Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Williams-Sonoma, Inc., incorporated in 1973, is an omni-channel specialty retailer of high-quality products for the home. In 1956, our founder, Chuck Williams, turned a passion for cooking and eating with friends into a small business with a big idea. He opened a store in Sonoma, California to sell the French cookware that intrigued him while visiting Europe but could not be found in America. Chuck's business, which set a standard for customer service, took off and helped fuel a revolution in American cooking and entertaining that continues today.

In the decades that followed, the quality of our products, our ability to identify new opportunities in the market and our people-first approach to business facilitated our expansion beyond the kitchen into nearly every area of the home. For almost two decades, Williams-Sonoma, Inc. has built our business around sustainable practices, investing resources and meeting ambitious commitments. This is what it means to be Good By Design. Our company strategy is driven by our key differentiators: our in-house design, our digital-first strategy and our values. These differentiators — including our core values — have become increasingly important in setting us apart and orienting us towards the future. Through our commitment to the three pillars of Planet, People and Purpose, we prioritize the health of our planet, the wellbeing of our people and a shared sense of purpose — the imperative to foster long-term, sustainable growth for our company and to drive positive change in our industry. Our customers have come to trust and depend on our brands for beautifully designed, high-quality, sustainable products and we've helped set the standard for the home furnishings industry. Today, over 46% of our products are sustainably sourced or made, and we will consistently grow that number to 75% through 2030. We speak to our "Good By Design" commitment and our pillars on our sustainability website, which details our progress to public goals and our enhanced disclosures aligned with an environmental, social, and governance framework.

Today, Williams-Sonoma, Inc. is one of the United States' largest e-commerce retailers with some of the best known and most beloved brands in home furnishings. As the world's largest digital-first, design-led, sustainable home retailer, we are shaping the future of shopping for the home. Our brands include Williams Sonoma, Williams Sonoma Home, Pottery Barn, Pottery

Barn Kids, Pottery Barn Teen, West Elm, Rejuvenation, and Mark & Graham. We operate in the U.S., Puerto Rico, Canada, Australia and the United Kingdom, offer international shipping to customers worldwide, and have unaffiliated franchisees that operate stores in the Middle East, the Philippines, Mexico, South Korea and India, as well as e-commerce websites in certain locations.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	February 1, 2021	January 31, 2022	No

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Canada
China
India
Indonesia
Italy
Philippines
Portugal
Puerto Rico
Singapore
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	WSM

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	i) Position of individuals: The Nominations, Corporate Governance and Social Responsibility Committee (the “Committee”) of the Company’s Board of Directors oversees ESG matters, including climate-related issues. The Committee is comprised of 3 Directors who monitor the Company’s environmental, social and governance policies and advise on policies and strategies that could inform our social and environmental impact and risk profile. ii) Please explain: The Committee engages regularly with management on climate-related issues, for example, approving updates to WSI's climate and environmental strategy and policy disclosures, receiving quarterly updates on WSI’s climate and environmental-related goals and achievements and reviewing WSI’s recent Science-Based Target. The Board of Directors’ review of environmental and social topics is obtained from WSI’s EVP of Sourcing, Quality Assurance, and Sustainable Development through the updates it receives from the Committee, and through annual updates from the organization’s dedicated sustainability team. The organization’s dedicated sustainability team presents to the full Board at least once a year to monitor and review existing and proposed strategy, goals and targets. Additionally, the Audit & Finance Committee, composed solely of directors who are independent in accordance with New York Stock Exchange listing standards, meets periodically with the Company’s independent auditors, the Company’s internal auditors, and management to advise the Board and management on policies and strategies pertinent to our Risk Management process.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Monitoring implementation and performance of objectives	The Nominations, Corporate Governance and Social Responsibility Committee (the "Committee") of the Company's Board of Directors oversees Corporate and Social Responsibility matters, including climate-related issues. The Committee is comprised of 3 Directors who monitor the Company's environmental, social and governance policies and advise on policies and strategies that could inform our social and environmental impact and risk profile. The Committee engages regularly with management on climate-related issues; for example, approving updates to WSI's climate and environmental strategy and policy disclosures, receiving quarterly updates on WSI's climate and environmental-related goals and achievements and reviewing WSI's recent Science-Based Target. The Board of Directors' review of environmental and social topics is obtained from WSI's EVP of Sourcing, Quality Assurance, and Sustainable Development through the updates it receives from the Committee, and through annual updates from the organization's dedicated sustainability team. The organization's dedicated sustainability team presents to the full Board at least once a year to monitor and review existing and proposed strategy, goals and targets. The Audit and Finance Committee, composed solely of Directors who are independent in accordance with New York Stock Exchange listing standards, meets periodically with the Company's independent auditors, the Company's internal auditors, and management to advise the Board and management on policies and strategies pertinent to our Risk Management process.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Demonstrated experience leading corporate ESG efforts, leadership of ESG Committee.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other, please specify Board-level committee	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Oversight of WSI's Sustainability Strategy, including climate-related issues, starts with the Board of Directors and carries through the entire supply chain organization. The Nominations, Corporate Governance and Social Responsibility Committee (the "Committee") of the Company's Board of Directors oversees ESG matters, including climate-related issues. The Committee is comprised of 3 Directors who monitor the Company's environmental, social and governance policies and advise on policies and strategies that could inform our social and environmental impact and risk profile. The Committee engages regularly with management on these issues. Additionally, the Audit & Finance Committee, composed solely of directors who are independent in accordance with New York Stock Exchange listing standards, meets periodically with the Company's independent auditors, the Company's internal auditors, and management to advise the Board and management on policies and strategies pertinent to our Risk Management process.

The Executive Vice President of Sourcing, Quality Assurance, and Sustainable Development leads both the organization's dedicated global team of Sustainability professionals, as well as a working group of cross-functional leaders. Together, they determine strategies, policies and goals related to sustainability and regularly report to and seek input from the Committee on those matters, including climate-related issues. Climate-related issues are monitored in a variety of ways, from tracking and reporting on GHG emissions in our operations, to tracking

and reporting on our responsibly sourced material initiatives, to identifying and assessing climate-related supply chain risks.

The dedicated Sustainability team works across the enterprise, both within brands and within shared services, to drive progress to shared goals and embed accountability for sustainability programs across departments. This team partners with in-country sourcing teams, brand design and merchants, packaging engineers, retail operations, human resources, and supply chain operations to set and meet goals. Additionally, climate risk is integrated into our enterprise-wide Risk Management process.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other, please specify Corporate employees	Non-monetary reward	Other (please specify) Company-wide public-facing goals around responsibly sourced material, reduced energy consumption and emissions, and landfill diversion	Select corporate employees are asked to include sustainability goals in their annual objectives and are evaluated on these goals in annual performance reviews. Many cross-functional teams across the company are involved in our climate-related goals and are evaluated on performance to these goals during annual reviews.
Executive officer	Monetary reward	Supply chain engagement	The Executive Vice President of Sourcing, Quality Assurance, and Sustainable Development has concrete climate-related sustainability goals in her annual objectives and is evaluated on these goals in her annual performance reviews.
Management group	Monetary reward	Supply chain engagement	The Sustainability team has concrete climate-related sustainability goals in their annual objectives and is evaluated on these goals in annual performance reviews.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	5	
Long-term	5	10	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

i) Definition of substantive financial or strategic impact: An impact in which our business, financial condition or operating results could be harmed substantially, which could cause the market price of our stock to decline materially.
ii) Quantifiable indicator of substantive financial or strategic impact: Requires a year-over-year minimum impact of 10bps on operating margin or $6M.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Climate-related risks are included in our annual Risk Assessment process and reflect geopolitical and global forces, as well as company-specific considerations. We use an industry standard five-step integrated end-to-end process to identify progress in addressing specific risks.

WSI's risk management process identifies risks most material to the business on an annual basis. This process involves steps to ensure input is collected from across the organization. Senior management across the company provides input into which risks and opportunities could have a substantive financial or strategic impact to the business. Further follow-up work is done on our most significant risks as required. Short-, medium-, and long-term risks are included in the risk identification and management process. Key risk owners are identified and provide brief risk summaries that include steps taken to mitigate the risk, and annual plans and goals to continue to mitigate the risk. A discussion of these risk areas is addressed at meetings of the Board at least annually.

