

2025

Corporate Responsibility Report



macys inc

Table of Contents

INTRODUCTION	02	PLANET	29
About This Report	02	Sustainable Stewardship Ambitions	30
A Message from Our Chairman and CEO	03	Environment	32
Macy's, Inc. at a Glance	04	Responsible Products & Sourcing	35
Our Approach to Corporate Responsibility	08		
PEOPLE	09	GOVERNANCE	46
Talent Acquisition	10	Integrity & Accountability	47
Total Rewards	11	Data Privacy & Cybersecurity	48
Education, Development & Performance	13	Human Rights	50
Engagement & Listening	14		
Health & Safety	15		
COMMUNITY	16	APPENDIX	51
Stakeholder Engagement & Inclusion	17	Sustainability Accounting Standards Board (SASB) Index	52
Social Impact	24	Task Force on Climate-related Financial Disclosures (TCFD) Index	56



About This Report

This report provides an overview of Macy's, Inc.'s governance, oversight, policies, programs and performance related to corporate responsibility matters that are important to Macy's, Inc. and its stakeholders. This report covers Macy's, Inc.'s operations for fiscal year (FY) 2025, ended January 31, 2026, unless otherwise stated. References to "2025," "2024," "2023," "2022" and "2021" are references to the company's fiscal years ended January 31, 2026; February 1, 2025; February 3, 2024; January 28, 2023; and January 29, 2022, respectively.

Throughout this report, references to "Macy's, Inc.," "we," "our," "us" and "company" refer to the Macy's, Inc. enterprise. Our three nameplates — Macy's, Bloomingdale's and Bluemercury — are referred to as their own. This report reflects feedback received from our colleagues, customers, investors and other key stakeholders. It is prepared in reference to the following standards: the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD).

For questions regarding Macy's, Inc.'s corporate responsibility efforts or the content of this report, please contact: communications@macys.com.

FORWARD-LOOKING STATEMENTS

All statements in this corporate responsibility report that are not statements of historical fact, including statements about our targets, goals, aspirations, commitments, programs, business plans, initiatives and objectives, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Macy's, Inc. management and are subject to significant risks and uncertainties.

Actual results could differ materially from those expressed in or implied by the forward-looking statements contained in this corporate responsibility report because of a variety of factors, including Macy's, Inc. ability to successfully implement its Bold New Chapter strategy, including the ability to realize the anticipated benefits associated with the strategy, competitive pressures from specialty stores, general merchandise stores, off-price and discount stores, manufacturers' outlets, the Internet and catalogs and general consumer spending levels, including the impact of the availability and level of consumer debt, conditions to, or changes in the timing of proposed real estate and other transactions, declines in credit card revenues, possible systems failures and/or security breaches, business, legal and ethical challenges related to use of artificial intelligence, Macy's, Inc. reliance on foreign sources of production, including risks related to the disruption of imports by labor disputes, regional or global health pandemics, regional political and economic conditions, the effect of trade policies and tariffs, including changes thereto, the effect of weather, inflation, inventory shortage, and labor shortages, the potential for the incurrence of charges in connection with the impairment of tangible and intangible assets, including goodwill, the amount and timing of future dividends and share repurchases, and other factors identified in documents filed by the company with the Securities and Exchange Commission, including under the captions "Forward-Looking Statements" and "Risk Factors" in the company's Annual Report on Form 10-K for the year ended January 31, 2026. Macy's, Inc. disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.



A Message from Our Chairman and Chief Executive Officer

Dear Stakeholders,

As we reflect on year two of our Bold New Chapter strategy, we are seeing real progress across the business. By staying focused on what matters most – putting the customer first, executing the fundamentals of retail well and maintaining strong operational and financial discipline – we are delivering results for our customers and shareholders.

In 2025, this disciplined approach helped return Macy’s, Inc. to positive annual comparable sales growth. Macy’s and Bloomingdale’s increased their Net Promoter Scores, reflecting continued investment in the customer experience, fresh and relevant assortments and a more seamless omni-channel journey.

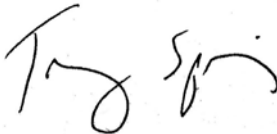
None of this progress would be possible without our colleagues. Every day, their expertise, collaboration, creativity and hospitality bring our Bold New Chapter strategy to life. Whether customers are shopping in our stores or online, our teams work to create experiences that strengthen relationships and deepen loyalty across our nameplates.

In fiscal 2025, we advanced our enterprise-wide social commitment, *Mission Every One*, exceeding our original \$5 billion goal. Since its launch in fiscal 2022, we have directed over \$6 billion in spend toward programs and products that create meaningful impact across the local communities where our Macy’s, Bloomingdale’s and Bluemercury colleagues live and work. As we look ahead, we are inspired by this progress and committed to building on this foundation with the next chapter of *Mission Every One*, which launched in 2026.

This report highlights how our corporate responsibility initiatives advance the Bold New Chapter strategy. Investing in our colleagues, strengthening a responsible and resilient supply chain, partnering with local communities and upholding strong ethical governance all reinforce trust in our nameplates and support our long-term, profitable growth ambitions.

In fiscal 2026, we will mark two iconic cultural milestones – the 50th Macy’s 4th of July Fireworks® and the 100th Macy’s Thanksgiving Day Parade®. We are honored to steward these beloved traditions and create signature moments that bring people together and spark joy, wonder and connection for millions of customers and stakeholders globally.

In year three of the Bold New Chapter, our priorities remain clear: deliver growth, unlock shareholder value and foster a culture where strategy, leadership and execution come together to build a more focused and resilient Macy’s, Inc.



Tony Spring
Chairman and Chief Executive Officer



Macy's, Inc. at a Glance

Macy's, Inc. (NYSE: M) is a trusted source for quality brands through our iconic nameplates – Macy's, Bloomingdale's and Bluemercury. Headquartered in New York City, our digital platforms and nationwide store footprint empower us to deliver a seamless shopping experience for our customers. From world-renowned events to best-in-class customer experiences, our brands are an indelible part of culture and fashion.

A Portfolio of Iconic Nameplates



Macy's is our largest retail brand, known for having the latest styles in fashion, beauty, home and beyond, and for hosting America's most beloved holiday events. Today, Macy's is powered by our industry-leading e-commerce platform and national network of stores, offering a high-quality assortment of market and private brands created and curated to inspire our customers while providing them value and seamless convenience.



Bloomingdale's has been a fixture of New York fashion since 1872, and more than 150 years later, it just keeps getting better. It serves as America's only nationwide, full-line, upscale department store, bringing together premium luxury designers, emerging contemporary brands, beloved private labels and a space to discover and indulge your own unique style.



As a leading luxury beauty destination since 1999, Bluemercury offers a thoughtfully curated assortment of premium beauty products across diverse categories. With locations in sought-after neighborhoods nationwide, the brand pioneered a client-first service model focused on hyper-personalized, expert-led beauty experiences. Today, Bluemercury remains dedicated to exceptional customer service and its purpose as the ultimate specialist in the beauty of its clients.

Bold New Chapter

Our Three Strategy Pillars

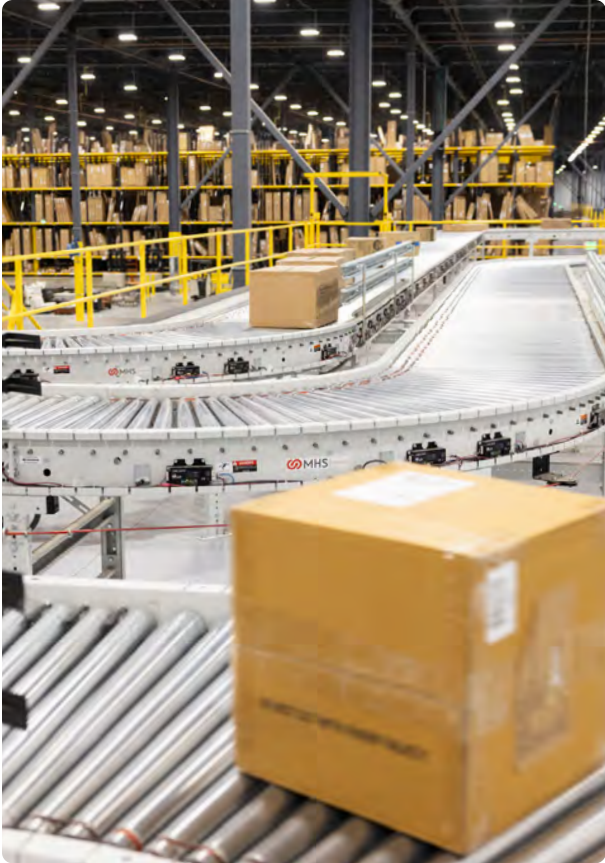
01 Strengthen & Reimagine the Macy's Nameplate



02 Accelerate & Differentiate Luxury



03 Simplify & Modernize End-to-End Operations



Macy's, Inc.'s Bold New Chapter strategy is designed to help the Company return to sustainable, profitable growth by improving the customer experience, elevating product relevance, evolving our store and digital footprint, investing in the growth areas of our business and modernizing our operating model. We are pleased that these enterprise-wide changes are resonating with our customers and driving broad-based operational and financial improvements, as demonstrated by our results achieved in fiscal 2025.



Fiscal 2025 Highlights

As of fiscal year end January 31, 2026.



1. All references to comparable sales are on an owned + licensed + marketplace basis.

\$21.8B

Net Sales

38.0%

Gross Margin as a Percent of Net Sales

\$642M

Net Income

+1.5%

Macy's, Inc. Comparable Sales¹

\$1.4B

Operating Cash Flow

\$1.2B

Ending Cash and Cash Equivalents

~90K

Total Colleagues

99 Years

of Macy's Thanksgiving Day Parade[®] Bringing Millions Together To Kick Off the Holiday Season

Mission Every One

Our enterprise-wide social commitment, *Mission Every One*, supports the company in advancing growth priorities outlined in our Bold New Chapter strategy by continuing our long-standing focus on social responsibility and advancing initiatives that create meaningful impact for colleagues, customers and communities.

Looking ahead, we are advancing this work with confidence as we launched *Mission Every One* in 2026 — a next chapter that will strengthen our partnerships, elevate the customer experience and position Macy’s, Inc. for long-term growth and success. We look forward to sharing more with our stakeholders as we bring this vision to life.

Through 2025, we exceeded our commitment to spend \$5 billion to create a brighter future for all.

\$6 Billion+

in company spend from fiscal year 2022 to fiscal year 2025

In 2025, we met and exceeded our signature commitment, first launched in 2022, of directing \$5 billion in spend to the people, partners, products and programs that help create a brighter future for all. Approximately \$6+ billion of spend was directed in total, surpassing our commitment by more than \$1 billion.

Through the dedication of our colleagues, *Mission Every One* has empowered us to foster innovation and collaboration, delivering growth across all areas of the business. We have funded key opportunities that drive entrepreneurial growth,

invest in young people and provide support to our suppliers. From partnering with organizations like Big Brothers Big Sisters of America, RISE: Reimagining Industry to Support Equality and No Kid Hungry to Macy’s, Inc.’s S.P.U.R. Pathways: Shared Purpose, Unlimited Reach® program, we have expanded our offering of products and services to best fit the needs of our customers, invested in our talent pipeline and promoted safe and ethical treatment of workers across our supply chain. More information about the work we are doing to support our *Mission Every One* commitment pillars is detailed in this report.

Our 2025 Commitment Pillars



People

We recognize and value the community of colleagues and partners that fuels our mutual growth and innovation.



Community

We empower the curiosity and confidence of young people on their journey to become the leaders of tomorrow.



Planet

We curate and create sustainable products and services so people and planet can thrive together.

Our Approach to Corporate Responsibility

Our corporate responsibility programs are designed to advance our commitment to operating responsibly and ethically, creating a more sustainable future, supporting growth efforts and enhancing the customer experience. Our relationships with our customers, colleagues, suppliers and communities drive our deep sense of stewardship in how we serve our stakeholders and underpin our commitment to promote responsible practices across our global value chain.

Corporate Responsibility Governance

Board of Directors

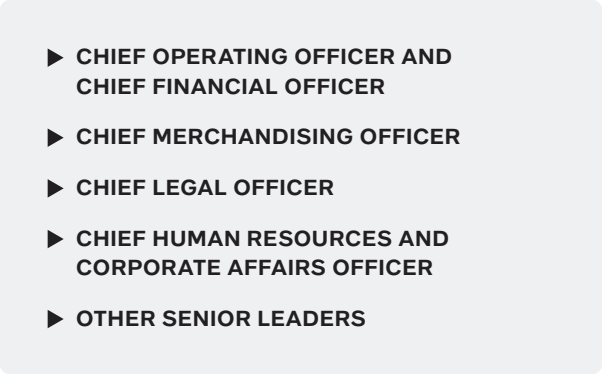
Oversees Macy’s, Inc.’s corporate responsibility priorities and programs as an integral part of our corporate enterprise risk management and business operations. Oversight responsibilities are delegated to the appropriate Board committees as reflected in each committee charter:



Management

Oversees the development and implementation of corporate responsibility strategies and programs, including through cross-functional committees.

Senior leaders meet regularly – including as part of the Sustainability Executive Steering Committee and Corporate Strategy Group – to review the corporate responsibility strategy and priorities, guide risk management and link to growth opportunities. Senior leaders report regularly to the Board and its committees on relevant corporate responsibility topics.





People

Our colleagues, whose work drives growth and innovation and brings inspiration and joy to our customers, are integral to the success of our Bold New Chapter strategy. By investing in our culture and the development, engagement and wellbeing of our colleagues, we attract and retain top talent to meet evolving customer needs and deliver stakeholder value. Our Chief Human Resources and Corporate Affairs Officer is responsible for overseeing our human capital program.

TALENT ACQUISITION	10
TOTAL REWARDS	11
EDUCATION, DEVELOPMENT & PERFORMANCE	13
ENGAGEMENT & LISTENING	14
HEALTH & SAFETY	15

Talent Acquisition

We are committed to attracting the best talent, offering opportunities for candidates at every stage of their career journey — from students seeking their first role to seasoned professionals ready to drive our growth initiatives. Our Talent Acquisition colleagues deliver an integrated, end-to-end hiring strategy across professional, frontline and executive roles, with a focus on quality at every step of the hiring process. We prioritize assessing the right skills, behaviors and cultural alignment to ensure each hire is equipped to deliver a confident, seamless and elevated customer experience. This commitment to quality not only strengthens our talent pipeline, but directly enables consistent, high-impact service that meets the expectations of our customers and supports our business priorities.



MACY'S, INC.
TALENT ACQUISITION FY 2025

58,000+

Total colleagues hired

26,000+

Regular colleagues hired

32,000+

Seasonal colleagues hired

Building Our Candidate Pipeline

Across all hiring, we create a candidate and hiring-leader experience that reflects our nameplates at every touchpoint. Through data-driven talent planning, market insights and strong partnership with stakeholders, we accelerate hiring outcomes, strengthen alignment between job requirements and selected candidates and build sustainable succession pipelines — particularly at the senior and executive levels — positioning our enterprise for both immediate performance and long-term leadership readiness. Examples of our talent programs include:

COLLEGE INTERNSHIP AND EARLY CAREER DEVELOPMENT PROGRAMS AT MACY'S AND BLOOMINGDALE'S

We are dedicated to developing future leaders by tailoring internship and development opportunities to organizational positions and career paths. Our programs provide interns and recent college graduates with in-depth knowledge, hands-on experience and the chance to interact with senior leadership, empowering them to make meaningful contributions from day one.

INCLUSIVE WORKPLACE INITIATIVES

As a proud member of the Second Chance Business Coalition, Macy's, Inc. is committed to providing opportunities to people of all backgrounds, including those with prior involvement in the justice system.

SENIOR LEADERSHIP TALENT SOURCING

We take a strategic sourcing approach to identify and engage senior talent across both our organization and the external market. This work builds a robust, forward-looking pipeline to support succession planning and critical leadership hires.

