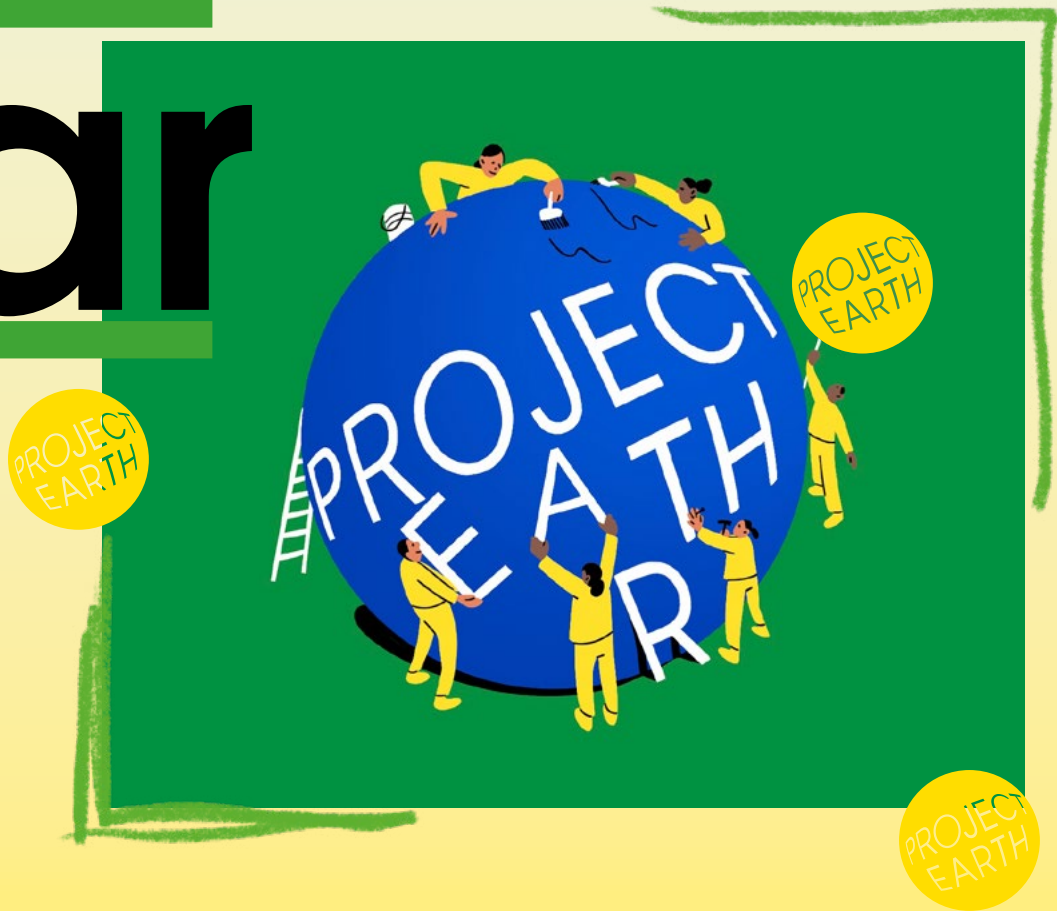


One year on

AN UPDATE



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**“Now, more than ever,
we must double down
on our efforts to reinvent retail
with sustainability at its heart and a way
of working which is regenerative
for humans
and nature”**

ALANNAH WESTON,
SELFRIDGES GROUP
CHAIRMAN





Hello.

More than a shop.

A social space.

A real life community.

A cultural centre.

We are

We run on imagination
and innovation.

We hope to make
the world brighter.

Selfridges.

An illustration featuring a large, stylized hand in a reddish-orange hue. The hand is holding several plastic water bottles of various sizes and colors (green, red, blue caps). In the background, there's a yellow figure of a person and a white structure resembling a stadium or a bridge with yellow flags. The background is split into a light blue upper section and a reddish-orange lower section.

Our sustainability efforts began in earnest in 2005

when we were the first luxury retailer to ban fur. Since then, we have banned plastic water bottles, launched our labelling scheme and signed the Fashion Pact (and much, much [more!](#)). In August 2020 we launched Project Earth, the next phase of the journey that aims to change the way we shop and the way we do business. To mark its first anniversary, this progress update lays out where we find ourselves now; both a celebration of our successes and an honest reflection on the challenges we've faced. In early 2022 we will publish our first full annual sustainability report.

Figures correct as at end June 2021 unless otherwise specified.

Project Earth is our sustainability strategy. It is built on three key themes: 'materials' - a change in what and how we buy - 'models' - new ways to shop - and 'mindsets' - culture change. All underpinned by our science-based targets as we look to a net zero future.





From our Managing Director

Against all odds, during a year like no other, Project Earth launched in August 2020...

Selfridges rang in the dawn of 2020 with a campaign called "Happy New Decade". We had every reason to look towards a brighter future. Environmentalists had hailed it as a "super year", a pivotal moment for addressing the climate emergency. At Selfridges, 2020 was to see the realisation of three years of planning

as we launched Project Earth, an ambitious campaign and strategy which would honour our rich history of retail activism and announce our commitment to a sustainable future. Our aim was to drive real change from within the system, with all the fun, wit and optimism typical of the Selfridges brand.

But it was the year that the system changed in ways we could never have predicted. In March we were forced to close our doors for the first time in our 112-year history, just weeks before the planned launch of Project Earth. Could we really push complex, multi-brand retail through radical transformation in such a moment of crisis? The answer was of course yes. A crisis requires radical thinking and creativity, so what better time to announce our commitment to reinventing retail and to give our customers a glimpse into what that meant?



So it was with huge pride, determination and optimism that we launched Project Earth in August 2020. With it, came our approved science-based targets¹ to reduce our carbon emissions throughout our operations and supply chain. This year, we are delighted to have retained the Carbon Trust Standard certification for energy, water and waste, which we have held since 2014, as well as offer our customers better ways to shop with over 9,000 sustainable products eligible for our Project Earth edit. I am also personally incredibly proud of our team member elected Diversity Board which was established in July 2020. This is composed of advocates who have already begun to shape our actions for promoting greater inclusion across our business.

What follows is not an in-depth sustainability report, it is a snapshot of Project Earth highlights and hurdles sharing some of what we have learned from an extraordinary year. This year one update precedes a cycle of reporting against our plans

and longer-term targets, beginning in early 2022, because we want to share the entirety of our journey, including these tentative early days of progress.

Project Earth is underpinned by the Selfridges Group vision launched earlier this year. It provides a guiding framework against which we set targets and actions. Read more [here](#).

Read on to discover a joyful celebration of all that we have accomplished and a heartfelt thank you to our customers, teams, brand partners and all those who have joined us on our journey to “change the way we shop”.

