

WSI

WILLIAMS-SONOMA, INC.

ASSOCIATE HANDBOOK

P O T T E R Y B A R N

pottery barn kids

PB
teen

W S I

WILLIAMS-SONOMA

WILLIAMS-SONOMA
HOME

west elm

Mark ^{AND} Graham

REJUVENATION

**ENHANCE THE
QUALITY OF
LIFE AT HOME.**

WILLIAMS-SONOMA, INC.



WELCOME TO WILLIAMS-SONOMA, INC.

Our company vision is to enhance the quality of life at home; the customer is at the center of everything we do. We are committed to a diverse and inclusive work environment where our associates can excel. Our Diversity and Inclusion vision that guides us is:

WE CREATE AND NURTURE A GLOBAL COMPANY CULTURE WHERE WE CONFIDENTLY BRING OUR AUTHENTIC SELVES TO WORK EVERY DAY; WHERE THE ONLY CRITERIA FOR ADVANCEMENT IS THE QUALITY OF OUR WORK, THE CONTRIBUTIONS WE MAKE TO OUR TEAMS AND THE BUSINESS, AND OUR ABILITY TO LEAD; AND WHERE OUR INDIVIDUAL DIFFERENCES—WHATEVER THEY MAY BE—ARE VALUED, EXPLORED AND APPRECIATED.

There couldn't be a better time to be a part of the WSI family. We are expanding globally and leveraging advances in customer analytics and technology to surprise and delight our customers in new and more personalized ways—all while investing in our existing businesses and reaching new levels of customer engagement.

This is where you come in. At WSI, there is no limit to what you can achieve. We provide a host of development opportunities and encourage associates to pursue cross-brand or cross-functional career movement. We have many long-tenured associates who, through teamwork, collaboration, ownership, entrepreneurial spirit and a strong drive to win, have built deeply rewarding careers and relationships.

The first step in joining our team is to review this handbook. It provides an overview of the Company's general policies and associate benefits. Make sure you understand its contents and contact your manager or Talent/Human Resources partner if you have any questions.

We hope that your employment with us is a rewarding experience and look forward to the many contributions that you will make as we build the strongest global team in retail.

We hope you enjoy creating a fulfilling career with us.



OFFERING QUALITY PRODUCTS AND OUTSTANDING SERVICE HAS BEEN OUR GOAL SINCE THE FIRST WILLIAMS-SONOMA STORE OPENED IN 1956. AS WE MOVE FORWARD, A SHARED COMMITMENT TO WHOM WE ARE, WHERE WE ARE GOING AND HOW WE WILL GET THERE WILL HELP US CARRY ON THIS TRADITION.

CHUCK WILLIAMS, *Founder*

OUR VISION, MISSION & VALUES

OUR VISION

To enhance the quality of life at home.

OUR MISSION

To be the world's leading specialty multi-channel retailer in home furnishings and house wares. We put the customer at the center of everything we do, and our actions and decisions are guided by our Company values.

OUR VALUES

PEOPLE FIRST

We believe that our Company has no limit and is driven by our associates and their imaginations. We are committed to an environment that attracts, motivates and recognizes high performance.

CUSTOMERS

We are here to please our customers—without them, nothing else matters.

QUALITY

We take pride in everything we do. From our people to our products, and in our relationships with business partners and our community, quality is our signature.

SHAREHOLDERS

We are committed to providing a superior return to our shareholders. It's everyone's job.

INTEGRITY

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

CORPORATE RESPONSIBILITY

We build sustainability into every corner of our enterprise so that our continued financial success will enhance the lives of our many stakeholders, the communities where we have a business presence and the natural environment upon which we rely.



“
RIGHT FROM THE
BEGINNING, I WANTED
OUR CUSTOMERS TO
ENJOY THEIR VISIT.

CHUCK WILLIAMS, Founder

OUR STORY

ON A VACATION TRIP TO PARIS IN 1953, Chuck Williams first encountered one of France’s glories: its cookware. The enormous array of pots, pans, baking equipment and cooks’ tools was ordinary by French standards, but Chuck recognized their superiority over anything available to American home cooks. Having learned to cook as a small child, he knew cookware, and as a self-taught carpenter and contractor, he respected hardworking, well-designed tools.

Upon his return to Sonoma, the Northern California town where he had settled after World War II, Chuck purchased a small commercial building and began remodeling it into shops for rental income. When he could not stop thinking about the marvelous cooking equipment he had seen in France, he decided to turn one of the commercial spaces into a kitchenware shop specializing in French cooking and baking wares. On September 15, 1956, Williams-Sonoma opened with imported cookware Chuck gathered through local sources.

The little shop quickly attracted the attention of locals as well as visiting San Franciscans, several of whom strongly advised Chuck to move Williams-Sonoma to San Francisco. In early 1958, the store reopened in a prestigious downtown location on Sutter Street. A year later, Chuck returned to Paris to track down the manufacturers of the cooking equipment that had inspired his venture. When Julia Child made French cooking techniques accessible to American cooks in 1961, Williams-Sonoma was well stocked with the cookware and tools featured on her television show, and Williams-Sonoma became America’s leading source for authentic French kitchenware.

The Company’s growth since then has kept pace with the revolution in American cooking, and moved beyond the kitchen to address an evolving interest in the comforts and importance of the American home. We entered this space boldly with the strategic acquisition of Pottery Barn in the mid-1980s, which we repositioned to become the iconic brand it is today. Since then, we have incubated and launched Williams-Sonoma Home, Pottery Barn Kids, PBteen, West Elm and Mark and Graham, and acquired Rejuvenation to enhance our customers’ lives at home through every life phase and with a variety of styles and aesthetics.

Today, Williams-Sonoma, Inc. is the premier specialty, multi-channel retailer of home furnishings and gourmet cookware in the United States. Our brands are among the best known and most beloved in the industry, offering quality, stylish products for every room in the house and for every occasion. We operate retail stores in the United States, Canada, Australia and the United Kingdom, and our products are available through catalogs and e-commerce worldwide.

The service our brands provide at retail and through e-commerce is complimented by associates in our U.S.-based customer care centers and manufacturing facilities; state-of-the-art distribution facilities and hubs located throughout the United States, Australia and the U.K.; corporate and sourcing offices in Europe and Asia; as well as California, New York and Oregon. Through franchise partners, we have a retail presence in the Philippines, Mexico and throughout the Middle East.

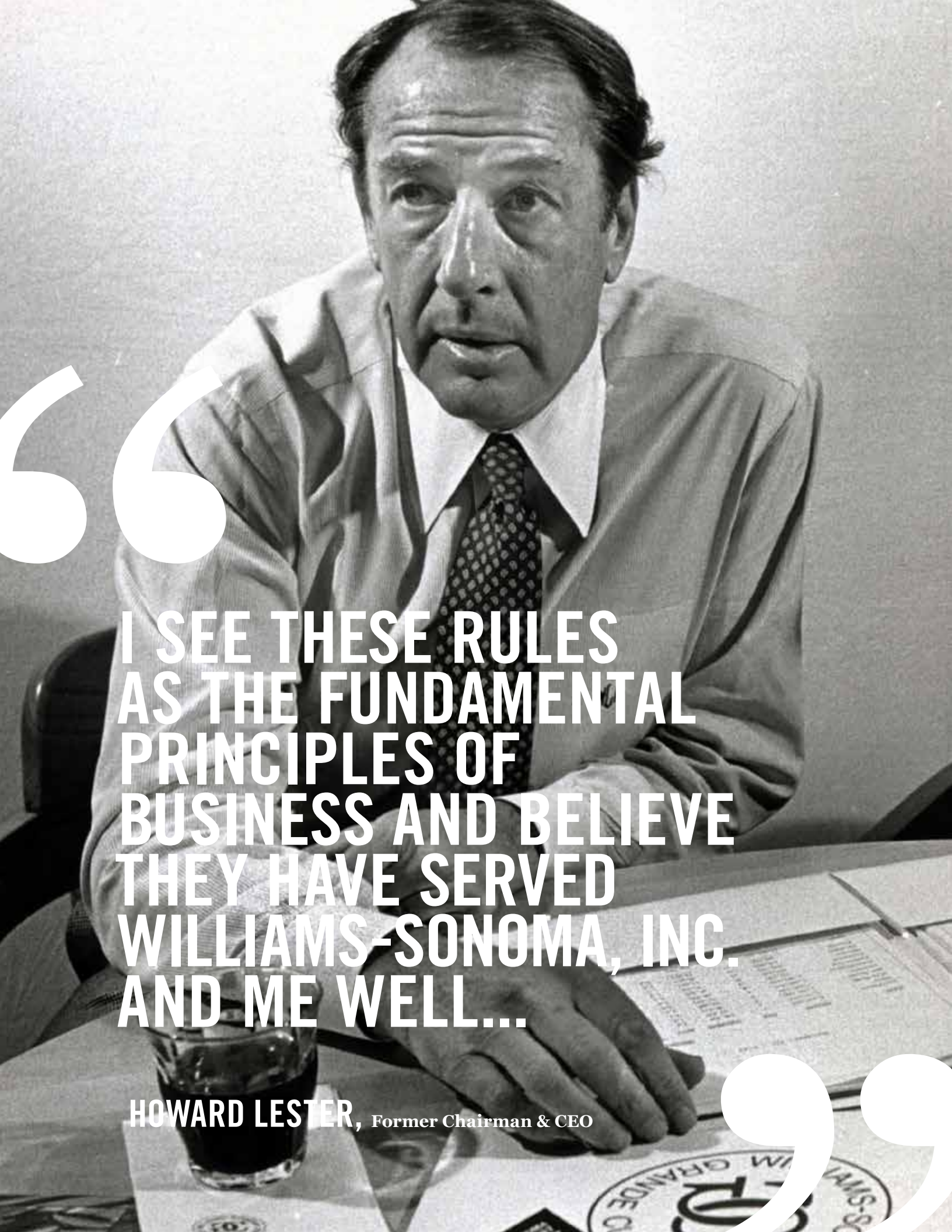
Chuck attributed the success of Williams-Sonoma, Inc. to something more essential than having the right merchandise.

“Right from the beginning, I wanted our customers to enjoy their visit. I wanted to show them pots and pans that they had never seen before. I wanted to answer their questions with knowledge and confidence. I wanted to remember their names. I wanted them to be friends as well as customers. Over the years, that has not changed. It is still the foundation Williams-Sonoma, Inc. is built on—Service to Our Customers.”

For the latest on our brands and Company, visit the sites listed below. Be sure to check out our blogs and other social media, where, among other things, you can learn about what inspires our collections and how we are engaging with our customers and communities.

WILLIAMS-SONOMAINC.COM
POTTERYBARN.COM
POTTERYBARNKIDS.COM
PBTEEN.COM
WILLIAMS-SONOMA.COM

WILLIAMS-SONOMAHOME.COM
WESTELM.COM
MARKANDGRAHAM.COM
REJUVENATION.COM



OUR GUIDING PRINCIPLES

In 1978, Howard Lester purchased Williams-Sonoma, Inc. Under his leadership, the Company grew from one brand with our stores, a catalog business and \$4 million in annual sales to a nationwide multibillion dollar specialty retailer.

Howard greatly admired Chuck and the business he had built. Shortly after buying Williams-Sonoma, Inc., Howard captured the essence of what he had learned from the many people working for the Company at the time in a list of behaviors that he called Howard's Rules. "I see these rules as the fundamental principles of business and believe they have served Williams-Sonoma, Inc. and me well," Howard said when introducing Howard's Rules to associates. "I hope that you will use these as a guide."

HOWARD'S RULES

- 1. WITHOUT VISION IT IS VERY DIFFICULT, IF NOT IMPOSSIBLE, TO PROVIDE LEADERSHIP TO A COMPANY OF ANY SIZE.** Dreams are important; never stop having them.
- 2. ARROGANCE IS A TERRIBLE THING.** Do not confuse competence and confidence with being arrogant. Arrogant people are unable to understand their own shortcomings and therefore don't work to improve.
- 3. BE SELF-CRITICAL.** The best leaders are always focused on improving. They know what is missing and are fanatical about making corrections.
- 4. REVERE & CELEBRATE YOUR ASSOCIATES & THEIR ACCOMPLISHMENTS.** Remember, they did the work, not you. You may have thought of what needed to be done and provided the leadership, but they did the work and are proud of the accomplishment. Give them the credit.
- 5. INTEGRITY & HONESTY IN EVERYTHING YOU DO SETS THE STANDARD & EXAMPLE FOR ALL AROUND YOU & CREATES THE CULTURE OF AN ORGANIZATION.**
- 6. ALWAYS JUDGE YOUR PERFORMANCE BY HOW YOUR CUSTOMER JUDGES YOU.** Customer metrics are far more important than company metrics. Without customers, nothing else matters.
- 7. BE CONTINUALLY FOCUSED ON WHAT CAN BE RATHER THAN WHAT IS.** We either lead or follow. It is better to go where no one has gone than where many have been before.

In 2008, in honor of Howard's 30th anniversary with Williams-Sonoma, Inc., the Company established the Howard Lester Award of Excellence to recognize outstanding contributions of an individual associate. The award is the highest honor at the Company and is granted annually to the individual who best exemplifies the principles set forth in Howard's Rules.

Howard retired from his posts as Chairman of the Board and CEO in May 2010, and retained the title of Chairman Emeritus until his death later that year. Howard left an indelible impression on Williams-Sonoma, Inc. and its entire associate population. He is deeply missed, and his legacy lives on in our values, in our brands and in these guiding principles.

I SEE THESE RULES AS THE FUNDAMENTAL PRINCIPLES OF BUSINESS AND BELIEVE THEY HAVE SERVED WILLIAMS-SONOMA, INC. AND ME WELL...

HOWARD LESTER, Former Chairman & CEO



WE HAVE THE BEST
TEAM IN RETAIL AND
OUR CUSTOMERS ARE
AT THE CENTER OF
EVERYTHING WE DO.

LAURA ALBER, CEO, President & Director

LAURA'S COMMITMENTS

Laura Alber began her career at Williams-Sonoma, Inc. as a Pottery Barn buyer and has grown her career with the company in various leadership roles, including President in 2006 and CEO in 2010. Her accomplishments include executing effective growth strategies, strengthening brand recognition and bolstering profits for the company's portfolio of multichannel brands.

She has extended the WSI imprint into new categories with introductions such as Pottery Barn Kids, PBteen, PBdorm, West Elm and West Elm Market, Mark and Graham, Rejuvenation, Williams-Sonoma Home and the Williams-Sonoma Agrarian Collection. Laura believes that WSI's portfolio of global brands, paired with its collaborative, creative culture and continual focus on the customer, is positioning WSI to be "Tomorrow's Retailer."

When Laura became CEO, she drafted the following commitments as a set of promises for leading Williams-Sonoma, Inc. with purpose and accountability. These promises remain at the heart of Laura's leadership today, and are integral to the ongoing success of our business.

I PROMISE TO...

1. Bring serious financial performance to this company, strengthen our brands and find new opportunities for growth.
2. Listen and ask questions from our customers — and from all of you.
3. Foster a culture of teamwork.
4. Take our direct business to the next level, online, which represents an enormous opportunity for this company in the future.
5. Have courage when dealing with tough issues and always strive to make the fair and right decision, even if it is not the most popular one.
6. Drive continuous improvement in all of our operations.
7. Be honest and ethical in every interaction.
8. Lead our world-class customer service organization with the same values that Howard and Chuck instilled.
9. Encourage creativity, product innovation and the entrepreneurial spirit.
10. Give you and the company my best every day.

