

GOOD BY DESIGN

Impact Report 2021

WILLIAMS-SONOMA, INC.

WILLIAMS SONOMA | WILLIAMS SONOMA HOME | POTTERY BARN | POTTERY BARN KIDS | POTTERY BARN TEEN | WEST ELM | MARK & GRAHAM | REJUVENATION | OUTWARD



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Introduction

For years, we've been responding and adapting to climate change. Since 2008, we've tracked emissions, and we've reduced our carbon intensity since 2011. Over the next decade, we're lowering our emissions in line with climate science while expanding our commitments to responsible materials, fair labor and diverse teams.

A LETTER FROM OUR CEO

“Today, 46% of our products represent one or more of our social or environmental initiatives, and that number keeps growing. We stand out in the market for original design, unmatched quality and an industry-leading assortment of responsibly made products.”



2020 transformed the world, from the global pandemic to heightened social and environmental awareness. In 2021, climate change accelerated alongside changes in the way we live and work. In my home state of California, increasingly intense wildfires are devastating people, property, air quality and ecosystems. Living in this new normal requires resilience—a quality that our teams display every day as they meet new challenges.

In 2021, Pottery Barn launched a program to plant a tree for every piece of indoor wood furniture* sold. In partnership with the Arbor Day Foundation, our goal was to plant three million trees by 2023. In early 2022, we were already halfway to our target, so we expanded the goal across our brands and doubled it to six million trees planted by 2023.

75,000 of those six million trees were recently planted in California, where we're re-establishing native forests—including stands of big-cone Douglas fir—to make land and watersheds more resilient. Planting trees alone won't save the planet, but it's one way we're adapting to the environmental and social challenges that come with climate change.

We're also one of the first home furnishings brands to set a Science-Based Target for reducing emissions across our value chain. We've decreased our carbon intensity since 2011, and now we're applying learnings from our own operations to our entire supply chain. Since 2019, when we began tracking our value chain emissions, our carbon intensity has decreased by 24% while revenue has grown by 40%. Sustainability is core to our business strategy.

We stand out in our industry for meeting and exceeding ambitious goals. Like any company, we've had setbacks, but they're far outnumbered by our successes. In 2020, we surpassed our targets to pay \$3M in Fair Trade Premiums (we paid \$7M) and reach 100k+ supply chain workers with wellbeing programs (we reached 103k). In 2021, we doubled down, committing to an additional \$10M in Fair Trade Premiums by 2025 and, by 2030, 75% of products will be sourced from suppliers who offer worker wellbeing programs. We're also sourcing from more diverse suppliers through programs like the National Minority Supplier Development Council and the 15 Percent Pledge.

As changes accelerate, we're building on decades of progress in sustainability and social impact. In this report, we share the interconnected ways we're navigating everything from climate targets to community programs. We're creating a resilient future not just for our company, but for our people and our planet.

LAURA ALBER, PRESIDENT & CEO

Williams-Sonoma, Inc.

*Indoor wood furniture containing at least 80% wood; upholstery is excluded.

OUR STRATEGY: GOOD BY DESIGN

For almost two decades, Williams-Sonoma, Inc. has built our business around sustainable practices, investing resources and meeting ambitious commitments. This is what it means to be Good By Design.

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 sense of purpose—the imperative 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

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 introducing wood and fiber sourcing policies, to becoming the first home retailer to offer Fair Trade

Certified products, we invested in sustainability programs because they're good for our business and the right thing to do. From our factories to your home, we're united in a shared purpose to care for our people and our planet.

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 that our family of brands plays an active role in achieving. As a global company, we recognize our influence to drive meaningful change across our industry.

INDUSTRY IMPACT

In 2021, we set a Science-Based Target for emissions reduction and leading goals for product sustainability and worker wellbeing. We're in the decisive decade for climate action and meaningful progress toward the UN Sustainable Development Goals. As a signatory to the UN Global Compact, we're committed to operating as a responsible business and elevating our ambitions to address global sustainability issues.



CLIMATE TARGETS

100%

Carbon-neutral in Scope 1 & 2 Emissions by 2025

50%

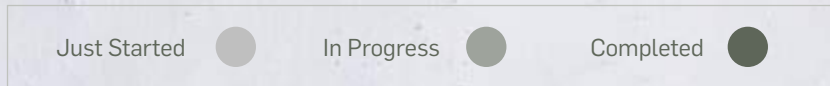
Absolute reduction in Scope 1 & 2 Emissions by 2030*

14%

Absolute reduction in Scope 3 Emissions** by 2030*

*Based on 2019 baseline. **From materials, production, transportation & product use.

Company-Wide Goals



GOAL	PILLAR	TARGET DEADLINE	PROGRESS TO DATE	STATUS
50% responsibly sourced wood	PLANET	2021	60%	●
100% responsibly sourced cotton	PLANET	2021	94% 6% IN TRANSITION*	●
6M trees planted with the Arbor Day Foundation	PLANET	2023	1.5M	●
75% of waste diverted from landfills**	PLANET	2025	43%	●
Additional \$10M paid in Fair Trade Premiums	PEOPLE	2025	\$3M	●
\$50M invested in Nest Certified products	PEOPLE	2025	\$9M	●
Carbon neutral in Williams-Sonoma, Inc. operations (Scopes 1 and 2)	PLANET	2025	85,820 REMAINING METRIC TONS TO DECREASE	●
50% absolute reduction Scope 1 & 2 for Science-Based Target (2019 baseline)***	PLANET	2030	▼ 2.4%	●
14% absolute reduction Scope 3 for Science-Based Target (2019 baseline)****	PLANET	2030	Δ 3.7% WITH 24% CO ₂ e INTENSITY DECREASE	●
75% of product purchases from suppliers who offer worker wellbeing programs	PEOPLE	2030	16%	●
75% of products labeled with one or more of our social or environmental initiatives	PURPOSE	2030	46%	●

Metrics as of 12/31/2021. Landfill diversion and emissions metrics as of 01/31/2021. *Remaining 6% of cotton includes 3% in transition, 2% not going forward and 1% being confirmed. **Goal extended from 2021 to 2025. See pages 37–38 for details.

Compared to a 2019 baseline. We revised our 2019 baseline after identifying an incorrect emission factor. *Our Science-Based Target Scope 3 goal includes three categories: Purchased Goods & Services, Downstream Transportation, and Use of Sold Products, which increased 3.7% compared to 2019 baseline, while intensity for those categories decreased 26% (and 24% for all Scope 3 categories) compared to a total Scope 3 emissions increase of 7%. We revised our 2019 baseline after identifying an inconsistency and refining our data. See pages 23-26 for details.

We're proud that 67% of our Board members identify as women. We review sustainability programs with our Board regularly and publish updates in our annual Proxy Statement and Impact Report.

Our commitment to transparency includes clearly defining the methodology behind our reporting. We report on our progress annually, and our disclosures address the sustainability issues most relevant to our business.

RELEVANT TOPICS

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

STAKEHOLDER ENGAGEMENT

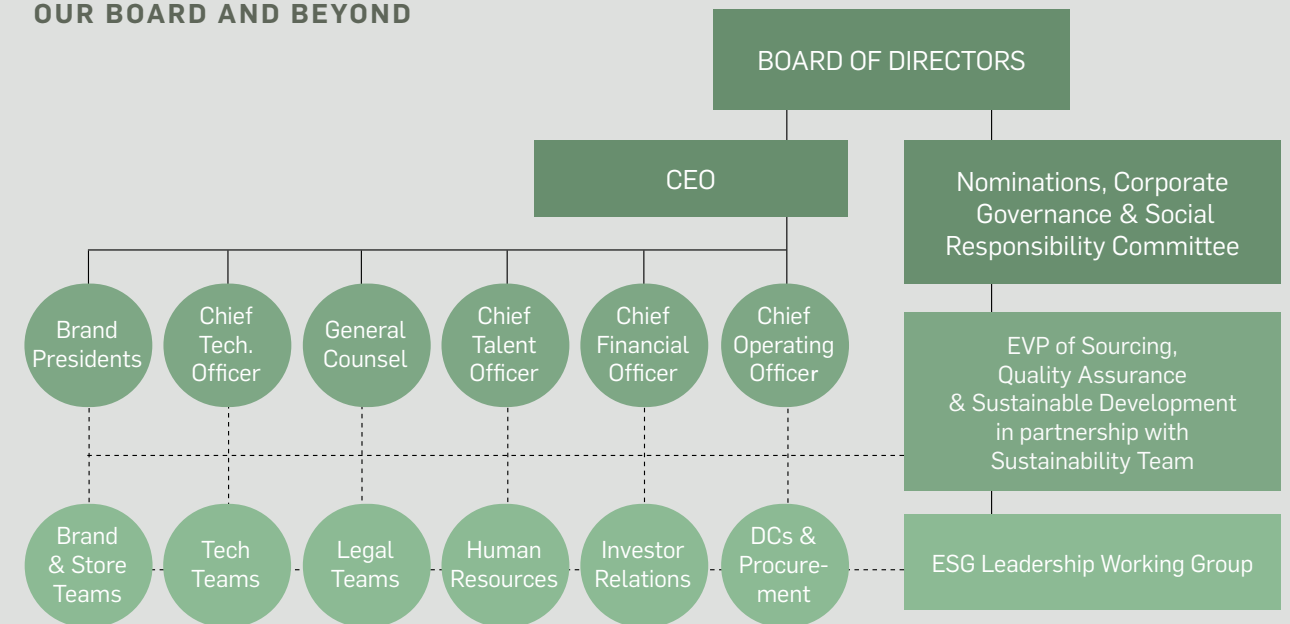
We intend to build on this process by engaging further with core stakeholder groups, and we're reviewing how to formalize our process to capture their feedback. Those learnings will inform our subsequent reporting.

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

REPORT SCOPE

The data in this report is based on activities carried out during fiscal year 2021 (02/01/2021–01/30/2022). 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 global workforce including full-time, part-time, and temporary or seasonal associates are represented in our demographic statistics. This report is informed by the Task Force on Climate-Related Financial Disclosures (TCFD) and the Global Reporting Initiative Standards (GRI).

GOVERNANCE OF ESG: OUR BOARD AND BEYOND



NOMINATIONS, CORPORATE GOVERNANCE & SOCIAL RESPONSIBILITY COMMITTEE

Composed of Directors who act independently of WSI management, our Nominations, Corporate Governance and Social Responsibility Committee oversees our sustainability strategy, policies and programs.

ESG MANAGEMENT

Our Executive Vice President of Sourcing, Quality Assurance and Sustainable Development manages a dedicated global team of sustainability professionals. Working across the company, these team members implement sustainability policies and programs, updating the Committee quarterly and full Board of Directors annually.

ESG LEADERSHIP WORKING GROUP

Our cross-functional ESG Leadership Working Group meets every two months and helps drive the integration of WSI's ESG strategy across the business.

“Talking the social and eco responsibility talk is all the fashion... but actually walking the walk is a whole other story. And it’s a story that Williams-Sonoma, Inc. is increasingly not just telling but doing.”
—Forbes, 07/06/2021



Awards & Accolades

BARRON'S 100

MOST SUSTAINABLE U.S.
COMPANIES 2018–2022

BLOOMBERG

GENDER EQUALITY INDEX
2021–2022

GREAT PLACE TO WORK®

CERTIFIED COMPANY
JUNE 2021–JUNE 2022

HUMAN RIGHTS CAMPAIGN

CORPORATE EQUALITY
INDEX 2021–2022

REPREVE®

CHAMPIONS OF SUSTAINABILITY
2018–2022

CDP NORTH AMERICA

SUPPLIER ENGAGEMENT RATING
LEADERBOARD 2021*

FORBES BEST EMPLOYERS

FOR WOMEN 2019–2021*
& DIVERSITY 2020–2022

SUSTAINABLE FURNISHINGS COUNCIL

WOOD FURNITURE TOP
SCORER 2018–2021*

*2022 results not yet published.

2021 HIGHLIGHTS

We made progress toward our climate goals and invested in social programs across our supply chain.

INTRO

PLANET

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Increased number of
**WOMEN'S PROMOTIONS AND
DIVERSITY OF NEW HIRES**

Set a goal to be
**Carbon
Neutral**
IN OUR OPERATIONS BY 2025

Received
ST. JUDE THANKS AND GIVING®
Partner of the Year Award

Committed to an additional
\$10M
IN FAIR TRADE
PREMIUMS BY 2025

46%
Of our products are now labeled
with one or more of our social
and environmental initiatives,
and we're well on our way to
75% BY 2030

Committed to an additional
\$50M
IN NEST CERTIFIED
ETHICALLY HANDCRAFTED
PRODUCTS BY 2025

REACHED 65,093 WORKERS
To date through HERproject™
worker health, financial
inclusion and gender equality
training programs

**EXPANDED SOCIAL
COMPLIANCE
AUDIT SCOPE TO**
89%
of order volume

**DIVERTED 93 MILLION
BOTTLES TO DATE**
made of plastic bound
for oceans and landfills
through our use of REPREVE
recycled polyester

Launched our
**MATERIAL
INNOVATION
LIBRARY**
and vetting process

Published a
Science-Based Target
FOR EMISSIONS REDUCTION ACROSS OUR VALUE CHAIN BY 2030

Raised
minimum wage to
\$15/hour
for U.S.-based hourly
associates across
all workforces

Planet

In 2021, we led our industry as one of the first home furnishings brands to set a Science-Based Target for emissions reduction across our value chain. With products at the center of our strategy, we continuously seek innovative and low-impact ways to drive sustainable growth.

CLIMATE & ENERGY: SCOPE 1 & 2

Our roadmap to reduce emissions focuses on efficiencies and renewable energy—with a goal of carbon neutral operations by 2025.

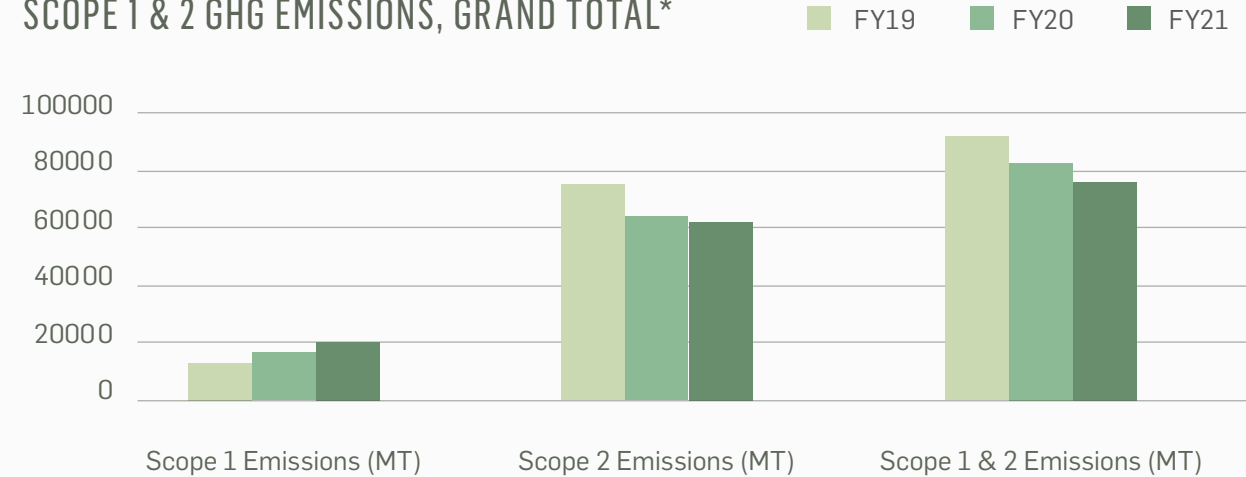
SCOPES 1-2: OUR OPERATIONS

ENERGY EFFICIENCY

Efficiencies have focused on lighting retrofits across our facilities. We've designed new stores with energy efficient systems and LED technology from the start. We're also retrofitting existing stores with LED light and replacing old LEDs with new technology, completing approximately

425 store lighting retrofits since 2011. At our San Francisco offices, we invested in two large projects to make our heating and cooling more efficient: 1) We installed a state-of-the-art HVAC system that self-manages and accounts for variables like the time of day and outside temperature, and 2) We installed a new cooling tower, which works with our HVAC system to optimize temperatures.

