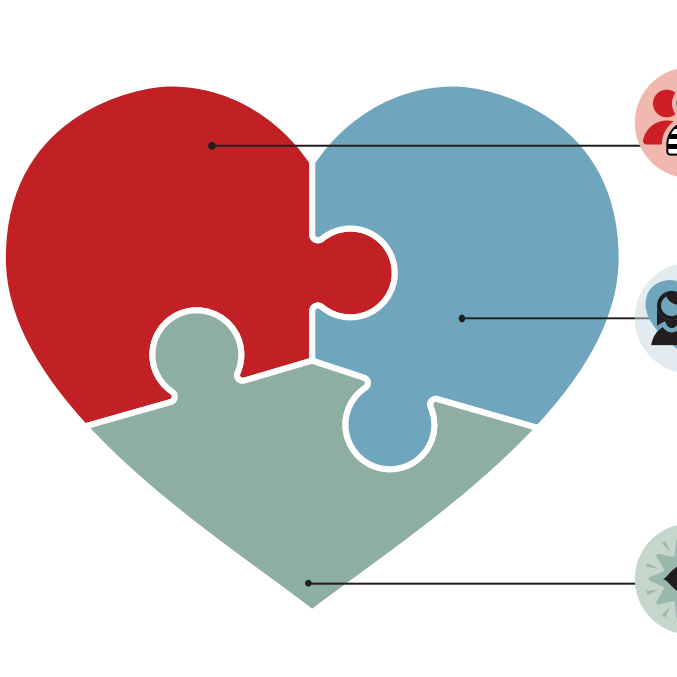
SEPHORA

Diversity & Inclusion Progress Report

In 2020, Sephora Canada launched its Diversity and Inclusion strategy with the ambition to become the Diversity, Inclusion and Equity Champion in the beauty and retail industry. Since then, our organization has worked tirelessly to see that vision come to life. This report highlights our progress to date, celebrates our accomplishments, and recognizes the work we still have ahead of us in strengthening diversity, equity, inclusion and belonging at Sephora Canada.

At Sephora our Diversity and Inclusion Heart Journey mission is to champion all beauty fearlessly and build inclusive environments that support our three pillars: employees, consumers, and communities.



Employees
We want to create a culture of inclusion by utilizing equitable and inclusive practices to attract, support and retain our people.

Consumers
We want to meet the diverse needs of all clients (existing and potential) while fostering environments of inclusion (in-store and online) to ensure everyone feels like they can get what they need at Sephora.

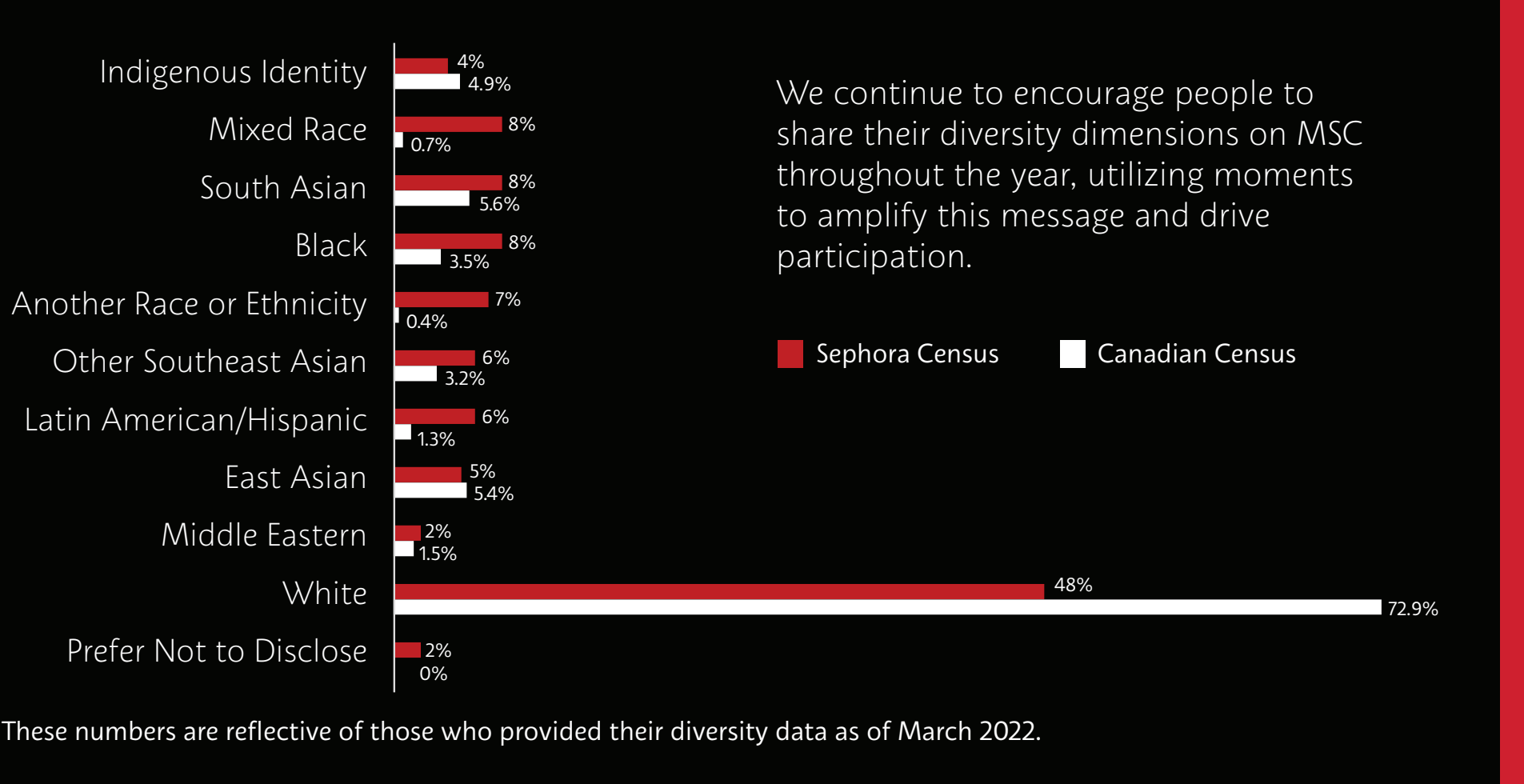
Communities
We align with organizations that focus on social inclusion and belonging in order to support our target communities and foster connections.

