2021 goal of 100% responsibly sourced cotton, we’ll continue to build transparent supply chains for cotton and share the impact of our materials on both customers and the people who make our products. We have a zero-tolerance approach to forced labor in our supply chain, and we are working diligently to achieve traceability in key materials, like cotton. Our transition to more responsible materials is aimed to mitigate both environmental and human rights risks.

Grown without toxic pesticides or fertilizers, organic cotton is increasingly important to the environmental and social well-being of people around the world. In countries that lack environmental regulations, these toxins can destroy land and expose local populations to harmful chemicals. Pesticides and fertilizers can also enter the water supply, which is especially detrimental in places experiencing severe water scarcity. Organic and responsibly sourced cotton eliminates harmful chemicals in production, keeping water supplies, workers and consumers healthy. Other environmental and social benefits include:

- Higher-quality textiles
- Avoidance of toxins and petrochemicals
- Avoidance of GMOs
- Health and well-being for cotton farmers
- Fair and safe conditions for workers
- Benefits to animals and insects
- Higher-quality soil

We use the Global Organic Textile Standard (GOTS) as our gold standard. Recognized worldwide, this label ensures that textiles are organic, from harvesting of raw materials through environmentally and socially responsible manufacturing to labeling. GOTS-certified organic cotton offers customers a high level of quality assurance.
### 2019 Organic Cotton Environmental Impact

3,628,782 kg Organic Cotton Used Across WSI Brands in 2019

<table>
<thead>
<tr>
<th><strong>GHG Emissions Savings</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG from Organic Cotton Across WSI &amp; 3,548,949 kg CO2e</td>
<td></td>
</tr>
<tr>
<td>GHG if Conventional Cotton Was Used &amp; 6,560,838 kg CO2e</td>
<td></td>
</tr>
<tr>
<td>GHG Emissions Savings (kg CO2e) &amp; 3,011,889 kg CO2e</td>
<td></td>
</tr>
<tr>
<td><strong>GHG Emissions Savings (MT CO2e)</strong> &amp; 1,317 MT CO2e</td>
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<table>
<thead>
<tr>
<th><strong>Energy Savings</strong></th>
<th></th>
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<tbody>
<tr>
<td>Energy from Organic Cotton Across WSI &amp; 20,898,156 MJ</td>
<td></td>
</tr>
<tr>
<td>Energy if Conventional Cotton Was Used &amp; 54,431,732 MJ</td>
<td></td>
</tr>
<tr>
<td>Energy Savings (MJ/1000kg) &amp; 33,533,576 MJ</td>
<td></td>
</tr>
<tr>
<td><strong>Energy Savings (KWH)</strong> &amp; 9,314,957 KWH</td>
<td></td>
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<table>
<thead>
<tr>
<th><strong>Water Savings</strong></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Water from Organic Cotton Across WSI &amp; 660,438 m³</td>
<td></td>
</tr>
<tr>
<td>Water if Conventional Cotton Was Used &amp; 7,693,018 m³</td>
<td></td>
</tr>
<tr>
<td>Water Savings (cubic meters/1000kg) &amp; 7,032,580 m³</td>
<td></td>
</tr>
<tr>
<td><strong>Water Savings (Liters)</strong> &amp; 7,032,579,749 L</td>
<td></td>
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<table>
<thead>
<tr>
<th><strong>Pesticides Avoided</strong></th>
<th></th>
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<tbody>
<tr>
<td>Pesticides Avoided (pounds) &amp; 22,613 lbs</td>
<td></td>
</tr>
<tr>
<td><strong>Pesticides Avoided (kg)</strong> &amp; 10,257 KG</td>
<td></td>
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<table>
<thead>
<tr>
<th><strong>Fertilizers Avoided</strong></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Fertilizers Avoided (pounds) &amp; 2,934,705 lbs</td>
<td></td>
</tr>
<tr>
<td><strong>Fertilizers Avoided (kg)</strong> &amp; 1,331,161 KG</td>
<td></td>
</tr>
</tbody>
</table>

**Calculation & Scope:** Pesticides and fertilizers calculated using 11,392 estimated hectares. All numbers calculated using the Textile Exchange’s Global Warming Potential (GWP). Organic cotton volume across WSI brands, relative to GWP for the same volume if conventional cotton was used.
As a major multi-channel retailer, we face tremendous challenges and opportunities to reduce waste while also generating cost savings. Waste reduction begins with using sustainable or fewer materials. In addition to using sustainable materials — such as organic cotton, recycled or alternative fibers, and sustainably sourced wood — our design teams consider a product’s quality and lifespan. We see opportunity for innovative approaches to designing circular products and reduced packaging.

**PRODUCT DONATIONS**

In 2019, we accelerated our investment in the circular economy, piloting new recycled collections and collaborating with Good360 to donate 734,000 lbs of returned or unsold products to local nonprofits. Our Sutter Street factory donated Pottery Barn furniture to the Catawba Valley Community College Foundation’s conference room and staff offices, as well as to Catawba County’s Claremont Library. We also donated furniture and household items to Our Place Nashville, a housing program for adults with developmental disabilities. In 2019, West Elm piloted a rental program with Rent the Runway (RTR), and the brand is exploring resale programs with additional partners. Programs like these keep returned and unsold products in use, giving them a second life.

**PACKAGING**

Our packaging strategy has two key pillars: 1) reduction and curbside recyclability and 2) ensuring the safe arrival of our product to our customers. While EPS foam is recyclable, the availability of recycling infrastructure for customers is limited. Throughout 2019, our global team of packaging engineers made a major push to reduce the amount of EPS foam in our packaging and transition to curbside-recyclable alternatives as well as reduce overall packaging size. These efforts eliminated 4.6M pounds of EPS from our supply chain and have been an integral part of progress towards our goal of 75% landfill diversion by 2021. In September 2019, we launched automated packaging machines in our Small Parcel Distribution Centers. These machines right-size each package, reducing the need for additional void fill and significantly improving freight costs and, by extension, shipping emissions. We are expanding these machines throughout facilities in 2020.

**DESIGNING FOR LONGEVITY & CIRCULARITY**

To keep waste out of landfills while reducing its carbon, energy and water footprint, a product must be designed for longevity. For example, in 2019 we began a pilot program with Pottery Barn and Renewal Workshop, in which surplus and returned products are transformed into recycled textiles. The textiles were cleaned, repaired, inspected and received a Renewal Workshop sustainability score before launching in 2020. West Elm also piloted a program, developed and refined from 2019 to 2020, with Eileen Fisher in which denim scraps were transformed into pillows and upholstery.

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**PLANET**

**Waste & Circularty**

We recognize the importance of extending a product’s life as the best way to avoid the landfill. Through thoughtful use of resources, we can design longer-lasting products while participating in the circular economy.

- **4.6M LBS**
  - Of EPS foam eliminated from our supply chain in 2019

- **49%**
  - Landfill diversion achieved across stores, offices and distribution centers in 2019

- **734,000 LBS**
  - In product donations through work with nonprofits like Good360 in 2019
PLANET

Landfill Diversion

We’re diverting 75% of our waste from landfill to recycling and donation streams by 2021.

While corporate offices represent the smallest portion of our waste stream, we recognize the importance of engaging every associate around our landfill goals and are actively working across all locations to embed our goals into our operations and process.

<table>
<thead>
<tr>
<th>LANDFILL DIVERSION: PROGRESS TO 75% DIVERSION</th>
<th>OFFICES*</th>
<th>DCs*</th>
<th>STORES*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>49%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>47%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>46%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

OFFICES: DIVERSION RATE PROGRESS TO 75% GOAL BY 2021

| 2019 | 55% |
| 2018 | 62% |
| 2017 | 80% |

DISTRIBUTION CENTERS & HUBS**: DIVERSION RATE PROGRESS TO 75% GOAL BY 2021

| 2019 | 56% |
| 2018 | 56% |
| 2017 | 57% |

RETAIL STORES: DIVERSION RATE PROGRESS TO 75% GOAL BY 2021

| 2019 | 45% |
| 2018 | 40% |
| 2017 | 37% |

From leading our industry in Fair Trade Certified™ products to investing in our own associates, we’re committed to positive change for our customers and the communities we call home.
PEOPLE

Ethical Production

To create a more resilient supply chain, we’ve invested in a balanced global landscape of long-term partnerships, using strong relationships to respond to current events.

