

SELFRIDGES GROUP

Selfridges Group
Corporate Governance Statements 2019/20

Corporate Governance Statements

For the year ended 1 February 2020, under the Companies (Miscellaneous Reporting) Regulations 2018, SHEL Holdings Europe Limited, together with certain of its subsidiary undertakings and affiliated companies (together, the “Selfridges Group”), has followed the Wates Corporate Governance Principles for Large Private Companies (the “Wates Principles”) as an appropriate framework for its corporate governance practices.

The new corporate governance reporting requirements apply to company reporting for financial years starting on or after 1 January 2019 and require qualifying companies to publish their corporate governance statement together with a directors’ duties, employee engagement and stakeholder engagement statement (as applicable) on a website.

We have set out below the required statements in accordance with the new reporting regulation.

Selfridges Retail Limited, as the main UK trading entity within Selfridges Group, has made available its required statements on its website, which can be found [here](#).

SHEL Holdings Europe Limited

Section 172 Statement

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both the company and subsidiary level. During the period, SHEL Holdings Europe Limited (“SHEL”) undertook a governance review, which encompassed Selfridges Group, and, as a result of this process, is updating and improving its corporate governance practices and procedures in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of the corporate governance procedures. This is primarily to support the directors in meeting their statutory and fiduciary duties, to promote the success of Selfridges Group companies and regulate the behaviour and activities of SHEL and its subsidiaries’ boards and each of their respective executive committees.

The Board and Executive Management are committed to Selfridges Group strategy and to the creation of long-term sustainable value, for the benefit of its sole shareholder and wider stakeholders. Long term success is monitored by the Board, as well as its parent company. Further details of the corporate governance arrangements in place are set out below in the Corporate Governance Statement. As part of Selfridges Group strategy and corporate governance arrangements in place, supporting and retaining a highly skilled workforce across Selfridges Group is recognised as essential for long term success. As such, we support, inspire and develop our team members, continuing to ensure that the subsidiaries each have their own dedicated and tailored approach to employee engagement, as well as sustainability and financial targets which are monitored by the Board.

Stakeholder engagement is a key component of Selfridges Group’s approach to corporate governance and has been an important part of

SHEL’s success. SHEL has a long tradition of engaging with each of its stakeholders and obtaining their perspectives as appropriate.

These practices, along with other corporate governance practices, compare favourably under the Wates Principles.

SHEL held board meetings in 2019, including to approve the payment of dividends, to approve the annual financial statements and to approve the appointment and removal of certain directors. SHEL, along with other companies in Selfridges Group, amended its articles of association and carried out a review and update of directors’ training materials. All of the Board directors and Executive Management have had training in directors’ duties.

Employee engagement statement

In its role as a holding company and UK-based Head Office of the subsidiaries, SHEL considers the employees of its subsidiaries when making any decisions which may affect them. In the UK, all employees are employed by Selfridges Retail Limited. Selfridges Retail Limited has disclosed a detailed employee engagement statement in respect of UK employees in Selfridges Group in its annual financial statements for the current reporting period.

As part of the governance review which SHEL undertook during the reporting period, new processes around employee engagement are being implemented in respect of employees, in particular to ensure that employee engagement is appropriately considered and recorded in decision-making. Any principal decision to be taken that has a significant effect on the employees of subsidiaries is discussed between SHEL and the relevant subsidiaries as part of the ongoing engagement between them.

SELFRIDGES GROUP

Stakeholder engagement statement

SHEL believes that only through ongoing dialogue with stakeholders across Selfridges Group can it successfully deliver Selfridges Group strategy and create long-term sustainable value, for the benefit of its sole shareholder and wider stakeholders. SHEL engages regularly with its subsidiaries and its parent company. Engagement with stakeholders is critical for Selfridges Group as it enables the directors of SHEL and the respective subsidiaries to appropriately consider the implications of their decisions.