**Andrew Keith,
Managing Director, Selfridges**

¹ Science Based Targets

We will reduce our greenhouse gas emissions from our stores and offices by 64% (from a 2018/19 baseline) by 2030. This target has been approved by the Science-Based Targets Initiative as consistent with what the latest climate science has told us is needed to prevent the most damaging effects of climate change (to keep warming to 1.5°C.). We also commit to reducing absolute scope 3 GHG emissions from purchased goods and services 30% by 2030 from a 2018 base year, and that 10% of our suppliers by emissions covering logistics and capital goods will have science-based targets by 2024.

At a glance



112 years of activism

Selfridges' first act of retail activism dates back more than a century to the birth of the brand in 1909 when our founder championed equality by openly supporting the suffragette movement and providing an environment where women could shop alone without a chaperone or fear of creating a scandal. More than 15 years ago we made

the decision to ban fur, however our modern-day journey towards Project Earth began in 2011 with the launch of Selfridges Project Ocean – when, alongside a store-wide takeover, we banned the sale of endangered fish and co-founded the Marine Reserves Coalition. Find out more about our journey since then [here](#).

Highlights

Changing the way we shop and the way we do business

MAKE MATERIALS BETTER FOR PEOPLE AND PLANET

Ensuring that the most environmentally impactful materials used in every area of our business, including products, shop fits and branded packaging, come from certified, sustainable sources by 2025.

Over 9,000
products in the
Project Earth edit ²

**Better ways
to shop with
4 clear labels**

Over 600
suppliers responded
to our comprehensive
sustainability questionnaire.

PIONEER NEW RETAIL MODELS AND EXPERIENCES

Making our brand synonymous with circularity, offering resale, rental and repair as a core part of our customers' experience.

Over 1,000
refillable beauty
products

49
resale
and rental
brands

Over 7,000
pre-loved items
sold through Resellfridges.

SHIFT MINDSETS BY USING OUR PLATFORM TO ENGAGE AND INSPIRE

Offering an ongoing opportunity to stage a brave conversation with our entire community around the climate crisis, the future of shopping, and the part we can all play in co-creating a better future.

157,000
live and
post-event views
for our Project
Earth events
programme

450³
managers
have attended
inclusive leadership
training

60%
customers agree that "Selfridges
is a retailer that's leading the way
in environmental sustainability".

SUPPORTED BY OUR AMBITIOUS CARBON REDUCTION TARGETS SPANNING OUR BUSINESS

We have committed to achieving net zero carbon across our business by 2050 and have set Science Based Targets (scopes 1,2 and 3). However, we're working to make this happen sooner to help limit global warming to 1.5 degrees.

Our stores are powered by 100% green energy (electricity and gas)⁴ and we are focusing on driving down waste and our energy consumption year on year – we have retained the Carbon Trust standard for energy, water and waste since 2014.

²Eligible styles for SS21/Continuity and all labelled food products.

³As at end of July 2021.

⁴With the exception of Exchange Square which is landlord managed.

What challenges do we need to overcome? The view of our team members.....

Hurdles

“We’re proud
of Selfridges.com
our ever-evolving digital
destination but we also recognise
the significant challenge
of growing internationally
whilst meeting our carbon
reduction targets”

“We always
knew our 2025 material
targets were ambitious but
over the last year we’ve realised
that we need to radically
redesign our systems and
rethink our ways of working
to achieve them”

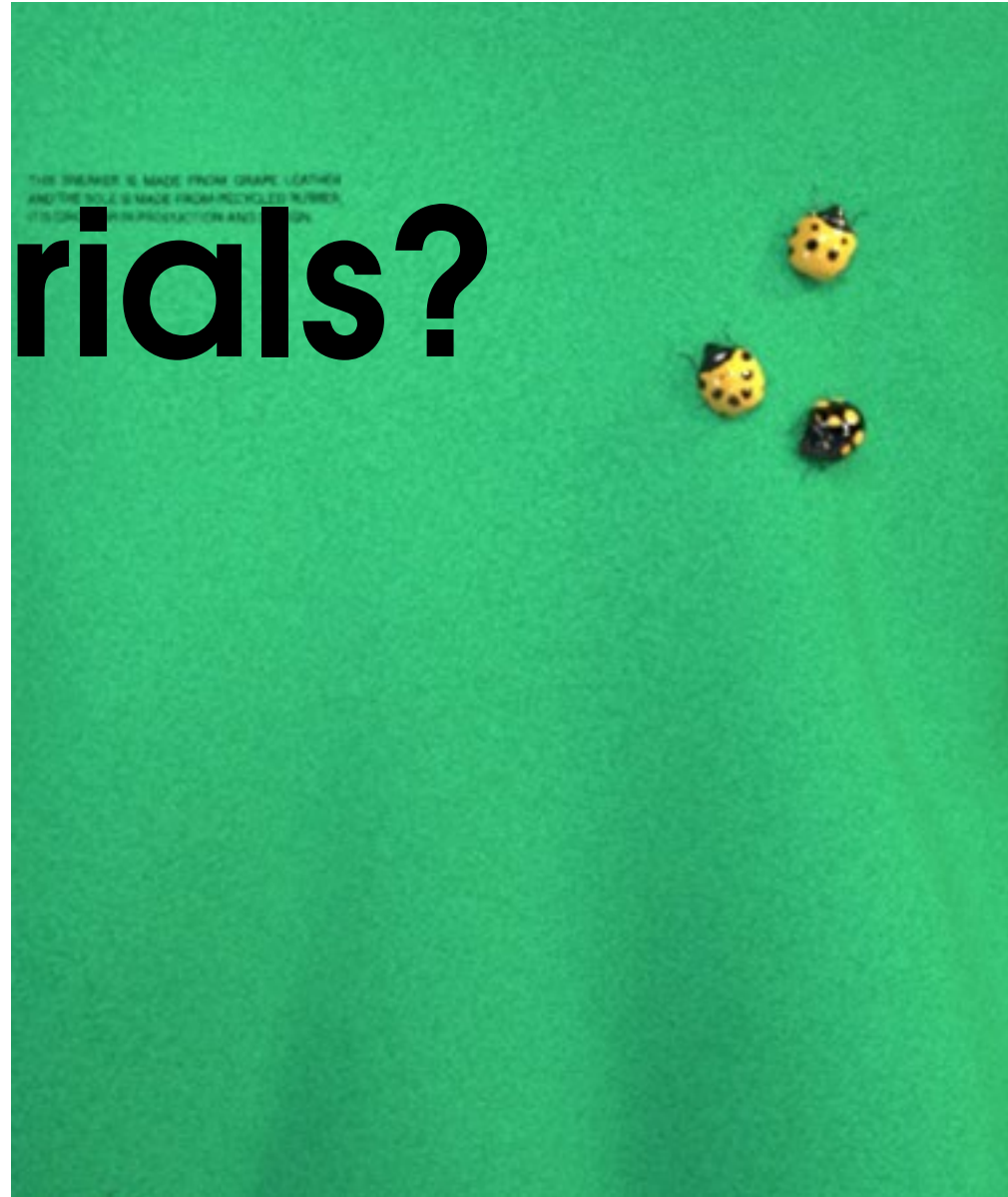
“From the feedback
to the Diversity Board and our
Cultural Assessment, we know
that representation of minority
communities and diverse talent
reduces across our senior leadership
population, leading to a feeling
that ‘you cannot be what
you cannot see’.”