HOW WE CAN SUCCEED: I am always going to give you my opinion and expect you to give me yours. I would like to try some new things and will ask for your support. I am very direct and communicative and would like the same in return. Whether you have been here one day or for many years, I would like you to be all in. Most important, I want us to be a team — the best team in retail.



OUR GOALS & OBJECTIVES

BUILD EXISTING BRAND STRENGTH

Unique strategies in each brand to drive growth and profitability.

CHANNEL EXCELLENCE & OPTIMIZATION

Optimize our channels and work to improve customer service through enhanced customer engagement and a focus on a seamless service.

SUPPLY-CHAIN NIRVANA

Drive further efficiency in our supply chain while enhancing customer service.

NEW BUSINESS DEVELOPMENT

We will execute against our strategies to build Rejuvenation, Mark and Graham and our brand extension into vibrant growth vehicles.

GLOBAL GROWTH

Leverage our strength and corporate capabilities to expand globally.

BUILD THE STRONGEST TEAM IN RETAIL

Develop leaders for the present and succession for the future. Cultivate culture where all associates are valued for their unique abilities and ideas, and are inspired to perform at their best.



REJUVENATION, Manufacturing, Portland, OR

HANDBOOK INFORMATION

The information in this handbook applies to every associate of Williams-Sonoma, Inc. and its subsidiaries. Nothing in this handbook is intended to be a direct, implied or inferred contract of employment. This handbook edition supersedes all previously issued handbooks.

It is the Company's intent that all provisions of this handbook comply with all applicable local, state and federal laws. Should any of the provisions set forth in the handbook become unenforceable or void due to an amendment, revision or change in any applicable local, state or federal law, the meaning of that provision will be interpreted so as to make it consistent with the change in law.

From time to time, the Company may establish new policies and update existing ones. This handbook is not a statement of all of Williams-Sonoma, Inc. policies and procedures and they may vary by Business Unit or work location in accordance with all applicable laws. With the exception of the at-will employment policy described in the Employment Practices section, management reserves the right to add, change, delete or attach addenda to this handbook or to any Company policy without notice.

TABLE OF CONTENTS

WELCOME TO WILLIAMS-SONOMA, INC.	V	Insider Trading Policy	9	<i>State & Federal Leaves of Absence</i>	21	HEALTH & SAFETY IN THE WORKPLACE	36
OUR VISION, MISSION & VALUES	VII	Information Systems & Security Policy	10	<i>Company Family & Medical Leave</i>	21	General Safety Guidelines	36
OUR STORY	IX	Social Media Guidelines	10	<i>Parental Leave for Casual Associates</i>	21	Associate Identification	
OUR GUIDING PRINCIPLES	XI	Associate Responsibilities	10	<i>Military Leave</i>	21	(IDs), Access Badges & Alarm Systems	36
LAURA'S COMMITMENTS	XIII	<i>Personal Appearance</i>	10	<i>Company Personal Leave</i>	21	Emergency Procedures	36
OUR GOALS & OBJECTIVES	XV	<i>Attendance & Punctuality</i>	10	Leave of Absence Process	22	Emergency Hotline—Corporate: 877-WSI-NEWS	37
HANDBOOK INFORMATION	XVII	<i>Unreported Absences (No Call/No Show)</i>	10	<i>Requesting a Leave of Absence</i>	22	Accident Reporting	37
A RESPECTFUL WORKPLACE	2	<i>Job Abandonment</i>	10	<i>Required Certification</i>	22	First-Aid Kits	37
Open-Door Communication	2	<i>Associate Conduct & Work Rules</i>	10	<i>Leave of Absence Coordination</i>	22	Unsafe Work Conditions & Safety Inspections	37
Equal Employment Opportunities	2	<i>Public Relations & Marketing Communications</i>	11	<i>Benefits Coverage During Leave</i>	22	Drug & Alcohol Use	37
Diversity & Inclusion	2	<i>Associate Records</i>	11	<i>Time Off with Pay (FMLA & Company Medical Leaves)</i>	22	Smoke & Tobacco Free	37
No Harassment or Discrimination	2	<i>Employment Verification</i>	12	<i>Return to Work/Modified Duty</i>	22	Driving on Company Business	37
Reporting Procedure	3	PAY PRACTICES	14	<i>Return to Work Process</i>	22		
Williams-Sonoma, Inc. Response	3	Compensation Philosophy	14	<i>Return to Work Process</i>	22	PROTECTING OUR ASSETS	40
Policy Against Retaliation	3	Workweek	14	<i>Failure to Return to Work</i>	22	Your Role in Loss Prevention	40
Zero Tolerance	3	Job Classification	14	<i>Job Reinstatement</i>	23	Security of Associates, Company Property & Bag/Package Check	40
Violence-Free Workplace	4	<i>Exempt Classification</i>	14	The Williams-Sonoma, Inc. 401(k) Plan	23	Personal Property	40
Disability Accommodation	4	<i>Non-Exempt Classification</i>	14	Medical, Vision, Dental & Prescription Drug Coverage	23	Loss Prevention	40
Lactation & Accommodations	4	Deductions from Pay	14	Life, Accident, Travel & Disability Insurance	23		
		Exempt Associate Pay Rules	14	<i>Basic Life Insurance</i>	23	LEAVING OUR EMPLOYMENT	44
		Non-Exempt Associate Pay Rules	15	<i>Travel Accident Insurance</i>	23	Employment Resignation	44
		<i>Work Hours/Shift</i>	15	<i>State Disability Pay</i>	23	Exit Interviews	44
		<i>Recording Work Hours</i>	15	<i>State Paid Family Leave</i>	23	Group Healthcare Coverage Continuation (COBRA)	44
		<i>Meal & Rest Periods</i>	15	<i>Short-Term Disability (STD) Insurance</i>	24	Return of Property & Maintenance of Williams-Sonoma, Inc. Confidentiality	44
		<i>Overtime</i>	15	<i>Long-Term Disability (LTD) Insurance</i>	24	Final Pay	41
		<i>Report in Pay</i>	15	Health Care Spending Account	24	Post-Employment Information	44
		<i>Pay for Travel Time</i>	15	Dependent Care Spending Account	24	<i>Updating Mailing Address Information</i>	44
		Gifts & Contest Prizes	16	Employee Assistance Program (EAP)	24	<i>Visiting Company Facilities</i>	
		Time Reporting Policy	16	The Benefits Department	25	<i>Once Employment Ends</i>	44
		Paychecks & Direct Deposit	16			<i>Rehired Associates</i>	44
		<i>Direct Deposit</i>	16	ASSOCIATE DISCOUNT & SHOPPING POLICIES	28	<i>Reinstated Associates</i>	45
				<i>Regular Associates</i>	28	<i>No Promise of Reinstatement</i>	45
				<i>Temporary/Seasonal Associates—Stores</i>	28		
				<i>Temporary Associates—Corporate Offices</i>	28	RESOURCES	48
				<i>Temporary Associates—Customer Care Centers</i>	28		
				<i>Temporary/Seasonal Associates—Supply Chain</i>	28	CALIFORNIA ADDENDUM	50
				Exceptions to the Associate Discount	28	Meals & Rest Periods	50
				Purchasing Merchandise with a Discount	28	California Family Care & Medical Leave & Pregnancy Disability Leave	50
				<i>Shopping in Stores</i>	29	Kin Care	51
				<i>Shopping Online</i>	29	School Visitation Leave	51
				<i>Catalog Orders</i>	29	Organ/Bone Marrow Donation Leave	51
				<i>Returning Merchandise</i>	29	Military Spouse/Domestic Partner Leave	51
						Emergency Civil Service Leave	52
				MANAGING YOUR CAREER	32	Short-Term Disability (STD) & California State Disability Insurance (SDI)	52
				Our Open-Door Policy & Problem Resolution Procedures	32		
				Associate Development Opportunities	32	ASSOCIATE HANDBOOK	
				Rewards & Recognition	33	ACKNOWLEDGEMENT & AGREEMENT	54
				Progressive Counseling	33		

A RESPECTFUL WORKPLACE



Williams-Sonoma, Inc. expects every associate to be treated and treat others with respect and dignity. One way we achieve this is by giving ongoing, positive communication and feedback to our associates, and by ensuring that associates know the Company's expectations with respect to maintaining a respectful work environment. In support of these efforts, all of our management teams participate on a regular basis in the Company's Respectful Workplace training.

OPEN-DOOR COMMUNICATION

At WSI, we communicate with our associates in many ways under a general philosophy that is best summarized by the term "open-door." Supervisors are encouraged to maintain an "open-door" in order to encourage a free flow of information about the business and work-related issues. Likewise, the Company expects associates to look to their supervisors as their main source of business information and feedback related to job performance. Associates are always free to raise concerns with Talent/Human Resources, their managers, or through the dedicated hotlines described in this handbook. The Company also engages with associates throughout the year through email, Homefront, mailings, conference calls, town hall meetings and a variety of other formal and informal communication channels.

EQUAL EMPLOYMENT OPPORTUNITIES

All associates and candidates for employment are provided equal employment opportunities. Individuals are recruited, hired, assigned, promoted, compensated and trained on the basis of their qualifications for the job, and without regard to race, color, national origin, religion, age, ancestry, sex and gender, gender identity, gender expression, military and veteran status, sexual orientation, disability, medical condition, genetic information, marital or familial status, or any other category protected by federal, state or local law or because of the individual's association with a member of a protected group or connection to a organization or group related to a protected group.

DIVERSITY & INCLUSION

We firmly believe that workplace diversity and a culture of inclusion helps spur innovation, create healthy and high-performing teams, and deliver a retail experience that will continue to surprise and delight our customers. We are committed to honoring and investing in the full diversity of people, in our hiring, recruiting and development of associates across all Company functions. Every officer, manager, supervisor, and associate is expected to support and contribute to an environment that respects and values the diversity of our workforce.

NO HARASSMENT OR DISCRIMINATION

Williams-Sonoma, Inc. believes in respecting the dignity of every associate and expects every associate to show respect for all of our associates, customers, vendors and all others with whom the company conducts business. Accordingly, this policy forbids sexual harassment and any harassment or discrimination that is based on an individual's race, color, national origin, religion, age, ancestry, sex and gender, gender identity, gender expression, military and veteran status, sexual orientation, disability, medical condition, genetic information, marital or familial status, or any other category protected by federal, state or local law or because of the individual's association with a member of a protected group or connection to an organization or group related to a protected group. Williams-Sonoma, Inc. is committed to providing a work environment free of unlawful discrimination, including harassment that is based on any legally protected status. Williams-Sonoma, Inc. will not tolerate any form of harassment that violates this policy.

This policy applies to conduct regardless of the gender, sex, or protected class of the persons involved. The victim as well as the perpetrator may be a woman or a man.

This policy prohibits assault, battery, and physical interference with movement or work and requests of associates to provide sexual favors in return for promotions, career advancement, or other types of benefits. The policy also prohibits epithets, derogatory comments, slurs, and jokes that are sexual in nature or that concern or show hostility toward an individual or group because of a protected characteristic.

It is not possible to list all circumstances that constitute harassment. However, examples of conduct prohibited by this policy include:

VERBAL

“Dirty” jokes, epithets, slurs, threats, or demands or requests for sex; unwanted sexual flirtations or advances (especially those that condition an employment benefit on sexual favors); sexually suggestive comments or sounds; verbally-abusive language of a sexual nature or because of any other protected status of an individual; making sexually suggestive, degrading, offensive or unwelcome comments about a person’s body, looks, appearance, clothes, anatomy, or manner of walking; discussing sexual topics, including a person’s love or sex life, sexual activities, sexual fantasies, sexual preferences or history; using inappropriate or sex-related nicknames; asking sexual or intimate questions about personal relationships; and making remarks, including attempts at humor, that denigrate or are designed to intimidate people based on any protected status or characteristic.

PHYSICAL

Assault, battery, or physical interference with movement or work; inappropriate touching, pinching, grabbing, hugging, and brushing against someone; sexual acts or simulation of sexual acts; standing too close or leaning over someone in a way that is offensive to the victim or others observing the conduct; stalking or following a person around excessively; lingering excessively at someone’s place of work; and giving massages.

VISUAL

Sending or displaying sexually explicit, suggestive or derogatory images or things, including products, pictures, photographs, calendars, cartoons, drawings, posters, films, graffiti, pin-ups, notes, memos, letters, email, texts, instant messages, social media posts, leering or staring; offensive, obscene or derogatory gestures; making facial expressions such as throwing kisses or licking lips in a suggestive manner; looking a person up or down in a suggestive way; and touching oneself in a sexually suggestive manner.

REPORTING PROCEDURE

Anyone who believes that he or she is being subjected to objectionable conduct or who observes such conduct toward others should report it immediately to the associate’s manager, any other Williams-Sonoma, Inc. manager, Talent/Human Resources, or the Ethics Hotline at 800-620-8610. It is every associate’s responsibility to report an inappropriate situation, regardless of who is creating it.

Managers who become aware of harassment and/or discrimination from any source must immediately report such conduct to their manager or Talent/Human Resources even if an associate requests that the matter not be reported or that it be kept confidential.

In the course of responding to and investigating a complaint, Williams-Sonoma, Inc. will attempt to protect the confidentiality of individuals reporting discrimination or harassment allegations to the extent possible. The Company cannot guarantee complete confidentiality since an effective investigation may require certain information to be disclosed to those individuals involved. However, information about the allegations of harassment and/or discrimination will be shared only on a need-to-know basis by the Company or as required by law. We also expect associates, if asked, to cooperate fully with Company discrimination or harassment investigations. Failure to cooperate with a Company investigation may result in disciplinary action up to and including termination.

WILLIAMS-SONOMA, INC. RESPONSE

All reports describing conduct that is inconsistent with this policy will be investigated promptly. If an investigation reveals that a violation of this policy or other inappropriate conduct has occurred, the Company will take corrective action, including discipline up to and including termination, as is appropriate under the circumstances, regardless of the positions held by the parties involved. Williams-Sonoma, Inc. may discipline an associate for violations of this policy, regardless of whether the conduct amounts to a violation of law. If the person who engaged in harassment is not employed by Williams-Sonoma, Inc., Williams-Sonoma, Inc. will take whatever corrective action is reasonable and appropriate under the circumstances.

POLICY AGAINST RETALIATION

The Company forbids any associate from treating any other associate, former associate, applicant, vendor and all others with whom the Company conducts business adversely for reporting harassment or discrimination, for assisting another associate or applicant in making a report, for cooperating in a harassment investigation, or for filing an administrative claim with the Equal Employment Opportunity Commission (EEOC) or a state governmental agency. All associates who experience or witness any conduct they believe to be retaliatory should immediately report the situation so that the matter may be promptly investigated and remedied.

ZERO TOLERANCE

The Company has zero tolerance for harassment. The Company will not stand for it, and neither should you. Zero tolerance means that appropriate corrective action, which may include termination of the responsible person’s employment, will be taken whenever the Company finds a policy violation has occurred. Please help make our working environment free from harassment by treating associates, customers and vendors – everyone – with the respect they deserve, and by reporting incidents of harassment to the Company.

