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Diego Olivero Andino Collection at West Elm
Introduction

FOR TWO DECADES, WE’VE SET AND EXCEEDED AMBITIOUS GOALS. WE’VE PARTNERED WITH FSC® SINCE 2006, TRACKED EMISSIONS SINCE 2008, AND REDUCED CARBON INTENSITY SINCE 2011. TODAY, WE’RE ON THE PATH TO MEETING 2030 SCIENCE-BASED TARGETS—ALL WHILE DEEPENING COMMITMENTS TO RESPONSIBLE MATERIALS, FAIR LABOR, AND DIVERSE TEAMS.
A LETTER FROM OUR CEO

“We’re driving long-term growth through innovative materials and products. In 2022, nearly half of our products represented one or more of our social or environmental initiatives across our brands—making us a leader in our industry.”

We live in an age of necessary innovation. The last few years have transformed the world in ways that we have yet to fully understand, from the ever-more-urgent impacts of climate change to the acceleration of technologies across sectors. At every level, the world needs solutions.

Our mission is to enhance the quality of our customer’s lives at home—as individuals, families, community members, and people who share one planet. In 2021, when we surveyed our customers*, 74% said that it was either “significantly important” or “the most important” that retailers focus on sustainability.

To meet our customer’s evolving needs, we’re focused on more sustainable ways of living. In 2022, we made steady progress towards our 2030 target: 75% of our products representing one or more of our social or environmental initiatives.

Our journey began two decades ago with pioneering partnerships with the Forest Stewardship Council® (FSC) and Fair Trade USA™, and our brands continue to showcase our increasing assortment of responsible products. In 2022, Pottery Barn launched The Accessible Home with best-selling designs adapted for accessibility in consultation with experts. Williams Sonoma used lasting materials like glass, rattan, and FSC® certified wood in its Hold Everything collection. West Elm debuted collaborations with Mara Hoffman, Marimekko, and others using organic cotton, FSC® certified wood, and Nest or Fair Trade Certified™ pieces. In 2023, we launched GreenRow, a new bold and colorful brand with 100% of products representing one or more of our environmental or social initiatives.

We were also one of the first home retailers to set a Science-Based Target across our value chain (in 2021) and we continue to reduce greenhouse gas emissions. We made a pledge to be carbon-neutral in our operations (Scope 1 & 2) by 2025. In 2022 alone, we reduced over 18,000 metric tons of emissions from green power, power purchase agreements (PPAs), solar energy, and lighting retrofits—taking us nearly halfway to our 2030 Science-Based Target in our operations. We are realistic. There’s more work to be done, but we’re making true progress on the path we’ve laid out.

We’re committed to action and continuous improvement on this journey. Every company has an impact, and we aim to make ours positive, transforming not only our brands but our industry. I want to thank each of our talented associates, partners, suppliers, and—most importantly—our customers for their continued commitment to our mission.

LAURA ALBER, PRESIDENT & CEO
Williams-Sonoma, Inc.

Williams-Sonoma, Inc. has been at the forefront of sustainable design for almost two decades, transitioning to responsible materials and creating innovative products. This is what it means to be Good By Design.

**STRATEGY**

Our key differentiators are our in-house design, our digital-first strategy and our values. Throughout our company, we prioritize the health of our planet, the wellbeing of our people and a shared purpose—to foster long-term, sustainable growth for our company and to drive positive change in our industry.

We’re proud to be the world’s largest digital-first, design-led and sustainable home retailer.

**COLLABORATION & CUSTOMERS**

Our long-term work with credible and globally recognized industry partners is embedded in our products. From using Forest Stewardship Council® (FSC®)-certified catalog paper and wood, to becoming the first home retailer to offer Fair Trade Certified products, to leading our industry as one of the first home retailers to set a Science-Based Target across our value chain, we’ve invested in sustainability programs because they’re important to our customers—in a 2021 WSI customer survey, 74% said that it was either “significantly important” or “the most important” that retailers focus on sustainability.*

**OUR PILLARS**

Our three pillars of Planet, People, and Purpose are the cornerstones of our work. Within these pillars, we identified impact areas and set ambitious goals (pg. 5) that our family of brands plays an active role in achieving. As a global company, we recognize our influence to drive meaningful change, and we’re proud to offer a large, industry-leading assortment of responsibly made products.

**PRODUCT INNOVATION**

**DESIGN**

We have 150+ in-house designers and artists, innovating and creating >90% proprietary products, exclusive to our brands.**

**MATERIALS**

We’ve achieved ambitious responsible cotton and wood goals (pg. 13), and we’re expanding into preferred materials (pgs. 12-14).

**SOURCING**

Our 12 sourcing offices oversee manufacturing across 9 countries to ensure transparency, quality, and safety.**

“Williams-Sonoma, Inc. experienced solid numbers across its brand portfolio while embracing a number of designer programs to further expand its offerings. All the while, it kept its moral compass dead-on with strong commitments to the environment and sustainability.”

—Business of Home

<table>
<thead>
<tr>
<th>PILLAR</th>
<th>GOAL</th>
<th>END</th>
<th>FY22**</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLANET</td>
<td>50% responsibly sourced wood</td>
<td>2021</td>
<td>58%</td>
<td>●</td>
</tr>
<tr>
<td>PLANET</td>
<td>100% responsibly sourced cotton</td>
<td>2021</td>
<td>96%</td>
<td>●</td>
</tr>
<tr>
<td></td>
<td>4% in transition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLANET</td>
<td>6M trees planted with the Arbor Day Foundation</td>
<td>2023</td>
<td>3.3M</td>
<td>●</td>
</tr>
<tr>
<td>PLANET</td>
<td>75% of waste diverted from landfills</td>
<td>2025</td>
<td>51%</td>
<td>●</td>
</tr>
<tr>
<td>PLANET</td>
<td>Carbon neutral in Williams-Sonoma, Inc. operations (Scopes 1 and 2)</td>
<td>2025</td>
<td>67,070 remaining metric tons to decrease</td>
<td>●</td>
</tr>
<tr>
<td>PEOPLE</td>
<td>Additional $10M paid in Fair Trade Premiums</td>
<td>2025</td>
<td>$6.3M</td>
<td>●</td>
</tr>
<tr>
<td>PEOPLE</td>
<td>$50M invested in Nest Certified Ethically Handcrafted products</td>
<td>2025</td>
<td>$20.1M</td>
<td>●</td>
</tr>
<tr>
<td>PLANET</td>
<td>50% absolute reduction Scope 1 &amp; 2 for Science-Based Target (2019 baseline)</td>
<td>2030</td>
<td>24% reduction</td>
<td>●</td>
</tr>
<tr>
<td>PLANET</td>
<td>14% absolute reduction Scope 3 for Science-Based Target (2019 baseline)***</td>
<td>2030</td>
<td>24% reduction</td>
<td>●</td>
</tr>
<tr>
<td>PEOPLE</td>
<td>75% of product purchases from suppliers who offer worker wellbeing programs</td>
<td>2030</td>
<td>25%</td>
<td>●</td>
</tr>
<tr>
<td>PURPOSE</td>
<td>75% of products represent one or more of our social or environmental initiatives****</td>
<td>2030</td>
<td>44%</td>
<td>●</td>
</tr>
</tbody>
</table>

*Metrics as of 12/31/2022. Landfill diversion and emissions metrics as of 01/29/2023. **All goals by year end. ***Scope 3 reductions were driven by macro-industry factors including supply chain disruptions, inflationary pressures, and changes in methodologies for calculating emissions. Our Science-Based Target Scope 3 goal includes three categories: Purchased Goods & Services, Downstream Transportation, and Use of Sold Products. Moving forward, we will continue to see fluctuations in our footprint as business strategy and global systems influence our supply chains. In addition, we will continue capturing supplier emissions reductions, updating third-party verified calculation methodologies, and integrating more granular data when it becomes available, in order to improve consistency and comparability. ****U.S., Canada, and Global; excludes drop-ship products.
In FY22, 57% of our Board members identified as women and 29% identified as a racial or ethnic minority.

We report on our progress annually to stay accountable for our actions and maintain trust with our stakeholders. Our disclosures address the sustainability topics most relevant to our business.

**RELEVANT TOPICS & STAKEHOLDER ENGAGEMENT**

To identify the sustainability topics most relevant to our business, we engaged key stakeholders and benchmarked against industry peers and reporting frameworks, including the Sustainability Accounting Standards Board (SASB) Standard for Multiline and Specialty Retailers & Distributors (version 2018-10). We mapped the identified topics against key risks from our annual financial reporting, and we set goals to address those issues throughout our business.

We consider associates, customers, shareholders, suppliers, nonprofit partners, membership organizations, trade associations, and communities to be core stakeholder groups.

Our commitment to transparency includes clearly defining the methodology behind our reporting.

**REPORT SCOPE**

The data in this report is based on activities carried out during fiscal year 2022 (01/31/2022– 01/29/2023). We consider the impact of our global operations and value chain in the scope of this report. All entities in our direct operations are included in environmental statistics. Our total workforce including full-time, part-time, and temporary or seasonal associates are represented in our demographic statistics. This report is informed by the SASB and Task Force on Climate-Related Financial Disclosures (TCFD).

**GOVERNANCE**

We review sustainability programs with our Board regularly and publish updates in our annual Proxy Statement and Impact Report. We strive for our Board of Directors to reflect the racial, ethnic, and gender diversity of our workforce and surrounding communities. In FY22, 57% of our Board members identified as women and 29% identified as a racial or ethnic minority.
“Williams-Sonoma, Inc. doubled its tree planting aims (from 3 million to 6 million by 2023) and took a spot among Barron’s 100 Most Sustainable U.S. Companies, being recognized as a top 10 global leader in responsibly sourced wood by the Sustainable Furnishings Council.”
—WWD
2022 HIGHLIGHTS

We made gains against our goals—reducing emissions, investing in workers, and expanding our impact through long-term partnerships.

**71,500+ WORKERS REACHED**
- to date with HERproject™ health, financial inclusion and gender equality programs, now part of RISE (Reimaging Industry to Support Equality), one of our partners in promoting WORKER WELLBEING

**3.3M TREES PLANTED**
- with the Arbor Day Foundation, surpassing our original goal of 3M trees by 2023 and on our way to our new goal of 6M TREES BY 2023

**25% PROGRESS TO OUR WORKER WELLBEING GOAL**
- through purchases from suppliers who offer programs, one third of the way to our overall goal of 75% BY 2030

**44% OF OUR PRODUCTS**
- now represent one or more of our social and environmental initiatives, on our way to 75% BY 2030

**24% EMISSIONS REDUCTION**
- in our operations, with a goal of reducing absolute Scope 1&2 emissions 50% BY 2030

**7,400+ WORKERS PROVIDED**
- with eye exams at 14 factories in 2022 through our partnership with VISIONSPRING

**$6.3M PAID IN ADDITIONAL FAIR TRADE PREMIUMS**
- by the end of 2022, over halfway to our goal of $10M BY 2025

**$62M DONATED TO ST. JUDE® Children’s Research Hospital**
- over our partnership of 17 YEARS

**131M PLASTIC BOTTLES**
- diverted from nature to date through our use of recycled polyester with REPREVE®

**51% LANDFILL DIVERSION**
- through increased reuse and recycling across our operations, on our way to our goal to reach 75% BY 2025

**$20.1M INVESTED IN ETHICALLY HANDCRAFTED PRODUCTS**
- certified by Nest, on our way to invest $50M BY 2025

**22 FAIR TRADE CERTIFIED™ FACTORIES**
- across 5 countries, with 5 newly certified in 2022, impacting more than 20,000 WORKERS

**$25%**
- DONATED TO ST. JUDE® Children’s Research Hospital
- over our partnership of 17 YEARS

**160M MEALS PROVIDED**
- from $16M raised to date from WSI’s philanthropic partnership with NO KID HUNGRY
WE’RE REDUCING EMISSIONS WHILE DRIVING RESILIENCE ACROSS OUR COMPANY THROUGH PRODUCT INNOVATION, PREFERRED MATERIALS, AND STRATEGIC PARTNERSHIPS.
Since launching our greenhouse gas (GHG) emissions reduction strategy, we’re nearly halfway to our 2030 Science-Based Target in our operations.

