# Corporate Responsibility Scorecard 2018

WILLIAMS-SONOMA, INC.

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## A Letter from our CEO

"Good business requires collective responsibility, from our supply chain to the products we put in people's homes. Every year, we expand our customers' access to quality, safe and sustainable products."

At Williams-Sonoma, Inc., corporate responsibility is deeply intertwined with our business. We put the customer at the center of everything we do, every day. Their best interests are ours. That's why we lead our industry in the creation of high-quality, safe and sustainable products.

This year, for the first time, we were named among the Fortune 500 largest companies in the United States. For the second consecutive year, we were recognized as the only home furnishings retailer on Barron's annual list of the 100 most sustainable companies in the U.S. We have an outsized impact on our industry, and we recognize the importance of using our leadership to drive positive change. We see opportunity to take more market share of sustainable luxury furnishings, and we've revitalized our brand strategy to grow that business.

You can visit one of our brands right now and choose from thousands of organic, sustainably sourced, Fair Trade Certified™, handcrafted, and GREENGUARD certified products. When you shop at Pottery Barn Kids, you'll see that our proprietary bedroom and nursery furniture is GREENGUARD Gold certified. That means it's screened for more than 10,000 chemicals known to pollute indoor air, so you can make a safe and healthy choice for your kids. By 2021, 100% of the cotton you buy from any of our brands will be organic or responsibly sourced.

You can shop at Pottery Barn, Williams Sonoma or West Elm and connect with one of our talented designers for personalized help. These associates have been specially trained to provide online design services for your home, whether you're looking for a Fair Trade Certified™ rug or a reclaimed wood table. This program develops talent and supplies employees with new skills while providing a valuable resource to customers. It's exactly the kind of competitive advantage we've gained from putting people at the center of everything we do.

In the places where our products are made, you might meet one of the 12,000 workers impacted by our Fair Trade factories, or one of the 20,000 workers who received an eye exam and glasses this year through our partnership with VisionSpring. Maybe you'd encounter one of 43,000 graduates of the health, financial literacy and gender equality programs we've provided through HERproject. By the end of 2020, over 100,000 of our workers will be enrolled in these types of education and empowerment programs.

As we move forward, we're committed to sharing more stories like these. We've always made equality a cornerstone of our business, but we haven't always talked about it in this report. In 2018, we signed onto the UN Free & Equal Campaign for LGBTQ+rights, and we were awarded the Corporate Equality Award from

the Human Rights Campaign. By advocating for equal rights and the fair treatment of LGBTQ+ people everywhere, we strengthen and support our own community.

We truly believe that a culture of inclusion leads to innovation, creates healthy teams and delivers a better experience for our customers. We're proud that 50% of our board members, and 53% of our executives at the VP level and above, are women. In 2018, we signed onto CEO Action for Diversity and Inclusion, expanding our networks of LGBTQ+, African American and Veteran associates and organizing celebrations for Diwali, Pride and Veteran's Day, as well as our second annual company-wide Martin Luther King, Jr. Day of Service.

We're a unique business with the power to improve nearly every aspect of life at home. The changes we make in our company and with our customers lead to big shifts in the way we all live. As we grow, we do so sustainably, putting people and planet first.



Laura Alber
President and CEO

# Sustainable Design to Responsible Retail

## A Survey of Our Supply Chain



## Sustainable Design

Great design begins with using sustainable or fewer materials. In 2018, our corporate teams underwent corporate responsibility training to engage employees in meeting environmental and social goals.



## **Responsible Sourcing**

Our sourcing teams increased our percentage of responsible materials by procuring, tracking and documenting high-quality materials, including FSC®-certified wood, GOTS-certified organic cotton and alternative fibers.



## **Social Compliance**

Using independent third-party auditors, we assess suppliers against high standards for Transparency, Labor Practices, Health & Safety, Ethical Conduct and Environmental Protection. We work with factories to develop Corrective Action Plans (CAPs) based on audit findings and support remediation and continuous improvement.



## Worker Wellbeing

Through partnerships with global nonprofits, we're providing education and empowerment to 100,000 workers by 2020. In 2018, we partnered with VisionSpring to provide eye exams and glasses to 20,000 workers.



## **Nontoxic Finishes**

We're expanding low-VOC and waterbased furniture finishes, improving air quality in our factories. In 2019, all new company-produced Pottery Barn Kids' wood bedroom and nursery furniture reached GREENGUARD certification.