Employees

2021 - First ever diversity data collection campaign called **Be Seen!**

Workforce Demographics

We continue to encourage people to share their diversity dimensions on MSC throughout the year, utilizing moments to amplify this message and drive participation.



These numbers are reflective of those who provided their diversity data as of March 2022.

People with Disabilities
We currently have eight people who identify has having a disability at our third party distribution centre in Brampton. Our long-term goal is to have 30% of our workforce in our distribution centres who identify as having a disability. We continue to explore expanding this number and leverage our learnings at our Surrey Distribution Centre and also our stores in 2022.

19% of our employees who shared their diversity data identify as members of the Lesbian, Gay, Transgender, Queer, Intersex, Two-Spirit, plus (2SLGBTQI+) community

4% of our employees who shared their diversity data identify as a person with a disability

SPARK Ambassador Program

Employer Branding: Launched the SPARK Ambassador Program consisting of FSC and Field employees that identify as BIPOC.

Storytelling
Passion
Allyship
Respect
Knowledge

13
Ambassadors
who are true allies and advocates

Diversity, Equity, Inclusion and Belonging (DEIB) Moments

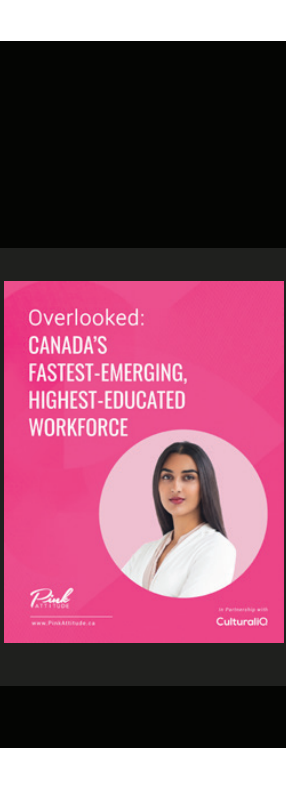
To support Cultural Competency

Development of calendar

54 Key D&I moments highlighted to elevate and celebrate throughout 2022