We have a 10-year roadmap in place to achieve our climate goals, and we’re making steady progress. Focused on renewables and energy efficiency, our strategy employs multiple levers to achieve emissions reduction across our operations. In 2022, we implemented initiatives using all of our strategic levers: green power, power purchase agreements (PPAs), solar energy, and lighting retrofits, and we significantly scaled renewable energy across our operations. We’re researching high-quality offsets to supplement our climate efforts, and we’ll disclose those purchases if and when we invest in offsets to reach our carbon neutral goal.

**GREEN POWER**
We enrolled in the Tennessee Valley Authority Green Flex Program to purchase green power from 100% renewable energy at three of our distribution centers (DCs). Green power purchases alone provided renewable energy credits, representing 27% of our total electricity consumption.

**POWER PURCHASE AGREEMENTS**
We completed our first long-term investment in renewable energy through a PPA in Texas, which will supply 100% wind energy to retail stores and DCs in the area. This not only brings us closer to our carbon neutral goal and Science-Based Target; it positively impacts the community grid, the environment, and the local economy. By building renewable energy infrastructure in Texas, the PPA contributes to resilience across a local grid that has been strained in the past.

**SOLAR POWER**
We also participated in an Illinois Community Solar project. Looking to 2023, we’re adding an approved solar array to our operations.

**LIGHTING RETROFITS**
We implemented additional efficiency projects in 2022, including the completion of five lighting retrofits at our DCs. Each lever plays a key role in our emissions reduction strategy. Moving forward, we’ll continue to pursue targeted yet agile opportunities for additional green power, PPAs, and solar.
We launched our vendor engagement strategy in 2022, one of two key strategies in our Scope 3 emissions reduction roadmap.

Our vendors play a critical role in helping us meet our goal. Through our vendor engagement strategy, we’re supporting suppliers as they set emissions reduction targets and track progress.

We encourage our vendors to set their own emissions reduction goals, and we learn from individual conversations how to best assist them. In response to these learnings, we’re continually creating resources—including benchmarks and guidelines—to support our vendors in their emissions reduction efforts.

We use the Higg Facility Environmental Module (FEM) to collect and evaluate environmental performance data from our vendors, and we strive to continuously improve data quality. Through strong engagement with our suppliers, we are working on shifting from estimates to vendor-level data.

98% Of emissions came from Scope 3 in 2022

24% Reduction in Scope 3 emissions at year end FY22 (2019 baseline)

14% Science-Based Target for Scope 3 absolute emissions reduction by 2030 (2019 baseline)

3.2M Metric tons of GHGs in 2022 across our value chain

48% Purchased goods/services (materials and production)
22% Upstream transportation (from suppliers)
10% Downstream transportation (to customers)
9% Use of sold product (energy consumption)
5% Capital goods (facilities, equipment, etc.)
4% Product end-of-life (reuse, recycling, landfill, etc.)
1% Employee commuting (to/from work)
1% Waste from operations (waste treatment and disposal)
1% Fuel and energy emissions (not included in Scope 1/2)
0% Franchise emissions (energy used by franchises)
0% Business travel (air, car, hotel)

SCOPE 3 EMISSIONS Revised Scope 3 baseline: 3,453,893 MT. All relevant Scope 3 categories were assessed and defined according to the Greenhouse Gas Protocol. Categories excluded from reporting due to lack of significance to the business include: Upstream Leased Assets, Downstream Leased Assets, Processing of Sold Product and Investments. Verification of Scope 3 emissions has been conducted by Optera. The full report can be found online.
We launched our preferred materials strategy in 2022, a key lever in reducing our value chain emissions.

**MATERIALS MATTER**
In 2022, we continued our transition from traditional materials to preferred alternatives, focusing on our highest emitting raw materials as a means to reduce emissions.

We created a Preferred Materials Framework to inform our teams’ internal decision-making and guide the transition to lower-impact materials.

To allow for comparability and consistency with best practices used across the industry, we aligned our framework methodology with the Textile Exchange’s Preferred Fiber and Material Matrix.

We use a lifecycle approach to assess the emissions, environmental, and social impacts of a material.

Our goal is to use lower-impact materials to reduce our environmental footprint. Our material innovation library allows us to evaluate innovative materials and provides a consistent way of defining, vetting, and sharing the raw materials we consider “preferred” for products.

To stay relevant with changes in the industry, we’re regularly scouring the market for new materials. We research alternatives to existing materials and explore ways to incorporate them into our products.

We collaborate with brand and merchant teams to set brand-level goals for transitioning to more preferred materials. In-house design is a key differentiator across our brands, and we worked with teams to embed sustainability into product design and raise the bar.

Beyond our own brands, we conducted trainings on the Preferred Materials Framework with global teams and vendors in 2022.

Clockwise: Recycled glass, Sustainably sourced mango wood, Jute and sisal rugs, Recycled textiles
Across WSI, we’re committed to maintaining 100% responsibly sourced cotton and more than 50% responsibly sourced wood—now a cornerstone of our preferred materials strategy.

**RESPONSIBLE WOOD & COTTON**

We built our foundation for responsible materials with cotton and wood, the highest-volume materials in our assortment. We continue to require that all vendors participate in fiber and wood surveys, providing chain-of-custody certifications and supporting documentation to confirm that they meet our standards. We maintain up-to-date vendor chain-of-custody certificates and regularly collect and verify transaction certificates to support marketing claims.

**FSC® PARTNERSHIP**

We recognize the Forest Stewardship Council® (FSC-N002185) as the gold standard for certification of healthy forest management and sustainable timber. As members of FSC, we actively participate and advocate for continuous improvement across the home furnishings industry.

We continue to be an industry leader, with a top scorer ranking on the Sustainable Furnishings Council’s Wood Furniture Scorecard five years in a row.

**ORGANIC COTTON**

We joined forces with one of our vendors, Sapphire Textile Mills Limited, on a collaborative effort to grow organic cotton in Pakistan. As a long-time partner of Sapphire, WSI was eager to support the organic cotton initiative. The venture marks a new era of agricultural practices, providing environmental, social, and economic benefits to the region. The cotton from the project will be Global Organic Textile Standard (GOTS) certified and use blockchain technology for farm-to-shelf traceability. The partnership provides transparency in the organic cotton supply chain, empowers lower income communities, and promotes sustainable agricultural practices in Pakistan.

**TRACEABILITY**

Traceability is an important element of our raw materials strategy, and we invested in tools to inform our program. We use Sourcemap to enable better data collection and traceability of raw materials, including cotton, wood, and leather. In 2022, we conducted a mapping exercise to better understand our global cotton supply chain. As we continue on this journey, traceability exercises will provide insight into how we can best partner with our upstream supply chain on transparency and traceability.

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We’re driving innovation in our products, using lower-impact materials and exploring new alternatives.

A diverse assortment of products across our brands requires a diverse selection of materials.

From recycled glass in our decorative accessories to REPREVE recycled polyester and TENCEL™ branded fibers in our textiles, we’re scaling our adoption of lower-impact options across multiple types of materials.

To address one of our high-impact raw materials, for example, we’re transitioning to preferred wool, such as Responsible Wool Standard (RWS)-certified and recycled wool.

Our brands have diverted 131 million ocean-bound and landfill-bound bottles to date through our use of REPREVE recycled polyester textiles.

As part of our traceability journey, we conducted a mapping exercise of our leather suppliers, gaining visibility further down the supply chain.

We’re expanding the use of certified and traceable leather in products. The majority of our tanneries are Leather Working Group (LWG) rated.

We also published our Animal Welfare Policy, detailing our commitment to ethical and responsible treatment of animals in non-food products.

We use palm oil in select food and personal care products. To support the use of palm oil harvested from sustainably managed forests, we became members of the Roundtable on Sustainable Palm Oil (RSPO). RSPO palm oil helps protect the environment and local communities.

ECONYL® regenerated nylon is made from recycled fishing nets and other nylon waste.
We’re committed to sustainable forest practices and responsible use of natural resources, establishing goals, policies, and partnerships to drive impact.

**WATER STEWARDSHIP**
Water is a vital resource that our production processes rely on, either directly or indirectly, across our value chain. To understand the impact on our business, we conducted a water risk assessment with World Wildlife Fund (WWF), identifying the product categories and sourcing regions in our value chain with the greatest water risk. These results will inform our water stewardship approach.

**RESPONSIBLE FORESTRY**
We have long committed to responsible wood harvesting in our Fiber, Wood and Paper Procurement Policies. In preparation for upcoming regulation, we’re working with Rainforest Alliance to evaluate our existing policies and standards.

As members of WWF’s Forests Forward program, we launched a responsible sourcing project group in 2022, which aims for Forests Forward participants to increase capacity of FSC certified wood among the vendors we work with. Through Forests Forward, we also supported the development of the Preferred by Nature Declare, Map, and Test protocol. As molecular and isotope testing become more prevalent, this protocol outlines how to use these types of tools should be used to determine wood origin. As molecular and isotope testing become more prevalent, this protocol outlines how these types of tools should be used to determine wood origin.

**THE ARBOR DAY FOUNDATION**
In 2022, we announced a new commitment to plant six million trees by the end of 2023 in partnership with the Arbor Day Foundation, one for every piece of select indoor wood furniture sold.* This new goal doubles an original commitment made by the Pottery Barn brand in January of 2021 to plant three million trees within the same timeframe. As part of the new goal, all of WSI’s home-furnishing brands—Pottery Barn, Pottery Barn Kids and Teen, West Elm, Rejuvenation, Williams Sonoma Home, and GreenRow—have signed on for the one-for-one purchasing program, replicating Pottery Barn’s model where the purchase of each piece of indoor wood furniture results in the planting of a tree.

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*Indoor wood furniture containing at least 80% wood; upholstery is excluded.
SPOTLIGHT: REFORESTING THE U.S. AND BEYOND

Many of our pieces are crafted from wood—a durable, renewable, and beautiful material. As a leader in sustainability, we’re focused on sourcing it responsibly, using FSC certified wood, and fighting deforestation in areas that need it most.

The contribution of WSI’s six million trees will also count toward 1t.org’s mission to conserve, restore and grow one trillion trees by 2030.

Forests are critical to mitigating climate change and protecting biodiversity, and our commitment to reforestation creates additional opportunities for our company and our customers to make a difference.

Customers can visit our pledge page to see their impact, from Mississippi Delta reforestation to watershed restoration in California.

TREES PLANTED

21 Projects across 15 U.S. states
3,238,295 Trees planted in the United States
15,000 Planted in Brazil
4,584 Planted in the U.K.
55,000 Planted in India
31,410 Planted in Indonesia

Total 3,344,289 trees planted by the Arbor Day Foundation in partnership with WSI brands as of 02/01/2023.
WASTE & CIRCULARITY: LANDFILL DIVERSION

From 2021-2022, we improved our waste diversion rate, decreasing the amount of waste sent to landfill.