“We know
that reselling, renting,
repairing and refilling are
actions for a sustainable future
but we can do better
at making these actions
visible and accessible for
all our customers”



Materials

Why materials?



The fashion industry is responsible for producing approximately 10% of annual global carbon emissions⁵. That's more than all international flights and maritime shipping combined. A significant proportion of these emissions is associated with the materials and processes used across the industry in everything from products to packaging and shop-fits.

⁵ *Fashion on Climate: how the fashion industry can urgently act to reduce its greenhouse gas emissions*, McKinsey & Company and Global Fashion Agenda, 2020
www.globalfashionagenda.com/publications-and-policy/fashion-on-climate/



What does

In 2020 we announced our commitment to ensuring that the most environmentally impactful materials used and sold across our business come from certified sustainable sources by 2025 and to engage with all our suppliers - from brands to builders - to forge a five-year approach that makes our current business better. This is an important

this mean

element of our scope 3 carbon emissions reduction ambition, but to make a material transition of this scope requires us to rethink the systems we use in our business and to embed a culture of transparency with all of our suppliers. Our aim is that from 2025 we simply will not stock products that do not meet these commitments. Find out more [here](#).

for us?

Better products from suppliers we trust

Highlights

In order to meet the commitments we have made to reduce the impact of nine of the most widely used materials across our business, we established a rigorous framework based on internationally recognised standards, working in consultation with NGO partners and certification bodies. Find out more [here](#).

We have developed and launched an in-depth self-assessment process and our suppliers must agree to disclose their sourcing practices and the measures they have in place to meet our [ethical trade requirements](#) and our [materials commitments](#) - so far over 600 have completed our questionnaire. Where issues arise, we work with our suppliers to develop action plans for improvement, signposting them to further sources of support where required. In addition, we hold one-to-one conversations with our biggest brands to ensure that

they are well positioned to deliver on our long-term commitments.

Our Project Earth labelling scheme, underpinned by an eligibility process, has been helping customers make positive, sustainable choices since 2017. We currently have over 500 brands eligible for labelling⁶. In August 2021, we streamlined our labelling scheme, making it simpler for customers and brand partners. Each of our Project Earth [labels](#) clearly defines an area of challenge to support – nature, communities, animals, and better ways to shop.

We believe that supporting emerging brands who put sustainability at the heart of their business model is critical to industry transformation. In 2020/21 we were the first UK retailer to work with sustainability pioneers the Pangaia, launching with a unique installation in our most prestigious space, known for its creative retail activations, The Corner Shop.

⁶SS21/Continuity and all labelled Food



Sustainability

starts with transparency.

Our project earth labelling system

is a visible manifestation of the extensive work

we are doing behind the scenes to better understand

how our brand partners are addressing sustainability

and how that is reflected in the products

they offer. A major hurdle that we are working to overcome

is the lack of product level information we are able to obtain

from concession based brand partners. We realise that

making meaningful material change requires a rethink

of everything from contracts to conversations.



HURDLES

Managing our physical footprint

Highlights

Better spaces

We are famous for our landmark bricks and mortar stores, icons of three cities – London, Manchester and Birmingham. Our new sustainable build guidelines provide design and construction teams with resources to strategically select building products and materials that are better for our planet, and apply to all new builds, pop-ups, retrofits and maintenance projects. Find out more about how we manage our operational footprint in our [Environment Policy](#).

Our next step is to trial the effectiveness of these guidelines with selected partners – this was postponed in 2020 due to ongoing store closures. We look forward to learning from this process.



In addition, we have retained our Carbon Trust Standard accreditation for carbon, water and waste which we have held since 2014.

Packaging and Logistics

Recognising the need to address plastic waste and pollution at its source, we have signed the Ellen Macarthur Foundation's New Plastics Economy Global Commitment. Through this, we commit to ensure that our packaging is minimised and made from materials that can be reused, recycled or recovered.

We are trialling 'naked click and collect', which removes unnecessary transit packaging from in-store collections and we aim to replace all single use transport hangers with a sustainable alternative. We are asking our brands to switch all poly transit bags to plastic made from recycled content and are trialling in-store poly bag collection points.



Achieving our material commitments by addressing what and how we buy, will significantly reduce the impact of our business.

But alone they are not the only roadmap to reinventing retail. That's why we are also exploring and establishing alternative models that allow us to reimagine the very act of shopping itself.





Models

Why models?



According to the 2020 Fashion on Climate report⁷, current growth predictions alongside existing carbon reduction strategies will result in a similar fashion industry footprint in 2030 as we had in 2020. Better within the confines of business as usual will only get us so far.

We need to remodel.



⁷ Fashion on Climate: how the fashion industry can urgently act to reduce its greenhouse gas emissions, McKinsey & Company and Global Fashion Agenda, 2020
www.globalfashionagenda.com/publications-and-policy/fashion-on-climate/



What does

A momentous installation on the facade of our building launched Project Earth with the words “let’s change the way we shop.”

An incitement to transformation in the name of addressing climate emergency. And so began a series of experiments with new

this mean

circular models: resale, rental, refill, recycle & repair. Exploring new business models which will reduce our carbon footprint, inform the future of our business and, we hope, change the face of shopping forever.

for us?

Circular models: resale, rental, refill, recycle and repair

Highlights

Resellfridges

As part of the Project Earth introduction of resale to our business model, customers can shop for preloved and upcycled garments through 48 brands. We have spent the past year in a discovery phase – further experimenting, trialling and establishing our brand proposition for resale and rental. Through testing and learning from audience response we have firmly established 'Resellfridges' as a core part of the Selfridges offer. To date, over 7,000 pre-loved items have been sold through Resellfridges.

"Selfridges has always led the way for the rest of us to follow. Project Earth commits and inspires us on a global scale to change the way we shop, by repairing, buying reused, renting and refilling."

Being selected as part of Resellfridges is an honour. Selfridges has been incredibly supportive of our start up sustainable brand of curated vintage and pre-loved clothing. We can't wait for Selfridges customers to experience Vout Vintage for a third time running within the Resellfridges space"

Ruth Vout, Founder, Vout Vintage

Our Corner Shop destination plays host to monthly rotating brand collaboration concepts, all with a focus on circularity. A weddings resale offer is taking centre stage for summer 2021, presenting a unique curation of vintage and pre-loved wedding outfits and accessories for brides, grooms and best-dressed guests.

A pop-up Oxfam charity shop launched in Selfridges central atrium



space in September 2020. The space was curated and conceived by Bay Garnett and opened as part of the Project Earth campaign and Oxfam's second-hand September initiative. The pop-up was in our top 3 performing resale brands for the ten-week campaign, as a result of its success we are opening a dedicated concession in September.