For example, physical supply chain risk is always included as a significant risk. This includes acute climate-related natural disasters (e.g. floods, droughts) or chronic climate impact that results in volatile commodity cost. Mitigation entails a balanced global vendor landscape and materials sourcing strategy. Transition risks, such as brand reputation in contributing to a low carbon economy and increased cost of raw materials, are also considered as part of this process. Mitigation includes operational efficiencies, investment in renewable energy, transitioning to low-impact raw materials in our products, and engaging with vendors to reduce production emissions

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation often affects costs in our operations and supply chain. Teams within our company regularly monitor all current regulations and adjusts company-wide policies as a result. For example, in states with Mattress Stewardship legislation, we work to allocate funds to recycling and recovery operations and more broadly extend these practices across our supply chain. These types of regulatory risks are included in the company's climate-related transition risks assessments.

Emerging regulation	Relevant, always included	We follow emerging regulations at the international, federal, state and even city-level to understand the possible future implications for our costs and ability to operate. For example, our teams regularly track regulation related to chemicals (such as REACH and Prop 65 in California) and integrate that expertise into our framework for preferred and innovative materials from a carbon lens. These emerging regulatory risks are included in the company's climate-related transition risks assessments using a best to worst case range of regulation scenarios.
Technology	Relevant, always included	Technology risks are considered in how we manage costs and meet reduction targets in our operations and supply chain. For example, incorporating climate-related metrics in selecting assets or retrofitting existing assets (such as lighting, HVAC, or investment in automated boxing machinery).
Legal	Relevant, always included	WSI has not received climate-related litigation claims in the past. As a retailer, the majority of our emissions, and potential driver of climate-related litigation, exists in our value chain where we purchase goods but are not legally responsible for the emissions of our manufacturing and service providers. There is a low risk of litigation related to the sourcing practices we undertake. For example, if WSI is found using raw materials that either go against our stated goals of sustainably sourced materials or are illegally sourced, we may be subject to litigation. Similarly, if we fail to maintain a stringent verification process for sustainability marketing and certification claims on product tags, online copy, and in broader marketing claims, we may be subject to litigation.
Market	Relevant, always included	If climate change were to lead to market uncertainty or disruption, we may face reduced demand for the products we sell. Any prolonged adverse conditions or sustained uncertainty or disruption about markets in which we operate or the economy in general could adversely impact consumer confidence, causing our customers to delay purchasing or determine not to purchase our products. Our marketing, merchandising, and inventory distribution teams use internal and external consumer insights to evaluate these risks and we adjust our in-stock inventories based on these insights. For example, our outdoor furniture and holiday decor are seasonal businesses that require a specific inventory to be sold within a discrete time frame. Our success depends, in large part, upon our ability to identify and analyze factors affecting our business and to anticipate and respond in a timely manner to changing merchandise trends and customer demands in order to maintain and attract customers. For example, in the specialty home products business, style and color trends are

		constantly evolving, so we must manage our inventory effectively and commensurate with customer demand.
Reputation	Relevant, always included	Our reputation could be damaged if we do not (or are perceived not to) act responsibly with respect to any social or sustainability matters (including climate-related issues), which could negatively impact our business. Investors and customers are beginning to ask WSI about climate change impacts to the business and how they are incorporated into the company's strategy. If we fail to adequately address investor concerns about climate change and sustainability, our reputation could be harmed. If we fail to maintain a stringent verification process for sustainability marketing and certification claims on product tags, online copy, and in broader marketing claims, our reputation with consumers could be harmed.
Acute physical	Relevant, always included	Any event causing a disruption or delay of imports from foreign vendors or to our domestic supply chain could increase the cost, reduce the supply of merchandise available to us, or result in excess inventory if merchandise is received after the planned or appropriate selling season.
Chronic physical	Relevant, always included	Chronic physical changes, such as changes to weather patterns and drought, can greatly impact our raw material supply. For instance cotton is a primarily rain-fed crop. Drought in cotton-producing countries could cause significant shortages of cotton in our supply chain. Disruption to our raw material supply may cause disruption in availability and price volatility.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market

Increased cost of raw materials

Primary potential financial impact

Increased direct costs

Company-specific description

Cotton represents approximately 1/3 of our textile business and as part of our preferred materials strategy, we aim to shift our raw materials to organic, where possible. Many key inputs and processes in our supply chain are water and carbon intensive, introducing risk of scarcity due to drought or other supply issues, disruption in availability, and price volatility. For instance 50% of the cotton we source is produced in India and Pakistan, which are primarily rain-fed crops. Drought in these countries could cause significant shortages of cotton in our supply chain. Additionally, more companies are increasing organic cotton in their product assortments, resulting in increased demand for a limited supply of raw material. In 2021, we saw increased direct costs for cotton.

As a result of this risk, we responded to increased cotton prices by paying a higher raw material cost for cotton in 2021. We were able to continue sourcing organic cotton in 2021. We expect this risk to continue in the coming years. Our commitment to responsibly sourced materials and investment in supply chain mapping will inform our footprint reduction strategy, alongside our continued responsibly sourced material (wood and cotton) commitments and our launch of an alternative, lower-impact material framework and strategy to guide our cross-functional teams beyond cotton and wood.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Unknown. We are in the process of moving from qualitative measurement to quantitative measurement of our climate-related risks.

Cost of response to risk

0

Description of response and explanation of cost calculation

We do not currently have this figure. We are in the process of moving from qualitative measurement to quantitative measurement of our climate-related risks.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical

Storm (including blizzards, dust, and sandstorms)

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Approximately 65% of our merchandise purchases in fiscal year 2021 were sourced from foreign vendors, predominantly in Asia and Europe. Extreme weather events that disrupt global supply chains could cause a disruption or delay of imports from foreign vendors. Temporary disruption of production capacity within our supply chain or transportation could result in delays of goods manufactured and shipped to meet customer demand. Our estimated impact ranges from an extreme weather event that affects production in one country to an extreme weather event that affects a raw material supply chain or transportation channels and impacts multiple countries. We maintain a balanced global landscape of vendors and invest in long-term partnerships to create a more resilient supply chain.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Production delays can impact our ability to meet customer demand for merchandise resulting in loss of revenue.

Cost of response to risk

0

Description of response and explanation of cost calculation

We do not currently have this figure. We are in the process of moving from qualitative measurement to quantitative measurement of our climate-related risks.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Storm (including blizzards, dust, and sandstorms)

Primary potential financial impact

Other, please specify

Decreased revenues due to disruption of product delivery

Company-specific description

In 2021, a strong storm in the Eastern United States resulted in power outages, impacting our operations/distribution centers. This type of risk is becoming increasingly frequent, as we also experienced power outages in our Cranbury, NJ distribution center in 2020 that were a result of heavy storms. Similarly, we operate our own upholstery factory in Claremont, NC and 2020 disruptions in the supply chain for upholstery foam due to hurricanes and ice storms in Texas led to supply challenges and shortages. These types of extreme weather events have the potential to impact our ability to plan for production and meet customer demand. Power outages from extreme weather in our direct operations have the potential to impact our revenue if we are unable to complete orders or keep stores open and operational. To address the power outages and mitigate any disruption to our business, we used generators to keep the buildings operational. In

both instances, generator power allowed us to keep business operations running. We expect this risk to continue in the future will continue to explore investment and risk management responses to keep our facilities operational in the event of a power outage. Similarly, weather-related closures of our retail stores can have the same impact.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Unknown. We are in the process of moving from qualitative measurement to quantitative measurement of our climate-related risks.

Cost of response to risk

0

Description of response and explanation of cost calculation

We do not currently have this figure. We are in the process of moving from qualitative measurement to quantitative measurement of our climate-related risks.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

With a strong family of brands and a legacy of quality, durable products, we are exploring new business models related to the circular economy, which could bring in new customers and new revenue streams that do not exist in our current business model. Across our retail stores, we're testing circular pilots. In 2021, we expanded our partnership with furniture reseller AptDeco beyond West Elm to include Pottery Barn. Currently concentrated in the Northeast and Bay Area, AptDeco resells floor models and lightly damaged products, diverting them from landfills into homes. We expect to see our impact grow as they expand their presence into more regions. We're exploring other partners, as well—using digital, direct-to-consumer resale sites to streamline the second-hand selling process. With participation from 45 stores, we resold over 2,900 products, giving them a new home and avoiding the landfill.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Our ability to participate in the circular economy is dependent on multiple factors including technology, infrastructure, sustainability impact, and customer receptiveness. We are actively piloting and gathering key financial data and learnings to inform a scaled model.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We do not currently have this figure. WSI is developing plans to expand renewal and circular programs to new brands and product categories by leveraging our cross-brand potential, as well as shared distribution center network and technology systems.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