PROGRESS & ACTION PLAN
In 2021, we implemented new systems and processes to help drive further progress toward our waste diversion goal. Since making these changes, we saw significant improvement. Updated reporting enabled data-driven decision-making. Moving forward, our action plan for continued waste reduction and diversion includes:

- We’re focused on locations with the lowest performing diversion rates. We can quickly identify our highest and lowest performing locations, using data to prioritize locations.
- We’re working with management companies for retail locations in malls. In mall-managed retail stores, we plan to leverage these management companies’ waste diversion programs, and we’re also targeting outlet stores for program participation.
- We’re scaling foam backhauling programs. Currently, expanded polystyrene (EPS) foam is backhauled to our DCs, where it can be sent to recyclers.
- We’re working to recycle more materials at our DCs. We continue to recycle textile scrap at select stores and our Sutter Street factory. Textile recycler FabScrap helps repurpose store textiles, while Martex Fiber supports Sutter with textile recycling by shredding and selling fabric for insulation. Catawba College uses Sutter fabric for its upholstery training program, helping keep this trade alive.
- We continuously research new technologies to reuse materials. We’re exploring a pilot with a recycling and repurposing partner for furniture component parts. In a rapidly evolving space, we’re staying agile, adapting our programs as needed, and adopting the best solutions when they arise.
- We continue to “right-size” our waste collection services to match the amount and type of waste we produce.
- We leverage partnerships with organizations like Good360 and Habitat for Humanity to help facilitate product donations. In 2022, we successfully paired all our U.S. retail locations with a product donation partner. Our DCs and hubs donated 156,000 products in 2022 to Habitat for Humanity’s ReStore locations.

Recycling more materials at our DCs. We continue to recycle textile scrap at select stores and our Sutter Street factory. Textile recycler FabScrap helps repurpose store textiles, while Martex Fiber supports Sutter with textile recycling by shredding and selling fabric for insulation. Catawba College uses Sutter fabric for its upholstery training program, helping keep this trade alive.
People

WE'RE DRIVEN BY THE IMAGINATIONS OF OUR CUSTOMERS, OUR ASSOCIATES, AND THE PEOPLE WHO MAKE OUR PRODUCTS.
We’re committed to bringing our customers the highest quality, while creating safe, empowering work environments for the people who make our products.

**CONTINUOUS IMPROVEMENT**
We partner with vendors who uphold our values and share our commitment to providing safe, fair, and healthy working conditions in factories and workshops. Our Vendor Code of Conduct, Human Rights Policy and Supply Chain Labor Practices Policy outline our expectations to uphold ethical production.

At the core of our social compliance program is the concept of continuous improvement. Our combination of auditing and capacity-building helps our vendors achieve sustainable change. We require all factories located in high-risk countries to be audited, and regularly review our country-level risk to confirm that all applicable factories are audited. Factories that received an A or B audit grade for two consecutive years are eligible to submit industry-leading equivalency reports. Further details can be found on our website.

**AUDIT SCOPE & PROCESS**
As our business continues to grow and shift, we are adapting and evolving our social compliance and audit program.

We increased the number of audits we conducted in 2022 to gain greater visibility into risk across our value chain.

Our intention is also to strengthen vendor relationships based on a shared vision to improve working conditions in factories.

Our in-country Sustainability teams oversee remediation and follow-up audits within 3-6 months.

**PREVENTING FORCED LABOR**
We proactively address human rights risks in our supply chain. We use an external analytics tool that allows us to regularly right-size our efforts and preemptively take action based on country-level risk, product category risk, and media screening.

In response to increasing regulation around forced labor and material traceability, we formed an internal cotton traceability working group with representatives from all our sourcing regions to align on an organization-wide approach. In addition to our audit process, we leverage partnerships with experts such as the RILA/AAFA Forced Labor Working Group, among others.
VALUES-ALIGNED SOURCING

Values-aligned sourcing views our suppliers as partners, from ethical handcraft that elevates design to diverse businesses that make our supply chain more resilient.

LONG-TERM PARTNERSHIPS
Through long-term partnerships across our brands, we provide a platform for designers and makers to grow, set goals, drive progress, and nurture their creativity.

We go beyond a risk mitigation approach to develop and implement industry-leading initiatives that improve the lives of workers in the U.S. and globally.

We’ve collaborated with organizations like Fair Trade Certified™, Nest, and VisionSpring—putting in countless hours of sustained partnership with our vendors.

SUPPLIER DIVERSITY
We continue to develop our supplier diversity programs through merchandizing and procurement.

We define diverse suppliers as qualified businesses that are at least 51% owned and operated by an underrepresented or underserved group, such as:

- Small businesses
- Minority ownership
- Woman ownership
- Veteran ownership
- LGBTQIA+ ownership
- Disabled ownership

As members of the National Minority Supplier Development Council, we release requests for proposals to a broad base of diverse suppliers.

Looking ahead, we’re continuing to refine our processes for gathering supplier information, capturing data around supplier demographics, and leveraging data-driven insights to guide our efforts toward greater equity and inclusion.

Our brands actively work with vendors, partners and collaborators who reflect our diverse world.

In 2022, Pottery Barn partnered with the Black Artists + Designers Guild on a collection designed through the lens of “Black Joy” and featuring 25 pieces for entertaining, hosting, and gathering.

From makers and small businesses across the U.S. to artisan communities that span the globe, we offer products that celebrate the rich heritage of many cultures.
VALUES-ALIGNED SOURCING: HANDCRAFT

We celebrate and preserve craft traditions around the world by partnering closely with artisan makers.

SUSTAINING COMMUNITIES

By supporting handcraft, we help connect our customers with the people who make their products.

We increasingly see that customers want something unique and thoughtfully made. Artisan production responds to that need, while supporting craftspeople around the world, helping to build small businesses from the ground up.

Without large-scale investment in the artisan sector, traditional handcraft communities risk losing not only their jobs but generations of skills and techniques honed over lifetimes.

Beyond providing employment for community members, many of the artisans we work with also provide education, health, and training programs for their workers. To help promote handcraft across the retail industry, we collaborate with artisan makers and organizations in the U.S. and globally.

CRAFT LEADERSHIP

In partnership with craft experts, we’ve developed definitions and documentation for key handcraft techniques, which we verify with suppliers—some of whom are small, low-volume makers who may not have access to third-party certification. Through the lens of ethical marketing, we aspire to be honest and clear with our customers about what the labels on our products mean. In 2022, in consultation with craft experts and makers, we identified techniques, re-launched an internal definition of handcraft, and developed a tracking system to accurately capture this data. Moving forward, we have a robust plan to share this definition beyond WSI and impact industry-wide adoption.

We are increasingly playing a leadership role in the handcraft space, maintaining partnerships with industry experts Nest and Powered by People, and further formalizing our definitions and data around handcrafted product. We’re committed to supporting craft traditions around the world and using our position to drive positive impact.

In 2022, West Elm partnered with Powered by People to launch a new collection of 150+ products produced by artisan makers representing nine countries.
As we make progress on ambitious worker wellbeing goals, we’re ramping up our programming and building out our roadmap to deliver on them.

In addition to our already high standards of ethical production, we go beyond a risk mitigation approach to one that aims to increase positive social impact.

We strategically partner with organizations that have a proven track record creating positive impact, such as Fair Trade Certified™, Nest’s Ethical Handcraft Program, RISE (which brings together BSR’s HERproject, Gap Inc. P.A.C.E, CARE and Better Work), VisionSpring, and health and safety trainings.

These create value for our workers and factories, helping with skill-building so that workers can plan for the future. The more adaptable they are to changes that occur in the industry, the more resilient our workers will be.

We define worker wellbeing goals by purchases from factories with completed programs, and we go into detail about these programs on the following pages.

**GOAL: 75% OF PRODUCTS FROM SUPPLIERS WITH WORKER WELLBEING PROGRAMS BY 2030**

<table>
<thead>
<tr>
<th>Year</th>
<th>Goal</th>
<th>Achieved</th>
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<tbody>
<tr>
<td>2022</td>
<td>25%</td>
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<tr>
<td>2021</td>
<td>16%</td>
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**2022 UPDATE**

We’re one-third of the way to our 2030 goal, with 25% of products sourced from suppliers with worker wellbeing programs.
A survey conducted by Nest’s Ethical Handcraft Program showed a 66% increase in the number of businesses providing ethical policies for workers and a 183% increase in systems for reporting harassment and abuse.

A NEW HOMEWORKER ECONOMY
Through Nest’s Ethical Handcraft Program, we’re improving the lives of people making products in their homes. The Nest Seal plays a critical role in bridging the gap between customers seeking Ethically Handcrafted™ products and the artisans producing these goods. Nest’s Ethical Handcraft Program measures compliance across hundreds of indicators to prove that products have been ethically handcrafted in a home or small workshop. Many artisan businesses employ a majority female workforce, and when we empower women in our supply chain, they’re able to achieve their full potential, lifting up their families and communities in the process.

In celebration of International Women’s Day, we hosted an inspiring conversation between Nest and one of our vendors, Sarita Handa Exports. They discussed the power of craft as a tool for women’s empowerment and spoke to how the Nest Seal helps ensure safe and viable conditions for homeworkers.

GOAL: $50M INVESTED IN NEST CERTIFIED ETHICALLY HANDCRAFTED PRODUCTS BY 2025

2022
2021
GOAL LAUNCHED IN 2021

STATUS: IN PROGRESS
2022 UPDATE
We currently work across 11 supply chains in 5 countries with suppliers certified to the Nest Seal of Ethical Handcraft.

$50M invested in Nest Certified Ethically Handcrafted Products by 2025
We’re nearly halfway to our 2025 goal, with $20.1M invested in Nest Certified products since 2021.
We supported more than 20,000 workers in 2022 through Fair Trade Premiums, and we continue to scale our impact.

For every product we purchase from Fair Trade Certified factories, we pay a Premium that goes directly back to workers, who collectively decide how to spend the funds to support their communities.

This past year, we heard from factories in China that used their premiums for women’s health education, team building exercises, fresh local produce, and rain gear. In a survey by Fair Trade Certified, which many of our certified factories participated in, 94% of respondents felt the Fair Trade Certified program had a positive change on their factory, and this number has increased year-over-year. In celebration of Fair Trade Month in October 2022, we hosted a fireside chat with Fair Trade USA to share testimonials from workers.

Our partnership with Fair Trade Certified has had a tangible impact on workers, businesses, and communities. Through their stories, these workers helped connect our associates directly to the impact of values-based business.

WORKER WELLBEING: FAIR TRADE CERTIFIED

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GETTING THERE WE SIGNED THE CHARTER IN OCTOBER 2020

WE SUPPORTED MORE THAN 20,000 WORKERS IN 2022

2022 UPDATE

We certified 5 new factories in FY22, bringing our total to 22 Fair Trade Certified factories in 5 countries.

TRACKING OUR PROGRESS

GOAL: ADDITIONAL $10M PAID IN FAIR TRADE PREMIUMS BY 2025

<table>
<thead>
<tr>
<th>Year</th>
<th>Goal Achieved</th>
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<tbody>
<tr>
<td>2022</td>
<td>$6.3M</td>
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<td>2021</td>
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2021 UPDATE

We certified 5 new factories in FY22, bringing our total to 22 Fair Trade Certified factories in 5 countries.
Through programs such as VisionSpring and RISE, we invest in workers around the world, increasing their access to economic opportunity.

**VISIONSPRING**
VisionSpring provides affordable glasses to workers to generate positive economic impact. Many workers in our supply chain have limited access to affordable eye care. We’ve partnered with VisionSpring since 2016 to provide eye exams and glasses to workers around the world. Our impact continues to grow, with more than 7,400 workers receiving an eye exam in 2022.