Selfridges Group has a clearly defined strategy, with the customer at the heart. We recognise that our retail businesses are best placed to engage their respective customers and stakeholders directly and have appropriately delegated responsibility for day-to-day engagement. This is reviewed by the Board on a regular basis and as practicable, including at the time when significant decisions are being made that may impact stakeholders.

Examples of engagement undertaken by our subsidiary businesses in the UK include regular customer surveys, receiving direct feedback from customers, and input from the Personal Shopping and Customer Relations platforms. Suppliers are welcomed to visit sites with relationship meetings taking place regularly, and suppliers' ideas and recommendations fed back into system and process design, deadlines, business readiness and decision making. Our businesses regularly engage with other key stakeholders: law enforcement, regulators and local authorities, local businesses, local business improvement or community representation groups, charities and non-governmental organisations.

SHEL Holdings Europe Limited ("SHEL") undertook a governance review, which encompassed Selfridges Group, and, as a result of this process, is updating and improving its corporate governance practices

and procedures in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of the corporate governance procedures. This is primarily to support

Corporate Governance Statement

During the reporting period SHEL and Selfridges Group adopted the Wates Principles and undertook an internal governance review. Having adopted the Wates Principles, SHEL reviewed its internal governance to better align its governance with the guidelines enumerated by the Wates Principles. This included ensuring that there is an appropriate number of board meetings, with appropriate terms of reference in place, that attendees' roles and responsibilities are periodically reviewed and that appropriate processes are in place for key decisions to be made.

Selfridges Group takes very seriously the importance of good governance and, whilst being a private, family-owned business, one of the core principles of Selfridges Group's strategy is that we are transparent, both in how we communicate with each other within Selfridges Group and externally, with the outside world. The Company is in the process of updating its corporate governance framework across Selfridges Group. As detailed in the Section 172 Statement, the framework will support the directors in ensuring compliance with both the Wates Principles and their fiduciary duties, with a view to ensuring that the directors and subsidiaries' directors can demonstrate sound and competent execution of their statutory duties.

The Board continues to delegate key matters and stakeholder engagement to its subsidiaries. Principal decisions made during the reporting period have been referred to in the Section 172 Statement. The subsidiaries report back to the Board of SHEL and/

SELFRIDGES GROUP

or its Executive Management via various committees and periodic meetings, as part of wider risk management and internal controls in place across Selfridges Group, allowing the Board to demonstrate its oversight of any delegated responsibilities.

The Board is ultimately responsible for organising and directing the affairs of SHEL in a manner most likely to promote its success for the benefit of its sole shareholder, whilst complying with legal and regulatory frameworks. Directors are required to consider factors which will contribute to the company's success, and those that are affected by its activities.

The Six Wates Principles and
how these are applied:

SELFRIDGES GROUP

1. Purpose and Leadership

SHEL is a holding company whose main role is oversight of its subsidiaries, being iconic retail brands including Brown Thomas and Arnotts in Ireland, Selfridges in the UK and de Bijenkorf in the Netherlands. These iconic retail brands provide leading retail experiences for customers worldwide through its store network and online platforms.

SHEL's activities consist of providing various corporate functions to its operating subsidiaries, including finance and treasury, tax, legal, property, strategy, audit and risk management, and human resources services.

Selfridges Group continues to oversee strategy. The Board and Executive Management are committed to the Group strategy and to the creation of long-term sustainable value, for the benefit of its sole shareholder and wider stakeholders.

The Board and Executive Management ensure that that Selfridges Group operates its business in line with Selfridges Group strategy.

2. Board Composition

The Board, Executive Management and each of the Committees across Selfridges Group consist of individuals who are appointed to their roles with consideration of skills, experience, capability and their ability to lead the business with effective and strategic decision making.

Board meetings are held at least once a year and more often as required. In addition to approving any strategic and other key decisions, board meetings are held to approve the payment of dividends, to appoint and remove directors, to approve the financial statements, as well as to approve other corporate reporting, such as Selfridges Group's tax strategy and modern slavery statement.