SCOPE 1 & 2 GHG EMISSIONS, GRAND TOTAL*



*Deloitte & Touche LLP performed a review on management's assertion related to our Fiscal Year 2021 Statement of Greenhouse Gas ("GHG") Emissions. Their assurance statement is available at [this link](#).

RENEWABLE ENERGY

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

In 2021, we made our first renewable energy purchases, with plans to purchase more green power and install solar in 2022.

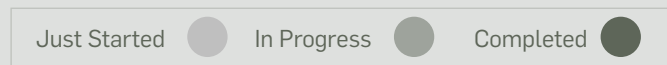
Rejuvenation leads our brands in renewables—by paying a fee on their energy bill, they support Portland General Electric in adding solar and wind

power to the grid. In 2021, we began purchasing renewable energy at the brand's Nicolai Factory.

The city of Portland named Rejuvenation a Gold Certified Sustainable Company—its highest standard for sustainability.

To reach our climate goals, we currently do not purchase carbon offsets. Instead, we're focusing on achieving our carbon neutral goal by making changes to our business through retrofits, efficiencies, renewable energy and driving reduction in our footprint. 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.

TRACKING OUR PROGRESS



2025

CARBON NEUTRAL OPERATIONS

Zero-carbon footprint (Scope 1 & 2).

STATUS: JUST STARTED



2021 UPDATE

We reduced emissions through efficiencies and green power.

2030

1.5°C SCIENCE-BASED TARGET

50% Scope 1 & 2 and 14% Scope 3 absolute reduction from 2019 baseline.

STATUS: JUST STARTED



2021 UPDATE

We developed a roadmap for reducing our value chain emissions (page 25), launching in 2022.

We're focused on production and raw materials—the two areas of our supply chain that produce the most emissions.

SCOPE 3: OUR VALUE CHAIN

Most of our emissions occur from production and raw materials in our supply chain. We can't achieve our goals alone, which is why we've created two strategies for meeting our Science-Based Target: a vendor engagement plan and a raw materials roadmap, which we're implementing in 2022.

PRODUCTION

We collect environmental data from our vendors through the Higg Facility Environmental Module (FEM). In 2021, we added Higg FEM scores to our vendor scorecard, which our teams use to evaluate vendor performance across multiple criteria and make sourcing decisions. We can now track our vendors' emissions and environmental impacts as we work towards our Science-Based Target. CDP included WSI in its 2021 Supplier Engagement Rating LeaderBoard for our engagement with suppliers on climate targets.

Evaluating a vendor's emissions is critical to achieving our Science-Based Target, so we rolled out new vendor scorecards and engagement programs in 2021.

To further reduce supplier emissions, we worked with a select subset of vendors to roll out an environmental engagement initiative focused exclusively on GHG emissions reduction.

We identified the highest emitting vendors across our supply chain, representing 80% of our product and manufacturing emissions, and will continue working directly with them to collect better data and identify opportunities to reduce emissions.

MATERIALS

To reduce product emissions, we developed a roadmap (see pages 33-34) to guide teams in choosing more responsible materials—from product design to vendor sourcing. Through analysis, we identified wool, cotton, polyester and medium-density fiberboard as our highest impact materials. They will be our strategic focus over the coming years. We're also addressing emissions from product use, seeking ways to create more energy efficient, low-impact options for customers.



EMISSIONS EXPLAINED

Scope 1

Emissions from burning fuel for vehicles, heating and generators used in our operations

Scope 2

Emissions from the electricity we purchase to power our stores, distribution centers and offices

Scope 3

Emissions generated from our full value chain outside our operations, from farms to factories to homes

CLIMATE & ENERGY: SCOPE 3

Since 2019, our CO₂e intensity has decreased from .643 to .491—with revenue growth of 40% compared to a Scope 3 emissions increase of just 7%.

SCOPE 3 EMISSIONS

Since our baseline year of 2019, our CO₂e intensity (measured in kg of CO₂ per dollars of revenue) decreased from .643 to .491. Materials and production represent our largest impact, requiring long-term partnerships with our suppliers to reduce emissions across our value chain.

In 2020-21, we set our emissions reduction strategy and, in 2022, we launched it across our value chain. We expect our Scope 3 abatement work to show emissions reduction throughout our value chain in 2023, as we work toward 2030 climate goals.

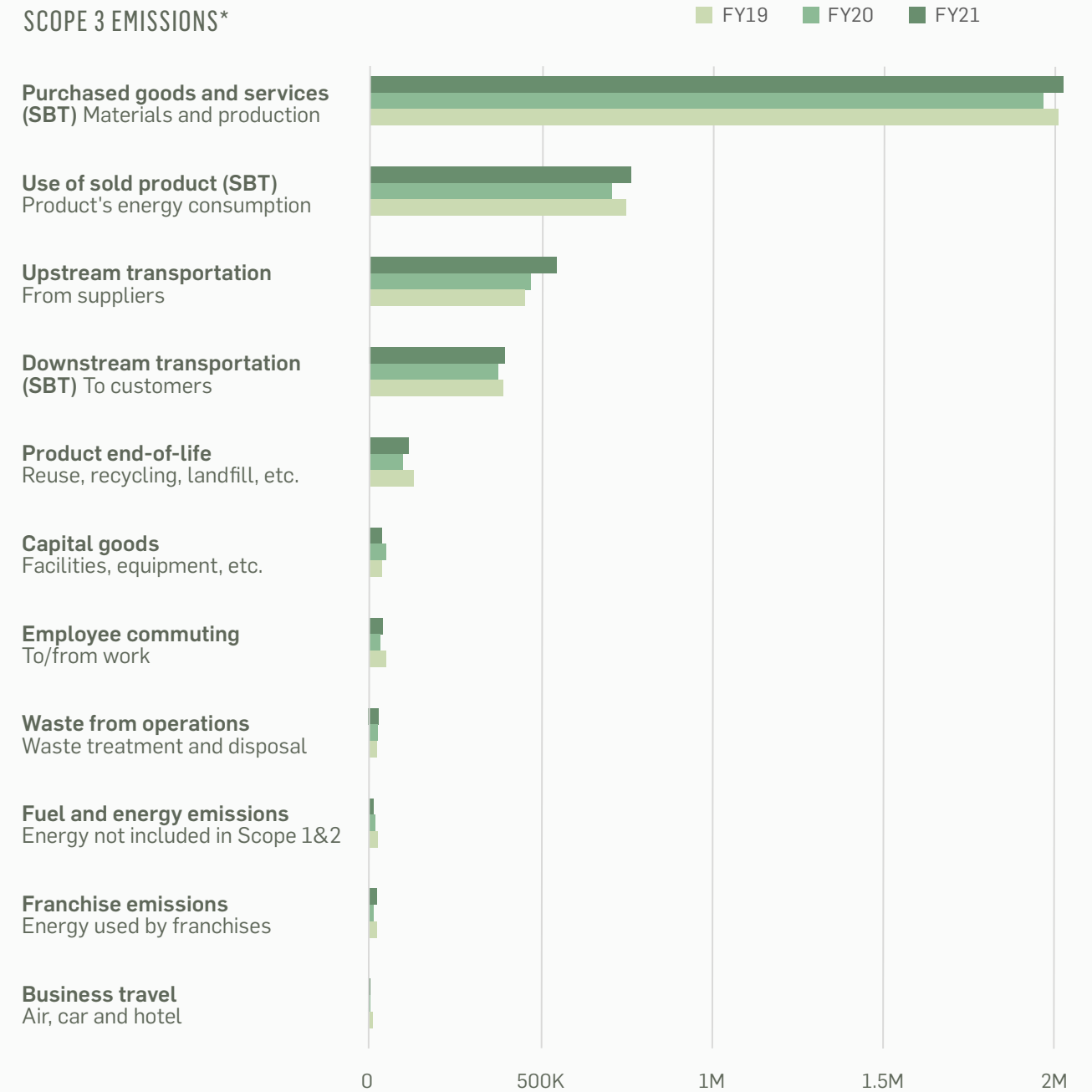
ROADMAP TO REDUCTION

Here's how we're prioritizing emissions reduction across our value chain, from our 2019 baseline to our 2030 targets.

- **2020:** We partnered with industry experts to audit our complete carbon footprint, resulting in a 2019 baseline for measurement.
- **2021:** We set and announced our Science-Based Target and introduced mandatory supplier direct energy and emissions data. We also identified key materials and vendors to prioritize for our emissions reduction rollout.

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

SCOPE 3 EMISSIONS*



REFINEMENT OF SCOPE 3 EMISSIONS We updated our 2019 baseline GHG emissions after identifying an inconsistency in the fiscal year 2019 data. This update also accounts for more refined data—such as product weight per SKU and life cycle assessment emission factors for key materials. With a more accurate estimate of our Scope 3 emissions, we adjusted our 2019 baseline, applying the calculation changes to both fiscal year 2019 and 2020 data. *All relevant Scope 3 categories were assessed and defined according to the Greenhouse Gas Protocol. Categories excluded from reporting due to lack of material relevance to the business include: Upstream Leased Assets, Downstream Leased Assets, Processing of Sold Product and Investments. The verification has been conducted by Optera to achieve a limited level of assurance over Scope 3 GHG emissions. The full report can be found [online](#).

In 2021, we explored expansion of our climate work to forests, water and nature-based solutions.

BEYOND ENERGY

In 2021, we expanded our [CDP Climate Disclosure](#) and submitted our first public [CDP Forests Disclosure](#), receiving a B-, higher than the averages for discretionary retail and North America.

We also focused on water, which is intertwined with climate change. We recognize the risk that water presents to our business, and began working with the World Wildlife Fund (WWF) to determine which areas of our business face the most water risk. In 2022, we will conduct a complete water risk assessment.

In 2021, we joined WWF's Forests Forward, a program that engages with companies and stakeholders around the globe to deliver effective nature-based strategies for forests, helping achieve both business and sustainability goals. We'll work with Forests Forward to continue implementing and investing in sustainable forest practices to responsibly use, protect and restore the world's forests from threats such as deforestation and forest degradation.

POTTERY BARN COMMITS TO PLANTING 3 MILLION TREES WITH THE ARBOR DAY FOUNDATION

On January 1, 2021, Pottery Barn launched a commitment to plant three million trees by 2023 to protect and restore the world's most vulnerable forests. In partnership with the Arbor Day Foundation, the largest nonprofit membership organization dedicated to planting trees, we committed to planting one tree for every piece of select indoor wood furniture sold*.

One year later, and halfway to our goal, we've planted over 1.5 million trees. We also pledged our efforts to the World Economic Forum's 1t.org, a global movement to conserve, restore and grow one trillion trees by 2030.

In 2022, we announced a new commitment to plant six million trees by 2023, doubling our original goal, and expanding it across our family of brands.

*Indoor wood furniture containing at least 80% wood; upholstery is excluded.



IMPACT OF 1.5M TREES PLANTED*

1.5B

Gallons of avoided water runoff

68,000

Tons of pollutants removed from the air

1.1M

Metric tons of CO₂ sequestered

*Metrics provided by the Arbor Day Foundation. Based on 40-year estimates calculated using i-Tree, developed by the U.S. Forest Service, and based on 1.5M trees planted across many projects.

SPOTLIGHT: POTTERY BARN & THE ARBOR DAY FOUNDATION REFOREST THE U.S.

“As a leader in sustainability, we’re focused on sourcing responsibly, using FSC-certified wood and now, fighting deforestation in areas that need it most.”
 —Marta Benson, President, Pottery Barn

TREES PLANTED*

115,000	Oregon
75,000	California
405,000	Michigan
50,000	Virginia
400,000	Florida
250,000	Mississippi, Arkansas & Louisiana
150,000	Alabama & Texas
15,000	Brazil
55,000	India
21,000	Indonesia



CASE STUDY: CALIFORNIA'S NATIONAL FORESTS
 In partnership with the Arbor Day Foundation, we focused our efforts on recovering land and watersheds damaged by wildfires. By removing invasive species, reducing pollutants and re-establishing native ecosystems—including stands of the big-cone Douglas fir—we'll create better habitats for the California red-legged frog, arroyo toad and California condor.

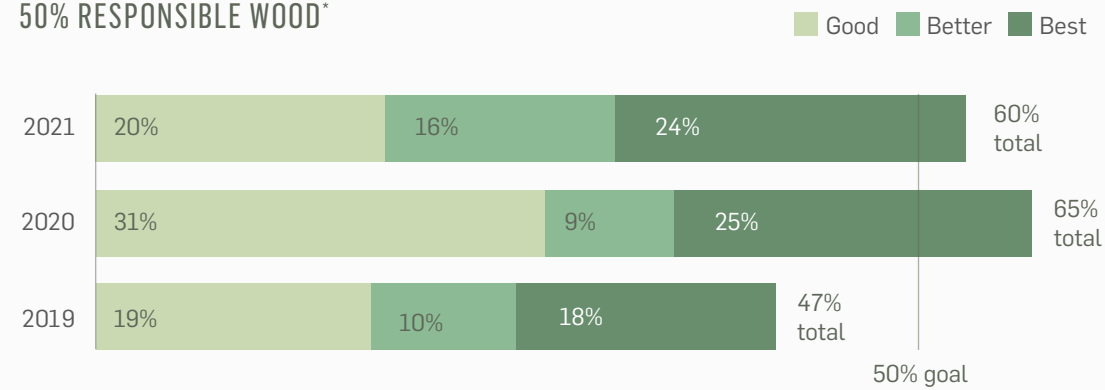
*Total 1,535,541 trees planted by the Arbor Day Foundation in partnership with Pottery Barn as of 02/01/2022.

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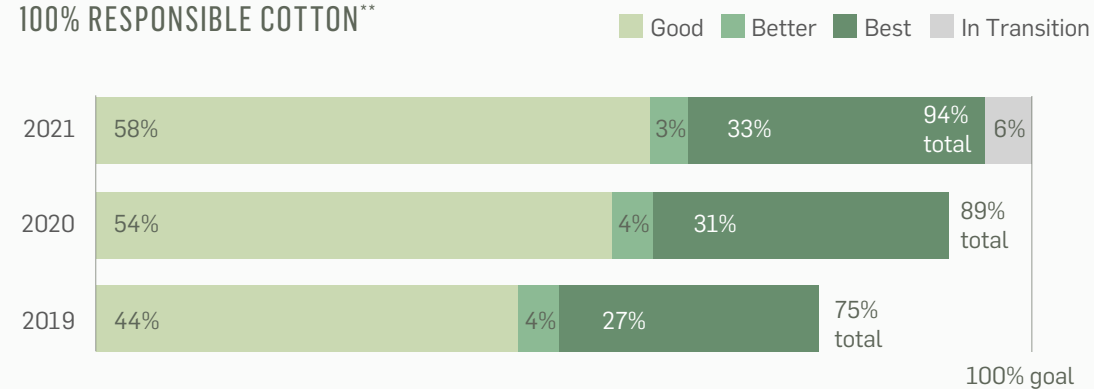
RESPONSIBLE MATERIALS

After driving progress on responsible wood and cotton goals in 2020–21, we took our strategy further, aligning materials with our climate strategy.

50% RESPONSIBLE WOOD*



100% RESPONSIBLE COTTON**



CALCULATION & SCOPE *Tracked by Sourcemap reporting and SKU-level wood volumes from vendors. FSC® volume verified by Rainforest Alliance. Percent of responsibly sourced wood in our furniture in cubic meters. Responsibly sourced wood is categorized through a Good-Better-Best approach: Best—FSC®-N0002185; 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). **Tracked by vendor textile survey. Percent of responsibly sourced cotton used in our textiles in pounds. Responsibly sourced cotton is categorized through a Good-Better-Best approach: Best—Global Organic Textile Standard; Better—Organic Content Standard and recycled cotton; Good—Better Cotton™ and STANDARD 100 by OEKO-TEX® certified products. Total reflects the volume of responsibly sourced cotton as a percent of WSI’s total volume of cotton. Remaining 6% of responsibly sourced cotton includes 3% in transition, 2% not going forward and 1% being confirmed.