Total Rewards

BENEFIT OPTION	ALL COLLEAGUES ³	PART-TIME COLLEAGUES (20 HOURS/WEEK)	FULL-TIME COLLEAGUES (30 HOURS/WEEK)
Accident Insurance		•	•
AD&D Insurance		•	•
Critical Illness Insurance		•	•
Dental		•	•
Health Savings Account			•
Hospital Indemnity Insurance		•	•
Life Insurance		•	•
Long-Term Disability		•	•
Medical (comprehensive coverage and 100% eligible preventive care included in all medical plans)			•
Short-Term Disability		•	•
Vision		•	•
Life Solutions Employee Assistance Program	•	•	•
Paid Time Off ⁴		•	•
Holiday Pay ⁴		•	•
Parental Leave ⁵			•
401(k) and Company Match ⁶	•	•	•
Auto Coverage	•	•	•
Colleague Discount	•	•	•
College-Bound 529	•	•	•
Commuter Benefits		•	•
Dependent Care Flexible Spending Account		•	•
Employee Stock Purchase Plan (ESPP) ²		•	•
Group Legal Plan		•	•
Health Care Flexible Spending Account		•	•
Home Coverage	•	•	•
Identity Theft Protection		•	•
Macy's Discount Mall	•	•	•
Pet Insurance	•	•	•
North Star Relief Fund 501(c)(3)	•	•	•
Tuition Reimbursement ⁷			•

We strive to offer competitive compensation and benefits programs to attract, retain and engage top talent. Our incentive programs are designed to motivate and reward performance, while our benefits programs prioritize the wellbeing of our colleagues.

In 2025, Macy's, Inc. launched a pilot Employee Stock Purchase Plan (ESPP), allowing eligible regular full-time and part-time colleagues² to purchase shares of Macy's, Inc. common stock at a discount as part of our effort to grow an ownership mindset across the company.

2. To be eligible for Macy's, Inc. ESPP, a colleague must be a regular full-time or part-time employee and have been employed for at least 90 days as of the start of the applicable enrollment window.
3. "All colleagues" includes full-time and part-time, as well as seasonal and contingent colleagues.
4. Paid time off and holiday pay are offered to Macy's, Inc. colleagues averaging 15 hours per week.
5. Parental leave is offered only to Macy's, Inc. professional colleagues.
6. To be eligible for Macy's, Inc. 401(k) company match, a colleague must be over the age of 21 and have one year of service with 1,000 or more hours worked.
7. Tuition reimbursement is only available for professional colleagues.

Total Rewards



Wellbeing Initiatives

Providing programs and tools to promote total wellbeing is an essential part of how we support our colleagues. The Macy's, Inc. Life Solutions Employee Assistance Program (EAP) offers all colleagues and household members free access to in-person counseling sessions, online support and unlimited guidance by phone. For the fourth consecutive year, Macy's, Inc. sponsored enterprise-wide virtual step challenges twice during the year to promote better physical and mental health.

In 2025, Macy's, Inc. began a monthly webinar series to promote awareness and understanding on topics that are important to our colleagues, such as "Understanding How to Use My Medical Plan," "What Mental Health and Wellbeing Benefits are Available to Me," "Understanding Social Security and Medicare" and "Managing Holiday Stress."

Our Approach to Compensation

Our compensation practices are integral to our objective of being an employer of choice in every location in which we do business. Compensation is based on job position, responsibilities, experience

and performance, with incentive opportunities that allow all our colleagues to share in our success. We benchmark our compensation approach through market surveys to ensure pay is competitive. We have a robust process to assess internal pay levels, ensuring consistency.

As part of our commitment to pay transparency, all colleagues have access to view their role's pay zone and salary range, ensuring colleagues understand their earning potential. In addition, pay ranges are viewable on all job postings nationwide, and people leaders and salaried colleagues have access to on-demand resources that overview compensation and incentive programs.

Incentives & Recognition

Our short-term incentive programs and spot bonuses include various cash awards tied to company, team and individual performance.⁸ Long-term incentive programs provide equity and cash awards to incentivize sustained performance and value creation. Additionally, we celebrate the achievements of our colleagues with service milestones and recognition events.

⁸. Colleagues are eligible for incentives based on role.

Education, Development & Performance

We are dedicated to developing top retail talent by investing in our colleagues' career and leadership growth and advancement. We provide development opportunities for our colleagues at every stage of their career journey with us. Recognizing each person's individual strengths and areas for growth, we invest in individual development to create meaningful paths for advancement.

Onboarding

We view onboarding as a critical moment to build belonging, learn about our culture and set every colleague up for success from day one. All colleagues experience robust onboarding with an emphasis on role-specific learning, shadowing and building strong leadership skills and colleague connections. Onboarding and ongoing learning also include education and scenario planning for customer interactions, aligned to the Customer Bill of Rights and fair treatment practices, to create the best experience for every customer.

Ongoing Learning

CONTINUOUS DEVELOPMENT

We believe continuous growth is key to enabling our colleagues to do their best work. Our approach prioritizes on-the-job learning and job rotations, supporting skill-building with a blend of in-person experiences and on-demand learning. By fostering a culture of development, we prioritize programs and education opportunities that help colleagues succeed and grow in their roles.

LEADERSHIP DEVELOPMENT

We are committed to building leadership capabilities, recognizing that people leaders are key to driving performance and culture. We invest in talent development at every stage, from the transition to leadership roles to ongoing learning opportunities for more experienced leaders.

To accelerate top talent development, we offer targeted, immersive and curated learning experiences, such as formal education, coaching, assessments and mentoring. This includes leadership programs across the enterprise, such as opportunities for all first-time people leaders and those hired externally into people leader roles at Macy's and Bloomingdale's. In addition, Macy's and Bloomingdale's offer development programs for recent college graduates and others to launch a career in retail, with opportunities in stores, merchandising, planning, supply chain and technology.

As part of our leadership development programs, in 2025, we brought together nearly 1,700 Director-level and above leaders from Macy's for immersive two-day sessions focused on deepening skills tied to the leadership priorities that are critical to advancing our strategy, culture and performance. Ahead of the sessions, each participant completed a team-based and 360 feedback assessment. These assessments gathered input from peers, partners, people leaders and direct reports, offering a well-rounded and personalized view of their leadership style, successes and opportunities. Those insights were woven throughout the experience and helped shape a personalized growth plan for each participant.

Building on the momentum of 2025, we will continue to advance our culture and elevate leadership effectiveness to reach more leaders across Macy's and refresh the curriculum to best meet the needs of our colleagues and customers.

COLLEAGUE PERFORMANCE CHECK-INS

To foster career development, frontline colleagues meet regularly with their people leaders for check-ins centered on our rituals of hospitality and the everyday behaviors that shape the customer experience. Professional colleagues receive ongoing feedback throughout the year, with more structured conversations at mid-year and year-end during the annual review process. Through our annual talent review process, we invest in top talent by identifying stretch assignments and enterprise exposure opportunities that accelerate growth and development.

We continue to build our goal-setting strategy, driving greater connection to the business and creating a framework that prioritizes outcomes over activities. To strengthen the customer experience and drive sales, we continue to evolve how frontline colleagues connect with customers, reinforcing our values by providing ongoing feedback.



Engagement & Listening

We regularly solicit direct feedback from all colleagues through an enterprise-wide Culture Pulse Survey to understand colleague sentiment. The 2025 survey was available in 12 languages and addressed topics such as our culture, wellbeing, colleague experience, ways of working, growth, people leader support and inclusion. We prioritize actionable insights that increase our responsiveness to feedback.

We expect people leaders to reflect on the learnings, prioritize areas of opportunity and share action plans to help drive continuous improvement.

Additionally, colleagues are encouraged to report concerns about workplace issues, such as harassment or discrimination, unsafe or other situations, by using one of four channels:

To measure colleague engagement and promote a culture that encourages open feedback, we use formal and informal touchpoints throughout each colleague’s career journey with us. Our Ask Me Anything sessions, Town Halls, life-cycle surveys, roundtable and people leader check-ins encourage our colleagues to share feedback and ask questions.

01

People Leader

Colleagues are encouraged to report workplace issues to their people leader, who can help address and resolve the issue.

02

Solutions InSTORE

Macy’s Early Dispute Resolution Program allows colleagues to call or send an email, and a Colleague Support Advisor will contact them to help address and resolve the issue.

03

AskHR

Colleagues can open an AskHR case through the Macy’s online information resource, and a Colleague Support Advisor will contact them to help address and resolve the issue.

04

Compliance Connections

Colleagues can anonymously report workplace issues through Macy’s third-party reporting service, Compliance Connections, by phone or online.

Health & Safety



The health, safety and wellbeing of our colleagues and customers remain a top priority. Our Workplace Safety Policy outlines our commitment to creating a healthy and safe environment for those we serve and employ.

All Macy's, Inc. stores, distribution centers and corporate offices operate a comprehensive safety program based on required government regulations and tailored company standards. We take a proactive approach to the health and safety of our colleagues and customers, supported by established programs and procedures designed to guide our response whenever needed.

Our stores and supply-chain locations maintain safety committees composed primarily of our hourly colleagues with representation from local leaders. These committees help identify opportunities for safety improvements specific to each location, communicate safety topics and assist with training.

Subject-matter experts create procedures, train colleagues and review emergency-response plans in the event of a threat or other crisis. We provide appropriate training for our colleagues to best protect our customers, colleagues, facilities and resources.

Learn More: [Workplace Safety Policy](#)



Community

At Macy's, Inc., our commitment to corporate responsibility is grounded in the belief that meaningful engagement, inclusion and social impact initiatives are essential to make our communities more resilient. Through purposeful outreach and strategic partnerships, we empower communities, reinforce Macy's, Inc.'s relationships with local neighborhoods and encourage colleague engagement. This approach informs our efforts to build stronger, more vibrant communities and effective business operations to deliver on our Bold New Chapter strategy.

STAKEHOLDER ENGAGEMENT & INCLUSION

17

SOCIAL IMPACT

24

Stakeholder Engagement & Inclusion



As part of our commitment, we aim to embed stakeholder engagement and Diversity, Equity & Inclusion (DE&I) principles into our operations, strengthening our ability to deliver on our Bold New Chapter strategy. Our DE&I strategy and programs are guided by *Mission Every One*, which defines how we invest in our people, partners, products and programs to create resilient communities. Our initiatives are organized into five interconnected focus areas: Customers, Colleagues, Suppliers, Community and Marketing.

Our Senior Vice President of Culture & Engagement leads our enterprise-wide culture, talent development, performance management and engagement strategy and ensures alignment with our business priorities. This area brings together Culture, DE&I, Colleague Experience, Organizational Capability and Organizational Effectiveness, creating focus for our teams and integrating our efforts. The Macy's, Inc. Diversity, Equity & Inclusion Business Council (DEIBC) supports this work by driving collaboration among senior leaders to strengthen stakeholder engagement and promote consistent execution and accountability across our operations.

We are committed to fostering an inclusive, welcoming environment and building meaningful connections that drive long-term value and growth.

Stakeholder Engagement & Inclusion

Customers

Our Customer Bill of Rights, which is available on our [website](#) and in stores, is a consistent and visible declaration of our commitment to our customers. It reinforces our beliefs about fair treatment and our commitment to providing hospitality by underscoring the actions we can take to ensure all customers have a positive experience with us.

Our L.E.A.R.N. process — the education model that allows us to listen and respond quickly and consistently when issues, feedback or complaints arise in our stores — ensures we remain attentive to our customers' experiences, including opportunities to deepen or develop their affinity for our brand.

In 2025, we reached record high Net Promoter Scores at Macy's and Bloomingdale's, reflecting our customers' increased satisfaction.

We are committed to providing a shopping experience where all customers are welcomed, accepted and respected. By cultivating an inclusive environment and treating our customers with dignity, respect and kindness, we help drive our business's success through gaining our customers' trust, acquiring new growth and expanding product assortment.



Stakeholder Engagement & Inclusion

Colleagues

Our Colleague Resource Groups (CRGs), open to all Macy's and Bloomingdale's colleagues, help build an inclusive culture that fosters authentic connection and community. CRGs host conversations and events that drive colleague engagement across four areas of focus: Career, Commerce, Culture and Community.

Building Inclusive Spaces

Building on the success of "A Week of Understanding" and positive colleague feedback, in 2025, we continued programming with "A Better Understanding". This eight-session series focused on creating inclusive spaces. Topics included generational perspectives, neurodivergence and inclusion across industries, including the arts, sports, hospitality and entertainment. The series generated approximately 18,000 views, with viewers noting the content provided tangible information that supported their day-to-day work. To ensure accessibility, live American Sign Language (ASL) interpretation was provided for all sessions.

We believe that respecting and empowering our colleagues leads to better business decisions and greater innovation. Diverse perspectives help us challenge assumptions, uncover new opportunities and strengthen collaboration across the enterprise, advancing our strategic priorities and delivering sustainable growth.

A Better

Understanding



BRIDGING THE GAP: UNDERSTANDING GENERATIONAL DIFFERENCES IN THE WORKPLACE

Megan Gerhardt, Generational Expert and Founder of Gentelligence, joined us for an informative dialogue about generational differences in the workplace. Focused on challenging previous understandings and providing practical tools to bridge the gap, Megan's point of view offered a fresh perspective on collaboration and connection across age groups.



CAFÉ JOYEUX
SERVED FROM THE HEART

NEURODIVERGENCE & WORKPLACE INCLUSION, LEARNING WITH CAFÉ JOYEUX

We hosted Lorraine Chastenet, International Director of Café Joyeux, and Peter Anderson, crew member at Café Joyeux's first U.S. location for a conversation about how Café Joyeux is redefining inclusive work environments through meaningful employment, training and community. Café Joyeux is the first international family of cafés that promotes the inclusion of neurodivergent individuals in the workplace.

Stakeholder Engagement & Inclusion

We are focused on strengthening supply chain resiliency and delivering the products and services our customers value by leveraging a comprehensive sourcing approach. Ensuring we have a broad range of suppliers is central to our strategy, bringing innovation, agility and essential connections to new groups of customers.

Suppliers

Through programs like The Workshop at Macy's, S.P.U.R. Pathways: Shared Purpose, Unlimited Reach® and our work with industry partners, we are expanding supplier access and fostering enterprise readiness. By strengthening partnerships and broadening our sourcing pipeline, we are building a portfolio that drives meaningful business outcomes, economic impact and supports our commitment to our Bold New Chapter strategy.

In 2025, we focused on amplifying efforts to engage our community of suppliers to enable even more choice for our customers.

Supporting Suppliers with Access to Education

At Macy's, Inc., we recognize that strong supplier partnerships are essential to delivering differentiated products and services at scale. We provide suppliers with various access to programs, tools and resources designed to foster growth and innovation, such as compliance training, sustainability practices and operational excellence. By equipping suppliers with knowledge and capabilities, we help them strengthen their businesses, enhance product quality and align with Macy's, Inc. standards, creating a more resilient and competitive supply chain that benefits our customers and drives sustained growth.

In 2025, Macy's supported 25 entrepreneurs across retail categories as part of The Workshop at Macy's, a leading vendor accelerator program designed to help suppliers grow at scale by providing retail industry knowledge, resources, mentorship and new customers, which contributes to the success of our business.



► FROM WORKSHOP TO WEBSITE: SPRINGROSE'S ACCESSIBLE APPAREL EARNS MACY'S RECOGNITION

Among the brands that participated in The Workshop and presented products and business plans to senior executives, Springrose was awarded a \$100,000 grant and a feature on macys.com. Founded by Nicole Cuervo after her grandmother struggled with traditionally designed intimate apparel, Springrose products feature easy-on, one-handed magnetic closures and patented designs that offer accessible style to those with limited mobility.

Stakeholder Engagement & Inclusion

Supporting Suppliers with Access to Capital

One of the biggest barriers to scaling entrepreneurial brands is accessing capital. Offering access to capital lowers barriers to entry for brands and increases their ability to scale at all stages of growth. In 2025, Macy's, Inc. hosted events and webinars to provide entrepreneurs with access to capital providers.



► S.P.U.R. PATHWAYS SHARED PURPOSE, UNLIMITED REACH® (S.P.U.R. PATHWAYS)

S.P.U.R. Pathways is a multiyear, multifaceted funding program to provide the next generation of entrepreneurs a range of support to accelerate their ability to scale at all stages of growth and create a differentiated product assortment for our customers. In addition to access to capital and funding, some program participants have:

- Gained access to Macy's, Inc.'s holistic supplier ecosystem and strategic support from external partners
- Accessed technical expertise for bespoke issues addressing business strategy, inventory planning, acquisition target evaluation, tariff mitigation, branding and supply chain management

Supporting Suppliers with Access to Customers

To support our partners' ability to deliver at scale and grow with the company, we create opportunities to facilitate brand recognition and reach.