Other business may be addressed as required at board meetings or through written resolutions.

3. Director Responsibilities

All new directors and new members of the Executive Management team are provided with an orientation and training programme covering their duties and responsibilities. General training is provided to all directors and officers at least annually.

The directors and Executive Management also have opportunities to participate in training when there are key changes in legislation and guidance. This enables the directors and Executive Management to continue to be aware of the environment in which they make decisions and ensure that their decision-making is underpinned by good governance. All Board members and Executive Management have access to the advice and services of the Company Secretary.

The directors and Executive Management are aware of their duties should conflicts of interest arise. A formal request asking directors to disclose any conflict or potential conflict is sent out and collated once a year. SHEL articles of association contain conflict provisions to ensure that the directors do not breach their duties. These provisions also support the directors in their duty to exercise independent judgement.

SHEL engages independent external advice on key matters as required.

The Board, delegated to Executive Management as appropriate, reviews the public reports required to be published by SHEL and its subsidiaries each year, including financial statements, gender pay gap report, modern slavery statement and tax strategy reports. The Board is committed to reviewing and, where appropriate, improving its operational governance and ensuring that SHEL's strategy, as well as the proper discharge of directors' duties, are fully considered and demonstrably remain central to all company decisions.

Selfridges Group Risk Management Committee (RMC) meets bi-annually, and more regularly as necessary. The RMC operates under its Terms of Reference which cover its role, remit, quorum and purpose of meetings. The RMC supports the Board in identifying and managing key corporate risks, identifying actions for directors and managers to address or mitigate risks or to improve controls. The RMC meetings are chaired by the Group Finance Director.

The Board and the RMC are supported by Executive Management and other senior team members from across the company. The subsidiaries each have their own risk committees, which feed into the RMC. The RMC provides a bi-annual report and update to SHEL's parent company.

An Audit Committee is in place in respect of each of the operating subsidiaries. At least one representative of the Board sits on each Audit Committee. The Audit Committee meetings take place bi-annually and are also attended by representatives from Group Audit and Risk and Group Legal.

SHEL sets the agenda for the subsidiaries' Audit Committees to ensure the Audit Committees cover all key areas required for appropriate oversight of subsidiaries. The Board discusses and approves the key topics and themes arising from previous Audit Committees. There are also audit and governance committees of the parent company that are attended by certain of SHEL's directors and representatives of Executive Management and senior team members as required. This provides a robust review of all subsidiaries and ensures that the directors of SHEL and its sole shareholder have oversight and an understanding of the principal risks and opportunities (as further detailed below) within the subsidiaries' businesses and are able to satisfy their duties as directors.

4. Opportunity and Risk

The Board and the RMC are committed to regularly reviewing SHEL's and its subsidiaries' principal risks and opportunities to ensure that these are adequately addressed. This is with a view to ensuring the Company is promoting and delivering long term value to the shareholder, in line with Selfridges Group's strategy.

Principal risks have been identified across SHEL at a department, project and subsidiary level. Risks are assessed on a matrix of impact (financial and reputational) and likelihood, with target risks noted and a plan to address, mitigate or improve the risk position where possible. This is supported by input from the Audit and Risk Management Committees.

All risks have mitigation plans in place.

The directors regularly discuss and receive updates on key risk matters and ensure these are factored into decisions made, with appropriate controls in place such as policies, formal contracts with third parties and insurance coverage, each where appropriate.

Significant capital expenditure projects are reviewed by senior individuals as part of a capital approval process. The risks of each significant transaction are reviewed against internal mechanisms and monitored on ongoing basis.

5. Remuneration

The Group has a Remuneration Committee which reviews the compensation for defined senior team members of SHEL and across Selfridges Group at least once per year. This is governed by the Remuneration Committee's Terms of Reference which outline the Remuneration Committee's remit and responsibilities.

