



# HARRODS

## *ANNUAL ESG REPORT*

### *2025*



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# WELCOME TO OUR ESG REPORT



**Michael Ward**  
Harrods Managing Director

*“Luxury retail is undergoing rapid change. Expectations are higher and it is measured not only by what we create, but how we create it. Continuous innovation means that we can challenge how retail operates and invest in the capabilities needed for the future. This report reflects how we are embedding sustainable practices at the heart of our business to protect our legacy, and the planet, for years to come.”*

Harrods was founded on the belief that true luxury lies in the intention applied to every detail, and for generations British retail has stood for craftsmanship, integrity and an unwavering commitment to quality. These principles are not only part of our heritage but are the foundation on which we continue to build our business today. They shape how we source, how we create and how we serve customers.

As we reflect on the past year, we are proud of the progress we have made in further embedding sustainability more deeply across our operations. From strengthening the traceability of our supply chains to investing in more responsible materials, we are taking considered steps to ensure that the product offering at Harrods reflects exceptional quality that our customers expect alongside thoughtful stewardship. At the same time, we recognise that true luxury is rooted in a respect for people as much as it is in product, and this is why our support of the communities and partners that bring our brand to life remains integral to the Harrods Path.

However, there are challenges ahead as a business, an industry and a society. Expectations placed on our industry and the wider business environment continue to evolve and rightly so. For the luxury sector, climate change

intensifies these pressures by threatening the stability of raw-material sourcing, from rare ingredients to high-grade leather and fibres, as extreme weather patterns disrupt fragile ecosystems. Furthermore, the industry faces the paradox of maintaining uncompromising craftsmanship and heritage, while urgently decarbonising complex, global supply chains and addressing the growing consumer demand for transparency. It is our responsibility to not only meet these expectations, but to help shape a more sustainable and resilient future.

Looking forward, our focus is on driving meaningful, measurable change. This means setting clear ambitions, holding ourselves accountable, and continuing to innovate. It also means staying true to the values that define us as a business today, building on a solid set of foundations.

Sustainability is something that should touch every aspect of our business; it is not a stand-alone initiative. It is integral to how we define modern luxury.

We are a business that endures, with a defined purpose for the future of British retail. We honour our heritage and learn from our past, while embracing the opportunities of tomorrow.

# OUR JOURNEY *SO FAR*

Now in its third year, our 2025 ESG Report focuses on the progress and changes we have made over the past year, covering the financial year from 1st February 2025 to 31st January 2026. It showcases the work we have continued to advance in our existing initiatives and introduces the new and exciting projects we have seen developed in 2025. The journey we have been on to date and the path we continue to follow are underpinned by the Harrods Path to a Sustainable Future strategy, guiding teams to operate

with the highest environmental and social integrity, enabling us to deliver premium-quality goods, services and experiences.

This year, the report will look at three core thematic areas of the business that integrate our Harrods Path pillars:

- Operating with Excellence
- Building Premium Experiences
- Creating Meaningful Value

## OUR *PILLARS*



### Our Business

Minimising the impact of our operations on the environment, improving operational efficiency, reducing carbon emissions, and improving recycling, waste and circular solutions

## OUR *GOALS*

Reduce absolute Scope 1 and 2 emissions by 90 per cent by 2030 (2022 baseline); sourcing 100 per cent of electricity from renewable sources by 2030

Waste targets by 2030: 90 per cent reuse and recycling rate (inclusive of food waste); 15 per cent reduction in waste; <10 per cent contamination in general waste



### Our Products

Accelerating circular systems within sourcing for the Harrods collection products, improving transparency across our supply chain

All products in the Harrods collection will meet the Harrods Responsible Sourcing Standards by 2030; work with our brand partners to increase transparency, reduce emissions and improve traceability



### Our People

Making clear our commitment, and the activity that supports this, to enable an inclusive and equitable culture

Continue working to build an inclusive and equitable culture using our well-established internal listening channels, and leveraging external partners to further progress the positive change already achieved and measure its impact



### Our Community

Making a meaningful difference in the communities we serve by creating opportunity, inspiring creativity and protecting the environment

Engage 15 per cent of colleagues in our community programme through volunteering, fundraising and payroll giving

The historical allegations of abuse perpetrated by the former owner of Harrods, Mohamed Fayed, represent a shameful period of our history and one that we must learn from in order to move forward as a business. The Harrods of today is unrecognisable from Harrods under previous ownership, and we have worked hard to build a culture of trust and care. Guided by our values, we are committed to fostering an environment rooted in integrity, respect and accountability.

*We want to ensure that Harrods is a place where our colleagues take pride in their work, look out for one another and thrive as one team.*

As a business, and part of our people strategy, we continue to develop and learn how we can instil the best possible practices to protect our colleagues from all forms of abuse; implementing a number of policies and safeguarding measures to ensure that our colleagues are secure. As we look forward, our focus as a business remains to do what is right – for the survivors who have been affected, our colleagues and each and every customer that we open the doors to.

We have a robust governance structure in place to keep us accountable and to support our strategy. This starts at our board level with the ESG committee, which ensures that sustainability remains a strategic priority.