With consumer preference shifting towards sustainable options, we are one of the only large-scale home furnishing retailers with a broad assortment of certified organic, FSC, reclaimed and recycled, and Tencel products. With products at the center of our business and sustainability strategy, we continue to seek opportunities to invest in innovative materials both to reduce our GHG emissions impact and meet customer demand for these products. Examining materials through the lens of emissions, we developed a strategy to transition from high-emitting materials to lower-impact options like recycled, circular and certified materials from sustainably managed sources. To implement this strategy and continue developing innovative products with sustainable

attributes, we start with design. This year, we created tools to help our internal teams easily choose more responsible materials from the start. To guide our transition to lower-impact, recycled and responsible materials across our brands, we launched our Material Innovation Library. We also created a Preferred Materials Framework to evaluate individual materials. We use a lifecycle approach to determine what's "preferred," assessing each material against environmental and social impacts. As we transition to this framework, we'll work with our brands to raise the bar. At the end of 2021, 46% of all products sold by WSI carried at least one environmental or social initiative. We will also continue to invest in credible certifications that allow us to market product sustainability attributes to our customers, and develop the infrastructure necessary to increase our monitoring, traceability, and reporting capabilities.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Responsibly sourced products represent a significant portion of our business today. 41.2% of our cross-brand net sales was from product* certified by third-party social and environmental standards, with an additional 2.5% from our internally verified recycled declaration process. The financial impact represents the portion of our business currently categorized as responsibly sourced. *U.S. & Canada, excludes drop-ship products.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We will continue to transition our products to the Preferred Materials Framework, working across our brands to increase our impact. We will continue to invest in credible certifications that allow us to market product sustainability attributes to our customers,

and develop the infrastructure necessary to increase our monitoring, traceability, and reporting capabilities.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Participation in renewable energy programs and adoption of energy-efficiency measures

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We have found opportunities over the last 10 years to invest in energy efficiency upgrades across our operations. Energy efficiency upgrades, such as lighting retrofits at our stores and distribution centers provide opportunities for cost savings. Efficiencies have focused on lighting retrofits across our facilities. We've designed new stores with energy efficient systems and LED technology from the start. We're also retrofitting existing stores with LED light and replacing old LEDs with new technology, completing approximately 425 store lighting retrofits since 2011. In 2021, at our San Francisco offices, we invested in two large projects to make our heating and cooling more efficient: 1) We installed a state-of-the-art HVAC system that self-manages and accounts for variables like the time of day and outside temperature, and 2) We installed a new cooling tower, which works with our HVAC system to optimize temperatures.

In 2021, in addition to energy efficiency projects, we also examined opportunities to use renewable energy. To confirm that investing in renewable energy would provide a cost savings or be cost neutral after an initial upfront investment, we calculated the financial investment and the estimated electricity costs from traditional energy sources versus renewable energy. The Finance team was presented with a proposal for investment in renewable energy as an opportunity for the business. We calculated financial and emissions projections out to 2030. The proposal presented a variety of emission reduction levers, including operational retrofits, green power and solar energy, among others, and provided a recommendation on options to pursue. As a result, the organization approved a 10-year renewable energy roadmap and we made our first renewable energy purchases in 2021. We purchased green energy for a distribution center in Georgia, and signed plans for solar energy and a power purchase agreement (PPA) in 2022.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We calculated this financial figure internally.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We do not currently disclose this financial figure. We will implement our 10-year renewable energy roadmap, which was approved by the Finance team, and guides our decision-making for renewable energy and efficiency projects. The roadmap has recommendations for implementing programs such as retrofits, PPAs, solar projects, and additional green power.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a transition plan within two years

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Our Science-Based Target for emissions reduction for Scopes 1-2, approved by the Science-Based Target Initiative, is aligned with a 1.5°C world. We also set a goal to be carbon neutral in our operations by 2025.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Other, please specify Scenario analysis is an immediate and important priority, and we do conduct qualitative scenario analysis, but we are not yet able to disclose our results to the level of detail in this question.	Scenario analysis is an immediate and important priority, and we do conduct qualitative scenario analysis, but we are not yet able to disclose our results to the level of detail in this question. We are still developing our approach and actively working on incorporating both physical climate and transition scenarios into our assessment. We do, however, use a qualitative approach to include climate-related impacts in our strategy planning. We include climate-related risks in an annual assessment and reflect geopolitical and global forces as well as company specific-considerations. We use a five-step integrated end-to-end process to identify progress in addressing specific risks. We group main risk areas in the following categories: environmental, social, governance, trade & tariffs, and product safety & quality. The 5-steps in this process are: identify, assess, plan, monitor, and control.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities	Description of influence

	influenced your strategy in this area?	
Products and services	Evaluation in progress	We have set goals to increase our use of responsibly sourced materials in our products with the understanding that these will have environmental benefits. We're still evaluating the environmental impacts of these preferred materials and will quantify those impacts in future reports. We use existing LCA information to measure the environmental impacts of certified materials, such as organic versus conventional cotton, and are incorporating those calculations in our scope 3 assessment. We have incorporated these calculations in our 2030 Science-Based Target and are using them to inform our preferred materials framework and strategy.
Supply chain and/or value chain	Evaluation in progress	We maintain a balanced global landscape of vendors and invest in long-term partnerships, vendor compliance, and resilience. We made the Higg Facility Environmental Module (FEM) mandatory for our top suppliers our direct product spend and will use that data to implement a targeted reduction strategy in our broader supply chain. Evaluating a vendor's emissions is critical to achieving our Science-Based Target, so we created a vendor engagement plan, which we're implementing in 2022. To further reduce supplier emissions, we worked with a select subset of vendors to roll out an environmental engagement initiative focused exclusively on GHG emissions reduction. We identified the highest emitting vendors across our supply chain, representing nearly 80% of our product and manufacturing emissions, and will continue working directly with them to collect better data and identify opportunities to reduce emissions. In 2021, we also added Higg FEM scores to our vendor scorecard, which our teams use to evaluate vendor performance across multiple criteria and make sourcing decisions. By incorporating environmental performance into our vendor performance evaluation, we demonstrate the importance of sustainability in our business strategy. In 2021, after engaging with our suppliers, we saw year over year improvement across all seven indicator categories in the FEM. We also saw the number of factories achieving a Level 1 and above score increase by 25% after just one year of engagement.
Investment in R&D	Yes	In 2020, we assembled a preferred material research and development team to support our work in developing products with lower environmental impacts. We incorporated

		this research into our product development strategy as a component of our Science-Based Target. In 2021, we launched our Material Innovation Library- a database of vetted and approved innovative materials for our product development, in-country sourcing, design and merchandising teams to access across all of our brands. Today we have 98 vetted materials in the Material Innovation Library, with 29 materials selected as preferred. We began training our brand and merchant teams to use the library, so they can integrate sustainable materials into products at the concept and design phases. With products at the center of our business and sustainability strategy, we're implementing innovative and low-impact ways to drive sustainable growth. Moving forward, we'll expand our Material Innovation Library to our vendors, as they often provide us with research, development and innovative ideas. We also created a Preferred Materials Framework to evaluate our Material Innovation Library and broader emissions reduction strategy. We use a lifecycle approach to determine what's "preferred," assessing each material against environmental and social impacts including: Climate and GHG emissions; Water use; Chemicals and toxicity; Soil and land use; Resource use and waste; Human rights; Animal welfare. We aligned our methodology with the Textile Exchange's Preferred Fiber and Material Matrix. We created a raw materials roadmap to reduce product emissions and meet our Science-Based Target, which we're implementing in 2022. The roadmap will guide teams in choosing more responsible materials—from product design to vendor sourcing. Through analysis, we identified wool, cotton, polyester and medium-density fiberboard as our highest impact materials. They will be our strategic focus over the coming years. We're also addressing emissions from product use, seeking ways to create more energy efficient, low-impact options for customers. Lastly, we're launching a climate engagement strategy with our brands and in our supply chain. We launched an environmental engagement initiative with a subset of highest-emitting vendors focused exclusively on GHG emissions reduction.