The Remuneration Committee ensures there are clear pay structures based on grade, seniority and responsibility. Bonus schemes are aligned with the company's financial and operating performance and individual performance, as well as behaviours in line with Selfridges Group's strategy.

The Remuneration Committee meetings are always attended by a representative of the shareholder to support engagement.

6. Stakeholder Relationships and Engagement

The Board regularly engages with its sole shareholder and ensures the shareholder is kept abreast of developments both at company and subsidiary level. This includes Audit Committee meetings as referred to above, budget meetings and quarterly business reviews, in respect of each subsidiary's business.

The Group HR function oversees an annual employee engagement survey across Selfridges Group, with surveys carried out during the year as required. The surveys are completed by team members across Selfridges Group. There is a robust process in place for analysis of the results and feedback is taken into account by the Board and Executive Management in decision making.

As detailed in the Stakeholder Engagement Statement, the Board has delegated day-to-day engagement with key stakeholders across Selfridges Group to the respective subsidiaries and ensures oversight via regular engagement with the respective subsidiaries.

SREL Retail Limited

Section 172 Statement

SREL Retail Europe Limited (“SREL”) is part of Selfridges Group. The principal activity of SREL is to act as a holding company, with oversight of subsidiaries’ investments and dividend considerations.

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both group and subsidiary level. During the year, Selfridges Group undertook a governance review and, as part of this, is implementing a corporate governance strategy in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of corporate governance procedures. This is to support the application of Section 172, to promote the success of Selfridges Group companies, regulate the behaviour and activities of the SREL board and the subsidiary boards and their respective executive committees.

The Directors of SREL understand the application and execution of Section 172 duties and demonstrate this in their decision-making. Directors are kept up to date on new legislation and market developments by the Company Secretary and are encouraged to attend at least one face-to-face directors’ duties training session each year, with a key focus of the training being Section 172.

Selfridges Group is implementing a corporate governance strategy which supports the principal decision-making of the directors and a process to be followed by the directors when making principal decisions. Responsibility for the implementation of any decisions remain with SREL, with ongoing monitoring of governance processes in accordance with Selfridges Groups’ approach to governance.

Stakeholder engagement statement

SREL is a holding company for De Bijenkorf, the Netherlands, and Brown Thomas, Ireland. The principal activity of the company is to act as a holding company, with oversight of subsidiaries’ investments and dividend considerations on behalf of Selfridges Group. The principal stakeholders which the Board consider when making its decisions are its parent company and Selfridges Group, as well as team members (employees), suppliers and our customers.

Directors are required to consider a number of factors when making their decisions, including the impact of these decisions on our stakeholders. SREL believes that only through ongoing dialogue with its stakeholders can it deliver its vision and purpose to the extent it relates to team members and customers. The company engages regularly with its subsidiaries, its parent and Selfridges Group. As part of the corporate governance strategy SREL adopted, engagement is also delegated throughout Selfridges Group in respect to customer and team member engagement and this is regularly fed back to the directors who apply this knowledge when sitting on their respective Boards.

As above, the corporate governance strategy also supports the principal decision making of the directors. This, and regular engagement with the sister businesses, supports the directors’ decision making as the directors are kept informed of engagement with stakeholder groups by Selfridges Group. Examples of engagement undertaken by businesses within Selfridges Group can be found in the strategic report of SREL’s Annual Report and Financial Statements. During the year the company considered and declared one dividend to its parent. As part of this decision-making process the directors considered the impact of the decision upon the company, including understanding its financial position, the interests of SREL’s stakeholders and the wider Selfridges Group. No other principal decisions were taken by SREL during the year.

SFP Holdings Limited

Section 172 Statement

SFP Holdings Limited (“SFP Holdings”) is part of Selfridges Group. The principal activity of the Company is to act as a holding company on behalf of Selfridges Group, with oversight of its subsidiaries’ investments. The Directors are required to consider those factors which will contribute to the company’s success, having regard to the requirements of Section 172.