**A Message from the Sustainability Team:**

*“Sustainability is not defined by one single initiative, but by the conditions that consistently drive it forward. Excellence comes when sustainability is positioned as a core part of how the business operates, grows and is held to account. At Harrods, we have a clear ambition, where we move beyond vague commitments to define targets, benchmarks and social impact outcomes. We are lucky to have a senior leadership team that doesn’t just endorse sustainability, but actively champions it.*

*“When it comes to our colleagues, our ask is simple. That we embrace our shared purpose. Believe that our actions have a meaningful impact – on our industry, our communities and the environment. Where we can all work together to deliver against ambitious goals. By working together to embed sustainability at the heart of everything we do, we move from intention to impact and from function to fundamental change.”*

**Your Harrods Sustainability Team**



# 2025 HIGHLIGHTS

0%

A decade of zero waste to landfill

£124,177

raised by colleagues for charity partners

9,123

meals saved by Too Good to Go

58

Mental health first-aiders trained

1

New Belonging Network

2,395

colleagues engaged across Belonging Networks

2

purchasing principles approved by the business

9%

decrease on last year in GHG emissions

Closed our median gender pay gap to

0.2%

(UK average: 12.8%)

569

# of charity days used by colleagues

# OPERATING WITH *EXCELLENCE*

Operating with excellence through a sustainability lens isn't just about 'doing less harm', it is about integrating long-term resilience in the DNA of our business. Excellence in this area means shifting the focus to the future and an understanding that true excellence requires a sophisticated balance of the triple bottom line: people, planet and profit.

Within this thematic area, we will explore our business strategies and alignment on decarbonisation and waste, as well as our DEI initiatives and investment we have made into our colleagues.

### Reducing Our Carbon Emissions (Scope 1 & 2)

Reducing our group operational carbon footprint is an important part of our contribution to limiting global warming to no more than 1.5°C, given the importance of climate change. Our aim is to reduce our absolute Scope 1 and 2 greenhouse gas emissions by 90 per cent by 2030 against a 2022 baseline.

*The global commitment to limit warming to 1.5°C above pre-industrial levels is the cornerstone of the Paris Agreement (COP21), aimed at avoiding severe climate impacts.*

Harrods Group GHG emissions have surpassed our 3 per cent reduction target in FY2025, with results showing a decrease by 9 per cent. While our total reported group-wide energy consumption for the year has increased by 3 per cent, this is largely due to two factors: 1) changes in plant equipment and demand, and 2) changes in use of store space driving higher cooling demand (for eg, the opening of the new Harrods Helideck and Private Shopping renovations).

### Our Scope 3 Emissions

Scope 3 emissions represent a significant challenge for retail businesses; they contribute substantially to our overall carbon footprint, while sitting largely outside of our direct operational control. Over the past two years, we have refined our Scope 3 calculations, which have

consistently shown that these emissions account for 97 per cent of our total carbon footprint.

Over the coming year, Harrods' Scope 3 strategy will focus on areas where we have the greatest ability to influence outcomes and where emissions are most material. Our priorities include supply chain efficiencies and waste management, where targeted interventions can deliver meaningful reductions.

Going forward, we will continue to evaluate how best to allocate resources to maximise impact. This involves prioritising initiatives that balance feasibility with reduction potential, while proactively engaging suppliers and partners to drive systemic change across the value chain.



### Waste and Recycling

Reducing waste through intentional design and enhanced circularity remains a core priority of the Harrods Path. We are working consistently to reduce general waste rates and refine closed-loop systems for key streams, including glass, plastic, cardboard, food waste, oil and beauty products.

Reflecting on our long-term commitment, we have now maintained a zero waste to landfill standard for a decade. Recent facility upgrades in Knightsbridge have driven measurable improvements in waste separation and data capture, while providing a platform to re-engage colleagues in these critical efforts. Our waste programme continues to evolve through a phased approach, with recent key learnings focused on:

- Data visibility: establishing, for the first time, proportional waste visibility across Knightsbridge
- Targeted insights: leveraging this new visibility to conduct audits that pinpoint specific waste types and highlight opportunities for reduction.

### Packaging update

Targets:

- Remove single-use plastics with no functional purpose
- Reduce overall packaging volumes
- Transition to more sustainable and recyclable materials

During 2025, we focused on enhancing data visibility through strengthened supplier engagement. This has significantly improved the robustness and quality of our data, enabling a clearer understanding of where red-rated packaging exists across our operations. Building on this progress, our priority for the coming year is to reduce the volume of red-rated packaging.

Within Harrods Food and Beverage, we have built on the progress achieved in FY24 and continued to invest in key packaging improvements. One example is the transition of our chocolate bar trios from a plastic outer (acetate) to a fully cardboard-based solution. This initiative resulted in a saving of 1.8 tonnes of plastic and gives customers the ability to recycle the packaging at home.