Operations	Yes	In 2021, we updated our strategy for renewable energy procurement and emissions reduction in our operations. The organization approved a 10-year renewable energy roadmap. The Finance team was presented with a proposal for investment in renewable energy as an opportunity for the business to achieve cost savings in the future after an initial upfront investment. The proposal also stated that importance of renewable energy as a component to achieving our public Science-Based Target and carbon neutral goals. We calculated financial and emissions projections out to 2030. The proposal presented a variety of emission reduction levers, including operational retrofits, green power and solar energy, among others, and provided a recommendation on options to pursue. To establish a continued conversation around the organization's transition to renewable energy, we formalized a working group between Finance, Indirect Procurement and Sustainability to review opportunities for renewable energy quarterly. In 2021, we made our first renewable energy purchases, including turning on green power at our distribution center in Georgia, and with approved plans to add solar energy and a PPA in 2022. We have measured our Scope 1 and 2 emissions since 2011 and used that information to invest in retrofits and reduction projects each year. We've completed approximately 425 store lighting retrofits since 2011. At our San Francisco offices, we invested in two large projects to make our heating and cooling more efficient: 1) We installed a state-of-the-art HVAC system that self-manages and accounts for variables like the time of day and outside temperature, and 2) We installed a new cooling tower, which works with our HVAC system to optimize temperatures. We will continue upgrading to more energy-efficient equipment and retrofit lighting, which not only reduced our energy footprint, but delivered savings and positive ROI. These initiatives enabled us to reduce the carbon and electricity intensity of our operations year-over-year, even as our revenues continued to grow. We included reductions in operational emissions as a component of our Science-Based Target, with a 50% absolute reduction in Scope 1 and 2 from a 2019 baseline, and have gone beyond that with a goal of being carbon neutral in our operations by 2025.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures	In 2021, we examined the climate-related opportunity of using lower-emission sources of energy in our operations. We needed to develop an approach to meet our Science-Based Target and carbon neutral goals and recognized the important role renewable energy played in getting us there. We needed to determine how much renewable energy we needed to source, which sources of renewable energy worked for our business, and what the financial investment and payoff would be. We undertook the following actions to answer these questions: The Finance team was presented with a proposal for investment in renewable energy as an opportunity for the business to achieve cost savings in the future after an initial upfront investment. We calculated financial and emissions projections out to 2030. The proposal presented a variety of emission reduction levers, including operational retrofits, green power and solar energy, among others, and provided a recommendation on options to pursue. As a result, the organization approved a 10-year renewable energy roadmap and we made our first renewable energy purchases in 2021. We turned on green power at our distribution center in Georgia. In 2022, we have plans to add solar power to three locations: two distribution centers in the U.S. East Coast and our hub in Richmond, California. Any event causing a disruption or delay of imports from foreign vendors, our third-party freight carriers, or our facilities and systems could increase the cost, reduce the supply of merchandise available to us, or result in excess inventory if merchandise is received after the planned or appropriate selling season, interrupt our business, or impact our customers, all of which could adversely affect our business, financial condition and operating results. Time horizons covered are short and medium term.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

17,537

Base year Scope 2 emissions covered by target (metric tons CO2e)

70,415

Base year Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

87,952

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

43,976

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

21,678

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

64,143

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

85,821

% of target achieved relative to base year [auto-calculated]

4.8458249955

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

We announced our public Science-Based Target in April 2021 with a goal year of 2030: 50% absolute reduction in Scope 1 and 2 emissions and 14% absolute reduction in Scope 3 emissions. We also set a goal to be 100% carbon neutral in Scope 1 and 2 emissions by 2025. Accurate and verifiable data is an important element of our disclosure strategy and in 2022, we conducted GHG emissions assurance for Scope 1, Scope 2 market-based, Scope 2 location-based and verification for Scope 3. Our

emissions reduction plan includes the following priorities:

Scopes 1 and 2: Our Operations
EFFICIENCY- We'll retrofit systems and upgrade to more energy-efficient equipment across our offices, stores and distribution centers, reducing the energy used to power our operations.
RENEWABLES- We'll install solar where appropriate, purchase green power when possible and support new renewable energy projects through power purchase agreements (PPAs).

We have achieved emissions reductions through energy efficiency projects throughout the company as well as a reduced footprint in retail locations. We are tracking our energy use through efficiency software and looking for opportunities to continue to decrease. We anticipate approaching the limit of energy efficiency in our scope 1 and 2 emissions within 5 years and are exploring renewable energy solutions for our operations through PPAs or direct generation to further reduce emissions.

Plan for achieving target, and progress made to the end of the reporting year

We're transitioning to renewable energy wherever possible, and we have a 10-year roadmap in place to achieve our climate goals. In 2021, we turned on green power at our distribution center in Georgia. In 2022, we have plans to add solar power to three locations: two distribution centers in the U.S. East Coast and our hub in Richmond, California. In 2021, we made our first renewable energy purchases, with plans to purchase more green power and install solar in 2022.

We revised our 2019 baseline emissions after identifying in incorrect emission factor in our calculations.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Abs 2

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services
Category 2: Capital goods
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 9: Downstream transportation and distribution
Category 11: Use of sold products
Category 12: End-of-life treatment of sold products
Category 14: Franchises

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3 emissions covered by target (metric tons CO2e)

3,791,154

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

3,791,154

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

14

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

3,260,392.44

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

4,052,222

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

4,052,222

% of target achieved relative to base year [auto-calculated]

-49.1874355031

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Please explain target coverage and identify any exclusions

We announced our public Science-Based Target in April 2021 with a goal year of 2030: 50% absolute reduction in Scope 1 and 2 emissions and 14% absolute reduction in Scope 3 emissions from PG&S, downstream transportation, and use of sold products. Accurate and verifiable data is an important element of our disclosure strategy and in 2022, we conducted GHG emissions assurance for Scope 1, Scope 2 market-based, Scope 2 location-based and verification for Scope 3. To achieve these goals, we're prioritizing emissions reduction across our value chain, from our factories to customer homes.

Plan for achieving target, and progress made to the end of the reporting year

Our emissions reduction plan includes a vendor engagement plan and a raw materials roadmap, which we're implementing in 2022. In 2021, we saw an increase in Scope 3 emissions as business operations resumed to normal after 2020 store closures and other business disruptions. As our vendor engagement work is launched in 2022, we expect to see reductions in emissions toward our 2030 goal. We are prioritizing emissions reduction across our value chain in the following way:

• 2020: We partnered with industry experts to audit our complete carbon footprint,

resulting in a 2019 baseline for measurement.
• 2021: We set and announced our Science- Based Target and introduced mandatory supplier direct energy and emissions data. We also identified key materials and vendors to prioritize for our emissions reduction rollout.
• 2022: We're launching our preferred materials and vendor engagement strategy with 40+ phase one vendors, and we're integrating each manufacturer's direct energy and emissions data into our vendor scorecards.
• 2023: We'll work with phase one vendors on third-party verification of their energy and emissions data. They will set their own goals to reduce manufacturing emissions by 20-50% over the next 5–10 years. We'll also set targets to transition primary materials to preferred alternatives.
• 2023: We'll engage electric appliance suppliers associated with highest product use emissions on a roadmap for more efficient energy ratings.
• 2025: We'll expand our energy and emissions data verification, vendor engagement strategy and goal setting to an additional 30+ vendors.
• 2027: We'll reach 100% vendor engagement around direct energy and emissions data collection and reduction strategies.
• 2030: We'll complete our transition to 75% preferred materials across key categories.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2016

Target coverage

Product level

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify

Other, please specify

100% responsibly sourced cotton

Target denominator (intensity targets only)

Base year

2016

Figure or percentage in base year

42

Target year

2021

Figure or percentage in target year

100

Figure or percentage in reporting year

94

% of target achieved relative to base year [auto-calculated]

89.6551724138

Target status in reporting year

Underway

Is this target part of an emissions target?

Not directly, however, our focus is on reducing the use of conventional cotton in our textile products and converting to lower-carbon emitting cotton fibers like organic or recycled. As the goal year was retired in 2021, we will incorporate this goal into a new Preferred Material strategy in support of our science-based target by 2030.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

Responsibly sourced cotton is categorized through a Good-Better-Best approach: Best – Global Organic Textile Standard (GOTS), Better – Organic Content Standard (OCS), Good – Better Cotton and Oeko-Tex certified products. FSC® volume verified by Rainforest

Alliance. We also maintain a public fiber policy: https://sustainability.williams-sonomainc.com/2020/03/12/williams-sonoma-inc-fiber-procurement-policy/

Plan for achieving target, and progress made to the end of the reporting year

Achieved 94% Responsibly Sourced cotton, with remaining 3% in transition, 2% not going forward, and 1% being confirmed. We will commit to maintaining 100%

responsibly sourced cotton go forward and drive to Preferred Cotton options (Organic & Recycled).

List the actions which contributed most to achieving this target

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Target reference number

Oth 2

Year target was set

2016

Target coverage

Product level

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify

Other, please specify

50% responsibly sourced wood

Target denominator (intensity targets only)

Base year

2016

Figure or percentage in base year

43

Target year

2021

Figure or percentage in target year

50

Figure or percentage in reporting year

60

% of target achieved relative to base year [auto-calculated]

242.8571428571

Target status in reporting year

Achieved

Is this target part of an emissions target?

