

NORDSTROM, INC.
CORPORATE GOVERNANCE GUIDELINES

(as amended August 22, 2018)

The Board of Directors (the “Board”) has adopted the following guidelines to assist it to fulfill its responsibility to the shareholders to oversee the work of management and Nordstrom’s business results. These guidelines assure that Board will have the necessary authority and practices in place to review and evaluate Nordstrom’s business operations as needed and to make decisions that are independent of Nordstrom management. These guidelines will be reviewed and updated on a periodic basis.

1. Role of the Board

Shareholders elect the Board to oversee management and to assure that shareholder long-term interests are served. The Board serves as the ultimate decision-making body of the Company, except for those matters reserved to or shared with the shareholders. The Board selects, advises and oversees management, who are responsible for the day-to-day operations and management of the Company.

In fulfilling these roles, each director must act in what he or she reasonably believes to be in the best interests of the Company and its shareholders and must exercise his or her business judgment. The Company expects directors to be active and engaged in discharging their duties and to keep themselves informed about the business and operations of the Company. Directors are expected to attend all Board meetings and the meetings of the committees on which they serve and to prepare themselves for these meetings. Any written materials which would assist directors in preparing for a Board or committee meeting shall be distributed to the directors well in advance of the meeting and directors are expected to review any such materials prior to the meeting.

The Chairman of the Board shall establish the agenda for each Board and Board Committee meeting. Board members are encouraged to suggest the inclusion of additional items on an agenda, and any director may request that an item be placed on an agenda.

2. Director Qualifications

Selection of Board Members

Directors may be nominated by the Board or by the shareholders. The Corporate Governance and Nominating Committee of the Board, in consultation with the Chairman of the Board, will review all nominees for the Board, including proposed nominees of shareholders, in accordance with its charter. Although the Corporate Governance and Nominating Committee does not solicit director nominations, it will consider recommendations by shareholders sent to the Company’s Corporate Secretary following the procedures described in Article II of the Company’s Bylaws.

Independence

The Board believes that as a matter of policy, at least two-thirds of the directors on the Board meet the criteria for "independence" as defined in Annex I. The Board shall make an affirmative determination at least annually as to the independence of each director.

Changes in Personal Circumstances

In the event a director experiences a significant change in his or her personal circumstances, including a change in primary employment or occupation, or circumstances that would result in the director no longer being considered independent or that could reasonably be expected to adversely affect the director's service on the Board or the Company's business or reputation, that director shall immediately notify the Corporate Governance and Nominating Committee and shall tender his or her resignation from the Board of Directors for consideration by the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee shall make a recommendation to the Board as to the appropriate action, if any, to be taken with respect to such director. Although the Corporate Governance and Nominating Committee may conclude that the change in employment, occupation or personal circumstances does not require the resignation of the director, the Corporate Governance and Nominating Committee should re-evaluate the appropriateness of the on-going membership of the director on the Board in light of any significant change in the qualifications or circumstances of the director.

Term Limits

The Board has not established term limits for its members. However, the Board shall periodically review director tenure and term limits in connection with its procedures for the selection and nomination of directors to ensure the presence of diverse viewpoints and ideas on the Board that would benefit the Company.

Retirement Policy

The Board believes that 72 is an appropriate retirement age for all directors. No director will be nominated for re-election at any annual shareholder meeting following their 72nd birthday.

Simultaneous Service on Other Boards or Committees

The Board believes a director should not serve as an outside director on the boards of more than four other public companies. Directors should advise the Chairman of the Board and the Chair of the Corporate Governance and Nominating Committee in advance of accepting an invitation to serve on another public company board. Additionally, in the event an Audit and Finance Committee member serves on the audit committee of more than three public companies, the Board must make a determination that the simultaneous service would not impair the ability of such member to effectively serve on the Audit and Finance Committee and disclose such determination in the annual proxy statement. The Co-Presidents and other members of the Company's executive team shall obtain the approval from the Chairman of the Board and the Chair of the Corporate Governance and Nominating Committee before accepting outside board membership. Service on boards and/or committees of other organizations should be consistent with the Company's conflict of interest policies.