The VisionSpring team recently re-visited factories in India that underwent vision screenings in 2018, allowing new workers to receive screenings for the first time, while more tenured workers were re-screened. Eyesight can worsen over time and re-screening helps ensure everyone has the correct prescription.

We also expanded screenings in Vietnam. A visit to a Vietnamese ceramic vendor provided screenings for 304 workers, and 63% of workers required glasses. One worker already had glasses, but noticed that her eyesight was very weak. Her work as a ceramic painter requires a high level of precision, and she worried her eyesight would impact her position. She received a new prescription after her screening, a reminder that while screenings most often support workers who have never had eyeglasses, we will continue to return and support these workers as their eyes age.

In 2022, 7,400+ workers received a VisionSpring eye exam, and 14 factories participated in the program.

**REIMAGINING INDUSTRY TO SUPPORT EQUALITY (RISE)**
One of our long-time partners, HERproject, which provides health, financial literacy and gender equality training to workers in our supply chain, has joined forces with Gap Inc., P.A.C.E, CARE and Better Work, and is now called RISE. RISE is a collaborative initiative supporting industry to advance equality for women workers in global garment supply chains. One of the RISE workplace programs, RISE Financial Health (previously called HERfinance™) teaches workers financial concepts such as savings, planning, borrowing, financial products and services, mobile money, and financial equitable attitudes. We continue to see the impact of these programs on our workers.

One worker in China shared that prior to the HERfinance program, she spent most of her salary and did not have any personal savings. After learning about the impact of savings as a means of financial security and improved quality of life, she now saves a portion of her earnings and financially supports her parents. She has a financial plan for when she retires, and feels confident facing financial challenges she may encounter in the future.

Another Chinese worker shared she had a goal to buy a small apartment, but no savings in place. After one year in the HERfinance program, she learned to define smaller financial goals and created a savings plan for her and her husband. As a result of her planning, her family has accumulated savings and they’re planning to buy a small house. She feels confident they can pay the deposit and loans.

65 factories have enrolled in HERproject/RISE to date, with over 71,500 workers impacted.
Innovation is in our DNA. It’s important for us to take time to recognize the teams and people who go above and beyond to embody our collective commitment to continuous improvement.

**2022 CHANGEMAKER AWARD**
Last year, we launched the Changemaker award, dedicated to innovation in sustainability. This award speaks to our values as an organization and our commitment to not only raising the bar but celebrating the people who continue to lead this charge. This year, we’re celebrating another group of top changemakers, with a new spotlight on exceptional suppliers. Our hardworking associate teams and vendor partners continually prove their dedication to sustainability through their innovations and actions.

**VENDOR CHANGEMAKER:**
**YATI OVERSEAS**
Based in India, Yati leads in sustainability programs, helping us drive progress to our Planet and People goals. In 2014, Yati became WSI’s first Fair Trade Certified™ vendor and has been inspiring its peers ever since. As a key contributor to Fair Trade Certified™ in India, Yati invests in its people, from offering health and vision checkups for workers, to launching an all-female weaving unit, to vocational trainings for local girls. Yati continues to lead in community impact and worker empowerment, while also reducing environmental impact—from offering lower-impact materials to investing in solar energy at its facilities.

**ASSOCIATE CHANGEMAKER:**
**REJUVENATION’S NICOLAI FACTORY TEAM**
At Rejuvenation’s Nicolai facility, associates have prioritized recycling efforts and other operational efficiencies. The team significantly increased recycling of mixed metals and EPS foam, reduced plastic packaging, and implemented a rainwater filtration and reclamation system to reduce water use. To support the factory’s diverse workforce, English as a Second Language courses were introduced to over 100 craftspeople working at Nicolai.

Clockwise: Sumeet Nath, Yati Overseas; Weaver, Yati Overseas; Rejuvenation Associate at the Nicolai Factory in Portland; Rejuvenation Associate at the Nicolai Factory in Portland
We firmly believe that working in a culture focused on diversity, equity and inclusion spurs innovation, creates healthy and high-performing teams, and delivers superior customer experiences.

OUR CULTURE & VALUES
At Williams-Sonoma, Inc. our values help us create a unique and welcoming workplace. We believe that taking care of our people is vital to our success. We strive to create a high-trust culture that values individual contributions, where equitable and transparent practices offer a safe, fulfilling workplace for all. We prioritize connection, growth, and wellbeing. Our associates are encouraged to bring their authentic selves to work, so they can be their best and achieve their personal and professional goals.

DIVERSITY, EQUITY & INCLUSION
We make inclusivity a cornerstone of our culture by not only welcoming associates with diverse cultures and backgrounds but celebrating them together.

We nurture an open, inclusive environment for all. Our differences—whatever they may be—are valued, explored, and appreciated. Together, we’re creating a more just and inclusive company culture where the only criteria for advancement is:

- The quality of our work
- The contributions we make to our teams and the business
- Our ability to lead and connect

EQUITY ACTION PLAN
We created an Equity Action Plan to drive positive change in the fight against racial injustice. We continue to make these commitments an enduring part of our culture. Our active Associate Equity Networks are:

- Asian WSI Network (AWN)
- Black Associate Network (BAN)
- Disability, Education & Advocacy Network (DEAN)
- Hispanic/Latinx Associate Network
- Veterans Appreciation Network
- Voices (LGBTQIA+)

Outside of WSI, we recognize the importance of playing a part in our communities through partnerships, collaborations and commitments to a more just and inclusive world.

OUR PARTNERSHIP WITH NAACP
In June, Derrick Johnson, President and CEO of the NAACP, joined us for a dynamic live discussion on disrupting inequality, dismantling systemic racism, and doing our part to fight for racial equity and justice. This conversation with associates inspired and reaffirmed our collective commitment to driving positive change through our Equity Action Plan.

We are proud to partner with the NAACP, America’s oldest and largest (and non-partisan) civil rights organization, in our path forward.

MAKING HOME MORE ACCESSIBLE
We believe in a culture of representation at work and at home.

In 2022, Pottery Barn became one of the first design brands to launch an ability-inclusive collection—combining accessible design with Pottery Barn’s core, classic aesthetic.

The Accessible Home brings together best-selling styles, from dining tables to office desks, adapted for accessibility in consultation with experts.

The collection prioritizes: 1) Easier access, with open-design and easy-tilt solutions, 2) Better mobility, with wheelchair-friendly furnishings made for simple and stylish navigation, and 3) Power-lift seating that allows users to sit and stand securely with the touch of a button.
ADVANCING ETHNICITY REPRESENTATION

In 2022 and 2023, Williams-Sonoma, Inc. again ranked on Forbes’ List of the Best Employers for Diversity. We’ve ranked on Forbes’ list and been recognized as leaders in diversity since 2020.

CALCULATION & SCOPE: FY22 data as of 01/29/2023. FY22 data represents total workforce, including full-time, part-time and temporary or seasonal associates. Percentages exclude associates who declined to state gender or ethnicity.

ADVANCING GENDER EQUITY

Named on Forbes’ List of the Best Employers for Women for the past four years, we remain focused on enhancing our associates’ experience through equitable practices and opportunities for growth and development.

CALCULATION & SCOPE: FY22 data as of 01/29/2023. FY22 data represents total workforce, including full-time, part-time and temporary or seasonal associates. Percentages exclude associates who declined to state gender or ethnicity.
Our benefits package is designed to put our associates’ health and wellbeing, and that of their families, at the forefront.

**BENEFITS**
We offer a competitive suite of benefits that matter most to our associates. Depending on position and location, employees may be eligible for benefits including:

- 401(k) plan and other investment opportunities
- Paid vacations, holidays, and other timeoff programs
- Health, dental, and vision insurance
- Health and dependent care tax-free accounts
- Medical, family, and bereavement leave
- Maternity/primary caregiver benefits
- Mothers’ rooms and on-site showers
- Transgender-inclusive services
- Tax-free commuter benefits
- Company-sponsored walks and runs
- Wellness programs including telehealth
- Time off to volunteer
- Matching donations to qualifying nonprofit organizations

**WELLBEING & MENTAL HEALTH**
Following several years of a pandemic that exacerbated existing challenges, we’ve come together as a community to have candid conversations about mental health. We are committed to creating an uplifting environment that destigmatizes mental health and provides associates with support and resources to deal with life’s seen and unseen challenges.

Professional achievement is dependent on the health of your mind and body, and we recognize the importance of the whole person. We’re committed to providing our associates with everything they need to live their happiest, healthiest lives.

As wellbeing continues to be increasingly important to our associates, we’ve responded by providing tools and resources—including the development of a year-long program focused on financial, mental, and physical wellbeing. We provided educational seminars on financial management, ran a 6-week steps and wellness challenge, and offered Biometric Health Screening along with Flu and COVID-19 vaccination clinics. We also launched our first Professional Journey Site. Open to all associates, it provides resources on how to plan and develop your career at WSI.

Seeing the deepened impact of stress, burnout, and other mental health challenges as a result of the pandemic, we enhanced and promoted our Employee Assistance Program. This program provides a range of crucial resources to support associates in managing their total wellness, and we made it available to all associates and their families in 2022.

In 2022, we launched a WSI wellbeing hub. Curated with more than 50 resources, it’s regularly updated with new information and links.
Purpose

WITH PRODUCTS AT THE CENTER OF OUR STRATEGY, WE WORK WITH INNOVATIVE MAKERS AND REPUTABLE THIRD-PARTY CERTIFICATIONS TO DRIVE PROGRESS.

A Rejuvenation factory worker sands a wood frame
At Williams-Sonoma, Inc., responsible governance and oversight are core to our business, and our company-wide values include corporate responsibility.

Our mission is to enhance the quality of our customers’ lives at home and beyond.

We put the customer at the center of everything we do, every day, and a short but important list of corporate values guides our actions and decisions. As a multinational retailer with a global supply chain, we are committed to responsible practices across our business. Our Governance Articles outline our approach and detail our principles and practices.

As the world’s largest digital-first, design-led, sustainable home retailer, our vision is to furnish our customers everywhere.

We believe that our longstanding focus on quality, safety, and sustainability sets us apart. By focusing on our pillars – Planet, People, and Purpose – we are uniquely positioned and strive to attract customers, employees, and other stakeholders similarly driven by these shared values.
We do business with the highest level of integrity, every day and in everything we do.

ETHICS & OVERSIGHT
Our enterprise-wide approach to ethics is detailed in our Code of Business Conduct & Ethics. We require all associates to complete a Code of Conduct Questionnaire annually to reinforce our expectations. Our Vendor Code of Conduct communicates our expectation that business partners share our commitment to ethical behavior.

We are committed to providing associates and individuals in our factories with access to a third-party ethics hotline to report any potential violations, while ensuring confidentiality and transparency.

Whistleblower protections are included in our Code of Business Conduct & Ethics.

CYBERSECURITY & DATA PRIVACY
The Board takes an active role in oversight of cybersecurity and data privacy policies, receiving an update from management, at least annually, on the company’s cybersecurity program. Our Chief Technology Officer and Chief Information Security Officer periodically update the Board regarding the company’s cybersecurity and data privacy risk mitigation plan, and the status of the company’s progress toward pre-determined risk-mitigation-related goals.

We have a dedicated team of professionals focused on cybersecurity and data protection, and we invest in continuous monitoring and improvement of our systems.

We review and update our dedicated Standard Operating Procedures, policies, and standards annually.

Our associates, as well as third parties who provide services on our behalf, are required by policy, practice, and contract (if applicable) to treat customer information with care. We also closely monitor emerging data privacy laws to ensure legal compliance.

We safeguard our customers’ personal information, conducting internal testing and assessments monthly, third-party assessments quarterly, and external independent audits at least once a year.

