



MAKING NEXT A GREAT PLACE TO WORK

Highlights

- Launch of Digicare+ Workplace to the whole workforce
- Launch of 'Together We Are NEXT' internal brand for our employee-led communities
- Expanded three hour virtual ED&I workshops for newly promoted and new into the business managers, with 1,534 managers participating to date
- New wellbeing programme for our employees at our Sri Lanka manufacturing site

Aligned SDGs



Our Commitment

We want to provide an environment where our workforce is:

- Safe, supported and respected
- Treated fairly and taken care of
- Listened to
- Motivated to achieve their full potential

Our Approach

Our priorities are in the areas of:

- Health, safety and wellbeing
- Equality, diversity and inclusion
- Training and development
- Reward, fair pay and employee share ownership

This section reports on the progress of our Great Place to Work activities at NEXT and Joules only.

Our Commitment

To ensure we attract, retain and develop the very best people to build a diverse and talented team, recognising that every individual's unique background, experience and ability contributes to our success.

We want to create an inclusive and inspiring environment where individuals feel valued and respected, and where people can belong, thrive, achieve their full potential and be their very best; whoever they are.

We Create

an inclusive environment where everyone is welcomed, valued and feel they belong.

We Recognise

that diversity of talent makes us more innovative, more competitive and more creative.

We Promote

a team culture that's open and transparent and where we treat everyone fairly and with respect.

We Encourage

a workspace where everyone can feel supported to be themselves whoever they are, so they can succeed and thrive to do the best work of their lives.

We Ensure

everyone is aware of and empowered to fulfil their personal responsibility to question discriminatory or inappropriate behaviours.

We Uphold

a commitment of zero tolerance towards unacceptable behaviour, harassment, discrimination, bullying or victimisation.



Our People

Our 44,000 people are integral to our success. We aim to attract, retain, and develop the very best people to build a diverse and talented team, recognising that every individual's unique background, experience and ability contributes to our success.

In return, we want people who are committed to working together and who support our culture of honesty, respect and encouragement.

Health, Safety and Employee Wellbeing

We want NEXT to be a safe place for everyone with a culture that enables all our employees to maintain positive mental wellbeing.

Health and safety

We review our Company safety statement and safety objectives every three years, including safety programmes and objectives for each division of the business. These are reviewed regularly at divisional safety meetings and twice a year by our Executive Safety Meeting.

Our safety objectives were launched in 2022, focusing on three pillars:

- Health, Safety and Wellbeing Engagement and Communication
- Developing our Health and Wellbeing offer for our employees
- Ensuring a Safe Workplace, with a focus on key risks

The three pillars are designed to ensure that we have a culture with effective safety leadership, clear direction from management and well-briefed employees who know how to manage all aspects of our business safely.



MAKING NEXT A GREAT PLACE TO WORK CONTINUED

Mental Wellbeing

At NEXT, we firmly believe that if our people are healthy, happy and engaged, their performance will be optimised, benefiting both themselves and our business. Our programme of support, guidance, events, and activities is available across the whole organisation to help provide an environment where workplace psychological safety is carefully considered alongside health and safety risks.

Our Mental Wellbeing Charter, available on our [wellbeing site](#), encourages an environment where mental wellbeing is discussed openly to eliminate stigma, fear and discrimination. The key commitments set out in the Charter include:

- Making sure all employees have easy access to information or services to make helpful decisions about their mental wellbeing
- Treating people fairly and with compassion
- Helping everyone to recognise that for some people, maintaining positive mental wellbeing can be challenging
- Regularly monitoring our performance, assessing progress and taking action to improve the opportunities for supporting positive mental wellbeing

To read more about our Mental Wellbeing Charter, see page 50.



We have an established Mental Health First Aider (MHFA) network of 165 trained colleagues in all divisions who help provide a supportive workplace environment. Employees can find details of our MHFAs on the company wellbeing site, which includes the THRIVE app and a wellness action plan template. The action plan helps employees consider personal ways to keep well at work, understand any triggers for becoming unwell, and detail the support they would like to boost their own wellbeing or aid recovery. Employees are encouraged to use the action plan to open up a dialogue with their managers on mental wellbeing.