## **Recycled Products**

Materials like recycled cotton or REPREVE® fiber, made from upcycled plastic bottles, send less waste to the landfill. At our Sutter Street factory in North Carolina, we're transforming fabric scraps and hardware into sofas, like Pottery Barn's Big Sur Collection.



## **Employee Education**

In 2018, we rolled out new environmental and social employee training materials across our 600+ stores. Through composting, recycling and energy conservation, associates are helping to meet our company-wide goals.



## **Design Services**

Across our brands, we offer free consultations with a design expert, specially trained to provide personal solutions for homes. The program develops talent and supplies employees with new skills while providing a valuable resource to customers.



## Responsible Retail

We've increased Fair Trade Certified™, organic, sustainably sourced and GREENGUARD certified products across our brands. In 2018, we launched sustainability shops at Pottery Barn, Pottery Barn Kids and West Elm.

## **Our Strategy**

## Our business is built on a sustainable strategy for long-term growth.

As one of the world's largest home retailers, our impact extends beyond our own company into worldwide industry. We understand the urgent need for positive change at every level, so we've aligned our strategy to the United Nations' Sustainable Development Goals (SDGs), a global framework for achieving a better future for all. This year, our active contributions increased from nine to ten of the SDGs. Continuing our commitment to high environmental, social and governance standards, we're also expanding our reporting on gender equality. Always a cornerstone of our company, equality has created a culture of shared progress. When everyone gets the support and opportunity they need, we succeed.

## Environment PRODUCTS & PLANET

Our Commitments
Our Certifications
Catalog Paper
Low-VOC Finishes
Carbon & Electricity Intensity
Responsibly Sourced Cotton
Responsibly Sourced Wood
Landfill Diversion













# Social PEOPLE & COMMUNITIES

Our Commitments Our Supply Chain Fair Trade Worker Wellbeing Corporate Giving Volunteering











## Governance EQUALITY & EQUITY

Our Commitments
Diversity & Inclusion
LGBTQ+ Equality
Gender Equality
Executive Leadership





## **ENVIRONMENT**

# **Committed to Sustainability**

Goals, Milestones & Measurements

100%
GREENGUARD
CERTIFIED

New Wood Bedroom & Nursery Furniture at Pottery Barn Kids in 2018

Top 10
TEXTILE
EXCHANGE

Global Company Using Recycled Synthetics & Preferred Cotton in 2018 100%
RESPONSIBLY
SOURCED COTTON

In All Brand Textile Categories by 2021

\$4M

IN PRODUCTS DONATED

To Nonprofit Partners and Diverted from Landfills in 2018 50%
RESPONSIBLY
SOURCED WOOD

Across Our Business & Brands by 2021

\$1M

RECYCLING REBATES

Earned from Landfill Diversion in 2018

## **Our Certifications**

## Responsibly Sourced Products and Materials: Behind the Labels

## Cotton



The Organic Content Standard (OCS) was created by the nonprofit Textile Exchange as a standard for tracking and documenting the purchase, handling and use of certified organically farmed material in varns. fabrics and finished goods.



The Global Organic Textile Standard (GOTS) ensures that textiles labeled "organic" meet strict criteria. Certification traces organic fiber, as well as social and environmental practices, from manufacturing to packaging to the finished product. GOTS also prohibits the use of heavy metals, genetically modified substances, toxins and carcinogens.



A global testing and certification system launched in the early 1990s, STANDARD 100 BY OEKO-TEX® is a leading standard for establishing the human and ecological safety of products such as bedding and towels.



The Better Cotton Initiative™ (BCI) is a global system for cultivating more sustainable cotton. They teach farmers to reduce the amount of synthetic fertilizers and pesticides in cotton production, increase cotton yields and reduce water usage, as well as improve soil health and apply decent work principles.



The Recycled Claim Standard (RCS) verifies the presence and amount of recycled material in a final product. A global system used throughout 70+ countries and overseen by the nonprofit Textile Exchange, RCS tracks and certifies recycled raw materials through the supply chain.



The Global Recycled Standard (GRS) is a holistic certification for products with recycled content and includes social, environmental and chemical criteria. Overseen by the nonprofit Textile Exchange, it requires that each stage of production be certified, beginning at the recycling stage and ending in the final business-to-business transaction.

## Wood



Forest Stewardship Council® (FSC®) certification ensures that products come from responsibly managed forests that provide environmental, social and economic benefits. FSC provides a foundation for all forest management standards globally, including the FSC US National Standard.