RESPONSIBLE WOOD & COTTON

Building on the progress of our wood and cotton goals, we’re expanding our work to other materials. By aligning responsible materials with our climate strategy, we’re making materials a critical element of our Science-Based Target.

We also recognize that responsible materials increasingly impact both environmental and social issues. With this framing, we adopted and expanded on Textile Exchange’s Preferred Fiber and Material Matrix to guide our work going forward. We plan to focus first on fibers beyond cotton, expanding to all materials in the coming years.

WOOD

We exceeded our 50% responsibly sourced wood goal one year early, with over 60% in 2020. As one of our furniture’s largest-volume materials, responsible wood remains key to preventing deforestation and preserving ecosystems.

WSI is committed to only purchasing wood and paper obtained from known, legal and responsibly managed forests with proper chain-of-custody documentation. Our overall usage of wood (meters cubed) grew by 8.6% from 2020 to 2021. The m³ volume of FSC-certified wood we purchased, or our “Best” category, grew by 7% and the volume used in our Better category grew by over 93%. Our overall percentage of Responsibly Sourced Wood decreased from 64.5% in 2020 to 60% in 2021, driven mostly by a drop from “Good” to “Acceptable” due to stricter classification around imported wood under Indonesia’s SVLK timber legality assurance system alongside an increase in overall imported wood usage in Indonesia.

COTTON

As of 2021, 94% of our cotton is responsibly sourced, with a remaining 3% in transition, 2% not going forward and 1% being confirmed. In the coming years, we remain committed to maintaining 100% responsibly sourced cotton across Williams-Sonoma, Inc.

We continue to lead the industry, with a Top Scorer ranking on the Sustainable Furnishings Council’s Wood Furniture Scorecard four years in a row.

We source an assortment of wood—including FSC®-certified, reclaimed and recycled wood—in our products. We categorize our wood using a Good-Better-Best approach, along with our [Fiber, Wood and Paper Procurement Policies](#). These underpin our responsible wood goal and continue to guide our sourcing efforts.

PREFERRED & INNOVATIVE MATERIALS

To create sustainable products, we start with design. This year, we created tools to help our internal teams easily choose more responsible materials from the start.

INNOVATION

To guide our transition to lower-impact, recycled and responsible materials across our brands, we launched our Material Innovation Library.

The library provides a consistent way of defining, vetting and sharing the raw materials we consider “preferred” for products. This process allows us to evaluate innovative materials, such as leather alternatives, and determine how to use them in product development.

Wherever possible, we divert materials from waste streams and use recycled and lower impact materials like Tencel™ to reduce our environmental impact. We train brand and merchant teams to use the library, integrating sustainable materials into products at the concept and design phases.

In 2021, the Rejuvenation brand went further, hosting a Sustainable Materials Competition and issuing a company-wide open call to research

innovative materials and propose a product. We received 14 concept submissions from five different departments across Rejuvenation, focused on recycled, bio-based and renewable materials. This year, we'll expand our Material Innovation Library to our vendors, as they often provide us with research, development and innovative ideas.

In addition to raw materials, we consider the chemicals and finishes used in our products. We use certifications including GREENGUARD and STANDARD 100 by OEKO-TEX® to test our company-produced products and make sure they're free from harmful chemicals and volatile organic compounds (VOCs).

Pottery Barn Kids met its goal to produce 100% GREENGUARD Gold Certified furniture in 2020. Now, our other brands are expanding their certified products: 100% of Williams Sonoma Home's upholstery is GREENGUARD Gold certified, Pottery Barn Teen achieved 100% GREENGUARD Gold Certified wood furniture in 2021 and is on track to offer 100% GREENGUARD Gold Certified upholstery by the end of 2022.

PREFERRED MATERIALS FRAMEWORK

In 2021, we created a Preferred Materials Framework to evaluate individual materials.

The framework supports our Material Innovation Library and our broader emissions reduction strategy. We use a lifecycle approach to determine what's “preferred,” assessing each material against environmental and social impacts including:

- Climate and GHG emissions
- Water use
- Chemicals and toxicity

- Soil and land use
- Resource use and waste
- Human rights
- Animal welfare

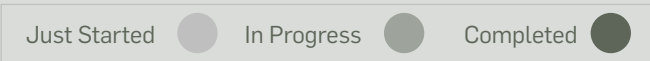
We aligned our methodology with the Textile Exchange's Preferred Fiber and Material Matrix, which was released to members in 2021 and made public in 2022. We're transitioning to preferred materials to reduce our environmental impact and emissions in support of our Science-Based Target. For example, by prioritizing alternatives to conventional cotton such as recycled or organic, we make progress against our climate goal.

As we transition to this framework, we'll work with our brands to raise the bar—using materials that reduce our environmental impact.



Accurate data enables us to better understand environmental and social impacts and risks across our supply chain to develop better solutions.

TRACKING OUR PROGRESS



2021

50% RESPONSIBLY SOURCED WOOD

One of our largest-volume materials, responsible wood is key to preventing deforestation.

STATUS: EXCEEDED



2021 UPDATE

We exceeded our 50% responsibly sourced wood goal one year early, reaching >60% in 2020 and maintaining our commitment.

2021

100% RESPONSIBLY SOURCED COTTON

We remain committed to maintaining 100% responsibly sourced cotton across WSI.

STATUS: COMPLETED



2021 UPDATE

As of 2021, 94% of our cotton is responsibly sourced, with the remaining 3% in transition, 2% not going forward and 1% being confirmed.

2023

6M TREES PLANTED

In unity with our family of brands, WSI recently doubled its goal, pledging to plant 6M trees by 2023.

STATUS: JUST STARTED



2021 UPDATE

Pottery Barn surpassed the halfway point, planting 1.5M trees—well on their way to their original 3M goal.



We continuously raise the bar to collect and verify quality vendor and raw material data, using both a bottom-up and a top-down approach. Our global sustainability team collects thousands of vendor chain-of-custody and transaction certificates to support product sustainability claims.

In 2021, we implemented Sourcemap, a new tool to enable better data collection and traceability of raw materials. Moving forward, we will use Sourcemap to focus on key materials, such as wood, cotton and leather. Supply chain issues are both environmental and social, and we're using tools to gain greater visibility into labor and environmental risks.

We're exploring approaches to dive deeper into our supply chain, beyond vendors to raw materials at each stage of production. With corporate-wide sustainability goals that require action from each of our brands, robust internal reporting is key. We create mid-year and year-end reports for each brand, presenting overall progress to our goals, as well as each brand's individual contributions.

Our reports capture SKU-level detail and raw material content, allowing us to tie individual products to our overarching corporate sustainability goals. What gets measured gets managed, and the regular cadence of our reporting combined with granular data results in more effective conversations about driving progress.

We reduced waste by recycling, reducing packaging and increasing reuse through renewal, resale and donations.

PROGRESS & ACTION PLAN

Meeting our 75% landfill diversion goal has been challenging due to the lack of national recycling infrastructure. With different services and providers in every location, it's taken longer than anticipated to standardize data and systems. Realizing we needed more time to reach 75% landfill diversion, we extended our goal from 2021 to 2025. 2021 saw progress with internal engagement across the organization to identify and implement solutions. Our retail stores and distribution centers (DCs) contribute the most to our waste footprint, and they're also our greatest levers to achieve change.

STORES

To move closer to our goal, we created a retail taskforce with representatives from our distribution centers, store operations, procurement, real estate, supply chain, and sustainability teams. Our stores implemented major initiatives including: 1) Backhauling expanded polystyrene (EPS) foam to our distribution centers where it can be sent to recyclers, 2) Batteries and lightbulb recycling at all stores and 3) Donation partnerships for unsellable products. We also continued conducting waste audits to identify further solutions. In our managed locations, where we directly control operations, we rightsized waste and recycling collection services in late 2021—matching our 75% diversion goal. In stores, one of our biggest challenges is leasing in larger facilities, such as malls, where we

don't directly manage waste. To drive change, we continue to work with industry associations and landlords—adding language to leases to support landfill diversion, demonstrating the importance of environmental goals to our partners.

DISTRIBUTION CENTERS

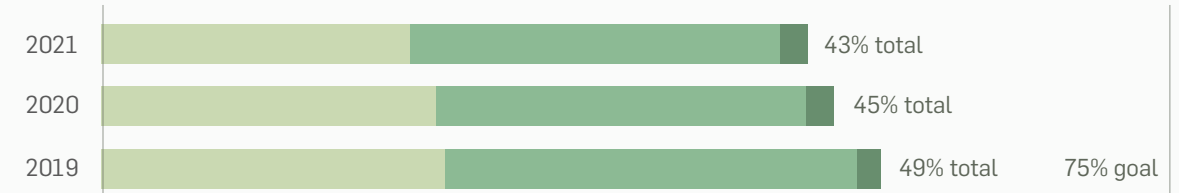
Throughout 2021, our distribution centers dealt with rapid business expansion and challenges due to COVID-19—from prioritizing the health and safety of our associates to disruptions in recycling services. Even with these setbacks, we: 1) Refined data collection from our waste and recycling providers, 2) Ensured that cardboard, foam and plastics entered recycling streams, 3) Embedded software logic to filter returns into resale, donation or renewable/recycling streams and 4) Launched a portal to streamline donations to nonprofit partners. We continued to work with donation partners, such as Good360, Habitat for Humanity, and St. Vincent de Paul Society. Our new donation process drives support and resources to these organizations.

With new systems in place, we aim to drive significant progress in 2022, with a goal of reaching 75% landfill diversion by 2025 or sooner.

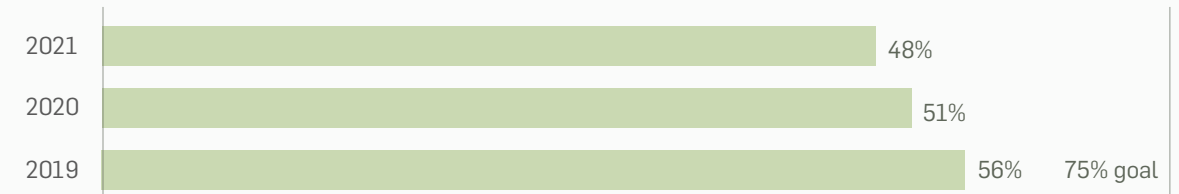
LANDFILL DIVERSION*

■ DCs/HUBS ■ STORES ■ OFFICES

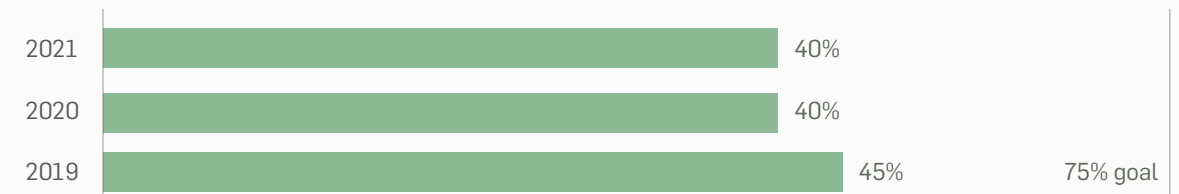
TOTAL DIVERSION RATE



DCs/HUBS DIVERSION RATE



STORES DIVERSION RATE



OFFICES DIVERSION RATE



*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 2016, EPA's factor for waste changed from 225 pounds per yard to 138. The new factor was applied in 2017–2021. We also revised our FY20 landfill metrics after identifying an incorrect categorization of waste type.

WASTE & CIRCULARITY: PACKAGING

In 2021, we made significant progress transitioning vendor, brand and retail packaging to certified, recycled and curbside-recyclable content.

PACKAGING

Our strategy encompasses brand, retail, distribution center and protective packaging and engages teams across the company as well as our broader vendor base. For protective packaging, we continue to improve materials and recyclability while ensuring our product is protected to reach our customers undamaged.

Materials and production are a significant portion of our Scope 3 emissions, so it's also key that our packaging protects products while we transition to higher curbside-recyclable content. For protective packaging, we are focused on three core areas: 1) Reducing the overall volume of packaging materials, 2) Increasing the use of recycled content in packaging and 3) Transitioning to higher usage of curbside-recyclable materials as an alternative to harder-to-recycle materials.



For example, the polybags used to package our textiles are now 40% post-consumer recycled content, we reduced EPS in packaging for over 4,000 decorative accessories this past year, and our efforts to reduce overall package size eliminated over 14,000 cubic meters of packaging volume. Going forward, we'll continue to reduce excess packaging, reduce overall package size and transition key materials to lower-impact options.

Our stores also shifted paper products to recycled content in bags, mailers and box fillers, and Pottery Barn Kids transitioned their gift wrap to recycled content.

In stores, all shopping bags now contain 40% post-consumer, FSC®-certified recycled content.

In 2021, our brand packaging teams aligned on a strategy to eliminate unnecessary packaging and transition materials. Together, Pottery Barn, Pottery Barn Teen, Pottery Barn Kids and West Elm strategized ways to reduce waste and eliminate polyvinyl chloride (PVC) plastic from our supply chains. After negotiations with suppliers, they eliminated vinyl bag packaging from curtains, transitioning to ribbons with paper hang tags. The teams also invested resources to work with external partner Material Connexion to provide guidance on sustainable packaging alternatives.

TRACKING OUR PROGRESS

Just Started ● In Progress ● Completed ●

2021

75% OF WASTE DIVERTED FROM LANDFILLS

We're committed to 75% landfill diversion, and we've extended our goal from 2021 to 2025—with an action plan to achieve 75% waste diversion in the coming years.

STATUS: GOAL EXTENDED



2021 UPDATE

We diverted 43% waste from landfills. With new systems for operational and packaging waste, we extended our goal to 2025 or sooner, and will continue to report on our progress.

Across our brands, we diverted 93 million ocean-bound and landfill-bound bottles through our use of REPREVE recycled polyester to make textiles.



RECLAIMED & RECYCLED MATERIALS

Pottery Barn Teen is leading the development of recycled collections, with REPREVE polyester made from recycled plastic bottles and ECONYL® nylon made from 100% recycled waste including fishing nets and carpets.

Our sustainability goals have impacted broader company partnerships as well. For example, we partnered with Capital One to develop and launch a new credit card made from 86% recycled plastic.

REUSE, RENEWAL & TAKEBACK

We collaborated with The Renewal Workshop in 2020 to create Pottery Barn Renewed, which extends the life of imperfect or returned textiles by selling them at a discounted price and keeping them out of landfills. Pottery Barn Renewed was named an honoree in [Fast Company's 2021 Innovation by Design Awards](#) in the home category.

Expanding on Pottery Barn's approach to waste reduction, we created a company-wide renewal and reuse committee. Bringing together our supply chain, reverse logistics, sustainability teams, brand merchants and more, the committee researches ways to reuse scrap materials and pursue relevant partnerships.

Our Sutter Street distribution center partnered with textile recyclers, such as Martex Fiber and FabScrap, to repurpose scrap textiles. Sutter also partnered with Catawba Community College,

donating fabric rolls to their Upholsterer Training program. In 2021, we expanded our partnership with furniture reseller AptDeco beyond West Elm to include Pottery Barn.

Currently concentrated in the Northeast and Bay Area, AptDeco resells floor models and lightly damaged products—and we expect to see our impact grow as they expand their presence into more regions.

With participation from 45 stores, we resold over 2,900 products, giving them a new home and avoiding the landfill.

Williams Sonoma is the first of our brands to develop a product takeback program. Launched as a pilot in Bay Area stores, the program allows customers to bring gently used cookware and bakeware to a Williams Sonoma location, and the St. Vincent de Paul Society distributes donations to those in need.