VIOLENCE-FREE WORKPLACE

Williams-Sonoma, Inc. is committed to providing a workplace free of violence and/or the threat of violence. Acts or threats of violence, whether made directly or indirectly, violate Williams-Sonoma, Inc.’s right to conduct its business in a safe and professional manner. Violent or threatening conduct of any kind, whether it is directed against another associate, a manager or a third party, is not tolerated.

Williams-Sonoma, Inc. actively investigates any allegations of violence or threatening conduct. If it is determined that such conduct has occurred, the Company takes appropriate disciplinary action, up to and including termination of employment. When appropriate, the Company may also seek criminal prosecution and/or cooperation with law enforcement.

Violent or threatening conduct includes but is not limited to:

- Striking, punching, slapping or assaulting another person
- Challenging another person to a fight
- Engaging in dangerous, threatening or unwelcome behavior
- Bringing a gun, knife or other weapon of any kind onto Company property, including parking lots and other exterior premises, or to a Company sponsored function
- Threatening harm by words, gestures, symbols, written materials or electronic communication
- Stalking or other intimidating behavior

Associates, who feel they are the victim of any violent or threatening behavior or who observe such behavior taking place, should immediately contact their manager, Talent/Human Resources or Loss Prevention. All situations related to any type of violence in the workplace will be investigated promptly and professionally, and appropriate steps will be taken to prevent harm to any and all associates. Retaliatory action against any associate reporting workplace violence will not be tolerated.

DISABILITY ACCOMMODATION

The Company is committed to inclusion, diversity and nondiscrimination and supports the employment and accommodation of qualified individuals with disabilities in its workforce. The Company will fully comply with the reasonable accommodation requirements of the American with Disabilities Act (ADA) and other applicable federal, state or local laws. The Company is committed to providing reasonable accommodations to ensure that qualified individuals with disabilities enjoy equal employment opportunities.

Individuals who wish to request a reasonable accommodation should express their interest verbally or submit a written request to their manager or Talent/Human Resources. By working together in good faith, the Company hopes to implement any reasonable accommodations that are appropriate and consistent with its legal obligations.

LACTATION & ACCOMMODATIONS

Upon returning to work, an associate who desires to express breast milk for her infant child is provided with a reasonable amount of break time and a private space to express breast milk.



POTTERY BARN KIDS, Product Development, San Francisco, CA

EMPLOYMENT PRACTICES

EMPLOYMENT AT-WILL

Williams-Sonoma, Inc. has an at-will employment policy, which means there is no contract for continuous employment. Associates' employment with Williams-Sonoma, Inc. is voluntarily entered into, and associates are free to terminate employment at any time, for any or no reason with or without cause or prior notice. Likewise, Williams-Sonoma, Inc. may terminate the employment relationship at any time, for any or no reason, with or without cause or prior notice when the Company feels it is appropriate. Williams-Sonoma, Inc., at its sole discretion, also reserves the right to modify the terms and conditions of an associate's employment at any time, with or without cause or prior notice. This arrangement constitutes the entire agreement between associates and the Company as to the terms and conditions of associates' employment including duration of and the circumstances under which their employment may be terminated. This at-will employment relationship can be changed only through a written agreement signed by the Chief Executive Officer of Williams-Sonoma, Inc.

ASSOCIATE CLASSIFICATIONS

Williams-Sonoma, Inc. associates are classified by the number of hours normally scheduled and worked. All associates, regardless of associate status, will receive all legally mandated benefits including workers' compensation, social security, and state and federal unemployment insurance coverage. Unless otherwise provided by law, the classifications are described as follows.

FULL-TIME ASSOCIATE

An associate who is regularly scheduled to work and who regularly works 30 or more hours in a week is considered a full-time associate and is eligible for the corresponding associate benefits described in the Benefits section of this handbook, subject to the specific eligibility requirements of those programs. Full-time associates must be available to work hours based upon the needs of the business, unless a reasonable accommodation is requested and approved.

CASUAL ASSOCIATE

An associate hired to work a flexible, as needed schedule is classified as a casual associate. A casual associate's work schedule, ranging between 0 and 29 hours per week and varies based upon business needs. On occasion, a casual associate may be asked to work more than 29 hours due to business needs. The fact that a casual associate may occasionally work more than 29 hours in a week is not an indication of a change in status. Associates should consult their manager regarding the guidelines for casual associates at their location.

TEMPORARY ASSOCIATE

An associate hired by Williams-Sonoma, Inc. for a limited specific period of time or for a specific project is considered a temporary associate. Temporary associates include those associates hired to work during seasonal periods. A temporary associate does not automatically convert to regular status by working in excess of the period originally expected or designated. Unless otherwise provided by law, temporary Associates are not eligible to receive Williams-Sonoma, Inc. benefits except for the Associate Discount Benefit. Associates whose employment status changes from temporary to full-time, part-time or casual status will be credited only for their service, for purposes of seniority and benefits eligibility, from their date of hire as a regular status associate. For purposes of definition, temporary associates do not include those working through an employment agency.

PART-TIME ASSOCIATE – (SUPPLY CHAIN, CUSTOMER CARE CENTERS & CORPORATE POSITIONS)

An associate who is regularly scheduled to work and who regularly works fewer than 30 hours, but at least 20 hours, in a week is considered a part-time associate. Part-time associates are expected to be available to work hours based upon the needs of the business. The fact that a part-time associate may occasionally work more than 30 hours or fewer than 20 hours in a week is not an indication of a change in status.



OUR STANDARDS

WILLIAMS-SONOMA, INC. CODE OF BUSINESS CONDUCT & ETHICS

Williams-Sonoma, Inc. is committed to maintaining the highest level of integrity and honesty in everything it does. Associates have a responsibility to act with the highest ethical standards; to behave honestly and with respect in all business dealings, whether with vendors, customers or other associates; and to act in the Company's best interests in all business activities.

The Williams-Sonoma, Inc. Code of Business Conduct and Ethics contains guidelines that enable associates to avoid engaging in conduct that might create or appear to create conflict with their duty of loyalty to the Company, or that might otherwise adversely affect the Company's reputation or violate the law. Below are some of the categories covered in the Williams-Sonoma, Inc. Code of Business Conduct and Ethics. All associates should become familiar with the Williams-Sonoma, Inc. Code of Business Conduct and Ethics policy, and are encouraged to contact the Company's Corporate Legal Department through their respective Talent/Human Resources representative with questions or to ask if a particular activity constitutes a conflict of interest.

CONFIDENTIALITY & NON-DISCLOSURE

Our business is highly competitive. Our success is the result of the creativity, innovation and hard work of many associates. Our future security and opportunities demand that we all take great care to guard the Company's intellectual property rights, including trade secrets and other confidential or proprietary information. Associates must protect the Company's proprietary and intellectual capital. Using the Company's confidential and proprietary information otherwise unavailable to persons outside Williams-Sonoma, Inc. is strictly prohibited. Failure to maintain the confidentiality of such information and/or the unauthorized use or disclosure of this information may lead to civil or criminal prosecution, as well as the immediate termination of the employment relationship with the Company.

Note: This Confidentiality statement does not prohibit associates from discussing wages or other terms and conditions of employment.

CONFLICTS OF INTEREST

In general, a conflict of interest exists when an associate has a relationship or engages in an activity that impairs or adversely affects the person's judgment regarding the best interests of the Company, or when an associate benefits financially from his or her employment beyond compensation and financial benefits paid or granted by the Company. In all situations, conflicts of interest—as well as the appearance of conflict of interest—should be avoided.

Following are examples of types of business relationships or activities that have a particularly high potential for conflict of interest and that should be avoided.

OWNERSHIP INTERESTS

Investing in any vendor or competitor of the Company, other than through nominal amounts of stock in those companies that are publicly traded, is prohibited.

OUTSIDE EMPLOYMENT OR BUSINESS ACTIVITIES

Serving as an officer, director, partner, employee, worker, consultant or contractor to any vendor or competitor is prohibited. Serving as an officer, director or partner for a non-competitor may be permitted, but such activities must be disclosed in advance to Talent/Human Resources for approval and must not interfere with an associate's duties to Williams-Sonoma, Inc. Associates may be workers or consultants to a non-competitor as long as it does not interfere with duties to Williams-Sonoma, Inc. or require so much of your time or effort that you cannot perform your duties at Williams-Sonoma, Inc. at full efficiency.

Williams-Sonoma, Inc. property or services must not be used in any outside activity without express written permission from the Legal department. You must not use your company position for your own benefit in any outside activity or for the benefit of any outside entity, person or group (e.g., providing your own design services to Williams-Sonoma, Inc. customers). Promoting and performing services for customers not within the scope of job duties (without management consent or approval) is also not permitted.

GIFTS, MERCHANDISE & ENTERTAINMENT

Accepting merchandise, discounts on merchandise, samples for home use, tips or gifts (other than gifts valued at less than US\$150) from any existing or prospective supplier, vendor, customer or competitor of WSI is prohibited. Even where gifts are permitted, the total gifts to or from an existing or prospective supplier, vendor or competitor should not exceed US\$250 per year.

Merchandise samples must be sent to Williams-Sonoma, Inc.'s corporate office and not to an associate's home. Associates should inform Talent/Human Resources in writing if anyone offers or sends them a gift that is prohibited by this policy, or if they have questions about the policy. Associates may not purchase merchandise directly from vendors for personal use, except as an ordinary consumer.

BUSINESS TRANSACTIONS WITH WILLIAMS-SONOMA, INC.

Participating, directly or indirectly, in any business agreement or transaction involving Williams-Sonoma, Inc.—except when acting in an official capacity or when making purchases as a customer of the Company—is prohibited.

LOANS

Loaning money to, guaranteeing a loan to or borrowing money from any supplier, vendor or competitor is prohibited.

SUPERVISING RELATIVES

Supervising (directly or in the line of reporting), reviewing or asserting any influence on the job evaluation, pay or benefits of a relative is not allowed. A “relative” is defined to include spouses, domestic partners, children, siblings, parents and grandparents. An exception may be granted by the District Manager that allows a manager to supervise a relative who is hired to work during inventory as a temporary associate (in stores only).

EMPLOYMENT OF RELATIVES

Relatives of associates may be hired if they will not be working directly for or supervising a relative. If already employed by the Company, a person cannot be transferred into such a reporting relationship. If the relative relationship is established after employment, the associates may be separated from each other, either through reassignment or termination of employment. An exception may be granted by the District Manager allowing a manager to hire an associate's relative to work during inventory as a temporary associate (in stores only).

FRATERNIZATION

No associate should allow romantic relationships or friendships with other associates to impair job performance, adversely affect others or create an uncomfortable work environment for others. It is important that our associates use tact, good judgment and sensitivity in these situations, and specifically avoid favoritism, or the appearance of favoritism, open displays of affection and

making business decisions based upon emotions or friendships rather than the best interests of the Company. Managers are specifically required to disclose personal relationships with associates who report in to their organization to Talent/Human Resources. If a personal relationship is established after employment, the Company may reassign one of the associates or take other steps, including termination of one of the associates to eliminate the conflict within the reporting relationship.

DOING BUSINESS WITH FAMILY MEMBERS OR FRIENDS

Pressuring other associates to hire a relative (as previously defined) or a friend as an associate, independent contractor, supplier or vendor is prohibited. Prior to conducting business with any relative, associates must obtain approval from Talent/Human Resources or the Williams-Sonoma, Inc. Legal Department.

POLICY FOR REPORTING ACCOUNTING CONCERNS

Williams-Sonoma, Inc. is a publicly traded company listed on the New York Stock Exchange. Accordingly, we owe a duty to our shareholders to comply with all federal and state laws designed to protect them.

The Audit Committee of the Williams-Sonoma, Inc. Board of Directors has adopted a Policy for Reporting Accounting Concerns. This policy establishes procedures for the confidential, anonymous submission by associates of concerns regarding questionable accounting, internal accounting controls or auditing matters. Associates with concerns or complaints regarding these matters may report their concerns to the Company's General Counsel, to the Company's independent outside hotline at:

- **Hotline Phone:** 800-620-8610
- **Online:** iwf.tnwgrc.com/williamssonoma

Company policy and federal and state law prohibit retaliatory employment action against an associate who reports unlawful conduct, provides information or participates in an investigation or proceeding conducted by the Company, or by any federal regulatory or law enforcement agency, member of Congress or congressional committee.

INSIDER TRADING POLICY

For our associates' protection and to protect the interests of our shareholders, all associates must familiarize themselves with the Williams-Sonoma, Inc. Insider Trading Policy. In the normal course of business, associates at all levels of Williams-Sonoma, Inc. may come into possession of “material non public information.” Non-public information is any information that has not been disclosed generally to the marketplace. Material information includes, but is not limited to, financial and operational performance, business plans,

product development information, product issues and significant litigation. These terms are more fully explained in the complete Insider Trading Policy available on Homefront.

As detailed in the Insider Trading Policy, purchasing or selling securities while in possession of material non public information or disclosing this information to others is prohibited by federal and state laws. Violation of these laws and this policy may result in the imposition of substantial civil and criminal penalties, including imprisonment, and may subject an associate to discipline by Williams-Sonoma, Inc., including termination of employment.

Additionally, associates at the director level and above (excluding Regional Vice Presidents), managers in finance positions, and members of the Board of Directors may not buy or sell Williams-Sonoma, Inc. stock, including shares held in a 401(k) Plan account, during a blackout period prior to and immediately following public dissemination of the Company's quarterly financial results. Associates with questions are encouraged to contact the Williams-Sonoma, Inc. Legal Department.

INFORMATION SYSTEMS & SECURITY POLICY

The Information Systems and Security Policy defines rules that you will need to understand and follow in handling our Company information and accessing our information systems. The Policy applies to the entire workforce—including associates, contractors and any external parties who are granted access to our information and systems. All associates are required to read and acknowledge receipt and understanding of the Policy at onboarding and at least annually thereafter.

All users of our systems and information should be aware that WSI may record and monitor their use of our information and systems, and information that is periodically backed up may be retrieved and reviewed as necessary. Any behavior indicating inappropriate access or use of our systems or information may result in disciplinary action, up to and including termination.

Associates with questions regarding security requirements, best practices or the Information Systems & Security Policy should contact their manager or IT Security Compliance. Questions or concerns regarding the security of Company information or information systems should be directed to the IT Service Desk or WSI Loss Prevention.

SOCIAL MEDIA GUIDELINES

Williams-Sonoma, Inc. understands that social media is often a large part of associates' personal lives and presents potential business opportunities. Social media sites and tools help people engage, learn and share with others, but they also can expose individuals and the Williams-Sonoma, Inc. to significant reputational risk. Associates must review and understand the WSI Social Media Guidelines.

ASSOCIATE RESPONSIBILITIES

PERSONAL APPEARANCE

Williams-Sonoma, Inc. takes pride in and cares deeply about the presentation of its products, stores, catalogs and e-commerce sites. Williams-Sonoma, Inc. associates are an extension of the culture and are ambassadors of the Company. Williams-Sonoma, Inc. considers it very important that associates are well groomed, practice good personal hygiene and dress appropriately for their job function.

Associates are required to adhere to the personal appearance guidelines posted/communicated at their work location. Williams-Sonoma, Inc. recognizes the importance of individually held religious beliefs of its associates. If you require a religious accommodation to your work location's dress code, please contact Talent/Human Resources. Please also contact your manager or Talent/Human Resources with questions or to request a copy of your location's personal appearance guidelines.