Many of our products use reclaimed wood, avoiding the use of virgin timber and giving old materials new life rather than discarding or burning them. We trace this wood back to the point of origin to ensure it meets our supply chain standards.

## **Low-VOC Finishes**



Products that are GREENGUARD Certified meet or exceed national and state laws for restricted substances to keep toxins out of customers' homes and out of the air.

## **Alternative Fibers**



TENCEL™ branded lyocell and modal fibers are produced by environmentally responsible processes from natural, sustainably sourced raw wood. Benefits include botanic origin, sustainable production. durability, breathability and biodegradability.



Made of 100% recycled plastic and produced mainly from post-consumer plastic bottles, REPREVE® fibers emit fewer greenhouse gases, offset the use of new petroleum, and conserve water and energy, REPREVE® is a registered trademark of Unifi, Inc.

## **Worker Wellbeing**



When you see a product with the Fair Trade Certified™ seal, you can be sure it was made according to rigorous social, environmental and economic standards. Fair Trade USA® works closely on the ground with producers and certifies transactions between companies and their suppliers to ensure that the people making Fair Trade Certified™ goods work in safe conditions, protect the environment, build sustainable livelihoods, and earn additional money to empower and uplift their communities.



BSR HERproject

Nest's Ethical Handcraft Program stands to revolutionize the industry by making homework a safe and viable option. Measuring compliance across a matrix of more than 100 Standards, the training-first program is tailored Handcrafted to address the wide degree of variation in decentralized supply chains, which may result from factors such as multiple layers of subcontracting, migrant labor forces and broad geographic dispersal. The program stands apart for its dedication to cultural sensitivity and handworker ownership in decision-making.

> Bringing together global brands, their suppliers and local NGOs, HERproject™ drives impact for women and business via workplace-based interventions on health, financial inclusion and gender equality. Since its inception in 2007. HERproject™ has worked in more than 750 workplaces across 14 countries and has increased the wellbeing, confidence and economic potential of more than 850,000 women.

VisionSpring is a pioneering, global social enterprise

wonder of clear vision possible for everybody.





## Catalog Paper

#### **OUR GOAL**

Since 2007, we've used only FSC® certified catalog paper and will continue to do so.



One of the world's largest catalog companies, we've led the way with FSC-certified catalog paper since 2007

## Why It Matters

Catalogs support each of our brands and play a fundamental role in our marketing strategy. Each year we send out 122 million catalogs, and we recognize that our paper use has an enormous impact on both our business and the environment.

## Milestones

As one of the world's largest catalog companies, we have an outsized impact on our industry. Every year since 2007, we have used only responsibly sourced wood for the paper in our catalogs, and we continue to do so. As we've acquired new customers, we've prioritized digital communication, reducing catalog production from 250M in past years to 122M in 2018.



CALCULATION & SCOPE: Percent of responsibly sourced paper in our catalogs in number of pages circulated.





# **Low-VOC Finishes**

#### **OUR GOAL**

Having nearly reached 100% GREENGUARD certified bedroom and nursery furniture at Pottery Barn Kids, we're expanding certified furniture across our brands.



GREENGUARD certified nursery furniture at Pottery Barn Kids is screened for 10,000 harmful chemicals

## Why It Matters

VOCs (volatile organic compounds) are found in many furniture finishes. They are particularly dangerous to children, whose health can be hurt by chemicals and indoor air pollution. The independent safety science agency UL has created rigorous and comprehensive GREENGUARD standards for low-VOC emissions in indoor environments. Our brands are proud to lead the industry through our commitment to safe, nontoxic and GREENGUARD-certified products for children and their families.

### Milestones

All new nursery and bedroom wood furniture at Pottery Barn Kids and West Elm is now GREENGUARD GOLD certified, accounting for 96% of our inventory until we sell through past collections. Having nearly reached 100%, we are now expanding the use of low-VOC and water-based furniture finishes across our brands, including the launch of our GREENGUARD shops at Pottery Barn and West Elm. We continue to be rigorous about CARB compliance testing, ensuring our materials adhere to all US air emissions requirements.



CALCULATION: Percent of GREENGUARD-certified bedroom and nursery furniture from Pottery Barn Kids.