With Selfridges I have worked on the Oxfam pop up shop to celebrate and promote Second Hand September. It has been amazing - in so many ways; the success of the shop, the radical step of putting a charity shop in such a luxury space, and working with such a fantastic and creative team who give all support and direction in all areas. Thank you!

- Bay Garnett

Highlights

Rental

Selfridges Rental debuted in spring 2021 for both men's and women's designer fashion and accessories, curated by our expert buyers and featuring some of the most sought-after designers and items in our assortment (Jacquemus, Kith, Bape to name a few). Over 700 customers have since chosen enjoyment over ownership.



Refill and Recycle

We are proud to stock over 1,000 refillable products, the majority of which are offered by beauty brands including Valentino Beauty – a Selfridges Exclusive launched in 2021 which offers a vast range of refillable options. During the Project Earth launch campaign, we trialled a partnership with Terracycle to encourage customers to return their empty beauty packaging for recycling and we are committed to making both reuse and recycle an embedded aspect of our customer experience both physically and digitally.

Repair

Through our Repairs Concierge, a team of experts can direct our customers to services that can restore and rejuvenate a host of products from jewellery to eyewear. Over 600 customers have received advice since it opened in August 2020 and one of our most popular services - The Restory - has provided 1,600 repairs for customers. We don't always have visibility of the repair services that



our brands offer alongside their product offer – we are working to obtain a comprehensive directory of these so that our customers have access to an even wider range of repair and restoration opportunities.



Resale



At the heart of our brand is the belief that at Selfridges everyone is welcome.

We want all our customers to feel included in the Project Earth journey. Resale was the most commercially successful model we tested but customer feedback told us that many found the luxury focus inaccessible.

Inviting Oxfam to take up a dedicated curated concession is our first step to address this feedback. We aim to continue to expand and democratise our resale offer, to include a wider range of price points.



Hurdles

Rental

To embed a genuinely viable rental model, we understand we must be responsive to the behaviour of our customers. We have already learnt that there are unexpected customer groups who are excited to experiment with experience over ownership. We will continue to tailor our offer to meet the expectations of our engaged audience.

As such, may we say a huge thank you to the creators of the swathes of sharp witted 'Selfridges does rental' memes that met our launch. We love to tune in to our audience response, the memes provided us a very fun way to listen and learn.

Refill and Recycle

Whilst we have an extensive range of refillable options, we do not have the tools to track how many customers are actually refilling.

We know we have work to do to ensure customers are aware of the various channels through which they

Hurdles

can refill and make this even more accessible, whether shopping online or in store. Similarly, our trial with Terracycle taught us that signposting and positioning is instrumental.

We will put in place measures to ensure maximum uptake around the store and explore how online customers can also recycle items that can't be refilled.

Repair



We believe that strong repair service across categories is a vital part of a circular model. However, we don't currently have sufficient understanding of how our customers are interacting with this offer. Many of our brands offer their own in-house repair which we don't have sight of. We are working with our brand partners to collate and review data on all repair services so we can develop the customer experience and advance our offer.



Summary

Our materials commitments and product labelling aim to address the environmental impact of 'what' and 'how' we buy and sell. The integration of new models offers our customers new ways to shop responsibly. These propositions can only be truly successful if they are paired with an active dialogue with our people, partners and customers. Only through collective, co-created mindset change can we place society and environmental justice at the heart of our culture.





Mindsets

Why mindsets?



At the beginning of 2020 awareness of the climate emergency and the impact of human activities on nature had finally reached critical mass. Unified activism had pushed it to the top of the news agenda. But in truth it took a global pandemic to break our constant cycle of consumption and to show us first-hand the fragile and interconnected nature of all life on earth. Now, as our industry reels in the aftermath of this extraordinary year, how will we build back in a way that is better and more respectful of each other and our only home?



What does

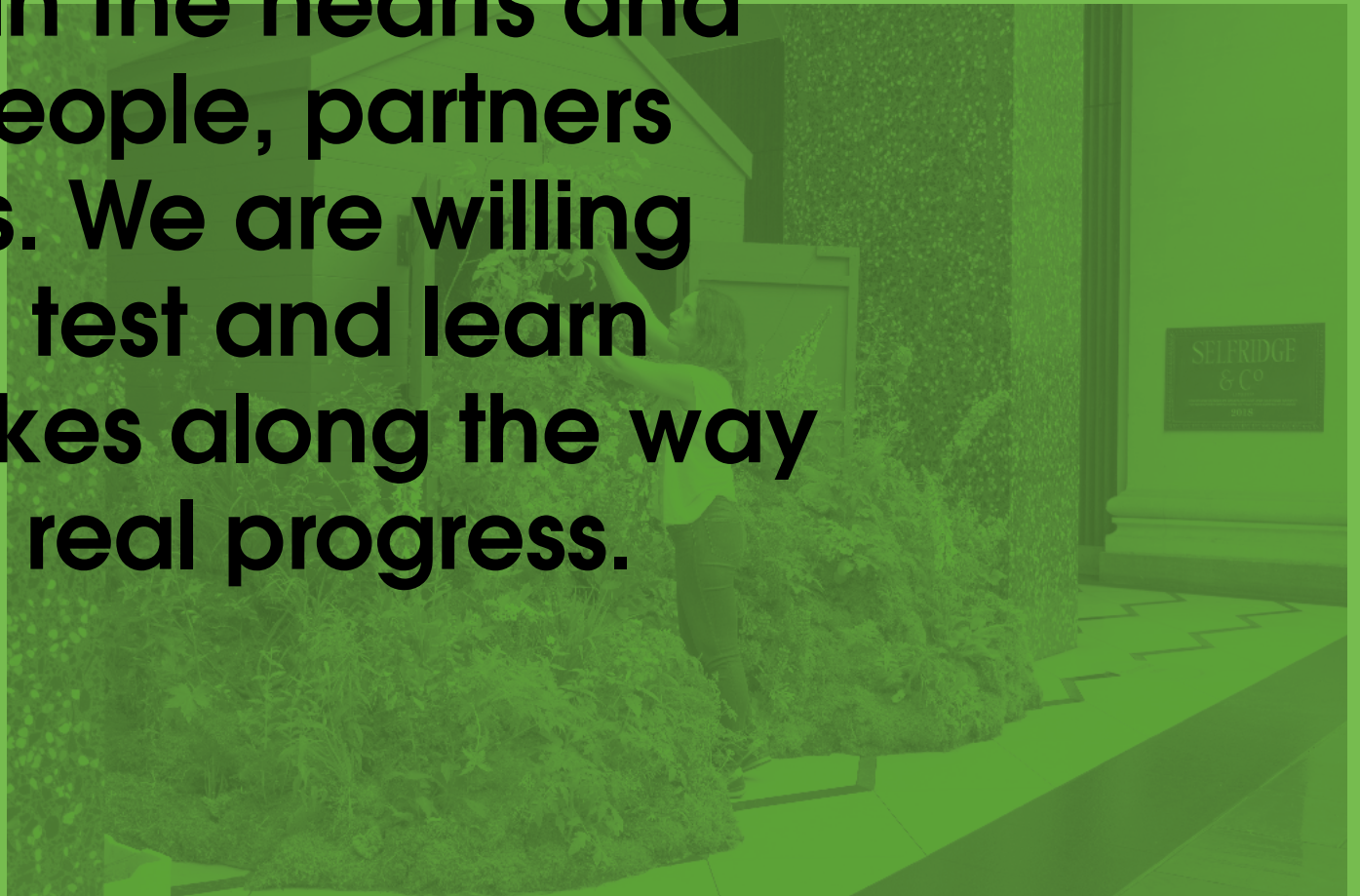
Selfridges has a rich and varied history of retail activism. We may not have all the answers, but we are never afraid to ask the big questions. We have a platform which we are proud to use to stage conversations about society and environmental justice - from race and gender issues to climate

this mean

crisis. We know that we need to change the way we shop and the way we do business to urgently address the climate emergency. That's why we want to encourage a coming together to co-create real change. To unite behind positive, solution-led environmentalism.

for us?