ATTENDANCE & PUNCTUALITY

To maintain a productive work environment, associates are expected to be reliable and punctual when reporting for work. Tardiness and unexcused absences are disruptive to the operations of the Company and may lead to disciplinary action, up to and including termination of employment. Associates should comply with the respective work location policy and practices related to notifying his or her manager of an absence or tardiness.

UNREPORTED ABSENCES (NO CALL/NO SHOW)

Failure to provide notice of an absence, or “a no call, no show,” is disruptive to business operations and may result in disciplinary action, up to and including termination of employment.

JOB ABANDONMENT

Job abandonment will be treated on a case-by-case basis, but is generally defined as two consecutively scheduled days of unreported absences. In the case of job abandonment, the Company will consider the associate to have voluntarily resigned.

ASSOCIATE CONDUCT & WORK RULES

While it is not possible to list all behaviors that are considered unacceptable in the workplace, the following are examples of violations and infractions of rules of conduct that will result in disciplinary action, up to and including termination:

- Fighting, intimidation or threatening action in the workplace, including implied or actual harm to any associate, customer or person with whom the Company does business
- Any form of discrimination or harassment or immoral or indecent conduct including, but not limited to, sexual or other harassment

- Use of racial slurs, derogatory comments, or insults that may constitute unlawful harassment or discrimination toward another associate
- Gambling on Company property or using Company resources for gambling
- Unethical or illegal acts, including but not limited to theft, dishonesty, falsification of Company records, documents or information, intentional damage to Company assets, inappropriate use of Company systems, assets or property, or unauthorized use of Company assets for personal benefit or gain
- Theft of company time, including but not limited to punching in and not reporting directly to the work area, sleeping on the job, unauthorized extended breaks and/or multiple breaks or excessive personal calls
- Possession of dangerous or unauthorized items, such as explosives, knives or firearms, on Company property or in personal or Company vehicles except where and as permitted by state law
- Possession, sale, manufacture, distribution, use of or being under the influence of alcohol and/or illegal nonprescription drugs (or abusing prescription drugs or use which impairs judgment) or other controlled substances, while on Company premises, when operating Company owned, leased or rented vehicles, when operating personal vehicles on Company business or when otherwise representing the Company
- Negligence or improper conduct that results in potential or actual harm or injury to an individual or to Company property, or that results in potential or actual liability to the Company
- Violation of Company policies, procedures or guidelines
- Violation of the Corporate Code of Business Conduct and Ethics policy
- Williams-Sonoma, Inc. limits solicitation and distribution, fund raising, and other similar activities as follows:
 - › *Persons who are not Williams-Sonoma, Inc. associates are prohibited at all times from engaging in the distribution of material or solicitation in any Company work areas.*
 - › *Solicitation of or by associates during their working time, or solicitation at any time of non Company sponsored charity activities, is prohibited. Working time, as used in these guidelines, includes the working time of both the associate doing the soliciting and distributing and the associate to whom the soliciting or distributing is being directed. Working time does not include break periods, meal periods, or any other specified periods during the workday when associates are properly not engaged in performing their work tasks. Associates may participate in official Company sponsored charity drives, including St. Jude's Children's Research Hospital® and AIDS Walk.*

Contributing to Company sponsored charity drives is not a condition of continued employment; it is a personal decision of associates.

- Activities in which one falsely claims to represent or speak on behalf of the Company
- Removal, misappropriation or possession of assets or other property not belonging to the associate without authorization
- Using mobile phones other than in designated areas
- Violation of security or safety rules
- Violation of the Associate Discount Benefit, including but not limited to resale of merchandise purchased with an Associate Discount
- Writing personal checks to the Company with insufficient funds or a closed account, or failure to pay any financial obligation to the Company
- Unauthorized use of another associate's ID and/or password
- Misrepresenting authorization of management approval
- Failure to provide satisfactory customer service
- Failure to report to work or call one's manager, tardiness or unauthorized absence from the workplace
- Smoking in prohibited areas

PUBLIC RELATIONS & MARKETING COMMUNICATIONS

The company strives to anticipate and manage public communication situations in order to reduce disruption to our associates and our customers and to maintain our reputation as a high quality company. To best serve these objectives, the company will respond to the news media in a timely and professional manner only through the designated spokespersons.

Generally, the Public Relations department handles all requests from media outlets. To the extent associates communicate with media/reporters in an unofficial capacity, the associate must answer all questions as follows: "I am not authorized to comment for Williams-Sonoma, Inc."

ASSOCIATE RECORDS

The Company maintains employment records for all associates. It is important that associates keep their records current and accurate. It is an associate's responsibility to notify Williams-Sonoma, Inc. of any changes to their personal information. Generally, Full-Time Associates have the ability to make necessary changes to their name, address, telephone number or marital status via the Homefront site. All other associates should notify their manager and Talent/Human Resources of such changes. Any tax exemption or filing status changes (W-4) should be submitted directly to the appropriate payroll department or Talent/Human Resources representative. Associates who wish to change their insurance beneficiary should do so via the Homefront site.

Upon request and reasonable notice, associates may review and request copies of the contents of their personnel file that are or have been used to determine their qualifications for employment, promotion, additional compensation, termination or disciplinary action. Associates may also request copies of any document in their file that they have previously signed. The Company will comply where state or local law provides for greater associate record access.

EMPLOYMENT VERIFICATION

External requests for associate information, including employment verification, should be referred directly to The Work Number at 800-367-5690, Employer Code 11713, or to theworknumber.com. Only the associate's start date, last day worked and positions held will be confirmed. Written consent by the associate is required for salary verification.



PAY PRACTICES

COMPENSATION PHILOSOPHY

Williams-Sonoma, Inc. believes in a pay for performance philosophy and compensates associates commensurate with their individual performance and level of contribution toward the achievement of business unit and overall Company objectives, and in accordance with applicable federal, state and local laws.

WORKWEEK

For payroll and scheduling purposes, the workweek for all Williams-Sonoma, Inc. associates is a seven-day period that begins at 12:00 a.m. on Monday and ends at 11:59 p.m. on Sunday.

JOB CLASSIFICATION

An associate is classified as either exempt or non-exempt, according to criteria established by the Fair Labor Standards Act (FLSA) and applicable state laws. An associate's job classification will determine whether the associate is compensated hourly (non-exempt status) or on a salary basis (exempt status) and whether the associate is entitled to overtime. Associates who are uncertain or have concerns about their job classification should contact their manager or Talent/Human Resources.

EXEMPT CLASSIFICATIONS

Associates in positions classified as exempt who work hours beyond their normal schedules, as work demands require, will not be paid overtime. Exempt associates are required to approve and account for all time off.

NON-EXEMPT CLASSIFICATIONS

Associates in positions classified as non-exempt are entitled to overtime pay for hours worked in excess of 40 in a workweek. In some states, such as California, associates may be entitled to overtime if they work more than eight hours in a day. The Company provides compensation for all overtime hours worked by non-exempt associates in accordance with state and federal law. By law, non-exempt associates must keep a daily record of all hours worked, through automated time keeping systems (e.g., Kronos, TimeTracker, Workbrain) or paper time sheets.

DEDUCTIONS FROM PAY

Williams-Sonoma, Inc. will make any legally mandated payroll deductions from associates' paychecks, including, but not limited to Social Security; state, federal and local withholding taxes; and state disability insurance, where applicable. All associates must complete a W-4 withholding form on their first day of employment to declare their level of withholding exemptions.

Eligible associates who voluntarily elect to participate in Williams-Sonoma, Inc. sponsored group benefit coverage will also have their applicable premium contribution deducted from their paychecks. For additional information on Company sponsored benefit deductions, refer to the Associate Benefits section of this handbook.

EXEMPT ASSOCIATE PAY RULES

In addition to any applicable payroll or benefit deductions, Williams-Sonoma, Inc. may deduct an exempt associate's pay in any of the following situations:

- When required to do so by state or federal law
- For unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of workplace conduct rules
- For court ordered garnishments

Williams-Sonoma, Inc. will prorate an exempt associate's salary for any days not worked in the initial or final week of employment, or for partial weeks worked pursuant to unpaid leave under the Family and Medical Leave Act.

Exempt associates may use accrued vacation, personal time and floating holidays (where applicable) in full-day increments only. Increments for paid sick leave will be governed by applicable state or local law.

NON-EXEMPT ASSOCIATE PAY RULES

The following pay rules apply for non-exempt associates.

WORK HOURS/SHIFT

Williams-Sonoma, Inc. has a responsibility to run its business effectively. Associates will be scheduled to work hours and/or shifts that accommodate business needs. Reasonable efforts will be made to accommodate individual schedule requests, however, due to changing business conditions, the hours, shifts and days of the associate's workweek may vary. Changes in an associate's availability may result in the reduction or elimination of work hours.

RECORDING WORK HOURS

Non-exempt associates must accurately record all hours worked and all time off either through the Company's automated timekeeping system or on a time sheet. Managers will advise non-exempt associates which timekeeping system is used in their department, and instruct them on its appropriate use.

Non-exempt associates should record all time spent working, meal breaks, and time off requests associated with use of any vacation, sick time, personal time, floating holidays or other time off.

Any time spent doing Company-related business is considered "time spent working" or "on the clock" and must be entered as time worked, even work performed outside of the office or store. This means all time spent working at a client's home, shopping for supplies/groceries, culinary activities, client communication, company-sponsored social media, responding to an alarm activation call, and any other activities performed for the benefit of the Company must be recorded and paid. An associate cannot voluntarily choose not to receive payment for time spent performing work for the Company.

Tampering with, altering or falsifying time records, not punching in or out as described above, and working off the clock, are considered violations of Company policy and may result in disciplinary action, up to and including termination of employment.

MEAL & REST PERIODS

Meal and rest periods are provided to associates depending on the length of their workday and applicable state and local laws. California associates should refer to the California Addendum at the back of this handbook for additional information. Other associates should consult with their manager as to which types of rest periods are available to them, and when they should be scheduled. Meal periods must be recorded using either an automated time keeping system (Kronos, TimeTracker, Workbrain) or a paper time sheet.

Associates will be completely relieved of all duty during meal periods and the Company expressly relinquishes control over associate activities during meal periods. Associates are free to leave the premises during meal periods. Meal periods of thirty minutes or longer are generally not paid and are not included as hours worked for purposes of calculating overtime. Associates are required to clock in and out at the beginning and end of each meal period. Associates cannot combine meal periods with rest periods, nor can associates use meal periods to arrive late or leave early from their shift.

Associates must take meal and rest periods and must not work during meal and rest periods. Associates who do not take their required meal and rest periods and managers who impede or discourage associates from taking their meal and rest periods will be subject to disciplinary action. If an associate believes that he or she has been impeded or discouraged from taking a meal or rest period, that associate should report it to Talent/Human Resources immediately.

OVERTIME

Due to the nature of Williams-Sonoma, Inc.'s business, non-exempt associates may, from time to time, be asked to work overtime. The Company pays overtime in accordance with federal, state and local wage and hour guidelines. Generally, a non-exempt associate is eligible for overtime after working 40 hours in a workweek, or in some states after working a certain number of hours in a workday or in a 24-hour time period. A non-exempt associate's manager or Talent/Human Resources can confirm which overtime rules and pay rates apply to his or her work location.

A manager must approve overtime in advance. Non-exempt associates may not take work home or work through lunch and may not work additional hours (for example, start early or work late) without prior approval from their manager. Non-exempt associates who work overtime without prior approval will be compensated accordingly, but may be subject to disciplinary action, up to and including termination of employment.

REPORT IN PAY

If an associate reports to work on a scheduled workday and no work is available, the associate will be paid for hours actually worked or the state required report in pay, if any, applicable to the associate's work location. Associates should consult their manager for the specific requirements of their location.

PAY FOR TRAVEL TIME

With the exception of travel between home and work, certain travel time may be considered work time and be payable. Non-exempt associates should refer questions on travel time pay to their managers.

GIFTS & CONTEST PRIZES

Williams-Sonoma, Inc. may at times create motivational contests focusing on the sales of a particular product, group of products or merchandise collection. Contests are intended to increase sales of the targeted merchandise and promote friendly competition within the store, district and region. Contests are subject to the provisions set forth below.

- No cash equivalent will be substituted for any gifts or contest prize
- Prize structure may only be altered by Store Operations
- Prizes may not be transferred from one associate to another unless authorized by Store Operations
- Product prizes may not be returned or exchanged for cash, charge credit, store credit or other merchandise
- Associates may not use personal funds to supplement a product prize and purchase merchandise with a higher value
- All prizes given by the Company to an associate are considered compensation subject to federal and state employment tax withholding, and reporting on Form W-2, unless a specific exemption applies

TIME REPORTING POLICY

Williams-Sonoma, Inc. does not allow pay adjustments that violate the Fair Labor Standards Act or state law, and expressly prohibits any associate from tampering with, making unauthorized time alterations or improper deductions from his or her own or another associate's pay.

Associates who believe their time has been altered or an improper pay adjustment has been made should immediately report this information to Talent/Human Resources.

All reports of time alterations or improper adjustments will be promptly investigated. If the Company determines that an unauthorized time alteration or improper adjustment has occurred, the affected associate will be promptly paid for all time worked. Making improper deductions from, or otherwise tampering with, any associate's time will be cause for disciplinary action, up to and including termination of employment.

PAYCHECKS & DIRECT DEPOSIT

Payroll checks are generally issued every two weeks, although the schedule may vary by location. Associates should discuss any questions about their paycheck, including but not limited to lost or stolen paychecks, with their manager or the Payroll Department.

DIRECT DEPOSIT

The Company offers the option of direct deposit of associates' paychecks directly to their personal bank accounts. To use this program, associates can request an authorization form from their manager, Talent/Human Resources or the Payroll Department. Associates can also make elections online on the Homefront site or from a personal computer at workcenter.secure.probusiness.com. It is the associate's responsibility to update banking information if they choose this feature.

west elm

ASSOCIATE BENEFITS

BENEFITS PHILOSOPHY

The health and wellness of you and your family is a top priority for Williams-Sonoma, Inc. We strive to offer health benefits that promote wellness and provide care when you need it most. We believe that our health programs are a vital component for attracting and retaining the best team in retail.

PROTECTED HEALTH INFORMATION

In order to protect the privacy of associates' Protected Health Information (PHI) and comply with federal and state regulations, the Williams-Sonoma, Inc. Group Health Plan has established and adheres to a strict privacy policy. This privacy policy limits the individuals and departments in the organization that may use, discuss, review and transmit the protected health information of associates and their families. Williams-Sonoma, Inc. takes privacy seriously, and this policy strengthens the Company's commitment to maintaining the confidentiality of personal health information and complies with the Health Insurance Portability and Accountability Act of 1996 (HIPAA). For a copy of the full HIPAA compliant Privacy Policy, contact the Benefits Department at 415-616-8548 or benefits@wsgc.com.

Associates whose job does not require access to PHI, but who come into contact with PHI during their interactions with other associates should immediately refer those issues to the Benefits Department.