3. Executive Sessions of Independent Directors

The Company's independent directors should hold an executive session in which management does not participate before or after every regularly scheduled Board meeting. The Chairman of the Board (who shall be an independent director) shall serve as the Presiding Director to chair the executive sessions. The identity of the Presiding Director shall be disclosed in the annual proxy statement, together with a method for interested parties to communicate directly with the Presiding Director or with the Company's independent directors as a group.

4. Board Size

The Company's Bylaws provide that the Board shall consist of not less than nine nor more than twelve directors, with the exact number within that range to be set from time to time by the Board. It is the sense of the Board that a size of nine to twelve directors is appropriate for the Company at this time.

5. Selection of Committee Members and the Chairman of the Board

The Board has four committees - an Audit and Finance Committee, a Compensation Committee, a Corporate Governance and Nominating Committee and a Technology Committee. Only independent directors, as defined in Annex I, may serve on these committees. Committee members and the Chairman of the Board shall be recommended by the Corporate Governance and Nominating Committee and appointed by the Board. The Board may, from time to time, establish or maintain additional committees as it deems appropriate and in the best interests of the Company.

In recommending the appointment of the directors to serve on various committees and the Chairman of the Board, the Corporate Governance and Nominating Committee shall take into account each director's particular experience, educational background, knowledge of the Company's business, preferences and any other factors it deems appropriate. While the rotation of committee members and the Chairman of the Board is not required because there are significant benefits attributable to continuity and experience gained in service over time, rotation should be periodically considered with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors. Each of the Board's committees shall operate pursuant to its own written charter. These charters shall set forth the purposes and goals of the particular committee, the necessary qualifications and responsibilities of its members, the procedures for committee member appointment and removal, committee structure and operations, as well as reporting procedures to the Board. The charters of these committees shall also provide for an annual evaluation of each committee's performance.

6. Board Member Access to Officers, Employees and Independent Advisors

Board members shall have complete access to the management and employees of the Company and to its outside counsel and auditors. Any meetings or contacts that a director wishes to initiate may be arranged through the Co-President or the Corporate Secretary or directly by the director. It is assumed that Board members shall use judgment to ensure that such contact is not distracting to the business operation of the Company and that the Chairman of the Board is appropriately advised of any such contact.

Executive officers and other members of senior management are expected to be present at Board meetings at the invitation of the Board. The Board encourages executive officers and senior members of management to make presentations, or to invite to Board meetings managers and other employees who can provide additional insight into the items being discussed. The Board also encourages executive officers and senior managers to include in Board meetings individuals whom the executive officers or senior management believe may become prospective leaders of the Company.

The Board and each of its committees is authorized to hire independent legal, financial or other advisors as they may consider necessary, without conferring with or obtaining the approval of management or, in the case of committees, the full Board. The Company will provide appropriate funding, as determined by the Board or any committee, to compensate those independent advisors, as well as to cover the administrative expenses incurred by the Board and its committees in carrying out their duties.

7. Director Compensation

The form and amount of director compensation shall be determined from time to time by the Board based upon the recommendation of the Compensation Committee in accordance with the policies and principles set forth in its charter.

8. New Director Orientation and Continuing Education

The Company's management shall assist the Board by providing appropriate orientation programs for new directors, which shall be designed both to familiarize new directors with the full scope of the Company's businesses and key challenges and to assist new directors in developing and maintaining skills necessary or appropriate for the performance of their responsibilities. The Board and the Company's management shall similarly work together to develop and implement appropriate continuing education programs for the same purposes.

9. Management Succession and Review

The Compensation Committee shall annually evaluate the corporate goals and objectives relevant to the Co-Presidents' compensation, and evaluate the Co-Presidents' performance in light of these goals and objectives. The Board, in conjunction with the Corporate Governance and Nominating Committee shall annually evaluate the Co-Presidents' performance in all other respects not related to the Co-Presidents' compensation to ensure that performance is satisfactory and that each Co-President is providing the best leadership for the Company in the long and short-term.