# CASE STUDY

## Prep Kitchen Food Waste Optimisation Project

As of 2025, the business has a high-level understanding of our waste streams and has established robust exit routes for reuse, donation and recycling. However, we currently lack granular data by location and department. This data gap limits our ability to influence the upstream procurement and operational decisions that ultimately drive the volume of downstream waste leaving our sites.

The aim of the Leanpath project is to increase data granularity and create a food waste baseline to generate an informed waste reduction strategy for the kitchens. The main purposes of this project are to:

1. Identify the root causes of food waste in the production kitchens through collecting reliable and granular data
2. Translate insights into measurable reduction, reuse and repurposing actions that deliver cost and efficiency savings.
3. Improve stock management by streamlining waste reporting and improving accuracy.

The goal of this project is to reduce avoidable waste overall and to ensure robust processes are in place to redirect surplus to alternative outlets (for eg, charity or resale) wherever feasible.

# CASE STUDY

## Too Good to Go

Our partnership with Too Good to Go has continued to grow and evolve in 2025. The world's largest marketplace for surplus food, the app connects people with unsold food from local businesses, helping to save good food from going to waste. With wider selections available in Harrods through 'surprise bags', we have been able to broaden our offering through Too Good to Go. In 2025, we saved 9,123 meals through the programme – a whopping increase of 155 per cent on 2024 – and equivalent to 24.6tCo2e being avoided.



Diversity, Equity & Inclusion and People

Operational excellence is often defined by precision, consistency and performance – but these cannot be fully realised without recognising the importance of creating an inclusive and equitable culture, and in building a feeling of community and belonging for our colleagues.

Diversity, Equity & Inclusion (DEI) is a critical driver of better decision-making, stronger systems and more resilient outcomes. The processes that we’ve designed here at Harrods focus on developing an inclusive and equitable culture where all colleagues feel valued and respected for the person they are and the uniqueness they bring. Our goal is to increase the representation of all dimensions to reflect the customers we serve and the diverse and global marketplace we operate in. DEI is not just a cultural imperative; it is fundamental to operating with excellence.

In 2025, we have implemented several exciting initiatives, including a new Belonging Network, mental health first-aiders, and updated policies to drive forward our commitment to an inclusive culture.

Gender Pay Gap

We are committed to fostering an inclusive and equitable workplace where everyone has the opportunity to succeed. Monitoring and reporting on our gender pay gap is an important part of understanding our workforce, identifying areas for improvement and ensuring we continue to create a fair and supportive environment for all colleagues. Harrods continues to make great year-on-year improvements and performs well ahead of national and industry averages. In 2025, on a mean basis, our gender pay gap is 3.4 per cent, which has significantly improved from 2024 and is much lower than the UK average of 13.4 per cent. Our median gender pay gap has also decreased significantly to 0.2 per cent from 4.4 per cent in 2024, compared with the UK average of 12.8 per cent.

We invested £9m in base pay increases for our colleagues, including £1.5m specifically for our frontline teams. In 2026, we have increased our overall investment to £10m to recognise the contribution our colleagues make every day, with £2.5m allocated to frontline colleagues. Alongside this, we are continuing to enhance our maternity pay year-on-year.

We continue to perform above national and industry averages in gender pay parity, and we will continue to work with our colleagues and partners in this area to embed an equitable approach to our policies and practices to further progress the positive change already achieved.

Belonging Networks

Our Belonging Networks play a crucial role in helping us deliver the vision we have for our future. Our Belonging Networks are colleague-led connected communities among our people; safe spaces in which our colleagues can share their experiences of working at Harrods and suggest ways in which, together, we can build a Harrods where everyone feels a sense of belonging.

We launched our eighth network in 2025 – our Carers Network – as we know that peer support can make a real difference. This network supports colleagues who provide unpaid care for a loved one, whether that’s a family member, friend or neighbour. The network offers a safe space to share experiences, access resources and connect with others who understand the unique challenges and rewards of being a carer.

*“My goals as chair are to strengthen signposting and resources for carers, create a supportive community of carers and allies where we can share experiences, and raise awareness”*

*“I’ve been with Harrods for several years, as the regional training manager for H beauty, and I’m passionate about supporting those who balance their careers with caring responsibilities. As a full-time carer for my nephew, I understand both the rewards and challenges that caring brings, and how vital it is to have understanding, flexibility and community at work. My goals as chair are to strengthen signposting and resources for carers, create a supportive community of carers and allies where we can share experiences, and raise awareness across the business to reduce stigma and promote inclusion.”*

**Daniel Smyth, chair of the Carers Network and regional training manager**

Advancing Colleague Wellbeing and Culture

Throughout 2025, we deepened our commitment to colleague wellbeing and welfare by introducing and enhancing several wellbeing policies. Designed in collaboration with our internal networks these initiatives provide targeted, compassionate support for our diverse workforce during critical life moments:

- **Menopause Support & Accreditation:** In partnership with our Women’s Network, we comprehensively reviewed and relaunched our Menopause Policy. This included delivering specialised training and fostering open forums for colleagues to safely share their lived experiences. In recognition of our measurable commitment to supporting those navigating perimenopause and menopause, we were proudly accredited as a Menopause Friendly Employer in October 2025.
- **Domestic Abuse Support & Safe Leave:** To provide a vital lifeline for colleagues experiencing abuse, we launched a dedicated Domestic Abuse Policy and manager toolkit. A cornerstone of this initiative is the introduction of Safe Leave, which grants affected individuals the necessary time off to attend critical appointments and make essential personal arrangements.
- **Fertility Policy & Leave:** Recognising the emotional and physical demands of family planning, we introduced a new Fertility Policy. This initiative includes paid Fertility Leave to support colleagues undergoing key fertility procedures, ensuring they feel secure and valued throughout their journey.
- **Mental Health First-Aiders:** We relaunched our Mental Health First-Aiders (MHFA) community across all Harrods locations. The two-day intensive accredited training with MHFA England ensures that our teams can support our wider colleague base whenever they need it. At the most basic level, this acts as an early line of support. Much like physical first-aid, they are not there to diagnose or treat, but to recognise when someone may be struggling and step in with initial support. This early intervention can prevent issues turning into longer-term absences and serious health conditions. Having this in place is a practical part of running a healthy, high-performing organisation such as Harrods.



Cultivating an Open, Respectful Culture

Active listening remains the foundation of our inclusion and wellbeing strategy. We continue to leverage our established local, business-wide and network-led communication channels to measure the impact of our initiatives and shape future priorities.

To further enhance this feedback loop, this year we introduced our annual Culture Survey. This targeted listening opportunity focuses specifically on our ongoing efforts to cultivate a safe, inclusive and respectful environment at Harrods, allowing us to pinpoint areas for continuous improvement.

*This is not a static ambition. Operating with excellence is a continuous motivation. One that requires clear accountability, rigorous governance and the willingness to evolve in step with global standards and stakeholder expectations. We have embedded ESG principles into our decision making across operations to ensure that the ethical conduct, environmental responsibility and social impact work hand in hand with commercial performance. While progress in this area is evident, we recognise that true excellence demands ongoing analysis, transparency and improvement. By maintaining this focus, we strengthen resilience, build trust and position the business to deliver sustainable value over the long-term future.*

# BUILDING PREMIUM *EXPERIENCES*

The luxury retail landscape is continuously evolving, and today more than ever, premium experiences are increasingly defined not only by exclusivity and craftsmanship, but by a visible commitment to sustainability. Discerning clients expect more than exceptional products, they are seeking meaningful relationships with brands that demonstrate responsibility across sourcing, production and service.

From traceable materials and thoughtful store design to personalised services that extend product life. Sustainability is becoming integral to the elevated, immersive experiences that distinguish luxury. For this reason, we are focused on the core principles and frameworks that exist within the business to ensure sustainability is always considered when looking at new suppliers and products. It is also embedded within our own Harrods collection and Harrods food ranges.

As part of our commitment to source more responsible materials, in 2024 we committed to phase out PVC from Harrods own label collection. We are proud to say that PVC is no longer used as a

main material and most new product developments are made using recycled synthetics or cotton. In our accessories range, we have 100 lines made using recycled polyester or polyamide.

### Harrods Collection and Harrods Food

Aligned with our commitment to offering premium experiences is the Harrods collection and our Harrods food ranges. Celebrating crafted everyday moments, the collection balances quality, design and utility in equal measure. From homewares and toys to accessories and cashmere staples, each piece is thoughtfully crafted to bring elegance and intention to the daily routine.

Meanwhile, our iconic Food Halls offer a discovery of a world alive with flavour, craft and exceptional ingredients. From fresh seafood and seasonal produce to artisan bread and pastries, every counter reflects the case and expertise of the people behind them. The Food Halls invite customers to browse, taste and bring home something truly extraordinary that has been handpicked by our team to tantalise the tastebuds.



## CASE STUDY

### Harrods Gin & Vodka

As of 2025, the business has a high-level understanding of our waste streams. The partnership between Harrods and Cambridge Distillery exemplifies sustainable luxury through 'mindful distillation' that minimises environmental impact while maximising quality. Rejecting traditional, resource-heavy distillation methods, Cambridge Distillery utilises an innovative vacuum distillation matrix that precisely controls temperature, pressure and timing to individually process each botanical in the most energy-efficient way possible.

The spirits are deeply rooted in regional biodiversity and circular sourcing, utilising British wheat, apples from the distillery's own orchard and locally foraged seasonal botanicals like lemon verbena and rose petals. This eco-conscious ethos extends directly to the product lifecycle and packaging, which features PVC-free capsules and bottles constructed from 30 per cent recycled materials with reusable Vinolok glass stoppers. By marrying cutting-edge, low-energy technology with hyper-local sourcing and sustainable packaging, the Harrods spirits collection demonstrates how premium beverage brands can significantly reduce their carbon and waste footprints without compromising on flavour or prestige.

Harrods Purchasing Principles

A Harrods product is a unique investment. We believe true luxury is rooted in intention, where the relentless pursuit of quality and ethical integrity go hand in hand.

We strive to ensure every item within our Harrods collection and Harrods food range is carefully and considerately sourced, with deep respect for how and where it is made. By understanding the origins of our materials and their impact on both people and the planet, we place our Purchasing Principles at the heart of every own label product.