ASSOCIATE BENEFITS BY CLASSIFICATION

Benefits eligibility is determined based on associate classification and completion of length of service requirements. The following chart illustrates the general benefits provided to each associate classification. To the extent the benefits described in this chart conflict with state or local law, the latter will prevail. The benefits listed may require additional eligibility requirements and/or waiting period conditions. For a more detailed explanation of these benefits, including limitations, review the sections of this handbook pertinent to each benefit. All associates, regardless of associate status, will receive all federal, state and local legally mandated benefits including, but not limited to: workers' compensation, social security, and unemployment insurance coverage. Associates with questions regarding their benefits should contact the Benefits Department.

	FULL-TIME	PART-TIME	CASUAL	TEMPORARY
TIME OFF				
HOLIDAY PAY <i>(Corporate, CA Care Center, Store Associates, and CA Supply Chain facility)</i>	•	•		
FLOATING HOLIDAY PAY <i>(Corporate, CA Care Center, Store Associates, and CA Supply Chain facility)</i>	•	•		
PERSONAL TIME <i>(Supply Chain facilities - excluding CA locations)</i>	•	•		
VACATION PAY	•	•		
SICK TIME ¹	•	•		
BEREAVEMENT PAY	•	•		
JURY OR WITNESS DUTY PAY	•	•		
STATE AND FEDERAL LEAVE	•	•	•	•
COMPANY MEDICAL LEAVE ²	•	•		
COMPANY PERSONAL LEAVE	•	•		
MILITARY LEAVE	•	•	•	•
OTHER BENEFITS				
401(K) PLAN	•	•	•	•
MEDICAL, DENTAL, AND VISION BENEFITS	•			
LIFE INSURANCE	•			
TRAVEL ACCIDENT INSURANCE	•			
SHORT TERM DISABILITY INSURANCE	•			
LONG TERM DISABILITY INSURANCE	•			
HEALTH CARE SPENDING ACCOUNT	•			
DEPENDENT CARE SPENDING ACCOUNT	•			
EMPLOYEE ASSISTANCE PROGRAM	•			

¹ Casual and Temporary Associates working in a city or state with mandatory paid sick leave who meet certain eligibility requirements may also qualify to receive sick pay.

² Casual Associates may qualify for Company Family and Medical Leave under state and/or federal leave law.

PAID HOLIDAYS—CORPORATE, STORES & SUPPLY CHAIN LOCATIONS IN CALIFORNIA

The Company provides up to six paid holidays per year to full-time and part-time associates at Corporate locations, stores, and the Supply Chain in California. Holiday pay is paid at an associate's regular rate and based upon the average hours worked weekly, up to a maximum of eight hours. Full-time and part-time non-exempt associates who are required to work on any of the holidays listed below will receive regular pay for that holiday plus time and one half pay for all hours worked on that day. Casual and temporary associates required to work on a holiday will receive time-and-one-half pay for the actual hours worked. Holiday pay is not paid while an associate is on a continuous leave.

Paid holidays include New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

In locations that work Monday through Friday, Company holidays that fall on a Saturday will be observed on the preceding Friday; Company holidays that fall on a Sunday will be observed the following Monday.

FLOATING HOLIDAYS—CORPORATE, STORES & SUPPLY CHAIN LOCATIONS IN CALIFORNIA

Williams-Sonoma, Inc. provides floating holidays that allow regular associates at Corporate locations, stores and Supply Chain locations in California to take a holiday for other important observances.

- Full-time associates are allocated up to four eight-hour floating holidays per calendar year. Floating Holidays are allocated quarterly in January, April, July and October
- Part-time associates are allocated up to two eight-hour floating holidays per calendar year, allocated semi annually in January and July
- Newly hired associates are eligible for a floating holiday allocation as follows:
 - › Full-time associates: first full quarter of employment
 - › Part-time associates: January or July following employment
- Unused floating holidays may be carried from quarter to quarter during the calendar year; however, the balance may not exceed two times the quarterly or semi annual allocation. Once the floating holiday balance reaches the maximum, further allocation will cease until the balance is reduced below the maximum.

- Floating holidays must be taken in eight-hour increments for full-time associates and four-hour increments for part-time associates. Floating holidays may not be taken before they are allocated (i.e., no "borrowing"). Associates may carry over up to one unused floating holiday into the next calendar year.

PERSONAL TIME POLICY—SUPPLY CHAIN LOCATIONS (EXCLUDES CALIFORNIA)

Williams-Sonoma, Inc.'s Supply Chain operates on a continuous basis, and associates may be scheduled for 10 to 12 hour shifts. All Supply Chain locations operate on some nationally recognized holidays. Williams-Sonoma, Inc. provides associates in these locations personal time in lieu of standard and floating holidays.

Pay for personal days cannot be requested in lieu of actually taking the time off work and unused personal time may not be transferred or carried over to the next calendar year unless otherwise required by law. Personal time is a benefit available to active associates only and because personal time is not a paid time off (PTO) bank of hours, unused personal days available are not paid out upon termination of employment, unless otherwise required by law.

Additional details regarding the Personal Time Policy are available from managers and Talent/Human Resources in the Supply Chain.

VACATION

Full-time and part-time associates accrue vacation hours in each pay period, based upon hours worked.

As with all time off, requests for vacation days are submitted in advance to the manager, who will make reasonable efforts to accommodate requests. Approval, however, is based upon business needs. For reference, an associate's available vacation balance is noted on the most recent pay stub. Associates may carry over their vacation balance from year to year, although the balance may not exceed one and one half times the annual rate of accrual, as shown below. Once an associate's vacation balance reaches the maximum vacation balance amount, accrual will cease until the balance is reduced below that amount. Once the balance is reduced, vacation accrual will resume in the next pay period.

Vacation time may not be utilized before it is accrued and will not be paid in lieu of taking time off. Unused accrued vacation is paid at the time of termination.

LENGTH OF SERVICE	ANNUAL VACATION ACCRUAL SCHEDULE	MAXIMUM VACATION BALANCE
UP TO 4 YEARS	2 WEEKS <i>(80 hours)</i>	120 HOURS
5 YEARS	3 WEEKS <i>(120 hours)</i>	180 HOURS
6 YEARS	3 WEEKS + 1 DAY <i>(128 hours)</i>	192 HOURS
7 YEARS	3 WEEKS + 2 DAYS <i>(136 hours)</i>	204 HOURS
8 YEARS	3 WEEKS + 3 DAYS <i>(144 hours)</i>	216 HOURS
9 YEARS	3 WEEKS + 4 DAYS <i>(152 hours)</i>	228 HOURS
10 YEARS OR MORE	4 WEEKS <i>(160 hours)</i>	240 HOURS

SICK TIME

Full-time and part-time associates may use sick time for absences due to the associate's own serious health condition, illness, injury or doctor's appointment, as well as to attend to the serious health condition, illness, injury or doctor's appointment of a child, parent, spouse, domestic partner or child of a domestic partner or a family member as defined by state or local law paid sick leave policies.

Eligible associates accrue up to eight days (64 hours) of sick time each year, except in locations bound by other statutory mandate, accrued in hours at the end of each pay period and based upon the actual number of hours worked. An associate's sick time balance may not exceed 240 hours. Once the sick time balance reaches the 240 hour cap, accrual will cease until the balance is reduced. Unused sick time may be carried over to the next year, up to a maximum of 240 hours, but is not paid upon termination. Rehired associates will begin accruing sick time on the first day of rehire.

As with all time off requests, an associate must request sick time in advance whenever possible. If an associate is absent three days or longer due to illness, medical evidence of the illness and/or medical certification of one's fitness to work that is satisfactory to the Company may be required before the Company honors any request for sick pay.

The Company expects that associates who require time away from work for health care appointments schedule these appointments to cause minimal interference with the scheduled workday. An associate who will be out sick must contact his or her manager prior to the start of the scheduled workday. An associate who is absent for two days and does not contact his or her manager will be deemed to have voluntarily resigned his or her position.

This sick time policy will be interpreted in a manner consistent with any applicable state or local laws and ordinances. Additional sick leave benefits will be provided if necessary to comply with applicable state and local law.

BEREAVEMENT

In the event of a death of a full-time or part-time associate's immediate family member, the associate may take up to three consecutive workdays off with pay unless state or local laws provide a greater benefit. An immediate family is considered to be the associate's spouse, domestic partner, child, brother, sister, parent, grandparent, great-grandparent, grandchild, in-law (mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law and daughter-in-law or spouse's grandparents) or step relation (stepmother, stepfather, stepbrother, stepsister, stepson or stepdaughter). If an associate needs additional time off, this time must be coordinated with the manager. Bereavement time off and pay is available for those associates actively at work. Associates who are already on a leave of absence are not eligible for bereavement time off and pay except as required by law.

JURY & WITNESS DUTY

To support associates' civic responsibilities, the Company will pay full-time and part-time associates regular base pay for the duration of time called to serve jury duty, provided the associate is losing work hours as a result of his or her service. Associates subpoenaed to appear as a witness will receive up to one paid day. To be compensated, associates must provide their manager with their summons papers or other court provided document. When proximity and time allow, an associate should report to work before and/or after the daily trial proceedings.

LEAVE OF ABSENCE

In the event that an associate needs to take an extended amount of time away from work, Williams-Sonoma, Inc. offers several types of leave of absence. The Company's leaves are administered by our third party vendor, The Larkin Company (Larkin). You may contact our leave vendor, Larkin, to discuss applicable details.

FAMILY & MEDICAL LEAVE ACT (FMLA)

The Family and Medical Leave Act (FMLA) provides up to 12 workweeks of unpaid leave within a 12-month period, under the following conditions:

- The associate has completed at least 12 month of service
- The associate has worked at least 1,250 hours during the previous 12 month period immediately preceding the commencement of the leave

Leave may be taken for one or more of the following reasons:

- Due to pregnancy, prenatal medical care or child birth
- To care for the associate's child after birth, or placement for adoption or foster care
- To care for the associate's spouse, son, daughter or parent, who has a serious health condition
- For a serious health condition that makes the associate unable to perform the functions of the associate's job

Eligible associates whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible associates to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A “Covered Servicemember” is: (1) A member of the Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a Serious Illness or Injury; or (2) A veteran who is undergoing medical treatment, recuperation, or therapy, for a Serious Illness or Injury and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of 5 years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.

A “Serious Illness or Injury” means: (1) for a member of the Armed Forces (including a member of the National Guard or Reserves), an injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces (or that existed before the beginning of the member’s active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member’s office, grade, rank, or rating; or (2) for a veteran who was a member of the Armed Forces (including a member of the National Guard or Reserves), a qualifying injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or that existed before the beginning of the member’s active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

The 12-month period in which the 12 weeks of leave may occur is calculated using a rolling 12-month period, measured backward from the first date the associate uses any leave.

STATE & FEDERAL LEAVES OF ABSENCE

The Company complies with federal and state leave of absence laws. These laws apply regardless of an associate’s classification. California associates should refer to the California Addendum at the back of this handbook for further information.

COMPANY FAMILY & MEDICAL LEAVE

Company Family and Medical Leave is offered at the discretion of the Company to full-time and part-time associates when the associate is not eligible for state or federal leave. Casual and temporary associates may qualify for Company Family and Medical Leave as required by state or federal laws.

PARENTAL LEAVE FOR CASUAL ASSOCIATES

Parental Leave for casual associates is offered at the discretion of the Company and is available for pregnancy disability and/or bonding time when the casual associate is not eligible for Family Medical Leave (FMLA) or a state leave because of a lack of tenure or worked hours, or the associate has exhausted FMLA entitlement in a prior FMLA qualifying leave.

MILITARY LEAVE

Military Leave is granted to allow associates to fulfill their military obligations. This policy conforms to the current requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA) that protects service members’ reemployment rights when returning from a period of service in the uniformed services, including those called up from the reserves or National Guard, and prohibits discrimination based on military service or obligation. Full-time, part-time and casual associates of the Company are eligible. Military Leave is also available to temporary associates, and all protected rights apply, including reemployment protections to the extent that the associate could reasonably expect to have been reemployed.

COMPANY PERSONAL LEAVE

Company Personal Leave is provided at the discretion of the Company and must be approved. The maximum duration of a Company Personal Leave is 12 weeks in a rolling 12-month period.

Company Personal Leave is subject to the following eligibility restrictions:

- Casual and temporary associates are not eligible for Company Personal Leave, unless required by state or local law
- The associate must have at least six months of continuous active service with the Company
- The associate must be in good standing (i.e., not under progressive counseling) with the Company
- Personal leave is not job protected

LEAVE OF ABSENCE PROCESS

REQUESTING A LEAVE OF ABSENCE

Associates who need a leave of absence must first discuss their request with their manager. If the need for a leave is foreseeable, an associate should provide 30 days’ notice prior to the leave’s requested start date. If the need for a leave is due to a planned medical treatment or supervision, the associate must make a reasonable effort to schedule the treatment or supervision to avoid disruptions to the Company operations. If a leave of absence is not foreseeable, an associate must provide notice as soon as practicable from when the need for the leave becomes known to the associate.

All associates must request a leave of absence through Larkin by calling 800-413-1444.

Failure by the associate to provide appropriate notification to management may result in postponement or denial of the leave.

REQUIRED CERTIFICATION

For all leaves, an associate must provide certification to verify eligibility for the requested leave, the date the leave will begin, and the expected date of return to work. For medical leaves, an associate must provide additional certification to verify the existence of a health condition preventing the associate from working.

LEAVE OF ABSENCE COORDINATION

Once a leave has been requested, Larkin will provide the associate with his or her leave of absence information. Larkin will then become the primary contact for the associate. Larkin will determine eligibility based on required certification documents and assist with administration of leave and transition from one leave to another, while on leave.

Associates should work with their manager and Talent/Human Resources regarding return to work accommodations.

BENEFITS COVERAGE DURING LEAVE

The benefits available to an associate while on leave of absence vary by the type of leave. Detailed information will be provided regarding benefit coverage once the leave has commenced.

Associates on a FMLA leave will be eligible to receive benefit continuation for up to 12 weeks or, in the case of a leave to care for a Covered Servicemember, 26 weeks, unless state requirements indicate otherwise. Following benefit continuation, associates may then be eligible for COBRA coverage. Associates should contact their WSI Benefits Resource Center representative regarding benefits continuation.

Associates on a Company Medical Leave or Company Personal Leave who wish to continue benefits coverage must elect COBRA beginning the first day of the month after their leave start date.

TIME OFF WITH PAY (FMLA & COMPANY MEDICAL LEAVES)

Associates may be required to use available time off with pay, such as vacation and floating holidays, for any periods during the FMLA or Company Medical leave of absence when the associate is not receiving Disability, Paid Family Leave or Workers’ Compensation Benefits. Accrued sick time must be used if the leave is due to the illness or injury of the associate or a family member and, as required by law, is supported by a doctor’s statement. Payout of available time off with pay will occur in the following sequence: sick time (if eligible), floating holidays, vacation time. The Company’s Leave Coordinator will manage the payout of your available time for you.

Use of available time off with pay does not extend the leave of absence allowance. Sick and vacation time will not be accrued while the associate is on leave, but will resume after the associate returns from a leave of absence. Floating holidays will not be allocated during a leave of absence. An associate will not receive holiday pay for Company holidays that occur during the leave period.

RETURN TO WORK/MODIFIED DUTY

Associates returning from a leave of absence due to their own illness or serious health condition must provide a medical certification from their treating physician authorizing a return to work with or without restrictions. The Company will not allow an associate who does not have a medical release to return to work or engage in telecommuting or other alternate job activities. Associates who are on a leave of absence and under the care of a physician may not work from home.