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both group and subsidiary level. During the period, Selfridges Group undertook a governance review and, as part of this, is implementing a corporate governance strategy in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of corporate governance procedures. This is to support the application of Section 172, to promote the success of Selfridges Group companies, regulate the behaviour and activities of the Board and the subsidiary boards and their respective executive committees.

The Directors of SFP Holdings understand the application and execution of Section 172 duties and demonstrate this in their decision-making. Directors are kept up to date on new legislation and market developments by the Company Secretary and are encouraged to attend at least one face-to-face directors’ duties training session each year, with a key focus of the training being Section 172.

Selfridges Group is implementing a corporate governance strategy which supports the principal decision-making of the directors and a process to be followed by the directors when making principal decisions. Responsibility for the implementation of any decisions

remain with SFP Holdings, with ongoing monitoring of governance processes in accordance with Selfridges Group’s approach to governance.

During the year the company Board met to approve its financial statements. SFP Holdings also considered and resolved to extend an existing loan facility, the details of which are set out in these financial statements; as part of this process the directors took into account the financial position of the company and the interests of its stakeholders.

Stakeholder Engagement Statement

As detailed in the strategic report of SFP Holding’s Annual Report and Financial Statements, the principal activity of the company is a holding company which forms part of Selfridges Group with oversight of subsidiaries’ investments and dividend considerations. The principal stakeholders which the Board considers when making its decisions are its immediate parent company and its subsidiaries, as well suppliers and customers, as appropriate in accordance with Selfridges Group’s approach to governance.

The directors are required to consider certain factors when making decisions including the impact of these decisions on our stakeholders. SFP Holdings believes that only through ongoing dialogue with its stakeholders (directly or indirectly, as appropriate) can it deliver its vision and purpose to the extent it relates to team members and customers. The company engages regularly with its immediate parent company and its subsidiaries. Engagement with customers and team members is substantially delegated throughout Selfridges Group to the respective subsidiary businesses and this is regularly fed back to the directors via the established channels in place across

SELFRIDGES GROUP

Selfridges Group, enabling directors to apply this knowledge when making decisions in respect of each respective entity.

As above, Selfridges Group is implementing a corporate governance strategy to enable the directors to determine those decisions that are principal decisions, and a process to be followed by the directors when making principal decisions. Regular engagement with stakeholders, in particular the subsidiary businesses, supports the directors' decision-making. During the year SFP Holdings made no principal decisions.

Selfridges Financing Limited

Section 172 Statement

Selfridges Financing Limited (“Selfridges Financing”) is part of the Selfridges Group. The principal activity of Selfridges Financing is to act as a holding company and financing company for Selfridges Properties Limited, its wholly owned subsidiary. The directors are required to consider those factors which will contribute to the company’s success, having regard to the requirements of Section 172.

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both Group and subsidiary level. During the period, Selfridges Group undertook a governance review and, as part of this, is implementing a corporate governance strategy in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of corporate governance procedures. This is to support the application of Section 172, to promote the success of Selfridges Group companies, regulate the behaviour and activities of the Selfridges Financing board and the subsidiary boards and their respective executive committees.

The directors of Selfridges Financing understand the application and execution of Section 172 duties and demonstrate this in their decision-making. Directors are kept up to date on new legislation and market developments by the Company Secretary and are encouraged to attend at least one face-to-face Directors’ duties training session each year, with a key focus of the training being Section 172.

Selfridges Group is implementing a corporate governance strategy which supports the principal decision-making of the directors and a process to be followed by the directors when making principal decisions. Responsibility for the implementation of any decisions

remain with Selfridges Financing, with ongoing monitoring of governance processes in accordance with Selfridges Group’s approach to governance.

During the year Selfridges Financing Board met to approve its annual financial statements. The company also considered and resolved to extend an existing loan facility, the details of which are set out in these financial statements; as part of this process the directors took into account the financial position of the company and the interests of its stakeholders.