- 1. We Take Responsibility – ensuring we have strong due diligence in place to protect people across our supply chain and manage the environmental footprint of products. We are focused on enhancing some of our key processes and policies to ensure there is continuous improvement in this space, particularly as industry standards evolve.
- 2. We Make Every Choice with Intention – focused on innovation and the role that sustainability can strategically play as a tool to drive positive change in the supply chain and in the environment in which we operate. This principle is about collaborating with other players in the industry, from NGOs to material certifications and strategic suppliers to create meaningful progress.

These principles align with our core values, ensuring we take full responsibility for our footprint and support the artisans behind our brand. Every choice we make is a deliberate step toward driving positive change across our

supply chain. These principles will serve as the definitive guide for the future of buying at Harrods.

These principles were developed in collaboration with key teams in 2025. To align with Harrods’ strategic approach to sustainability, we conducted stakeholder interviews alongside brainstorming workshops with the Collection and Food teams to shape the framework.

Governance Around Sustainability Claims

The regulatory framework governing sustainability claims is evolving rapidly. In response, we carried out training at the end of 2025 to increase colleagues’ awareness around greenwashing risk. With increasing scrutiny from national and international regulators the stakes for transparency have never been higher and as part of this we are carrying out a strategic review of our framework around sustainability claims.

It is essential for maintaining customer trust and protecting our brand integrity. In a competitive market, evidence-based messaging allows us to clearly differentiate our authentic progress from unsubstantiated claims.

These principles and frameworks are not just theoretical guidelines but active drivers of our operational excellence and the premium experiences we are able to offer our customers. By integrating rigorous sustainability frameworks, we can ensure that every case study and partnership reflects our commitment to a future-proof luxury model. Through this intentional approach, we continue to bridge the gap between high-end craftsmanship and ethical responsibility, delivering the meaningful, enduring value that today’s consumers expect.

CREATING MEANINGFUL VALUES

The expectation of businesses today is to not only operate responsibly, but to create meaningful and lasting value for the communities, people and causes that they engage with. Going above and beyond for our suppliers, our customers and in terms of social impact means embedding purpose into everyday decision making. From supporting employee wellbeing and diversity and inclusion to championing our suppliers, investing in the local community, charitable partnerships and broader societal progress. This commitment reflects a belief that long-term business success is intrinsically linked to positive social outcomes. As a business, Harrods has the opportunity and the responsibility to drive change beyond our immediate operations.

Our Suppliers

Our suppliers play a critical role in supporting and advancing Harrods’ sustainable business practices, making strong governance and regulatory compliance across the supply chain increasingly important. As expectations from customers and the regulation landscape continue to evolve, businesses are placing greater emphasis on working with suppliers who demonstrate transparency, ethical standards and responsible environmental and social practices. At Harrods, we remain committed to the wellbeing of all people working in our supply chain and the practices and policies that we have in place are testament to this.

In 2025, we rolled out the new Partner Code of Conduct to new suppliers. Built on the internationally recognised Ethical Trading Initiative (ETI) Base Code and on International Labour Organisation (ILO) Conventions, our code was updated in 2024 to include 11 pillars that set out additional details on Harrods’ expectations on labour rights and environmental management. In addition to this code of conduct, we have specific onboarding processes and requirements in place for the Harrods collection suppliers, as well as indirect suppliers, who are managed separately by our procurement team.

Harrods publishes an annual Modern Slavery statement in accordance with the UK Modern Slavery Act, outlining the steps that we have taken as a business, and continue to take, to prevent modern slavery and human trafficking within our business and supply chains.

Since 2019, we continue to partner with Sedex to increase visibility on our supply chain, monitor working conditions and mitigate risk of modern slavery. We work closely with a dedicated Sedex Sustainability Coordinator who supports us by providing detailed audit compliance reports and managing the onboarding of new suppliers into the platform. Harrods requires all collection suppliers to become members of Sedex to complete the Self-Assessment Questionnaire and upload a SMETA audit from the past 12 months to the platform. Having this requirement in place is essential for ensuring ethical practices, improving working conditions, enhancing supply chain transparency and, ultimately, fostering trust between Harrods and all our stakeholders.

We recognise that our brand and concession partners have their own strategies in place regarding supply chain transparency and sustainable sourcing. Many of them are leaders in the luxury space and have advanced sustainability programmes. Therefore, we seek opportunities to learn, collaborate and advance each party’s sustainability strategies.

GREEN CLAIMS are any statements, messages or representations suggesting a product, service or brand has a positive environmental or social impact or is less harmful than alternatives. Claims can vary, but often appear at product level (including packaging) in marketing campaigns or within corporate reporting.

GREEN WASHING occurs when green claims are misleading, inaccurate, poorly evidenced, lack clarity or are presented in a way that creates a false or exaggerated impression in relation to sustainability.