► BUSINESS ADVOCACY AND TRADE ORGANIZATIONS

We partner with national advocacy groups, trade organizations and associations to advance, connect and source suppliers, which also increases our access to those positioned to grow with Macy's, Inc. With our partners, we create and participate in activations, such as conferences, webinars, events, sponsorships, one-on-one sessions, programming and technical-capacity building.

► 2025 BUSINESS ROADSHOW

Through strategic partnerships, we activated four national conferences and six webinars in 2025, reaching more than 6,200 attendees nationwide. Engagements, including sponsorships, panels, exhibitor presence and capital-connect activations, helped founders increase readiness for retail onboarding and fundraising, reinforcing a stronger, more resilient supplier network.

Stakeholder Engagement & Inclusion

Community

We leverage our unique position as a trusted national retailer to provide resources and programmatic support that meets our community partners' needs. Through strategic partnerships, we address a wide range of needs, from entrepreneurial initiatives and educational support to leadership training and development. Below is just one example of how our partnerships create positive social impact, serve our customers and drive business.

► **UNITING STYLE AND PURPOSE: MACY'S DEEPENS COMMITMENT TO THE DIVINE NINE®**

Macy's, Inc. continues to strengthen its commitment to The Divine Nine® organizations by deepening partnerships and amplifying impact through the Divine Nine Collection. To celebrate the apparel collection since launch in January 2022, Macy's has provided sustained financial and philanthropic support to the education and research foundations of The Divine Nine organizations. These contributions help fund education and research foundations of the various sororities and fraternities.

Throughout 2025, Macy's partnered with and supported national conventions and numerous signature events, continuing the momentum from prior years. Through career fairs, professional development workshops, in-store activations and more, we engaged over 20,000 existing and new customers.

The Divine Nine Collection continues to evolve, offering a curated mix of dresses, blazers, jackets, suiting and men's tailored and casual sportswear designed for conferences and special events. The Collection reflects Macy's tailored approach to merchandising by category and helps us curate an assortment that resonates with our customers.



Guided by *Mission Every One*, we work with more than 30 community partners to identify and activate opportunities that create positive impact where we operate.

Stakeholder Engagement & Inclusion

Marketing

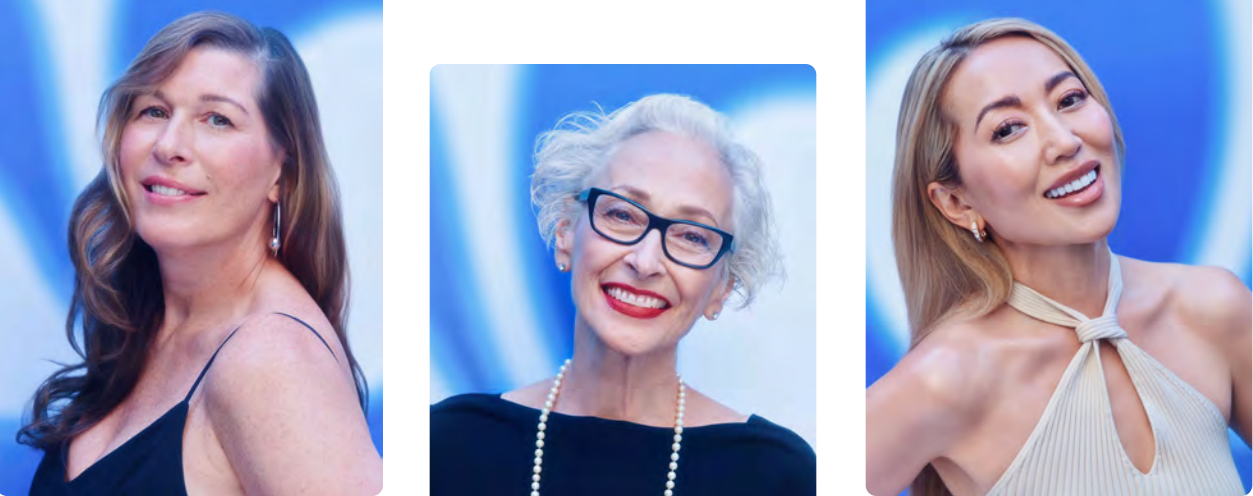
Whether through iconic events or our product assortment, we aim to reflect our customer base and the communities we serve by showcasing a broad array of talent, creators and designers. We feature our colleagues in marketing collateral and offer multicultural holiday gift cards. We also work to identify ways to utilize our platform for meaningful storytelling that celebrates the breadth of our assortment across each brand.

► **BLUEMERCURY'S UP NEXT CAMPAIGN REDEFINES AGING AS EMPOWERED GROWTH**

In 2025, Bluemercury launched the Up Next campaign — a national initiative celebrating women over 40 who are redefining beauty, ambition and aging. Sparked by new research showing that 87% of Gen X women want real age representation in advertising, Up Next aimed to shift the conversation from correction to confidence and individuality. The campaign highlighted the realities and aspirations of women over 40, positioning Bluemercury's products as tools for empowerment and self-expression at every stage of life. By offering customized in-store experiences, thoughtful product curation and authentic advertising that reflect this new mindset, Bluemercury reshaped industry norms and empowered customers to embrace their next chapter on their own terms.

► **LUNAR NEW YEAR**

In celebration of Lunar New Year, Macy's honored the "Year of the Snake" with special in-store events, commemorative products and gifts for the holiday at select stores across the country.



We aim to be a culturally fluent organization that consistently and genuinely reflects our customers through our marketing. We embrace and express cultural fluency and champion brands within our imagery, messages and experiences.

Social Impact



Our Approach to Social Impact

Our Senior Vice President, Corporate Communications & Public Affairs leads our social impact strategy and programs at Macy’s, Inc. to develop programs that support the next generation of talent and build meaningful connections between nonprofit partners and our colleagues. In 2025, our Social Impact team aligned our efforts to three strategic focus areas: Education and Mentorship, Mental Health and Wellbeing and Environmental Stewardship. The team coordinated a nationwide network of over 1,000 colleagues who volunteer as Social Impact Captains and Division Grant Captains to lead volunteer projects, develop and manage relationships with local nonprofit partners and educate customers and colleagues at a grassroots-level about our nationwide campaigns.

The communities and customers we serve are vital to our success, and we take pride in creating a positive social impact where we operate.



Social Impact Collaborative

Macy’s Social Impact Collaborative brings together more than 10 nonprofit partners with a shared goal to identify and innovate opportunities to empower youth. Through our collective efforts, we identified career development and mental health as areas of focus to drive positive impact.

In 2025, Macy’s convened a collaborative mental health initiative, partnering with nonprofit organizations to accelerate impact for young people. As part of this effort, Macy’s created two youth advisory councils and hosted virtual focus groups to help guide how corporations and nonprofits can better support young people. By bringing together expert partners, Macy’s played a central role in generating new perspectives and actionable data to better understand

and support youth mental health needs to be used by all nonprofit partners in the Collaborative.

Additionally, Macy’s hosted “Unfiltered: A Mental Health Event” at our Herald Square flagship store with four nonprofits, featuring seven brand activations and inspiring speakers focused on mental health, inclusion and community building.

Social Impact

National Customer Campaigns

Baby2Baby

Bloomingdale's launched a new partnership with Baby2Baby, a nonprofit committed to providing children living in poverty with diapers, clothing and other essential items every child deserves. Through this partnership, we championed Baby2Baby's three core initiatives: maternal health, diaper need and disaster relief. To kick off the collaboration, Bloomingdale's raised funds and awareness through targeted cause-marketing campaigns supporting Baby2Baby's wildfire recovery efforts in Los Angeles.

Los Angeles Wildfire Relief

In response to the Los Angeles wildfires in 2025, Macy's, Inc. came together to address immediate needs to support ongoing recovery efforts. **Macy's** hosted a one-day "Free Store" pop-up to support wildfire recovery efforts and colleagues contributed over 1,700 volunteer hours in just two weeks, distributing clothing, home goods and accessories to more than 3,500 impacted residents. Both **Macy's** and **Bloomingdale's** launched round-up campaigns, in which proceeds were donated to American Red Cross, the California Fire Foundation and the Los Angeles Fire Department Foundation to support ongoing recovery efforts. Additionally, the Macy's, Inc. North Star Relief Fund, our 501(c)(3) nonprofit, gave emergency grants to colleagues impacted by natural disasters and personal hardships, including those affected by the fires.

Big Brothers Big Sisters (BBBS)

Macy's continued its partnership with BBBS, a nonprofit organization that enables one-to-one mentoring relationships to ignite the power and promise of youth, for a holiday campaign that celebrated the impact of mentorship and community in 2025. Macy's invited customers to round up purchases and make donations to help fund life-changing mentoring programs for young people nationwide, raising over \$3 million in 2025 and reaching a total of over \$16 million since 2022. The campaign featured inspiring stories and festive in-store experiences, including Macy's Santa Tour, handmade ornaments adorning holiday windows and a capsule collection featuring designs by Littles. Matches from BBBS were also invited for a once in a lifetime experience and walked alongside the iconic Tom Turkey float in the 99th Macy's Thanksgiving Day Parade®.



AWARDS

► BEST CAUSE MARKETING

In 2025, Macy's was honored with an Engage for Good Halo Award for its partnership and Holiday Campaign with Big Brothers Big Sisters. The Halo Awards recognize corporate and nonprofit partnerships for outstanding corporate social impact initiatives.

► DISASTER RESPONSE

In 2025, Macy's was recognized by American Red Cross for our ongoing commitment to supporting our communities after disasters.

We invite Macy's and Bloomingdale's customers to join us in giving back to our communities throughout the year. With our customers' help, we raised \$26 million in 2025, driving meaningful impact. Since 2022, we have raised a total of \$15.4 million in support of nonprofit organizations that advance the mental health and education of youth, as well as environmental stewardship, as part of *Mission Every One*.

Social Impact



No Kid Hungry

Macy's, Inc. continued its longstanding support of No Kid Hungry and its mission to end childhood hunger in the U.S. through customer, colleague and partner engagement. Since 2022, Macy's, Inc. has helped raise \$2.4 million as of fiscal year end 2025 for No Kid Hungry through our colleague Bag Hunger campaign, **Bloomingdale's** in-store round-ups, special cooking demonstrations at select Bloomingdale's stores, colleague donations and other initiatives, helping unlock 24 million meals for kids nationwide.

Bloomingdale's Holiday Giving: Child Mind Institute

As part of its 2025 Holiday Campaign, "Happy Together," **Bloomingdale's** celebrated the joy of connection, tradition and shared moments through festive experiences, exclusive collaborations and annual philanthropic partnerships. In December, Bloomingdale's continued its ongoing partnership with the Child Mind Institute, supporting its work to transform the lives of children and families affected by mental health and learning disorders through in-store round-ups and online donations, as well as proceeds from limited-edition holiday bears dressed in Burberry.

Breast Cancer Research Foundation and The Tutu Project

Bloomingdale's continued its longstanding commitment to breast cancer research and care in 2025 through its Give Pink, Get More campaign, which has supported the Breast Cancer Research Foundation (BCRF) and The Tutu Project for more than two decades. From September 16 through October 31, customers could support the organizations by charging a \$15 enrollment fee to their Bloomingdale's Card, with 100% benefiting BCRF and The Tutu Project, while earning rewards on eligible purchases.

Social Impact

Philanthropic Investments & Community Outreach

Our philanthropic investments support initiatives that create meaningful opportunity, strengthen communities and help build the future of our industry.

Investing in the Future of Fashion

Macy's continues to champion innovation within the fashion industry by investing in emerging designers and addressing talent pipeline needs. The **Macy's Future of Style Fund** invests in the next generation of designers, merchants and creative talent through mentorship, resources and real-world industry access. Below are two examples of how this program comes to life with Fashion Scholarship Fund and Fashion Institute of Technology:

► FASHION SCHOLARSHIP FUND

As part of our long-standing partnership with the Fashion Scholarship Fund (FSF), we offer students the opportunity to participate in a design competition. FSF scholar Shayla Pearson's winning design for our private brand, Mode of One, was sold at Macy's Herald Square flagship and on macys.com in Spring 2025. Shayla's inspiration came from a deeply personal connection — her grandmother's vintage toile fabric sparked a creative journey blending classic menswear elements with modern artistry. Her elevated basics reflect Macy's dedication to innovation and inclusiveness in fashion.

Building on this success, **Macy's** launched the 2025 FSF competition, inviting scholars to design a capsule collection celebrating I.N.C.'s 40th anniversary. FSF scholar Hiromichi Suzuki emerged as the winner with a fresh perspective on modern women's wear. Hiromichi's look was manufactured and sold by Macy's in Fall 2025.

► MACY'S, INC. AND FIT

Our nonprofit partnerships span some of the most influential institutions in fashion, design, retail and sustainability — and one of our most impactful collaborations is with the Fashion Institute of Technology (FIT), providing students with competitions, scholarships and mentorship opportunities.

In 2025, **Macy's** proudly served as the title sponsor of the FIT Future of Fashion show for the fourth consecutive year, where members of FIT's graduating class presented looks in five categories showcasing a celebration of student creativity, craftsmanship and sustainability. As part of the Macy's x FIT Capsule Collection Competition, students were challenged to design a versatile, dynamic look for Macy's private brand Bar III. Five finalists worked closely with Macy's mentors and production vendors to refine their designs. The winning look was produced in a limited run and sold at Macy's Herald Square and select stores in Spring 2026.

FIT students also helped bring **Bloomingdale's** Fall 2025 Just Imagine campaign to life by creating murals at Bloomingdale's 59th Street Flagship. This immersive experience celebrated art, identity and modern retail, and included an in-store *Just Imagine Celebration*.

From fashion and retail mentorship programs that strengthen our talent pipeline to environmental innovation projects that help imagine new possibilities for sustainable operations and communities, we prioritize our investment in initiatives that are aligned with *Mission Every One* and our business priorities. In 2025, we awarded \$9.8 million to support more than 300 communities across the U.S.



Social Impact

Colleague Giving & Volunteering

Annual Fundraising Campaigns

Macy's, Inc. colleagues come together in service to their communities and participate in two month-long giving and volunteering campaigns each year.

► BAG HUNGER

Every March, Macy's, Inc. colleagues raise funds and volunteer to fight hunger by supporting local organizations to sort, pack, serve and deliver food to families in our communities. Together we raised over \$1.2 million, including \$441,000 for our national Bag Hunger partner, No Kid Hungry. Colleagues served communities through 10,450 volunteer hours.

► THE BIG GIVE BACK

Every August, Macy's, Inc. colleagues come together to raise funds for local charities nationwide, reflecting our commitment to service within our communities. Since 2018, this campaign has benefited more than 11,500 unique charity recipients. In 2025, we raised approximately \$1.68 million to support a variety of impactful causes, including over \$500,000 donated to our North Star Relief Fund. Other funds raised were donated to a colleague's charity of choice.



The spirit of hospitality continues to inspire our teams to make a meaningful difference for those in need.

We encourage colleagues across every Macy's, Bloomingdale's and Bluemercury location, store and facility to connect with and give back to their local community. We aim to drive positive impact in the communities in which we live and work, and we support colleague engagement through annual fundraising campaigns, volunteer opportunities and a one-to-one matching gift program.

70,000+

FY 2025

Hours volunteered by Macy's, Inc. colleagues

\$3M

Colleague donations

5,000+

Charities across the country supported through donations

65

Nonprofits awarded with volunteer grants through our Dollars for Doers program⁹

\$700K+

Donations through matching gifts program by eligible Macy's, Inc. colleagues

9. Through our Dollars for Doers program, we celebrate colleagues who donate their time to make a difference by providing monetary awards to nonprofit organizations with which colleagues volunteered more than 100 hours annually.



Planet

We believe people and the planet can thrive together. We focus our work through our sustainable stewardship ambitions, which are designed to enable our Bold New Chapter strategy through strong operational execution — including efficient and responsible use of natural resources, worker wellbeing and supply chain enhancements and partnerships that deepen our impact.