Except as referred to above, Selfridges Financing did not make any principal decisions.

Stakeholder Engagement Statement

As detailed in the strategic report of Selfridges Financing’s Annual Report and Financial Statements, the principal activity of the company is a holding and financing company for Selfridges Properties Limited with oversight of the subsidiary’s investments and dividend considerations. The principal stakeholders which the Board considers when making its decisions are its immediate parent company and its subsidiary, as well as suppliers and customers.

The directors are required to consider certain factors when making their decisions, including the impact of these decisions on its stakeholders. Selfridges Financing believes that only through ongoing dialogue with its stakeholders can it deliver its vision and purpose to the extent it relates to team members and customers. The company engages regularly with its subsidiary, its parent and Selfridges Group. As part of the corporate governance strategy Selfridges Financing adopted, engagement is also delegated

SELFRIDGES GROUP

throughout Selfridges Group in respect to customer and team member engagement and this is regularly fed back to the directors who apply this knowledge when sitting on their respective Boards.

As above, the corporate governance strategy also supports the principal decision-making of the directors. This, and regular engagement with the Banner businesses, supports the directors' decision-making as the directors are kept informed of engagement with stakeholder groups by Selfridges Group. Examples of engagement undertaken by businesses within Selfridges Group can be found in the strategic report of Selfridges Financing's Annual Report and Financial Statements. During the year the company considered and resolved to extend an existing intra-group loan facility with the existing syndicate of banks. As part of this decision-making process the directors considered the impact of the decision upon the company, including understanding its financial position, the interests of the company's stakeholders and the wider Selfridges Group.

Selfridges Properties Limited

Section 172 Statement

Selfridges Properties Limited (“Selfridges Properties”) is part of Selfridges Group. The principal activity of Selfridges Properties is to act as a retail property holding company on behalf of Selfridges Group. The Directors are required to consider those factors which will contribute to the company’s success, having regard to the requirements of Section 172.

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both group and subsidiary level. During the period, Selfridges Group undertook a governance review and, as part of this, is implementing a corporate governance strategy in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of corporate governance procedures. This is to support the application of Section 172, to promote the success of Selfridges Group companies, regulate the behaviour and activities of Selfridges Properties board and their respective executive committees.

The directors of Selfridges Properties understand the application and execution of Section 172 duties and demonstrate this in their decision-making. Directors are kept up to date on new legislation and market developments by the Company Secretary and are encouraged to attend at least one face-to-face directors’ duties training session each year, with a key focus of the training being Section 172.

Selfridges Group is implementing a corporate governance strategy which supports the principal decision-making of the directors and a process to be followed by the directors when making principal decisions. Responsibility for the implementation of any decisions

remain with Selfridges Properties, with ongoing monitoring of governance processes in accordance with Selfridges Group’s approach to governance. During the year Selfridges Properties Board met to approve its annual financial statements. The company also considered and resolved to extend an existing loan facility, the details of which are set out in these financial statements; as part of this process the directors took into account the financial position of the company and the interests of its stakeholders.

Stakeholder Engagement Statement

As detailed in the strategic report of Selfridges Properties’ Annual Report and Financial Statements, the principal activity of the company is to act as a retail property holding company on behalf of Selfridges Group. The principal stakeholders which the Board considers when making its decisions are its immediate parent company and Selfridges Group, as well as suppliers and customers, as appropriate in accordance with the Group’s approach to governance.

The directors are required to consider certain factors when making decisions including the impact of these decisions on our stakeholders. The company believes that only through ongoing dialogue with its stakeholders (directly or indirectly, as appropriate) can it deliver its vision and purpose to the extent it relates to team members and customers. The company engages regularly with its immediate parent company and Selfridges Group. Engagement with customers and team members is substantially delegated throughout Selfridges Group to the respective subsidiary businesses and this is regularly fed back to the directors via the established channels in place across Selfridges Group, enabling directors to apply this knowledge when making decisions in respect of each respective entity.