Over the last decade we’ve continued to raise the bar on human rights and health and safety in our supply chain. We moved our sourcing in house, opened up our own country offices, developed comprehensive, rigorous social compliance standards, built our audit protocol and program, and partnered with our in-country teams to pursue continuous improvement in our supply chain.

Social Compliance

We continuously evolve and adapt our audit program to support a dynamic economic environment and business needs. Factories in our audit scope are audited each year through semi-announced audits within a three-week window. Audits are conducted on site by qualified, third-party independent audit firms that are trained in-depth on our audit standards and protocols. In 2019, we conducted over 500 third-party audits.

We grade factories based on performance, with factories receiving a grade of A-D dependent on the amount and severity of violations identified during the audit as well as a time-bound Corrective Action Plan (CAP). WSI has a rigorous zero-tolerance policy and monitoring process. If a factory commits a zero-tolerance violation, we evaluate next steps according to the severity of the finding and exit as appropriate (see pg. 23). Using an approach of continuous improvement, our dedicated social compliance team works alongside factories with B, C or D ratings through the remediation process to improve working conditions. In 2019, we launched a new policy to exit D-rated factories that do not show improvement within two years, ensuring factories are aligned with our values.

Worker health and safety are the cornerstone of our ethical production strategy. In 2019, we piloted targeted health and safety trainings at nine factories, reaching over 3,700 workers and are expanding those trainings throughout 2020. This year was also focused on supporting our factories through their COVID-19 response (see pg. 37), including providing educational materials on best practices for health and safety protocols.

In North America, our associate workers’ compensation claim numbers and frequency rates have decreased year-over-year. 2019 saw significant decreases in OSHA cases, driven by implementation of a store safety risk management system as well as Safety Committees who regularly meet at stores and facilities. Managers in our distribution centers receive 30-hour OSHA trainings, and we use a safety management information system (SMIS) to record and track incident investigation, risk assessment and safe work observation data. In 2020, we implemented a COVID Safety Program throughout stores, corporate offices and our supply chain (see pg. 37).

500+

3rd-party factory audits per year to verify social & environmental compliance (pg. 23)

$4.7M

In premiums paid to workers at Fair Trade Certified™ factories since our partnership began in 2014 (pg. 24)

1ST

Home retailer to partner with Fair Trade USA® (pg. 24) & Nest’s Ethical Handcraft Program (pg. 25)
PEOPLE

Compliance & Audits

We use industry-leading global human rights and country risk indices to determine risk profiles for suppliers and conduct over 500 audits per year.

AUDIT PROCESS
We require vendors to adhere to high standards of corporate responsibility, outlined in our Vendor Code of Conduct and accompanying Implementation Standards, informed by the conventions of the International Labor Organization (ILO) and the UN’s Guiding Principles on Business and Human Rights. We audit factories to ensure compliance with Labor Practices, Health and Safety, Environmental Protection, Ethical Conduct, Sub-Contracting, Management Systems, and Transparency. Using continuous improvement, we work alongside factories to improve working conditions.

ZERO TOLERANCE VIOLATIONS
These violations are unacceptable breaches of human rights including, but not limited to:

- Child labor
- Forced, bonded, trafficked and prison labor
- Any form of harassment and abuse
- Any form of discrimination
- No right to bargain collectively or form and join trade unions
- Any attempt of bribery, corruption, fraud or unethical practices
- WSI production at an unapproved factory

PRE-AUDIT
Scheduling & Communication
WSI’s dedicated social compliance team trains new vendors on our program, and annual audits are conducted during a 3-week, semi-announced window.

AUDIT
Audit & Corrective Action Plan (CAP)
3rd-party external auditors conduct a 2-day, on-site audit. Factory receives a grade from A-D depending on the number and severity of violations. This grade is accompanied by a time-bound Corrective Action Plan (CAP).

POST-AUDIT
CAP Remediation & Follow-Up
The factory works on its CAP with a dedicated social compliance professional during the allocated time frame (often a 3-6 month remediation process) and undergoes a follow-up audit to ensure closure of any open CAPs.

GRADE
A
Industry-leading vendor that consistently goes above and beyond expectations.

B
Strong vendor with minor opportunities for management systems improvements. Demonstrates a commitment to continuous improvement.

C
Significant opportunity to address management systems and oversight. Requires CAP and a follow-up audit within a specific time frame.

D
Critical, systemic issues impacting the majority of the workforce. Time-bound CAP, follow-up audits and business exit if no improvement is shown within a 2-year period.

ZERO TOLERANCE
An unacceptable breach of WSI Code of Conduct. We evaluate next steps according to the severity of the finding and exit as appropriate.
PEOPLE

Fair Trade

We lead in Fair Trade Certified™ home furnishings, expanding our work in 2019 to an additional factory and continuing our work with existing partners.

In 2019, WSI exceeded its 2020 goal of paying $3M in premiums to workers, reaching $4.7M by the end of the year. We have also grown our Fair Trade Certified™ footprint to 15 factories in five countries, impacting over 13,000 workers. We launched Fair Trade Certified™ coffee and chocolate at Williams Sonoma. In 2019, they set and met a goal to carry 100% Williams Sonoma Brand Fair Trade Certified™ Coffee by the end of the year.

Premiums received from the sale of Fair Trade Certified™ products are pooled into each factory’s Community Development Fund, and workers vote on how to spend these funds. In 2019, an Indian factory employing 4,000+ workers used their Community Development Fund to open a “Fair Price Shop” on factory grounds, offering staple goods at subsidized rates. This not only ensures workers have access to affordable household necessities, but also saves them a trip to the market. During COVID-19, the shop has stayed open to serve the community following medical guidelines. Workers have appreciated the access to essential goods at fair prices, especially as other sources are disrupted or delayed. They’ve also distributed hand sanitizer, soap, face masks and other supplies to workers.

One of our major textile partners in China employs 300 workers across their two Fair Trade Certified™ factories. Their workforce is 50% migrant workers and 70% women. They’ve used Community Development Funds to build a computer lab and library and offer yoga classes to enhance dorm life. They also host an annual summer camp with classes and field trips for workers’ children and grandchildren, giving families quality time to reconnect.

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PROGRESS TO 2020 GOAL OF $3M IN PREMIUMS PAID TO WORKERS

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount Paid</th>
</tr>
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<tbody>
<tr>
<td>2019</td>
<td>$1.8M</td>
</tr>
<tr>
<td>2018</td>
<td>$1.7M</td>
</tr>
<tr>
<td>2017</td>
<td>$1.1M</td>
</tr>
<tr>
<td>2016</td>
<td>$345k</td>
</tr>
<tr>
<td>2015</td>
<td>$165k</td>
</tr>
<tr>
<td>2014</td>
<td>$17k</td>
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</table>

**CALCULATION & SCOPE:** Cumulative total dollars paid as Fair Trade Premiums to our vendors since 2014.
WE'RE COMMITTED TO ENHANCING THE LIVES OF WORKERS IN OUR SUPPLY CHAIN, AND WE'RE ON TRACK TO MEET OUR GOAL OF EDUCATING AND EMPOWERING 100K WORKERS BY 2020.

In 2019, we grew our worker well-being programs to two new countries, expanding HERproject to Bangladesh and launching VisionSpring eye exams in Vietnam. HERproject empowers low-income women through workplace programs promoting health, financial inclusion and positive gender relationships. In 2019, we partnered with HERproject’s parent organization BSR (Business for Social Responsibility) to celebrate International Women’s Day through their ‘This Is a Leader’ Campaign. Over the course of the year, we educated 19,957 workers across 5 countries, including over 6,500 workers in Bangladesh for the first time.

“I took part in the trainings at the factory and they helped me to regain the confidence I had lost. I realized that financial planning is critical for our generation.”

SAPNA, HERFINANCE PEER EDUCATOR, AGRA, INDIA

VisionSpring provides workers with easy, affordable access to eyewear and exams — a crucial element of care for artisans and anyone whose vision affects their ability to earn a living. In 2019, we screened 5,758 workers, including over 2,000 in Vietnam for the first time. Over half of those screened required glasses and received them. We also deepened our partnership with Nest, a nonprofit organization building a new handworker economy to increase global workforce inclusivity and improve women’s well-being beyond factories. As the first home retailer to introduce the Nest Ethical Handcraft Seal on products, we worked with three vendors eligible for the seal by the end of 2019, impacting 1,200 workers.