SUSTAINABLE STEWARDSHIP AMBITIONS	30
ENVIRONMENT	32
RESPONSIBLE PRODUCTS & SOURCING	35

Sustainable Stewardship Ambitions

	AMBITION	FY 2025 PROGRESS
ENVIRONMENT	Aim to reduce Macy's, Inc. emissions across Scopes 1 and 2 in line with the IPCC 1.5°C trajectory and Scope 3 Purchased Goods & Services in line with the IPCC well below 2°C trajectory by 2030 vs. 2021 baseline ¹⁰	FY 2025 data will be shared on Macy's, Inc. website in the second half of FY 2026 Scope 3: Established supplier engagement program to strengthen Scope 3 data quality and coverage, focusing on high-impact, high-spend suppliers; 21 suppliers onboarded to submit emissions and energy use data
	Achieve 50% renewable energy in direct operations (including distribution centers, fulfillment centers and stores) by 2030	FY 2025 data will be shared on Macy's, Inc. website in the second half of FY 2026 Renewable energy sourcing has decreased compared to prior years. We will continue to evaluate opportunities and innovative solutions to expand renewable energy use
	Divert 80% direct operations waste (packaging, hangers, advertising assets, etc.) from landfills by 2030	Diverted 69% of operational waste from landfills ¹¹
	Actively support our partners to scale collective action in communities facing high water stress that is locally relevant and drives positive outcomes through 2030	Provided practical guidance for factories operating in high-risk regions via World Wildlife Fund (WWF) and Reimagining Industry to Support Equality (RISE) partnerships WWF Vietnam Collective Action Project: Connected 141 households to fresh drinking water via municipal pipeline; completed onsite assessments at 3 Macy's facilities, identifying improvements like fixing leaks and installing water sensors Planet Water: Deployed 4 additional water towers in Vietnam and India, impacting 7,200 children and community members
HUMAN RIGHTS	100% of Core and Strategic private brand supplier facilities of products managed by the Macy's Sourcing team will have participated in a worker wellbeing program aimed to strengthen knowledge and skills in order to improve the lives of supply chain workers by 2030	42% of core and strategic factories have completed worker wellbeing programs
PRODUCT	Maintain 40% of private brand products managed by Macy's Sourcing team made with preferred ¹² sustainable fibers, focusing on cotton, polyester and man-made cellulosic fibers as defined by preferred materials policy by 2025	47% preferred fibers, surpassing our 2025 ambition
	Develop and implement a restricted ingredient list for conscious beauty by the end of 2025	The Conscious Beauty Program is live on macys.com and the Macy's app with clearly defined Program pillars With the assistance of a third-party platform, Macy's is continuing to onboard vendor partners and add new qualifying products, enhancing the shopping experience for Macy's customers

10. The IPCC (Intergovernmental Panel on Climate Change) provides scientific assessments on climate change to guide global action. Climate scenarios, such as the 1.5°C and well-below 2°C pathways, outline emissions reductions required to limit global warming in line with Paris Agreement goals.

11. Diverted waste value reflects normal operations across all locations in FY 2025, excluding waste and recycling data from stores closed in FY 2025. Starting in FY 2025, reported waste data included Macy's, Inc.'s Los Angeles Distribution Center.

12. We adhere to the Textile Exchange's definition of a preferred material: "One which results in improved environmental and/or social sustainability outcomes and impacts compared to conventional production." https://textileexchange.org/app/uploads/2022/10/Textile-Exchange_PFMR_2022.pdf.

Sustainable Stewardship Ambitions

Sustainability Governance



Oversight of environmental programs and human rights governance at Macy's, Inc. is provided by the Board of Directors through its Nominating and Corporate Governance Committee.

Reporting to the CEO, the Chief Operating Officer and Chief Financial Officer (COO/CFO), among other responsibilities, also oversees the team responsible for sustainability and merchandise planning and inventory

management. The COO/CFO, with their direct remit of Finance, inclusive of Procurement and Investor Relations, as well as Supply Chain Operations, also works with partners in Merchandising, Legal and Communications to engage the Board on key issues.

We work to build awareness of our sustainability strategy across the enterprise, and we aim to embed sustainability in our day-to-day operations.

In 2025, our Sustainability Ambassadors — Macy's, Inc. colleagues identified by each Corporate Strategy Group leader — drove awareness of our sustainability strategy with colleagues and met at least quarterly to discuss progress on sustainability ambitions, share best practices and collaborate for greater impact.

Environment



We aim to minimize the environmental impacts across our operations and global supply chain.

Our Environmental Services team, led by our Director of Environmental Services, is responsible for developing and implementing Macy's, Inc.'s environmental compliance programs for all facilities across the company. These programs include policies and procedures to ensure compliance with federal, state and local environmental laws, as well as to advance responsible resource use.

As part of our environmental programs, we conduct regular internal audits of our locations to monitor compliance and opportunities for improvement. If any issues are raised through our corrective action program, we seek to identify the root cause and disseminate lessons learned across the facility and our company to drive continuous improvement.

To communicate and drive environmental action among our colleagues, we conduct annual environmental compliance training for relevant colleagues, including training on proper hazardous waste disposal.

Climate

We recognize the risk climate-related impacts pose to our business, our industry and the planet, and we are dedicated to addressing those risks. We aim to reduce Macy’s, Inc. emissions across Scopes 1 and 2 in line with the IPCC 1.5°C trajectory and Scope 3 Purchased Goods & Services in line with the IPCC well below 2°C trajectory by 2030 vs. 2021 baseline.¹³ We seek to responsibly manage the resources we consume and the waste we produce across our stores and logistics network.

We recognize the need for collective action to reduce our greenhouse gas (GHG) emissions. We engage suppliers to discuss emissions reduction work, such as through Market Brand engagement.

To strengthen the quality and transparency of Scope 3 emissions data, the company established a targeted supplier engagement program that prioritizes suppliers based on emissions impact and spend. As part of an ongoing data improvement approach, 21 priority suppliers were requested to submit carbon emissions and energy use data, supporting more robust measurement and climate-risk management.

For more information on climate-related risks, see the TCFD Index in the [Appendix](#).

GHG Emissions

To understand and reduce our climate impact, we track our operational energy use and related Scopes 1, 2 and 3 emissions. Due to the extensive calculations and validation necessary to disclose FY 2025 GHG emissions for Scopes 1, 2 and 3, the data set will be published in the second half of FY 2026 on our website in line with incoming regulations. Our FY 2024 Scopes 1, 2 and Scope 3 GHG emissions can be found in the TCFD Index in the [Appendix](#).

Energy Management

We are focused on integrating sustainable energy management practices and infrastructure into our overall management model and workspaces. Energy efficiency is central to our strategy to reduce our environmental impact. We maintain our focus on achieving 50% renewable energy in direct operations (including distribution centers, fulfillment centers and stores) by 2030. However, renewable energy procurement has become increasingly challenging due to market conditions, such as shifts in energy policy, limitations in infrastructure and the availability of cost-effective technologies and solutions. As a

result of market conditions and store closures, Macy’s, Inc. renewable energy sourcing has decreased compared to prior years. We will continue to evaluate opportunities and innovative solutions to expand renewable energy use. Our FY 2025 energy data will be published on our [website](#) in the second half of FY 2026.

Our Director of Energy leads our energy-efficiency program. We use both building automation systems and an enterprise-wide energy management information system to continually monitor our operating performance and detect anomalies. We benchmark our energy management using the EPA ENERGY STAR Portfolio Manager online tool to measure and track our energy consumption to industry standards. Portfolio Manager enables us to compare each building’s performance against a yearly baseline, national medians or similar buildings in our portfolio. We utilize electric vehicle charging to support our sustainable stewardship ambitions and customer choice.

13. The IPCC (Intergovernmental Panel on Climate Change) provides scientific assessments on climate change to guide global action. Climate scenarios, such as the 1.5°C and well-below 2°C pathways, outline emissions reductions required to limit global warming in line with Paris Agreement goals.



In our stores, corporate offices and distribution centers, our policy is to recycle as much material as possible, including cardboard, plastic film, hangers, metal fixtures and wooden pallets. We also have an internal program to reuse, refurbish or recycle store fixtures and downstream or recycle electronics. We are continuing to prioritize efforts to achieve our ongoing ambition to divert 80% of waste from landfills by 2030.

Throughout 2025, we focused on improving the consistency and quality of data capture to strengthen visibility into site-level performance and inform more

effective decision-making. We maintained initiatives that are instrumental to achieving our ambition to divert waste from landfills. These efforts include baling and tracking corrugated cardboard waste from stores and backhauling both cardboard and plastic film, including polybags, to our distribution centers for recycling, enabling more consistent material recovery and diversion from waste streams. We continue to utilize packaging best practices, such as standardizing the size of packing cartons and minimizing packaging materials, driving greater efficiency and reducing overall material use.

IMPROVING OUR WASTE DIVERSION

	FY 2025 ¹⁴	FY 2024	FY 2023
Total Waste to Landfill	29,506	33,770	35,184
Total Waste Diverted (Recycled/Reused)	65,912	67,869	65,228
Percent Waste Diverted	69%	67%	65%

14. Diverted waste value reflects normal operations across all locations in FY 2025, excluding waste and recycling data from stores closed in FY 2025. Starting in FY 2025, reported waste data included Macy's, Inc.'s Los Angeles Distribution Center.

Responsible Products & Sourcing

Macy's, Inc. is committed to building a resilient, ethical and sustainable supply chain that meets global compliance standards, safeguards workers and reduces environmental and social risks, while simplifying and modernizing end-to-end operations.

Our strategy strengthens our Social Compliance program by adopting a comprehensive approach that evaluates both audit performance and a supplier's ongoing efforts to improve and maintain social and environmental responsibility. Through this enhanced framework, Macy's, Inc. aims to drive continuous improvement and foster long-term resilience across our supplier network.

Guided by our Human Rights Policy, which is available on our [website](#), and aligned with international standards, including the United Nations Guiding Principles on Business and Human Rights, we apply a risk-based due diligence approach across our supply chain to identify, assess and address potential human rights and environmental impacts. This approach extends beyond our Tier 1 (direct) suppliers to include upstream sourcing of raw materials, reflecting our commitment to responsible practices across our global supply chain.

Human Rights & Social Compliance

We are committed to respecting international human rights throughout our operations and supply chain. Our programs are designed to identify and address potential human rights risks, using a comprehensive, risk-based approach informed by geographic and product-specific considerations, audit data and stakeholder insights.

We build on our human rights saliency and risk assessment efforts to better understand the most significant risks in our supply chain and focus our due diligence on those priority areas. This includes concentrating on higher-risk geographies and activities where we work to mitigate or remediate potential impacts through multi-stakeholder programs, audits, corrective action plans, self-assessment, capability building and training.

As part of this approach, we maintain a structured due diligence process for Macy's private brand suppliers managed by the Macy's Sourcing team, which is responsible for identifying potential social and environmental risks within our private brand supply chain, assessing risk levels, developing mitigation strategies, implementing monitoring systems to track progress and reporting on findings and actions taken. Insights from external stakeholders, including civil society organizations, NGOs and industry partners, further inform our approach.

The Board of Directors, through the Nominating and Corporate Governance Committee, has ultimate oversight of the company's programs, policies and practices, including matters related to supply chain management, such as human rights issues, impacts and strategies. Macy's Private Brand Sourcing, Product Development and Production team, alongside the Compliance and Sustainability team, is responsible for engaging suppliers to understand and meet our standards.

Learn More: [Governance – Human Rights](#)

Standards & Compliance

We require our private brand suppliers to understand and meet our standards, both when they join our supply chain and throughout their partnership with us. Our contract terms and conditions require our private brand suppliers to annually sign the Macy's, Inc. Supplier Acknowledgement, certifying compliance with the Vendor Code of Conduct and all relevant policies, which are available on our [website](#). The company has a Zero Tolerance Policy that specifies critical violations of the Vendor Code of Conduct and outlines the course of action if noncompliance occurs.

Our Vendor Code of Conduct outlines the minimum standards that all private brand suppliers must meet, including prohibitions on child, forced and trafficked labor; requirements to provide a safe and healthy workplace; commitments to non-discrimination; respect for freedom of association and collective bargaining, consistent with applicable laws; and limits on regular working hours. The Code also requires that suppliers recognize wages as essential to meeting workers' basic needs and provide compensation for all work completed, paying at least the minimum wage required by law, the prevailing industry wage or the wage negotiated in a collective agreement, whichever is higher, and providing legally required benefits.

Responsible Products & Sourcing

Training & Education

Our Compliance and Sustainability team prepares and trains prospective private brand suppliers on our Vendor Code of Conduct, audit protocols and terms of engagement. In 2025, 100% of our private brand suppliers sourced by Macy's completed zero tolerance training, designed to reinforce our Vendor Code of Conduct. Training topics included transparency and business ethics (bribery and payroll inconsistencies), labor (forced and child labor, migrant labor, recruitment fees, harassment and abuse) and health and safety (building safety risk and environmental pollution).

Current suppliers receive ongoing education from our Compliance and Sustainability team, which communicates our requirements and expectations, encourages robust internal compliance policies and collaborates on continuous improvement at manufacturing facilities. We also conduct vendor training with our current direct-import suppliers to review new product regulatory requirements and Macy's, Inc. chemical standards and to reinforce our quality expectations. We reinforce these topics throughout the year by sending letters to our suppliers.

Macy's private brand product development colleagues also receive training on topics relevant to their roles, including our Vendor Code of Conduct and high-risk violations, such as child and forced labor, bribery and fraudulent record-keeping.



► EMPOWERING WORKER VOICES: GRIEVANCE RESOLUTION AND LABOR RIGHTS

We strive to ensure global suppliers provide workers throughout our supply chain with the opportunity to report concerns without fear of retaliation. In 2025, we continued the partnerships with the Hamari Awaz Helpline (formerly Ungal Kural) in India, the Amader Kotha Helpline in partnership with Nirapon in Bangladesh and the Ethical Supply Chain Program (ESCP) in select factories in China and Vietnam to provide confidential, independent grievance mechanisms for workers, locally operated and available in relevant local languages, allowing them to raise issues like wage violations, excessive hours and harassment.

Workers can access these mechanisms through multiple, clearly communicated channels, including direct phone access in all regions and additional written or posted access mechanisms in select markets, without requiring factory mediation. The helplines are operated by independent partners, helping to reduce risk of retaliation and strengthen credibility, and include defined escalation protocols for higher-risk issues. These programs help ensure timely remediation and ongoing communication with workers raising concerns, while enabling regular reporting and trend analysis to inform management oversight and continuous improvement. We also leverage helpline data as an early-warning system to identify systemic risks and guide corrective actions, supplier engagement and targeted training, strengthening access-to-remedy mechanisms and improving labor rights and working conditions across supply chains.

Responsible Products & Sourcing

Factory Audits

New private brand factories undergo a social compliance audit and must meet or exceed Macy’s standards before they are approved for production and are added to our merchandise ordering system.

We require factories supplying our private brands across our enterprise to be audited by a third party at least once every 18 months to verify compliance with areas as defined in our Vendor Code of Conduct, including child labor, forced labor, freedom of association and wages and benefits. Audit frequency is adjusted based on risk, with more frequent and, where appropriate, extended focused audits conducted for higher-risk suppliers, regions or identified issues, supported by remediation programs aligned with factory and regional risk profiles. Suppliers considered “at risk” are given the opportunity to make improvements through a formal corrective action-plan process that is prepared by our third-party auditor. If a supplier does not comply, Macy’s holds the right to terminate the relationship. In 2025, zero factories had unresolved corrective action plans or lacked remediation progress. Audit findings are used to inform ongoing risk assessments and supplier engagement strategies, including identifying recurring issues and prioritizing remediation efforts.

We are enhancing our auditing program by incorporating spot checks aligned with production timelines. These checks are to be conducted jointly by Social Compliance and Product Integrity and Quality Assurance teams, combining resources and integrating them into operational routines.

Our Core and Strategic Tier 1 factories making private brand product managed by the Macy’s Sourcing team and our Strategic Tier 2 partners for private brand raw materials managed by the Macy’s Raw Materials team are listed on [Open Supply Hub](#).