The Board shall be responsible for succession planning for the Co-Presidents and other members of the Company's executive team, including succession planning in the case of an emergency or the retirement of the Co-Presidents. The Co-Presidents shall have in place at all times a confidential written procedure for the timely and efficient transfer of responsibilities in the event of sudden incapacitation or departure, including recommendations for longer-term succession arrangements. This procedure shall be periodically reviewed with the Board.

10. Annual Performance Evaluation

The Board, led by the Corporate Governance and Nominating Committee, shall establish and conduct an annual self-evaluation to determine whether it, its committees, and its members are functioning effectively in adherence to the Company's policies. The Corporate Governance and Nominating Committee shall conduct the evaluation in accordance with its charter.

11. Clawback Policy

To the extent permitted by law, if the Board of Directors, with the recommendation of the Compensation Committee, determines that any bonus, equity award, equity equivalent award or other incentive compensation has been awarded or received by a Section 16 executive officer of the Company, and that:

- (i) such compensation was based on the achievement of certain financial results that were subsequently the subject of a material restatement of the Company's financial statements filed with the Securities and Exchange Commission,

(ii) the Section 16 executive officer engaged in grossly negligent or intentional misconduct that caused or substantially caused the need for the material restatement, and

(iii) the amount or vesting of the bonus, equity award, equity equivalent or other incentive compensation would have been less had the financial statements been correct,

then the Board shall recover from the Section 16 executive officer such compensation (in whole or in part) as it deems appropriate under the circumstances.

Annex I

Director Independence Criteria

In order to be considered independent, a director must meet the independence requirements of the New York Stock Exchange as then in effect.

In accordance with the current NYSE listing standards, a person whom the Board determines to have any material relationship with the Company either directly or as a partner, shareholder or officer of an organization that has a material relationship with the Company shall be barred from acting as an independent director. For each newly appointed director and on an annual basis for each returning director, the Board shall affirmatively determine whether such a material relationship exists and shall disclose its determination in the Company's annual proxy statement. In making a determination regarding a proposed director's independence, the Board shall consider all relevant facts and circumstances, including the director's commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships.

Also barred from acting as independent directors are:

- (i) any current or former employee of the Company and its subsidiaries until three years after the employment has ended;
- (ii) any person who is or in the past three years has been, affiliated with or employed by an auditor (present or former) of the Company (or of an affiliate);
- (iii) any person who in the past three years has been part of an interlocking directorship in which the President or another executive officer of the Company served on the compensation committee of another company that employs such person;
- (iv) any person who has received, during any twelve-month period within the past three years, more than \$120,000 in direct compensation from the Company (other than director and committee fees and pension or other forms of deferred compensation for prior service); and
- (v) any person who is an executive officer or an employee of a company that in the past three years made payments to, or receives payments from the Company for property or services in an amount which, in any single fiscal year, exceeded the greater of \$1 million, or 2% of such other company's consolidated gross revenues.

Directors with immediate family members (other than family members in a non-executive employee position) that fall into the above-mentioned categories shall also be subject to the three-year "cooling-off" provisions for purposes of determining a director's independence. An immediate family member includes spouses, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brother and sisters-in-law and anyone (other than employees) who shares such person's home.

Additional Audit and Finance Committee and Compensation Committee Independence Criteria

Director's fees are the only compensation which members of the Audit and Finance Committee may receive from the Company. Audit and Finance Committee members may not receive any fees for services as a consultant or legal or financial advisor. Disallowed compensation also includes compensation paid to a director's firm for consulting or advisory services even if the director is not the actual service provider. Disallowed compensation is not intended to include ordinary compensation paid in another

customer or supplier or other business relationship that the Board has already determined to be immaterial for purposes of its analysis of directors independence.

In addition, in affirmatively determining the independence of any director who will serve on the Compensation Committee, the Board shall consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to that director's ability to be independent from management in connection with the duties of a Compensation Committee member, including, but not limited to:

(i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director, and

(ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of the subsidiary of the Company.