Wellbeing initiatives

- Early in the year we launched a new online Wellbeing page which showcases all our wellbeing support services, useful information and details of MHFAs
- For several years we have been running regular mental health training for managers across the business; this also includes regular training and check-ins with our MHFAs
- We have launched an Open Minds network group for our MHFAs, meeting quarterly, to help support, guide and upskill them in their role. We have also established a chat forum for all the MHFAs on our wellbeing site so we can gauge team capacity and trends, which helps to direct future internal campaigns
- Throughout the year we run campaigns and signpost support services available for our employees, including our Employee Assistance Programme, which offers independent counselling and support for a variety of life challenges and events
- We have established a new local Wellbeing Manager at our manufacturing site in Sri Lanka to support the 3,200 employees who work there. Services we provide include a medical facility, oral health checks and wider assistance for the nearby community including clean water supplies and funding for schools and a library
- 2022's Financial Wellbeing tool and support network roll-out has been successfully taken up by 13,559 colleagues to date

As part of our wider Wellbeing programme, helping us to identify and provide support to people at much earlier stages of ill-health, we have five lifestyle checkpoint machines which move across our different sites. Employees in warehousing, Head Office and our UK call centres have used these to find out information about their current physical and mental health and they have helped several to address potentially life-threatening conditions.

- In early 2023, through our healthcare partnership with Aviva, we launched Digicare+ Workplace to the whole workforce. This wellbeing service App allows all employees free access to an annual health check, Digital GP, second medical opinion, nutrition consultation and mental health and bereavement support. We have had over 3000 employees sign up for the service since it launched, and, apart from the health check, all services are available to their family members
- Employees at our Head Office in Leicester benefit from access to fitness classes on site, and we partner with Gym Pass to offer all employees discounts on fees for gym plans with gym access nationwide
- We are a Founding Partner of GenM, working to champion menopause awareness, education and support for employees across the business, including six free sessions on menopause education through Digicare+ Workplace. For two consecutive years, we have won a Driving Menopause Action in the Workplace award from GenM
- We launched a new Family Leave internal website as a one-stop shop for all Family Leave information and support resources for employees, including a partnership with 'Work Baby Life' offering free programmes of virtual group classes and workshops to expectant parents. As part of this, we collaborated with our charity partner Anthony Nolan to raise awareness and drive employee registrations for cord blood stem cell transplants. Read more on page 31



MAKING NEXT A GREAT PLACE TO WORK CONTINUED

Financial Wellbeing

When our employees are physically and mentally well, we know they are more engaged, productive, and motivated to contribute their best. We also recognise that concerns about personal finances can have a detrimental impact on physical and mental health. Ensuring that we provide the right kind of support for colleagues around both is part of our approach to building a positive work environment.

Equality, Diversity and Inclusion

We are an equal opportunities employer and offer career opportunities without discrimination. We treat all employees fairly regardless of gender, sexual orientation, marital status, race, colour, nationality, religion, ethnic or national origin, age, disability or union membership status. We believe that having a diverse and inclusive working environment is vital to supporting the health and wellbeing of our employees. To find out more about our Equality, Diversity and Inclusion Policy, see page 50.

Although we don't set specific targets for diversity, women currently represent 46% of our Board, 50% of our senior leadership and 70% of our total employees. In relation to our senior management and their direct reports, NEXT was ranked third in the 2024 FTSE Women Leaders Review: Achieving Gender Balance. Our annual Gender Pay Report can be found on our website via [this link](#).

During the year, we expanded and updated our mandatory virtual training sessions on equality, diversity and inclusion for all our managers. To date 1,534 have undergone this training. The sessions aim to explore unconscious bias, identify the organisational consequences of unconscious bias, discuss examples of inappropriate behaviour, discrimination and harassment, and provide guidance on how to positively influence the behaviour of others. A further 3,000 Head Office employees have gone through a 30 minute equality, diversity and inclusion e-learning module which is mandatory for all new starters.

Together We Are NEXT

We have brought together our employee-led communities under a new brand: **Together We Are NEXT**. These include communities of employees championing LGBT+ issues; cultural diversity; diversity in tech and IT, and championing, connecting and celebrating disability and neurodiversity at NEXT. The heads of these communities regularly meet and discuss programmes, issues and opportunities to engage the wider business.