A woman wearing an orange polo shirt, a blue surgical face mask, and a blue and white striped headscarf is focused on her work at a sewing machine. She is stitching a piece of light-colored, quilted fabric. The background is a blurred industrial setting with other pieces of fabric and machinery.

People

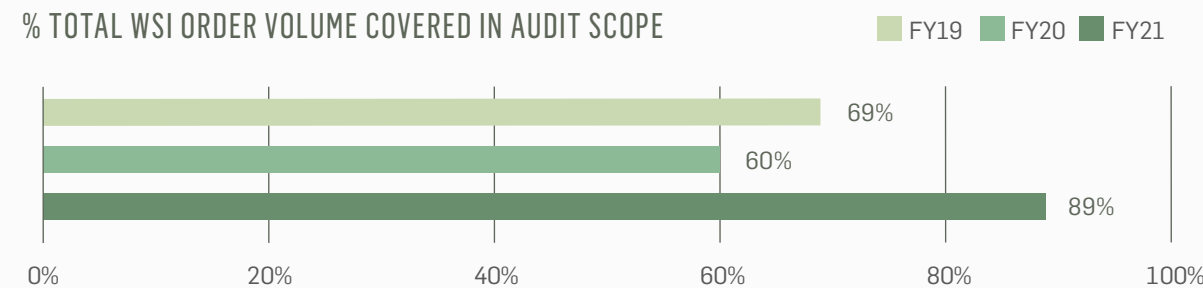
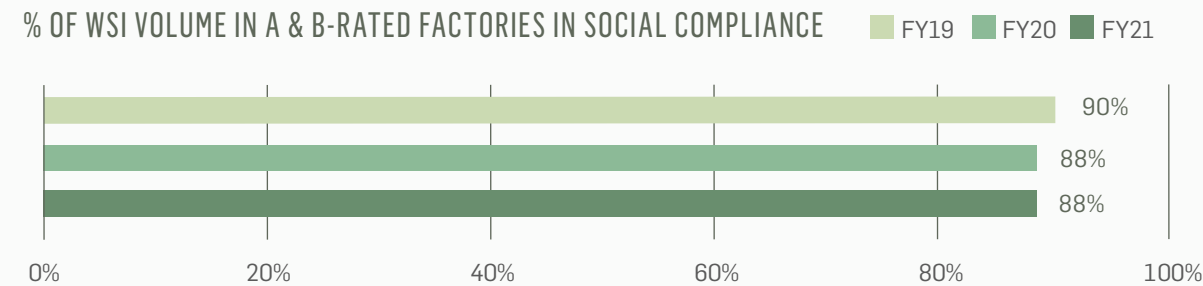
From factory audits to associate equity, we design our programs to benefit people—whether they work in our supply chain, stores, distribution centers or offices.

ETHICAL PRODUCTION

We're committed to providing safe, fair and healthy working conditions to the people in our supply chain.

We continue to raise the bar on ethical production, and we've become more sophisticated in our approach to risks—seeking new, data-based solutions to inform our process. We partner with suppliers who uphold our values and are committed to comply with international standards on labor and human rights. Our [Human Rights Policy](#), [Supply Chain Labor Practices Policy](#), [Vendor Code of Conduct](#) and associated implementation standards govern our approach to ethical production.

We adopted new tools that monitor our risk and help us respond to issues faster, and we're proactive in continuously assessing human rights risks in our supply chain.



AUDITS IN FY2021

494

Third-party audits to verify social and environmental compliance

89%

Of total WSI volume covered in audit scope

88%

Of purchase order volume in factories with A and B audit grades

To expand our audit scope and capacity building programs with a better understanding of country-level and product-category human rights risks, we performed a supply chain risk assessment. We then differentiated our audit approach based on those results. For example, select low-risk suppliers were eligible to submit industry-leading equivalency reports, rather than conduct company-commissioned, third-party audits.

Last year, we piloted equivalency with select suppliers. This year, the program has grown further, allowing more suppliers to focus their resources on capacity building. The program supports our ability to grow our audit scope by allocating audit resources to the areas of highest need.

In 2021, we expanded our scope, auditing 29% more of our purchase volume and covering more risk.

As we brought new suppliers into the audit scope, we knew distribution of audit grades would shift compared to last year, but we wanted to gain further oversight of risk across the value chain. This enabled us to grow more supplier relationships based on a shared vision to improve working conditions in factories and increase our impact.

CONTINUOUS IMPROVEMENT

At its core, our social compliance program focuses on continuous improvement, and we combine auditing and capacity-building to help our suppliers achieve sustainable change. We work with factories to create a Corrective Action Plan (CAP) to support and track remediation progress, building time-bound action plans and follow-up audits to prevent recurrence. We invest in targeted supplier trainings, all spearheaded by our team of on-the-ground experts in our major sourcing locations. Where we do not have on-the-ground support, we invest in a third-party CAP management service to support factories in their remediation process.

We're leveraging new tools and technologies to maintain high labor, health and safety standards.

FORCED LABOR

We work to continuously improve and refine our standards. Forced labor and foreign migrant worker risks are rising globally, and we engage with credible third parties and industry groups to ensure our social compliance program evolves with those risks. Beyond our standard audit protocol, we implemented a segmentation internal risk assessment to understand unique risks at different factories based on factors such as country-level and product-category risk. We used the results of the segmentation to develop a risk-based auditing strategy, allowing us to prioritize our resources and use them where needed.

We're also leveraging new technologies as they become available. In 2021, we began using a screening tool that conducts a comprehensive scan of media articles and public records for any mention of our suppliers. The results are analyzed to detect any articles related to forced labor or other human rights or environmental violations. We then work with suppliers mentioned to better understand the incident, steps taken on remediation and determine whether a specialized forced labor assessment is required. For all new suppliers, we use this tool to scan for any incidents at their manufacturing or sub-supplier sites.

Lastly, we align with industry initiatives to remain abreast of news and new developments to protect workers, such as the RILA/AAFA Forced Labor

Working Group, among others. We consider our Health and Safety program an aspect of Worker Wellbeing because it goes above and beyond social compliance.

HEALTH & SAFETY

To ensure we offer programs that best address our workers' needs and better understand the most common social compliance violations, we analyzed noncompliance issues in our audit program. Health and safety emerged as the dominant topic. In response, we dramatically expanded our health and safety program and developed relevant trainings.

After a successful pilot, we implemented new health and safety training courses at 16 factories, recognizing our global vendors that partnered with us to achieve continuous improvements. Remaining adaptable even amid COVID-19 restrictions, we piloted to an online version of the training. The past two years continued to demonstrate the importance of our workers' health and safety, so this training felt particularly timely.

In 2020–21, factories in our health and safety program saw reduced accidents and higher worker engagement and wellbeing.



NEW HEALTH & SAFETY PROGRAM ACHIEVEMENTS SINCE LAUNCH

27

Factories completed trainings

14,000

Workers impacted (approximately)

16

Additional factories launched trainings

ETHICAL PRODUCTION: SUPPLIER ENGAGEMENT

We have a longstanding commitment to supporting global craft traditions.

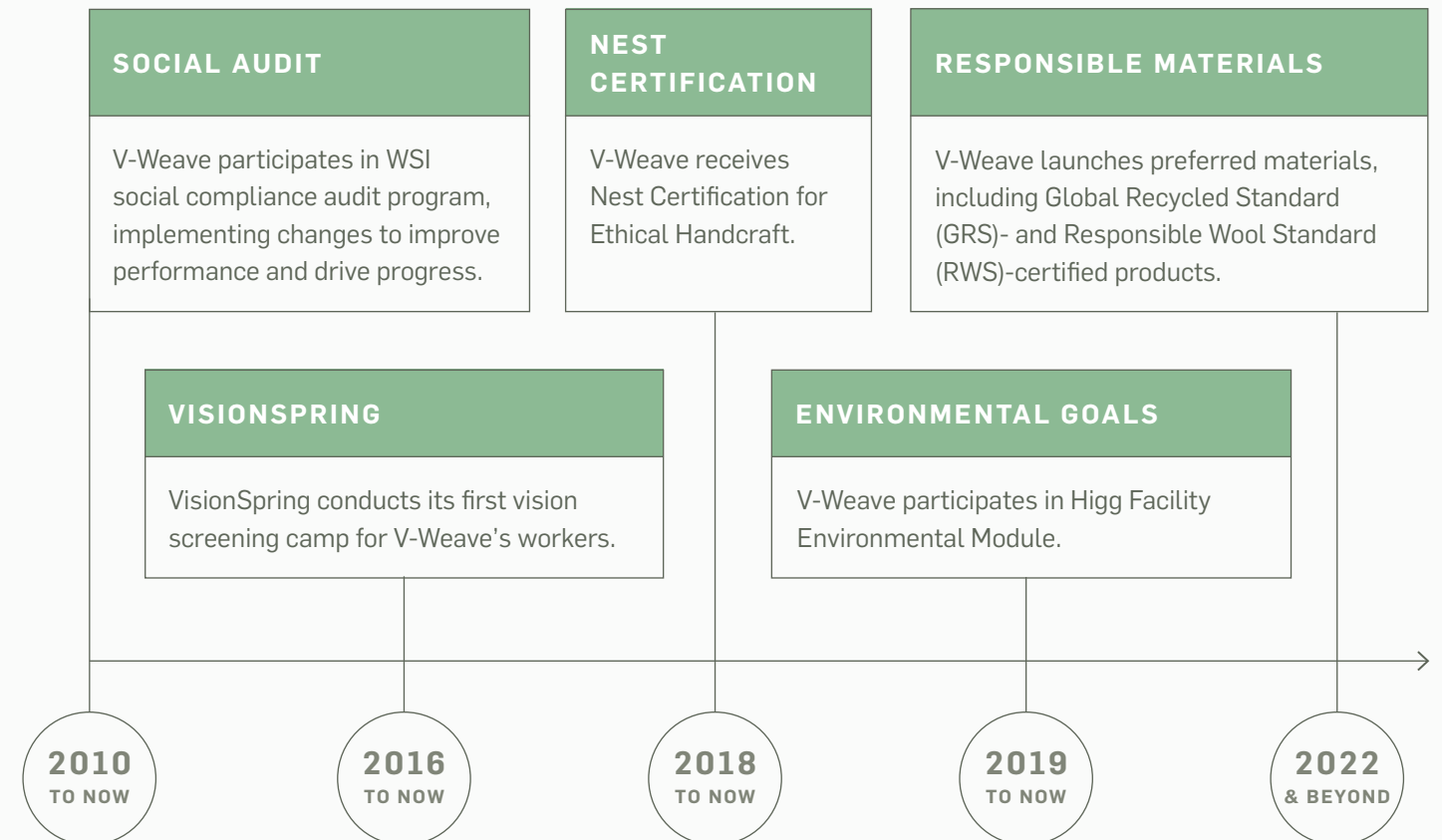
To preserve this cultural heritage, we source products from our global network of handcraft and artisan vendors, spanning 13 countries and more than 10,000 individuals. Founded in 1951, V-Weave is a rug weaving workshop in India, passed down from father to son. Today, it's run by the fourth generation of master weavers. Their rugs are hand-spun, hand-washed and hand-woven on traditional wooden Indian handlooms.

Over the past 12 years, V-Weave implemented many WSI environmental and social sustainability practices through the business, and they continue to seek opportunities for continued improvement. Our work with them demonstrates how supplier relationships evolve over the years to create tailored solutions and drive progress where needed. Together, we learn valuable lessons as we collaborate to achieve shared goals.



“No other brand has helped us grow at such a sustainable pace. Because of WSI’s commitment, we can support our weavers and deliver the best quality on-time.” —Nikhil Khera, V-Weave

MILESTONES: PARTNERING WITH V-WEAVE ON ETHICAL PRODUCTION



We source from diverse suppliers through programs such as the National Minority Supplier Development Council and the 15 Percent Pledge.

SUPPLIER DIVERSITY

An extension of our Equity Action Plan (page 61), supplier diversity involves sourcing from businesses that are at least 51% owned and operated by an underrepresented or underserved group—such as small businesses and enterprises with minority, women, veteran, LGBTQ+ and disabled ownership. We have an opportunity to extend our influence by focusing on diversity and inclusion in our supply chain and with our vendors.

While still early in our journey, in 2021 we joined WEConnect International and the National Minority Supplier Development Council, committing to global supplier diversity and inclusion.

We also created tracking and reporting structures to capture supplier diversity data, preparing us to eventually market these claims to our customers. Moving forward, we intend to expand our assortment of diverse suppliers, initially starting small with certified minority- and women-owned businesses and expanding from there.

PARTNERS & COLLABORATIONS

Our brands actively work with vendors, partners and collaborators who reflect our diverse world. We offer products that celebrate the rich heritage of many cultures. They include Black-owned

brands and businesses, chefs from around the globe and women pushing the boundaries and meeting the challenges of gender bias or inequity. In 2020, West Elm committed to the 15 Percent Pledge, which calls on major retailers to dedicate 15% of their shelf space to Black-owned brands. West Elm committed to the Pledge across its brand collaborations, hiring practices and West Elm LOCAL, a platform for artists and makers to grow their businesses, where customers can support local artisans. As the first home retailer to take the pledge, we're dedicated to making both an immediate and sustained impact.

Since our commitment to the Pledge in July 2020, LOCAL's direct to consumer assortment is 22% Black-owned and 38% of West Elm's 2022 collaborations will count toward the Pledge.

Two collaborator highlights are Hana Getachew, founder of Bolé Road Textiles and Christopher Griffin, better known as social media sensation

@plantkween. West Elm launched a capsule collection with each, and although very different in nature, they're rooted in a similar passion and altruism. Born in Ethiopia, Hana started Bolé Road Textiles to merge her love of Ethiopian handwoven fabrics and interiors. The 14-piece collection of vibrant modern pillows and rugs pays homage to her upbringing.

“This collaboration means that homes around the country will have Ethiopian-made pieces in them. It’s why I do what I do: to share Ethiopian artistry and craft with the world.”
—Hana Getachew, Founder, Bolé Road Textiles

Plant Kween (they/she/he) views gardening as a metaphor for “how we treat ourselves, how we treat others and how we navigate the world.” Christopher taps into their highly engaged and enthusiastic audience on social media with insightful commentary on planting techniques and care paired with ideology of inclusion, advocacy, visibility and community. West Elm is proud to amplify this message by launching Plant Kween's 12-piece capsule collection of planters, vessels, and propagation systems, which are at once organic yet pop-culture forward in shape and color.

Pottery Barn announced a new collaboration with the Black Artists + Designers Guild (BADG), a global organization dedicated to building a more equitable, inclusive and creative culture through the advancement of independent Black makers. The collection marks a natural next step in the partnership between Pottery Barn and BADG, which began with Pottery Barn's sponsorship of BADG's inaugural Obsidian Experience, a virtual concept designed to ignite new conversations about the space of home for Black families.



Hana Getachew, Bolé Road Textiles

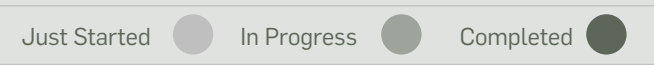


Christopher Griffin, Plant Kween

WORKER WELLBEING

We doubled down on our commitment to worker wellbeing, setting more ambitious goals for Fair Trade Premiums, Nest Certified Ethically Handcrafted products and programs for workers.

TRACKING OUR PROGRESS



2025

ADDITIONAL \$10M PAID IN FAIR TRADE PREMIUMS

We certified four new factories this year, bringing our total to 19.

STATUS: JUST STARTED



2021 UPDATE

We paid \$3M in Fair Trade Premiums, trending ahead of our interim targets to achieve \$10M by 2025.

2025

\$50M INVESTED IN NEST CERTIFIED PRODUCTS

We're committed to sourcing from global handcraft and artisan vendors.