PROGRESS TO 2020 GOAL OF 100K WORKERS EDUCATED & EMPOWERED

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>26k</th>
<th>32k</th>
<th>17.4k</th>
<th>8.8k</th>
<th>3.8k</th>
</tr>
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</table>
| **CALCULATION & SCOPE:** Total number of workers enrolled since 2015 in education and empowerment programs through partnerships with HERproject, VisionSpring, as well as other health and literacy organizations.
Diversity, Equity & Inclusion

Equality is a cornerstone of our business, and we deepened our commitments to a diverse workforce in 2019. As 2020 further reveals the importance of racial justice, we’re taking significant steps toward equity.

Associated engagement and retention requires understanding the needs of a diverse, creative and purpose-driven workforce. Our mission is to enhance the quality of people’s lives at home, and we apply that approach to our own family of brands.

GENDER EQUALITY
Our workforce is inclusive of people who identify as agender, bigender, cisgender, gender fluid, non-binary, transgender, intersex and other gender variants. We offer a benefits package designed to put our associates’ health and well-being, and that of their families, at the forefront. We invest in our employees annually through our Associate Opinion Survey. In 2019, we launched an associate mentorship program based on the results of the survey and extended our benefits plan to include fertility treatments and Transgender benefits, including gender confirmation surgery and hormonal therapy within all our insurance plans and all our carriers. In July 2020, we enhanced our Parental Leave Program to provide increased paid time off for primary caregivers due to the birth or adoption of a child, and we introduced paid time off for secondary caregivers. We’re also proud to retain more than 50% women at the executive level and 50% women on our board.

ASSOCIATE NETWORKS
Since 2015, we have been a member of CEO Action for Diversity & Inclusion, where we announced a goal to “identify and establish associate networks for underrepresented communities to promote diversity and inclusion throughout the company.”

Led by associate feedback, we formed an LGBTQ+ Alliance and a Veteran’s Appreciation Network in 2015, followed by the WSI African American Network in 2016. In 2020, our associate affiliation groups grew to include:

- African American Network
- Veterans Appreciation Group
- An LGBT Group Affiliation called “VOICES”
- Hispanic Heritage Group
- Asian American Pacific Islander Network

MARTIN LUTHER KING, JR. DAY OF SERVICE
“MLK Day is becoming an ever more powerful day of remembrance and action when we take ourselves out of our normal routine to give service to others. It’s satisfying to work as a team with people from different brands on a community project.”

MARTA BENSON, PRESIDENT, POTTERY BARN

Our annual MLK Day of Service originated with the WSI African American Network, when members helped to organize our first company-wide volunteering day. In 2019, over 1,000 associates participated in 170+ events in 30+ cities. Volunteering activities varied widely in partnership with different local nonprofit organizations to beautify communities, serve local community members in food banks and shelters and give back through other locally organized events.

LGBTQIA+ PRIDE
We believe in the power of community and respect for all, and we celebrate Pride annually. During the month of June 2019, associates wore their Pride colors inside and outside of work to show support for the LGBTQIA+ community. Events and activities included panel discussions, bake sales, picnics, festivals, auctions and raffles. Along with friends and family, many WSI associates participated in local Pride parades or celebrations in cities including New York, San Francisco, Sacramento, Portland, Las Vegas and Oklahoma.

We’re ranked as one of Forbes’ BEST EMPLOYERS FOR WOMEN & DIVERSITY
Our Equity Action Plan

In June 2020, we established an Equity Action Plan and formed an Equity Action Committee to continually monitor and measure progress against our commitments. We look forward to tracking and publishing our progress in future reports.

1. PHILANTHROPY
First, we will use our power of philanthropy through a multi-year commitment to support nonprofit organizations that advocate for racial justice and equity:

1. We will make donations to the NAACP, the Jackie Robinson Foundation and the National Urban League, and develop meaningful partnerships with them on issues focused on educational, social, and economic equality.

2. We are committing up to $1 million in employee donation matching gifts to qualified Racial Justice and Equity nonprofit 501(c)3 organizations, and extending the matching program to all US-based full-time employees, as well as raising the match limit per employee to $1,000.

3. We have created a new WSI Local Community Involvement Fund to empower our teams to act locally to drive positive change in racial justice and equity in local communities.

2. BLACK REPRESENTATION
Second, we are committed to increasing Black representation at all levels of our company and among our business partners, vendors and suppliers:

1. We will diversify our workforce by building a stronger pipeline through efforts such as partnering with Historically Black Colleges and Universities for our internship program and hiring new grads, partnering with Black professional and executive organizations to reach candidates, and fostering greater opportunity, advancement and growth for our Black talent.

2. We will expand our vendor and supplier base across functions to include more Black-owned businesses and continue to advocate for diversity and inclusivity within our existing vendor and supplier base.

3. We will consistently develop product and marketing collaborations with Black artists and chefs.

3. CULTURE
Third, we will amplify and reinforce a culture of inclusion and belonging through awareness, education and the creation of a platform for Black experiences to be heard:

1. We will develop a company-wide education program covering bias, inclusion and cultural competence.

2. We will create a safe, nurturing environment where associates and leaders invite diversity and foster inclusion.

EQUITY ACTION COMMITTEE
In June 2020, we established an Equity Action Plan and formed an Equity Action Committee to drive positive change in the fight for racial justice. Led by our CEO, a diverse group of Executives from across the company provides oversight of our Diversity, Equity and Inclusion initiatives as committee members.

Additionally, while we’ve provided unconscious bias training for managers since 2015, in 2019 we expanded this program across all store and field leadership. In 2020, we updated the content to focus on strategies for creating conscious inclusion, expanding the program to all corporate associates.
Corporate Responsibility Scorecard & Impact Report 2019

PEOPLE

Gender Representation

We have maintained strong representation of women at all levels of the organization and continue to ensure a balance of gender representation across the company.

We’re committed to advancing equitable opportunity for women internally and externally with initiatives such as HERProject, an advisor program and celebration of International Women’s Day.

We’re committed to increasing representation and advancement of Black and Hispanic Talent at the Manager-and-above levels.

INCREASING REPRESENTATION

We’re committed to leading in the advancement of equity and inclusion within our company and the communities we serve. We’re focused on increasing the representation of Black and Hispanic talent, specifically in Manager-and-above roles through hiring and career development. We’re currently building relationships with over 175 organizations, universities, colleges and networks to expand our reach to potential candidates.

These efforts include hosting student career forums, engaging students in internship opportunities and connecting with alumni to promote career opportunities. We’re optimistic and proud of early signs of progress against our goals, including 100% of open roles having a diverse slate of candidates and a double digit increase in Black representation amongst hires since we launched our Equity Action Plan. We look forward to reporting on our progress in next year’s report.
SPOTLIGHT

Training & Development

In 2019, we deepened our focus on advisory programs, leadership development and opportunities for associates to gain marketable design skills.

WSI has a company-wide Advisor Program, which matches associates in a Manager and above role with non-managers to form advisor/advisee relationships. During the four-month program, advisors and advisees meet at least twice a month to discuss career guidance and receive support in working through work and development challenges. Over 400 associates participated and were invited to career development workshops and other cross-functional opportunities to learn and grow. Objectives of the advisor program include:

1. Cultivating relationships to support career development and promote personal growth
2. Building skills of both advisors and advisees
3. Strengthening organizational culture
4. Building cross-brand and cross-functional partnerships

Additionally, our LEAD program — Leadership Education and Development — provides 10-12 week leadership training programs for nominated Directors and Vice Presidents. A participant-driven program, the team chooses their own curriculum of classes, speaker events and workshops. Since its inception in 2012, 133 associates have participated in the program. About half of all participants have been promoted during that time, and we are currently working through the LEAD program to support and develop diverse talent.

Other programs develop talent at all levels of the company, supplying associates with new skills. Our cross-brand Design Crew at Pottery Barn, West Elm, Williams Sonoma and Rejuvenation provides an opportunity to learn marketable design skills. Design Crew associates undergo training in design essentials and room planning, developing valuable expertise while providing an accessible resource to customers. In response to the pandemic, we expanded our Design Crew online and, whenever possible, reassigned associates whose work could not be done from home to business-critical activities such as customer care and digital design services.

Through all of these programs, we give our associates the tools to succeed, learn new skills and develop their careers. By working with people to create the career they envision for themselves, we engage and retain talent.
SPOTLIGHT

Supporting Small Businesses

“Williams Sonoma’s support has really kept us in business these last six months. We’re grateful to them for inspiring us and helping us to evolve and grow new lines.”