2 Playbooks developed to support how we elevate these moments via Marketing, Internal Communications and Employer Brand.

Two Research Opportunities


Overlooked: CANADA'S FASTEST-EMERGING, HIGHEST-EDUCATED WORKFORCE

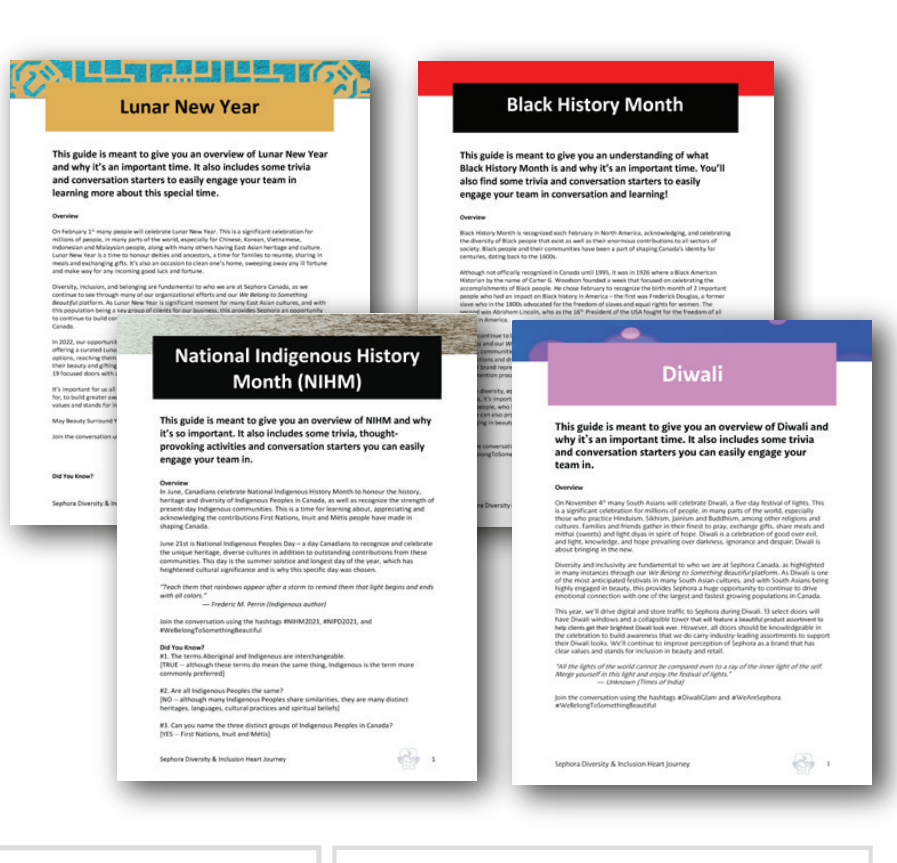
CulturaliQ and Pink Attitude Survey:
Identified barriers for South Asian women related to careers in retail and beauty.

Native Women's Association of Canada (NWAC) Indigenous Beauty Consultation:
Supporting a better understanding of what Indigenous Beauty means to women and gender diverse Indigenous Peoples, for more authentic representation.

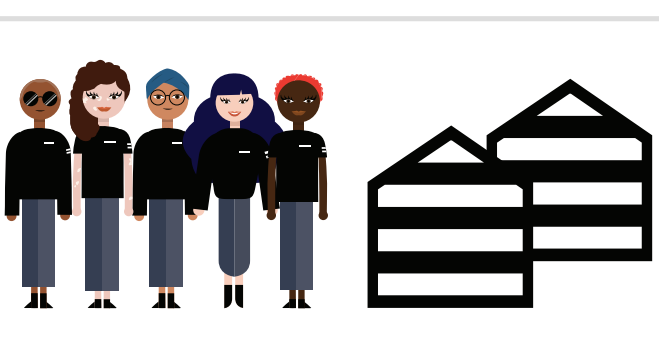
DEIB Education

16 Assets Developed

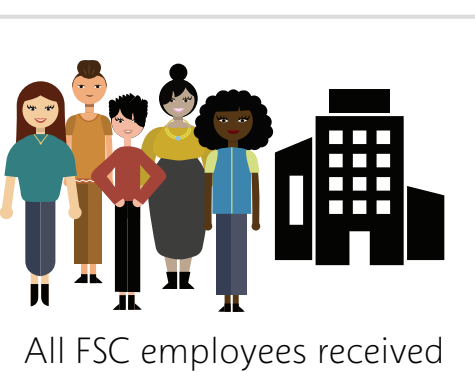
Diversity Calendar
Land Acknowledgement Guide
Indigenous Learning Guide
National Indigenous History Month (NIHM) Learning Guide
Diwali Learning Guide
Pronouns Quick Reference Guide (QRG)
Inclusive Behaviours Poster
Unconscious Bias Training (Videos, QRG and Toolkit)
Anti-Racism Training (Videos, QRG and Toolkit)



All store employees received Unconscious Bias training through the annual All Team Meeting


All Store Directors received Unconscious Bias and Anti-Racism training through the Gift of Beauty Holiday Roadshow.

77% and **60%** (respectively) felt more confident in their understanding of the concepts and how to apply them within their roles.


All FSC employees received Unconscious Bias training through Fall Learning Labs.