A new vision and purpose for our brand puts ‘reinventing retail’ and the creation of a sustainable future at the very heart of our business, and in the hearts and minds of our people, partners and customers. We are willing to experiment, test and learn from our mistakes along the way in the name of real progress.



Our team members

Highlights

Providing opportunities for our team members to feel connected and supported during the pandemic has been vital. In addition to our Diversity Board, our team member networks, or “communities” - including our 300 ‘Green Warriors’ - champion change at a grassroots level. These communities continued to thrive even whilst many were working from home. Re-launched this year, with newly introduced initiatives such as ‘chat for change’ with our Executive Team, community members are encouraged to address issues that matter most to them.

80% of team members believe Selfridges is an environmentally and socially responsible business. However, we believe we can only be truly transformational if we hardwire sustainability into how

we define value, make decisions and hold ourselves to account. To this effect, we have integrated sustainability into our governance structure, ensuring cross-functional ownership and accountability, as well as reward mechanisms to incentivise socially and environmentally responsible behaviours. Sustainability measures are included within our Executive compensation framework.

This year a [Selfridges Group Code of Ethics](#) was developed to bring to life the new group values. This is relevant for everyone who works for or with Selfridges Group and reinforces our commitment to respect people. It covers a range of issues including those relating to people, suppliers and sustainability.

As of April 2021, we ensured that every team member is paid a living wage. Our next step is to review our third-party contractors and work with them to encourage them to do the same, following the Living Wage Foundation guidance.



We continue to be proud of the significant role women play in our organisation but we know there is still substantial work to do to close the gender pay gap at Selfridges. We must create even more opportunities for our female talent to progress and realise their full potential. We understand from the results of this year’s reporting that there is more work to be done. Read more in our [gender pay gap report](#).

Our [modern slavery statement](#) details the measures we have in place to prevent modern slavery occurring in our business and supply chains. For example, this year we launched an e-learning module for our team members specifically on modern slavery. This highlights what modern slavery is, what the indicators of it are, how it is relevant to our business and in our everyday lives, providing some scenarios relevant to our team members. This is mandatory for all management and the leadership teams in our stores.



The effects of
the pandemic led to a business
reorganisation which sadly saw us lose
colleagues. Even in the face of this uncertainty,
the momentum and commitment to Project Earth
remains strong. As such, our teams have called for faster
change. We understand there is more to do to activate
this change in all areas of our business. Sustainability and
inclusion must be consciously embedded into every
team member's day-to-day role so everyone can
see tangible ideas for the part we can play
in a sustainable future brought
to life.



Our communities

Highlights

Selfridges plays an active role in supporting the communities in which our stores and offices are located. Throughout the pandemic, our team members provided support to key workers and community groups, giving their time and distributing donations from our stock. This year we streamlined our community giving guidelines to focus donations and volunteering for charities and community groups on three key areas: Environment, Homelessness and Mental Health. We revisited our volunteering allowance and now offer up to 5 days for team members to volunteer with specific partner organisations which this year included support for Covid-19 vaccination centres as well as 15 other local organisations.

Volunteer activities range from redecorating spaces, beach

cleaning, tree planting and sorting donated clothes for charity shops. In 2021 we funded the installation of Wifi into central London Centrepoin accommodation services, to tackle digital isolation and loneliness in young people, with our Change Team volunteering to set up games and quizzes for young people at the Barnet service. In February the London management team completed a fitness challenge on the shopfloor, raising £2135 for Shout.

Since 2018 we have partnered with the Woodland Trust on its mission to plant, protect and restore native woods and trees across the UK in the fight against climate change. At the start of 2021 we had helped plant over 100,000 trees, both directly with team members volunteering in the northern forest and indirectly, sponsoring community tree packs.

“I feel so lucky to have the opportunity to volunteer.....I supported the beach clean with my team and it was such a fantastic experience. I feel very proud to work for a company that takes responsibility and encourages their employees to make a difference with like-minded individuals”.

**Emily Landers, Assistant Business Manager,
Beauty – Pat McGrath**

Our customers

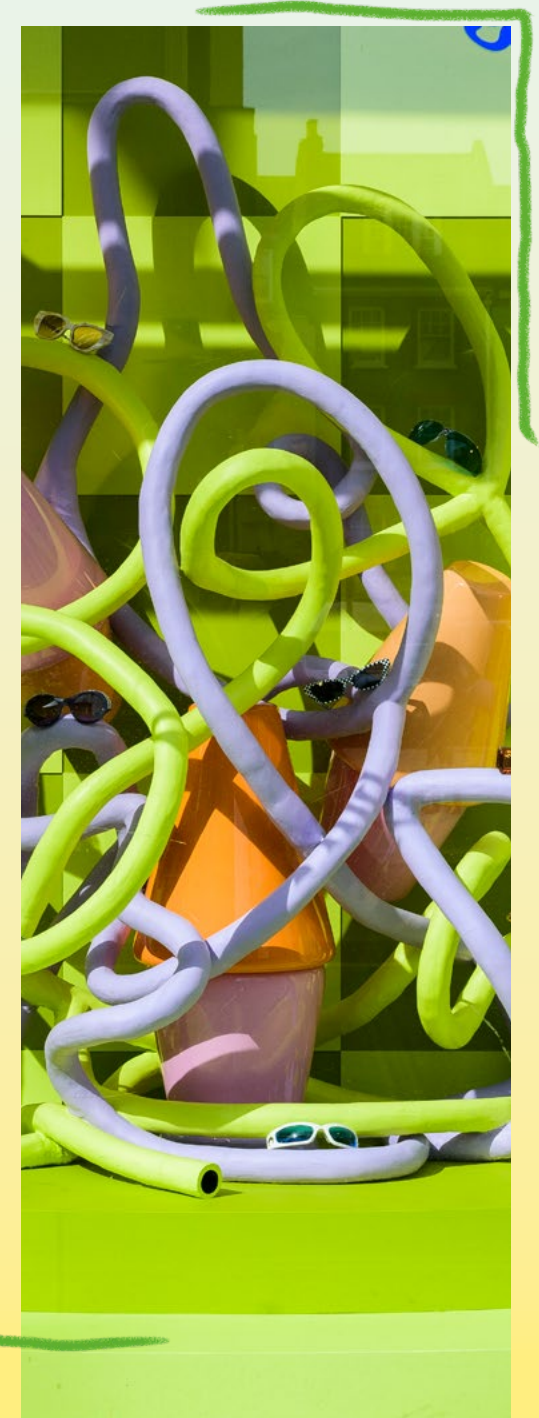
Highlights

Selfridges is famous for its retail activism and unique experience offer. We believe that our teams of progressive, creative, innovative people are well placed to make the revolution of sustainable shopping fun and irresistible, not worthy and boring.