Not directly, however, our focus is on promoting responsible forestry and the use of recycled and reclaimed wood materials which has positive effect on global carbon sequestration. As the goal year was retired in 2021, we will incorporate this goal into a new Preferred Material strategy in support of our science-based target by 2030.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

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) from low-risk countries, Rediscovered wood (reclaimed/recycled and orchard wood sources), FSC Controlled Wood, Good – verified legal and low-risk wood for legality (as defined by 3rd party risk assessment tools such as Preferred By Nature's Timber Risk Score). We also maintain a public wood and paper policy: https://sustainability.williams-sonomainc.com/2020/03/12/williams-sonoma-inc-wood-paper-procurement-policy/

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

Our brands designed wood products using responsibly sourced wood options and our sourcing teams collaborated with suppliers to secure certifications and materials required to meet this goal.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	20	12,500
To be implemented*	493	24,520
Implementation commenced*	59	8,371
Implemented*	37	846

Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

427

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

155,733

Investment required (unit currency – as specified in C0.4)

400,000

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

Initiative category & Initiative type

Low-carbon energy consumption
Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

419

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

8,000

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Annual budget for LED lighting for newly constructed stores and retrofits.
Dedicated budget for other emissions reduction activities	WSI invests in lower-carbon energy consumption options such as green power programs offered by utilities (Green-E certified and retired in aggregate or in customer's name) and green power purchase agreements in order to meet the emissions reduction goals outlined in our science-based target.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

LED lighting significantly reduces energy required to operate and lasts longer than conventional lighting.

Type of product(s) or service(s)

Lighting

Conventional LED

Description of product(s) or service(s)

The majority of consumer lighting products sold through our brands with a lightbulb include an LED bulb rather than tungsten or compact fluorescent bulb.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

5

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No, but we have discovered significant errors in our previous response(s) No

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	WSI considers various factors in determining when it is appropriate to recalculate the base year. In accordance with the GHG Protocol, WSI has established a base year emissions recalculation significance threshold of 5% in cumulative Scopes 1, 2, & 3 emissions to any material change including improvements in accuracy of emissions factors or activity data, inventory boundary, calculation methods and methodology, discovery of errors or a number of cumulative errors, or any other relevant factors. This 5% threshold also applies to the restatement of combined Scopes 1, 2, & 3 emissions for any reporting year.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

17,537

Comment

We have updated our 2019 baseline emissions for Scope 1 from previous reporting to align with best practices.

Scope 2 (location-based)

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

74,310

Comment

We have updated our 2019 baseline emissions for Scope 2 (location-based) from previous reporting to align with best practices.

Scope 2 (market-based)

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

70,415

Comment

We have updated our 2019 baseline emissions for Scope 2 (market-based) from previous reporting to align with best practices.

Scope 3 category 1: Purchased goods and services

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

2,031,725

Comment

Original calculation was 3,251,037 MT. We identified and corrected a fiber volume data error and have used improved product weights as well as LCA information to reach a

more accurate assessment of our footprint. In addition, we switched from Carnegie Mellon to EPA EEIO factors and revised EEIO mapping for certain spend categories.

Scope 3 category 2: Capital goods

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

32,265

Comment

Original calculation was 33, 629 MT. General Ledger code mapping was improved in 2020 after switching to a new accounting tool and this new mapping was used to update our baseline year as well.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

23,219

Comment

No change.

Scope 3 category 4: Upstream transportation and distribution

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

411,831

Comment

Original calculation was 474,015 MT. We switched from Carnegie Mellon to EPA EEIO factors and revised EEIO mapping for certain spend categories.

Scope 3 category 5: Waste generated in operations

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

19,792

Comment

Original calculation was 27,993 MT. We used improved product weights for and changed emissions factors from WARM to WS EPA emission factors for this category.

Scope 3 category 6: Business travel

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

9,267

Comment

Original calculation was 18,629 MT. Select spend categories were reclassified in 2020 to PG&S (e.g. meals, travel management companies) and these updates were applied to our baseline year as well. Also, we switched from Defra to EPA factors which significantly decreased vehicle commute emissions. In addition, we switched from Carnegie Mellon to EPA EEIO factors and revised EEIO mapping for certain spend categories.

Scope 3 category 7: Employee commuting

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

46,933

Comment

Original calculation was 417,191 MT. We switched from Defra to EPA factors which significantly decreased vehicle commute emissions.

Scope 3 category 8: Upstream leased assets

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not applicable. All leased asset emissions are accounted for in Scopes 1 & 2 emissions.

Scope 3 category 9: Downstream transportation and distribution

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

359,466

Comment

Original calculation was 535,237 MT. There was a correction made to vehicle commuting emissions factor (DEFRA to EPA) in 2020 and the correction was applied to our baseline as well. We also improved primary transaction data in this category.

Scope 3 category 10: Processing of sold products

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not applicable. WSI is a finished goods retailer and does not process goods for outside parties.

Scope 3 category 11: Use of sold products

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

719,929

Comment

No change.

Scope 3 category 12: End of life treatment of sold products

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

116,416

Comment

Original calculation was 335,775 MT. Product weight data used for this calculation was refined with primary weight data in 2020 and this updated weight data was applied to our baseline year as well.

Scope 3 category 13: Downstream leased assets

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not applicable. WSI does not lease significant numbers of assets to other tenants that are not already included in our Scope 1 & 2 emissions calculation.

Scope 3 category 14: Franchises

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

20,311

Comment

No change.

Scope 3 category 15: Investments

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

0

Comment

Investments do not represent a significant source of emissions for WSI.

Scope 3: Other (upstream)

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not applicable.

Scope 3: Other (downstream)

Base year start

February 3, 2019

Base year end

February 2, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not applicable.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

21,678

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

60,758

Scope 2, market-based (if applicable)

64,143

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2,108,151

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

39.6

Please explain

PG&S was split into Indirect (non-retail) and Direct (retail) procurement categories in the inventory. Indirect procurement approach: FY2021 indirect spend data was mapped to EPA EEIO 2021 factors to calculate associated emissions. Product footprint approach: FY2021 product SKU procurement data, including some textile and wood material data at the SKU level, were used with a hybrid material and product LCA approach to calculate emissions. Emissions Factors used: Higg MSI and Higg Product Module (for product assembly assumptions), Ecoinvent, and 31 product LCA studies. We organized the product hierarchy using Department and Class categorizations to group products – then broke the inventory into two approaches: Material LCA (higher priority) & Representative Product LCA (secondary priority) Material LCA approach: We compared the Fiber material and Wood material files to the full product inventory to identify which products we could apply a material LCA to (Only products which were primarily composed of the listed material(s) would qualify for the material LCA method). Representative Product LCA approach: For all products without available material weight/volume information, we mapped LCA study factors to similar sets of products. Product weight data used for this calculation was refined with primary weight data in 2021.

With our third year of measuring our Scope 3 footprint we have refined our emissions calculation methodology and have applied this refinement to our 2019 base year

emissions as well. We identified and corrected a fiber volume data error and have used improved product weights as well as LCA information to reach a more accurate assessment of our footprint. We have updated our 2019 baseline PG&S calculation to 2,031,725 MT. PG&S emissions are comprised of 90% product-based and 10% indirect-spend calculated emissions. WSI collects material data for all wood-based and textile products from suppliers and material LCAs were used to calculate our emissions using this supplier data, accounting for 39.6% of the total emissions in this category.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

32,418

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions in this category were calculated using spend data rather than data provided by suppliers.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

15,490

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

FY2021 primary energy and fuel data mapped to relevant emission factors. We applied 2021 DEFRA/eGrid factors to each energy/fuel source annual consumption quantity and aggregated the resulting emissions. Emissions in this category were calculated using spend data rather than data provided by suppliers.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

592,420

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

EPA EEIO 2021 analysis on FY2021 transportation spend by mode of transport as well as transport distance and fuel consumption. We multiplied the annual spend amounts against the appropriate factors and aggregated the emissions across all transportation categories.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

31,258

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

FY2021 waste from operations data by waste source and mapped to 2021 EPA waste factors available in EPA Emission Factors Hub, Table 9. We used waste tracking data from DC operations and store operations from waste service providers which identified types and volumes of waste materials and defined what proportion was recycled vs. sent to landfill. We mapped the waste categories to EPA waste factors material category and applied the relevant emissions factors based on disposal method. We aggregated the results across distribution center operations and stores. Waste data was provided by waste and recycling service providers.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,761