LE MARAIS BAKERY, SAN FRANCISCO, CA

Through small business programs across our brands, we provide a platform for designers and makers to grow, learn, find a wider audience and nurture their creativity. Williams Sonoma features 100+ local vendors in 50 of its stores, showcasing each community’s makers, chefs and artisans. West Elm’s LOCAL program includes a variety of maker-designed products online, with stores hosting maker pop-up events throughout the year. Rejuvenation celebrates American craftsmanship by collaborating with small manufacturers. Customers can shop these maker markets — online and in person — to support small businesses and their local economies.

Williams Sonoma holds pop-up Artisan Markets in stores, shining a spotlight on local makers and connecting them with a broader base of customers. Local chefs and makers sell their products in a Williams Sonoma store and keep 100% of their Artisan Market profits. Williams Sonoma also has a local food program in 50 U.S. stores. Started to support small artisan makers and build authentic relationships with the communities where we do business, the program features shelf staples, sold online and in stores. Additionally, Williams Sonoma focuses on sourcing best-in-class small vendors across the country to bring frozen and fresh food directly to customers’ doors. San Francisco’s Le Marais Bakery, for example, works with Williams Sonoma to sell care packages and boxes of pastry samplers. During the coronavirus crisis, Williams Sonoma’s online sales helped keep them afloat while their bakeries were closed.

Likewise, West Elm’s LOCAL program helps small businesses to grow and build resilience. In 2019, West Elm hosted their 5th annual Artisan Summit, an event bringing together artisan partners from around the world for a day of programs and connecting with the larger West Elm business. 26 participants attended from four states and seven countries. West Elm provided sessions on design, merchandising trends, U.S. manufacturing, customer relationship management, social media and more. A renowned small business consultant was also on-hand to offer a half-day session on building a successful business.

Through supporting small businesses, we meet a global need for more inclusive manufacturing and development. Industry, Innovation & Infrastructure ranks among the U.N. Sustainable Development Goals, with targets designed to increase access for small-scale enterprises, integrating them into value chains and markets. With these programs, we’re connecting small businesses to a larger pool of resources, customers and markets.
PURPOSE

From local volunteering to industry-wide impact, we’re making a difference at home and beyond.
In 2019, at year’s end, 30% of our cross-brand revenue came from product certified by third-party environmental and social standards, with an additional 3.7% from our internally verified recycled declaration process.

According to the Sustainable Furnishings Council’s most recent consumer research report, 98% of survey respondents expressed concern about environmental issues, including “natural disasters, indoor air quality and global warming.” Now, more than ever, it is critical that companies address those concerns clearly and directly.

We work with third-party certifiers and field-level sustainability standards to verify sustainability claims on select products and practices, allowing our customers to make informed choices about the products they purchase. These groups include, but are not limited to:

- Global Organic Textile Standard (GOTS)
- Organic Content Standard (OCS)
- Better Cotton Initiative™ (BCI)
- Recycled Claim Standard (RCS)
- Global Recycled Standard (GRS)
- Forest Stewardship Council® (FSC)
- Fair Trade USA®
- STANDARD 100 by OEKO-TEX®
- GREENGUARD
- Nest’s Ethical Handcraft Program & Nest Seal
- The All India Artisans & Craftworkers Welfare Association (AiACA) Craftmark

This commitment to transparency has translated into bottom-line success, with net sales that outperform item counts in our sustainable product categories. As we set goals for the next decade, we are deepening our commitments to third-party certified products, as well as responsible materials and finishes.
Trust & Security

We use robust trust and security policies and procedures as part of our ongoing practice to safeguard against corruption, secure our customers’ personal information and protect the interest of our stakeholders.

Our associates, as well as third parties who provide services on our behalf, are required by policy and practice to abide by our Code of Conduct, which stands against corruption in all its forms, including extortion and bribery. We conduct regular associate trainings on the Foreign Corrupt Practices Act (FCPA), Social Compliance, IT Security and Customs Compliance. In addition to regular ethics trainings, in 2019, we invested in an enterprise-wide refresh on WSI Code of Conduct awareness among our associates. For example, we launched a communications campaign in major sourcing markets that present a high risk of corruption. Respectful Workplace training — including anti-harassment training — is mandatory for all U.S. associates. In 2019, we also conducted Respectful Workplace trainings for overseas markets, including Vietnam, Indonesia and India.

We are dedicated to safeguarding our customers’ personal information by using a series of technologies and practices to prevent data security breaches and to detect and respond to potential data security issues. We also utilize external independent audits, conducted at least once a year, for PCI Security Standards Council compliance and third-party penetration tests. We comply with all data protection and privacy laws, and our brands support and adhere to the guidelines and practices adopted by the Direct Marketing Association’s Privacy Promise to American Consumers.

We have agreed to provide customers with notice of their ability to opt out of information rental, “sale”, or exchange with other marketers; honor customers’ requests not to share their contact information with other marketers; and honor customers’ requests not to receive mail, telephone, or other solicitations from Williams-Sonoma, Inc. brands. As a further commitment to transparency in the ever-growing security awareness culture, WSI monitors changes in laws and regulations and complies accordingly. For example, we comply with the California Consumer Privacy Act, which gives California consumers the right to access and delete data.

Our Chief Technology Officer and Chief Information Security Officer are responsible for overseeing a data protection policy that governs all relevant businesses and subsidiaries, and is designed to limit the collection of personal information. We regularly review and enhance Standard Operating Procedures, policies and standards to reduce the threat and occurrence of data privacy incidents. However, in the event of a policy change or data breach, our policy requires that we notify data subjects in a timely manner.
Giving & Volunteering

We work every day to create a sense of home in people’s lives, and this mission guides our giving and volunteering strategy.

ST. JUDE CHILDREN’S RESEARCH HOSPITAL®

In 2019, through our partnership with St. Jude, we raised $4.3 million for research and the care of children and families facing childhood cancer and other life-threatening diseases. We are also the sponsor of St. Jude Children’s Research Hospital Cure4Kids.org, an online resource for healthcare professionals dedicated to enhancing the care of children who have cancer and other life-threatening diseases in countries around the globe.

NO KID HUNGRY

Since 2010, our ongoing partnership with No Kid Hungry has grown to reach associates and customers, including an annual series of celebrity-designed spatulas and campaigns to collect customer donations. In 2020, as the coronavirus closed schools and millions of children lost access to healthy meals, we mobilized a fundraising campaign for No Kid Hungry across our brands, outlined later in this report (pg. 38).

IN-KIND DONATIONS

We also support organizations and partners like Good360, that assist those whose homes have been damaged or lost. We give charitable grants, donate our merchandise, donate proceeds from the sale of certain products, and provide matching gifts to our associates. In 2019, we donated 120,000 items — or 734,000 pounds of products — to local nonprofits, including Catawba Valley Community College and Our Place Nashville, a housing program for adults with developmental disabilities (pg. 19).

VOlUNTEERING

We support our communities through our associates’ time and leadership, and we provide eight hours of paid Community Involvement Time each year. Associates log an average of over 9,000 volunteer hours annually, choosing where to devote their time, with efforts ranging from school renovations to habitat restoration. Annually, we hold a company-wide day of service in recognition of Martin Luther King, Jr. Day. Associates around the country participate in this inspiring event, with activities in San Francisco — our corporate home, Brooklyn — where West Elm is headquatered, and Portland — Rejuvenation’s home (pg. 26). In 2019, associates across the country also participated in the Aids Walk. In New York, 40 participants marched in the May Aids Walk, raising a total of $16,350. In San Francisco, over 50 people took part, raising $68,827 this year, making us the 2nd highest fundraising company in the San Francisco area and exceeding our goal of raising $50,000.

$4.3M

Raised for St. Jude Children’s Research Hospital® in 2019

$2.6M

Raised for No Kid Hungry through the end of 2019, with an additional $2.5M during the 2020 coronavirus crisis (pg. 38)

9,000+

Average volunteer hours logged annually by our associates (pg. 36)
Giving & Volunteering

2019 represented our biggest year of giving to date, with $20M in corporate, customer and associate donations.