338

Private brand factories managed by Macy’s Sourcing team that were audited

97%

of Macy’s private brand Tier 1 factories for products managed by Macy’s Sourcing team that were audited

16

Verification audits performed

100%

of Core and Strategic Tier 1 factories managed by Macy’s Sourcing team that were disclosed

100%

of Strategic Tier 2 suppliers managed by Macy’s Raw Materials team that were disclosed

Responsible Products & Sourcing



RISK	LEVERAGE				TOTAL
	LOW	MEDIUM	HIGH	EXTREME	
Extreme	1	0	0	0	1
High	9	2	1	0	12
Medium	121	61	10	2	194
Low	89	35	6	1	131
Total Factories Audited	220	98	17	3	338

Audit Results

Factory audit results are segmented into four categories: red, orange, yellow and green. Yellow and green are acceptable, while red and orange have escalated corrective action plans and a verification audit to ensure compliance with the corrective action plan. Factories are segmented by production volume into low, medium, high and extreme leverage to inform our audit process and assess risk accordingly.

We continually work with our Tier 1 private brand suppliers managed by the Macy’s Sourcing team to identify key second- and third-tier suppliers, enhancing transparency and supporting our ability to assess risks beyond direct manufacturing partners, including upstream raw material sourcing.

Traceability & Raw Material Sourcing

Our commitment to responsible sourcing extends beyond Tier 1 suppliers and their factories to include the sourcing of raw materials. We apply a risk-based approach to identify commodities and production regions with elevated human rights risks, including potential exposure to forced labor.

We use multiple data sources and third-party partners to map high-risk areas and monitor supply chains, leveraging digital tools that enhance traceability and transparency from raw material to finished product. These tools support training for our private brand suppliers on supply chain mapping, document collection requirements, tracing and verification to strengthen upstream visibility for our private brand suppliers.

Macy’s, Inc. strictly prohibits all forms of forced labor, in accordance with U.S. laws. Macy’s private brand suppliers managed by the Macy’s Sourcing team must also undertake appropriate risk-based due diligence to confirm no goods supplied are affiliated with any organization on the U.S. Commerce Department Entity List. We also maintain policies, such as our Conflict Minerals Policy, to support responsible sourcing of specific high-risk materials.

Responsible Products & Sourcing

Worker Wellbeing

We work to protect human rights and promote the safe and ethical treatment of workers throughout our supply chain. Our programs aim to improve factory conditions and positively impact workers and their communities. We focus on strengthening knowledge and skills to enhance the lives of supply chain workers. As part of our efforts, we aim for 100% of our Core and Strategic private brand supplier facilities managed by the Macy's Sourcing team to participate in a worker wellbeing program by 2030.

To the right is an example of how our partnerships promote worker wellbeing across our supply chain.



► **RISE: REIMAGINING INDUSTRY TO SUPPORT EQUALITY**

Macy's, Inc. is expanding the partnership with RISE, an initiative to support collaborative industry action at scale to advance gender equality in global garment, footwear and home textiles supply chains. Building on RISE's existing training programs focused on health and financial empowerment, work to integrate climate-related impacts – including heat stress – will begin in 2026 to further strengthen worker wellbeing and gender equality. This initiative was the result of Macy's, Inc.'s Market Brand Sustainability Summit in May 2025.

Learn More: [Working Together for Change](#)

Responsible Products & Sourcing

Environmental Responsibility in Our Supply Chain

We maintain robust programs to oversee the manufacturing of Macy’s private brand products managed by the Macy’s Sourcing team, ensuring they meet our labor and environmental standards. The Sustainability team regularly engages Macy’s Private Brand Product Development, Sourcing, Design and Buying teams to integrate sustainable practices into product design and sourcing. These engagements focus on sustainable product guidelines, processes and prioritizing preferred materials for cotton and polyester. Ongoing training on sustainable materials and design is embedded in our operations to ensure continued progress. We aim to maintain 40% of private brand products managed by Macy’s Sourcing team made with preferred sustainability fibers, focusing on cotton, polyester and man-made cellulosic materials. In 2025, 47% of materials used in our private brands were “preferred,”¹⁵ surpassing our ambition to reach 40% by 2025. Of this total percentage, 67% of cotton was preferred cotton¹⁶, 16% of synthetics were preferred synthetics and 29% of manmade cellulosic was preferred man-made cellulosic.

15. We adhere to the Textile Exchange’s definition of a preferred material: “One which results in improved environmental and/or social sustainability outcomes and impacts compared to conventional production.” https://textileexchange.org/app/uploads/2022/10/Textile-Exchange-PFMR_2022.pdf.

16. Based on the weight of the garment.

We are committed to minimizing the environmental impact of our operations, while keeping our customers at the center of our work. We prioritize quality and durability and implement policies and programs to reduce the environmental impact of our merchandise across our global value chain — from production and transport to final disposal.



► **EXPANDING CIRCULAR FASHION: DEEPENING OUR PARTNERSHIP WITH REBAG FOR LUXURY RESALE**

In 2025, Bloomingdale’s and Macy’s continued the partnership with Rebag, a luxury resale platform, first launched at Bloomingdale’s in 2024. Customers can refresh their wardrobes by trading in once-loved items for a Rebag Credit. They can also exchange their purchases within 12 months with the option to earn Rebag Credit.

► **MACY’S PRIVATE BRAND SOURCING POLICIES ARE AVAILABLE ON OUR [WEBSITE](#):**

- Animal Derived Materials Policy
- Chemical Management Policy
- Conflict Minerals Policy
- Exotic Skins Policy
- Fur Policy
- Macy’s Private Brand Water Policy
- Preferred Materials Policy (Details our commitment to preferred materials, including cotton, wood and synthetics)
- Product Integrity and Quality Assurance Policy
- Product Safety and Recall Management Policy

Responsible Products & Sourcing



Preferred Cotton¹⁷

To support transparency across our supply chain, Macy's Private Brand Sourcing team aligns with organizations that understand the complexities of cotton sourcing, ensuring cotton is not cultivated or harvested using underage or forced labor and ensuring working conditions are both ethical and compliant with applicable laws. Our Preferred Materials Policy outlines our ambition to have traceable cotton back to country of origin for Private Brand products managed by Macy's Sourcing team.

To strengthen efforts in sourcing cotton sustainably, Macy's partners with the U.S. Cotton Trust Protocol, driving positive social and environmental change within the cotton industry and enhancing transparency throughout the supply chain. We introduced U.S. cotton through the Trust Protocol in 2024, and we continued our efforts to source more volume in 2025. The Trust Protocol produced an [Annual Report](#) in 2025, citing noteworthy successes in water and GHG emissions reductions, including an 87% improvement in water efficiency over a ten-year period, and emissions intensity down 25% over the same period.¹⁸

Packaging

Macy's, Inc. is advancing a holistic packaging sustainability strategy designed to reduce environmental impact and mitigate Extended Producer Responsibility (EPR) fees. This approach includes eliminating unnecessary materials, optimizing packaging design and introducing alternative materials, while evaluating each tactic for cost-effectiveness and fee savings.

All care labels used in Macy's private brands are made with 100% recycled polyester content. Most private brand hangtags are made with Forest Stewardship Council (FSC)-certified paper. Additionally, all Macy's cardboard used by our fulfillment centers meets the Sustainable Forestry Initiative (SFI) sourcing standard and contains an average of 35% recycled content.

¹⁷. Based on the weight of the garment.

¹⁸. U.S. Cotton Trust Protocol Member Data Report, 2024/25.

Responsible Products & Sourcing



Water Stewardship

We are dedicated to supporting our partners and taking meaningful steps to tackle challenges in areas experiencing high water stress. Macy's Private Brand Water Policy, which is available on our [website](#), defines our ambition to work collaboratively with Macy's private brand suppliers managed by the Macy's Sourcing team, community organizations and industry experts to scale actionable approaches within our supply chain and in the communities in which we operate.

We are focused on improving water stewardship throughout our private brand supply chain for the communities that support our global operations and for the environment. We focus on actively supporting our partners to scale collective action in communities facing high water stress that is locally relevant and drives positive outcomes through 2030. Through collective action with our partners and industry experts, we aim to take locally informed actions that deliver the most effective and positive results while continuing to regularly assess our progress and work with third parties to analyze our efforts and outcomes.

In 2025, we partnered with organizations including Planet Water Foundation, World Wildlife Fund and RISE to address water challenges. The following page highlights one example of our partnerships.

Product Testing of Private Brand Products Managed by the Macy's Sourcing Team

Our Product Integrity and Quality Assurance (PIQA) Policy defines Macy's commitment to providing customers with private brand products that comply with applicable laws, mandatory standards, voluntary consensus standards and Macy's-specific requirements, utilizing our domestic and international teams comprising industry-leading product quality,

safety and compliance professionals. Macy's PIQA team works to deliver safe and quality products to our customers. We continually review, refine and update our program.

Although Macy's has processes in place to ensure the quality, safety and performance of its products, occasional issues may arise. To address these product issues, Macy's has a Product Safety Committee, composed of members of the Macy's PIQA team and the Legal Department, who have reporting responsibility into the Senior Vice President Supply Chain Sourcing, Product Development & Production, Sustainability and the Chief Legal Officer, respectively. The Product Safety Committee monitors customer comments related to product function, use and performance identified through customer reviews, direct messages or store feedback.

The Product Safety Committee meets regularly to review potential product issues. If a concern arises with a private brand product, the Product Safety Committee will investigate and, when necessary, follow regulatory requirements for reporting, recall implementation and product removal from Macy's stores and online sales channels. If a private label or national brand product is subject to product recall, Macy's takes prompt action in compliance with applicable laws. These actions include informing customers of the recall, removing the product from stores and online sales channels and taking steps to prevent the sale of the recalled products. Recall notices are posted in store and online. To ensure colleagues are educated on product safety and product recall procedures, Macy's conducts annual training, as well as training for all new hires.

Learn More: [Product Integrity and Quality Assurance Policy](#)

Responsible Products & Sourcing



► WORLD WILDLIFE FUND (WWF) AND REIMAGINING INDUSTRY TO SUPPORT EQUALITY (RISE)

Macy's, Inc. partnered with WWF and RISE to address the interconnected challenges of water stewardship and worker wellbeing in our supply chain. Leveraging WWF's expertise on climate and water impacts and RISE's focus on worker resilience, we co-developed practical guidance for factories operating in high-risk regions. This collaboration was informed by RISE's research on climate impacts in Cambodia and Bangladesh, which highlighted vulnerabilities affecting both ecosystems and communities. By combining insights from both organizations, Macy's, Inc. is equipping suppliers with tools to manage water responsibly while supporting worker health and safety, reinforcing our commitment to sustainable and resilient sourcing practices.

Responsible Products & Sourcing

Chemicals Management

Responsible chemical management is integral to our private brand product safety efforts, especially as customers increasingly seek information about product ingredients and purchase products that have been formulated without certain chemicals. Our chemical management oversight extends from product concept through customer use. The Macy's PIQA team collaborates with our Private Brand Product Development teams to provide guidance about potential issues related to materials or manufacturing, interfaces with offices and suppliers as needed and oversees quality and testing programs.

Macy's Private Brand Chemical Management Policy, which is available on our [website](#), outlines our commitment to remove unwanted chemicals in our private brand products. We have implemented a private brand Restricted Substance List (RSL) for products managed by the Macy's Sourcing team, including in apparel, home textiles and footwear.

Macy's private brand policies restrict the use of certain flame retardants in soft line products including apparel, upholstered furniture and children's products. This is communicated to our suppliers via our product integrity manual. As part of our commitment to drive

transparency, proactive chemical management and partnership with our suppliers, we utilize third-party partners to train suppliers and manufacturers on ways to improve chemical stewardship.

Macy's continues to monitor the regulations and proposed regulations for per- and poly-fluoroalkyl substances (PFAS). Private brand products managed by Macy's Sourcing team within the scope of regulations or products that are likely to contain PFAS are subject to third-party testing to verify the presence of total fluorine. Macy's partners with suppliers on the elimination of such chemicals or appropriate product disclosures based on regulatory requirements.

Avoiding Conflict Minerals

Our Conflict Minerals Policy, which is available on our [website](#), sets forth our requirements for supplier due diligence, risk assessment and compliance. The policy applies to private brand products produced for Macy's, Bloomingdale's, Bluemercury and Macy's, Inc.'s subsidiaries, and we prepare and file an annual Conflict Minerals Report with the Securities and Exchange Commission. As part of our due diligence, Macy's, Inc. surveys suppliers annually to determine whether conflict minerals are used in their supply chains and to identify their sources.

Responsible Products & Sourcing

We advocate for sustainable practices with our brand partners and across the retail and fashion industry. We are active members in leading organizations and collaborate with associations and networks that directly engage with policymakers on international trade, human rights and sustainability issues. When appropriate and aligned with our brand values, we provide feedback and input on industry association white papers and policy comments, and we join meetings with elected officials hosted by industry associations to share retailer perspectives.

Working Together for Change



► **ACADEMIC PARTNERSHIP ON HUMAN RIGHTS DUE DILIGENCE**

We partner with academic institutions to help us conduct sustainability-related research in the retail industry, underscoring our commitment to empowering future leaders and integrating sustainability into the company's business. In 2025, Macy's, Inc. partnered with the University of Connecticut, a globally recognized center of excellence in human rights research and teaching, to advance our commitment to responsible sourcing. Graduate students engaged with Macy's Procurement team to analyze human rights risks in non-merchandise products and produced a comprehensive report summarizing research findings and actionable recommendations. This collaboration reflects Macy's, Inc.'s dedication to integrating academic expertise into our human rights due diligence processes and strengthening governance across our supply chain.

Collaborating with Brands for Greater Impact

In 2025, Macy's, Inc. hosted two Market Brand Sustainability Summits attended by 13 leading brand partners to explore collective action on shared opportunities. During these sessions, representatives from RISE introduced three new program concepts. Macy's, Inc. alongside several brands, committed to supporting an initiative, which addresses the growing need to mitigate climate impacts — such as extreme heat and shifting precipitation patterns — on workers in global supply chains. Macy's, Inc.'s investment will help develop and pilot a targeted workplace program for workers and managers and co-create an industry toolkit that consolidates best practices and provides actionable guidance for embedding people-centered climate resilience into business operations. These efforts reinforce Macy's, Inc.'s commitment to collaborative solutions that protect workers and strengthen supply chain resilience.



Governance

Through strong corporate governance, we aim to foster a culture of ethical conduct and integrity, manage and oversee risks, comply with regulations and meet stakeholder expectations that help us achieve long-term shareholder value aligned to our Bold New Chapter strategy.

INTEGRITY & ACCOUNTABILITY	47
DATA PRIVACY & CYBERSECURITY	48
HUMAN RIGHTS	50

Integrity & Accountability

Our Compliance and Ethics program, which is described in our Compliance Ethics Policy, is designed to ensure compliance with company policies and applicable laws while guiding our actions toward one another, our customers and our partners.

Our Compliance and Ethics program is managed by our Compliance and Ethics Executive Committee, whose members include our Chief Legal Officer; Controller; Vice President of Internal Audit; Vice President of Operations; Vice President, Enterprise Security and Corporate Information Security Officer (CISO); and Vice President, Labor Strategies and HR Business Partner. The Audit Committee of the Board of Directors has ultimate oversight of our Compliance and Ethics programs and receives regular briefings.

We regularly share our expectations, which are set out for our colleagues in our Code of Conduct, for our Board in our Code of Conduct and Ethics for Non-employee Directors and for our suppliers in our Vendor Code of Conduct. All policies are available on our [website](#).

Annual Ethics Training

To help ensure that our entire company conducts business in a legal and ethical manner, we provide annual training, alternating between our Code of Conduct and General Legal Compliance Training, to all colleagues in the business-support functions and central offices, as well as to those in our digital operations. In Macy's Logistics, all executives (exempt and salaried overtime-eligible colleagues) receive training, while in Macy's, Bloomingdale's and Bluemercury stores, all executives, supervisors and cosmetic-counter managers receive training. Contractors and part-time colleagues also receive training based on their role in the company. We work to instill our values and communicate expected behaviors through team meetings, knowledge and other ongoing communications.

Grievance Mechanisms

Our company culture encourages people to use their voice to speak up and raise concerns. Colleagues may report suspected misconduct through our confidential third-party Compliance Connections toll-free telephone line (1-800-763-7290) or online at www.macyscomplianceconnections.com, which are proactively communicated to colleagues through our Code of Conduct. All reports are promptly forwarded to the company and then fully investigated according to the processes set forth in our Investigation Guidelines document. These include:

- The issue is assigned for review and investigation to a team of trained colleagues, unless otherwise dictated by the Investigation Guidelines.
- The investigators gather information and determine facts promptly and thoroughly, with confidentiality maintained to the maximum extent possible.
- The investigators may recommend corrective action, when necessary, to appropriate managers for implementation.
- Where appropriate, the colleague raising the concern will receive feedback on the outcome.

We do not retaliate against colleagues who report Code of Conduct violations, and we provide full legal protection for issues reported in good faith.

Other stakeholders, including suppliers, can also report concerns to a separate email address (officeofcompliance@macys.com), which is proactively communicated to suppliers through our Vendor Code of Conduct. Suppliers must immediately report any violations of the Vendor Code of Conduct or if they believe a Macy's, Inc. employee, or anyone working on behalf of Macy's, Inc. has engaged in illegal or otherwise improper conduct.

Additionally, we welcome input from our customers and offer many vehicles for the public to use to raise issues or complaints. They may contact us via Customer Service, U.S. mail, email or online. We also encourage stakeholder and shareholder dialogue.

Government & Public Affairs

We take seriously our responsibility and opportunity to assist policymakers as they consider public policy questions that could affect our company, colleagues and customers. Overseen by the Nominating and Corporate Governance Committee, our [Government and Public Affairs Policy](#) sets forth our policies, approval process and oversight regarding government and public affairs, including political contributions. We publicly report on our [website](#) all political contributions made with corporate funds, and we identify trade organizations to which we paid \$25,000 or more in dues and the portion of that payment the organization tells us they allocated for lobbying.

Data Privacy & Cybersecurity

Macy's, Inc. is committed to protecting information that is valuable to our customers and critical to business operations from unauthorized access and disclosure. We maintain robust systems, processes and practices to protect sensitive data.

Governance & Oversight

Our Board of Directors, through the Audit Committee, maintains oversight of our cybersecurity and data privacy programs. The Audit Committee is responsible for discussing policies related to risk assessment and risk management — including risks related to data privacy, computerized information controls and cybersecurity, as well as evolving risks associated with deployment of artificial intelligence (AI) tools — and considers recommendations for control enhancements. The Audit Committee receives quarterly updates from management on topics which could include cybersecurity, IT security, internal and external security reviews, data protection, risk assessments, breach preparedness, systems disruption risk, threat assessments, response plans and consumer privacy compliance. The Chairperson of the Audit Committee reports these discussions to the full Board at the conclusion of each scheduled committee meeting.

Senior management — including our Chief Operating Officer/Chief Financial Officer, Chief Legal Officer and Chief Information Officer — plays a central role in breach response planning and decision-making and participates in annual tabletop exercises of our response processes and playbook. The Macy's, Inc. Security team is responsible for assessing and managing material risks from cybersecurity threats, including the prevention, mitigation, detection and remediation of cybersecurity incidents. Our Chief Information Security Officer (CISO), reporting to the Chief Legal Officer, leads our data protection programs and oversees information security, privacy, IT risk and identity and access management.

Risk Management & Strategy

We operate a security operations program, including our own security operations center (SOC), that employs a defense-in-depth strategy to provide layers of safeguards against cybersecurity threats. Our hybrid security framework model draws on leading standards, including the National Institute of Standards and Technology (NIST), International Organization for Standardization (ISO) 27001, Control Objectives for Information and Related Technologies (COBIT) and Payment Card Industry Data Security Standard (PCI DSS), to help identify, assess and manage cybersecurity risks relevant to our business. We conduct ongoing risk assessments; internal and external vulnerability scanning; penetration testing of select systems and platforms; and both internal and external security audits, including annual audits by our independent public accounting firm and our financial institution business partner.

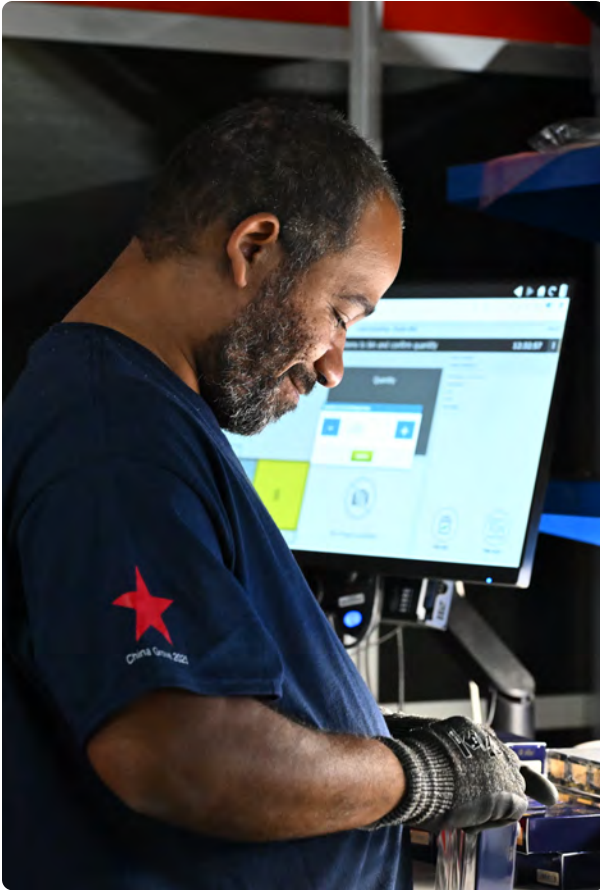
Our enterprise risk management (ERM) program identifies and prioritizes enterprise risks and integrates oversight of cybersecurity threats. Management periodically discusses the risk exposures identified as being most significant to the company and the actions taken to monitor and mitigate them with the Audit Committee and the Board. Independent third-party security partners evaluate, measure and assist in development and continuous enhancement of our program through reviews, compromise assessments, breach response planning, tabletop exercises and more.

Controls & Safeguards

We have established and continually improve technical and administrative controls to protect our data and create secure and compliant systems, including: two-factor authentication protocols; firewalls and antivirus/antimalware software; end-point detection; network

visibility software; administrative controls; ransomware detection and protection software; use of encryption; tokenization of third-party credit card numbers; and security patches to mitigate software vulnerabilities. We maintain tested breach preparedness and response plans, addressing scenarios such as data breaches and ransomware, and we implement backup procedures to prevent loss of critical data.

Macy's, Inc. is certified by the Payment Card Industry Data Security Standard (PCI DSS), reflecting the controls and practices we use to protect payment card data.



Privacy Program & Consumer Rights

Through our sales and marketing activities and use of third-party information, Macy's, Inc. collects and may retain certain public and non-public personal information, as well as data that customers provide to us. We maintain that data in accordance with our privacy notices, our Data Handling and Protection Policy and our Data Handling and Protection Standards and Guidance, which set expectations for protecting protected, sensitive and highly sensitive data. We regularly update our Notice of Privacy Practices (Notices) at each of our nameplates to address the collection, use, sharing and retention of user data, including data that is transferred to third parties. We obtain personal information through lawful and transparent means, with consent where required by law, and we process personal information only for the purposes stated in the Notices. We require third parties with whom information is shared to comply with the company's instructions and applicable law. Consumers may request deletion of applicable personal information; upon verification, Macy's, Inc. will notify third parties with whom such information was shared to delete it as well.

We continue to operationalize evolving state privacy law requirements, such as the amended California Consumer Privacy Act (CCPA) and other state statutes, including state regulators' focus on online data — such as pixels, tags and tracking technologies — and targeted advertising. We evaluate pixels on our e-commerce sites for site performance, review data protection obligations in our written agreements and assess if any pixel or tag constitutes a sale or retargeting tag under applicable laws.

As described in our Notices, Macy's, Inc. may share personal information internally; on our platforms; with service providers, business partners, third parties for marketing purposes, any successors to all or part

of our business; to comply with law; or to protect the company. Categories of data that may be sold/ shared include: identifiers, payment information, event information, demographic information, device information, location information, commercial information, information a customer posts such as ratings and reviews and Internet or other network activity information.

Third-Party Risk Management

We work with our key third-party vendor partners to ensure they use secure and compliant systems. Our written contracts include data protection language and appropriately restrict where vendors have access to personal information. Vendors also undergo a risk-assessment process. For non-personal information, our written contracts include confidentiality language to safeguard company data shared with third parties. Where applicable, we request SOC documentation from suppliers and business partners as part of our due diligence and risk assessment process. Independent assessments of cybersecurity and privacy are conducted every other year. Our most recent assessment, completed in 2024, indicated mature programs that were comparable to peers, with the next round expected in 2026.

Training

All colleagues and contractors with access to Macy's, Inc.'s systems must complete annual data security and privacy training and participate in quarterly phishing simulations. Applicable colleagues are required to review and sign our information security policy annually. We vet and train colleagues and relevant contractors. A pre-employment screening process is conducted for candidates, including contractors and third parties, with background verification checks on some

candidates for employment. Users with access to company data and information technology assets are required to promptly report known or suspected security incidents.

Incident Response

Through our incident response process, we promptly investigate suspected or actual security incidents and escalate reporting of cybersecurity incidents to senior management in accordance with our disclosure controls and procedures. In the event of an actual or threatened cybersecurity incident or attack, our Security team engages third-party experts as appropriate, performs a root cause analysis and determines both how to address the threat and whether we could take additional steps to improve our security posture. We comply with applicable regulations and notify individuals in a timely manner in case of a data breach.

Artificial Intelligence (AI)

Macy's, Inc.'s AI Guidelines define how AI is used and implemented across the company. The guidelines are evaluated by a cross-functional AI Subcommittee that meets regularly to assess regulatory developments, tools and use cases. Our Enterprise Data Analytics Team is developing AI Standards and Responsible Governance program to further align our practices with emerging expectations.

Human Rights

Macy's, Inc.'s Human Rights Policy Statement, which is available on our [website](#), details our commitment to respecting international human rights throughout our operations. It is aligned to the United Nations (UN) Guiding Principles on Business and Human Rights; the International Bill of Human Rights, including the Universal Declaration of Human Rights; the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work; The United Nations Global Compact; and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

Human rights oversight is embedded in our company across multiple areas. The Board, through the Nominating and Corporate Governance Committee, oversees policies and practices related to human rights matters and receives updates twice a year on any related matters. Our human rights strategy is implemented by our Senior Director of Sustainability who oversees a domestic and international team that manages the day-to-day activities needed to implement appropriate oversight of human rights risks.

Risk analysis, training and awareness-raising are implemented across our internal teams and our wider supply chain. Our merchants and our Private Brand Sourcing, Product Development and Production and Design teams are trained on social compliance annually, which includes zero tolerance offense training. New private brands suppliers are provided training on Macy's, Inc. social compliance requirements. Annually, all private brands suppliers are required to review and acknowledge Macy's, Inc.'s Human Rights Policy Statement.

We continuously make program enhancements that increase our ability to identify and assess human rights risks and impacts across our business relationships. We continually evolve and expand our work to assess risks and protect human rights, building on the human rights saliency and risk assessment conducted with a third party in 2021. We use a risk-based approach to identify where to focus our efforts, informed by geographic and commodity-specific considerations, data collected through our audit program, input from external stakeholders and partners who provide expertise and insights and other mechanisms, such as collaborative industry groups, including the American Apparel & Footwear Association (AAFA) and the Retail Industry Leaders Association (RILA) human rights-centric working groups. As potential issues arise, they are communicated to relevant teams who work together to gather and disseminate additional information and, when appropriate, implement additional measures.

We recognize that certain groups may be at heightened risk given their vulnerable status. For that reason, Macy's, Inc. is a signatory to the Commitment to Responsible Recruitment — an effort to address potential forced labor risks for migrant workers in the global supply chain — and is taking steps to advance the rights of women and children across our supply chain. As a result of this commitment, we have taken steps to increase oversight when auditing factories producing products sourced through our Private Brand Sourcing team that are in countries where migrant workers are most prevalent, including migrant worker surveys to assess worker sentiment.

Learn More: [Human Rights & Social Compliance](#); [Human Trafficking Statement](#)



We believe in building a better future in which human rights are universally respected and held in the highest regard.



Appendix

**SUSTAINABILITY ACCOUNTING STANDARDS BOARD
(SASB) INDEX** 52

**TASK FORCE ON CLIMATE-RELATED FINANCIAL
DISCLOSURES (TCFD) INDEX** 56

Sustainability Accounting Standards Board (SASB) Index

The disclosures in this report are informed by the recommendations of the Sustainability Accounting Standards Board. We have incorporated guidelines from the SASB Multiline and Specialty Retailers & Distributors; Apparel, Accessories & Footwear; and E-Commerce industry standards.

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE																			
Energy Management in Retail & Distribution	CG-MR-130a.1 CG-EC-130a.1	Total energy consumed	FY 2025 data will be published in the second half of 2026. For more information, see the GHG Emissions section of this report.																			
		Percentage grid electricity	FY 2025 data will be published in the second half of 2026. For more information, see the GHG Emissions section of this report.																			
		Percentage renewable	FY 2025 data will be published in the second half of 2026. For more information, see the GHG Emissions section of this report.																			
Environmental Impacts in the Supply Chain	CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits or contractual agreements	(1) 100% of Tier 1 (2) Not reported																			
	CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition’s Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	(1) Not reported (2) Not reported For more information, see the Factory Audits section of this report.																			
Employee Recruitment, Inclusion & Performance	CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	Not reported																			
	CG-EC-330a.1	Employee engagement as a percentage	Not reported																			
	CG-MR-310a.2 CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for in-store and distribution center employees	<p>VOLUNTARY TURNOVER</p> <table border="1"> <thead> <tr> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> <th>FY 2024</th> <th>FY 2025</th> </tr> </thead> <tbody> <tr> <td>50.4%</td> <td>49.8%</td> <td>41.3%</td> <td>34.7%</td> <td>30.0%</td> </tr> </tbody> </table> <p>INVOLUNTARY TURNOVER</p> <table border="1"> <thead> <tr> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023</th> <th>FY 2024</th> <th>FY 2025</th> </tr> </thead> <tbody> <tr> <td>23.8%</td> <td>28.3%</td> <td>24.1%</td> <td>21.1%</td> <td>17.4%</td> </tr> </tbody> </table>	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	50.4%	49.8%	41.3%	34.7%	30.0%	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	23.8%	28.3%	24.1%	21.1%
FY 2021	FY 2022	FY 2023	FY 2024	FY 2025																		
50.4%	49.8%	41.3%	34.7%	30.0%																		
FY 2021	FY 2022	FY 2023	FY 2024	FY 2025																		
23.8%	28.3%	24.1%	21.1%	17.4%																		



Sustainability Accounting Standards Board (SASB) Index

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE																																																																																				
Employee Recruitment, Inclusion & Performance	CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Any material, legal and regulatory issues are disclosed in our annual 10-K and quarterly 10-Qs.																																																																																				
	CG-MR-330a.1 CG-EC-330a.3	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management and (c) all other employees	<table border="1"> <thead> <tr> <th>EMPLOYEE TYPE</th> <th>FEMALE</th> <th>MALE</th> <th colspan="3">NOT AVAILABLE OR NOT DISCLOSED</th> </tr> </thead> <tbody> <tr> <td>Hourly Colleagues</td> <td>73%</td> <td>27%</td> <td colspan="3">0%</td> </tr> <tr> <td>Managers</td> <td>67%</td> <td>33%</td> <td colspan="3">0%</td> </tr> <tr> <td>Directors</td> <td>68%</td> <td>32%</td> <td colspan="3">0%</td> </tr> <tr> <td>Directors and Above</td> <td>65%</td> <td>35%</td> <td colspan="3">0%</td> </tr> <tr> <td>Senior Directors and Above</td> <td>62%</td> <td>38%</td> <td colspan="3">0%</td> </tr> <tr> <td>Total Colleagues</td> <td>72%</td> <td>28%</td> <td colspan="3">0%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>EMPLOYEE TYPE</th> <th>ASIAN</th> <th>BLACK OR AFRICAN AMERICAN</th> <th>HISPANIC OR LATINO</th> <th>WHITE</th> <th>OTHER*</th> </tr> </thead> <tbody> <tr> <td>Hourly Colleagues</td> <td>11%</td> <td>22%</td> <td>32%</td> <td>31%</td> <td>4%</td> </tr> <tr> <td>Managers</td> <td>15%</td> <td>13%</td> <td>19%</td> <td>49%</td> <td>4%</td> </tr> <tr> <td>Directors</td> <td>10%</td> <td>7%</td> <td>10%</td> <td>70%</td> <td>3%</td> </tr> <tr> <td>Directors and Above</td> <td>9%</td> <td>8%</td> <td>10%</td> <td>70%</td> <td>3%</td> </tr> <tr> <td>Senior Directors and Above</td> <td>8%</td> <td>9%</td> <td>10%</td> <td>70%</td> <td>4%</td> </tr> <tr> <td>Total Colleagues</td> <td>12%</td> <td>21%</td> <td>30%</td> <td>34%</td> <td>4%</td> </tr> </tbody> </table> <p>*Other includes the following classifications: American Indian or Alaska Native, Native Hawaiian or other Pacific Islander. Note: Data reflects colleague composition across Macy's and Bloomingdale's as of FY 2025 end. Figures may not sum due to rounding.</p>	EMPLOYEE TYPE	FEMALE	MALE	NOT AVAILABLE OR NOT DISCLOSED			Hourly Colleagues	73%	27%	0%			Managers	67%	33%	0%			Directors	68%	32%	0%			Directors and Above	65%	35%	0%			Senior Directors and Above	62%	38%	0%			Total Colleagues	72%	28%	0%			EMPLOYEE TYPE	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER*	Hourly Colleagues	11%	22%	32%	31%	4%	Managers	15%	13%	19%	49%	4%	Directors	10%	7%	10%	70%	3%	Directors and Above	9%	8%	10%	70%	3%	Senior Directors and Above	8%	9%	10%	70%	4%	Total Colleagues	12%	21%	30%	34%	4%
	EMPLOYEE TYPE	FEMALE	MALE	NOT AVAILABLE OR NOT DISCLOSED																																																																																			
	Hourly Colleagues	73%	27%	0%																																																																																			
	Managers	67%	33%	0%																																																																																			
	Directors	68%	32%	0%																																																																																			
	Directors and Above	65%	35%	0%																																																																																			
	Senior Directors and Above	62%	38%	0%																																																																																			
	Total Colleagues	72%	28%	0%																																																																																			
	EMPLOYEE TYPE	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER*																																																																																	
Hourly Colleagues	11%	22%	32%	31%	4%																																																																																		
Managers	15%	13%	19%	49%	4%																																																																																		
Directors	10%	7%	10%	70%	3%																																																																																		
Directors and Above	9%	8%	10%	70%	3%																																																																																		
Senior Directors and Above	8%	9%	10%	70%	4%																																																																																		
Total Colleagues	12%	21%	30%	34%	4%																																																																																		
CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Any material, legal and regulatory issues are disclosed in our annual 10-K and quarterly 10-Qs.																																																																																					
CG-EC-330a.4	Percentage of technical employees that require a work visa	22.6%																																																																																					



Sustainability Accounting Standards Board (SASB) Index

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE												
Labor Conditions in the Supply Chain	CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited due to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	(1) 97% of Macy's private brand Tier 1 factories of products managed by the Macy's Sourcing team (2) Not reported (3) 100% of audits conducted by a third party For more information, see the Factory Audits section of this report.												
	CG-AA-430b.2	(1) Priority non-conformance rate and (2) associated corrective action rate for suppliers' labor code of conduct audits	Less than 1% For more information, see the Factory Audits section of this report.												
	CG-AA-430b.3	Description of the greatest (1) labor and (2) environmental, health and safety risks in the supply chain	See the Responsible Products and Sourcing section of this report.												
Raw Materials Sourcing	CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental or social factor(s) most likely to threaten sourcing, (3) discussion on business risks or opportunities associated with environmental or social factors and (4) management strategy for addressing business risks and opportunities	*Sourced through Private Brands Sourcing team (1) Cotton; Synthetic; MMC (2) Cotton is most at risk to both social and environmental factors. (3) Cotton has been connected to forced labor during harvest. (4) Cotton: In determining risks in the supply chain, the cross-functional team inclusive of sustainability, compliance and sourcing will review material that is deemed high risk by season and will develop an action plan based on findings.												
	CG-AA-440a.4	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental or social standard, by standard	<table border="1"> <thead> <tr> <th></th> <th>METRIC TONS</th> <th>% CERTIFIED</th> </tr> </thead> <tbody> <tr> <td>Cotton</td> <td>12,951</td> <td>67%</td> </tr> <tr> <td>Synthetic</td> <td>1,419</td> <td>16%</td> </tr> <tr> <td>MMC</td> <td>1,015</td> <td>29%</td> </tr> </tbody> </table>		METRIC TONS	% CERTIFIED	Cotton	12,951	67%	Synthetic	1,419	16%	MMC	1,015	29%
		METRIC TONS	% CERTIFIED												
	Cotton	12,951	67%												
Synthetic	1,419	16%													
MMC	1,015	29%													
CG-MR-410a.1	Revenue from products third-party certified to environmental or social sustainability standards	See the Responsible Products & Sourcing section of this report.													
CG-MR-410a.2 CG-AA-250a.2	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	See the Responsible Products & Sourcing section of this report.													
CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	See the Responsible Products & Sourcing section of this report.													

Sustainability Accounting Standards Board (SASB) Index

TOPIC	CODE	ACCOUNTING METRIC	RESPONSE
Data Privacy & Advertising Standards	CG-EC-220a.2	Description of policies and practices relating to targeted advertising and user privacy	See published Privacy Notice on all our e-commerce sites and mobile applications.
Data Security	CG-MR-230a.1 CG-EC-230a.1	Description of approach to identifying and addressing data security risks	See the Data Privacy & Cybersecurity section of this report.
	CG-MR-230a.2 CG-EC-230a.2	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of customers affected	Not reported

CODE	ACTIVITY METRIC	RESPONSE
CG-MR-000.A	Retail locations	665 stores
	Distribution centers	24 distribution centers
CG-MR-000.B	Retail space	~98 million sq. ft.
	Distribution centers	21,532,000 sq. ft. of walkable space

Task Force on Climate-related Financial Disclosures (TCFD) Index

Governance	a. Board’s oversight of climate-related risks and opportunities	Page 56
	b. Management’s role in assessing and managing climate-related risks	Page 56
Strategy	a. Climate-related risks and opportunities Macy’s, Inc. has identified over the short-, medium- and long-term	Page 57
	b. Impact of climate-related risks and opportunities on Macy’s, Inc. businesses, strategy and financial planning	Page 62
Risk Management	a. Processes for identifying and assessing climate-related risks	Page 65
	b. Processes for managing climate-related risks	Page 65
	c. How processes for identifying, assessing and managing climate-related risks are integrated into Macy’s, Inc. overall risk management	Page 65
Metrics and Targets	a. Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions	Page 66
	b. Ambitions used by Macy’s, Inc. to manage climate-related risks and opportunities and performance against targets	Page 67

Governance

a. Board’s oversight of climate-related risks and opportunities	<p>We have embedded management of corporate responsibility matters, including environmental (climate-related risks and opportunities) at all levels of our company. Macy’s, Inc.’s Board of Directors (Board) has oversight of corporate responsibility programs throughout the enterprise.</p> <p>The Audit Committee oversees the Enterprise Risk Management (ERM) framework and mitigation actions for a variety of risks, including environmental risks, such as climate-related risks and opportunities. The committee also reviews our quarterly and annual public filings, which include corporate responsibility disclosures. Additionally, the Nominating and Corporate Governance Committee is responsible for overseeing the program, policies and practices relating to environmental issues, impacts and strategies.</p> <p>To learn more, see our 2026 Proxy Statement.</p>
b. Management’s role in assessing and managing climate-related risks and opportunities	<p>Macy’s, Inc. leadership is responsible for the development and implementation of our corporate responsibility strategies and programs enterprise wide. We have established several Board-level and leadership-level committees and groups that champion the company’s performance-driven culture and operating model that encourages lifelong education and empowers colleagues to be leaders regardless of title or function.</p> <p>The Chairman of the Board and Chief Executive Officer (CEO) holds the ultimate responsibility for climate-related risk oversight.</p> <p>To learn more, see Sustainability Governance in the Planet section of this report and our 2026 Proxy Statement.</p>

Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

Macy’s, Inc. Climate Strategy

Macy’s, Inc. worked with an external partner in 2023 and 2024 to conduct a company-wide comprehensive climate-related risk and opportunity assessment. This assessment enabled Macy’s, Inc. to identify and assess current and emerging climate-related issues within the company’s operations and its upstream and downstream business activities. Macy’s, Inc. also identified functional owners and existing plans to mitigate its top risks or realize its top opportunities. Macy’s, Inc. engaged the Sustainability, Government and Public Affairs, Investor Relations, Corporate Communications, Energy, Private Brands Operations, Supply Chain and several other teams to assess the company’s current exposure to climate-related risk and opportunities. Additionally, the company worked closely with the Enterprise Risk Management team to ensure consistency in modeling approach and the ability to integrate the results within Macy’s, Inc.’s ongoing business activities.

We recognize the risk climate-related impacts pose to our business, our industry and the planet, and we are dedicated to addressing those risks. We aim to reduce Macy’s, Inc. emissions across Scopes 1 and 2 in line with the IPCC 1.5°C trajectory and Scope 3 Purchased Goods & Services in line with the IPCC well-below 2°C trajectory by 2030 vs. 2021 baseline.¹⁹ This ambition, along with our disclosure to CDP Climate Change and the completion of the company’s climate-related risk assessment, is helping Macy’s, Inc. to implement an actionable plan to both mitigate and realize our climate-related risks and opportunities, respectively.

a. Climate-related risks and opportunities Macy’s, Inc. has identified over the short-, medium- and long-term

Macy’s, Inc. has identified climate-related risks and opportunities with the potential for strategic and financial impacts to the business in the short-, medium- and long-term time horizons. The definitions of these time horizons are as follows:

LONG-TERM	MEDIUM-TERM	SHORT-TERM
3-5 years	1-3 years	<1 year

19. The IPCC (Intergovernmental Panel on Climate Change) provides scientific assessments on climate change to guide global action. Climate scenarios, such as the 1.5°C and well-below 2°C pathways, outline emissions reductions required to limit global warming in line with Paris Agreement goals.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

As part of the risk identification process, Macy's, Inc. evaluated several risk types and their significance to be included in the risk assessment. The following is a brief description of key short-, medium- and long-term risks and opportunities faced by Macy's, Inc. along with their management and realization methods:

CLIMATE-RELATED RISKS AND POTENTIAL FINANCIAL IMPACTS

TYPE	CLIMATE-RELATED RISKS DRIVERS	VALUE CHAIN IMPACTS	RISK DESCRIPTION	
Transition Risks	Current and emerging regulations	Enhanced emissions reporting obligations	Operations, Upstream and Downstream	Macy's, Inc. may be subject to additional, more robust and nuanced compliance measures in any of the markets in which it operates that may require Macy's, Inc. to externally publish environmental information, creating an additional cost burden.
Transition Risks	Market	Increased cost of raw materials	Upstream and Operations	Macy's, Inc. may be subject to risk of increased cost of raw materials (specifically cotton and polyester) associated with climate-related factors (e.g., physical risk factors, energy trends, regulatory/policy framework and consumer preferences, among others). This includes the possibility of disruption in supply or increased costs of raw materials which would either be absorbed by Macy's, Inc. or passed on to the consumer.
Transition Risks	Reputation	Increased stakeholder concern or negative stakeholder feedback	Operations and Downstream	The risk of Macy's, Inc. internal (colleagues, Board) or external (investors, customers, advocacy groups) stakeholders expressing concern through public platforms that increase colleague turnover, stall strategic direction and/or limit funding avenues, thereby reducing revenue, having negative impacts on workforce management and planning (e.g., colleague attraction and retention) or slowing/stopping investments.
Physical Risks	Acute	Increased severity of extreme weather events	Operations, Upstream and Downstream	The risk to Macy's, Inc. physical infrastructure and operations, which may be affected, damaged or interrupted by more frequent and severe weather events, such as pluvial/fluviial/coastal flooding, tropical cyclone, drought and wildfire. Impact on workforce and shopping accessibility are considered, beyond damage to physical infrastructure. This includes the possibility of extreme weather events disrupting Macy's, Inc., resulting in increased insurance costs and capital expenditures. The 2021 Texas ice storms and 2023 Hurricane Hilary are both acute physical risk events that have affected Macy's, Inc. in the past and serve as proxies for other potential acute risks.
Physical Risks	Chronic	Chronic changes in the natural environment	Operations, Upstream and Downstream	The risk to Macy's, Inc. physical infrastructure and operations, which may be affected, damaged or interrupted by intensifying temperatures and water scarcity. Increasing cooling costs, HVAC degradation and colleague productivity decreases are examples of potentially material long-term impacts associated with such chronic risks.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

CLIMATE-RELATED OPPORTUNITIES AND POTENTIAL FINANCIAL IMPACTS			
TYPE	CLIMATE-RELATED RISKS DRIVERS	VALUE CHAIN IMPACTS	OPPORTUNITY DESCRIPTION
Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	Upstream and Operations	Opportunity related to a company’s participation in renewable energy and energy efficiency projects, which will lead to enhanced business resilience in the long term. This translates into the possibility of Macy’s, Inc. becoming more resilient against climate-related impacts as a result of implementing renewable energy and energy-efficiency action plans.
Resource Efficiency	Use of recycling	Upstream, Operations and Downstream	Opportunity related to recycling waste and, generally, implementing circular economy practices regarding any type of product or resources the company uses. This translates into the possibility of Macy’s, Inc. gaining revenues, achieving cost savings and/or reputational benefits through enhancing product design, lifecycle management strategies, packaging solutions and generally implementing circular economy practices.
Resource Efficiency	Use of more efficient production and distribution processes	Upstream, Operations and Downstream	Opportunity connected to using more efficient processes to produce and distribute products, excluding the use of efficient modes of transport. This opportunity could apply to both the production and distribution of Macy’s private brands products and the distribution of purchased products that Macy’s, Inc. sells in stores and online. This translates into the possibility of Macy’s, Inc. achieving revenue gains and cost savings through increasing investments in supply chain resilience, waste minimization, production and distribution processes optimization.
Product and Services	Development and/ or expansion of low emission goods and services	Upstream and Operations	Opportunity connected to developing or expanding low emission products and services. This translates into the possibility of Macy’s, Inc. to increase its revenues resulting from the increased demand for low-emission products and services and/or reduce emissions through the design, purchase, adoption and/or implementation of more climate-resilient products and services.
Product and Services	Shift in consumer preferences	Operations and Downstream	Opportunity associated with capitalizing on shifting consumer preferences (what, when and how they purchase and use products and services), as a result of leveraging innovative and new low-emission and climate-adaptation products and services. This translates into the possibility for Macy’s, Inc. to earn and enhance its reputation and increase revenues as a result of higher demand for low-emission and climate-adaptation products and services.

Note: “Low emission” is defined as those that minimize greenhouse gas emissions throughout the life cycle.
 “Climate-resilient” is defined as those that prepare ecosystems to bounce back from certain climate hazard events.
 “Climate-adaptation” is defined as a change in processes and practices to moderate potential damages or to benefit from opportunities associated with climate-related events.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

TOP MANAGEMENT AND REALIZATION METHODS AND DESCRIPTION OF CURRENT ACTIVITIES	
MITIGATION AND REALIZATION METHODS	DESCRIPTION OF CURRENT ACTIVITIES
Low carbon energy sourcing and renewable procurement	<p>Macy’s, Inc. is committed to monitoring and mitigating the risks to our operations and facilities, to reducing our greenhouse gas emissions and to increasing our use of renewable energy.</p> <p>Macy’s, Inc. will continue to evaluate opportunities for alternate clean energy initiatives across our portfolio.</p>
Supplier and/or customer engagement	<p>The Macy’s, Inc. Sustainability team is engaging resources and leveraging its talent and scale to create an essential framework for sustainable business operations across the enterprise, focusing on caring for people in our value chain and managing our environmental impact. The Sustainability team works with suppliers, vendors, market brands, non-profits and third-party certifiers to accomplish our sustainability ambitions. As part of this work, Macy’s, Inc. Sustainability team hosted two Market Brand Sustainability Summits in 2025 attended by 13 leading brand partners to explore collective action on shared opportunities. See the Collaborating with Brands for Greater Impact section of this report for more information.</p> <p>We have implemented a rigorous, phased approach to provide customers confidence that claims of sustainability in both production operations and private brand products have been thoroughly vetted. See the Environmental Responsibility in Our Supply Chain section of this report for more information.</p> <p>We require our private brand suppliers to understand and meet our standards, both when they join our supply chain and throughout their partnership with us. Our contract terms and conditions require our private brand suppliers to annually sign the Macy’s, Inc. Supplier Acknowledgement, certifying compliance with the Vendor Code of Conduct and all relevant policies, which are available on our website. The company has a Zero Tolerance Policy that specifies critical violations of the Vendor Code of Conduct and outlines the course of action if noncompliance occurs.</p>
Circularity strategy	<p>In our stores, corporate offices and distribution centers, our policy is to recycle as much material as possible, including cardboard, plastic film, hangers, metal fixtures and wooden pallets. We have an internal program to reuse, refurbish or recycle store fixtures and downstream or recycle electronics. We are continuing to prioritize efforts to achieve an ambition to divert 80% of waste from landfills by 2030.</p> <p>We focus on increasing recycling at our stores. Initiatives such as baling and tracking corrugated cardboard waste from stores and backhauling both cardboard and plastic film, including polybags, to our distribution centers for recycling, enabling more consistent material recovery and diversion from waste streams. We continue to utilize packaging best practices, such as standardizing the size of packing cartons and minimizing packaging materials, driving greater efficiency and reducing overall material use. In 2025, our waste-diversion rate was 69%.²⁰</p>

20. Diverted waste value reflects normal operations across all locations in FY 2025, excluding waste and recycling data from stores closed in FY 2025. Starting in FY 2025, reported waste data included Macy's, Inc.'s Los Angeles Distribution Center.



Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

TOP MANAGEMENT AND REALIZATION METHODS AND DESCRIPTION OF CURRENT ACTIVITIES

MITIGATION AND REALIZATION METHODS

DESCRIPTION OF CURRENT ACTIVITIES

Raw materials risk management

We are committed to minimizing the environmental impact of our business operations. Our policies and programs help define our ambitions aimed at reducing the environmental impact of our merchandise across our global value chain — from production and transport to final disposal. Our sourcing policies, including our Private Brands Animal Derived Materials Policy, Private Brands Chemical Management Policy, Conflict Minerals Policy, Exotic Skins Policy, Fur Policy, Private Brands Preferred Materials Policy, Product Integrity and Quality Assurance Policy, Product Safety and Recall Management Policy and Macy’s Private Brand Water Policy, are available on our [website](#).

We continually work with our Tier 1 private brand suppliers managed by the Macy’s Sourcing team to identify key second- and third-tier suppliers, enhancing transparency and supporting our ability to assess risks beyond direct manufacturing partners, including upstream raw material sourcing.

Our commitment to responsible sourcing extends beyond Tier 1 suppliers and their factories to include the sourcing of raw materials. We apply a risk-based approach to identify commodities and production regions with elevated human rights risks, including potential exposure to forced labor.

We use multiple data sources and third-party partners to map high-risk areas and monitor supply chains, leveraging digital tools that enhance traceability and transparency from raw material to finished product. These tools support training for our private brand suppliers on supply chain mapping, document collection requirements, tracing and verification to strengthen upstream visibility for our private brand suppliers.

Climate-related target setting

In January 2025, we set GHG emissions reductions ambitions. We aim to reduce Macy’s, Inc. emissions across Scopes 1 and 2 in line with the IPCC 1.5°C trajectory and Scope 3 Purchased Goods & Services in line with the IPCC well-below 2°C trajectory by 2030 vs. 2021 baseline.²¹

21. The IPCC (Intergovernmental Panel on Climate Change) provides scientific assessments on climate change to guide global action. Climate scenarios, such as the 1.5°C and well-below 2°C pathways, outline emissions reductions required to limit global warming in line with Paris Agreement goals.



Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

b. Impact of climate-related risks and opportunities on Macy’s, Inc. businesses, strategy and financial planning

Upon assessing all relevant climate-related issues, Macy’s, Inc. prioritized the top five most substantive risks and opportunities for mitigation and realization, respectively, according to Macy’s, Inc. Enterprise Risk Management (ERM) guidelines, which are informed by the Committee of Sponsoring Organizations (COSO) ERM Framework. Below are the details supporting the quantification and strategic actions pertaining to the prioritized physical and transition risks and opportunities.

Risk Type: Transition Risks – Current and Emerging Regulations

Risk Driver: Enhanced emissions-reporting obligations

Risk Description: The risk of Macy’s, Inc. being subject to additional, more robust and nuanced compliance measures in any of the markets in which it operates may require Macy’s, Inc. to externally publish environmental information, creating an additional cost burden. Specifically, this cost burden includes potential penalties for noncompliance with California climate laws SB-253 and SB-261. If Macy’s, Inc. complies with this legislation, the cost burden would include environmental advisory/consulting services for emissions management and reporting. The scope of this analysis is U.S. regulations, proposed and passed.

Likelihood: Major

Time Horizon: Short- and Medium-term

Magnitude of Impact: Moderate

Potential Financial Impact: \$500,000 to \$550,000

The above range is calculated based on the financial fines and penalties outlined in CA bills SB-253 and SB-261 in the case that the compliance requirements are not met. Note that SB-253 will be enforced on an annual basis while SB-261 will be enforced biennially, meaning costs of non-compliance will fluctuate every other year within the range.

Management Methods: Macy’s, Inc. currently monitors environmental and climate-related regulation at the state and federal level as part of its Enterprise Risk Management process. The company is focused on transparent reporting to demonstrate climate progress, build trust and strengthen accountability. Measures include disclosing to CDP Climate Change survey, publishing SASB-aligned report and aiming to reduce Macy’s, Inc. emissions across Scopes 1 and 2 in line with the IPCC 1.5°C trajectory and Scope 3 Purchased Goods & Services in line with the IPCC well-below 2°C trajectory by 2030 vs. 2021 baseline.²² Macy’s, Inc. also regularly updates its [macysinc.com/purpose](https://www.macysinc.com/purpose) website to reflect changes in initiatives, such as publishing its Corporate Responsibility Report and new and updated policies.

22. The IPCC (Intergovernmental Panel on Climate Change) provides scientific assessments on climate change to guide global action. Climate scenarios, such as the 1.5°C and well-below 2°C pathways, outline emissions reductions required to limit global warming in line with Paris Agreement goals.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

Risk Type: Acute Physical Risk

Risk Driver: Increased severity of extreme weather events: pluvial/fluvial/coastal flooding, tropical cyclone, drought and wildfire.

Risk Description: The risk to Macy's, Inc. physical infrastructure and operations, which may be affected, damaged or interrupted by more frequent and severe weather events, such as pluvial/fluvial/coastal flooding, tropical cyclone, drought and wildfire. Impact on workforce and shopping accessibility are considered, beyond damage to physical infrastructure. This includes the possibility of extreme weather events disrupting Macy's infrastructures, resulting in increased insurance costs and capital expenditures. The Texas ice storms in 2021 and coastal hurricanes are both acute physical risk events that have affected Macy's, Inc. in the past and serve as proxies for other potential acute risks.

Likelihood: Moderate

Time Horizon: Short-, Medium- and Long-term

Magnitude of Impact: Moderate

Potential Financial Impact: \$18,600,000

As a historical point of reference, Macy's, Inc. experienced approximately 390 weather-related disruptions in FY 2020 (tropical storms, winter storms, hurricanes, etc.). Of the events that occurred in 2020, the Company analyzed a sample of five hurricanes and winter storms which were determined to have a cumulative substantive financial impact in that year, resulting in a loss of sales of \$18,600,000. The Finance team evaluated the financial performance of stores impacted by the events compared to the prior year's performance plan during the week leading up to and following the event. An average percentage decline was created, and the application of this average informs our calculated impact of the potential loss in sales which is disclosed above.

Management Methods: Macy's, Inc. currently monitors weather and situational events 24 hours a day for emerging trends that pose a potential threat to the normal operations and the well-being of customers and colleagues. The Company has a climate-related Enterprise Risk Management assessment that includes evaluation of these types of physical risks. Macy's, Inc. takes proactive measures to mitigate potential physical risk in advance, such as monitoring weather, assembling preparedness and relief kits and installing generators at store locations. To expand and enhance these proactive measures, Macy's, Inc. has been engaging third-party vendors and consulting firms to explore additional mitigation activities for physical climate-related risks. Thus far, Macy's has assessed more than 800 properties using a physical risk modeling software to identify key states, sites and hazards. This data will help inform Macy's, Inc. Risk Management team's strategic and directed responses. Daily, the group is witnessing how changing climate trends are currently impacting the company, allowing them to tailor, as needed, the guidance and support they provide to the company including:

- Implementing projects like the Emergency Management Software Systems to be aware of and prepared for climate-related risks. Macy's, Inc. continues to deploy this at existing and new sites.
- Continuing to develop company-wide disaster-response training to prepare employees and physical spaces for possible disasters most relevant to those locations.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Strategy

Opportunity Type: Resilience

Opportunity Driver: Participation in renewable energy programs and adoption of energy-efficiency measures.

Opportunity Description: Macy’s, Inc. could enhance long-term business resilience through investment in clean electrification and energy efficiency projects, which will lead to enhanced long-term business resiliency.

Time Horizon: Short-, Medium- and Long-term

Realization Strategies: Macy’s, Inc. continues to realize opportunities through investment in energy-efficient and lower carbon technologies, such as:

- Diversifying energy efficiency investments to include measures/technologies that may be necessary to address the hazards outlined in the physical risk assessment related to temperature increase. Investments can relate to any of the following: HVAC upgrades, highly emissive roof coatings, building management systems, dual paned windows, industrial battery storage on sites with photovoltaic panels, energy star rated water heaters, etc.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Risk Management

a. Processes for identifying and assessing climate-related risks

Macy’s, Inc. has an Enterprise Risk Management program that identifies and prioritizes enterprise risks. Enterprise risks are categorized and evaluated using risk scoring based on weighted impact, likelihood and velocity, both before and after application of control measures, to indicate the company’s current risk posture. An annual risk review schedule is prepared for updates to the full Board or assigned committee. At Board and committee meetings throughout the year, management discusses the risk exposures identified as being most significant to the company and actions that management may take to monitor or mitigate the exposures. Overall risk outlook is evaluated at least biannually at these meetings. The program utilizes a network of functional experts with managerial responsibility for various enterprise risk management.

b. Processes for managing climate-related risks

The Audit Committee discusses with management the risk assessment results and risk management policies relating to a variety of risks, including certain environmental, data privacy, computerized information controls, cybersecurity and artificial intelligence. The appropriate action plans, such as business continuity plans, are implemented by the affected departments.

c. How processes for identifying, assessing and managing climate-related risks are integrated into the organization’s overall risk management

In 2023, Macy’s, Inc. expanded the risk management process by conducting a comprehensive climate-related risk and opportunity identification and assessment exercise using TCFD criteria. As part of the identification process, we first screened our operations and value chain for all climate-related risks and opportunities that are outlined in the TCFD recommendations. For each risk and opportunity, we conducted a series of internal stakeholder interviews and conversations with functional owners and subject-matter experts and assessed the risks based on magnitude of impact and likelihood of occurrence in which the identified risks or opportunities may occur over the short-, medium- and long-term time horizon.

More than 15 stakeholders across the company participated in this risk identification and assessment exercise, which was coordinated by a core working team with key representatives from Sustainability, Finance, Risk, Energy, Business Resiliency and Treasury and Insurance. As part of this exercise, the time horizons for each issue were validated, mitigation methods and realization strategies already underway as part of Macy’s, Inc.’s management response were captured and their effectiveness was assessed.

To further effectiveness, risk identification criteria and management processes for Macy’s, Inc. climate-related risks and opportunities were aligned to its Enterprise Risk Management practice as closely as possible. Top risks are mapped to existing enterprise risks for ongoing monitoring, and functional risk owners are assigned to each risk and opportunity in the register. These owners are responsible for the ongoing management of risks and opportunities, ensuring that mitigation and/or realization strategies are effective and reporting performance against relevant KPIs. Substantive climate-related risks and oversight activities are reported to the Audit Committee for awareness as part of overall risk profile.

Macy’s, Inc.’s approach to climate-related risk management is continually evolving as we improve the tools and expand the resources available to enhance our understanding of the linkages between climate, our business and operations and our customers. The TCFD approach has provided a useful framework to help us build out a comprehensive risk register for sustainability that incorporates climate-related risks. Macy’s, Inc. leverages the ERM process and tools for ongoing management of risks and/or opportunities and update any changes to the risk descriptions, impacts, time horizons and likelihoods in alignment with the ERM cycle using feedback from the functional risk owners.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Metrics & Targets

a. Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions

To understand and reduce our climate impact, we track our operational energy use and related Scopes 1, 2 and 3 emissions.²³ Due to the extensive calculations and validation necessary to disclose FY 2025 GHG emissions for Scopes 1, 2 and 3, the data set will be published in the second half of FY 2026 on our website. Our FY 2024 Scopes 1, 2 and 3 GHG emissions can be found below.

Scope 1 & 2 GHG Emissions (metric tons CO₂e)

	FY 2024	FY 2023	FY 2022	FY 2021 (baseline)
Scope 1 Emissions	93,302	77,164	77,134	72,846
Scope 2 (market-based)	432,812	514,537	588,459	535,940
Scope 2 (location-based)	405,427	541,438	641,743	576,615
Total Scope 1 and 2 (market-based)	526,114	591,701	665,593	608,786
Total Scope 1 and 2 (location-based)	498,729	618,602	718,877	649,461

23. Macy's, Inc. has updated the calculation methodology and emissions factors used for Scope 1, Scope 2, and Scope 3 Category 3, resulting in restated values for all years since our FY 2021 baseline. We also recalculated all Scope 3 categories for FY 2022 and FY 2021 to publish a comprehensive Scope 3 footprint which reflects these methodology and emission factor changes and ensures year-over-year consistency. The most significant updates relate to improved estimation methodology for Scope 1 fugitive emissions from refrigerant use, enabling more accurate quantification. Reported FY 2021 baseline emissions also increased as a result of changes to calculation methodology. As a result, updated metrics may differ from those reported in prior CDP Climate submissions and earlier reports.

Task Force on Climate-related Financial Disclosures (TCFD) Index

Metrics & Targets

Scope 3 GHG Emissions (metric tons CO₂e)

Category	FY 2024	FY 2023	FY 2022	FY 2021 (baseline)
C1 – Purchased Goods and Services	6,522,004	8,583,261	9,212,761	10,106,539
C2 – Capital Goods	165,659	234,918	391,100	239,084
C3 – Fuel- and Energy-Related Activities	105,818	201,276	224,338	208,308
C4 – Upstream Transportation and Distribution	368,005	486,097	591,718	690,915
C5 – Waste Generated in Operations	16,536	7,424	16,639	8,645
C6 – Business Travel	19,364	19,251	18,175	14,603
C7 – Employee Commuting	211,599	195,373	206,486	200,873
C9 – Downstream Transportation and Distribution	42,061	58,443	72,196	77,843
C11 – Use of Sold Products	442,721	474,866	730,594	992,903
C12 – End-of-Life Treatment of Sold Products	98,829	143,390	158,309	159,854
C14 – Franchises	2,391	3,215	3,044	3,238
C15 – Investments	104	273	273	1,069
Total Scope 3	7,995,091	10,407,787	11,625,633	12,703,874

Note: Scope 3 Categories of Upstream leased assets, Processing of sold products and Downstream leased assets are not material to Macy's, Inc. Use of sold products, End of life treatment of sold products, Franchises and Investments were reported beginning for FY 2023, with these categories later calculated for FY 2022 and FY 2021 in 2026.

b. Ambitions used by Macy's, Inc. to manage climate-related risks and opportunities

Macy's, Inc. has set the following ambitions to manage climate-related risks and opportunities:

- Aim to reduce Macy's, Inc. emissions across Scopes 1 and 2 in line with the IPCC 1.5°C trajectory and Scope 3 Purchased Goods & Services in line with the IPCC well-below 2°C trajectory by 2030 vs. 2021 baseline.²⁴
- Achieve 50% renewable energy in direct operations (including distribution centers, fulfillment centers and stores) by 2030.

24. The IPCC (Intergovernmental Panel on Climate Change) provides scientific assessments on climate change to guide global action. Climate scenarios, such as the 1.5°C and well-below 2°C pathways, outline emissions reductions required to limit global warming in line with Paris Agreement goals.

macys inc

**MISSION
EVERY
ONE**