Our policies and standards are reinforced by training and engagement to ensure our customers’ privacy and security is central. We undertake an annual review of our consumer facing privacy policies and associate privacy policies to ensure compliance. We also proactively inform our customers of substantive changes related to customer data handling.
75% of our products will represent one or more of our social or environmental initiatives by 2030.

**PRODUCTS WITH PURPOSE**

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<tr>
<th>TRACKING OUR PROGRESS</th>
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<tr>
<td><strong>2030</strong></td>
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<tr>
<td><strong>75% OF OUR PRODUCTS WILL REPRESENT ONE OR MORE SOCIAL OR ENVIRONMENTAL INITIATIVES</strong>*</td>
</tr>
<tr>
<td>We’re steadily increasing our assortment of responsible products.</td>
</tr>
<tr>
<td><strong>2022 UPDATE</strong></td>
</tr>
<tr>
<td>44% of our products represent one or more of our social or environmental initiatives.</td>
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*U.S., Canada, and Global; excludes drop-ship products.

**STATUS: IN PROGRESS**

**BRAND LEADERSHIP**

In 2022, our brands debuted collections that showcased lower-impact materials, social commitments, and more.

- **POTTERY BARN** launched The Accessible Home, with best-selling designs adapted for accessibility in consultation with experts.

- **POTTERY BARN KIDS** debuted a year-round Gear Guide featuring backpacks made with recycled materials and waste-free lunches for kids.

- **POTTERY BARN TEEN** partnered with the Surfrider Foundation on a collection of 100% sustainably sourced bedding, rugs, and furniture.

- **WEST ELM** launched a collection with Mara Hoffman using organic cotton, FSC® certified, and Nest Ethically Handcrafted or Fair Trade Certified pieces.

- **REJUVENATION** partnered with Project Collective members to highlight their vintage and Portland-assembled collections.

- **WILLIAMS SONOMA HOME** outdoor furnishings are crafted using 98% FSC® certified teak from responsibly managed forests, providing positive environmental, social, and economic impacts.

- **MARK AND GRAHAM** celebrated International Women’s Day with a collection of handcrafted bags by members of the Nest Artisan Guild.
To achieve our goal of 75% responsibly made products by 2030, we work with credible and globally recognized partners and standards across our supply chain.

We’re committed to transparent and honest marketing, allowing our customers to make informed choices.

We internally review and work with third-party certification organizations to verify product claims.

We publish a quarterly list of vendor certifications and scopes to our global design, sourcing, and merchant teams, and we hold regular trainings on certifications and standards.

**PROCESS & TRACEABILITY**
We require all vendors to participate in fiber and wood surveys and provide chain-of-custody certifications and supporting documentation to confirm that they meet our standards. We maintain up-to-date vendor chain-of-custody certificates and regularly collect and verify transaction certificates to support marketing claims. We acknowledge that product certifications are not a perfect solution to the global sustainability challenges we face in our industry, but we see them as a strong measure of best practice.

**PARTNERSHIP & LEADERSHIP**
We actively engage with certifying bodies, standard-setting organizations and industry associations, including serving on the Board of the Forest Stewardship Council (FSC).

Through participation, we make sure our expectations align with those of different agencies, and we advocate for continuous improvement.

We also develop standards in collaboration with experts where we see a gap in the market. Our partnership with Nest began in 2014, when we helped them build their first steering committee. Nest is a nonprofit working toward gender equity and economic inclusivity for handcraft producers worldwide.

The Nest Seal of Ethical Handcraft denotes products that have been certified to support fair wages and healthy working conditions in homes and small workshops.

As a founding brand partner, we helped Nest launch their Seal of Ethical Handcraft on products across our brands in 2018. As of 2022, we’ve invested $20.1M in Nest Certified Ethically Handcrafted products.
We create high-quality, safe, and long-lasting products for our customers—meeting regulatory requirements and going an extra step with third-party certifications.

**DESIGN-DRIVEN QUALITY**
In addition to complying with rules and regulations related to marketing and product safety and testing, we invest in up-front technical expertise to inform product design and development.

As a design-driven company, our in-house quality professionals are engaged at the design phase, informing material selection and product development with safety in mind. We have a global team of product quality and assurance professionals who test all of our products for safety and restricted substances.

To guarantee that we communicate the correct information to customers, we have an internal review process and work with third-party certification organizations where needed to provide accurate product claims.

Our products are tested at either one of our WSI in-country labs or by independent, third-party labs certified by the U.S. Consumer Product Safety Commission.

**GREENGUARD & OEKO-TEX®**
We use certifications including GREENGUARD and OEKO-TEX® STANDARD 100 to test that our company-produced products are free from harmful chemicals and volatile organic compounds (VOCs).

“One of the most popular places to shop for GREENGUARD Certified furniture is Pottery Barn.”

FORBES

We know that our customers value these products and we continue to expand our assortment of GREENGUARD certified products across our family of brands.

Pottery Barn’s upholstered beds are now 100% GREENGUARD Gold Certified, and upholstered living room furniture is close behind at nearly 100%.
We’re focused on protective packaging as a way to minimize damage and reduce waste sent to landfills, while transitioning to lower-impact materials.

**PROTECTIVE PACKAGING**

Our primary goal is for our products to reach customers undamaged. When products are well protected, damage is minimized and we divert potential waste from landfills.

We’re increasing the use of recycled paper content and FSC certified paper in our protective paper packaging.

Across our brands, we’ve significantly increased the use of post-consumer recycled (PCR) plastic in the protective packaging for rugs, decorative accessories, lighting, and textiles. Our PCR protective packaging contains greater than 50% recycled plastic content, exceeding the recommended 30% recycled content outlined in the U.S. Plastics Pact.

Our brand teams continue to research innovative materials as they develop a strategy to reduce plastic packaging. In 2023, we’ll continue to explore innovative protective packaging materials.

**RECYCLABLE TINS**

The Williams Sonoma brand spearheaded the transition to recyclable packaging for its exclusive products.

Williams Sonoma produced over one million exclusive, recycled, and 100% recyclable tins in 2022— including those used for our famous peppermint bark.

In 2022, tins included a recycling symbol and messaging to guide consumers on how to properly recycle it. Additionally, every tin was manufactured from recycled content and shipped in a re-shippable master carton from our vendor partners.

**2022 HIGHLIGHTS**

100% Of our exclusive Williams Sonoma tins were manufactured from recycled content

100% Of our exclusive tins were reusable, recyclable and labeled with proper recycling instructions

50%+ Recycled plastic content in protective packaging for select categories

Williams Sonoma’s exclusive tins are recycled and recyclable
Long-standing collaborations are critical elements of our culture and our commitment to give back to the communities we serve.

We remain committed to our partnerships with St. Jude Children’s Research Hospital®, No Kid Hungry, The Trevor Project, AIDS Walk, Canada Children’s Hospitals, and the Arbor Day Foundation. Through online and in-store donations, product collaborations, and national and local fundraising, we invite our customers and associates to join us in giving back.

**ST. JUDE**
2022 marks our 17th year of partnership with St. Jude, where we’ve donated over $62M to date.

**NO KID HUNGRY**
In 2022, WSI launched its eighth annual Tools For Change fundraising program. To date, we’ve raised over $16M for No Kid Hungry, providing more than 160M meals through combined philanthropic efforts across all WSI brands.

**GIVING BACK AT OUR DISTRIBUTION HUBS**
Across our supply chain distribution hubs, community involvement drives progress towards our Equity Action Plan.

Our associates support a variety of local and national organizations to further our goals.

This year, distribution center associates did hands-on volunteer work, such as building homes for Habitat for Humanity, participating in the Making Strides Breast Cancer Walk, and hosting a Job Training and Development Summit to prepare participants for future employment.

Associates also raised money and donated essential goods to organizations such as Boys2Men, St. Jude, Bags of Hope Food Pantry, Children for Life Corp., Unidos Por La Musica, local Boys and Girls Clubs, and more.

**2022 HIGHLIGHTS**

- **$62M**
  - Donated to St. Jude Children’s Research Hospital® over 17 years.

- **160M**
  - Meals provided to date from WSI’s partnership with No Kid Hungry.

- **$16M**
  - Raised for No Kid Hungry to date from WSI’s philanthropic efforts.
In 2022, associates used paid community involvement time to support our communities, volunteering 5,300+ hours.

We provide eligible associates with eight hours of paid community involvement time each year, allowing them to choose where they want to donate their time.

**THE SAN FRANCISCO ED FUND**
WSI hosted a professional development workshop for entrepreneurial students from a neighboring San Francisco high school.

**FAMILY HOUSE**
During back-to-school season, our Pottery Barn Kids and Teen teams partnered with Family House Inc. to pack backpacks with all the essentials kids need.

**LARKIN STREET YOUTH SERVICES**
Over the holidays, associates participated in a Giving Tree and donated to Larkin Street Youth by buying gifts straight off their wish list.

**IRCO**
Our Portland-based associates consistently partner with the Immigrant and Refugee Community Organization (IRCO) to provide goods and services for local immigrants and refugees.

**CAMBA**
West Elm associates helped beautify a garden with partners at Camba in New York.

**HOME AWAY FROM HOMELESSNESS**
San Francisco associates helped serve homeless youth an unforgettable Thanksgiving meal in their Presidio location.

**SAVE THE CHILDREN UKRAINE**
In response to the humanitarian crisis in Ukraine, we partnered with Save the Children to help provide children and families with immediate aid, such as food, water, hygiene kits, psychosocial support, and cash assistance. WSI matched the first $50K of customer donations across our brands.

**THE WSI FOUNDATION**
The Williams-Sonoma, Inc. Foundation was established to provide financial support to associates impacted by natural disasters. After the devastation caused by Hurricanes Ian and Fiona in 2022, the foundation offered direct support to our affected associates.

**THE ARBOR DAY FOUNDATION**
In 2022, our associates helped bring our corporate commitment to plant 6M trees to life by planting 30 trees in San Francisco’s MissionTerrace neighborhood with the Arbor Day Foundation.

Opportunities like these allow our people to contribute directly to our tree planting goal while benefitting the environment and our local community.

**WSI contributed $28.5M in corporate, customer, and associate donations in 2022.**
Appendix

We publish our progress against clearly defined targets, and we report to standards set by the UN Global Compact, CDP, Sustainability Accounting Standards Board and Task Force on Climate-Related Financial Disclosures.