We support a range of causes that reflect the passion and dedication of our associates and resonate with our customers, allowing us to raise funds to support the causes we believe in. Through volunteering and community outreach, we give back to the communities where we work. We have contributed nearly $42 million in corporate, customer and associate donations since 2017. Our partners include organizations that promote and strengthen the well-being of children, women, families and LGBTQ+ communities, such as St. Jude Children’s Research Hospital®, No Kid Hungry, AIDS Walk and Canada Children’s Hospitals.

**TOTAL GIVEN & RAISED ANNUALLY**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$20.0M</td>
</tr>
<tr>
<td>2018</td>
<td>$11.2M</td>
</tr>
<tr>
<td>2017</td>
<td>$10.6M</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Contributions through fundraising for a variety of causes, miscellaneous community giving, associate donations, shelter grants, product proceeds, matching gifts and in-kind donations.

**HOURS VOLUNTEERED**

<table>
<thead>
<tr>
<th>Year</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>9,997</td>
</tr>
<tr>
<td>2018</td>
<td>9,843</td>
</tr>
<tr>
<td>2017</td>
<td>9,280</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Total of non-store associate volunteering hours. In 2017, we began tracking volunteer hours through Bright Funds, capturing actual hours volunteered rather than estimated associate counts, and applied this methodology from 2017-2019.
We’re so grateful for everyone caring for others right now, whether on the front lines or staying home to help stop the spread. Through it all, we’ve rediscovered a deeper appreciation for home — from the spaces where we live to the larger home created by our associates, customers and collaborators.

SUPPORTING OUR ASSOCIATES
On March 17, 2020, we made the decision to close stores across our brands and locations to help prevent the spread of COVID-19. For corporate associates, we implemented temporary work-from-home policies. Whenever possible, we reassigned associates whose work could not be done from home to other business-critical activities such as customer care and digital design services.

Safety and pay continuation for our people have been our two key priorities during this pandemic, and we feel fortunate to be in a strong financial position to be able to continue providing pay and benefits to our corporate associates and store associates who’ve been regularly working more than 12 hours weekly for the entire time our stores have been closed. In distribution centers that remained open, we implemented strict safety protocols such as social distancing measures, enhanced sanitization, daily wellness checks and a supply of personal protective gear such as masks and gloves.

For our associates company-wide, we’ve provided continued telehealth support and employee assistance programs, special wellness resources and tools, and a dedicated associate hotline to provide real-time support during this very challenging time. For those associates experiencing financial hardship due to COVID-19, we were able to provide relief through Williams-Sonoma, Inc. Foundation funds.

SUPPORTING OUR CUSTOMERS
Across our brands, we expanded virtual design services and launched virtual design appointments. In our Williams Sonoma brand, we launched “Ask the Expert” for customers seeking recipes, tips and advice. So far, we’ve launched contactless curbside pickup at close to 500 locations, with more planned.

In stores that have re-opened, we’ve implemented heightened safety measures, including shopping by appointment; limitations on the number of customers and associates in stores, consistent with state-specific guidelines; new signage to encourage social distancing, including floor markers, directional traffic arrows and signage at every store entrance; Wellness Ambassadors to manage customer traffic flow, monitor store traffic and limit customers based on store footprint; daily wellness checks for associates; a supply of masks and gloves for store associates; and frequent sanitization and enhanced cleaning throughout the day. We’ve also altered delivery procedures with customer and associate safety as our top priority. We brief customers on safety procedures pre-delivery, maintain six feet of separation from the customer at all times and supply masks, gloves and booties for all delivery associates.

SUPPORTING OUR COMMUNITY
For frontline healthcare workers, we donated food and personal care kits. Donations included surgical masks to New York’s Presbyterian Hospital and Columbia University Medical Center and San Francisco’s UCSF Mount Zion Medical Center. West Elm partnered with Designtex to manufacture and donate masks to CAMBA, a Brooklyn-based nonprofit agency. At West Elm’s Industry City Makers Studio, associates used 3D printers to make face shields for first responders.

In several of our Fair Trade Certified™ factories, community development funds from the Fair Trade program were used to ensure workers had access to food, protective gear and personal care products. Many of our vendors in Vietnam and India have converted their production lines to produce sanitizers, face masks, medical protective suits and healthcare textiles. West Elm has also worked with nonprofit partners in Guatemala to repurpose funds from the Pintando el Cambio to provide families in the community with food and protective gear. In the U.S., we continue to support and protect our West Elm LOCAL and small business community.

As the pandemic continues, we’re responding to new protocols and state guidelines. Most importantly, we’re listening to our associates, customers and community members. As Vicki McWilliams, EVP of Stores and Customer Care Centers, said to our associates: “Your feedback is critical in helping us learn from what you’re experiencing, and we’ll adjust our protocols and resources with you as our guide.”
No Kid Hungry

“America’s kids need us. Millions of vulnerable children are losing the healthy meals they depend on as the coronavirus closes schools nationwide.”

To date, Williams-Sonoma, Inc. has donated over $12.5M dollars to No Kid Hungry in their fight to end childhood hunger. During these uncertain times, all our brands are supporting No Kid Hungry with a digital fundraising campaign. Since March 21, 2020, customers have been able to give through digital donation pages at Pottery Barn, Pottery Barn Kids, Pottery Barn Teen, Williams Sonoma, West Elm, Rejuvenation and Mark and Graham. We’ve also organized email and social media campaigns to raise funds. As of September 2020, we’ve raised over $2.5M across all our brands. Working with our nonprofit partner Good360, we also donated home goods to a network of nonprofits in need.

In addition to giving out grants to support food programs in local schools, No Kid Hungry continues to:

- Provide emergency coronavirus grants to support local school districts and nonprofit organizations.
- Collaborate with local and federal governments to feed children in need.
- Divert resources to help hard-hit food banks and organizations feeding kids nationwide.
- Help families learn how to find meals while schools are closed.
- Continue their work to make sure every kid gets three meals a day.

According to the World Food Program, 135 million people suffer from acute hunger globally. The UN Reports, “The COVID-19 pandemic could now double that number, putting an additional 130 million people at risk of suffering acute hunger by the end of 2020.” For this reason, among others, we’ve made a commitment this year to the U.N. Sustainable Development Goal of Zero Hunger by 2030.

No Kid Hungry is working to meet that goal for children in the United States through programs including school breakfasts, summer meals, after-school meals and family nutrition education programs. To help No Kid Hungry ensure that millions of kids get the meals they need during school closures and all year long, visit Williams Sonoma or No Kid Hungry.
## APPENDIX

### ESG Metrics: Responsible Materials

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FSC®/BEST</strong></td>
<td>7%</td>
<td>11%</td>
<td>9%</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
<td>16%</td>
<td>18%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>BETTER</strong></td>
<td>13%</td>
<td>11%</td>
<td>9%</td>
<td>11%</td>
<td>9%</td>
<td>10%</td>
<td></td>
<td></td>
<td>18%</td>
</tr>
<tr>
<td><strong>GOOD</strong></td>
<td>22%</td>
<td>23%</td>
<td>26%</td>
<td>20%</td>
<td>17%</td>
<td>19%</td>
<td></td>
<td></td>
<td>8%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>44%</td>
<td>41%</td>
<td>43%</td>
<td>39%</td>
<td>43%</td>
<td>47%</td>
<td></td>
<td></td>
<td>11%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Tracked by Ecodesk reporting + SKU-level wood volumes from vendors. Percent of responsibly sourced wood in our furniture in cubic meters. Responsibly sourced wood is categorized through a Good-Better-Best approach: Best – Forest Stewardship Council® (FSC), Better – Programme for the Endorsement of Forest Certification (PEFC), Rediscovered wood (reclaimed/recycled and orchard wood sources), FSC® Controlled Wood, Good – verified legal and low-risk wood for legality (as defined by NEPCon’s Timber Risk Assessments and FSC’s National Risk Assessments). Total reflects the volume of responsibly sourced wood as a percent of WSI’s total volume of wood.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GOTS/ORGANIC BEST</strong></td>
<td>11%</td>
<td>13%</td>
<td>9%</td>
<td>11%</td>
<td>9%</td>
<td>15%</td>
<td>16%</td>
<td>27%</td>
<td>69%</td>
</tr>
<tr>
<td><strong>OCS/RECYCLED BETTER</strong></td>
<td>6%</td>
<td>4%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>4%</td>
<td></td>
<td></td>
<td>205%</td>
</tr>
<tr>
<td><strong>OEKO-TEX/BCI GOOD</strong></td>
<td>8%</td>
<td>30%</td>
<td>32%</td>
<td>33%</td>
<td>52%</td>
<td>44%</td>
<td></td>
<td></td>
<td>-15%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>23%</td>
<td>45%</td>
<td>42%</td>
<td>49%</td>
<td>69%</td>
<td>75%</td>
<td></td>
<td></td>
<td>9%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Tracked by vendor textile survey. Percent of responsibly sourced cotton used in our textiles in pounds. Responsibly sourced cotton is categorized through a Good-Better-Best approach: Best – Global Organic Textile Standard (GOTS), Better – Organic Content Standard (OCS) and recycled cotton, Good – Better Cotton Initiative™ (BCI) and STANDARD 100 by OEKO-TEX® certified products. Total reflects the volume of responsibly sourced cotton as a percent of WSI’s total volume of cotton.
## ESG Metrics: Carbon & Electricity Intensity