In August 2020, we launched Project Earth in stores and online with ten weeks of experiments, innovations and conversations dedicated to reinventing retail. Our virtual events programme alone had 157,000 live and post-event views. Subjects were wide ranging – from how to become an ethical eater, to how to build a movement. Our customer surveys showed a 6% increase in customers agreeing that Selfridges is a retailer that's leading the way in sustainability following the campaign (54-60%). Overall perception towards Selfridges

as a brand improved, particularly among the under 25's, our customers of now and the future.

Our creative output in 2021 is centred around the theme of 'Good Nature' celebrating the mystical, healing, escapist power of the natural world. The reopening of our stores in April 2021 invited customers to indulge in seeking pleasure through engagement with the natural world and the launch of our Resellfridges 'Great Outdoors' space, which invited 10 independent resellers to a dedicated space over 6 weeks, and digital events personified the philosophy of 'nature for all'.



We're listening....

Listening to customers is a vital way for us to refine and adapt our approach. We have listened to feedback and are responding on key themes and insights gathered during the 2020 Project Earth campaign period and beyond, including observing how our customers respond to our rental and resale offer in 2021.

- 👉 We need to make sure that customers can understand how their actions tangibly contribute to changing the way we shop
- 👉 We need to challenge the perception that sustainable products and services are expensive and unattainable
- 👉 We need to make sure that Project Earth is 'always on' and visible to customers it must be as familiar and recognisable as our yellow bags
- 👉 We must make sure that our commitments are quantified, and progress is consistently communicated

Some of the steps we're taking to respond include:

- 👉 A review and relaunch of our Project Earth labelling system to ensure that the edit is accessible and credible for all customers as well as driving us towards meeting our material targets
- 👉 Redesigning our customer research to better understand how Project Earth is contributing to a change in our customers' mindsets and shopping behaviour
- 👉 Setting tangible targets for the integration and evolution of alternative models in our business
- 👉 Developing our first full sustainability report to quantify progress against our targets



We

understand that

climate change is the most pressing issue of our times and our customers have made it clear that they want us to act. But there are real cultural challenges to moving our business through transformation and genuinely changing the way we shop: heightened concerns around hygiene because of Covid-19, a values-action gap, concerns that 'more sustainable' comes at a cost and the conditioned allure of "newness" are all barriers to positive change.



These are barriers we are committed to overcoming as we pave the way for a sustainable future.

Summary

The journey is just beginning. An ongoing, open dialogue and co-created solutions will be what propel us forward. Our focus in 2021 is strengthening our vision for the Mindsets agenda and setting robust targets which we will share in our full sustainability report in early 2022.

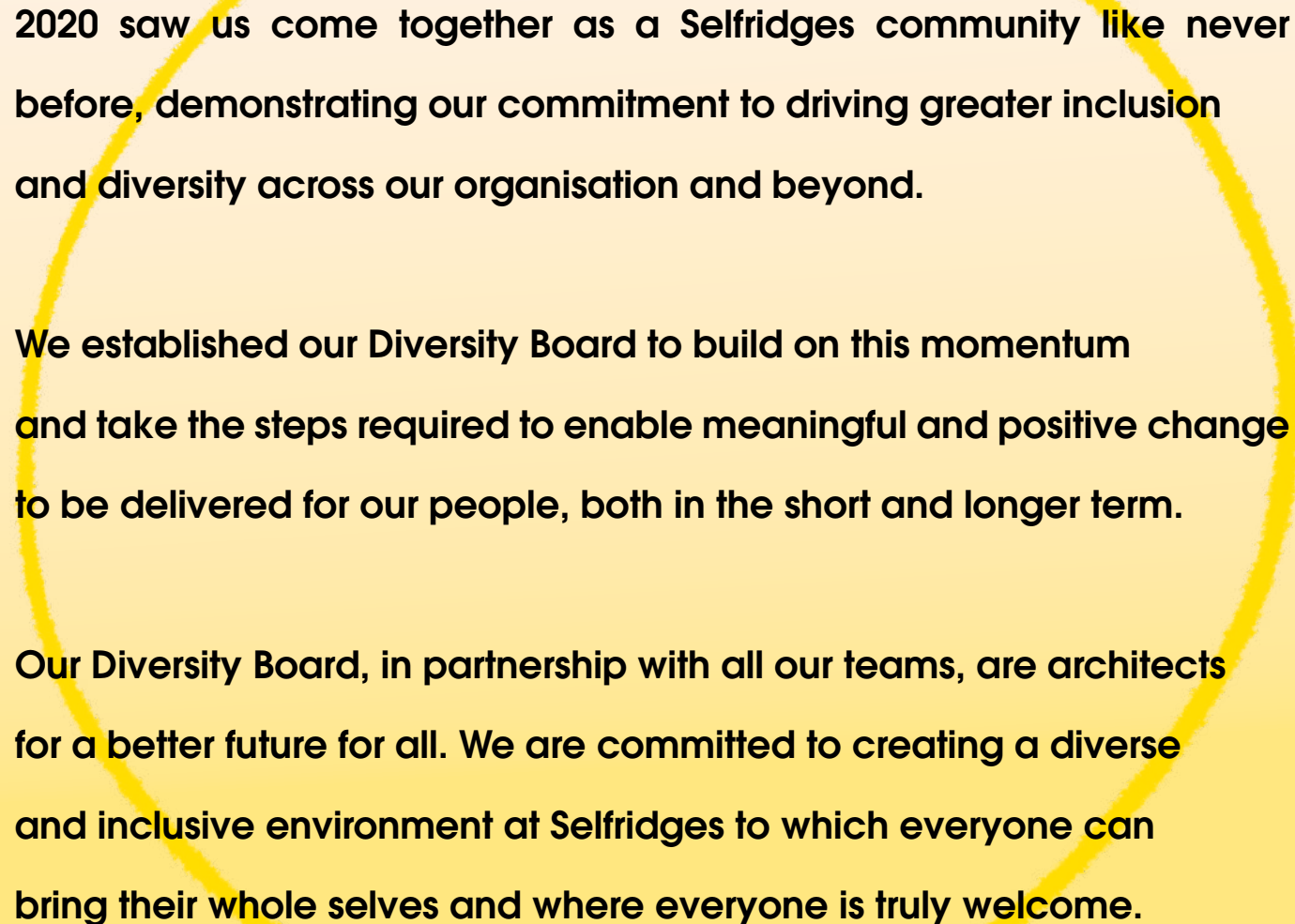
DIVERSITY



BOARD

Annual Report

2020 - 2021



2020 saw us come together as a Selfridges community like never before, demonstrating our commitment to driving greater inclusion and diversity across our organisation and beyond.