FORWARD-LOOKING STATEMENTS
Certain statements in this report constitute “forward-looking statements.” Forward-looking statements in this release are made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934 and other federal securities laws. These statements are based on management’s current opinions, expectations, beliefs, plans, objectives, assumptions, or projections regarding future events or results, including, but not limited to, our ESG and sustainability commitments, strategies, and initiatives; our business plans and strategy; our products; our opportunities for growth; and our stakeholder engagement efforts. These forward-looking statements are only predictions, not historical fact, and involve certain risks and uncertainties, as well as assumptions. Actual results, levels of activity, performance, achievements, and events could differ materially from those stated, anticipated, or implied by such forward-looking statements. While we believe that such assumptions are reasonable, there are many risks and uncertainties that could cause actual results to differ materially from forward-looking statements, including the risks discussed in our filings with the Securities and Exchange Commission, including, but not limited to, our annual report on Form 10-K and quarterly reports on Form 10-Q. We undertake no obligation to update or revise any forward-looking statement contained in this Report, except as otherwise required by law.
### ESG Metrics: Responsible Materials

**RESPONSIBLE WOOD**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEST</td>
<td>25%</td>
<td>24%</td>
<td>18%</td>
<td>-6%</td>
</tr>
<tr>
<td>BETTER</td>
<td>9%</td>
<td>16%</td>
<td>15%</td>
<td>-1%</td>
</tr>
<tr>
<td>GOOD</td>
<td>31%</td>
<td>20%</td>
<td>25%</td>
<td>5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>65%</td>
<td>60%</td>
<td>58%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

**RESPONSIBLE COTTON**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEST</td>
<td>31%</td>
<td>33%</td>
<td>21%</td>
<td>-12%</td>
</tr>
<tr>
<td>BETTER</td>
<td>4%</td>
<td>3%</td>
<td>2%</td>
<td>-1%</td>
</tr>
<tr>
<td>GOOD</td>
<td>54%</td>
<td>58%</td>
<td>73%</td>
<td>15%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>89%</td>
<td>94%</td>
<td>96%</td>
<td>2%</td>
</tr>
</tbody>
</table>

### ESG Metrics: Carbon & Electricity Intensity

**CARBON INTENSITY**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂e (kg)</td>
<td>91M</td>
<td>89M</td>
<td>67M</td>
<td>-24%</td>
</tr>
<tr>
<td>REVENUE</td>
<td>$6,788</td>
<td>$8,258</td>
<td>$8,678</td>
<td>5%</td>
</tr>
<tr>
<td>CARBON INTENSITY (kg/REVENUE)</td>
<td>0.0134</td>
<td>0.0108</td>
<td>0.0077</td>
<td>-29%</td>
</tr>
</tbody>
</table>

**ELECTRICITY INTENSITY**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>kWh</td>
<td>184M</td>
<td>178M</td>
<td>178M</td>
<td>1%</td>
</tr>
<tr>
<td>SQ. FT.</td>
<td>18.2M</td>
<td>19.1M</td>
<td>22.7M</td>
<td>19%</td>
</tr>
<tr>
<td>ELECTRICITY INTENSITY (kWh/SQ. FT.)</td>
<td>10.06</td>
<td>9.22</td>
<td>7.84</td>
<td>-15%</td>
</tr>
</tbody>
</table>

**CALCULATION & SCOPE**

- **Responsible Wood:** Tracked by Sourcemap + SKU-level wood volumes from vendors. Percent of responsibly sourced wood in our furniture in cubic meters. Responsibly sourced wood is categorized through a Good-Better-Best approach: Best—Forest Stewardship Council® (FSC), Better—Programme for the Endorsement of Forest Certification (PEFC) 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 Preferred by Nature’s Timber Risk Assessments and FSC’s National Risk Assessments). Total reflects the volume of responsibly sourced wood as a percent of WSI’s total volume of wood.

- **Responsible Cotton:** Tracked by vendor textile survey. Percent of responsibly sourced cotton used in our textiles in pounds. Across Williams-Sonoma, Inc. products we are committed to maintaining 100% responsibly sourced cotton. We define responsibly sourced cotton as Global Organic Textile Standard, Organic Content Standard, Better Cotton™, recycled cotton, and OEKO-TEX® STANDARD 100. Total reflects the volume of responsibly sourced cotton as a percent of WSI’s total volume of cotton.

- **Carbon Intensity:** Data aggregated by NUS and manual data collection. 2020-22 emissions calculations performed by Optera. Optera calculation added radiative forcing factors in 2020-2022. Greenhouse gas emissions (GHG) in kilograms per dollars of revenue. Emissions include Scope 1 (direct GHG emissions from fuel consumption), Scope 2 (indirect GHG emissions from purchased electricity, heat and steam) and partial Scope 3 (emissions from business travel). Emissions from stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, corporate offices and owned and leased vehicles are included. In FY21, we revised our FY20 emissions metrics after identifying an incorrect emission factor in our calculations.

- **Electricity Intensity:** Data aggregated by NUS, manual data collection and WSI Real Estate. 2020-22 electricity intensity calculations performed by Optera. Electricity consumed in kilowatt hours (kWh) per square foot of real estate annually. Consumption for stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, owned production facilities and corporate offices included. Real estate square footage is an annual average.
## ESG Metrics: GHG Emissions

### Scope 1, Scope 2 and Scope 3 Emissions

#### Scope 1 Emissions
- FY20: 20,499 MT
- FY21: 21,678 MT
- FY22: 23,211 MT
- YOY % Change: 7%

#### Scope 2 Emissions
- FY20: 66,794 MT
- FY21: 64,143 MT
- FY22: 43,859 MT
- YOY % Change: -32%

#### Scope 1 & 2 Emissions
- FY20: 87,293 MT
- FY21: 85,821 MT
- FY22: 67,070 MT
- YOY % Change: -22%

#### Scope 3 Emissions
- FY20: 3,157,835 MT
- FY21: 3,673,293 MT
- FY22: 3,158,501 MT
- YOY % Change: -14%

#### Scope 3 Emissions, Emission Category

<table>
<thead>
<tr>
<th>Category</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased Goods and Services</td>
<td>1,806,755</td>
<td>2,109,680</td>
<td>1,504,405</td>
<td>-29%</td>
</tr>
<tr>
<td>Capital Goods</td>
<td>46,608</td>
<td>24,817</td>
<td>142,751</td>
<td>475%</td>
</tr>
<tr>
<td>Fuel and Energy Emissions</td>
<td>20,668</td>
<td>15,489</td>
<td>21,637</td>
<td>40%</td>
</tr>
<tr>
<td>Upstream Transportation</td>
<td>358,323</td>
<td>550,857</td>
<td>699,751</td>
<td>27%</td>
</tr>
<tr>
<td>Waste from Operations</td>
<td>25,643</td>
<td>31,258</td>
<td>29,247</td>
<td>-6%</td>
</tr>
<tr>
<td>Business Travel</td>
<td>1,091</td>
<td>1,762</td>
<td>2,351</td>
<td>33%</td>
</tr>
<tr>
<td>Employee Commuting</td>
<td>30,936</td>
<td>34,026</td>
<td>33,562</td>
<td>-1%</td>
</tr>
<tr>
<td>Downstream Transportation</td>
<td>339,804</td>
<td>363,438</td>
<td>314,617</td>
<td>-13%</td>
</tr>
<tr>
<td>Use of Sold Product</td>
<td>404,259</td>
<td>392,705</td>
<td>277,990</td>
<td>-29%</td>
</tr>
<tr>
<td>Product End-of-Life</td>
<td>110,983</td>
<td>130,239</td>
<td>117,757</td>
<td>-10%</td>
</tr>
<tr>
<td>Franchise Emissions</td>
<td>12,765</td>
<td>19,022</td>
<td>14,433</td>
<td>-24%</td>
</tr>
</tbody>
</table>

### Scope 1 Calculation

Emissions are aggregated by NUS and manual data collection, with emissions calculations performed by Optera. Optera calculation added radiative forcing factors in 2019-2022. Greenhouse gas emissions include Scope 1 (direct GHG emissions from fuel consumption), Scope 2 (indirect GHG emissions from purchased electricity, heat and steam) and Scope 3 (GHG emissions from our value chain).

### Scope 2 Calculation

Emissions from stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, corporate offices and owned and leased vehicles are included.

### Scope 3 Calculation

All relevant Scope 3 categories were assessed and defined according to the Greenhouse Gas Protocol. Categories excluded from reporting due to lack of significance to the business include: Upstream Leased Assets, Downstream Leased Assets, Processing of Sold Product and Investments. We worked with industry expert Anthesis to calculate our Scope 3 emissions baseline and implement reporting frameworks. Our Scope 3 emissions progress is calculated using a 2019 baseline. In 2022, we refined our emissions calculation methodology and updated calculations across past fiscal years, including the base year 2019 which now has a baseline of 3,453,893 MT for Scope 3 emissions. For example, updated spend-based emission factors, improved data quality enabling greater specificity, and revised assumptions in line with industry standards led to the refinement of our Scope 3 emissions.
## ESG Metrics: Landfill Diversion

<table>
<thead>
<tr>
<th>WASTE TONNAGE, GRAND TOTAL</th>
<th>FY20*</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECYCLING (MT)</td>
<td>33,968</td>
<td>36,944</td>
<td>44,313</td>
<td>20%</td>
</tr>
<tr>
<td>LANDFILL (MT)</td>
<td>41,539</td>
<td>48,118</td>
<td>42,493</td>
<td>-12%</td>
</tr>
<tr>
<td>WASTE TOTAL (MT)</td>
<td>75,507</td>
<td>85,062</td>
<td>86,806</td>
<td>2%</td>
</tr>
<tr>
<td>DIVERSION RATE</td>
<td>45%</td>
<td>43%</td>
<td>51%</td>
<td>8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>WASTE TONNAGE, FACILITY TYPE</th>
<th>FY20*</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>OFFICE TOTAL (MT)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RECYCLING (MT)</td>
<td>508</td>
<td>471</td>
<td>461</td>
<td>-2%</td>
</tr>
<tr>
<td>LANDFILL (MT)</td>
<td>722</td>
<td>665</td>
<td>531</td>
<td>-20%</td>
</tr>
<tr>
<td>WASTE TOTAL (MT)</td>
<td>1,230</td>
<td>1,136</td>
<td>992</td>
<td>-13%</td>
</tr>
<tr>
<td>DIVERSION RATE</td>
<td>41%</td>
<td>41%</td>
<td>46%</td>
<td>5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DISTRIBUTION CENTERS AND HUBS TOTAL (MT)</th>
<th>FY20*</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECYCLING (MT)</td>
<td>17,536</td>
<td>18,546</td>
<td>25,098</td>
<td>35%</td>
</tr>
<tr>
<td>LANDFILL (MT)</td>
<td>17,038</td>
<td>20,455</td>
<td>19,965</td>
<td>-2%</td>
</tr>
<tr>
<td>WASTE TOTAL (MT)</td>
<td>34,574</td>
<td>39,001</td>
<td>45,064</td>
<td>16%</td>
</tr>
<tr>
<td>DIVERSION RATE</td>
<td>51%</td>
<td>48%</td>
<td>56%</td>
<td>8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STORES TOTAL (MT)</th>
<th>FY20*</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECYCLING (MT)</td>
<td>15,924</td>
<td>17,926</td>
<td>18,754</td>
<td>5%</td>
</tr>
<tr>
<td>LANDFILL (MT)</td>
<td>23,779</td>
<td>26,997</td>
<td>21,997</td>
<td>-19%</td>
</tr>
<tr>
<td>WASTE TOTAL (MT)</td>
<td>39,703</td>
<td>44,923</td>
<td>40,751</td>
<td>-9%</td>
</tr>
<tr>
<td>DIVERSION RATE</td>
<td>40%</td>
<td>40%</td>
<td>48%</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Calculation & Scope:** Calculated since 2017 by Rubicon annual tonnage report, WSI DC monthly report and manual data collection. Percent of recycled and composted volume diverted from landfill in metric tons. Scope includes distribution centers, in-sourced hubs, corporate offices and retail stores in North America. In 2018, EPA’s factor for waste changed from 225 pounds per yard to 138. The new factor was applied in 2017-2022. *In FY21, we revised our FY20 landfill metrics after identifying an incorrect categorization of waste type.
## ESG Metrics: Fair Trade Certified, Nest’s Ethical Handcraft Program, FSC-Certified Paper, Giving & Volunteering

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>Cumulative since 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FAIR TRADE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAIR TRADE PREMIUMS paid since 2021</td>
<td>N/A</td>
<td>$3.0M</td>
<td>$3.3M</td>
<td>$6.3M</td>
</tr>
<tr>
<td><strong>NEST’S ETHICAL HANDCRAFT PROGRAM</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL $ PURCHASES OF CERTIFIED ETHICALLY HANDCRAFTED PRODUCT</td>
<td>N/A</td>
<td>$9.1M</td>
<td>$11.0M</td>
<td>$20.1M</td>
</tr>
<tr>
<td><strong>FSC® PAPER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FSC®-CERTIFIED CATALOG PAPER</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>0%</td>
</tr>
</tbody>
</table>

### GIVING

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL $ GIVEN &amp; RAISED*</td>
<td>$43.6M</td>
<td>$31.5M</td>
<td>$28.5M</td>
<td>-10%</td>
</tr>
</tbody>
</table>

### VOLUNTEERING

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>YOY % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL VOLUNTEERING HOURS**</td>
<td>4,244</td>
<td>4,606</td>
<td>5,309</td>
<td>15%</td>
</tr>
</tbody>
</table>

---

*CALCULATION & SCOPE We’ve paid Fair Trade Premiums to our vendors since 2014, paying over $7M in Premiums from 2014-2020. We announced a new goal in 2021 to pay an additional $15M in Fair Trade Premiums by 2025 and are measuring progress after 2021. To view premiums paid in prior years, see our 2020 Impact Report. **CALCULATION & SCOPE Cumulative total dollars paid in Nest Certified products across WSI since 2021. ***CALCULATION & SCOPE Percent of FSC-certified paper in our catalogs in number of pages circulated.