# Carbon Intensity

#### **OUR GOAL**

We're developing a long-term energy and emissions strategy, improving clean production across our business, and researching science-based targets for 2025.\*



As our revenues have increased, we've continued to reduce carbon intensity year-over-year since 2011

## Why It Matters

Greenhouse gas (GHG) emissions are increasingly the focus of public concern for the welfare of our environment. Given that carbon emissions result from our energy and fuel usage, reducing emissions directly impacts our bottom line, resulting in significant cost savings in addition to reducing our Scope I (direct) and 2 (indirect) emissions.

### Milestones

Our work begins at the design phase, prioritizing low-emissions materials, such as responsibly sourced cotton and wood. We carry that focus through sourcing, packaging and marketing—from lowering supplier emissions to adopting sustainable certifications. We're currently researching science-based targets for 2025 while working closely with our suppliers to support their energy and water reduction programs. We're also working to improve our operational efficiency wherever possible. While our revenues have increased, we've reduced our carbon intensity year-over-year since 2011.



**CALCULATION & SCOPE:** Greenhouse gas emissions (GHG) in kilograms per dollars of revenue. Emissions include Scope 1 (direct GHG emissions from fuel consumption), Scope 2 (indirect GHG emissions from purchased electricity, heat and steam) and partial Scope 3 (emissions from business travel). Emissions from stores, data centers, outsourced data services, distribution centers, in-sourced hubs, call centers, corporate offices and owned and leased vehicles is included.





#### \*For reference, learn more at the Science Based Targets initiative

# **Electricity Intensity**

#### **OUR GOAL**

We continue to increase our efficiency and cost savings while researching science-based targets for 2025.\*



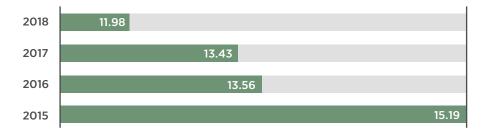
385 of our stores have been retrofitted or designed with energy-efficient LED lighting

## Why It Matters

Electricity accounts for most of our Scope 2 (indirect GHG emissions from purchased electricity, heat and steam) energy usage and costs, as well as our emissions. Strategically managing electricity purchases, investing in efficiency projects and taking advantage of incentives for renewable energy mitigates risks associated with electricity volatility.

#### Milestones

Our progress resulted from continued lighting retrofits to convert many of our stores, offices and distribution centers to LEDs. This has saved energy and reduced costs across the company. We are also using LED bulbs in our consumer lighting products to help our customers save energy and money, as well as reduce their carbon footprint.



CALCULATION & SCOPE: Electricity consumed in kilowatt hours (kWh) per square foot of real estate annually. Consumption for stores, data centers, outsourced hubs, call centers, owned production facilities and corporate offices included. Real estate square footage is an annual average.





<sup>\*</sup>For reference, learn more at the Science Based Targets initiative

# Responsibly Sourced Cotton

#### **OUR GOAL**

We are committed to sourcing 100% responsibly sourced cotton in all textile products by 2021.



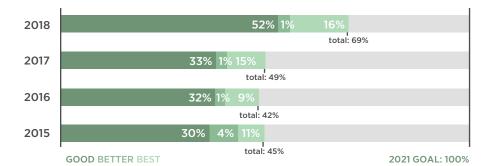
We source organic GOTS-certified and recycled cotton, as well as products that support the Better Cotton Initiative

### Why It Matters

Cotton represents the largest volume of fiber used in our textiles. Responsible sourcing eliminates harmful chemicals in production, keeping water supplies, workers and consumers healthy. We support the Global Organic Textile Standard (GOTS) as the gold standard in certifications because it ensures traceability of organic cotton fiber and ensures all manufacturing stages have sound environmental and social management practices. We also promote alternative textiles with recycled content, TENCEL™, and products that support the Better Cotton Initiative™.

### Milestones

In 2018 we were one of Textile Exchange's top 10 companies using preferred cotton and recycled synthetics. Many of our products have been tested for potentially harmful substances and are Standard 100 by OEKO-TEX® certified.



CALCULATION & SCOPE: 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 (GOS) and recycled cotton, Good – Better Cotton Initiative" (BCI) and Standard 100 by DEKO-TEX\* certified products.





## Responsibly Sourced Wood

#### **OUR GOAL**

To avoid deforestation & mitigate climate change, we're increasing Forest Stewardship Council®-certified wood and our overall use of responsibly sourced wood to 50% by 2021.