STATUS: JUST STARTED



2021 UPDATE

We purchased \$9M in Certified Ethically Handcrafted products, making steady progress toward our goal.

2030

75% OF PRODUCTS FROM SUPPLIERS WITH WORKER WELLBEING PROGRAMS

Focusing on vendors with the highest purchase volumes will deepen our impact.

STATUS: JUST STARTED



2021 UPDATE

Despite pandemic-related challenges in mobilizing programs, we progressed toward our goal, sourcing 16% of products from suppliers with worker wellbeing programs.

GOAL: 75% OF PRODUCTS FROM SUPPLIERS WITH WORKER WELLBEING PROGRAMS BY 2030* | FY21: 16%



GOAL: \$50M INVESTED IN NEST CERTIFIED PRODUCTS BY 2025** | FY21: \$9M



GOAL: ADDITIONAL \$10M IN FAIR TRADE PREMIUMS PAID BY 2025*** | FY21: \$3M



WORKER WELLBEING

We're committed to building a responsible business model that enables sustainable development for workers, farmers, their families and communities. In 2020, we exceeded our goal of educating and empowering 100,000 workers. This year, we set a new goal to deepen our impact:

By 2030, 75% of product purchases will come from suppliers who offer worker wellbeing programs.

By tying our worker wellbeing programs to our percent of purchases, we ensure that our products drive our sustainability work.

DRIVING BETTER BUSINESS

Our worker wellbeing programs enabled supply chain resilience despite the pandemic. Many of

our factories used their Fair Trade Premiums for COVID-19 relief, providing bulk food staples and personal protective equipment for workers. Others invested in home solar panels to create light for their children to study by, or built clinics to provide health services to the broader community.

“Our work with partners like Nest and Fair Trade help support a resilient, sustainable supply chain that delivers concrete business value.”
—Laura Alber, President & CEO, Williams-Sonoma, Inc.

To meet our 75% goal, we'll expand beyond our current efforts, moving into further regions and deepening our work.

*CALCULATION & SCOPE Volume of factories with a completed (or active certification) worker wellbeing program (Fair Trade, Nest, HERproject, VisionSpring, Health & Safety training). **CALCULATION & SCOPE Cumulative total dollars paid in Nest Certified products across WSI since 2021. ***CALCULATION & SCOPE Cumulative total dollars paid as Fair Trade Premiums to our vendors since 2021.

WORKER WELLBEING: NEST'S ETHICAL HANDCRAFT PROGRAM

INTRO

PLANET

PEOPLE

PURPOSE

APPENDIX

“Since we began our partnership in 2014, WSI has demonstrated a deep commitment to protecting workers throughout their supply chains.”
—Rebecca van Bergen, Nest Founder and Executive Director

WSI helped bring the Nest certification to life, playing a key role in the development of the 100+ standards, each designed to ensure industry-wide transparency and compliance for home workers.

Once developed, we were one of the first businesses to pilot these standards in our supply chain. Nest stands apart for centering their process around artisans, working hand-in-hand with home-based businesses. Their training-first program addresses the wide degree of variation in decentralized supply chains.

We champion an empowered workforce and recognize the potential unlocked when women can thrive. After one year in the Nest program, Nest observed a 22% increase in fair wage setting and a 20% increase in women reporting above-average health across Nest partner brands.

80% of women workers reported that their income supports their children's formal education, emphasizing the ripple effect that comes from supporting home-based crafts.

Further, 89% of women who are home-based workers reported that working from home helps them better care for their children.

“Earnings from my quilting go into a deposit account for my children's higher education, easing the financial load on my family.” —Alpana Mandal, quilter for 14 years

While the Nest standards give brands a comprehensive way to work with artisan suppliers, they also give customers transparency into the process—letting shoppers know that their purchases were ethically made by hand.



IMPACT OF NEST'S ETHICAL HANDCRAFT PROGRAM

3,600+

Artisans impacted around the world

400+

Ethically Handcrafted™ products across our family of brands

7

Supply chains and 5 vendors who've earned the Nest Seal of Ethical Handcraft

As the first home retailer to launch the Fair Trade Certified Factory program, we continue to increase our ambition, announcing goals to pay an additional \$10M in Fair Trade Premiums by 2025.

FAIR TRADE

For every Fair Trade Certified product sold, we pay a Premium that goes directly back to workers, who collectively decide how to spend the funds to improve the lives of themselves and their communities—supporting a sustainable and resilient supply chain.

“This type of commitment at scale is exactly the kind of leadership we need right now—for workers, for the environment and for conscious consumers who demand responsibility from brands today.”
—Paul Rice, Founder & CEO of Fair Trade USA

We certified four new Fair Trade factories this year, bringing our total to 19 Fair Trade Certified factories in five countries, impacting nearly 19,000 workers.

[Over 75%](#) of the general population trusts the Fair Trade Certified label, and more consumers recognize the logo when compared to other social certifications. When asked if they had purchased Fair Trade products in the last 3 months, millennial responses increased from 2019 to 2021. More consumers are willing to pay more for Fair Trade Certified products than 6 years ago, averaging 3% year-on-year growth. Millennial and Gen Z consumers lead this trend: 55% of millennials and 50% of Gen Z consumers indicated they will pay a Premium for Fair Trade Certified products.

PREMIUMS IN ACTION

India experienced a devastating COVID-19 surge during June 2021, and vaccines were in low supply. Most of our Fair Trade Certified factories are in India and they mobilized their Premiums to offer direct relief to workers throughout the pandemic, providing food and health kits for workers and their families, and buying tablets for workers’

children to continue education online. These are meaningful actions that have helped factories to retain workers during COVID-19. Like many of our Fair Trade Certified factories, one in Vietnam used their Premiums to pay workers their full salaries while closed due to COVID-19. The factory said they had more workers return when they reopened, compared to other factories in the area.

One of the trends we saw this year was the use of Fair Trade Premiums for climate resilience and justice. In China, a Fair Trade Certified bedding

vendor hosted a circular design competition to repurpose textiles for zero-waste pillows. Not only did the factory divert waste bound for landfill, but the project empowered employees to design products themselves, coming up with creative ways to tackle sustainability challenges.

In India, a Fair Trade Certified factory used Premiums to purchase solar panels for each household, investing in alternative energy to provide electricity during blackouts, while another hosted a vaccination clinic.



Through partnerships with HERproject™ and VisionSpring, we reach workers around the world with financial literacy, gender equity training programs and health screenings.

HERPROJECT

Our partnership with HERproject provides health, financial literacy and gender equity training to workers in our supply chain. Global supply chains are a major employer of women. Empowered women and dignified work create more ethical and productive businesses. In 2021, we continued existing engagement through HERhealth™ and HERfinance™ programs. The women who participate then go on to share learnings with peers, families and communities. Year after year, we see its impact on workers.

At a recent HERfinance program meeting in China, one worker shared that she had no concept of financial management and no savings before the program. Over the course of two years in HERfinance, she began saving—slowly at first—and then encouraged her family to do the same. Together, they were able to buy a home, and she spoke of her increased sense of financial security and happiness.

VISIONSPRING

Through VisionSpring, workers receive free vision screening services and glasses at no cost. Outside the U.S., access to affordable eyecare is not the norm and many people never check their vision, over-pay for care or get incorrect prescriptions. Eyewear and exams allow workers to remain in the workforce longer, increasing their earning potential and ability to support their families.

Over 50% of participants have needed and received glasses, 74% for the first time in their lives. After wearing glasses, workers reported a 79% decrease in frustration, up to 63% reduction in product defects and 29% decrease in headaches and fatigue.

We've partnered with VisionSpring since 2016, providing eyecare to artisans and anyone whose vision affects their living. One worker in a decorative accessories factory we work with in India had to switch to a lower-paying job due to vision challenges. After his VisionSpring screening, he received glasses. In his words: "I have realized now that without my glasses, I would no longer be employed. They are my path to earning a livelihood."



IMPACTED TO DATE

65,093

Workers impacted by HERproject

42,009

Workers screened by VisionSpring

106

Factories in VisionSpring program and 55 factories in HERproject program

DIVERSITY, EQUITY & INCLUSION

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.

CULTURE & VALUES

At Williams-Sonoma, Inc. our values help us to 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 every individual contribution, 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. We nurture an environment that's open and inclusive to all. Our differences—whatever they may be—are valued, explored and appreciated.

DIVERSITY, EQUITY & INCLUSION (DEI)

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

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.

EQUITY ACTION PLAN

In June 2020, 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. In 2021, we:

- Partnered with organizations advancing racial justice
- Launched a Disability, Education & Advocacy Network (DEAN)
- Received 80,000 visits to our online DEI Resource Hub to date
- Supported DEI education for 9,000+ associates over 18 months
- Hosted community forums for 6,500+ associates to date
- Reached 22% Black-owned LOCAL brand assortment at West Elm
- Launched a Black Artists + Designers Guild (BADG) collection at Pottery Barn
- Saw year-over-year improvement in the diversity of our new hires



REPRESENTATION

Our focus on diversity in associate hiring, retention and promotion led to overall increases in both our female and ethnically-diverse associate representation numbers.

Our business thrives when our associate population represents the diverse world we live in. This past year, we saw positive results for promotional opportunities for female employees. Our percentage of promotions for female employees was greater than our overall representation of females. Last year, we also changed our hiring practices to ensure nearly all of our posted roles have a diverse slate of candidates.

In 2021, we saw year-over-year improvement in the diversity of our new hires, with ethnically-diverse individuals being hired at a higher rate than their current representation in the company.

ASSOCIATE EQUITY NETWORKS

Our Associate Equity Networks (AEN) empower people to engage and collaborate as they facilitate change at a local level. A core element of our Equity Action Plan, our AENs are led by and for associates. Each AEN has a unique mission, yet they all strive to create a culture of connection, belonging, inclusivity and equity. Our networks:

- Lead change and innovation for our company diversity practices
- Provide support to their fellow associates

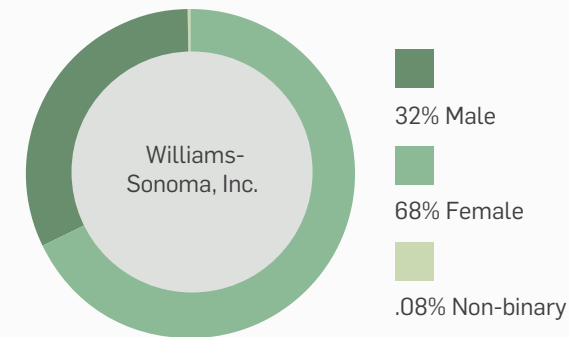
- Provide accepting spaces where all voices are heard and appreciated
- Organize a range of events focused on service, education and awareness
- Host celebrations to honor the heritage and history of our diverse communities
- Partner with national and local organizations

In June 2021, associates established our newest AEN—Disability, Education & Advocacy Network (DEAN). Their mission is to create a culture of disability inclusiveness across WSI through education and associate advocacy, building a more unified and just future for all. In August 2021, we held AEN Appreciation month to celebrate and showcase their incredible work in our company and community. Our active networks are:

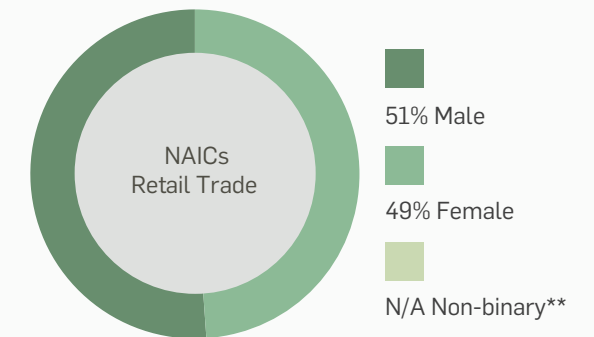
- Asian WSI Network (AWN)
- Black Associate Network (BAN)
- Disability, Education & Advocacy Network (DEAN)
- Hispanic/LatinX Associate Network
- Veterans Appreciation Network
- Voices (LGBTQ+)

GENDER REPRESENTATION*

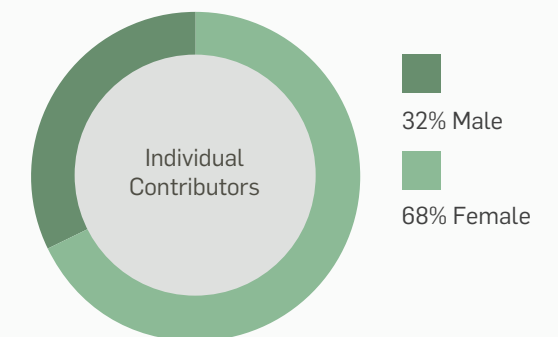
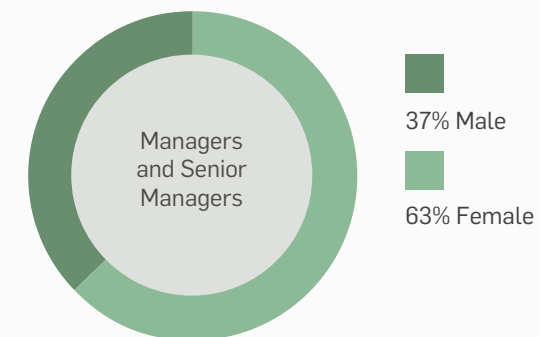
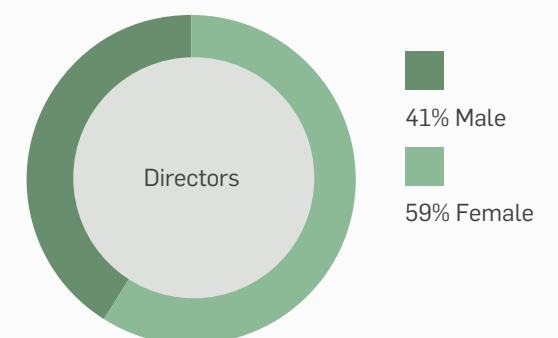
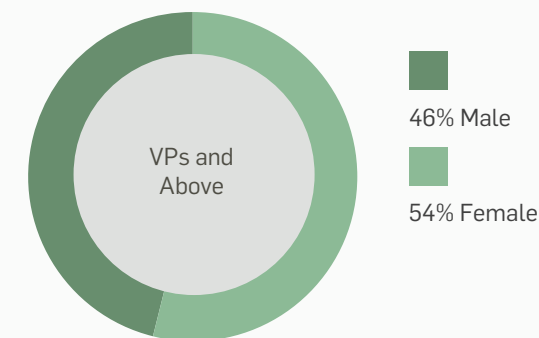
COMPANY TOTAL