### CARBON INTENSITY

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2e (KG)</td>
<td>127,095,250</td>
<td>135,502,190</td>
<td>132,096,330</td>
<td>129,506,490</td>
<td>118,993,662</td>
<td>109,608,697</td>
<td>105,374,174</td>
<td>97,380,600</td>
<td>-8%</td>
</tr>
<tr>
<td>REVENUE</td>
<td>$4,042,870,000</td>
<td>$4,387,889,000</td>
<td>$4,698,719,000</td>
<td>$4,976,090,000</td>
<td>$5,083,812,000</td>
<td>$5,292,359,000</td>
<td>$5,671,593,000</td>
<td>$5,898,008,000</td>
<td>4%</td>
</tr>
<tr>
<td>CO2e (KG)/REVENUE</td>
<td>0.031</td>
<td>0.031</td>
<td>0.028</td>
<td>0.026</td>
<td>0.023</td>
<td>0.021</td>
<td>0.019</td>
<td>0.017</td>
<td>-11%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Data aggregated by NUS and manual data collection. 2019 emissions calculations performed by Point380. Point380 calculation added radiative forcing factors in 2019. Greenhouse gas emissions (GHG) in kilograms per dollars of revenue. Emissions include Scope 1 (direct GHG emissions from fuel consumption), Scope 2 (indirect GHG emissions from purchased electricity, heat and steam) and partial Scope 3 (emissions from business travel). Emissions from stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, corporate offices and owned and leased vehicles is included.

### ELECTRICITY INTENSITY

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>kWh</td>
<td>224,530,960</td>
<td>227,792,690</td>
<td>232,994,330</td>
<td>235,938,060</td>
<td>231,318,642</td>
<td>227,397,750</td>
<td>205,080,045</td>
<td>191,756,836</td>
<td>-7%</td>
</tr>
<tr>
<td>SQFT</td>
<td>13,141,600</td>
<td>13,883,439</td>
<td>14,699,793</td>
<td>15,531,495</td>
<td>17,060,388</td>
<td>16,925,882</td>
<td>17,112,188</td>
<td>17,686,430</td>
<td>3%</td>
</tr>
<tr>
<td>kWh/SQFT</td>
<td>17.09</td>
<td>16.41</td>
<td>15.85</td>
<td>15.19</td>
<td>13.56</td>
<td>13.43</td>
<td>11.98</td>
<td>10.84</td>
<td>-15%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Data aggregated by NUS, manual data collection and WSI Real Estate. 2019 electricity intensity calculations performed by Point380. Electricity consumed in kilowatt hours (kWh) per square foot of real estate annually. Consumption for stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, owned production facilities and corporate offices included. Real estate square footage is an annual average.
## ESG Metrics: GHG Emissions

<table>
<thead>
<tr>
<th>SCOPE 1 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
<th>SCOPE 2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
<th>SCOPE 1&amp;2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td>14,581</td>
<td><strong>2017</strong></td>
<td>90,595</td>
<td><strong>2017</strong></td>
<td>105,176</td>
</tr>
<tr>
<td><strong>2018</strong></td>
<td>14,990</td>
<td><strong>2018</strong></td>
<td>87,335</td>
<td><strong>2018</strong></td>
<td>102,324</td>
</tr>
<tr>
<td><strong>2019</strong></td>
<td>16,692</td>
<td><strong>2019</strong></td>
<td>75,646</td>
<td><strong>2019</strong></td>
<td>92,338</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OFFICES: SCOPE 1 &amp; 2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
<th>DCs/HUBS*: SCOPE 1 &amp; 2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
<th>RETAIL: SCOPE 1 &amp; 2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td>6,929</td>
<td><strong>2017</strong></td>
<td>30,466</td>
<td><strong>2017</strong></td>
<td>67,782</td>
</tr>
<tr>
<td><strong>2018</strong></td>
<td>5,919</td>
<td><strong>2018</strong></td>
<td>38,111</td>
<td><strong>2018</strong></td>
<td>58,294</td>
</tr>
<tr>
<td><strong>2019</strong></td>
<td>5,592</td>
<td><strong>2019</strong></td>
<td>34,841</td>
<td><strong>2019</strong></td>
<td>51,905</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AMERICAS: SCOPE 1&amp;2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
<th>ASIA PACIFIC: SCOPE 1&amp;2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
<th>EUROPE: SCOPE 1&amp;2 EMISSIONS</th>
<th>GRAND TOTAL (MT)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td>100,707</td>
<td><strong>2017</strong></td>
<td>4,317</td>
<td><strong>2017</strong></td>
<td>153</td>
</tr>
<tr>
<td><strong>2018</strong></td>
<td>99,232</td>
<td><strong>2018</strong></td>
<td>2,845</td>
<td><strong>2018</strong></td>
<td>247</td>
</tr>
<tr>
<td><strong>2019</strong></td>
<td>88,839</td>
<td><strong>2019</strong></td>
<td>3,064</td>
<td><strong>2019</strong></td>
<td>435</td>
</tr>
</tbody>
</table>

**Calculation & Scope:** Aggregated by NUS and manual data collection. 2019 emissions calculations performed by Point380. Point380 calculation added radiative forcing factors in 2019. Greenhouse gas emissions include Scope 1 (direct GHG emissions from fuel consumption) and Scope 2 (indirect GHG emissions from purchased electricity, heat and steam). Emissions from stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, corporate offices and owned and leased vehicles is included. *DCs, hubs, production facilities, and data centers.
## APPENDIX

### ESG Metrics: Landfill Diversion

<table>
<thead>
<tr>
<th>DIVERSION RATE</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>YOY % CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECYCLING (MT)</td>
<td>26,618</td>
<td>28,246</td>
<td>32,036</td>
<td>13%</td>
</tr>
<tr>
<td>LANDFILL (MT)</td>
<td>31,613</td>
<td>32,453</td>
<td>33,296</td>
<td>3%</td>
</tr>
<tr>
<td>DIVERTED (WASTE TOTAL)</td>
<td>46%</td>
<td>47%</td>
<td>49%</td>
<td>5%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Calculated since 2017 by Rubicon annual tonnage report, WSI DC monthly report and manual data collection. Percent of recycled and composted volume diverted from landfill in tons. Scope includes distribution centers, in-sourced hubs, corporate offices and retail stores in North America. In 2016, EPA’s factor for waste changed from 225 pounds per yard to 138. The new factor was applied in 2017-2019.