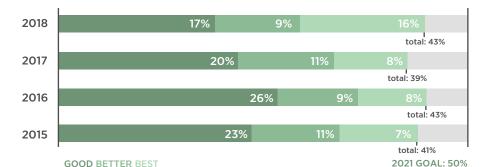
We source reclaimed, recycled and Forest Stewardship Council® (FSC) certified wood

## Why It Matters

Worldwide, 1.6 billion people rely on forests for their livelihoods, including food, clothing or shelter. Deforestation and forest destruction is the second leading cause of carbon pollution, causing 20% of total greenhouse gas emissions. Wood is the largest natural resource used in our furniture, and we're committed to sourcing it from known, legal and well-managed timber suppliers. Our use of responsibly sourced wood directly impacts the health of forests, regulating ecosystems and helping to absorb greenhouse gas emissions.

### Milestones

In 2018, the National Wildlife Federation (NWF) and the Sustainable Furnishings Council (SFC) launched the Wood Furniture Scorecard, ranking us 4th worldwide in responsible wood sourcing, practices, performance and action. We also support Forest Stewardship Council\* (FSC) certified wood as the industry gold standard, and we use reclaimed wood and other responsible options in our products.



CALCULATION & SCOPE: Percent of responsibly sourced wood in our furniture in cubic meters. Responsibly sourced wood is categorized through a Good-Better-Best approach: Best - Forest Stewardship Council\* (FSC), Better - Programme for the Endorsement of Forest Certification (PEFC), Rediscovered wood (reclaimed/recycled and orchard wood sources), FSC\* Controlled Wood, Good - verified legal and low-risk wood for legality (as defined by NEPCon's Timber Risk Assessments and FSC's National Risk Assessments).







# Landfill Diversion & Recycling

#### **OUR GOAL**

We're diverting 75% of our waste from landfill to recycling and composting streams across our operations by 2021.



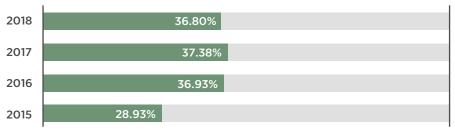
Pottery Barn's Big Sur Collection (above) is made with recycled materials at our US-based Sutter Street factory (left)

## Why It Matters

As a major multi-channel retailer, we face tremendous challenges and opportunities to reduce waste while also generating cost savings. Landfill waste releases methane gas, contributing to climate change and potentially leaching contaminants into groundwater. At WSI, we recycle and compost in our stores, distribution centers and corporate offices, while prioritizing the production of long-lasting, nontoxic products. Product packaging and recycling remain difficult challenges, where we see opportunity to make real progress on our diversion rate. We're collaborating with partners such as Good360 to divert usable products and materials from landfills to nonprofits. Despite our dip in progress, we're actively working on packaging solutions to address obstacles that impede movement on this goal.

### Milestones

In 2018, we rolled out new environmental employee training materials across our brands, expanding composting and recycling. We increased paper-based recyclable packaging in top production countries and continued to transition our supply chain from wooden pallets to recyclable paper pallets. We expanded a pilot program, transforming fabric scraps and hardware from our Sutter Street factory into sofas, such as the Big Sur Collection at Pottery Barn. We also collaborated with Good360 and St. Vincent de Paul Society to donate over \$4 million in products, which were distributed to local nonprofit partners.



2021 GOAL: 75%

**CALCULATION & SCOPE:** Percent of recycled and composted volume diverted from landfill in tons. Scope includes distribution centers, in-sourced hubs, corporate offices and retail stores in North America.





## **SOCIAL**

# **Committed to Community**

Goals, Milestones & Measurements

100k+

**WORKERS** 

Enrolled in Education and Empowerment Programs by 2020

\$3M

**FAIR TRADE** 

Premiums Paid by 2020 8k+

**ARTISANS** 

Impacted in 2018 when we became the first retailer to adopt the Nest Ethical Handcraft Program

13.5k+

**VOLUNTEER HOURS** 

Logged by Our Employees in 2018

12k+

**WORKERS** 

Impacted by Fair Trade Certified™ Factories

\$11.2M

**DONATIONS** 

From Our Corporate Office, Associates and Customers in 2018

## Fair Trade

#### **OUR GOAL**

We will pay \$3 million in Fair Trade Premiums by 2020.



Weavers at a Fair Trade Certified™ factory in Panipat, India

## Why It Matters

Fair Trade is a market-based approach to creating healthy and safe working conditions, additional income for workers and high environmental standards. We work with nonprofit Fair Trade USA"s Factory Certification program and were the first retailer to bring this into the home industry. For each Fair Trade Certified™ product, workers earn a premium that they collectively invest in community initiatives that matter most to them, like health care or education.