# CASE STUDY

## Cornishware

The Harrods and Cornishware partnership provides a model for sustainable luxury by prioritising localised manufacturing and heritage preservation over high-emission global supply chains. By utilising natural clay sourced directly from Cornwall and splitting production between historic British ceramic hubs, the collaboration drastically reduces transportation related carbon emissions while securing the livelihoods of local artisans. Furthermore, the resulting high-durability stoneware counters 'fast-homeware' waste, demonstrating how luxury retail can drive environmental and social sustainability through timeless design and regional craftsmanship.

## Biodiversity at Harrods

The launch of our Biodiversity Strategy marks a pivotal milestone in our journey. Designed to bridge the gap between our corporate sustainability goals and the day-to-day actions of our colleagues, the strategy fosters a deeper understanding of how the retail sector interacts with the natural world. Since the work began, we have successfully integrated biodiversity considerations into our Thames Valley Distribution Centre (TVDC) and Hammersmith. With several high-impact projects currently in the pipeline, we are moving beyond awareness toward tangible restoration.

### Site success: TVDC Green Team

TVDC served as the launch point for the Harrods Biodiversity Strategy. The project officially went live in spring 2026. Key successes to date include:

- Biodiversity infrastructure: the installation of colleague made bird boxes, a hedgehog house and bug hotels.
- Colleague engagement: the formal establishment of the Green Team, along with the installation of on-site allotments and storage shed with rainwater harvesting.

### Focus and Next Steps

Over the coming year, we will continue to expand our biodiversity initiatives across other sites, with a focus on our head office in Hammersmith and further exciting opportunities at our Knightsbridge store.



Charity Partnerships

The charity partners we have at Harrods reflect a commitment to creating meaningful and lasting social impact beyond operations. By working collaboratively with charitable organisations, community groups and industry partners, we aim to support causes that align with our values, empower local communities and drive positive change. Our community strategy focuses on making a difference in three key areas:

- 1. Creating opportunities
- 2. Inspiring creativity
- 3. Protecting the environment for generations to come

Each year, we give every colleague an additional day of paid leave to volunteer for a cause they care about at a charity or community organisation of their choice, and in 2025, 569 colleagues used their charity days to support causes close to their hearts. This equates to 15 per cent of our Harrods colleagues. In addition, our colleagues raised a total of £124,177.94 through fundraising challenges and internal events, such as bake sales and colleague charity sales. Due to the fundraising efforts of our colleagues, and outstanding legacy balance, we were able to donate an additional £40,164 to each of our partners. This is not including the sums raised from individual campaigns such as the FY25 Dragon Boat Race Challenge and Palace to Palace.

Our Charity Partners

We have supported a number of charities over the years through volunteering, payroll giving, in-kind support and dedicated fundraising campaigns. We currently maintain five key partnerships with national charities and local community partners. While our colleagues have participated in a wide range of activities, we have included a few highlights from 2025 to showcase the incredible efforts taking place across the business.

Dragon Boat Race in Aid of The King's Trust

The Dragon Boat Race brought together more than 230 colleagues, plus friends and families for a day of teamwork, energy and celebration. The teams raised over £30,000 in support of The King's Trust with 21 boats competing on the day. The King's Trust is a UK-based charity that supports young people aged 11 to 30 who are unemployed, facing challenges in education, or navigating difficult circumstances. Their work empowers young people to build confidence, gain skills and create brighter futures. This event encapsulates how Harrods colleagues work together to make events such as this a success and colleagues across the business who took part were thrilled to have made a last difference for such an important cause.



Employability at WEST

Feeding into our wider employability programme, in October 2025, we joined other businesses at WEST Youth Zone for their first career zone. More than 100 young people from across London gathered to meet different employers, try new skills and discover their future. The day involved exploring different careers and taking part in hands-on challenges designed to spark ambition. Our HR, Talent and Own Label teams supported the event: leading a 'design your own charm' activity, assisting the CV and interview workshops and speaking to the young people about early careers. Focused on equipping the next generation with the skills and tools to approach the job market, it was an unforgettable afternoon to be a part of and we are proud of our continued commitment to the WEST Youth Zone, with more exciting collaborations to come in the next year.