NATIONAL RETAIL**



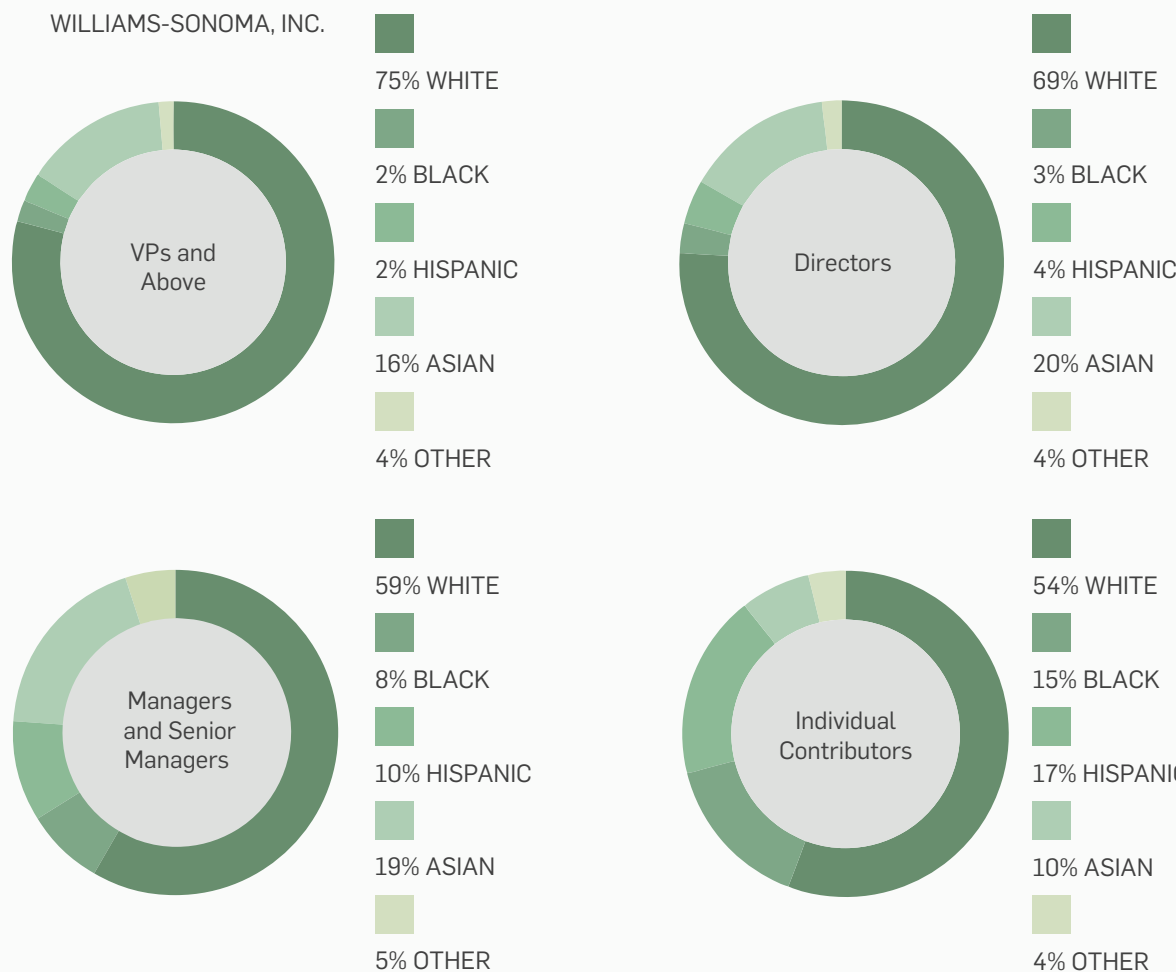
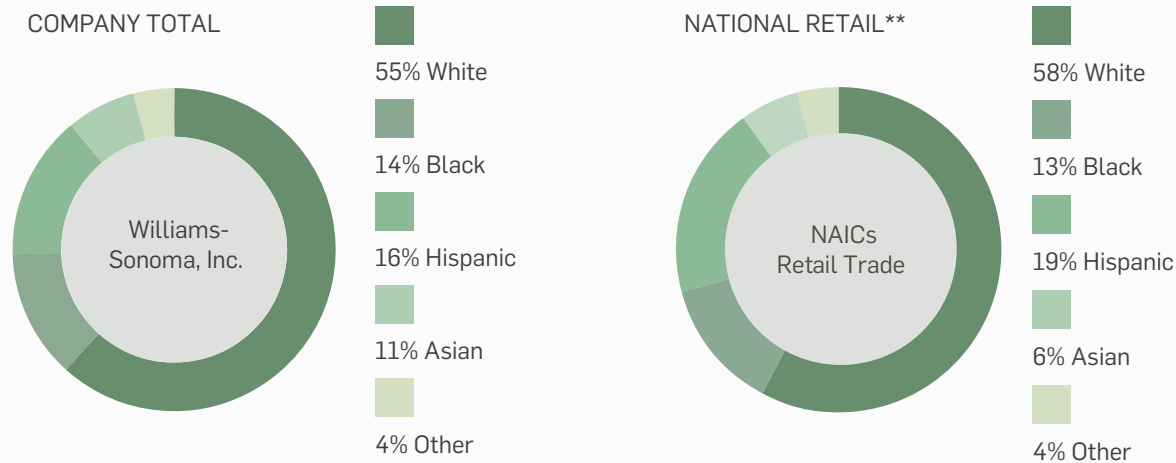
WILLIAMS-SONOMA, INC.



*FY21 data as of 01/30/2022. FY21 data represents global workforce, including full-time, part-time and temporary or seasonal associates. Percentages exclude associates who declined to state gender or ethnicity. **National Retail Trade numbers calculated using Bureau of Labor Statistics data for 2021. Non-binary data not reported.

REPRESENTATION (CONTINUED)

ETHNICITY REPRESENTATION*



DEI RESOURCE HUB

Our DEI Resource Hub is an important space for collaboration and connection. An online forum where our community can gather for growth and reflection, it has received more than 80,000 visits to date. It is continually updated with learning resources to build awareness and educate on a range of relevant diversity, equity and inclusion topics. We also offer virtual and in-person opportunities that support DEI education. More than 9,000 of our associates have participated in these during the last 18 months.

COMMUNITY FORUMS

Community Forums, hosted biweekly, also provide associates with a safe and confidential platform for connection. During these meetings, associates are encouraged to share their authentic thoughts and experiences, with experts often joining to offer educational resources and perspectives on a range of issues. To date, more than 6,500 associates have participated in these powerful forums.

PARTNERSHIPS

We've maintained multi-year partnerships to support and engage with the NAACP, Jackie Robinson Foundation and National Urban League. In light of rising discrimination against AAPI communities, we added Asian Americans Advancing Justice—Asian Law Caucus to our list of partners.

Our associates help to drive Diversity, Equity and Inclusion at a grassroots level.

*FY21 data as of 01/30/2022. FY21 data represents global workforce, including full-time, part-time and temporary or seasonal associates. Percentages exclude associates who declined to state gender or ethnicity. **National Retail Trade numbers calculated using Bureau of Labor Statistics data for 2021, and corrected for double-reported ethnicity categories across White/Hispanic demographics.

Through matched funding, associates can lead volunteering and fundraising efforts that support the causes they're most passionate about.

Our major care center locations partnered with organizations—including NAACP, the Wendale Davis Foundation, Miles of Freedom, Sox of Love and more—who support under-served people in our communities. Teams raised funds, volunteered, assisted with food collections, supported art exhibitions and hosted cooking classes to give back to the communities we serve.

PAY EQUITY

We value each and every one of our associates and are committed to equitable pay. We internally review pay equity data semi-annually, and we're committed to reviewing pay across ethnicity and gender categories to ensure equity.

ASSOCIATES: DEVELOPMENT & RETENTION

2021 saw unprecedented hiring rates, and we're proud that more than 20,000 individuals chose WSI as their career home.

ASSOCIATE DEVELOPMENT

Our success depends on our associates, and we strive to attract, develop and retain the best talent in retail. We offer a career path for individuals in every stage and type of career—from starting out in their first roles, to building expertise in our specialist roles, to part-time second careers.

Over 50% of our open jobs were filled internally, and over 90% of the internal fills were promotions in 2021.

We offer a variety of development opportunities, including in-person and online learning, as well as professional development courses.

WSI ADVISOR PROGRAM

During this six-month program, all participants engage in group learning activities, such as external and internal speaker events, social gatherings, group meetings and one-on-one sessions. The WSI Advisor program has the largest participation of all development programs in the organization. It is also the only cross-organizational program with participants from our corporate, care center, supply chain and global organizations.

DEVELOPMENT AT WSI

Our online learning portal offers trainings to support associates in all roles. In 2021, we continued to deepen trainings for customer care, distribution and digital design service roles. An internal SharePoint site provides ongoing resources and engages associates digitally—a crucial component of training through the last two years of the pandemic.

CARE CENTER

Piloted in 2021, we created the Care Center Mentor Program to help supervisors develop leadership skills and learn from experienced leaders in the company.

21 mentor-mentee pairs participated in the 14-week program, focusing on goal-setting. Not only did our supervisors gain tools to help them excel in their roles, they also developed meaningful relationships with individuals across the organization.



CARE CENTER RESULTS

100%

Of mentees either achieved their goal or were on track to achieve it

100%

Of participants said they would recommend the program to their coworkers

92%

Of participants plan to continue their mentor/mentee relationship beyond the program

ASSOCIATES: BENEFITS

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. We continue to enhance our offerings and minimize cost increases for our associates, while maximizing the quality of these offerings. To help associates understand the benefits available to them, we've created transparent, comprehensive resources—such as in-depth total reward statements. Our benefits information is also accessible 24/7 on our dedicated website, mywsibenefits.com. We've updated the site to make it clear and easy to understand for our associates. For example, we offer new parent information sessions that provide primary and secondary caregivers a comprehensive overview of all benefits available to them.

In 2021, both primary and secondary caregivers increasingly utilized our enhanced parental leave program, and associates increased their participation in our 401(k) plan.

DEPENDING ON POSITION AND LOCATION, ASSOCIATES MAY BE ELIGIBLE FOR:

- 401(k) plan and other investment opportunities
- Paid vacations, holidays and other time-off 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 and matching donations to qualifying nonprofit organizations



SPOTLIGHT: REJUVENATION

Whether resettling refugees or adapting to climate change, Rejuvenation's associates are creating a more sustainable future for all.

THE GREEN TEAM

Rejuvenation's collections are grounded in environmentally-friendly manufacturing. This year, the passionate volunteers of Rejuvenation's Green Team have implemented game-changing sustainability initiatives at work, too. They've adopted an Environmental Purchasing Policy at Rejuvenation headquarters and the Nicolai Factory, installed touchless faucets and updated toilets to improve water efficiency, hosted volunteering events and much more.

“Everyone is passionate about finding innovative solutions to educate and inspire. Sponsorship from leadership is also important because it conveys that the work matters.”
—Rejuvenation Green Team



Good By Design
CHANGEMAKER

CHANGEMAKER AWARD

To honor their innovation and collaboration, we awarded the Green Team the first annual Good by Design Changemaker Award. This prize recognizes WSI associates who are stewards of change—from sustainable designers to distribution center workers to retail associates. Rejuvenation's efforts will contribute to emissions reductions and create a blueprint for other brands.

TENT PARTNERSHIP FOR REFUGEES

The Tent Partnership for Refugees is a coalition of over 250 major companies around the world, committed to integrating refugees in their host communities. In 2021, Rejuvenation joined the Tent Coalition for Refugees in the U.S., committing to explore hiring and training opportunities for refugees in the U.S.

The workforce at Rejuvenation's Nicolai facility is already diverse, consisting of immigrants and refugees. Rejuvenation has a longstanding relationship with IRCO—a refugee resettlement nonprofit. This new partnership with Tent amplifies Rejuvenation's commitment to hiring refugees in its corporate offices and manufacturing facility in Portland, Oregon.



OUR TENT & IRCO PARTNERSHIPS' IMPACT

60%

Of Rejuvenation's factory workforce is represented by immigrants and refugees

100+

Companies have joined the Tent Coalition for Refugees in the U.S.

15%

Of all refugees work in manufacturing, according to Tent



Purpose

“As we meet and exceed our company-wide goals, we reshape the industry and ourselves. At the center of everything we do, every day, is our customer.”

—LAURA ALBER, PRESIDENT AND CEO, WILLIAMS-SONOMA, INC.

At Williams-Sonoma, Inc., responsible governance and oversight are core to our business, and our company-wide values include corporate responsibility.

CORPORATE GOVERNANCE

Our [Governance Articles](#) outline our approach and detail our principles and practices. As our sustainability strategy continues to evolve, we identified an opportunity to reconfigure our ESG Leadership Working Group to better meet our strategic needs.

A group of cross-functional leaders from across the business, the Working Group is tasked with collaborating and responding to WSI’s sustainability strategy.

We added new members to the group to represent additional business functions as the need arises. We also shifted our meeting cadence, making them longer to dive more deeply into specific ESG topics that we need to address as an organization. This new structure allows us to be more targeted with our efforts and focus on the areas where we can drive ambition.

BOARD DIVERSITY

We strive for our Board of Directors to reflect the racial, ethnic and gender diversity of our workforce and surrounding communities. This year, we added new members to our Board of Directors, resulting in our most diverse Board to date. With these new changes, we’re a Fortune 500 company whose Board gender representation matches that of the company.

The Women’s Forum of New York named WSI a 2021 Corporate Champion for achieving gender parity on our Board, with 67% of seats held by women.



BOARD DIVERSITY METRICS 2021

67%

Of our Board members identify as female, and 33% identify as male

33%

Of our Board members are minorities, and 67% are non-minorities

3

New members joined our Board in 2021

BUSINESS INTEGRITY

We do business with the highest level of integrity, every day and in everything we do.

BUSINESS ETHICS

We're committed to conducting our global business ethically and with integrity. Our [Code of Business Conduct & Ethics](#) stands against corruption in all its forms and establishes expectations to guide ethical decision-making by our associates.

Our [Vendor Code of Conduct](#) outlines our expectations of ethical behavior by our business partners. We require all associates to complete a Code of Conduct Questionnaire annually to reinforce our expectations. Every associate and business partner has a responsibility to act with the highest ethical standards.

To foster an environment of open, honest communication, associates across our offices, stores and factories have 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.

PRODUCT SAFETY & TESTING

At WSI, we are committed to high-quality, safe and long-lasting products for our customers. 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 from the very beginning of our design process, informing material selection and product development with safety in mind.

We have a global team of product quality and assurance professionals who test all 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.

CYBERSECURITY & DATA PRIVACY

We're dedicated to prioritizing cybersecurity and safeguarding our customers' personal information.

CYBERSECURITY & DATA PRIVACY

We take a proactive, highly conservative approach to cybersecurity, with the intention of preventing harm. 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.

Our Chief Technology Officer and Chief Information Security Officer 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. In 2021, we updated our [Cybersecurity & Data Privacy Commitment](#) to respond to stockholder concerns and more clearly articulate our approach to cybersecurity and data privacy.

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 disclose this information in accordance with the SEC's Commission Statement and Guidance on Public Company Cybersecurity Disclosures.

BRAND LEADERSHIP

75% of our products will be labeled with one or more of our social or environmental initiatives by 2030.



TRACKING OUR PROGRESS

Just Started ● In Progress ● Completed ●

2030

75% OF PRODUCTS LABELED WITH ONE OR MORE SOCIAL OR ENVIRONMENTAL INITIATIVES

We're steadily increasing our assortment of sustainable products.

STATUS: IN PROGRESS



2021 UPDATE

46% of our products represent one or more of our social or environmental initiatives.

BRAND LEADERSHIP

Across our brands, we value quality and sustainability—from furniture that restores forests to finishes that maintain healthier indoor air.

- **1980s: REJUVENATION** began supporting Portland-based immigrant and refugee workforces by partnering with IRCO and Tent.org—programs that continue today.
- **2010: WILLIAMS SONOMA** launched artisan markets with local food businesses, a popular program that's transitioned to digital collaborations as well.
- **2014: WEST ELM** became the first home retailer to offer Fair Trade Certified products and remains a leader today.
- **2017: POTTERY BARN KIDS** set, then met a goal to offer 100% GREENGUARD Gold certified company-made kids furniture.
- **2019: POTTERY BARN TEEN** increased the use of recycled materials in their products, launched ECONYL® Regenerated Nylon and expanded REPREVE materials.
- **2020: POTTERY BARN** spearheaded the planting of 3M trees in 3 years with the Arbor Day Foundation. The partnership has expanded and the goal doubled, with 6M trees to be planted by 2023 across our brands.
- **2021: MARK AND GRAHAM** partnered with Nest to source from and build a series of artisan product collections.
- **2022: WILLIAMS SONOMA HOME** reached 100% GREENGUARD Gold certified upholstery.

CERTIFICATIONS & STANDARDS

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, as needed, 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.

TRANSPARENCY & 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're adopting additional technologies like Sourcemap and DoubleHelix to trace the journey of our products through the supply chain. 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.

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. We were the founding brand partner and helped Nest build the steering committee that would launch their Seal of Ethical Handcraft to ensure ethical production in handcraft supply chains. Four years later, we became the first retailer to offer products with the Nest Seal.