A number of employee-led networks have now been established to enable employees to work collaboratively with NEXT to deliver positive outcomes:

- **Pride@Next:** an LGBT+ network which works to raise awareness of LGBT+ issues at NEXT and helps shape our policies. For example, with input from Pride@Next we have developed a policy to support transgender employees
- **Unity:** created to celebrate the cultural diversity represented at NEXT. This includes working within the business to champion talent and provide more career opportunities for people from under-represented background
- **Able:** Our most recent network, launched in October 2022, Able is our disability network group which champions, connects and celebrates disability and diversity at NEXT



In 2023 we signed the Armed Forces covenant to demonstrate our support to the Armed Forces community and introduced a new entitlement of up to five days paid leave for any reservist employees wishing to take time off to undertake territorial or reserved forces duties.

Our Diversity Partners

As we develop our Equality, Diversity and Inclusion agenda, it is important to us that we connect with key not-for-profit organisations to support and guide our employee-led communities and wider business. Collaborating with charity partners lends strategic expertise and credibility to our programmes, and brings wider mutual value for our partners and our employees through engagement in educational talks and fundraising events.

- We continued to work with Business in the Community (BITC), in particular to initiate employee listening circles about Together We Are NEXT, to ensure that we reach and engage the whole business, regardless of workplace location and in 2023 we participated in their Behind the Scenes campaign to support 10,000 Ukrainian refugees who are unemployed and looking to utilise their skills and insights in different businesses and available roles
- We are a signatory to BITC's Race at Work Charter
- We are a Level 2: Disability Confident Employer. The Disability Confident Scheme supports employers to make the most of the talents that disabled people can bring to the workplace
- We continued to partner with Carers UK, having signed up to the Employers for Carers digital platform to provide employees with access to dedicated resources for carers
- We are a member of Stonewall's Global Diversity Champion network
- We continued our five year charity partnership with The Terence Higgins Trust



MAKING NEXT A GREAT PLACE TO WORK CONTINUED

Training and Development

We believe that offering relevant learning and development opportunities will help our employees to feel valued, equip them to carry out their roles to the best of their ability and support them in developing their career at NEXT. Our employees are able to access a range of development tools and training through our training teams within each area of the business. These teams support:

- Job role-specific training covering technical, operational and skills training
- Individually tailored training to address both employees' individual needs and specific business requirements
- Health and safety, first aid and manual handling training to ensure our employees work in a safe environment

In January 2023, building on our 'Respect in Retail' customer-facing campaign, a new 'Diffusing Difficult Situations' training was rolled out to all Retail colleagues, with over 17,000 colleagues completing it to date to support them to better manage challenging customer behaviour. This training is completed by all new staff after their first six weeks in role.

Working with external partners, we reviewed our grievance, conduct and disciplinary processes, to help reduce the time and associated costs spent on these. This saw the launch of a new process, Resolution, to better facilitate mediation and early conversations to rebuild relationships. With over 600 store managers trained face to face, and a further 1,500 trained virtually, year on year we have already seen a 40% reduction in the number of grievances in Retail.

Lifelong Learning

We continue to offer our employees the chance to take a Lifelong Learning course with the Union of Shop, Distribution and Allied Workers (USDW) including Maths, English, IT and British Sign Language to build skills within the business to support our deaf employees. Our Head Office Learning Hub offers additional training and development support on management and recruitment topics.

Internships

We offered six week summer internships in 2023 to three interns who came to us through our partnerships with not-for-profits Leonard Cheshire, 10,000 Black Interns and UpReach. The intern who came to us via 10,000 Black Interns has been offered a trainee developer role when they graduate in 2024.

Apprenticeships

Our apprenticeship programmes continue at pace; we now have 400 apprenticeships in place. We have 34 apprenticeship programmes ranging from warehouse operations and retail roles through to Masters equivalent programmes. 230 people completed their apprenticeships in the last year.

A new career pathway for employees launched in 2023 was the Warehouse to Wheels programme whereby anyone in any role can become a Large Goods Vehicle (LGV) driver through apprenticeships and Government-funded 'bootcamps'. Our in-house LGV Driver Academy has seen 55 new drivers pass through training this year.

Local Schools and Colleges

Teams in our Distribution division work with schools in the vicinity of our Yorkshire warehouses to help bring alive different career opportunities within our business. Through recruitment workshops, careers fairs and site visits, students get a glimpse of where support and development offers could take their future careers. Our senior HR business partners work directly with local schools as Enterprise Advisors to help attract student interest for full or part-time roles as well as apprenticeships at NEXT.