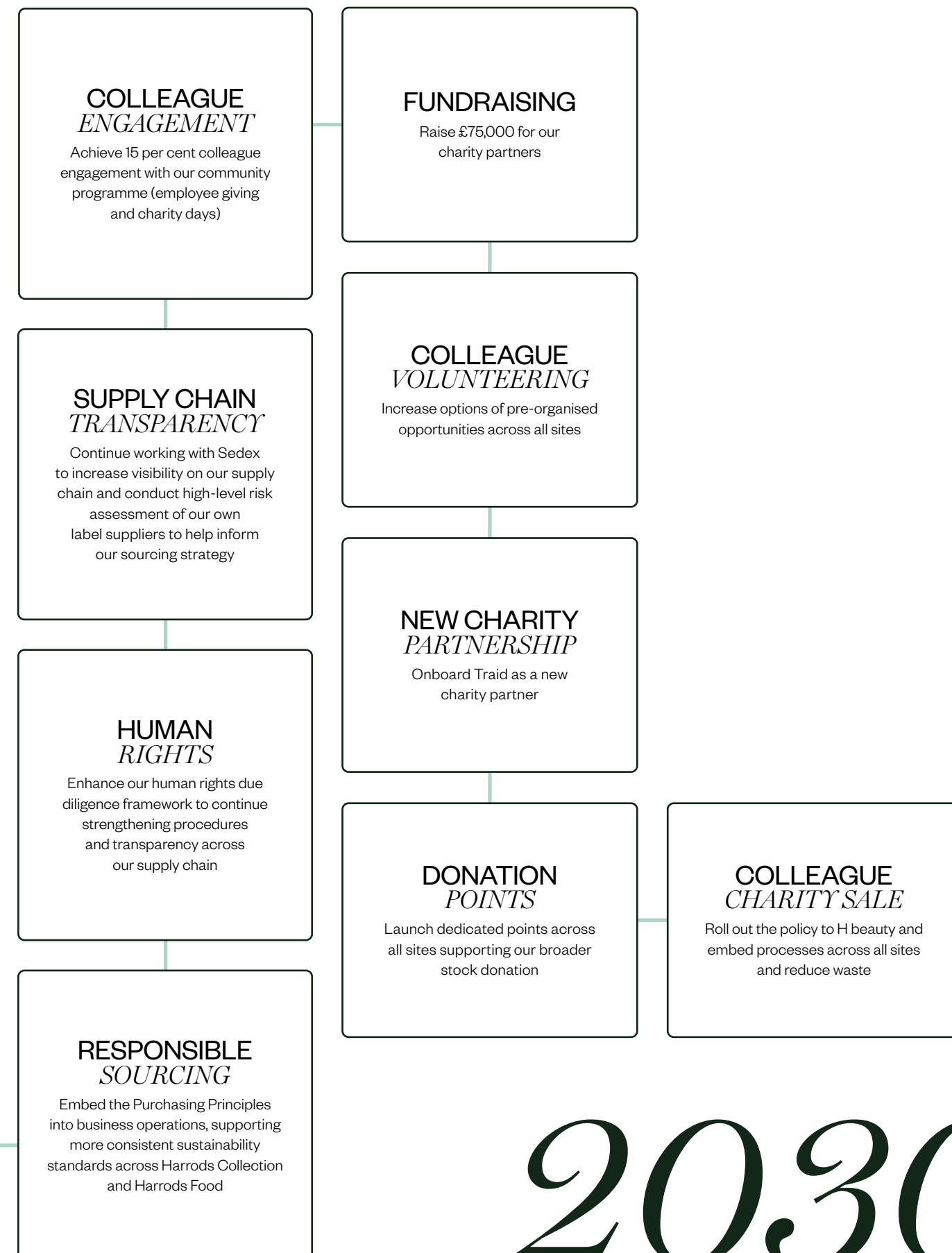
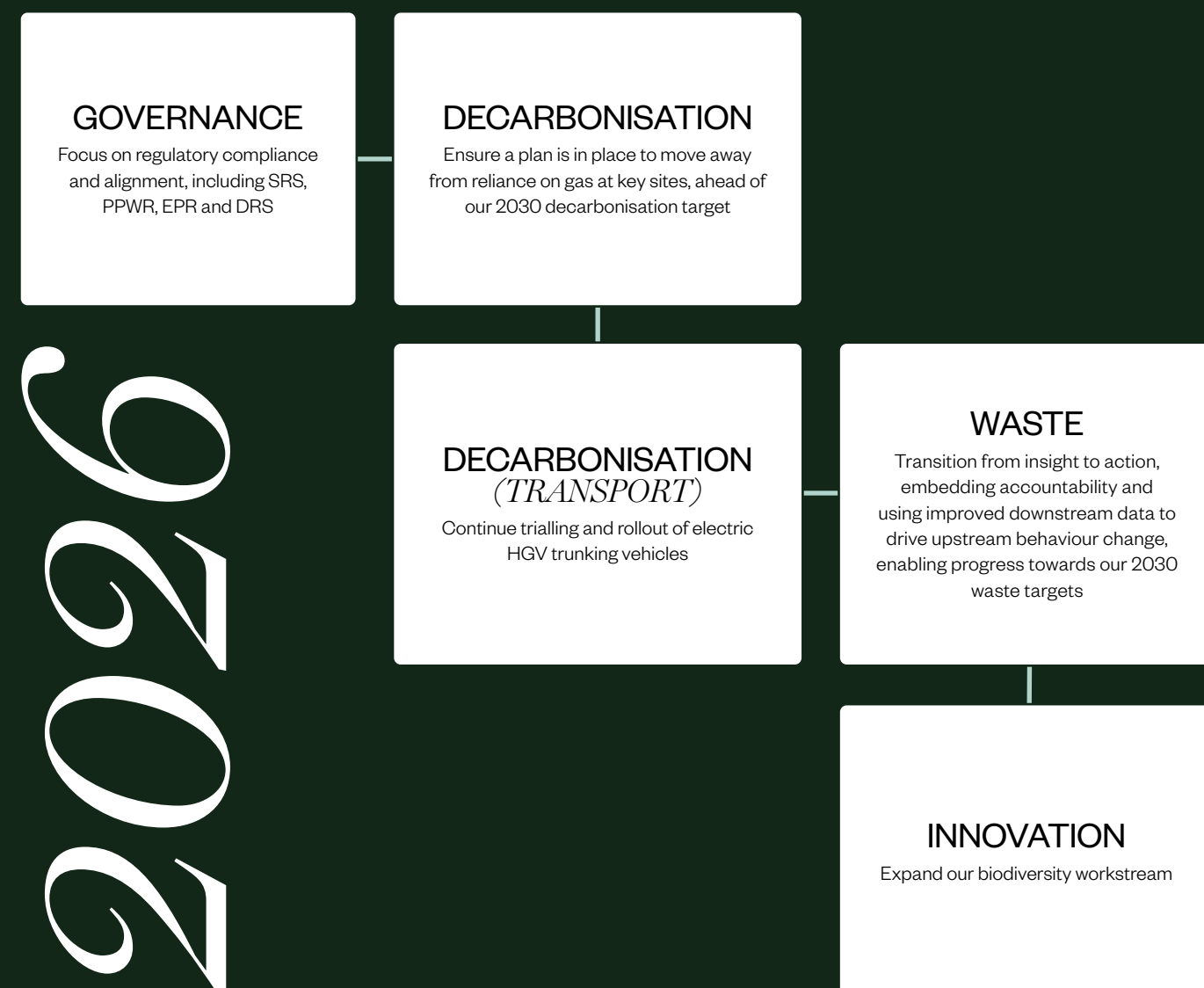
Ultimately, creating meaningful social impact requires more than individual initiatives. It demands long-term commitment, accountability and a genuine desire to make a positive difference. It all starts with our colleagues, who serve as the driving force behind this progress and enable us to have a lasting, positive impact on our community. By continuing to invest in people, communities and inclusive opportunities, the business aims to build lasting relationships and contribute to a more resilient and equitable future. This approach not only strengthens Harrods' wider social contribution but also reinforces the values and culture that underpin sustainable long-term success.