### Waste Total (MT)

<table>
<thead>
<tr>
<th>WASTE TOTAL (MT)</th>
<th>RECYCLING</th>
<th>LANDFILL</th>
<th>TOTAL</th>
<th>DIVERSION RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>26,618</td>
<td>31,613</td>
<td>58,232</td>
<td>46%</td>
</tr>
<tr>
<td>2018</td>
<td>28,246</td>
<td>32,453</td>
<td>60,699</td>
<td>47%</td>
</tr>
<tr>
<td>2019</td>
<td>32,036</td>
<td>33,296</td>
<td>65,333</td>
<td>49%</td>
</tr>
</tbody>
</table>

### Office Total (MT)

<table>
<thead>
<tr>
<th>OFFICE TOTAL (MT)</th>
<th>RECYCLING</th>
<th>LANDFILL</th>
<th>TOTAL</th>
<th>DIVERSION RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>861</td>
<td>215</td>
<td>1,076</td>
<td>80%</td>
</tr>
<tr>
<td>2018</td>
<td>570</td>
<td>348</td>
<td>918</td>
<td>62%</td>
</tr>
<tr>
<td>2019</td>
<td>554</td>
<td>454</td>
<td>1,008</td>
<td>55%</td>
</tr>
</tbody>
</table>

### DCs/Hubs Total (MT)

<table>
<thead>
<tr>
<th>DCs/HUBS TOTAL (MT)</th>
<th>RECYCLING</th>
<th>LANDFILL</th>
<th>TOTAL</th>
<th>DIVERSION RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>13,245</td>
<td>9,945</td>
<td>23,190</td>
<td>57%</td>
</tr>
<tr>
<td>2018</td>
<td>13,580</td>
<td>10,606</td>
<td>24,186</td>
<td>56%</td>
</tr>
<tr>
<td>2019</td>
<td>13,776</td>
<td>10,975</td>
<td>24,752</td>
<td>56%</td>
</tr>
</tbody>
</table>

### Stores Total (MT)

<table>
<thead>
<tr>
<th>STORES TOTAL (MT)</th>
<th>RECYCLING</th>
<th>LANDFILL</th>
<th>TOTAL</th>
<th>DIVERSION RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>12,512</td>
<td>21,454</td>
<td>33,966</td>
<td>37%</td>
</tr>
<tr>
<td>2018</td>
<td>14,096</td>
<td>21,499</td>
<td>35,595</td>
<td>40%</td>
</tr>
<tr>
<td>2019</td>
<td>17,706</td>
<td>21,867</td>
<td>39,573</td>
<td>45%</td>
</tr>
</tbody>
</table>
## APPENDIX

### ESG Metrics: Fair Trade, FSC® Paper, Giving & Volunteering

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<thead>
<tr>
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<tbody>
<tr>
<td>PREMIUMS PAID SINCE 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$4,716,123</td>
</tr>
<tr>
<td>$16,776</td>
<td>$165,169</td>
<td>$344,754</td>
<td>$620,342</td>
<td>$1,711,910</td>
<td>$1,857,172</td>
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</tbody>
</table>

**CALCULATION & SCOPE:** Total dollars paid as Fair Trade Premiums to our vendors since 2014.

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<tbody>
<tr>
<td>FSC-CERTIFIED CATALOG PAPER</td>
<td></td>
<td></td>
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<td></td>
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<td>0%</td>
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<tr>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
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<td>100%</td>
<td>100%</td>
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</tbody>
</table>

**CALCULATION & SCOPE:** Percent of FSC-certified paper in our catalogs in number of pages circulated.

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</thead>
<tbody>
<tr>
<td>TOTAL GIVEN &amp; RAISED</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>78%</td>
</tr>
<tr>
<td>$8,656,697</td>
<td>$7,985,510</td>
<td>$7,876,944</td>
<td>$7,896,079</td>
<td>$8,810,785</td>
<td>$10,597,152</td>
<td>$11,232,861</td>
<td>$20,048,087</td>
<td></td>
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</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Contributions through fundraising for causes, miscellaneous community giving, associate donations, shelter grants, product proceeds, matching gifts and in-kind donations.

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</tr>
</thead>
<tbody>
<tr>
<td>TOTAL HOURS</td>
<td>2,800</td>
<td>3,000</td>
<td>3,200</td>
<td>4,300</td>
<td>11,045</td>
<td>9,280</td>
<td>9,843</td>
<td>9,997</td>
<td>2%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE:** Total of non-store associate volunteering hours.
## APPENDIX

### ESG Disclosures: U.N. Sustainable Development Goals

<table>
<thead>
<tr>
<th>SDG</th>
<th>UNITED NATIONS TARGET</th>
<th>NO.</th>
<th>DESCRIPTION</th>
<th>REFERENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.10</td>
<td>By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.</td>
<td>1.5</td>
<td>We work with Fair Trade USA™ and HERproject to lift people out of poverty through fair wages and financial literacy education. In 2020, we mobilized funds to provide COVID relief to workers around the world.</td>
<td>Pgs. 24-25, Pg. 37, Fair Trade, HERproject</td>
</tr>
<tr>
<td>2.2</td>
<td>By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, to safe, nutritious and sufficient food all year round.</td>
<td>2.1</td>
<td>We’ve raised $12.5M+ for “No Kid Hungry”, an organization working to end child hunger in America by ensuring that all children have access to healthy food.</td>
<td>Pg. 38, No Kid Hungry</td>
</tr>
<tr>
<td>3.3</td>
<td>By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</td>
<td>3.9</td>
<td>We support healthy workers and families through lower-emissions products and supply chain health partnerships with HERproject and VisionSpring.</td>
<td>Pg. 13, Pg. 25, Responsible Materials, Product Safety &amp; Testing, Worker Well-being</td>
</tr>
<tr>
<td>4.2</td>
<td>By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for human rights, gender equality, global citizenship and appreciation of cultural diversity.</td>
<td>4.7</td>
<td>By the end of 2020, we will have reached the majority of our 100k worker well-being goal through education programs in health, financial literacy and gender equality. We also provide training and development for our associates.</td>
<td>Pg. 25, Worker Well-being, Training &amp; Development</td>
</tr>
<tr>
<td>5.3</td>
<td>Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.</td>
<td>5.5</td>
<td>We’re proud that over 50% of our executive positions at the VP level and above are occupied by women, and 50% of our board members are women.</td>
<td>Pgs. 26-28, Equality, Diversity &amp; Inclusion</td>
</tr>
<tr>
<td>6.2</td>
<td>By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.</td>
<td>6.3</td>
<td>Access to water and sanitation is a human right. We will be sourcing 100% responsible cotton by 2021, reducing harmful chemicals in waterways.</td>
<td>Pgs. 17-18, Responsible Materials, Product Safety &amp; Testing</td>
</tr>
</tbody>
</table>
## APPENDIX

### ESG Disclosures: U.N. Sustainable Development Goals (Cont.)

<table>
<thead>
<tr>
<th>SDG</th>
<th>UNITED NATIONS TARGET</th>
<th>NO.</th>
<th>DESCRIPTION</th>
<th>REFERENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Affordable and clean energy</td>
<td>7.2 7.3</td>
<td>We’ve saved energy and reduced carbon emissions year-over-year since 2011, despite revenue increases. Currently, we’re researching renewables and further science-based targets.</td>
<td>Pg. 11 Climate &amp; Energy Strategy Climate &amp; Energy Policy</td>
</tr>
<tr>
<td>8</td>
<td>Decent work and economic growth</td>
<td>8.7 8.8</td>
<td>Our social compliance program is based on the conventions of the International Labor Organization (ILO) and the UN’s Guiding Principles on Business and Human Rights and we are committed to doing our part to eradicate human trafficking, child labor and forced labor in our global product supply chains. We work with Fair Trade USA™ to create healthy and safe working conditions, with additional income for supply chain workers.</td>
<td>Pg. 24 Ethical Production Fair Trade Social Compliance Supply Chain Labor Practices</td>
</tr>
<tr>
<td>9</td>
<td>Industry, innovation and infrastructure</td>
<td>9.3</td>
<td>Our small business programs — including West Elm LOCAL, Williams Sonoma’s Artisan Makers and Rejuvenation’s Designer &amp; Maker programs — connect local makers and designers to a larger pool of resources, customers and markets.</td>
<td>Pg. 31 West Elm LOCAL Williams Sonoma Artisan Makers Rejuvenation Designers &amp; Makers</td>
</tr>
<tr>
<td>10</td>
<td>Reduced inequalities</td>
<td>10.2</td>
<td>Equality is a cornerstone of our business, and we deepened our commitments to a diverse workforce in 2019. In 2020, we took significant steps toward racial equity, outlined in our Equity Action Plan.</td>
<td>Pgs. 24-25 Pg. 27 Equality Diversity &amp; Inclusion</td>
</tr>
<tr>
<td>11</td>
<td>Sustainable cities and communities</td>
<td>11.5</td>
<td>We work every day to create a sense of home in people’s lives, and this mission guides our giving and volunteering strategy. Partnering with Good360, we offer aid and assistance to those whose homes have been damaged or lost.</td>
<td>Pg. 19 Pg. 35 Pg. 37 Giving &amp; Volunteering</td>
</tr>
</tbody>
</table>
## ESG Disclosures: U.N. Sustainable Development Goals (Cont.)