SELFRIDGES GROUP

As above, Selfridges Group has established a framework to enable the directors to determine those decisions that are principal decisions, and a process to be followed by the directors when making principal decisions. Regular engagement with stakeholders supports the directors' decision-making. As part of their decision-making process in respect of the reporting year, the directors considered the solvency of the Selfridges Properties, its stakeholders as referred to above and had regard to the impact of their decisions on Selfridges Group.

Selfridges Manchester Limited

Section 172 Statement

Selfridges Manchester Limited (“Selfridges Manchester”) is part of Selfridges Group. The principal activity of Selfridges Manchester is to act as a retail property holding company on behalf of Selfridges Group. The directors are required to consider those factors which will contribute to the company’s success, having regard to the requirements of Section 172.

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both group and subsidiary level. During the period, Selfridges Group undertook a governance review and, as part of this, is implementing a corporate governance strategy in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of corporate governance procedures. This is to support the application of Section 172, to promote the success of Selfridges Group companies, regulate the behaviour and activities of the Board and the subsidiary boards and their respective executive committees.

The directors of Selfridges Manchester understand the application and execution of Section 172 duties and demonstrate this in their decision-making. Directors are kept up to date on new legislation and market developments by the Company Secretary and are encouraged to attend at least one face-to-face directors’ duties training session each year, with a key focus of the training being Section 172.

Selfridges Group has established a framework to enable the directors to determine those decisions that are principal decisions, and a process to be followed by the directors when making principal decisions. Responsibility for the implementation of any decisions remain with Selfridges Manchester, with ongoing monitoring of governance processes in accordance with Selfridges Group’s approach to governance. During the year Selfridges Manchester met to approve its financial statements.

Selfridges & Co Limited

Section 172 Statement

Selfridges & Co Limited (“Selfridges & Co”) is part of Selfridges Group. The principal activity of Selfridges & Co is to act as a holding company of Selfridges Retail Limited, with oversight of its subsidiaries’ investments and dividend considerations. The directors are required to consider those factors which will contribute to the company’s success, having regard to the requirements of Section 172.

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both group and subsidiary level. During the period, Selfridges Group undertook a governance review and, as part of this, is implementing a corporate governance strategy in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of corporate governance procedures. This is to support the application of Section 172, to promote the success of Selfridges Group companies, regulate the behaviour and activities of the Board and the subsidiary boards and their respective executive committees.

The directors of the company understand the application and execution of Section 172 duties and demonstrate this in their decision making. Directors are kept up to date on new legislation and market developments by the Company Secretary and are encouraged to attend at least one face to face directors’ duties training session each year, with a key focus of the training being Section 172.

Selfridges Group is implementing a corporate governance strategy which supports the principal decision-making of the directors and a process to be followed by the directors when making

principal decisions. Responsibilities for the implementation of any decisions remain with Selfridges & Co, with ongoing monitoring of governance process in accordance with Selfridges Group’s approach to governance. During the year Selfridges & Co met to approve its annual financial statements. The company also declared two dividends; as part of this process the directors took into account the financial position of the company and interest of its stakeholders.

Stakeholder Engagement Statement

As detailed in the strategic report of Selfridges & Co’s Annual Report and Financial Statements, the company is a holding company and is the direct parent of Selfridges Retail Limited. The principal activity of the company is to act as a holding company of Selfridges Retail Limited, with oversight of subsidiaries’ investment and dividend considerations. The principal stakeholders which the Board considers when making its decisions are its parent company and Selfridges Group, as well as team members (employees), suppliers and customers, as appropriate in accordance with Selfridges Group’s approach to governance.