Employment Programme with the Prison Service

Now in its sixth successful year, one of our warehouse sites runs a programme in association with a local prison to support a small number of low risk prisoners to gain meaningful work experience as part of their rehabilitation process. NEXT Furniture Manufacturing in Doncaster partners with HMP Lakeside to run a 12 week programme in a bespoke frame assembly production facility for selected offenders to learn the skills and techniques to become skilled frame assemblers. At the end of their sentence, they are offered a full-time contract with NEXT if they have successfully completed their training programme.

Recruitment

Ensuring we are attracting the best talent to work for us is a priority, and throughout 2023 we continued to drive our early careers initiatives across our main functional areas for Head Office, including new placements for graduates in Finance, building on a similar successful approach in Tech and e-commerce. We want to make sure we are able to benefit from hiring international talent and have consolidated our in-house support for candidates and new hires, including relocation services.





MAKING NEXT A GREAT PLACE TO WORK CONTINUED

Employee Engagement

We have a number of engagement activities in place across NEXT Group to collect feedback and ideas from colleagues. This includes employee forums for each business area made up of elected representatives who attend meetings at least twice a year with directors and senior managers. These forums encourage open discussion on business issues, policies and the working environment.

In 2023 we launched our third Group-wide employee engagement survey, Your Voice Counts, which also this year included Lipsy, GAP, NEXT Beauty and Victoria's Secret (Head Office and Retail) employees. Colleagues were invited to give their feedback and suggestions about working life at NEXT Group. We were pleased with significantly improved participation rates, an improved completion rate of 74% (up from 56% in 2022) and a Group engagement score of 7.4 out of 10 (compared to 7.1/10 in 2022). All of the core business area engagement scores increased or remained the same versus prior year.

Priority areas for improvement our employees would like us to focus on included reward, strategy communication and mission. Our top strengths were perceived as performance recognition and organisational fit in terms of equality and health. A key immediate output from the Retail teams' survey feedback has been the equalisation of rate of pay for all four new team members under the age of 23 with colleagues who are 23 and older, effective from November 2023.

Radio NEXT

One of our new initiatives to connect with and engage our employees was the launch of a new radio station, Radio NEXT, in our South Elmsall warehouse sites in 2023. Broadcasting a four-hour show of music, interviews, shout-outs, competitions and site-related news for both day and night shifts, it has been reaching around 4,000 people.

Rewards and Benefits

We believe in rewarding all employees with fair and competitive salaries, along with the opportunity to gain additional pay in the form of a bonus depending on the Company's financial (or in some cases, store or individual) performance.

Employee share schemes: We operate a Sharesave scheme to encourage employees to own shares in NEXT. All UK employees have the opportunity to save money over three or five years to buy NEXT plc shares at a discounted price. At the end of the savings period, participants can buy the shares at a price fixed at the start of the scheme. We also operate a share option scheme which extends to approximately 2,100 management participants.

NEXT Steps Nursery: Our architect-designed, state of the art Head Office childcare nursery, "NEXT Steps", continues to go from strength to strength. This is part of our on-going commitment to supporting our employees with pre-school childcare arrangements. The nursery is currently rated by Ofsted as "Outstanding" and is run in accordance with all Ofsted Early Years Foundation Stage and safeguarding requirements. Any accidents are recorded and reported through standard NEXT procedures.

Looking Ahead:

- **Talent Management:** We aim to attract, retain, and develop talent across all levels within NEXT. We will utilise various methods to attract a diverse pool of candidates, with a particular emphasis on early career opportunities.
- **Inclusive Culture:** We are dedicated to fostering an environment where everyone feels valued and respected. We'll actively promote our inclusive culture and ensure our employees feel motivated to contribute to NEXT's success
- **Employee Development:** We'll provide ample opportunities for our employees to enhance their skills through on-the-job training, coaching, mentoring programmes, and specialised management and leadership courses
- **Employee Wellbeing:** We support the mental health, wellness, and overall wellbeing of our employees. Our environment and practices will be designed to support a happy and healthy workforce, ensuring that employees feel motivated and engaged to help us achieve our business goals