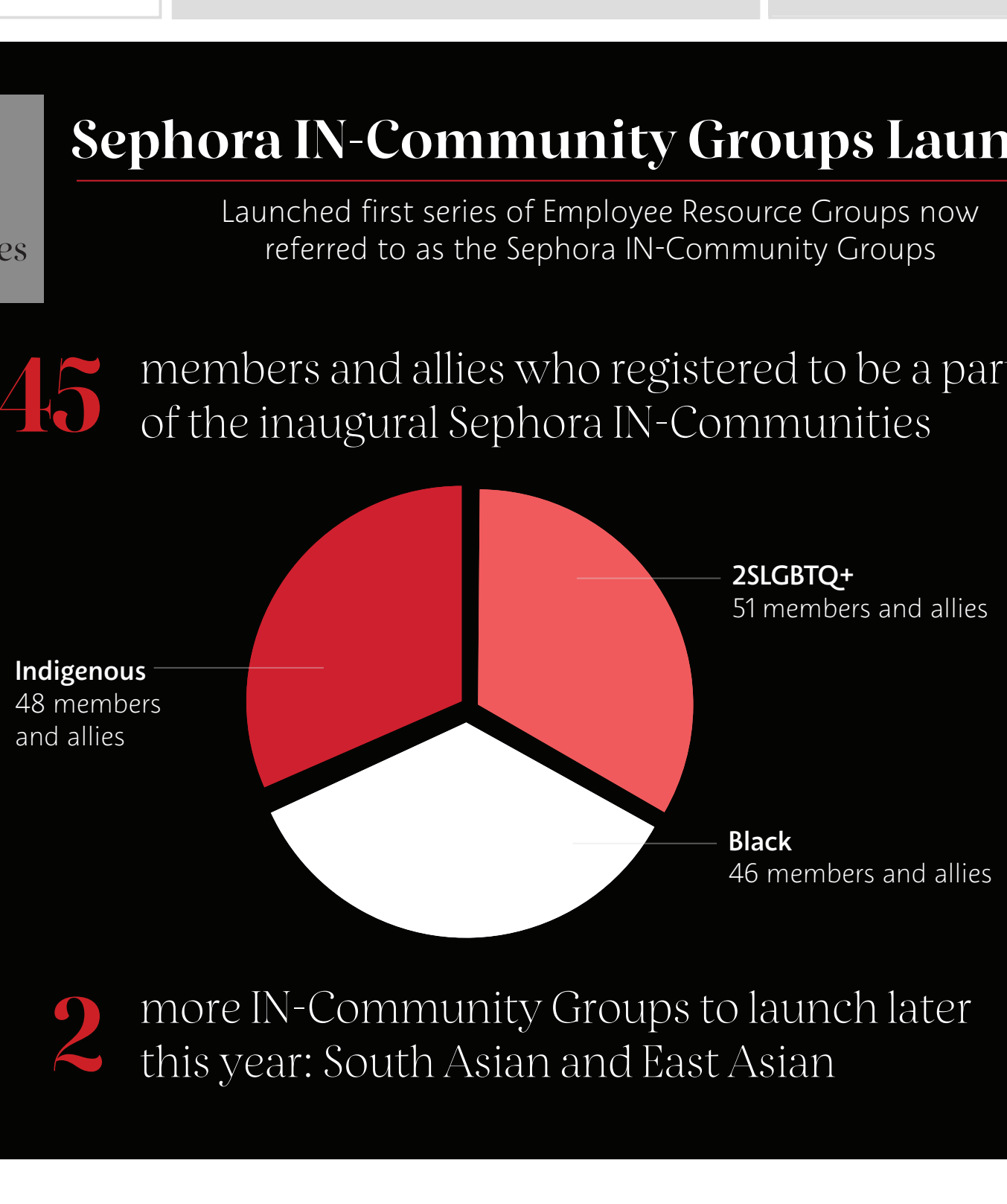
76% felt more confident in their understanding of the concept and how to apply it within their role.

Sephora IN-Community Groups Launched

SEPHORA IN Communities
Elevate your voice

Launched first series of Employee Resource Groups now referred to as the Sephora IN-Community Groups

145 members and allies who registered to be a part of the inaugural Sephora IN-Communities



2 more IN-Community Groups to launch later this year: South Asian and East Asian

Mental Wellness

15 Workshops Delivered

Over the year, we were able to deliver fifteen workshops in support of mental health and wellness including sessions related to Stress, Sleep, Resilience, and Balance for our Leaders.