The directors are required to consider certain factors when making decisions, including the impact of these decisions on our stakeholders. Selfridges & Co believes that only through ongoing dialogue with its stakeholders (directly or indirectly, as appropriate) can it deliver its vision and purpose. Engagement with customers and the team members is substantially delegated throughout Selfridges Group to the respective subsidiary business and this is regularly fed back to the directors via the established channels in place across Selfridges Group enabling the directors to apply knowledge when making decisions in respect of each respective entity.

SELFRIDGES GROUP

As above, Selfridges Group has established a framework to enable the directors to determine those decisions that are principal decisions, and a process to be followed by the directors when making principal decisions. Regular engagement with stakeholders, in particular the subsidiary businesses, supports the director's decision-making. During the year Selfridges & Co met to approve its annual financial statements and considered and paid two intra-group dividends. As part of their decision-making process the directors considered the solvency of the company, its stakeholders and employees and had regard to the wider impact on Selfridges Group.

Selfridges Holdings Limited

Section 172 Statement

Selfridges Holdings Limited (“Selfridges Holdings”) is part of Selfridges Group. Selfridges Holdings is a holding company is the indirect parent of Selfridges Retail Limited. The principal activity of Selfridges Holdings is to act as a holding company, with oversight of its subsidiaries’ investments and dividend considerations. The directors are required to consider those factors which will contribute to the company’s success, having regard to the requirements of Section 172.

Selfridges Group operates under high standards of corporate governance which underpin the importance of the role of statutory directors, at both group and subsidiary level. During the period, Selfridges Group undertook a governance review and, as part of this, is implementing a corporate governance strategy in line with the Wates Principles. The Wates Principles were adopted across Selfridges Group and will ensure the robustness of corporate governance procedures. This is to support the application of Section 172, to promote the success of Selfridges Group companies, regulate the behaviour and activities of the Board and the subsidiary boards and their respective executive committees.

The Directors of Selfridges Holdings understand the application and execution of Section 172 duties and demonstrate this in their decision-making. Directors are kept up to date on new legislations and market developments by the Company Secretary and are encouraged to attend at least one face-to-face directors’ duties training session each year, with a key focus of the training being Section 172.

Selfridges Group is implementing a corporate governance strategy which supports the principal decision making of the directors and a process to be followed by the directors when making principal decisions. Responsibilities for the implementation of any decision remain with Selfridges Holdings, with ongoing monitoring of governance processes in accordance with Selfridges Group’s research to governance. During the year Selfridges Holdings met to approve its annual financial statements. The company also declared two dividends; as part of this process the directors took into account the financial position of the company and the interest of its stakeholder’s.

Stakeholders Engagement statement

As detailed in the strategic report of Selfridges Holdings Annual Report and Financial Statements, the company is a holding company on behalf of Selfridges Group and is the indirect parent company of Selfridges Retail Limited. The principal activity of the company is to act as a holding company, with oversight of its subsidiaries’ investments and dividend considerations. The principal stakeholders which the Board considers when making its decisions are its immediate parent company and Selfridges Group, as well as suppliers and customers.

The directors are required to consider certain factors when making decisions including the impact of these decisions on our stakeholders. The company believes that only through ongoing dialogue with its stakeholders (directly or indirectly, as appropriate) can it deliver its vision and purpose to the extent it relates to team members and customers. Selfridges Holdings engages regularly with its immediate parent company and Selfridges Group. Engagement with customers

SELFRIDGES GROUP

and team members is substantially delegated throughout Selfridges Group to the respective subsidiary business and this is regularly fed back to the directors via the established channels in place across Selfridges Group, enabling directors to apply this knowledge when making decisions in respect of each respective entity.

As above, Selfridges Group is implementing a corporate governance strategy to enable the directors to determine those decisions that are principal decisions, and a process to be followed by the directors when making principal decisions. Regular engagement with stakeholders, the subsidiary businesses, supports the directors' decision making. As part of their decision-making process in respect of the reporting year, the directors considered the solvency of Selfridges Holdings, its stakeholders as referred to above and had regard to the impact of their decision on Selfridges Group.

SELFRIDGES GROUP