### Milestones

Our Fair Trade Certified™ factories impact over 12,000 workers. We now sell over 5,600 Fair Trade Certified™ products across all our brands—from furniture and rugs at Pottery Barn to bedding at Rejuvenation to signature collections at West Elm. By 2020, we will have paid \$3 million in Fair Trade premiums.

## 2.8M 2015 2016 2017 2018 \$101.9K \$526.7K \$1.15M

2020 GOAL: \$3M

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





# Worker Wellbeing

#### **OUR GOAL**

We will educate and empower 100,000 workers by 2020.



Workers at a Fair Trade Certified<sup>™</sup> factory in Ho Chi Minh City, Vietnam

## Why It Matters

When we empower the people in our supply chain, they're able to achieve their full potential, lifting up their families and communities in the process. Our partnerships with global nonprofit organizations include HERproject and VisionSpring. HERproject empowers low-income women through workplace programs promoting health, financial inclusion, and positive gender relationships. VisionSpring provides low-income workers with easy, affordable access to eye wear and exams — a crucial element of care for weavers, artisans and anyone whose vision affects their ability to earn a living and support a family.

### Milestones

Through our partnership with HERproject, we have so far provided over 43,000 factory workers throughout Asia with education programs for health, financial literacy, and gender equality. By 2020, we will have impacted over 100,000 workers' lives through similar initiatives. In 2018, we provided exams and eyewear to over 20,000 makers in India and the Philippines, and we became the first retailer to adopt the Nest Seal for Ethical Handcraft, impacting 8,000+ artisans. Through programs like these, we invest in the people who make our products, increasing their access to economic opportunity, benefits and education.



2020 GOAL: 100K

**CALCULATION & SCOPE:** Total number of workers enrolled since 2014 in education and empowerment programs through partnerships with HERproject, VisionSpring, as well as other health and literacy organizations.





# Corporate Giving

#### **OUR GOAL**

We continue to maintain or increase our giving across a range of causes supporting children, women, families and LGBTQ+ communities.



Williams Sonoma hosts a lunch for volunteers and staff of 18 Reasons, a San Francisco nonprofit organization

## Why It Matters

We work every day to create a sense of home in people's lives, and this mission guides our giving and volunteering strategy. We support a range of causes that reflect the passion and dedication of our associates and resonate with our customers, allowing us to raise funds to support the causes we believe in. Through volunteering and community outreach, we give back to the communities where we work.

## Milestones

Since 2012, we have donated over \$63 million in corporate, customer and associate donations. Our partners include organizations that promote and strengthen the wellbeing of children, women, families and LGBTQ+ communities — such as St. Jude Children's Research Hospital\*, No Kid Hungry, AIDS Walk and Canada Children's Hospitals. We also partner with organizations like GlobalGiving and Good360 to provide aid and assistance to those whose homes have been damaged or lost.

## **Volunteering**

#### **OUR GOAL**

We continue to evolve our volunteering program to increase associate participation and create greater impact in our communities.



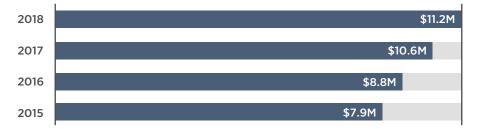
Rejuvenation employees volunteer for Habitat for Humanity

### Why It Matters

Volunteering deepens our presence in the community, enhances our relationships with customers and strengthens employee engagement. We support our communities through our associates' time and leadership, and we provide 8 hours of paid Community Involvement Time each year. We encourage our associates to volunteer for local causes.

### Milestones

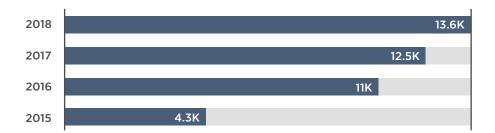
In 2018, associates logged 13,641 volunteer hours, an 8.5% increase over last year. Associates choose where to devote their time, with efforts ranging from school renovations to habitat restoration. In 2018, we held our 2nd annual company-wide day of service in recognition of Martin Luther King, Jr. Day. Over 850 associates participated in this inspiring event, with activities in Brooklyn, San Francisco and Portland.