We established our Diversity Board to build on this momentum and take the steps required to enable meaningful and positive change to be delivered for our people, both in the short and longer term.

Our Diversity Board, in partnership with all our teams, are architects for a better future for all. We are committed to creating a diverse and inclusive environment at Selfridges to which everyone can bring their whole selves and where everyone is truly welcome.

Establishing our inaugural Diversity Board

Electing a Board

In July 2020, the 12 inaugural members of our Diversity Board were elected by 1,358 of their fellow team members. The Diversity Board has an Executive Board sponsor, with whom they meet every six weeks, to help drive our aim to shape a more inclusive, diverse and equitable future at Selfridges.

Why this matters

Being a diverse and inclusive brand is critical to Selfridges' success. We believe a sustainable future is one in which talent and voices from every community are heard and given a platform. We are working hard to increase the visibility and recognition of under-represented talent and communities in our business.

Defining the vision

After leading conversations with over 400 Selfridges team members, the Diversity Board set out three pillars to define their focus:

EVERYONE IS WELCOME:

creating a truly diverse and inclusive Selfridges experience and ensuring that our content, our language and the brands we work with embody our diversity, equity and inclusion values.

THE BIG YELLOW CURRICULUM:

transforming behaviours and attitudes to deliver equal and equitable opportunities for minority groups, for both current and future talent.

BROADENING OUR BUY:

committing to purpose-led partnerships and collaborations to build a network of brands and suppliers that are diverse in their thinking, their approach and their teams.

94

Selfridges team members are part of our wider 'Diversity Squad' who support our Board to drive awareness.

Everyone is welcome

What does

Creating a truly diverse and inclusive Selfridges experience and ensuring that our content, our

this mean

language and the brands we work with embody our diversity, equity and inclusion values.

for us?

Highlights

One of our key initiatives in 2021 is to deliver meaningful change for our people, so we can make our business more inclusive and diverse. We began by establishing a clearer view of our demographic data, by launching our first ever Cultural Assessment¹, including a survey and review of our policies, and hosting a series of open, 'Everyone is Welcome' conversations with our teams. As a result, we have a more robust and informed baseline to better understand where we currently are on our journey to become a truly inclusive organisation.

The impact of these open conversations held by the Diversity Board led to a huge rise in team members feeling comfortable to disclose their protected characteristics (that's gender identity, sexual orientation, race/ethnicity, disability and religion) in our Cultural Assessment, when compared with the results from the year before. For example, last year saw a 1% disclosure rate around disability, versus 66% this year. In 2021, our disclosure rate of 94-98% for protected characteristics is more than double the industry-standard rate of response.

¹ Our cultural assessment was spearheaded by our Group Diversity & Inclusion Council (Brown Thomas Arnotts, Holt Renfrew, Selfridges and de Bijenkorf) in partnership with global external consultants

Everyone is welcome

Hurdles

From the feedback to the Diversity Board and our Cultural Assessment, we know that representation of minority communities and diverse talent reduces across our senior leadership population, leading to a feeling that 'you cannot be what you cannot see'. We are committed to ensuring we reflect and represent all communities identified in the Cultural Assessment.

Our Diversity Board is supporting our managers to have confident career conversations so we can continue to support team members to learn and grow, leading to a diverse workforce across all levels of our organisation. We are also reviewing our recruitment processes to support equity

into management roles and implementing a minimum requirement for diversity representation from our external recruitment partners who support us with leadership recruitment.

CASE STUDY: The Quiet Room

An 'Everyone is Welcome' session held by the Diversity Board at the start of 2021 inspired a team member to discuss the need for a larger quiet room in Selfridges Oxford Street to support religious observation, particularly with the impact of Covid-19 social distancing measures. For example, to support Muslim team members seeking a space for quiet contemplation and prayer, particularly through the Muslim holy month of Ramadan. The Board identified a free

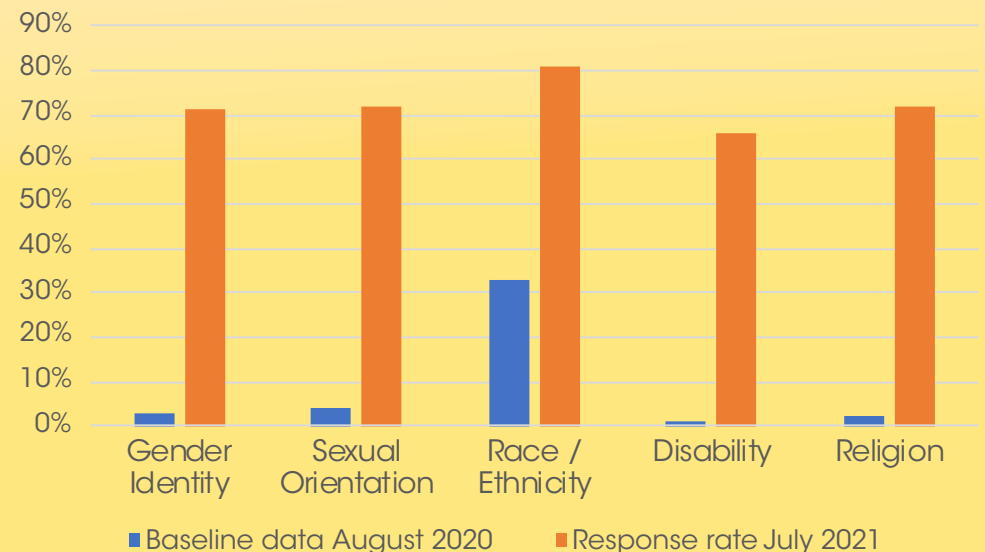
space in another part of the Selfridges Oxford Street building which is much bigger and is now the new quiet room for all team members.

74%

Disclosure rate for personal demographic data

75%

Engagement rate in our Cultural Assessment survey



The Big Yellow Curriculum

What does

Transforming behaviours and attitudes
to deliver equal and equitable

this mean

opportunities for minority groups,
for both current and future talent.

for us?

Highlights

Following the global Black Lives Matter protests, the Diversity Board held numerous discussions with Selfridges team members, enabling a safe space for them to share their stories and experiences. These sessions gave the Diversity Board insight which has led to more effective support for managers in addressing BLM conversations by increasing their knowledge and understanding.

Working with the Selfridges Learning and Development team and our Diversity and Inclusion facilitator Management Futures, an inclusive leadership session

was developed to equip managers with the tools needed to have confident, open and honest conversations around equity in the Selfridges business.

The Big Yellow Curriculum

Hurdles

We know our inclusive leadership training is just the beginning and we plan to build on this, focusing on two initial priority areas of training for all team members: Allyship and Microaggressions.