Requests for modified duty will be reviewed on a case by case basis. If the medical release contains restrictions regarding the return to work, the Company will work with the associate to determine whether a reasonable accommodation can be made to accommodate the restriction(s).

RETURN TO WORK PROCESS

Associates who are released to return to work must contact Larkin and their manager to schedule their return.

FAILURE TO RETURN TO WORK

Associates are expected to return to work immediately following their approved leave. If after several attempts to contact the associate the associate does not return to work or extend their leave, the associate will be deemed to have abandoned his or her job and a failure to return to work letter will be sent to the associate’s home address. If the associate fails to provide proper documentation within the allotted timeframe, the associate may be separated from employment.

JOB REINSTATEMENT

Under most circumstances, upon return from FMLA leave, associates will be reinstated to their previous position, or to an equivalent position, with equivalent pay, benefits and other employment terms and conditions. However, associates returning from a FMLA leave have no greater right to reinstatement than if they had been employed continuously rather than on leave. For example, if an associate on FMLA leave would have been laid off had they not gone on leave, or if an associate's position was eliminated during the leave, then the associate would not be entitled to reinstatement.

THE WILLIAMS-SONOMA, INC. 401(K) PLAN

The Williams-Sonoma, Inc. 401(k) Plan (the "Plan") is designed to enable associates to build future financial security for the time when they are no longer working.

Eligible associates can invest up to 75% of their eligible before tax earnings up to the IRS maximum through convenient payroll deductions. An associate classified as a "Highly Compensated Associate" under our Plan is subject to a lesser amount. Associates have multiple investment choices for their contributions.

Associates are eligible to participate in the Williams-Sonoma, Inc. 401(k) Plan if they are at least 21 years of age. The Company will match 50% of each associate's contribution into the Plan up to the first 6% of eligible compensation. Associates are eligible to receive the Company Match upon completion of one year of service. Part-time, casual, or temporary associates must also complete 1,000 hours of service within their first year of employment, or any subsequent calendar year, in order to receive the Company Match.

Associates will vest in the Company Match according to the following schedule: 20% per year for each of the first five years, with full 100% vesting reached upon the fifth anniversary of employment.

Associates receive complete details about the Plan when they become eligible to enroll. Additional information is available in the Benefits Summaries and the Summary Plan Description for the Plan.

MEDICAL, VISION, DENTAL & PRESCRIPTION DRUG COVERAGE

Full-time associates (working at least 30 hours per week) are eligible for health, vision and dental coverage effective the first day of the month following date of employment or change to full-time status. Associates will have 31 days from their first date of employment or change to full-time status to select their health medical, vision, and/or dental coverage. Prescription drug coverage is included with the medical plan. Coverage may be purchased for eligible dependents as well. Associates will make contributions on a pre tax basis for their own, their

children's and their spouse's coverage. Contributions for their same gender domestic partner and his or her children's coverage will be made on an after tax basis.

A qualified life event often involves a change in family status or work situation. Associates may adjust their benefit elections within 31 days of a qualified life event that affects eligibility for coverage. However, any changes requested must be consistent with the benefit need created by the event. Associates will also have the opportunity to change coverage during the annual open enrollment period, usually held in May or June with an effective date of July 1. Additional information is available in the Associate Benefits Guide and the Summary Plan Descriptions, which can be found online at mywsibenefits.com or in the Benefits section of Homefront.

LIFE, ACCIDENT, TRAVEL & DISABILITY INSURANCE

BASIC LIFE INSURANCE

The Company provides a Basic Life Insurance Program for all Full-Time Associates, effective on date of hire. Associates are automatically insured for an amount equal to their annual salary, with a minimum of US\$10,000. In addition, eligible associates may purchase supplemental life insurance for themselves, their spouse/same gender domestic partner or their children. Additional information is available in the Associate Benefits Guide, the Summary Plan Descriptions, or in the Benefits section of Homefront.

TRAVEL ACCIDENT INSURANCE

Williams-Sonoma, Inc. provides Travel Accident Insurance for full-time associates traveling on Company business. Additional information is available in the Benefits section of Homefront.

All full-time associates will be covered under the Medical Emergency Travel Plan, which provides help with medical emergencies while associates travel abroad or within the U.S. The plan provides 24-hour multilingual service, medical consultation and evaluation, emergency medical evacuation and medically supervised repatriation. Additional information is available in the plan brochure.

STATE DISABILITY PAY

Associates who become unable to work due to an illness or injury may be eligible for disability pay. Certain states/maintain state disability programs that provide disability payments to associates who are unable to work due to a medical condition (including pregnancy) or injury that is not work related. Additional information is available in the Associate Benefits Guide which can be found online in the Benefits section of the Homefront site.

STATE PAID FAMILY LEAVE

Certain states and local jurisdictions have established a program that provides benefits to eligible associates who are unable to work because of the need to care for qualified family members who are

ill or injured, or to bond with a new child. Eligible associates must apply directly with the applicable state department to receive benefits.

Associates who have any questions about their eligibility for paid family leave should contact Larkin for more information.

SHORT-TERM DISABILITY (STD) INSURANCE

The Williams-Sonoma, Inc. Short-Term Disability Plan covers all full-time exempt and non-exempt associates outside of California. Non-exempt associates in California are excluded from the Williams-Sonoma, Inc. STD plan because they receive the maximum benefit from the California State Disability Plan. California associates should refer to the California Addendum at the back of this handbook for more information. All non-exempt associates outside of California receive a maximum benefit equal to the California State Plan. An associate's STD coverage varies based on their employment status and work location. The cost of this coverage is a percentage of the associate's base wages per pay period, depending on the Short-Term Disability Plan applicable to him or her.

If an associate cannot work due to an extended illness, an injury or a pregnancy, income protection begins on the eighth day of disability or first day hospitalized. Associates must be employed for at least 181 days to be eligible for this benefit. The plan works in conjunction with the associate's paid sick time. Under the plan, associates receive a percentage of their salary for up to a maximum of 180 days while medically disabled and not eligible for other disability insurance. Additional information is available in the Associate Benefits and Wellness Guide and the Summary Plan Descriptions, which can be found at mywsibenefits.com or in the Benefits section of Homefront.

LONG-TERM DISABILITY (LTD) INSURANCE

The Williams-Sonoma, Inc. Long Term Disability Plan coverage protects an associate when the duration of a disability is longer than generally covered by the Short-Term Disability Plan. Williams-Sonoma, Inc. provides full-time exempt and Corporate non-exempt associates with a basic Company-paid LTD benefit. The plan covers 40% of base salary, up to a maximum monthly benefit. Exempt and corporate non-exempt associates also have the option to purchase an additional 20% election from the Williams-Sonoma, Inc. LTD carrier. Exempt and corporate non-exempt associates are eligible for LTD benefits on the 181st day of disability.

Non-exempt non-corporate associates may elect to purchase voluntary long term disability coverage at their own expense. They may elect coverage of 40% or 60% of their base pay. The cost of this coverage varies based on eligible earnings and age. Non-exempt non-corporate associates are eligible for LTD benefits on the 181st day of disability.

More information is available in the Associate Benefits and Wellness Guide and the Summary Plan Descriptions at mywsibenefits.com or in the Benefits section of Homefront.

HEALTH CARE SPENDING ACCOUNT

Health Care Spending Accounts may allow eligible full-time associates who are currently paying out of pocket for expenses (deductibles, copayments and certain dental and vision care expenses) not covered under their health care plan to save money. The Health Care Spending Account allows eligible associates to place before tax contributions in a special account from which their out of pocket medical expenses are later reimbursed. The maximum amount associates may elect for their Health Care Spending Account may vary annually based on IRS regulations. Additional information is available in the Associate Benefits and Wellness Guide and the Summary Plan Descriptions, which can be found at mywsibenefits.com or in the Benefits section of Homefront.

DEPENDENT CARE SPENDING ACCOUNT

Full-time associates who meet the eligibility requirements for health insurance and are currently paying for dependent care services for children under 13 or elder care expenses may benefit by using this account. It allows before-tax contributions to be placed in a special Dependent Care Spending Account from which dependent care expenses are later reimbursed. Additional information is available in the Associate Benefits and Wellness Guide and the Summary Plan Descriptions, which can be found at mywsibenefits.com or in the Benefits section of Homefront.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

Williams-Sonoma, Inc. recognizes that associates may sometimes need additional help when dealing with personal or work-related issues that might otherwise interfere with their daily lives. To that end, Williams-Sonoma, Inc. has contracted with an independent company to provide resources and counseling to associates and their families for a variety of needs, including mental health care, substance-abuse treatment, child care or elder care, legal or financial matters, and pre-retirement planning.

The Employee Assistance Program offers three free sessions per incident and confidential counseling services 24 hours a day for every full-time Williams-Sonoma, Inc. associate and their eligible household members.

Associates can contact EAP at 800-788-5614 or at liveandworkwell.com (access code WSI). Additional information about the EAP can be found on Homefront, mywsibenefits.com or in the Benefits Resource Center.

THE BENEFITS DEPARTMENT

Associates may call the WSI Benefits Resource Center at 800-413-1444 or contact Talent/Human Resources with their questions or to leave a message on the following topics:

- Time Off Benefits (e.g., Holiday, Floating Holiday, Personal Time, Vacation, Sick, Bereavement, Jury/Witness Duty Pay)
- Leaves of Absence
- The Williams-Sonoma, Inc. 401(k) Plan
- Medical, Dental, Vision and Prescription Drug Plans
- Life Insurance Plans
- Disability Plans
- Health Care Flexible Spending Accounts
- Dependent Care Flexible Spending Accounts
- Employee Assistance Program

ASSOCIATE DISCOUNT & SHOPPING POLICIES

Williams-Sonoma, Inc. provides a generous merchandise discount to associates so that they may enjoy the Company's fine products in their homes and to give as gifts. This special discount is provided with the intent of motivating and rewarding associates for their contributions to the Company's success. The discount privilege is provided to eligible associates while they are actively employed with the Company. Discounts may vary by brand, division or promotion and are subject to change. Associates should refer to Associate Discount policies posted on Homefront or Store Wide Web for the most current information. An overview of the Associate Discount privilege for each classification follows. Use of the Associate Discount is subject to the exceptions following these summaries.

REGULAR ASSOCIATES

Regular full-time, part-time and casual associates receive a 40% discount on most merchandise and specially priced merchandise from any Williams-Sonoma, Inc. brand. Spouses and domestic partners of regular full-time, part-time and casual associates also receive a 40% discount.

TEMPORARY/SEASONAL ASSOCIATES—STORES

Associates temporarily employed to work in our stores receive a 40% discount on purchases from the physical stock (in-store merchandise) at stores in any of our brands. Any merchandise that is not a part of the store's physical stock (online, catalog, ship-to-store, etc.) is excluded and not eligible for the discount. Seasonal associates may use their discount at all of our brands' stores, but only for in-stock merchandise.

TEMPORARY ASSOCIATES—CORPORATE OFFICES

Associates temporarily employed to work in our Corporate offices may receive a 40% discount on merchandise and specially priced items from the catalog and the associate orders website only.

TEMPORARY ASSOCIATES—CUSTOMER CARE CENTERS

Associates temporarily employed to work in our Customer Care Centers may receive a 40% discount on merchandise and specially priced items from the catalog, associate orders website and stores.

TEMPORARY/SEASONAL ASSOCIATES

—SUPPLY CHAIN

Associates temporarily employed to work in any of our supply chain centers may receive a 40% discount on merchandise and specially priced items from the catalog only.

EXCEPTIONS TO THE ASSOCIATE DISCOUNT

- 20% discount on sale/clearance merchandise in which the price ends in ".97" or ".x9"
- Associate eligibility or ineligibility for promotional discounts will be communicated through Corporate or store communication since eligibility may vary by promotion
- 20% discount on some merchandise from the Williams-Sonoma, Inc. brand, including all electrics and their associated accessories, barbecues, grills and certain special order items
- No discount on non-merchandise items such as but not limited to: shipping charges, gift cards, taxes, monogramming, surcharges, charity donations or processing charges
- Associates are not eligible for a discount on "as is" merchandise (e.g., floor models and damaged merchandise) unless it is Corporate directed
- The Outlet Brands may have associate discount exclusions that can be referenced in policies posted on Homefront or the Store Wide Web

The Company also reserves the right to adjust the discount policy at any time.

PURCHASING MERCHANDISE WITH A DISCOUNT

Purchases are restricted to items for personal use or for gift giving. Whether purchases are for personal use or gift giving, the items must be paid for by an associate without reimbursement, and purchased using only the associate's cash, personal check or credit card. Associates may not give their discount in whole or in part to anyone outside the Company. It is not acceptable for an associate to be fully or partially reimbursed



by friends, family or acquaintances for items purchased with the associate's discount or to use the discount in exchange for other goods or the performance of services. Gift cards may only be used by an associate if obtained as a gift or corporate prize. Accepting or using gift cards that belong to family, friends, customers or others is not permitted.

Associates may pay for merchandise and shipping with a personal check. However, if the check is returned for insufficient funds, the associate's check-writing privilege will be suspended. Repeated incidents may result in disciplinary action, up to and including termination.

Any associate who pays for merchandise with a credit card and subsequently disputes the charges is responsible for reimbursing Williams-Sonoma, Inc. for any chargeback fees the Company incurs.

Any misuse of the Associate Discount may result in immediate termination and payment to the Company of the full price value of the merchandise. Specific discount restrictions are listed on the back of the Associate Discount Card. It is the responsibility of the associate to read and sign the back of his or her card prior to use.

SHOPPING IN STORES

When shopping in our stores, associates must remember that external customers come first. When an associate is greeted, he or she should introduce him or herself as an associate. Associates are encouraged to wait until other customers have been served before asking for assistance. When an associate is ready to make a purchase, he or she should present his or her valid Associate Identification Card and photo ID. Any questions about the Associate Discount should be directed to the manager on duty who can confirm discount eligibility for that particular brand, division or promotion. Associate shopping/purchases may only be done when the associate is not working or is on a meal or rest break.

All associate store purchases must be approved and rung by another associate. Phone orders are not allowed. Associates should never, under any circumstance, ring up their own purchase or use another associate's number to ring up any purchases.

SHOPPING ONLINE

Associates who wish to shop online must do so through our associate website. Store associates place their online orders through the Associate Ordering System (AOS) accessible through the Store Wide Web. Corporate and Customer Care Center associates may access the AOS through Homefront/Associate Shopping.

CATALOG ORDERS

Catalog orders should be placed online. However, when an associate is not able to order through the associate website or shop in a store, associates can place a catalog order by completing an Associate Order Form found on the Homefront site or from their manager. Follow instructions on the form for processing and payment.

RETURNING MERCHANDISE

Associates must abide by the return policy of each brand. All associate store returns must be approved and processed by a member of store management. Associates must have all of their original purchase receipts for all regular returns and exchanges. Price adjustments are not allowed.

Associate mail order and online returns must be processed through Mail Order/Catalog Customer Service. Associates cannot return mail order/online merchandise to a store location.