Emissions calculation methodology

Hybrid method
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Combination of primary air, car rental and hotel stay data with indirect spend data on all other business travel categories. Emissions factors used: DEFRA, EPA, and EEIO factors. We used primary data for air travel, car rental, and hotel stays: For air travel we used the total trip mileage, type of trip (one-way, round trip), and seating class and applied this against DEFRA factors, which incorporated Radiative Forcing factors. For car rentals, we estimated miles traveled per day applied to the total days of the rental and applied relevant EPA fuel factors based on the type of vehicle. For hotels we used the total room nights by location to apply the relevant hotel stay factors from DEFRA. We used indirect spend for all remaining business travel categories based on the spend sub-categories, mapped these to the relevant EEIO categories and multiplied the factor against the FY2021 spend. We aggregated the emissions from air, car rental, hotel stay and all remaining business travel spend categories.
All data on air travel, hotel, and car rental is provided by our travel agencies. Note there was a significant decrease in business travel due to COVID in 2021 compared to 2019.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

34,026

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Estimate commuting distances based on employee home zip code and destination office/store address and assume modes of travel. Emissions factors used: US EPA 2021. We used headcount files that list each employee home city/country and zip codes. The files also track part time/full time/remote workers which we used to estimate the total commute days per year per employee. We extrapolated some average distances commuted in international locations. The facility location ID for each employee was used to calculate an average commute distance mileage based on the employee's home zip

code. We made assumptions on mode of transport and what % of commuting employees it applies to (from US DOT commute average data) and applied the relevant EPA emissions factor by transport mode x total employees using that mode x estimated days commuting in 2021. In 2021 we allowed employees to work from home due to COVID and our calculations reflect estimated emissions related to work-from-home activities. These calculations also account for office/store open/closure dates due to COVID.
Emissions in this category were calculated using estimations based on employee addresses and work site addresses.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

All leased asset emissions accounted for in our Scopes 1 & 2 emissions.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

363,438

Emissions calculation methodology

Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Estimate consumer miles traveled and modes of transport to/from WSI brand stores. Emissions factors used: US EPA 2021. For consumer travel to stores we used FY2021 brand sales to identify sales units by retail location. We distributed trips (i.e. transactions) across modes of travel used based on assumed ratio of frequencies (US DOT average data). We assume average miles traveled to the store (round trip) and apply the relevant EPA emissions factor based on mode of transport and the total estimated miles traveled. For DTC transport we calculate the total units, and average product weight, and distance assumptions to get the total activity in ton-miles then apply the relevant EPA emissions factor.
Emissions in this category were calculated using spend data rather than data provided by suppliers.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

WSI is a finished goods retailer and does not process goods for outside parties.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

754,177

Emissions calculation methodology

Hybrid method

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We calculated direct use of energy-using products by estimating wattage, daily use and lifetime scenarios. Emissions factors used: eGRID (updated to 2021 factors). For energy use estimates: We mapped SKUs to the relevant products in the public Lawrence Berkeley Lab energy data to estimate wattage per product and referenced and average annual hours of use. For products life expectancy and annual energy consumption: We developed three scenarios in total – low, medium, high; The maximum life expectancy was taken primarily from DEER 2014 reference data, and then we scaled down from that maximum by 15% for the medium and low scenarios respectively. Key Assumptions: Lighting fixture assumes 1 lamp/fixture. Lighting hours assumed to be 3 hours/day in the “high scenario” to reflect DOE study on residential lighting. Adjusted the lighting fixture wattage to a weighted average of 28W based on the LED vs. incandescent breakdown. Applied the medium scenario to the final GHG inventory results.

Emissions in this category were calculated using department, class, and SKU data rather than data provided by suppliers, other than wattage information provided by bulb suppliers where applicable.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

100,062

Emissions calculation methodology

Hybrid method
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

We used the FY2021 product SKU file and mapped estimated product weights to 2021 EPA WARM material categories and average disposal methods. Emissions factors used: 2021 EPA WARM factors. We used the full list of SKU products data and applied EPA waste statistics to estimate % disposal methods by material type. We multiplied the total weights by material type against the relevant WARM factor and distributed against average disposal methods.
Emissions in this category were calculated using department, class, and SKU data rather than data provided by suppliers.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

WSI does not lease significant numbers of assets to other tenants that are not already included in our Scopes 1 & 2 emissions calculation.

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

19,022

Emissions calculation methodology

Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Estimate scope 1 and 2 emissions for each franchise location using FY2021 electricity and fuel usage data provided by the franchises. Emissions factors used: US EPA. Natural gas data is estimated by applying the US National Average natural gas use intensity from CBECS 2012. We used franchise location, total electricity purchased, store square footage, and fuel usage for fleets to estimate the franchises scope 1 and 2 emissions.

Emissions in this category were calculated using consumption data provided by franchise operations.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Investments do not represent a significant source of emissions for WSI.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

WSI has no other upstream emissions to report.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

WSI has no other downstream emissions to report.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0104

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

85,821

Metric denominator

unit total revenue

Metric denominator: Unit total

8,245,936,000

Scope 2 figure used

Market-based

% change from previous year

19

Direction of change

Decreased

Reason for change

We closed many retail locations in 2021. Emissions reduction in our retail locations drove our reduction in carbon intensity.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	16,707	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	22	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	17	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	4,931	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
North America	21,104

Asia, Australasia	537
Europe	37

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Retail	5,862
Non-retail	15,816

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
North America	58,092	61,430
Asia, Australasia	2,571	2,571
Europe	94	142

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Retail	34,899	36,967
Non-retail	25,858	27,176

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	593	Decreased	0.7	Emissions for 10 locations that purchase green power from utilities have been removed from 2021 inventory. These emissions would have totaled 593 MT. 593 MT/85,281 MT = 0.7%
Other emissions reduction activities	425	Decreased	0.5	Energy efficiency/lighting retrofits at 30+ locations accounted for a reduction of 425 MT. 425 MT/85,281 MT = 0.5%
Divestment	0	No change	0	WSI had no divestments in 2021
Acquisitions	0	No change	0	WSI had no acquisitions in 2021
Mergers	0	No change	0	WSI had no mergers in 2021
Change in output	0	No change	0	WSI had no change in output in 2021
Change in methodology	3,478	Decreased	4.1	Application of new 2021 eGrid factors: 3,478 MT/85,281 MT = 4.1%
Change in boundary	0	No change	0	WSI had no change in boundary in 2021
Change in physical operating conditions	2,225	Decreased	2.6	The permanent closure of 40+ locations in 2021 resulted in an emissions reduction of approximately 2,225 MT. Emissions reductions were estimated using actual 2019 emissions for these same locations since many locations were closed during part of 2020 due to COVID. Emissions in 2021 where stores were opened for part of the year totaled 718 MT. 2,943 MT (2019 actual emissions) - 718 MT (emissions from stores opened for part of 2021) = 2,225 MT. 2,225 MT/85,281 MT = 2.6%

Unidentified	0	No change	0	Not applicable.
Other	0	No change	0	Not applicable.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	84,281	84,281
Consumption of purchased or acquired electricity		2,188	174,098	176,286
Consumption of purchased or acquired cooling		0	6,997	6,997
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		2,188	265,376	267,564

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

This fuel is not used in WSI facilities.

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

This fuel is not used in WSI facilities.

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

This fuel is not used in WSI facilities.

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

This fuel is not used in WSI facilities.

Oil

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

This fuel is not used in WSI facilities.

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

62,509

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

62,509

Comment

Natural gas is used for heating in WSI facilities.

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

21,772

MWh fuel consumed for self-generation of electricity

22

MWh fuel consumed for self-generation of heat

0

Comment

This calculation includes jet kerosene, propane (LPG), gasoline, and diesel fuels for vehicles and generators.

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

84,281

MWh fuel consumed for self-generation of electricity

22

MWh fuel consumed for self-generation of heat

62,509

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	22	22	0	0
Heat	62,509	62,509	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products from an energy supplier (e.g. green tariffs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Country/area of low-carbon energy consumption

United States of America

Tracking instrument used

Contract

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

2,188

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

10 locations purchased green power in 2021 from utilities.