*CALCULATION & SCOPE Contributions through fundraising for causes, miscellaneous community giving, associate donations, shelter grants, product proceeds, matching gifts and in-kind donations. FY21 dollar amount based on revised FY21 donation data.

**CALCULATION & SCOPE Total volunteering hours from global, corporate associates, excluding non-store associates.
## ESG Metrics: Gender & Ethnicity Representation*

### WSI TOTAL

<table>
<thead>
<tr>
<th>Gender &amp; Ethnicity</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MALE</td>
<td>34.8%</td>
<td>32.4%</td>
<td>32.4%</td>
<td>0.0%</td>
</tr>
<tr>
<td>FEMALE</td>
<td>65.2%</td>
<td>67.5%</td>
<td>67.4%</td>
<td>-0.1%</td>
</tr>
<tr>
<td>NON-BINARY</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

### VPS & ABOVE

<table>
<thead>
<tr>
<th>Gender &amp; Ethnicity</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MALE</td>
<td>48.2%</td>
<td>45.9%</td>
<td>45.2%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>FEMALE</td>
<td>51.8%</td>
<td>54.1%</td>
<td>54.8%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

### DIRECTORS

<table>
<thead>
<tr>
<th>Gender &amp; Ethnicity</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MALE</td>
<td>38.6%</td>
<td>40.7%</td>
<td>43.8%</td>
<td>3.1%</td>
</tr>
<tr>
<td>FEMALE</td>
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### MANAGERS & SENIOR MANAGERS

<table>
<thead>
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<th>FY21</th>
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### INDIVIDUAL CONTRIBUTORS

<table>
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### WSI TOTAL

<table>
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<tr>
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<tr>
<td>BLACK</td>
<td>15.4%</td>
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</tr>
<tr>
<td>HISPANIC</td>
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<tr>
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### VPS & ABOVE

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<tr>
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<tr>
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### MANAGERS & SENIOR MGRS.

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### DIRECTORS

<table>
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### INDIVIDUAL CONTRIBUTORS

<table>
<thead>
<tr>
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<th>FY20</th>
<th>FY21</th>
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<th>% CHANGE</th>
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<tr>
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<tr>
<td>HISPANIC</td>
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<td>ASIAN</td>
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<tr>
<td>OTHER</td>
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<td>2.8%</td>
<td>-1.4%</td>
</tr>
</tbody>
</table>

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*CALCULATION & SCOPE: FY22 data as of January 29, 2023. Percentages exclude associates who declined to state gender or ethnicity. FY22 data represents total workforce, including full-time, part-time and temporary or seasonal associates.
## ESG Disclosures: U.N. Sustainable Development Goals (SDGs)

<table>
<thead>
<tr>
<th>SDG</th>
<th>GOAL</th>
<th>TARGET</th>
<th>NO.</th>
<th>WSI INITIATIVES</th>
<th>REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>End poverty in all its forms everywhere</td>
<td>By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.</td>
<td>1.4</td>
<td>Our partnerships with Fair Trade Certified and Nest’s Ethical Handcraft aim to lift people out of poverty through fair wages and economic opportunity. We are actively working toward our ambitious worker wellbeing goals.</td>
<td>Worker Wellbeing &amp; Values-Aligned Sourcing</td>
</tr>
<tr>
<td>2</td>
<td>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</td>
<td>By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, to safe, nutritious and sufficient food all year round.</td>
<td>2.1</td>
<td>To date, we have raised over $16M for No Kid Hungry, an organization working to end child hunger in America by ensuring that all children have access to healthy food. Workers at our Fair Trade Certified factories used their premiums to purchase fresh, local produce for workers this past year.</td>
<td>Giving &amp; Volunteering Fair Trade</td>
</tr>
<tr>
<td>3</td>
<td>Ensure healthy lives and promote well-being for all at all ages</td>
<td>By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</td>
<td>3.9</td>
<td>We use certifications including GREENGUARD and OEKO-TEX STANDARD 100 to test that our company-produced products are free from harmful chemicals and VOCs.</td>
<td>Product Quality &amp; Safety</td>
</tr>
<tr>
<td>4</td>
<td>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</td>
<td>By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for human rights, gender equality, global citizenship and appreciation of cultural diversity.</td>
<td>4.7</td>
<td>In our supply chain, we have a robust and long-standing social compliance program which includes targeted supplier trainings on topics such as human rights. Our partnership with HERproject provides gender equity training to change attitudes around women’s empowerment. In our corporate business, we host engagement events and trainings to educate associates about WSI’s sustainability efforts, such as our Impact Summit, encouraging them to adopt sustainability in their own roles and personal lives. Our Changemaker award, dedicated to innovation within sustainability, celebrates the amazing associates and vendors that continue to lead this charge.</td>
<td>Ethical Production Associates</td>
</tr>
<tr>
<td>5</td>
<td>Achieve gender equality and empower all women and girls</td>
<td>Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.</td>
<td>5.5</td>
<td>Female-identifying individuals hold over 50% of our executive positions at the VP level and above, and 57% of our Board seats.</td>
<td>Associates, Appendix</td>
</tr>
</tbody>
</table>
## ESG Disclosures: U.N. Sustainable Development Goals (SDGs)

<table>
<thead>
<tr>
<th>SDG</th>
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<th>NO.</th>
<th>WSI INITIATIVES</th>
<th>REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Ensure availability and sustainable management of water and sanitation for all.</td>
<td>By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.</td>
<td>6.6</td>
<td>We conducted a water risk assessment with WWF to identify the product categories and sourcing regions in our value chain with the greatest water risk. We are in the process of using these results to inform our water stewardship approach. The contribution of WSI’s six million trees counts toward 1t.org’s mission to conserve, restore and grow one trillion trees by 2030.</td>
<td>Natural Resources</td>
</tr>
<tr>
<td>7</td>
<td>Ensure access to affordable, reliable, sustainable and modern energy for all</td>
<td>By 2030, increase substantially the share of renewable energy in the global energy mix.</td>
<td>7.2</td>
<td>Our emissions reduction strategy focuses on driving reduction in our footprint through energy efficiency and renewable energy. This past year we significantly scaled our assortment of renewable energy across our operations. Our renewable energy strategy includes a combination of levers, including power purchase agreements, green power, and solar energy.</td>
<td>Climate &amp; Energy</td>
</tr>
<tr>
<td></td>
<td>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</td>
<td>Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.</td>
<td>8.7</td>
<td>Our robust and long-standing social compliance program is based on the conventions of the International Labor Organization and the UN’s Guiding Principles on Business and Human Rights. We strive to avoid adverse human rights impacts—such as human trafficking, child labor, and forced labor—from the outset by embedding principles of respect and dignity throughout our business, integrating them into our company policies and relevant procedures. Support for worker wellbeing programs, such as Fair Trade Certified, protect labor rights and create safe and healthy working conditions.</td>
<td>Ethical Production, Worker Wellbeing</td>
</tr>
<tr>
<td></td>
<td>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</td>
<td>Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.</td>
<td>9.3</td>
<td>The Nest Ethical Handcraft Program helps build a new handworker economy intent on making home- and small workshop-based labor visible and safe. We set a goal for purchases of Nest Certified Ethically Handcrafted product because craft and artisan businesses are a powerful vehicle for economic and gender advancement.</td>
<td>Worker Wellbeing</td>
</tr>
<tr>
<td>10</td>
<td>Reduce inequality within and among countries</td>
<td>By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</td>
<td>10.2</td>
<td>In our continued commitment to progress our Equity Action Plan, in 2022 we focused on providing more education and enrichment opportunities for our associates. We remain deeply committed to making inclusivity a cornerstone of our culture by not only welcoming associates with diverse cultures and backgrounds but celebrating them together.</td>
<td>Diversity, Equity &amp; Inclusion</td>
</tr>
</tbody>
</table>
## ESG Disclosures: U.N. Sustainable Development Goals (SDGs)

<table>
<thead>
<tr>
<th>SDG</th>
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<th>NO.</th>
<th>WSI INITIATIVES</th>
<th>REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Make cities and human settlements inclusive, safe, resilient and sustainable</td>
<td>Strengthen efforts to protect and safeguard the world’s cultural and natural heritage. By 2030, significantly reduce the number of people affected and substantially decrease the direct economic losses caused by disasters, with a focus on protecting the poor and people in vulnerable situations.</td>
<td>11.4</td>
<td>By offering handcrafted and Certified Ethically Handcrafted products, we support, celebrate and preserve craft traditions around the world. We leverage partnerships with organizations like Good360 and Habitat for Humanity to help facilitate product donations and assist those with damaged or lost homes, or those seeking decent, affordable housing.</td>
<td>Worker Wellbeing Values-Aligned Sourcing Waste &amp; Circularity</td>
</tr>
<tr>
<td>12</td>
<td>Ensure sustainable consumption and production patterns</td>
<td>By 2030, achieve the sustainable management and efficient use of natural resources. By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</td>
<td>12.2</td>
<td>We have long committed to promoting responsible harvesting and preventing deforestation in our wood sourcing practices, as outlined in our Fiber, Wood and Paper Procurement Policies. We are actively working to meet our landfill diversion goal through rightsizing at retail stores, foam backhauling, product donation, and textile recycling, among others.</td>
<td>Preferred Materials Sourcing Policies Waste &amp; Circularity</td>
</tr>
<tr>
<td>13</td>
<td>Take urgent action to combat climate change and its impacts</td>
<td>Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. Integrate climate change measures into policies, strategies and planning.</td>
<td>13.1</td>
<td>We have a 2030 Science-Based Target across Scopes 1-3, and a 2025 carbon neutral goal across our operations. We have a multi-year renewable energy roadmap to reduce emissions in our operations, as well as a vendor engagement plan and raw material roadmap to reduce emissions in our value chain.</td>
<td>Climate &amp; Energy</td>
</tr>
<tr>
<td>14</td>
<td>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</td>
<td>By 2025, prevent and significantly reduce marine pollution of all kinds, particularly from land-based activities, including marine debris and nutrient pollution.</td>
<td>14.1</td>
<td>We continue to eliminate virgin plastic in our supply chain, such as by reducing our reliance on EPS foam. We diverted 131 million ocean-bound and landfill-bound bottles to date through our use of REPREVE recycled polyester to make textiles. We also remain committed to using responsibly sourced cotton, whose practices reduce pollutants and runoff into waterways.</td>
<td>Waste &amp; Circularity Preferred Materials</td>
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## ESG Disclosures: U.N. Sustainable Development Goals (SDGs)