If an associate has a gift registry at any Williams-Sonoma, Inc. brand, he or she may return items purchased from his or her gift registry. Items purchased from an associate's gift registry are returned at the discounted price unless a valid gift receipt is presented. Associates will be offered a merchandise exchange or merchandise credit.



MANAGING YOUR CAREER

Williams-Sonoma, Inc. is dedicated to the belief that its people are its greatest asset. To that end, the Company supports an ongoing performance management process, follows an “open door” problem resolution procedure, and seeks ways to develop, reward and recognize its associates.

Williams-Sonoma, Inc.’s Performance Management process is a continuous year long cycle of coaching and feedback generally marked by specific activities such as informal coaching, annual reviews, individual and team objective setting, performance development planning and progress discussions. This process ensures that associates and their managers have ample opportunity to discuss job performance, review job responsibilities, and establish goals and plans for improvement so that all associates can reach their highest potentials.

Because our Company looks for opportunities to promote qualified associates to positions of greater responsibility, we encourage associates to explore and apply for job openings for which they are qualified. For example, store and supply chain associates can seek out opportunities at corporate offices and associates can have career growth through global mobility. Associates who wish to be considered for other job opportunities within the Company should discuss their interests with their manager or Talent/Human Resources who can provide guidance.

OUR OPEN-DOOR POLICY & PROBLEM RESOLUTION PROCEDURES

Williams-Sonoma, Inc.’s Open Door Policy invites and encourages associates to discuss work-related concerns or issues with their immediate manager. It is the foundation of the Problem Resolution Procedure used in the Corporate and Field locations and the Associate Dispute Resolution Procedure used in the Customer Care and Supply Chain facilities.

Our Problem Resolution and Associate Dispute Resolution procedures ensure prompt, discrete resolution of issues. Associates who wish to utilize a Problem Resolution Procedure will not be subject to any retaliatory action by management. Likewise, counseling or other management decisions will not be postponed as a result of following this approach to problem solving.

Associates who participate in Problem Resolution or Associate Dispute Resolution will be treated with respect. It is expected that the associate and manager will be able to openly discuss and resolve concerns. In addition, Talent/Human Resources will be available to:

- Counsel and advise associates on how to utilize the procedure
- Counsel and advise managers in interpreting Company policy and procedure
- Facilitate discussion between associates and managers
- Lend objectivity to the process
- Prevent delays in problem solving

In the majority of situations, we strongly encourage associates to speak first with their manager regarding their concern. If, for some reason, associates feel they cannot discuss an issue with their immediate manager, they should contact their department director, regional manager, business unit vice president or Talent/Human Resources. Questions, suggestions and concerns will be handled professionally, and retaliatory action against any associate expressing a concern will not be tolerated.

ASSOCIATE DEVELOPMENT OPPORTUNITIES

Associate development is important at Williams-Sonoma, Inc., and is a joint responsibility between the associate and his or her manager. Associates work with their managers to identify their training and development needs, and with emphasis on achieving results. Development is an ongoing process of continuous improvement and can be met through a variety of means including, but not limited to, on-the-job training, coaching from one’s manager and training programs. Additional associate training and development needs are supported by WSI University. Associates should contact their managers or Talent/Human Resources for assistance in identifying training opportunities that meet their needs.

REWARDS & RECOGNITION

Williams-Sonoma, Inc. takes pride in its associates and the success they strive for every day. Whether celebrating a service anniversary, recognizing the achievement of a performance goal, or highlighting a specific milestone, associates' outstanding performance and dedicated service is rewarded and recognized with a variety of programs, such as Catch the Spirit, People First, Outstanding Achievement Award and the Howard Lester Award of Excellence, as well as a variety of programs which are utilized in specific operation locations.

Every associate shares in our continued growth and future. Associates are encouraged to take a moment to recognize a peer, their manager or business partner with a simple "thank you" or through a program nomination. Associates can learn more about these programs from their managers, Talent/ Human Resources or on Homefront or Store Wide Web sites.

PROGRESSIVE COUNSELING

In general, Williams-Sonoma, Inc. utilizes progressive counseling to provide associates with the opportunity to improve their performances in deficient areas. The goal of the process is to help the associate correct performance, attendance or other problems by providing constructive counseling and solutions.

Generally, the process may entail verbal counseling, written counseling or termination. The level at which counseling begins depends upon the frequency and severity of the situation in question. Copies of written counseling documents are placed in the associate's personnel file. If the associate's performance does not improve, the associate will be subject to further disciplinary action, up to and including termination.

Progressive counseling is based upon the particular circumstances of each situation. While Williams-Sonoma, Inc. handles each situation on a case-by-case basis, the Company reserves the right to apply, modify or vary progressive counseling, and to accelerate or repeat steps as deemed necessary, including the right to move directly to termination. For example, in cases of serious violations as determined by the Company, an associate may be immediately terminated without any prior progressive counseling.

In all cases, however, employment with the Company is at-will and terminable at any time, with or without cause or notice, and with or without application of progressive counseling.



photo credit: Julian Wass, West Elm



HEALTH & SAFETY IN THE WORKPLACE

Workplace health and safety is a top priority at Williams-Sonoma, Inc. Health and safety is everyone's responsibility. WSI is committed to upholding its People First philosophy by providing a safe work environment and protecting associate well-being, but associates are also responsible for taking steps to ensure their own safety and that of their coworkers.

Associates are encouraged to take an active interest in health and safety to perform their work in a safe and secure manner. Associates are responsible and held accountable for following the Company's safety procedures at all times.

GENERAL SAFETY GUIDELINES

Specific safety programs and procedures exist at each location. Associates should ask their managers for details about their location's specific safety guidelines. Associates are responsible for knowing and understanding their work location's specific safety guidelines. The following general guidelines help to prevent accidents and promote a safe working environment at all locations:

- Use the proper technique when lifting: bend knees; grasp loads firmly; lift using leg muscles; keep your back straight; do not attempt to lift awkward or heavy items alone; request assistance if it is needed
- Work areas should be kept clean and free of obstructions, and other slip, trip or fall hazards, including spills, electrical cords, boxes, debris
- Ladder safety guidelines must be followed at all times; these guidelines are provided during associate on boarding
- Fire exits and electrical panel boxes must be kept clear of obstructions at all times
- Handle approved cutting tools and sharp objects, including broken glass and knives, with proper caution
- Use chemical substances in accordance with label instructions; ask your manager if you need more information

ASSOCIATE IDENTIFICATION (IDS), ACCESS BADGES & ALARM SYSTEMS

Associates must know the appropriate associate entrances and follow the appropriate procedures when entering and

exiting the Company's facilities. Depending on the location, Williams-Sonoma, Inc. uses several different types of associate IDs, access control cards/badges and personal access codes, and issues one or more to each associate. These access cards help us protect Company assets, provide for the safety and security of associates, and establish eligibility for the Associate Discount. Associates are responsible for protecting their IDs and badges from loss or misuse, and learning and following the relevant Company policies and procedures specific to their duties or job location.

- Lost or stolen ID or access badges should be immediately reported to the associate's manager
- Associates must never loan their IDs, access badges or alarm codes to anyone
- Associates must not provide access to anyone who has "lost" or "forgotten" their ID; associates who have lost or forgotten their IDs or badges must follow the temporary or replacement badge procedure
- Never allow individuals to enter behind or with you in facilities that require an appropriate ID or access badge

Failure to comply with Company policy may lead to disciplinary action up to and including termination.

EMERGENCY PROCEDURES

All associates must know and understand their work location's procedures for responding to emergencies such as fires, earthquakes, tornadoes and power failures. Information about emergency procedures is provided during orientation or on the first day of work. A location's specific emergency procedures will be covered during the Store Safety Tour during orientation. Follow-up questions should be directed to a manager. Every associate should familiarize him or herself with the location of exits and the fire extinguishers in his or her work location. Associates should evacuate using the nearest safe emergency exit and direct other associates, customers and guests who need assistance. Once outside, associates should report to the assigned assembly area and follow the instructions of emergency response personnel. Every location has a unique assembly area, so associates must get this information from a manager.

EMERGENCY HOTLINE—CORPORATE: 877-WSI-NEWS (877-974-6397)

Williams-Sonoma, Inc. has a hotline in the event of an emergency affecting any corporate location or causing major disruptions to our business. Associates should call this number when they believe there may be an emergency in their work location. Whether it's a natural disaster, power outage, public transportation strike or other incident affecting the location, the hotline will provide information and guidance on the impact to business and what to do next. Corporate associates are encouraged to program this number in their cell phone.

This hotline is intended for corporate associates in the event of large-scale business disruptions such as an earthquake. It does not replace the existing phone numbers or procedures in place for the stores, Customer Care Centers or Distribution Centers.

ACCIDENT REPORTING

Associates must immediately notify their managers about any customer injury or work-related associate injury or accident, regardless of how minor the accident may appear. In the event of an emergency requiring immediate medical assistance, call 911. Otherwise, if medical treatment is required, the manager will be able to identify the closest participating medical facility.

FIRST-AID KITS

In the event of minor injuries, First-Aid kits are available at the Corporate offices, Customer Care Centers, Distribution Centers and each store location.

UNSAFE WORK CONDITIONS & SAFETY INSPECTIONS

If an associate believes a coworker's behavior/demeanor indicates that they may pose a safety risk to themselves or others, they should notify a manager immediately. Managers should reach out to Talent/Human Resources and Risk Management to assess the risk. Once the risk has been assessed, specific action steps will be implemented. Emergency services (mall security, 911, etc.) should be contacted immediately to report any threatening behavior.

Periodic inspections are performed to identify and correct potential safety hazards; however, associates who discover a safety hazard for example, frayed carpet or a damaged ladder, should inform their manager who will notify the proper department. Associates will never receive punitive action for requesting to work in a safe environment or identifying unsafe conditions. However, if an associate does not feel comfortable reporting unsafe work conditions to a manager for any reason, they may also be reported anonymously to the Loss Prevention Hotline at 800-328-7880.

DRUG & ALCOHOL USE

It is imperative that Williams-Sonoma, Inc. maintain a workplace free of drugs and alcohol for the health, safety and welfare of its associates, vendors, suppliers and customers. Associates are prohibited from using, possessing or storing, selling, manufacturing, transferring or being under the influence of alcohol and/or illegal or non-prescribed drugs while on Company premises; when operating Company-owned, leased or rented vehicles; when operating personal vehicles on Company business or when otherwise representing the Company.

SMOKE & TOBACCO FREE

To provide a safer and healthier work environment, smoking, use of smokeless tobacco and/or electronic cigarettes are prohibited in all Company locations. This includes smoking by associates, customers, vendors and visitors in any Company facility, whether owned or leased. See the building receptionist or Talent/Human Resources for the location of designated smoking areas. Associates who violate this policy will be subject to disciplinary action up to and including termination.

DRIVING ON COMPANY BUSINESS

Associates are required to understand and follow the Williams-Sonoma, Inc. Travel Policy, WSI Vehicle Policy and Driver Safety Manual when operating personal, rented or Company vehicles while on Company business. Associates should refer to the Travel Policy for reimbursement information.

Many states restrict the usage of cell phones and other mobile devices while driving. Associates should abide by hands-free laws and any other such pertinent laws associated with driving when on Company business.

Associates should direct any questions about these policies to their managers.



PROTECTING OUR ASSETS

Protecting the Company's assets and maintaining the highest ethical values is the responsibility of every associate. Knowingly causing a loss, allowing a loss or concealing a loss, failing to report a loss, making untruthful or misleading statements and hindering or failing to cooperate in an investigation are serious violations of policy and a breach of trust. Every associate is responsible for learning and following the Company's policies and procedures and, in particular, those that are specific to the associate's duties or job locations.

YOUR ROLE IN LOSS PREVENTION

When you accept a position with the Company, you accept the responsibility to protect the Company's property. These general guidelines are part of our everyday loss prevention efforts:

- Be alert to your surroundings
- Report any suspicious behavior, activities or individuals
- Perform your work carefully and accurately
- Be sure Company property is placed in correct locations
- Be sure all paperwork is accurate and legible
- Keep your work area clean and orderly
- Handbags, backpacks, book bags, packages and all electronic data devices are subject to inspection without notification
- The removal of trash is controlled; management inspects trash
- Follow procedures; if you are not sure, ask your manager

SECURITY OF ASSOCIATES, COMPANY PROPERTY & BAG/PACKAGE CHECK

Associates are responsible for safeguarding all Company assets, including any equipment they use or are responsible for. Easily portable and valuable assets (i.e., checks, cash, software, laptops, cameras, tablets, store merchandise, etc.) should be secured when not in use, especially at night and over weekends. Portable equipment and merchandise being used (or transported) away from Williams-Sonoma, Inc. facilities must be protected from loss or theft. Negligent handling of Company assets, especially when the negligence results in a loss to the Company, may result in disciplinary action up to and including termination.

To protect associates and the assets of Williams-Sonoma, Inc., the Company reserves the right to inspect all Company property and equipment (including electronic devices and communications) at any time and without advance notice, as well as any personal bags or packages entering or leaving the premises.

Associates entering or leaving any Williams-Sonoma, Inc. store, distribution center or other facility containing retail inventory are responsible for having their bags/packages inspected upon exiting. In retail stores, these checks are to be performed at the front entrance by a manager. Bags/packages must be opened (including internal compartments) and displayed in a manner that allows management to clearly see all of the contents. Associates must be in possession of a receipt for any Williams-Sonoma, Inc. merchandise.

PERSONAL PROPERTY

Williams-Sonoma, Inc. is not responsible for associates' lost, stolen or damaged personal property. Bringing valuables to work is discouraged, but if they are brought, associates are responsible for protecting their belongings. Valuable articles (such as jewelry, purses, wallets or electronics) should not be left unattended and should be secured in a desk, locker or in another secure location.

LOSS PREVENTION

If an associate suspects or believes there is, or has been, a theft, loss prevention issue, ethical violation or other security violation, he/she has a duty to report it. Associates may discuss it with a manager, call the Loss Prevention Department or call the Loss Prevention hotline. The following are some examples of loss prevention issues:

- Theft of money, merchandise, data, records or intellectual property
- Fraud
- Unethical business practices or any form of cheating
- Unauthorized recording, copying, release or use of proprietary or confidential information
- Forgery, falsification or alteration of Company documents/records/sales

- Unauthorized or improper access to any facility, data, records or confidential information
- Improper use of Company funds or assets (including electronic devices)
- Discount violations and abuse
- Resale of product purchased at a discount
- Misuse of or failure to pay corporate credit card
- Manipulation or misuse of customer orders

The Company will investigate loss prevention issues. We expect associates, if asked, to cooperate fully with Company Loss Prevention investigations. Failure to do so may result in disciplinary action up to and including termination.

The Loss Prevention hotline number is 800-328-7880. Calls are answered by voicemail 24 hours a day. Associates may remain anonymous; however, leaving a name and contact number will allow for a more thorough investigation. Every effort will be made to keep all information confidential. Williams-Sonoma, Inc.'s policy strictly prohibits retaliatory action against any associate reporting conduct that is or is suspected of being illegal or in violation of Company policy.



LEAVING OUR EMPLOYMENT

All employment relationships with the Company are on an at-will basis. Although the Company hopes that employment relationships are long term and mutually rewarding, the Company reserves the right to terminate the employment relationship at any time, with or without cause or notice.