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

United States of America

Consumption of electricity (MWh)

169,248

Consumption of heat, steam, and cooling (MWh)

293.4

Total non-fuel energy consumption (MWh) [Auto-calculated]

169,541.4

Country/area

Canada

Consumption of electricity (MWh)

3,299

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,299

Country/area

Puerto Rico

Consumption of electricity (MWh)

396

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

396

Country/area

Australia

Consumption of electricity (MWh)

1,890

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,890

Country/area

China

Consumption of electricity (MWh)

296

Consumption of heat, steam, and cooling (MWh)

0.6

Total non-fuel energy consumption (MWh) [Auto-calculated]

296.6

Country/area

India

Consumption of electricity (MWh)

236

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

236

Country/area

Indonesia

Consumption of electricity (MWh)

28

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

28

Country/area

Philippines

Consumption of electricity (MWh)

0.02

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

0.02

Country/area

Singapore

Consumption of electricity (MWh)

109

Consumption of heat, steam, and cooling (MWh)

6,703

Total non-fuel energy consumption (MWh) [Auto-calculated]

6,812

Country/area

Viet Nam

Consumption of electricity (MWh)

359

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

359

Country/area

Italy

Consumption of electricity (MWh)

45

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

45

Country/area

Portugal

Consumption of electricity (MWh)

4.7

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4.7

Country/area

Turkey

Consumption of electricity (MWh)

8.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

8.3

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

367

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

367

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Scope-1-2-GHGAssuranceStatement-WSI-2021-FINAL.pdf

Page/ section reference

On page 21 of our 2021 Impact Report, we include reference to our emissions assurance statement: *Deloitte & Touche LLP performed a review on management's assertion related to our Fiscal Year 2021 Statement of Greenhouse Gas ("GHG") Emissions. Their assurance statement is available at this link. https://sustainability.williams-sonomainc.com/wp-content/uploads/2022/07/Scope-1-2-GHGVerificationStatement-WSI-2021-FINAL.pdf

Relevant standard

Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Scope-1-2-GHGAssuranceStatement-WSI-2021-FINAL.pdf

Page/ section reference

On page 21 of our 2021 Impact Report, we include reference to our emissions assurance statement: *Deloitte & Touche LLP performed a review on management's assertion related to our Fiscal Year 2021 Statement of Greenhouse Gas ("GHG") Emissions. Their assurance statement is available at this link. https://sustainability.williams-sonomainc.com/wp-content/uploads/2022/07/Scope-1-2-GHGVerificationStatement-WSI-2021-FINAL.pdf

Relevant standard

Attestation standards established by AICPA (AT105)

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Upstream transportation and distribution

Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting
Scope 3: Downstream transportation and distribution
Scope 3: Use of sold products
Scope 3: End-of-life treatment of sold products
Scope 3: Franchises

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Third party verification/ assurance underway

Attach the statement

Scope-3-GHGVerificationStatement-WSI-2021-FINAL.pdf

Page/section reference

On page 26 of our 2021 Impact Report, we include reference to our emissions assurance statement: The verification has been conducted by
Optera to achieve a limited level of assurance over Scope 3 GHG emissions. The full report can be found online: https://sustainability.williams-sonomainc.com/wp-content/uploads/2022/07/Scope-3-GHGVerificationStatement-WSI-2021-FINAL.pdf

Relevant standard

IS)14064-1

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

Provide training, support, and best practices on how to make credible renewable energy usage claims

Offer financial incentives for suppliers who reduce your upstream emissions (Scopes 3)

% of suppliers by number

12

% total procurement spend (direct and indirect)

82

% of supplier-related Scope 3 emissions as reported in C6.5

77

Rationale for the coverage of your engagement

We identified and selected our highest-volume direct product suppliers representing a broad selection of product categories, manufacturing capabilities, and geographic locations to report to the 2021 Higg FEM to capture energy, water, and chemical usage

data from the most significant proportion of our supply chain where WSI can have the most influence and partnership. In 2021, we added Higg FEM scores to our vendor scorecard, which our teams use to evaluate vendor performance across multiple criteria and make sourcing decisions. We can now track our vendors' emissions and environmental impacts as we work towards our Science-Based Target. Evaluating a vendor's emissions is critical to achieving our Science-Based Target, so we created a vendor engagement plan, which we're implementing in 2022. We identified the highest emitting vendors across our supply chain and will continue working directly with them to collect better data and identify opportunities to reduce emissions.

Impact of engagement, including measures of success

While we are one of the only exclusively non-apparel brands in the Sustainable Apparel Coalition (SAC), we see the Higg tool as the best industry-standard for measuring environmental impact. We work to ensure its applicability across other categories and are a leader in its application in the home sector. In 2013, WSI began using SAC's Higg FEM in our vendor supply chain. In 2016, we worked with the SAC Higg verification pilot to verify data for 16 suppliers across furniture, textiles, and decorative accessories. Our measure of success is the inclusion of the home furnishings industry in the broader SAC agenda and the continued applicability of SAC tools, like the Higg, to factory production across a broad range of categories. While we encouraged suppliers to use the Higg FEM in the past, in the 2019 reporting year, we launched the tool to vendors representing 75% of our purchase-order volume and made it mandatory. We collected data from 217 factories representing nearly 70% of our spend. For the 2021 reporting year, we expanded our scope to our top suppliers, representing approximately 80% of our direct spend and comprising 77% of our Scope 3 PG&S footprint. We are verifying data for 10% of top suppliers in our climate supplier engagement strategy. Our goal is to reach 100% supplier engagement and participation over the next two years. In 2021, after engaging with our suppliers, we saw year over year improvement across all seven indicator categories in the FEM. We also saw the number of factories achieving a Level 1 and above score increase by 25% after just one year of engagement.

Through the process, we're also working with the SAC to lead conversations around translating Higg tools for the home furnishings industry. Not only are we achieving milestones in our journey to reduce emissions, we are also driving industry collaboration to make manufacturing more sustainable.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Our internal engagement efforts focus on embedding ownership for climate priorities within individual functions. All new U.S. WSI associates are trained on our climate and environmental initiatives, including energy reduction and landfill diversion goals. We hold bi-annual meetings with each of our country offices across the globe and each brand to discuss progress to goals

and strategies, by brand and managing office. In addition, we held a series of global information sessions explaining the announcement of our Science-Based Target, Carbon Neutral goal, and the broad 10-year roadmap to achieve them. We conduct deep-dive training for specialized teams, like merchandising and sourcing, on topics such as responsibly sourced and lower-impact materials. We engage regularly with cross-functional partners from brand packaging, retail operations, DC operations, procurement, and reverse logistics to further our commitments to waste reduction and circularity.

To reduce product emissions and guide our transition to low-impact, recycled and responsible materials across our brands, we launched our Material Innovation Library in 2021. We trained brand and merchant teams to use the library, integrating sustainable materials into products at the concept and design phases.

Externally, our suppliers are a key constituency for engagement around our climate strategy. Suppliers are expected to ensure compliance with WSI's responsible raw material procurement and environmental protection policies. These expectations are outlined in our Vendor Code of Conduct and Implementation Standards, in which we define Environmental Protection requirements, including: Environmental Management Systems; Energy and Greenhouse Gas Emissions Requirements; Water and Wastewater Requirements; Air Emissions and Ozone Depleting Substances (ODS) Requirements; Solid Waste and Hazardous Waste Requirements; Chemical Management Requirements. These guidelines are designed to align with the Higg Index Facility Environment Module. To ensure the factories we use meet our environmental compliance standards, factories in our audit scope are audited each year through semi-announced audits within a three-week window. Audits are conducted on site for one or two days, by qualified auditors from independent third-party audit firms, who are trained on WSI audit standards and protocols. Suppliers are guided in developing an environmental strategy focused on performance improvements and impact reduction, and encouraged to evaluate and update their systems every 18 months.

Reducing the impact of production is a major driver in reaching our Scope 3 reduction goals. The Higg FEM is mandatory for our major suppliers, and held a series of dedicated information sessions to support suppliers through completing the survey and interpreting its results. We shared our Science-Based Target publicly and directly with our suppliers. The environmental data we collect as part of the Higg FEM enables us to partner with suppliers and together set targets for emissions and renewable energy and track yearly progress. To further reduce supplier emissions, in 2021 we worked with a select subset of vendors to roll out an environmental engagement initiative focused exclusively on GHG emissions reduction. We identified the highest emitting vendors across our supply chain, representing 80% of our product and manufacturing emissions, and will continue working directly with them to collect better data and identify opportunities to reduce emissions. In 2022, we will implement our vendor engagement plan, which will engage our suppliers on emissions reduction and help us achieve our Science-Based Target.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

By aligning responsible materials with our climate strategy, we're making materials a critical element of our Science-Based Target. We adopted and expanded on Textile Exchange's Preferred Fiber and Material Matrix to guide our work going forward, creating our own Preferred Materials Framework. The framework supports our Material Innovation Library and our broader emissions reduction strategy. We use a lifecycle approach to determine what's "preferred," assessing each material against environmental and social impacts. We plan to focus first on fibers beyond cotton, expanding to all materials in the coming years.