GOAL: 75% OF PRODUCTS LABELED WITH ONE OR MORE SOCIAL OR ENVIRONMENTAL INITIATIVES BY 2030* | FY21: 46%



*CALCULATION & SCOPE Volume of assortment with a substantiated environmental or social benefit (Fair Trade, Sustainably Sourced, Organic, Low-VOC, Nest Ethically Handcrafted™, etc).

GIVING & VOLUNTEERING

Despite the challenges of in-person volunteering during the COVID-19 pandemic, we worked to create a culture of giving.

GIVING & VOLUNTEERING

We provide eligible associates with 8 hours of paid community involvement time each year, allowing associates to choose where they want to donate their time. This year, we focused on taking care of our people, customers, and communities. 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. These long-standing collaborations are critical elements of our culture and our commitment to corporate social responsibility.

Not only do these partnerships provide opportunities for our customers to give back to great causes, they allow our associates the chance to volunteer their time and talents. Through online and in-store donations, special product collaborations and national and local fundraising, these partnerships give back to the communities we serve.

NO KID HUNGRY

In 2021, we achieved our ambitious \$2.5M donation goal to support our long-term partner, No Kid Hungry and their goal to end childhood hunger in America. Williams Sonoma's seventh annual Tools For Change Campaign—where prominent celebrities, chefs, culinary personalities and social

influencers design limited-edition products—garnered over 500 million impressions and launched with an exclusive story on [People.com](https://www.people.com).

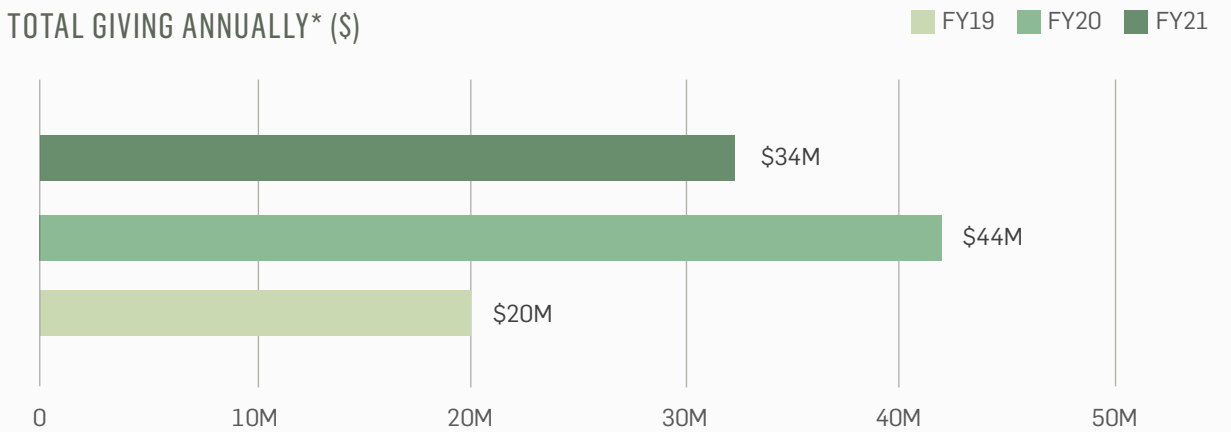
ST. JUDE

We're proud to celebrate 17 years of partnership with St. Jude Children's Research Hospital®, who have brought hope and inspiration to the lives of so many. We've donated approximately \$60M to date.

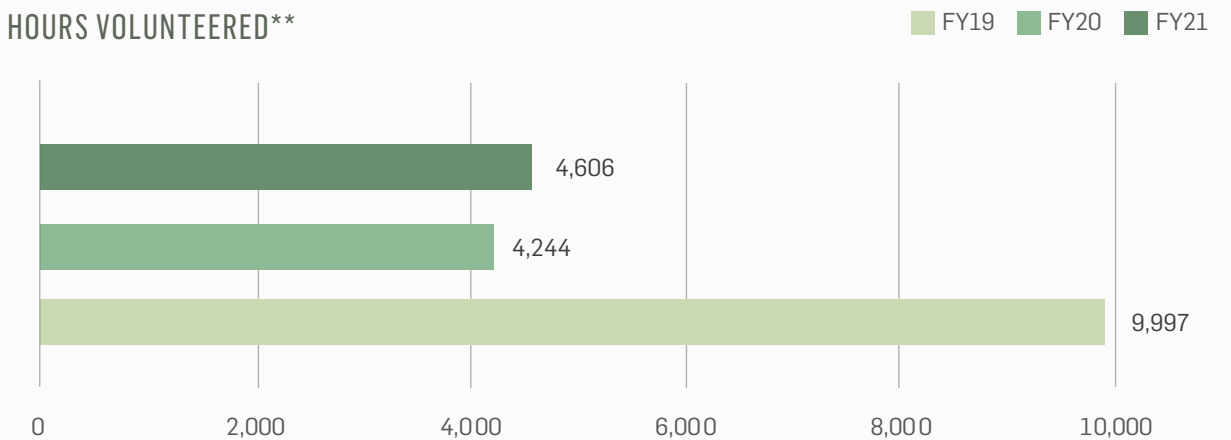
In 2021, St. Jude recognized WSI with its distinguished St. Jude Thanks and Giving® Partner of the Year award.

This title honors our community's efforts during the 2020 holiday campaign, where we raised \$5 million from associate donations and those of 593,000 customers. This year, we exceeded last year's \$5 million donation through product sales along with store and e-commerce donations. While we receive a significant amount of donations during the holidays, we support St. Jude all year long by providing opportunities for customers to donate.

TOTAL GIVING ANNUALLY* (\$)



HOURS VOLUNTEERED**



CALCULATION & SCOPE** Contributions through fundraising for a variety of causes, miscellaneous community giving, associate donations, shelter grants, product proceeds, matching gifts and in-kind donations. *CALCULATION & SCOPE** Total of non-store associate volunteering hours. In 2017, we began tracking volunteer hours through Bright Funds, capturing actual hours volunteered rather than estimated associate counts, and applied this methodology from 2017-2021.

THE TREVOR PROJECT

In 2021, we doubled down on our fundraising dollars for The Trevor Project, raising \$260,000 in donations and give-back products sold across WSI. An organization like The Trevor Project recognizes each of us for our own individuality and supports the LGBTQ+ community and its allies every day of the year.

Engage for Good named WSI a finalist for its 2022 Halo Award. Recognizing our partnership with The Trevor Project during Pride 2021, the award honors corporate social impact initiatives that showcase outstanding consumer and/or employee engagement efforts.

GIVING & VOLUNTEERING (CONTINUED)

PRODUCT DONATIONS

We also support organizations and partners like Good360 and Habitat for Humanity, who assist those with damaged or lost homes, or those seeking decent, affordable housing.

In 2021, Good360 distributed our product donations to more than 200 different nonprofit organizations, serving 236,000 individuals.

These donations provided critically needed products to people impacted by tornadoes in Kentucky and deadly flooding in Tennessee. We also shipped four containers of WSI product donations from our New Jersey distribution center to recovery efforts in the Bahamas from Hurricane Florence. Good360 distributes our products to nonprofit partners that place them in the hands of those most in need. Just over a year after launching our partnership with Habitat for Humanity, we continue to see significant impact.

Our retail stores donate unsold products to Habitat for Humanity's ReStore locations, where sales support safe and affordable housing. Our DCs and hubs donated 89,000 products in 2021.

We'll continue matching more of our retail locations with a Habitat for Humanity partner in the future. In October 2021, Rejuvenation launched a 16-month philanthropic partnership with Habitat, committing to donate a total of \$100,000 through sales of the bestselling Carson Lighting Collection. Rejuvenation also hosts donation events at stores to give customers the opportunity to repurpose unwanted household products, diverting them from landfills and helping support home building in their communities.

WILLIAMS-SONOMA, INC. FOUNDATION

Over fourteen years ago, we established the WSI Foundation as a nonprofit organization to assist associates directly affected by Hurricane Katrina.

Since then, the WSI Foundation has continued to serve as a resource for associates in need during federally declared natural disasters. It's of paramount importance that we support our people through life's unexpected tribulations. This fund is one of our largest resources.

We activated the WSI Foundation to make grants to U.S. associates in need due to the impact of COVID-19.

These associates were impacted by COVID-19 and experienced financial hardship that made it difficult to provide for and/or access basic necessities. In 2021, the Foundation paid \$156,000 to approximately 205 associates—giving them support during a difficult time.



GIVING & VOLUNTEERING

\$34M

In total giving for 2021

4,606

Associate volunteer hours for 2021

205

Associates supported by the Williams-Sonoma, Inc. Foundation in 2021

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.

ESG Metrics: Responsible Materials

INTRO

PLANET

PEOPLE

RESPONSIBLE WOOD	2019	2020	2021	YOY % Change
BEST	18%	25%	24%	-1%
BETTER	10%	9%	16%	7%
GOOD	19%	31%	20%	-11%
TOTAL	47%	65%	60%	-5%

CALCULATION & SCOPE 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	2019	2020	2021	YOY % Change
GOTS/ORGANIC BEST	27%	31%	33%	2%
OCS/RECYCLED BETTER	4%	4%	3%	-1%
OEKO-TEX/BCI GOOD	44%	54%	58%	4%
TOTAL	75%	89%	94%	5%

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

ESG Metrics: Carbon & Electricity Intensity

PURPOSE

APPENDIX

CARBON INTENSITY	2019	2020	2021	YOY % Change
CO2e (kg)	93M	91M	89M	-2%
REVENUE	\$5.90B	\$6.78B	\$8.25B	22%
CARBON INTENSITY (kg/REVENUE)	0.0158	0.0134	0.0108	-19%

CALCULATION & SCOPE Data aggregated by NUS and manual data collection. 2019-21 emissions calculations performed by Optera. Optera calculation added radiative forcing factors in 2019-2021. 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. We revised our FY20 emissions metrics after identifying an incorrect emission factor in our calculations.

ELECTRICITY INTENSITY	2019	2020	2021	YOY % Change
kWh	189M	184M	176M	-4%
SQ. FT.	17.7M	18.2M	19.1M	5%
ELECTRICITY INTENSITY (kWh/SQ. FT.)	10.67	10.06	9.22	-8%

CALCULATION & SCOPE Data aggregated by NUS, manual data collection and WSI Real Estate. 2019-21 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

INTRO

PLANET

PEOPLE

PURPOSE

APPENDIX

GHG EMISSIONS, GRAND TOTAL, METRIC TONS (MT)	FY19	FY20**	FY21	YOY % Change
SCOPE 1 EMISSIONS (MT)	17,537	20,499	21,678	6%
SCOPE 2 EMISSIONS (MT)	70,415	66,794	64,143	-4%
SCOPE 1 & 2 EMISSIONS (MT)	87,952	87,293	85,821	-2%
SCOPE 1 & 2 EMISSIONS, FACILITY TYPE	FY19	FY20**	FY21	YOY % Change
OFFICES (MT)	5,488	4,806	4,921	2%
DCS/HUBS (MT)	36,006	36,936	38,070	3%
RETAIL (MT)	46,458	45,551	42,829	-6%
SCOPE 1 & 2 EMISSIONS, GEOGRAPHY	FY19	FY20**	FY21	YOY % Change
AMERICAS (MT)	84,561	84,149	82,535	-2%
ASIA PACIFIC (MT)	3,072	2,827	3,107	10%
EUROPE (MT)	319	317	178	-44%
BUSINESS TRAVEL (MT)	5,041	3,346	3,325	-1%

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 2019-2021. 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 EMISSIONS, GRAND TOTAL, METRIC TONS (MT)	FY19*	FY20	FY21	YOY % Change
SCOPE 3 EMISSIONS (MT)	3,791,154	3,442,303	4,052,222	18%
SCOPE 3 EMISSIONS, EMISSION CATEGORY	FY19*	FY20	FY21	% Change
PURCHASED GOODS AND SERVICES	2,031,725	1,804,237	2,108,151	17%
CAPITAL GOODS	32,265	45,870	32,418	-29%
FUEL AND ENERGY EMISSIONS	23,219	18,987	15,490	-18%
UPSTREAM TRANSPORTATION	411,831	428,267	592,420	38%
WASTE FROM OPERATIONS	19,792	22,789	31,258	37%
BUSINESS TRAVEL	9,267	1,091	1,761	62%
EMPLOYEE COMMUTING	46,933	30,936	34,026	10%
DOWNSTREAM TRANSPORTATION	359,466	339,804	363,438	7%
USE OF SOLD PRODUCT	719,929	651,949	754,177	16%
PRODUCT END-OF-LIFE	116,416	85,608	100,062	17%
FRANCHISE EMISSIONS	20,311	12,765	19,022	49%

SCOPE 3 CALCULATION Scope 3 emissions categories follow GHG Protocol and include purchased goods and services, capital goods, fuel and energy emissions, upstream transportation, waste from operations, business travel, employee commuting, downstream transportation, use of sold product, product end-of-life and franchise emissions. Categories not included which are not material to WSI business are upstream leased assets, processing of sold products, downstream leased assets 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. **We revised our FY19 and FY20 emissions metrics after identifying an incorrect emission factor in our calculations.

IMPACT REPORT 2021

ESG Metrics: Landfill Diversion

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WASTE TONNAGE, GRAND TOTAL	FY19	FY20*	FY21	YOY % Change
RECYCLING (MT)	32,036	33,968	36,944	9%
LANDFILL (MT)	33,296	41,539	48,118	16%
WASTE TOTAL (MT)	65,332	75,507	85,062	13%
DIVERSION RATE	49%	45%	43%	-2%

WASTE TONNAGE, FACILITY TYPE

OFFICE TOTAL (MT)	FY19	FY20*	FY21	YOY % Change
RECYCLING (MT)	554	508	471	-7%
LANDFILL (MT)	454	722	665	-8%
WASTE TOTAL (MT)	1,008	1,230	1,136	-8%
DIVERSION RATE	55%	41%	41%	0%

WASTE TONNAGE, FACILITY TYPE

DISTRIBUTION CENTERS AND HUBS TOTAL (MT)	FY19	FY20*	FY21	YOY % Change
RECYCLING (MT)	13,776	17,536	18,546	6%
LANDFILL (MT)	10,975	17,038	20,455	20%
WASTE TOTAL (MT)	24,752	34,574	39,001	13%
DIVERSION RATE	56%	51%	48%	-3%

STORES TOTAL (MT)	FY19	FY20*	FY21	YOY % Change
RECYCLING (MT)	17,706	15,924	17,926	13%
LANDFILL (MT)	21,867	23,779	26,997	14%
WASTE TOTAL (MT)	39,573	39,703	44,923	13%
DIVERSION RATE	45%	40%	40%	0%

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 2016, EPA's factor for waste changed from 225 pounds per yard to 138. The new factor was applied in 2017-2021. *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

FAIR TRADE	FY19	FY20	FY21	Cumulative since 2021
FAIR TRADE PREMIUMS PAID SINCE 2021*	NA	NA	\$ 3M	\$3M

NEST'S ETHICAL HANDCRAFT PROGRAM	FY19	FY20	FY21	Cumulative since 2021
TOTAL \$ PURCHASES OF CERTIFIED ETHICALLY HANDCRAFTED PRODUCT**	NA	NA	\$9M	\$9M

FSC® PAPER	FY19	FY20	FY21	YOY % Change
FSC®-CERTIFIED CATALOG PAPER***	100%	100%	100%	0%

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 \$10M 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.

GIVING	FY19	FY20	FY21	YOY % Change
TOTAL \$ GIVEN & RAISED*	\$20.0M	\$43.6M	\$34.1M	-22%

VOLUNTEERING	FY19	FY20	FY21	YOY % Change
TOTAL VOLUNTEERING HOURS**	9,997	4,244	4,606	9%

CALCULATION & SCOPE** Contributions through fundraising for causes, miscellaneous community giving, associate donations, shelter grants, product proceeds, matching gifts and in-kind donations. *CALCULATION & SCOPE** Total volunteering hours from global, corporate associates, excluding non-store associates.