# WHAT THE FUTURE HOLDS

As we look to the future, we remain focused on embedding sustainability into every aspect of Harrods – from the decisions we make today to the long-term value we create for our people, our customers and our communities. The Harrods Path to a Sustainable Future is a long-term strategy and one we remain committed to. While we take pride in the progress we are seeing across the business and milestones we have reached, we recognise that expectations, regulations and environmental challenges will continue to evolve, and we are committed to adapting with transparency, accountability and ambition.

Ultimately, we continue to be guided by the Harrods Path to a Sustainable Future and our goal remains unchanged: to shape a more responsible future for luxury retail – one where premium experiences and environmental stewardship go hand in hand.



APPENDIX

|                                          | FY 2024/25    |       |            |       | FY 2025/26    |       |           |       |
|------------------------------------------|---------------|-------|------------|-------|---------------|-------|-----------|-------|
| Reporting                                | kWh           |       | Tonnes     |       | kWh           |       | Tonnes    |       |
|                                          | Consumption   | %     | CO2e       | %     | Consumption   | %     | CO2e      | %     |
| Scope 1 Energy                           |               |       |            |       |               |       |           |       |
| Natural Gas Consumption                  | 10,881,991kWh | 17.5% | 1,990.3 t  | 16.4% | 11,178,050kWh | 17.5% | 2,045.1 t | 18.6% |
| Solar PV Electricity                     | 893,723kWh    | 1.4%  | 0.0 t      | 0.0%  | 921,046kWh    | 1.4%  | 0.0 t     | 0.0%  |
| Heating Oil                              | 986,352kWh    | 1.6%  | 253.0 t    | 2.1%  | 945,038kWh    | 1.5%  | 242.4 t   | 2.2%  |
| Diesel – (Transport, Generators, Bunded) | 165,491kWh    | 0.3%  | 41.7 t     | 0.3%  | 275,407kWh    | 0.4%  | 67.2 t    | 0.6%  |
| HVO – Transport                          | 1,941,438kWh  | 3.1%  | 7.0 t      | 0.1%  | 1,937,697kWh  | 3.0%  | 8.90 t    | 0.1%  |
| Bottled Gasses                           | 0kWh          | 0.0%  | 0.0 t      | 0.0%  | 0kWh          | 0.0%  | 0.00 t    | 0.0%  |
| Scope 2 Energy                           |               |       |            |       |               |       |           |       |
| Electricity Purchases                    | 47,109,210kWh | 75.6% | 9,754.0 t  | 80.5% | 48,325,874kWh | 75.7% | 8,553.7 t | 77.9% |
| Scope 3 Energy                           |               |       |            |       |               |       |           |       |
| Employee Mileage Claims                  | 296,798kWh    | 0.5%  | 75.1 t     | 0.6%  | 219,819kWh    | 0.3%  | 56.9 t    | 0.5%  |
| Total Reported                           | 62,275,002kWh |       | 12,121.1 t |       | 63,802,930kWh |       | 10,974.2t |       |