**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.



## **GOVERNANCE**

# **Committed to Equality**

Goals, Milestones & Measurements

53% OF VP AND ABOVE

Positions Occupied by Women in 2018

2018
UN FREE &
EQUAL

Campaign Signatory for LGBTQ+ Rights

2018
HUMAN RIGHTS
CAMPAIGN

Corporate Equality Award to Williams-Sonoma, Inc.

43k
SUPPLY CHAIN
WORKERS

Empowered & Educated by HERproject Initiatives

50%
OF BOARD
MEMBERSHIP

Represented by Women in 2018

**2018** 

CEO ACTION SIGNATORY

For Diversity and Inclusion

# Diversity & Inclusion

#### **OUR GOAL**

We will continue to identify and establish associate networks to promote diversity and inclusion throughout our business.



Associates pose for a photo with Queer Eye's Bobby Berk at a West Elm store

## Why It Matters

Williams-Sonoma, Inc. is made up of over 23,000 of the most talented retail associates around the globe, and we respect individuals for their unique contributions. We firmly believe that working in a culture focused on diversity and inclusion spurs innovation, creates healthy and high-performing teams, and delivers a superior customer experience. These initiatives prompt associate participation and engagement, aligning with our core vision to reflect the local and global communities where we do business.

#### Milestones

Based on associate feedback, we formed an LGBTQ+ Alliance in 2015, which received overwhelmingly positive responses from annual Associate Opinion Surveys. We expanded to form the WSI African American Network in 2016, followed by the Veteran's Appreciation Network. Ambassadors of these programs were instrumental in organizing celebrations for Diwali, Pride and Veteran's Day, as well as annual company-wide volunteering for Martin Luther King, Jr. Day. In 2018, we celebrated our 2nd MLK Day of Service and participated in Pride celebrations across the globe.

## LGBTQ+ Equality

#### **OUR GOAL**

We continue to stand up for LGBTQ+ rights. We're a proud signatory to the UN Free and Equal Campaign, dedicated to advancing global LGBTQ+ standards for inclusion.



This year, West Elm Design Crew member Laura Wilson redesigned the World Pride office in New York

## Why It Matters

We believe in the power of community and respect for all. By advocating for equal rights and fair treatment of lesbian, gay, bisexual, transexual, queer, asexual and intersex people everywhere, we strengthen and support our own community of associates and customers.

#### Milestones

Through policies that protect people who identify as LGBTQ+ from discriminatory actions in our workplace, along with our ongoing efforts to support LGBTQ+ groups and community events, we advance a high global standard for equality and inclusion. In 2018, we received the Human Rights Campaign Corporate Equality Award, and we became signatories to the UN Free and Equal Campaign for LGBTQ+ rights.









## **Gender Equality**

#### **OUR GOAL**

We will continue to empower our associates, creating an environment where all employees thrive.



Associates celebrate the opening of a Pottery Barn Teen store in San Diego

## Why It Matters

We benefit from the participation of men or women across all areas of our company. Associate benefits — including family leave and domestic partner benefits — are designed to help employees grow, personally and professionally, while caring for their families and building a secure future. By implementing and scaling initiatives that impact everything from our supply chain to corporate offices, we create an environment that puts people first.

#### Milestones

We continually rank among top companies for female leadership; in 2018, we appeared on Forbes' list of Best Employers for Women. This focus on equality extends from our corporate offices to our stores to our supply chain. In partnership with Business for Social Responsibility's (BSR) HERproject, we have empowered 43,000 workers to date across our supply chain through workplace-based programs on family health, financial inclusion and gender equality. We will continue these programs as part of our goal to educate and empower 100,000 workers by 2020.

# **Executive Leadership**

#### **OUR GOAL**

We will continue to pave the way for diversity in executive leadership.



CEO Laura Alber in the Williams Sonoma test kitchen

## Why It Matters

To create an environment that attracts great talent, we must motivate, inspire and recognize high performance among all employees. We create the conditions under which women can become leaders through guidance, collaboration and the promotion of inclusive leadership styles. Increasingly, evidence suggests that diverse boards can increase corporate returns. Gender parity is good for business.

### Milestones

A UC Davis Study of California Women Business Leaders named Williams-Sonoma, Inc. California's #1 company for female leadership in their most recent study (2015), with the highest percentage reported by any company in the 11 years they have been researching women in business. Since then, we've continued to be a beacon for women leaders. In 2018, 53% of our executive positions at the VP level and above were occupied by women and 50% of our board members were women.