ESG Metrics: Gender & Ethnicity Representation*

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WSI TOTAL	FY19	FY20	FY21	% CHANGE
MALE	31.8%	34.8%	32.4%	-2.4%
FEMALE	68.2%	65.2%	67.5%	2.5%
NON-BINARY			0.1%	NA
VPS & ABOVE				
MALE	48.2%	48.2%	45.9%	-2.3%
FEMALE	51.8%	51.8%	54.1%	2.3%
DIRECTORS				
MALE	37.2%	38.6%	40.7%	2.1%
FEMALE	62.8%	61.5%	59.3%	-2.1%
MANAGERS & SENIOR MANAGERS				
MALE	36.1%	35.6%	36.7%	1.1%
FEMALE	63.9%	64.4%	63.3%	-1.1%
INDIVIDUAL CONTRIBUTORS				
MALE	31.1%	34.5%	31.6%	-2.9%
FEMALE	68.9%	65.5%	68.3%	2.9%
NON-BINARY			0.1%	NA

WSI TOTAL	FY19	FY20	FY21	% CHANGE
WHITE	61.0%	55.9%	54.8%	-1.1%
BLACK	12.6%	15.4%	13.8%	-1.6%
HISPANIC	14.9%	16.0%	16.1%	0.1%
ASIAN	7.0%	8.0%	11.1%	3.1%
OTHER	4.5%	4.6%	4.2%	-0.4%
VPS & ABOVE				
	FY19	FY20	FY21	% CHANGE
WHITE	79.3%	79.4%	74.9%	-4.5%
BLACK	2.1%	2.8%	2.4%	-0.4%
HISPANIC	2.1%	2.1%	2.4%	0.3%
ASIAN	12.1%	10.6%	16.2%	5.6%
OTHER	4.3%	5.0%	4.2%	-0.8%
DIRECTORS				
	FY19	FY20	FY21	% CHANGE
WHITE	74.4%	73.6%	68.7%	-4.9%
BLACK	2.9%	3.5%	2.9%	-0.6%
HISPANIC	3.9%	3.5%	4.0%	0.5%
ASIAN	14.5%	14.4%	20.1%	5.7%
OTHER	4.4%	4.5%	4.3%	-0.2%
MANAGERS & SENIOR MGRS.				
	FY19	FY20	FY21	% CHANGE
WHITE	66.1%	65.1%	59.1%	-6.0%
BLACK	7.2%	8.1%	7.6%	-0.5%
HISPANIC	9.3%	10.2%	10.0%	-0.2%
ASIAN	12.5%	11.6%	18.7%	7.1%
OTHER	4.8%	5.1%	4.6%	-0.5%
INDIVIDUAL CONTRIBUTORS				
	FY19	FY20	FY21	% CHANGE
WHITE	60.2%	53.9%	53.8%	-0.1%
BLACK	13.3%	16.9%	14.9%	-2.0%
HISPANIC	15.7%	17.3%	17.2%	-0.1%
ASIAN	6.4%	7.3%	9.9%	3.3%
OTHER	4.5%	4.6%	4.2%	-0.4%

*CALCULATION & SCOPE FY21 data as of 1/30/2022. Percentages exclude associates who declined to state gender or ethnicity. FY21 data represents global workforce, including full-time, part-time and temporary or seasonal associates.

ESG Disclosures: U.N. Sustainable Development Goals (SDGs)



SDG	GOAL	TARGET	NO.	WSI INITIATIVES	REFERENCE
	End poverty in all its forms everywhere	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.	1.4	Our longstanding partnership with Fair Trade, as well as newer partnerships with organizations such as Nest, aim to lift people out of poverty through fair wages and economic opportunity. In 2021, we expanded our goals around worker wellbeing: Pay \$10M Fair Trade Premiums, \$50M in Ethically Handcrafted™ products, and a broader goal to source 75% of purchases from suppliers offering a worker wellbeing program.	Worker Wellbeing & Values-Aligned Sourcing, pages 49-60
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	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.	2.1	In 2021, we raised over \$2.5M 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 factories used their premiums to provide food for workers during COVID-19.	Giving & Volunteering, pages 83-86 Fair Trade, pages 57-58
	Ensure healthy lives and promote well-being for all at all ages	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.	3.9	We consider the chemicals and finishes used in our products. We use certifications including GREENGUARD Gold and STANDARD 100 by OEKO-TEX® to test that our products are safe from harmful chemicals and volatile organic compounds (VOCs). Our products contribute to cleaner indoor air quality.	Responsible Materials, pages 31-34
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	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.	4.7	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. 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.	Worker Wellbeing, pages 53-60
	Achieve gender equality and empower all women and girls	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.	5.5	Female-identifying individuals hold over 50% of our executive positions at the VP level and above, and 67% of our Board seats.	Corporate Governance, pages 75-76, Appendix pages 97-98

ESG Disclosures: U.N. Sustainable Development Goals (SDGs)



SDG	GOAL	TARGET	NO	WSI INITIATIVES	REFERENCE
	Ensure availability and sustainable management of water and sanitation for all	By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.	6.6	In partnership with the Arbor Day Foundation, our family of brands set a goal to protect and restore our forests. 1.5M trees have been planted to date, contributing to the estimated 1.5B gallons of avoided water runoff that Pottery Barn's original 3M tree goal will help provide. The WSI family of brands has since committed to expanding our tree planting goal to 6M trees by 2023.	Climate & Energy, pages 27-30
	Ensure access to affordable, reliable, sustainable and modern energy for all	By 2030, increase substantially the share of renewable energy in the global energy mix. By 2030, double the global rate of improvement in energy efficiency.	7.2 7.3	To achieve carbon neutrality in our operations, our roadmap focuses on efficiencies and renewable energy. We have a 10-year renewable energy roadmap in place and will continue making changes to our business through retrofits, efficiencies and green power to achieve our climate goals.	Climate & Energy, pages 21-26
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	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. Protect labor rights and promote safe and secure working environments for all workers.	8.7 8.8	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.	Ethical Production Worker Wellbeing Supply Chain Labor Practices Policy Human Rights Policy Vendor Code of Conduct
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	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.	9.3	Our partnership with Nest helps build a new handworker economy intent on making home- and small workshop-based labor visible and safe. In 2021, we announced a goal to invest \$50M in Ethically Handcrafted™ products across WSI by 2025. We have a longstanding commitment to supporting global craft traditions. To preserve this cultural heritage, we source products from our global network of handcraft and artisan vendors, spanning 13 countries and more than 10,000 individuals.	Worker Wellbeing & Values-Aligned Sourcing, pages 49-60
	Reduce inequality within and among countries	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.	10.2	We continue to make progress against our Equity Action Plan, a set of commitments dedicated to fighting for racial justice and equity. In efforts to create diverse teams, this year we saw positive results for promotional opportunities for female-identifying employees, year-over-year improvement in the diversity of our new hires, and conducted a gender pay assessment.	Diversity, Equity & Inclusion, pages 61-66

ESG Disclosures: U.N. Sustainable Development Goals (SDGs)



SDG	GOAL	TARGET	NO	WSI INITIATIVES	REFERENCE
	Make cities and human settlements inclusive, safe, resilient and sustainable	<p>Strengthen efforts to protect and safeguard the world's cultural and natural heritage.</p> <p>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.</p>	11.4 11.5	<p>We support efforts to protect and safeguard the world's cultural and natural heritage through our investment in handcrafted products. Our partnership with Nest helps build a new handworker economy intent on making home- and small workshop-based labor visible and safe. We set a goal to invest \$50M in Ethically Handcrafted™ products across WSI by 2025.</p> <p>We support organizations and partners like Good360 and Habitat for Humanity, who assist those with damaged or lost homes, or those seeking decent, affordable housing.</p>	Worker Wellbeing & Values-Aligned Sourcing, pages 53-60 Giving & Volunteering, pages 83-86
	Ensure sustainable consumption and production patterns	<p>By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p>	12.2 12.5	We met ambitious goals for responsibly sourced wood and cotton. We implemented a Material Innovation Library to guide our transition to lower-impact, recycled and responsible materials across our brands.	Responsible Materials, pages 31-34
	Take urgent action to combat climate change and its impacts	<p>Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p>Integrate climate change measures into policies, strategies and planning.</p>	13.1 13.2	We have a 2030 Science-Based Target across all three Scopes, as well as a goal to be carbon neutral across Scopes 1 and 2 by 2025. We have a 10-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.	Climate & Energy, pages 21-26
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	By 2025, prevent and significantly reduce marine pollution of all kinds, particularly from land-based activities, including marine debris and nutrient pollution.	14.1	We continue to eliminate virgin plastic in our supply chain, such as by transitioning vinyl bag packaging to paper hang tags and reducing our reliance on EPS foam. Through use of REPREEVE certified recycled plastic fibers, we diverted 93 million plastic bottles from polluting oceans to date. We also remain committed to using responsibly sourced cotton, whose practices reduce pollutants and runoff into waterways.	Waste & Circularity: Reuse, Renewal & Recycling, pages 41-42

ESG Disclosures: U.N. Sustainable Development Goals (SDGs)



SDG	GOAL	TARGET	NO	WSI INITIATIVES	REFERENCE
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	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.	15.2	We are members of WWF's Forests Forward, a program that works on the ground in forests of different types to demonstrate sustainable management and sourcing practices. We recognize the Forest Stewardship Council® 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 labeled with one or more of our social or environmental initiatives.	Climate & Energy, pages 27-28
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	End abuse, exploitation, trafficking and all forms of violence and torture against children.	16.2	Our rigorous social compliance and audit programs are committed to eradicating human trafficking, child labor and forced labor in our global product supply chains.	Ethical Production, pages 45-48
	Strengthen the means of implementation and revitalize the global partnership for sustainable development	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.	17.17	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.	Certifications & Standards, pages 81-82

ESG Disclosures: SASB Multi-line and Specialty Retailers & Distributors



TOPIC	ACCOUNTING METRIC	CODE	RESPONSE	REFERENCE
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	CG-MR-130a. 1	(1) 963,231 GJ (2) 98.8% (3) 1.2%	2021 Impact Report: Climate & Energy, pages 21-26 CDP Climate Disclosure
Data Security	Description of approach to identifying and addressing data security risks	CG-MR-230a. 2	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.	2021 Impact Report: Cybersecurity & Data Privacy, page 78 Annual Report, page 10 WSI Privacy Policy
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	CG-MR-230a. 2	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.	2021 Impact Report: Cybersecurity & Data Privacy, page 78 Annual Report, page 10

ESG Disclosures: SASB Multi-line and Specialty Retailers & Distributors



TOPIC	ACCOUNTING METRIC	CODE	RESPONSE	REFERENCE
Labor Practices	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	CG-MR-310a. 1	We continue to invest in our associates, including increasing minimum wage to \$15 per hour for hourly associates as of FY21 year end.	2021 Impact Report: Associates, pages 77-78
	(1) Voluntary and (2) involuntary turnover rate for in-store employees	CG-MR-310a. 2	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.	2021 Impact Report: Associates, pages 77-78
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	CG-MR-310a. 3	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.	Human Rights Policy
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	CG-MR-330a. 1	(1) WSI management: 62% female, 39% racially diverse in global workforce (2) All other employees (not management): 68% female, 46% racially diverse in global workforce. Williams-Sonoma, Inc. is a member of CEO Action for Diversity & Inclusion, was listed in the 2022 Bloomberg Gender-Equality Index and ranks among Forbes' Best Employers for Women (2019-21) and Forbes' Best Employers for Diversity (2020-22). 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.	2021 Impact Report: Diversity, Equity & Inclusion, pages 61-66 Diversity, Equity & Inclusion
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	CG-MR-330a. 2	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.	

ESG Disclosures: SASB Multi-line and Specialty Retailers & Distributors



TOPIC	ACCOUNTING METRIC	CODE	RESPONSE	REFERENCE
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	CG-MR-410a. 1	YE 2021 41.2% of our cross-brand net sales was from product* certified by third-party social and environmental standards, with an additional 2.5% from our internally verified recycled declaration process. *U.S. & Canada, excludes drop-ship products.	2021 Impact Report: Brand Leadership, pages 79-80
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	CG-MR-410a. 2	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.	2021 Impact Report: Business Integrity, page 77 Product Safety & Testing Responsible Materials & Finishes
	Discussion of strategies to reduce the environmental impact of packaging	CG-MR-410a. 3	We are focused on reducing excess packaging, eliminating EPS foam, and increasing recycled content in packaging materials. Our brand packaging teams aligned on a strategy to eliminate unnecessary packaging and transition to less impactful packaging materials, including investing in resources to explore more sustainable packaging alternatives. See references for full description of approach.	2021 Impact Report: Packaging, pages 39-40
Facilities	Number of: (1) retail locations (2) distribution centers	CG-MR-000.a	(1) 544 retail stores (2) 25 distribution centers and hubs	Not applicable.
Square Footage	Total area of: (1) retail space (2) distribution centers	CG-MR-000.b	(1) 6,004,000 sq. feet (2) 11,792,617 sq. feet	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 and reviewing WSI's recent Science-Based Target. The Board of Directors' review of environmental and social topics is obtained from WSI's EVP of Sourcing, Quality Assurance, and Sustainable Development through the updates it receives from the Committee, and through annual updates from the organization's dedicated sustainability team. The organization's dedicated sustainability team presents to the full Board at least once a year to monitor and review existing and proposed strategy, goals and targets. The Audit and Finance Committee, composed solely of Directors who are independent in accordance with New York Stock Exchange listing standards, meets periodically with the Company's independent auditors, the Company's internal auditors, and management to advise the Board and management on policies and strategies pertinent to our Risk Management process.

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 & 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 more sustainable, lower footprint products.

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.

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

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. We currently use qualitative climate risk scenario analysis, but plan to add quantitative in the coming years.

RISK MANAGEMENT: DISCLOSE HOW THE ORGANIZATION IDENTIFIES, ASSESSES AND MANAGES CLIMATE-RELATED RISKS

a) Describe the organization's processes for identifying and assessing climate-related risks. 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.

b) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management. WSI's risk management process identifies risks most material to the business on an annual basis. This process involves steps to ensure input is collected from across the organization. Senior management across the company provides input into which risks and opportunities could have a substantive financial or strategic impact to the business. Further follow-up work is done on our most significant risks as required. Short-, medium-, and long-term risks are included in the risk identification and management process. Key risk owners are identified and provide brief risk summaries that include steps taken to mitigate the risk, and annual plans and goals to continue to mitigate the risk. A discussion of these risk areas is addressed at meetings of the Board at least annually. For example, physical supply chain risk is always included as a significant risk. This includes acute climate-related natural disasters (e.g. floods, droughts) or chronic climate impact that results in volatile commodity cost. Mitigation entails a balanced global vendor landscape and materials sourcing strategy. Transition risks, such as brand reputation in contributing to a low carbon economy, are also considered as part of this process. Mitigation entails developing clear policies around high impact product categories, such as lighting, and establishing clear goals to work towards efficiencies, such as transitioning to energy-efficient LED lighting.

METRICS AND TARGETS: DISCLOSE THE METRICS AND TARGETS USED TO ASSESS AND MANAGE RELEVANT CLIMATE-RELATED RISKS AND OPPORTUNITIES WHERE SUCH INFORMATION IS MATERIAL

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 nearly 80% of our spend, 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.

2021 Impact Report: Climate & Energy, pages 21-26 (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.

2021 Impact Report: Company-Wide Goals, pages 11-12

2021 Impact Report: Appendix, Carbon & Electricity Intensity, GHG Emissions, pages 89-92

We set a Science-Based Target across all three scopes and a carbon neutral goal across our operations. We also set a landfill diversion goal that we will continue to progress toward. We will expand beyond our current goals for responsibly sourced cotton and wood to identify opportunities for responsibly sourced materials.