<table>
<thead>
<tr>
<th>SDG</th>
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<th>NO.</th>
<th>DESCRIPTION</th>
<th>REFERENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Responsible Consumption and Production</td>
<td>12.2</td>
<td>We've set ambitious goals prioritizing responsible materials alongside sustainable operations, including commitments to 100% responsibly sourced cotton and 50% responsibly sourced wood by 2021 and 100% GREENGUARD Certified company-produced bedroom and nursery furniture at Pottery Barn Kids by 2020.</td>
<td>Pg. 8, Pgs. 13-18 Responsible Materials Supporting our Claims</td>
</tr>
<tr>
<td>13</td>
<td>Climate Action</td>
<td>13.1</td>
<td>We've committed to 75% landfill diversion by 2021, using resources wisely to reduce the waste, energy and water footprint of our products and operations. We're currently auditing our full Scope 3 value chain footprint and researching science-based targets.</td>
<td>Pg. 8, Pgs. 13-18 Pg. 19-20 Climate &amp; Energy Strategy Climate &amp; Energy Policy Waste &amp; Circularity</td>
</tr>
<tr>
<td>14</td>
<td>Life below water</td>
<td>14.1</td>
<td>Through use of REPREG® certified recycled plastic fibers, we've kept 57 million plastic bottles from polluting oceans. We will also be sourcing 100% responsible cotton by 2021, reducing harmful chemicals in waterways.</td>
<td>Pg. 13 Pgs. 17-20 Responsible Materials REPREG®</td>
</tr>
<tr>
<td>15</td>
<td>Life on land</td>
<td>15.2</td>
<td>To conserve forests, we work with the Forest Stewardship Council® to certify 100% of our catalog paper and a growing percentage of wood furniture.</td>
<td>Pgs. 13-16 Responsible Materials Wood &amp; Paper Procurement Policy</td>
</tr>
<tr>
<td>16</td>
<td>Peace, justice and strong institutions</td>
<td>16.2</td>
<td>Our rigorous social compliance and audit programs are committed to eradicating human trafficking, child labor and forced labor in our global product supply chains.</td>
<td>Pgs. 22-23 Social Compliance Supply Chain Labor Practices Policy</td>
</tr>
<tr>
<td>17</td>
<td>Partnerships for the goals</td>
<td>17.17</td>
<td>We partner with NGOs, third-party certifiers and field-level sustainability standards to verify sustainability claims on select products and practices, sharing knowledge, resources and driving sustainable business.</td>
<td>Pgs. 16 &amp; 33 Supporting Our Sustainability Claims Responsible Materials</td>
</tr>
</tbody>
</table>
## ESG Disclosures: Sustainability Accounting Standards Board (SASB)

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>SASB</th>
<th>DESCRIPTION</th>
<th>REFERENCES</th>
</tr>
</thead>
</table>
| Energy Management in Retail & Distribution | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Quantitative                 | CG-MR-130a. 1 | 1) Total energy consumed: 1,015,818.56 GJ  
2) Total percent grid electricity: 70%  
3) Total percent from renewable sources: 0%  
See references for reporting.                                                                 | Pgs. 11-12, 41-43  
Climate & Energy Strategy  
Climate & Energy Policy |
| Data Security    | Description of approach to identifying and addressing data security risks          | Discussion & Analysis        | CG-MR-230a. 1 | In the normal course of our business, Williams-Sonoma, Inc. collects and uses personal information to support sales, marketing and service operations. See references for reporting. | Pg. 34  
Cybersecurity & Data Privacy  
WSI Privacy Policy |
|                  | (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected | Quantitative                 | CG-MR-230a. 2 | We are dedicated to safeguarding our customers' personal information and have invested in technology, management systems, third-party assessments and board oversight to this end. WSI discloses this information in accordance with the SEC’s Commission Statement and Guidance on Public Company Cybersecurity Disclosures. | Pg. 34  
Cybersecurity & Data Privacy  
WSI Privacy Policy |
| Labor Practices  | (1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region | Quantitative                 | CG-MR-310a. 1 | We are proud to continue to invest in our associates through several initiatives announced in 2020, including increasing the minimum wage for our hourly associates and further enhancements to our parental leave policy. We actively track and report on labor practices, including involuntary and voluntary turnover, internally on a regular basis. We conduct regular trainings to all associates on creating a safe and respectful workplace. See references for partial reporting. | Pgs. 22-31  
Investing in Employees  
Social Compliance Policy  
Human Rights  
Health & Safety  
Employees & Benefits |
|                  | (1) Voluntary and (2) involuntary turnover rate for in-store employees              | Quantitative                 | CG-MR-310a. 2 |                                                                                                                                                                                                     |                                                                                                       |
|                  | Total amount of monetary losses as a result of legal proceedings associated with labor law violations | Quantitative                 | CG-MR-310a. 3 |                                                                                                                                                                                                     |                                                                                                       |
## APPENDIX

### ESG Metrics & Disclosures: SASB Continued

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<tr>
<th>TOPIC</th>
<th>ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>SASB</th>
<th>DESCRIPTION</th>
<th>REFERENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Diversity &amp; Inclusion</td>
<td>Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees</td>
<td>Quantitative</td>
<td>CG-MR-330a. 1</td>
<td>Williams-Sonoma, Inc. is a member of CEO Action for Diversity &amp; Inclusion, and we rank among Forbes’ Best Employers for Women (2019-20) and Forbes’ Best Employers for Diversity. See pgs. 28-29 and references for reporting and data.</td>
<td>Pgs. 22-31</td>
</tr>
<tr>
<td></td>
<td>Total amount of monetary losses as a result of legal proceedings associated with employment discrimination</td>
<td>Quantitative</td>
<td>CG-MR-330a. 2</td>
<td>Williams-Sonoma, Inc. provides equal opportunity for all employees and no employee may be discriminated against due to race, color, religion, gender, gender identity, gender expression, sexual orientation, ancestry, national origin, age, marital or veteran status, or disability. See references for partial reporting.</td>
<td>Pgs. 22-31</td>
</tr>
<tr>
<td></td>
<td>Revenue from products third-party certified to environmental and/or social sustainability standards</td>
<td>Quantitative</td>
<td>CG-MR-410a. 1</td>
<td>YE 2019 30% of our cross-brand revenue was from product certified by third-party social and environmental standards, with an additional 3.7% from our internally verified recycled declaration process. See references for reporting.</td>
<td>Pg. 16</td>
</tr>
<tr>
<td></td>
<td>Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products</td>
<td>Discussion &amp; Analysis</td>
<td>CG-MR-410a. 2</td>
<td>All of the products we sell are required to meet national and state laws for restricted substances and emissions, and we invest in meeting and exceeding these standards throughout the WSI value chain—from design to production to testing. See references for reporting.</td>
<td>Pgs. 13-18</td>
</tr>
<tr>
<td></td>
<td>Discussion of strategies to reduce the environmental impact of packaging</td>
<td>Discussion &amp; Analysis</td>
<td>CG-MR-410a. 3</td>
<td>In 2019 our global team of packaging engineers reduced the amount of EPS foam in our packaging, increased curbside-recyclable alternatives and reduced overall packaging size. These efforts eliminated 4.6M pounds of EPS from our supply chain. See references for reporting.</td>
<td>Pgs. 19-20</td>
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## APPENDIX

### ESG Disclosures: SASB Facilities Activity

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<tr>
<th>TOPIC</th>
<th>ACCOUNTING METRIC</th>
<th>CATEGORY</th>
<th>SASB</th>
<th>DESCRIPTION</th>
<th>REFERENCES</th>
</tr>
</thead>
</table>
| Facilities       | Number of:        | Quantitative   | CG-MR-000.a     | 1) 626 retail locations  
                        | (1) retail locations  |                | 2) 19 distribution centers and hubs  
                        | (2) distribution centers |                | See references for reporting.                                         | Pgs. 11-12  
                        |                   |                |                              |                                | Pg. 42-43  
                        |                   |                |                              |                                | [Climate & Energy Strategy]  
                        |                   |                |                              |                                | [Climate & Energy Policy]  
| Square Footage   | Total area of:    | Quantitative   | CG-MR-000.b     | Total Leased area of  
                        | (1) retail space      |                | 1) retail locations: 7,457,749 sq feet  
                        | (2) distribution centers |                | 2) distribution centers and hubs: 10,074,724 sq feet  
                        |                   |                | See references for reporting.                                         | Pgs. 11-12  
                        |                   |                |                              |                                | Pg. 42-43  
                        |                   |                |                              |                                | [Climate & Energy Strategy]  
                        |                   |                |                              |                                | [Climate & Energy Policy]  |