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

Textile Exchange

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

Textile Exchange has developed a program called Climate Plus which aims to move the textile industry toward manufacture and use of environmentally preferred lower-carbon materials to lower GHG emissions of these materials by 45% by 2030. Here's a link to their request to government in support of COP26: https://textileexchange.org/wp-content/uploads/2021/11/COP-26-Textile-Exchange-Request-to-governments1-1.pdf

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

12,500

Describe the aim of your organization's funding

Our funding is through membership dues.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

WSI-2021-Impact-Report.pdf

Page/Section reference

2021 Impact Report, page 21-28
https://sustainability.williams-sonomainc.com/wp-content/uploads/2022/07/WSI-2021-Impact-Report.pdf

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures

Emission targets

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	No, and we do not plan to have both within the next two years

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity
Row 1	No, and we do not plan to do so within the next 2 years

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications		

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

At Williams-Sonoma, Inc. (WSI) we understand that the planet needs urgent progress to combat the negative impacts of climate change. As a multinational retailer with a global supply chain, we are committed to environmentally responsible practices across our business — from designing and sourcing responsible products and reducing waste to working with suppliers to lower emissions and adopt sustainable business practices. By managing resources responsibly, we increase our capacity to adapt to resource scarcity, geopolitical uncertainty, changing technologies and future environmental and social challenges. Climate-related risks and opportunities have been ingrained in the way we do business for over a decade. From the beginning, we embedded in-country sustainability teams within our supply chain, where we've been able to make a significant impact on responsible materials and labor. We see sustainability as central to a resilient business strategy, and the following timeline demonstrates how we've tied impactful goals to the business, met them, and expanded on them to integrate sustainability across our brands and business.

In 2006, we committed to using only FSC-certified paper in our brand catalogs. WSI achieved that goal in 2007 and have upheld it every year since. By 2008, we expanded our commitment

by developing a public-facing responsible procurement policy for paper and wood products with a preference for FSC-certified forest products. WSI joined the leading nonprofit Textile Exchange in 2007 (formerly Organic Exchange) and we began offering our first organic cotton collections to consumers.
We believe that environmental impact, human rights, and health and safety go hand-in hand. In 2007, we instituted annual third-party factory audits to enforce our ethical sourcing and environmental compliance standards. That same year, we opened our U.S.-based Sutter Street Upholstery Factory in North Carolina, creating 30 skilled manufacturing jobs. We opened additional U.S.-based manufacturing facilities in Mississippi and California, leading to the creation of over 500 full-time positions by 2015 and reducing emissions tied to overseas sourcing and shipping, as well as excess inventory.

In 2008, we expanded our collaborations with independent, third-party organizations and began codifying our sustainability work. In 2008, we became a member of World Wildlife Fund's Global Forest & Trade Network (GFTN) to develop our approach to responsibly sourced wood procurement and establish a chain-of-custody documentation process to track and validate wood sources. That year also marked the first time we began a GHG inventory of emissions. Recognizing the growing importance of this work and its primacy in our organizational strategy, we created a dedicated Sustainability Department in 2009.

We formalized our approach in 2010 with a comprehensive sustainability strategy. At that time, we integrated organic cotton, FSC-certified wood and paper, recycled packaging, and ethically sourced artisanal goods into our supply chain strategy. The following year, we published our first Corporate Responsibility Report using Global Reporting Initiative (GRI) guidelines and have continued to publish annual reports on our progress since. In 2011, we developed our Fiber Procurement Policy, which laid the foundation for setting, tracking and reporting to public goals.

In 2012, after establishing our process and baseline, we began publishing our progress. In this year, we first disclosed Scope 1 and Scope 2 emissions and have reported annually ever since, reducing our carbon intensity year-over-year since through investment in efficiency projects and lighting retrofits.

In 2013, we expanded our factory social compliance program to make our first public commitment to artisan through our West Elm brand, impacting 4,500 artisans across 20 countries. In 2014, we went on to become the first ever Fair Trade Certified™ home retailer, launching with one factory, one product category. Today we work with 19 Fair Trade Certified™ factories in 5 countries, offer Fair Trade product across all our brands, and more than doubled our 2020 goal to deliver $3M in community development funds to workers, reaching $7.2M in premiums by the end of 2020.

Also in 2014, we began the process of insourcing our vendor management and sourcing operations, opening offices across the globe. This transition, finalized in 2014, alongside vendor rationalization, has enabled us to have direct vendor relationships, leverage towards meeting our sustainability goals, and accountability and partnership from our vendor base. This direct sourcing infrastructure enabled us in 2015 to set ambitious new goals towards 100%

Responsibly Sourced Cotton and 50% Responsibly Sourced Wood by 2021. As of year-end 2021, we achieved 94% Responsibly Sourced Cotton with remaining 6% in transition and exceeded our wood goal in 2020. WSI was named in the top 10 companies with greatest improvement in Textile Exchange's 2021 Material Change Index.

We also continued our leadership in other responsible materials like REPREVE recycled polyester, Tencel-lyocell and new lower-impact materials like hemp. By leveraging the purchasing power of all our brands, we have been able to drive significant progress across our social and environmental commitments. We joined the Sustainable Apparel Coalition as one of the few home furnishings retailers in 2012 and launched the Higg survey in our supply chain in 2013. We made completion of the Higg FEM mandatory for our major suppliers in 2019, and in 2020 worked with the SAC to lead conversations around translating Higg tools for the home furnishings industry. In 2015, we launched our Worker Wellbeing commitment and in 2017 we expanded our Fair Trade Certified™ work across all our brands, promising to deliver more than $3M in community development funds to workers by 2020, a goal that we doubled by the end of 2020. In 2021, we announced new goals, doubling down on our commitment to worker wellbeing, setting more ambitious goals for Fair Trade Premiums, Nest Certified Ethically Handcrafted products and programs for workers.

In 2016 and beyond, we expanded our environmental commitments beyond materials and energy to waste and finishes. As a multi-channel retailer, we saw an opportunity to keep significant amounts of waste out of landfills. In 2016, we committed to 75% landfill diversion by 2021. This commitment also led to a renewed focus on packaging reduction and recyclability. We expanded our focus on certified nontoxic furniture with a commitment to 100% GREENGUARD certified company-produced Pottery Barn Kids bedroom and nursery furniture — a goal we met in 2020. By the end of 2020, we provided over 65,000 factory workers throughout Asia with education programs for health, financial literacy, and gender equality; we provided over 42,000 workers in India, Nepal, the Philippines, and Vietnam with vision screenings; and we became the first retailer to adopt the Nest Seal for Ethical Handcraft, impacting 3,600+ artisans. In 2019, to provide greater transparency into our sustainability goals and further integrate corporate responsibility into our business, we transitioned our sustainability strategy to an Environmental, Social and Governance (ESG) framework focused on Planet, People and Purpose and increased disclosure. We also disclosed to the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosures (TCFD) frameworks. In 2020, we became signatories to the UN Global Compact, affirming our long-standing commitment to the 17 UN Sustainable Development Goals, a global framework for achieving a better future for all by 2030.

As we meet goals we set in 2015, we're setting new targets for 2030. These long-term goals are centered on building the best products and the most inclusive company. In April 2021, we set and announced our Science-Based Target to reduce Scopes 1 & 2 emissions by 50% and Scope 3 emissions by 14% in absolute terms by 2030, based on a 2019 baseline. Our SBT has been reviewed and approved by the Science-Based Target initiative. An ambitious decade-long timeline, it requires concrete changes now, but also leaves room for us to adapt, refine and raise our targets along the way. We're measuring our performance and reporting on our progress annually, always in search of improvement. Accurate and verifiable data is an

important element of our disclosure strategy and in 2022, we conducted GHG emissions assurance for Scope 1, Scope 2 market-based, Scope 2 location-based and verification for Scope 3. By managing resources responsibly, caring for our people and uniting around our values, we lay the foundation for a more resilient company. Today, 46% of our products are labeled with at least one social or environmental initiative, and we'll consistently grow that number to 75% through 2030. Our customers have come to trust and depend on our brands for beautifully designed, high-quality, sustainable products. We've set the standard for the home furnishings industry — from being the first Fair Trade home retailer, helping create and launch the Nest Seal of Ethical Handcraft, and becoming an early member of the Sustainable Apparel Coalition, where we've adopted their tools and helped create a coalition of sustainable home companies.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	EVP of Sourcing, Quality Assurance, and Sustainable Development	Other, please specify EVP

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms