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Macy's, Inc. Announces Significant Investments in its People by Launching a Debt-Free Education Program, Raising Minimum Wage and Expanding Other Benefits

Offering Educational Benefit for Colleagues, Covering 100% of Tuition, Books and Fees for Associate and Bachelor's Degrees and Other Programs

Raising Minimum Rate of All Colleagues to \$15/Hour

NEW YORK--(BUSINESS WIRE)-- Macy's, Inc. (NYSE: M) today announced a significant new investment in its colleagues that will expand the breadth and reach of its benefits programs, including launching an industry-leading tuition benefit program and raising its company-wide minimum rate to \$15 per hour.

The Company will also invest to increase compensation and benefits for colleagues across Macy's, Inc. This investment is part of Macy's ongoing commitment to attract and retain talent critical to its continued growth as a digitally led omnichannel retailer and to the execution of its Polaris growth strategy.

Beginning in February 2022, Macy's will provide a **debt-free education benefit program** to its colleagues, investing approximately \$35 million over the next 4 years. The program will be available for all U.S.-based, regular, salaried and hourly colleagues. It will **cover 100% of tuition, books and fees** for a wide range of options, including courses for high school completion, college prep, English language learning, associate and bachelor's degrees, bootcamps and professional certificates within Macy's debt-free network. Macy's has partnered with a leading education and upskilling platform, Guild Education, to build the program and help Macy's colleagues gain the skills, knowledge and experience they needed to achieve their professional goals without financial barriers.

"As we continue our transformation to be a digitally led omnichannel retailer, a critical component of our growth includes investing in our talent and enhancing all aspects of their Macy's, Inc. experience with a strong focus on advancement opportunities, culture and engagement. As a company, we're driven by our mission to enable our colleagues' success and be the preferred employer everywhere we do business, with competitive pay and benefits rooted in principles of equity," said Danielle Kirgan, chief transformation and human resources officer at Macy's, Inc. "This program removes a major barrier to accessing education and will help our colleagues to further develop their skills and grow their careers and earning potential."

As part of today's announcement, Macy's colleagues will benefit from:

- **Raising the Minimum Rate to \$15/Hour.** The Company will raise the minimum rate across all Macy's, Inc. locations for new and current colleagues. The Company has already phased in the \$15/hour rate minimum across several markets and will achieve this target nationally by May 2022. In addition, this past summer the Company completed pay increases to a \$15/hour rate for all distribution center colleagues. Once all these investments are made, average base pay will be above \$17/hour and average total pay will be \$20/hour.
- **Adding Flexibility to Time Off.** Macy's corporate and hourly colleagues will receive one additional flexible paid holiday to support their well-being and provide further flexibility to take a day off on a holiday that is most important to them.

"At Macy's, Inc., our commitment to culture and employee engagement has never been stronger, and we are energized by a 90% engagement rate in our companywide survey of our more than 100,000-colleague population," said Kirgan. "By investing in our colleagues' education and financial well-being, we're determined to make it possible for them to bring the best of themselves to work every day and to enable them to pursue their own aspirations within and outside of Macy's, Inc."

"We are proud that our workforce reflects the diverse communities we serve and continue to focus on embedding D&I into how we think, act, and operate. Earlier this year, we released our Human Capital Report detailing our work and providing transparency for our shareholders, who are paying increasingly more attention to corporate culture. With these new investments today, we are excited to continue building on the strong foundation Macy's, Inc. has built over the years," added Kirgan.

Macy's is committed to the principle of equal pay and has achieved greater than 99% pay equity across gender and, in the U.S., across race in 2021. In addition, the Company has made continued investments to benefit its colleagues in recent years, including pay adjustments and recognition programs. In 2020, Macy's implemented additional incentives to thank colleagues for their vital work and efforts during immensely difficult circumstances through Path to Growth Incentives, Thank You bonuses and Hero Pay. Macy's also offers Spot Bonuses year-round for colleagues who go above and beyond.

To learn more about the new debt-free education program, please visit macys.guildededucation.com.

About Macy's, Inc.

Macy's, Inc. (NYSE: M) is one of the nation's premier omnichannel retailers. Headquartered in New York City, the company comprises three retail brands: Macy's, Bloomingdale's and Bluemercury. With a robust e-commerce business, rich mobile experience and a national stores footprint, our customers can shop the way they live — anytime and through any channel. For more information, visit macysinc.com.

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