We are also investing in a partnership with Diversity in Retail to enable all team members to access mentors.

The ambition will be to participate in two programmes each year to support minority talent in senior leadership roles: the Global Female Leaders Programme and the Ethnic Minority Future Leaders Programme.

CASE STUDY: Chat for Change

Following the success of the open Black Lives Matter discussions, the Diversity Board launched their 'Chat for Change' initiative. This provided a number of forums – both in person and virtually – for conversations covering a wide range of diversity topics from gender pronouns to mental health in the workplace. With over 150 team members taking part, the Chat for Change sessions have facilitated new connections and support networks across the business, providing another platform for people to bring their whole selves to work.

450+

Managers trained in inclusive leadership

150

Team members participated in Chat for Change diversity conversations



**CHAT
FOR CHANGE**

PRIDE MONTH

WEDNESDAY 30 JUNE 1PM - 2PM

Broadening our buy

What does

Committing to purpose-led partnerships
and collaborations to build a network of brands

this mean

and suppliers that are diverse in their thinking,
their approach and their teams.

for us?

Highlights

Black and minority-owned brands have often voiced how working with big brands can feel like an unreachable goal. We wanted to do something about this and worked with our Finance teams to highlight how we could have more flexible terms to support our younger, independent brands, meaning we can forge successful relationships with a wider array of brands.

One of our new black-owned womenswear brands, Farai London, embraces the change: "I always thought that especially as a young black-owned brand, opportunities

to be in the spotlight are not always available and it would be harder to navigate this industry. But support from buyers like those at Selfridges make it all possible."

Broadening our buy

Hurdles

We want to go further and enable more minority-owned brands to have a platform at Selfridges. The Diversity Board is committed to championing these brands and helping them to thrive and prosper, as well as working with our more longstanding partners to drive positive change together. We want to increase the diversity of our curation and we are developing a programme to do that.

CASE STUDY: *Two sides of the logo story*

When Selfridges started selling the luxury streetwear label Fear of God's "Negro Baseball League" sweater, some team members came forward raising concerns around the language of the logo. In response, the Selfridges Buying team were able to clarify the reasoning and context behind the sweater with the Diversity Board, explaining the historical and personal family connection Fear of God designer Jerry Lorenzo has to the Negro League. As a result, a plan of action was put in place to better explain this to our teams and customers, and celebrate its positive intent.

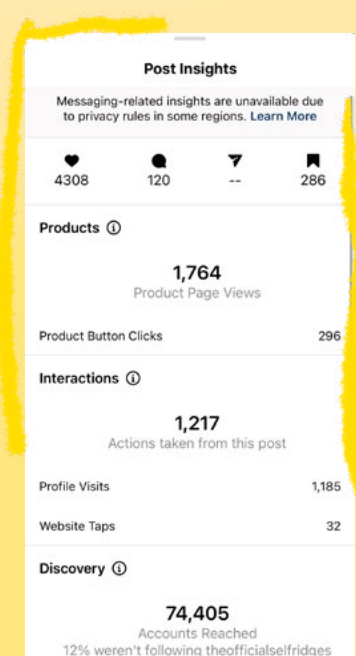
67%

Increase in spend across
black-owned
or black-led brands
in Menswear



57%

Increase in spend
across brands led or owned
by People of Colour
in Womenswear



How our people are feeling

Team members across our business have been a key part in enabling the delivery of our objectives and achieving goals.

Team member reflections on Inclusive Leadership training

"Thoughtful, practical, honest. A huge thank you and well done to all those who put this together and great facilitation from Management Futures, I found these sessions focussed and action orientated."

"I was on the edge of my seat the whole time (in a good way). The session truly opened my eyes and made me question and think differently, thank you so much."

"I thought the session I attended was brilliant! There was lots of thought - provoking conversations, I just wish it could have gone on for longer - I learned a lot"

I love being part of the Diversity Squad because it has given me a platform to speak about my experiences. It has given me a chance to build relationships with people across the business and in a time where we have to physically distance ourselves from people, it is interesting that this is the most connected I have ever felt. Being part of the squad has also been a great educational tool; I feel there is nothing more amazing and powerful than knowing the people around you. It helps to build stronger communications within your team and keeps that inclusive Selfridges spirit alive"

- Govi

Team member reflections on the Cultural Assessment

"It was great to be part of the conversation; connecting with people from across the business. We were guided through the topics, and I think everyone found it a positive experience to lift the lid on something so important as culture.

It got everyone thinking about the great stuff we have, as well as what we need more of. It feels like this will be an engine for positive change in Selfridges"

Looking Back – Moving Forward

Founding Chair of the Selfridges Diversity Board, Melisa Clotey, reflects on the Board's first year – and what's to come

Building a more diverse, equitable and inclusive business is critical to our success. We know it is a growing concern for our customers, and we are aware that our brand partners are setting ambitious commitments in this area too.

We are mindful that we are still at the start of our journey, and we have much to deliver. Our dedication to becoming a leader in this space is resolute. Looking back, one year on, we have communicated our commitment to our team members, driven awareness of our diversity and inclusion values across our business and gathered a robust set of baseline data through

our Cultural Assessment and by listening to our team members, which has enabled us to start to identify what meaningful change really means across our pillars of Everyone is Welcome, The Big Yellow Curriculum and Broadening our Buy.

Moving forward, we will put in place and publish metrics and measures to challenge our thinking and ensure transparency. We will focus our drive for change in key areas, including policy updates, process changes, additional inclusive leadership training and more team member and customer forums to help us continue our learning and ensure we are able to support the needs of a representative variety of demographic characteristics and social identities.

Selfridges: a place where everyone feels a sense of Belonging and where everyone is truly welcome.

Are you ready? Let's go!

A new future



So we find ourselves a year into Project Earth. The world has changed in ways we could never have imagined when we set to work on redefining our strategy almost four years ago. In the beginning, we grappled with the understanding of what part we, a retailer, could play in a sustainable future. It is only now that we understand the biggest risk to our brand and business would have been not to try.

They say it takes a village and in the case of raising Project Earth through its infancy, during a global pandemic, these words hold true. The work we have done so far is the result of deep co-creation and cooperation. Many hundreds of us standing shoulder to shoulder to imagine and begin to catalyse systemic change.

Despite the challenges, year one has brought much cause for optimism.

Project Earth has created more engagement than any digital campaign in our history.

We continue to increase the number of brands and products eligible for inclusion in our Project Earth edit. Our experiments with new models have given us a clear indication that a broad circular offer can be a core part of our business.

Perhaps most meaningfully, our people have a new sense of purpose and pride.

At the heart of this project was a series of experiments, taking the learnings as a foundation for change. We have already committed to a comprehensive transition in the material make up of our business but in our 2022 sustainability report we will share a robust set of targets that set a roadmap for accelerated sustainable change.



We hoped that Project Earth could be part of our future as a brand. Now we know that we have a future because of Project Earth. Stay with us, there is so much more to come.

**To be
continued**