EMPLOYMENT RESIGNATION

Associates desiring to terminate their employment relationship with the Company are requested to notify their manager, in writing, at least two weeks in advance of their intended resignation. The Company reserves the right to determine whether the resigning associate will be allowed to work through the notice period, or whether he or she will be released immediately. An associate cannot use paid time off instead of working during the notice period.

EXIT INTERVIEWS

Williams-Sonoma, Inc. is interested in feedback from associates who are leaving the Company. Associates who have voluntarily resigned may request or may be requested to discuss their employment experience in an exit interview with a manager and/or Talent/Human Resources. Associates are encouraged to be candid with their comments and suggestions and report any unethical conduct they may have witnessed while working. During the exit interview associates can also discuss any questions they may have regarding outstanding associate benefits. During the exit interview, the Talent/Human Resources representative will provide information about final pay and any benefits continuation options.

GROUP HEALTHCARE COVERAGE CONTINUATION (COBRA)

If your employment with the Company terminates, or if your hours of work are reduced to a level that makes you ineligible for coverage under the Company's group health plan, you may have the right to choose "continuation coverage," a temporary extension of health plan participation. The rules concerning this coverage are available by contacting Talent/Human Resources. Talent/Human Resources will, in any event, contact you concerning these options at the time termination or a reduction in hours occurs.

RETURN OF PROPERTY & MAINTENANCE OF WILLIAMS-SONOMA, INC. CONFIDENTIALITY

Associates are responsible for all Company property, materials or written information issued to them or in their possession or control. Associates must return all Company property to their managers immediately upon termination of employment. Associates who terminate their employment are also expected to maintain the confidentiality of Williams-Sonoma, Inc. information as detailed in the Code of Business Conduct and Ethics Policy.

FINAL PAY

Associates will be paid their final pay in accordance with state law. Generally, final pay is sent out via regular mail unless a different process is legally required. Upon notification of separation, direct deposit will be cancelled and final pay will be issued via check.

POST-EMPLOYMENT INFORMATION

UPDATING MAILING ADDRESS INFORMATION

It is important that associates who leave Williams-Sonoma, Inc. employment keep the Company's Payroll Department informed of their mailing address for at least one year after departure. This will help the Company to ensure correct mailing of their W-2 and any other applicable post-employment information.

VISITING COMPANY FACILITIES ONCE EMPLOYMENT ENDS

Former associates are treated as visitors to Williams-Sonoma, Inc. when returning to the Company offices and facilities. This means that one must go through the normal visitor's process at the specific location they are visiting.

REHIRED ASSOCIATES

Former associates may be rehired under certain circumstances. When a former associate is rehired (but not reinstated) he or she will be regarded as a new associate and will be required to submit to the same employment procedures prescribed for other new associates. The date of employment shall be the rehire date, not the date of original employment.

A former associate will not be rehired without a review of the previous work record, including work evaluation ratings and other pertinent information. A former associate may be rehired if:

- He/she is the best-qualified applicant, has satisfactory work record and the Director/Manager Talent/Human Resources (or his/her designee) approves rehire
- Rehire is required by law

The returning associate must satisfy any generally applicable waiting period requirements before beginning to accrue vacation or sick pay, unless state laws require otherwise.

REINSTATED ASSOCIATES

Reinstatement is the rehire of a former associate with full credit for former employment and all applicable benefit eligibility.

An associate who is reinstated maintains his or her original employment date. Some former associates may be reinstated under circumstances described below:

- A former associate whose reinstatement is required pursuant to any law, regulation, court order, arbitration award or agreement in settlement of a legal claim
- A former associate whose reinstatement is approved in writing by one of the following individuals: the Talent/HR Director, Talent/HR Vice President or Executive Vice President of Talent/Human Resources

NO PROMISE OF REINSTATEMENT

No oral or written promises or commitments regarding reinstatement should be made to any associate. Associates who inquire about reinstatement should be advised that reinstatement is never guaranteed, but associates are eligible to be considered for reinstatement to open positions if they meet the eligibility criteria.

Any accrued sick pay balance shall also be reinstated in accordance with state and local laws. The reinstated associate shall immediately begin to accrue vacation and sick pay benefits at the rate provided for by the benefit plan.



RESOURCES

HOTLINES

TALENT/HUMAN RESOURCES STORES HOTLINE
855-654-6474

ETHICS HOTLINE
800-620-8610
iwf.tnwgrc.com/williamssonoma

LOSS PREVENTION HOTLINE
800-328-7880

EMERGENCY HOTLINE (CORPORATE LOCATIONS)
877-WSI-NEWS (877-974-6397)

CORPORATE PUBLIC RELATIONS
415-616-8787

BENEFITS

WSI BENEFITS RESOURCE CENTER
800-413-1444
mywsibenefits.com

EMPLOYEE ASSISTANCE PROGRAM (EAP)
800-788-5614 | Access Code: WSI
liveandworkwell.com

EMPLOYMENT

PAYROLL WORKCENTER | DIRECT DEPOSIT/W-2/W-4
workcenter.secure.probusiness.com

EMPLOYMENT VERIFICATION | THE WORK NUMBER
800-367-5690 | Employer Code: 11713
theworknumber.com

WORKERS' COMPENSATION INJURY REPORTING
866-648-4749



CALIFORNIA ADDENDUM

This WSI California Policies Addendum (the “California Addendum”) is intended to apply only to employees who are hired to work in the state of California. If any provision in this California Addendum conflicts with any provision in WSI’s Handbook, the provision in this California Addendum shall prevail and take precedence over any such provision in the Handbook.

MEALS & REST PERIODS

Williams-Sonoma, Inc. requires that associates take meal and rest periods in accordance with California law. Associates are responsible for ensuring that they take their meal and rest periods.

Non-exempt associates who work more than five hours in a day are required to take one unpaid meal period of at least 30 uninterrupted minutes. Uninterrupted 30-minute meal breaks will be provided and must be taken within the associate’s first five hours of work.

Non-exempt associates who work more than 10 hours in a day will be provided and must take a second unpaid meal period of at least 30 uninterrupted minutes. This second meal period must begin no later than the end of the tenth hour of work. An associate may voluntarily waive, in writing, the second meal period, provided that the associate took his or her first meal period and is able to finish his or her shift within 12 hours.

Williams-Sonoma, Inc. authorizes and permits associates to take rest periods in accordance with California law. Associates are required to take the rest periods provided to them and are responsible for ensuring that they take their rest periods.

Non-exempt associates are required to take a paid rest period of at least 10 minutes for every four hours of work or major fraction thereof. Non-exempt employees are entitled to take one ten-minute break if they perform three and a half hours of work. As far as practicable, the associate must take his or her rest period within the middle of each four-hour period.

Rest periods are counted and paid as time worked. Associates are not required to record these 10-minute rest periods on their time records. Associates cannot combine rest periods with meal periods or other rest periods, nor can associates use rest periods to arrive late or leave early from their shifts.

CALIFORNIA FAMILY CARE & MEDICAL LEAVE & PREGNANCY DISABILITY LEAVE

Under the California Family Rights Act of 1993 (CFRA), associates who have more than 12 months of service with the Company and have worked at least 1,250 hours in the 12-month period before the date the leave begins may have a right to an unpaid family care or medical leave (CFRA leave). As explained in the Company’s “Family and Medical Leave” policy, this leave may be up to 12 workweeks in a 12-month period (measured forward from the date the associate first uses any FMLA/CFRA leave) for the birth, adoption or foster care placement of a child, or for the associate’s own serious health condition or that of a child, parent, spouse or domestic partner.

Even if an associate is not eligible for CFRA leave, if disabled by pregnancy, childbirth or related medical conditions, an associate is entitled to take an unpaid pregnancy disability leave (PDL) of up to four months, or the working days in one-third of a year or 17¹/₃ weeks, depending on the period(s) of actual disability. PDL would cover time off for needed prenatal or postnatal care, doctor-ordered bed rest, gestational diabetes, pregnancy-induced hypertension, preeclampsia, childbirth, postpartum depression, loss or end of pregnancy, or recovery from childbirth or loss or end of pregnancy.

Williams-Sonoma, Inc. will reasonably accommodate an associate’s medical needs (such as allowing more frequent breaks) and will transfer an associate to a less strenuous or hazardous position if it is medically advisable because of pregnancy, consistent with the Company’s legal obligations to do so.

Associates who are CFRA-eligible have certain rights to take both PDL and a separate CFRA leave for reason of the birth of a child. Both leaves guarantee reinstatement to the same or a comparable position at the end of the leave, subject to any defenses allowed under the law.

If possible, associates must provide at least 30 days advance notice for foreseeable events (such as the expected birth of a child, the need for a transfer or a planned medical treatment for the associate or a family member). For events that are unforeseeable, associates must notify the Company, at least verbally, as soon as they learn of the need for the leave. Failure to comply with these notice rules may result in deferral of the requested leave until compliance with this notice policy.

The Company requires associates to provide a medical certification from a health care provider before allowing a leave for:

- An associate's pregnancy
- An associate's our own serious health condition
- To care for a child, parent, spouse or domestic partner who has a serious health condition

Associates should contact Larkin to obtain a copy of a medical certification form to give to their health care provider to complete.

When medically necessary, leave may be taken on an intermittent or a reduced work schedule.

For an associate taking a leave for the birth, adoption or foster care placement of a child, the basic minimum duration of the leave is two weeks, and associates must conclude the leave within one year of the birth or placement for adoption or foster care.

At their option, associates may use any accrued vacation or other accrued time off as part of their PDL before taking the remainder of their leave as an unpaid leave. Associates must use up any available sick leave during their PDL. Associates may also be eligible for state disability insurance for the unpaid portion of their PDL.

Associates must comply with all applicable terms of the Company's Leave of Absence policy in connection with any request for PDL or CFRA leave.

California associates on PDL will be eligible to receive benefit continuation for up to 17¹/₃ weeks. Associates may be eligible for additional insurance continuation if they are eligible for CFRA leave. Following benefit continuation, associates may then be eligible for COBRA coverage.

Taking a family care or pregnancy disability leave may impact certain benefits and seniority rights. Associates should contact Larkin for more information regarding eligibility for a leave and/or the impact of the leave on seniority and benefits.

KIN CARE

California associates may use a minimum of one-half of any available accrued sick leave per year for the purpose of attending to a child, parent, spouse, registered domestic partner or child of the employee's registered domestic partner who is ill.

SCHOOL VISITATION LEAVE

With reasonable notice, California associates who are the parent, guardian or grandparent with custody of a child or children enrolled in kindergarten or grades 1 through 12 may use accrued vacation or floating holidays to take up to 40 hours off per year, not to exceed eight hours per calendar

month, to participate in activities at their child's school or day care facility.

Associates may also take time off to appear in the pupil's school at the request of the pupil's teacher.

ORGAN/BONE MARROW DONATION LEAVE

Applies to all California associates, full-time and part-time, who have at least 90 days service with the Company prior to the date the Organ or Bone Marrow Donation Leave is to begin.

The Company provides up to 30 business days of leave in any one-year for eligible California associates making an organ donation and up to five business days of leave in any one year period for eligible California associates making bone marrow donations. The one-year period is measured from the date the associate's leave begins and consists of 12 consecutive months. This leave can be taken intermittently or continuously and does not run concurrently with leave under the Family and Medical Leave Act or the California Family Rights Act.

Organ/Bone Marrow Donation Leave of Absence is paid. However, Williams-Sonoma, Inc. will require associates to use up to five earned but unused sick or vacation days for bone marrow donation and up to two weeks of earned but unused sick or vacation days for organ donation. (Earned but unused sick days will be used until they are exhausted, at which time earned and unused vacation days will be applied up to the five day or 2 week maximum, whichever is applicable.)

Once the associate donor has used up the maximum sick or vacation days required to be used for an Organ/Bone Marrow Donation Leave of Absence or once the associate donor has exhausted all of his/her earned but unused sick and vacation days, whichever is sooner, the associate will be paid for the remaining authorized Organ/Bone Marrow Donation Leave of Absence.

During the Organ/Bone Marrow Donation Leave of Absence, associates will continue to receive group health coverage and continue to accrue paid time off and other benefits as if they had continued working.

MILITARY SPOUSE/DOMESTIC PARTNER LEAVE

Eligible associates in California may take up to 10 days of unpaid leave to spend time with their spouse or registered domestic partner during periods of leave from active military duty. In order to qualify for a leave, an associate must: (1) be a spouse or registered domestic partner of a qualified member of the Armed Forces of the United States, the National Guard or a member of the Reserves, who has been deployed during a period of military conflict; (2) perform service for the Company for an average of 20 or more hours per week; (3) provide the

Company with notice, within two business days of receiving official notice that the qualified member of the military will be on leave from deployment, of his/her intention to take the leave; (4) submit written documentation to the Company certifying that the qualified member of the military will be on leave from deployment during the time the leave is requested.

EMERGENCY CIVIL SERVICE LEAVE

Associates in California may take an unpaid leave of absence to perform emergency civil service duty as volunteer firefighters, reserve peace officers, emergency rescue persons or other volunteer civil defense/emergency service workers. Associates must provide the Company with documentation concerning this leave pursuant to state law.

SHORT-TERM DISABILITY (STD) & CALIFORNIA STATE DISABILITY INSURANCE (SDI)

California non-exempt associates are not covered under the WSI STD program as they receive maximum benefits under the California State Disability Insurance (SDI) program.

California has a mandatory program that provides benefits to eligible associates who are unable to work because of the need to care for qualified family members who are ill or injured or to bond with a new child. The benefits are called Family Temporary Disability Insurance or "Paid Family Leave" benefits. Based on California law, the costs of this program are paid by associates who must make contributions through legally required payroll taxes. The law requires that these taxes be automatically withheld from each associate's wages every pay period. Eligible associates must apply directly with the California Employment Development Department to receive benefits. The Company does not distribute these Paid Family Leave benefits to associates.

Associates who have any questions about their eligibility for state disability insurance should contact Talent/Human Resources or contact the California Employment Development Department for more information.



WILLIAMS-SONOMA, INC.

ASSOCIATE HANDBOOK ACKNOWLEDGMENT & AGREEMENT

At Williams-Sonoma, Inc., we strive to create an environment that promotes our shared success one where associates can develop, thrive and contribute to their maximum potential. To help establish clear guidelines and serve as a foundation for how we treat and communicate with each other, we look to our Williams-Sonoma, Inc. Associate Handbook (the "Handbook"). It defines our general policies and practices and provides valuable information about our mission and values, standards, associate benefits and more.

The Handbook has been updated and expanded to include the most current information as of November 2015. Use this Handbook to guide you in meeting the Company's expectations and as a general reference on our policies and benefits. Please speak with your manager or Talent/Human Resources if you have questions.

I hereby acknowledge that I have read the Williams-Sonoma, Inc. Associate Handbook and, in consideration for my employment, I agree to abide and be bound by the policies, rules and regulations contained or referenced therein. I understand that this Handbook is provided for my information only and does not create any rights, contract or guarantee of employment, benefits or working conditions.

I understand and agree that my employment with Williams-Sonoma, Inc. is at will and may be terminated for any or no reason, with or without cause or notice, at any time, at the option of either the Company or myself, and that no management representative has authority to enter any agreement that would alter my at-will employment relationship at any time.

ASSOCIATE NAME (please print)

ASSOCIATE IDENTIFICATION NUMBER

ASSOCIATE SIGNATURE

DATE