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<th>NO.</th>
<th>WSI INITIATIVES</th>
<th>REFERENCE</th>
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<tbody>
<tr>
<td>15</td>
<td>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</td>
<td>By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.</td>
<td>15.2</td>
<td>As members of WWF’s Forests Forward program, we launched a responsible sourcing project group in 2022, which aims for Forests Forward participants to increase capacity of FSC certified wood amongst the vendors we source from. We recognize FSC as the gold standard for certification of healthy forest management and sustainable timber, and continue to source FSC wood to achieve our goal of 75% of products representing one or more of our social or environmental initiatives. Through Forests Forward, we also supported the development of the Preferred by Nature Declare, Map, and Test protocol.</td>
<td>Natural Resources Preferred Materials Sourcing Policies</td>
</tr>
<tr>
<td>16</td>
<td>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</td>
<td>End abuse, exploitation, trafficking and all forms of violence and torture against children.</td>
<td>16.2</td>
<td>Our rigorous social compliance and audit programs are committed to eradicating human trafficking, child labor, and forced labor in our global product supply chains.</td>
<td>Ethical Production</td>
</tr>
<tr>
<td>17</td>
<td>Strengthen the means of implementation and revitalize the global partnership for sustainable development.</td>
<td>Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</td>
<td>17.17</td>
<td>We partner with NGOs, third-party certifiers, and field-level sustainability standards to verify sustainability claims on select products and practices, sharing knowledge, resources, and driving sustainable business.</td>
<td>Supporting Our Sustainability Claims</td>
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## ESG Disclosures: SASB Multi-line and Specialty Retailers & Distributors

<table>
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<tr>
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<th>ACCOUNTING METRIC</th>
<th>CODE</th>
<th>RESPONSE</th>
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<tbody>
<tr>
<td>Energy Management in Retail &amp; Distribution</td>
<td>(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable</td>
<td>CG-MR-130a. 1</td>
<td>(1) 1,027,572 GJ</td>
<td>2022 Impact Report: Scopes 1-2: Our Operations</td>
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<td></td>
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<td>(2) 65%</td>
<td>CDP Climate Disclosure</td>
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<td>(3) 27%</td>
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<tr>
<td>Data Security</td>
<td>Description of approach to identifying and addressing data security risks</td>
<td>CG-MR-230a. 2</td>
<td>As the consumer and our business continue to shift online, we are dedicated to safeguarding our customers’ personal information and prioritizing cybersecurity. This commitment is reflected in our governance structure; our data security policies and procedures; and our systems to measure, monitor, and respond to data breaches and cyberattacks. See references for full description of approach.</td>
<td>2022 Impact Report: Business Integrity Annual Report</td>
</tr>
<tr>
<td></td>
<td>(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected</td>
<td></td>
<td>We use a series of technologies and practices to prevent data security breaches, detect and respond to potential data security issues. In the event of a policy change or data breach, our policy requires that we notify data subjects in a timely manner. Our WSI associates, as well as third parties who provide services on our behalf, are required by policy, practice, and contract, if applicable, to treat customer information with care. Our policies and standards are reinforced by training and engagement to ensure that the privacy and security of our customers is central. WSI discloses this information in accordance with the SEC’s Commission Statement and Guidance on Public Company Cybersecurity Disclosures. See references for partial reporting.</td>
<td>WSI Privacy Policy</td>
</tr>
</tbody>
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## ESG Disclosures: SASB Multi-line and Specialty Retailers & Distributors

### Labor Practices

<table>
<thead>
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<th>Topic</th>
<th>Accounting Metric</th>
<th>Code</th>
<th>Response</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor Practices</td>
<td>(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region</td>
<td>CG-MR-310a. 1</td>
<td>We continue to invest in our associates, including increasing minimum wage to $16 per hour for U.S.-based hourly associates across our retail store, corporate, and supply chain workforce as of FY22 year end.</td>
<td>2022 Impact Report: Associate Benefits</td>
</tr>
<tr>
<td>Labor Practices</td>
<td>(1) Voluntary and (2) involuntary turnover rate for in-store employees</td>
<td>CG-MR-310a. 2</td>
<td>The key to our success as a company is our associates, and we strive to attract, develop, and retain the best talent in Retail. We actively track and report on labor practices, including involuntary and voluntary turnover, internally on a regular basis.</td>
<td>2022 Impact Report: Associate Benefits</td>
</tr>
<tr>
<td>Labor Practices</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with labor law violations</td>
<td>CG-MR-310a. 3</td>
<td>We take pride in keeping a work environment that complies with employer responsibility standards. We are committed to providing a safe and healthy work environment for our associates, visitors, suppliers and contractors, maintaining respectful workplaces and upholding equal opportunities for every associate. We comply with all national as well as state and local laws regarding wages, benefits and hours worked, and we recognize the rights of workers to make an informed decision as to whether to associate or not with any lawful organization, consistent with applicable laws. We conduct compliance training for executives, managers and employees, and we expect everyone in the company to follow our Code of Conduct, regardless of rank or position. See references for partial reporting.</td>
<td>Human Rights Policy</td>
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### Workforce Diversity & Inclusion

<table>
<thead>
<tr>
<th>Topic</th>
<th>Accounting Metric</th>
<th>Code</th>
<th>Response</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Diversity &amp; Inclusion</td>
<td>Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees</td>
<td>CG-MR-330a. 1</td>
<td>(1) WSI management: Managers &amp; Senior Managers 62% female, 36% racially diverse in total workforce; (2) All other employees (not management): 68% female, 45% racially diverse in total workforce. Williams-Sonoma, Inc. is a member of CEO Action for Diversity &amp; Inclusion, was listed in the Bloomberg Gender-Equality Index (2021-23) and ranks among Forbes’ Best Employers for Women (2019-22) and Forbes’ Best Employers for Diversity (2020-23). We’re committed to increasing gender and racial representation and advancement across our business. Our Associate Equity Networks are a core element of our Equity Action Plan and lead change and innovation for our company diversity practices. See references for full reporting and data.</td>
<td>2022 Impact Report: Diversity, Equity &amp; Inclusion Diversity, Equity &amp; Inclusion</td>
</tr>
<tr>
<td>Workforce Diversity &amp; Inclusion</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with employment discrimination</td>
<td>CG-MR-330a. 2</td>
<td>WSI provides equal opportunity for all associates and has policies to protect associates from discriminatory actions in our workplace. No associate may be discriminated against due to race, color, religion, gender, gender identity, gender expression, sexual orientation, ancestry, national origin, age, marital or veteran status or disability.</td>
<td>2022 Impact Report: Diversity, Equity &amp; Inclusion Diversity, Equity &amp; Inclusion</td>
</tr>
</tbody>
</table>
## ESG Disclosures: SASB Multi-line and Specialty Retailers & Distributors

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>ACCOUNTING METRIC</th>
<th>CODE</th>
<th>RESPONSE</th>
<th>REFERENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Sourcing, Packaging &amp; Marketing</td>
<td>Revenue from products third-party certified to environmental and/or social sustainability standards</td>
<td>CG-MR-410a. 1</td>
<td>Year-end 2022, 44% of our products* represented one or more of our social or environmental initiatives. *U.S., Canada, and Global; excludes drop-ship products.</td>
<td>2022 Impact Report: Products with Purpose</td>
</tr>
<tr>
<td></td>
<td>Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products</td>
<td>CG-MR-410a. 2</td>
<td>All of the products we sell are required to meet national and state laws for restricted substances and emissions, and we invest in meeting and exceeding these standards throughout the WSI value chain—from design to production to testing. Our global team of product quality professionals support our global sourcing offices and vendor base, setting clear standards around restricted substances and emissions. Our network of quality assurance professionals and on-the-ground experts work directly with our vendor base to establish clear product reviews, develop testing protocols and implement routine inspections. We operate in-country labs in our major sourcing regions to inform product development. See references for full description of approach.</td>
<td>2022 Impact Report: Product Quality &amp; Safety Product Safety &amp; Testing</td>
</tr>
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<td></td>
<td>Discussion of strategies to reduce the environmental impact of packaging</td>
<td>CG-MR-410a. 3</td>
<td>We are focused on reducing excess packaging and increasing recycled content in packaging materials. We increased the use recycled content and FSC certification in paper protective packaging. We also increased the use of PCR in our plastic protective packaging. See references for full description of approach.</td>
<td>2022 Impact Report: Packaging</td>
</tr>
</tbody>
</table>
| Facilities | Number of: (1) retail locations (2) distribution centers | CG-MR-000.a | (1) 569 retail stores*  
(2) 38 distribution centers and hubs*  
*Location counts include any facilities that were open within our reporting period. | Not applicable. |
| Square Footage | Total area of: (1) retail space (2) distribution centers | CG-MR-000.b | (1) 6,033,143 sq. feet*  
(2) 15,935,471 sq. feet*  
*Square footage calculations are annual averages to account for location openings and closing within the reporting period. | Not applicable. |
GOVERNANCE: DISCLOSE THE ORGANIZATION’S GOVERNANCE AROUND CLIMATE-RELATED RISKS AND OPPORTUNITIES

a) Describe the Board’s oversight of climate-related risks and opportunities.

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 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. The Board of Directors’ review of environmental and social topics is obtained from WSI’s Executive Vice President 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.

b) Describe management’s role in assessing and managing climate-related risks and opportunities.

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, and detailed in our most recent CDP Climate Disclosure.

STRATEGY: DISCLOSE THE ACTUAL AND POTENTIAL IMPACTS OF CLIMATE-RELATED RISKS & OPPORTUNITIES ON THE ORGANIZATION’S BUSINESSES, STRATEGY, AND FINANCIAL PLANNING WHERE SUCH INFORMATION IS MATERIAL

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

As part of setting a Science-Based Target and completing our CDP Climate Disclosure, we identified short, medium and long-term risks and opportunities related to climate. These range from physical, regulatory, and transition risks to opportunities to meet growing consumer demand for lower-impact products. For example, our ability to meet our goals is subject to numerous risks, many of which are outside of our control, including the availability and cost of renewable energy sources, credits, and technologies.

b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.

In setting a Science-Based Target across all three scopes, as well as a goal to be carbon neutral in our operations, we are aligning our business with a low-carbon economy. Our Scope 3 reduction focuses on materials and production, downstream transportation, and product use, highlighting the most material and highest leverage priorities. We are aligning our preferred materials work with our climate strategy, using materials as part of our efforts to reach our Science-Based Target.
We currently use qualitative climate risk scenario analysis. 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. Additionally, a cross-functional working group with representatives from sustainability, legal, accounting, finance, and risk meets to identify climate-related risks and opportunities. After identifying risks and opportunities relevant to WSI’s business, the group prioritizes the list. 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. Climate-related risks and opportunities deemed substantive for the purposes of this report may not be considered substantive or material for Securities and Exchange Commission (SEC) reporting purposes. 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 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 toward achieving our goals, are also considered. Mitigation entails pursuing relevant certifications and standards to substantiate our sustainability claims.
| a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | We track the following metrics to measure progress related to climate-related risks and opportunities: GHG emissions across our value chain, Higg Facility Environmental Module data from suppliers representing 86% of our purchase order volume in FY22, raw materials data for textile fibers and wood, and waste disposal data. |
| b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks. | 2022 Impact Report: Climate & Energy (Scope 1, 2 and 3 emissions) |
| c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. | 2022 Impact Report: Company-Wide Goals  
2022 Impact Report: Appendix, Carbon & Electricity Intensity, GHG Emissions  
We set a Science-Based Target across Scopes 1, 2 and 3, and a carbon neutral goal across our operations.  
We also set a landfill diversion goal that we will continue to progress toward. |