Stress
Resilience
Sleep
Balance

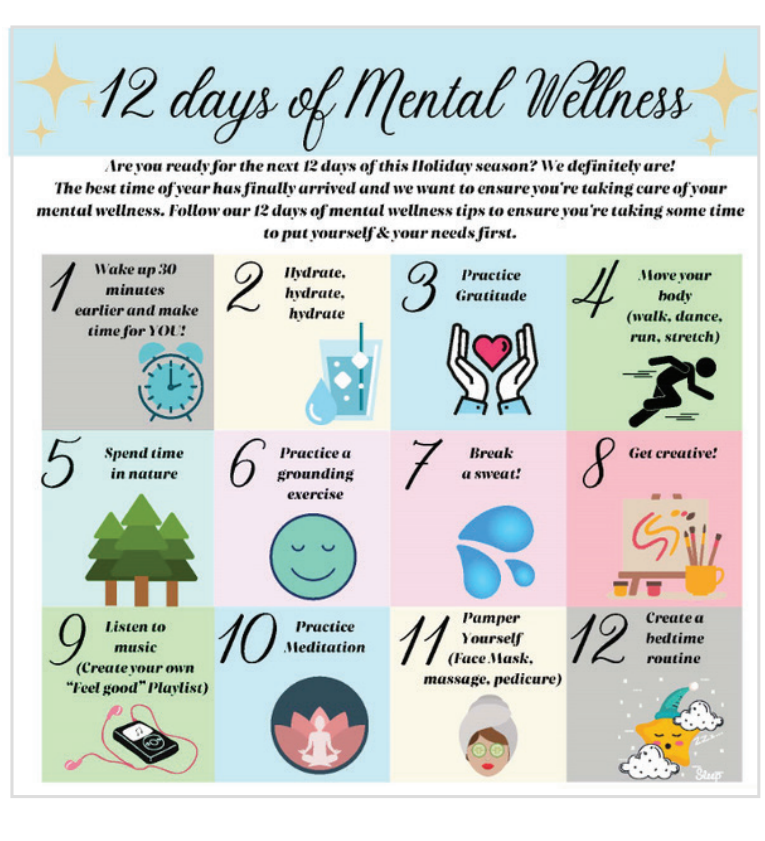
Speaker Series
- New Normal
- Store - Leadership in crisis
- Managing Fear & Anxiety
- Be Positive
- Mental Toughness

Other
- Town Hall with Dr. Robyne Hanley-Dafoe
- Leadership in Crisis-Leadership Community

Workshops
- Stress
- Balance- Leadership Community
- Blended Session - Year of Learning
- Rebound- Leadership Community
- Sleep
- Physical Wellness
- Sleep
- Balance
- Balance (encore)

jack.org

We partnered with Jack.org, a mental health advocacy group and our Charity Rewards partner, to share valuable resources and education related to their "Be There 5 Golden Rules." This program provides leaders with simple techniques that drive meaningful support for somehow who is struggling with their mental health.


12 days of Mental Wellness

Are you ready for the next 12 days of this Holiday season? We definitely are! The best time of year has finally arrived and we want to ensure you're taking care of your mental wellness. Follow our 12 days of mental wellness tips to ensure you're taking some time to put yourself & your needs first.

1 Wake up 30 minutes earlier and make time for YOU!
2 Hydrate, hydrate, hydrate
3 Practice Gratitude
4 Move your body (walk, dance, run, stretch)
5 Spend time in nature
6 Practice a grounding exercise
7 Break a sweat!
8 Get creative!
9 Listen to music (Create your own "Feel good" Playlist)
10 Practice Meditation
11 Pamper Yourself (Face Mask, massage, pedicure)
12 Create a bedtime routine

Employer Awards

Forbes 2021 CANADA'S BEST EMPLOYERS POWERED BY STATISTA

Forbes Canada recognized Sephora Canada as one of Canada's Best Employers of 2021. This is the third time we have received this accolade.

2021 CANADIAN HR AWARDS FINALIST BEST EMPLOYER BRANDING

2021 CANADIAN HR AWARDS FINALIST CANADIAN HR TEAM OF THE YEAR (RETAIL/HOSPITALITY)

2021 Canadian HR Awards selected Sephora Canada as a finalist for Best Employer Branding and Canadian HR Team of the Year (Retail/Hospitality)! Sephora Canada was nominated by our Employer Branding agency Blu Ivy for the Employer Branding category.

Consumers

4 marketing campaigns focused on cultural moments

Lunar New Year, National Indigenous History Month, BIPOC Brands, Diwali with fully integrated internal and external campaign support.

Canadian Social Media Team support in partnerships with Beauty Advisors, content creators, and brand founders.

In-store graphics (windows, and cash wraps) of inspiring visuals featuring local Canadian talent, South Asian and Indigenous representation.

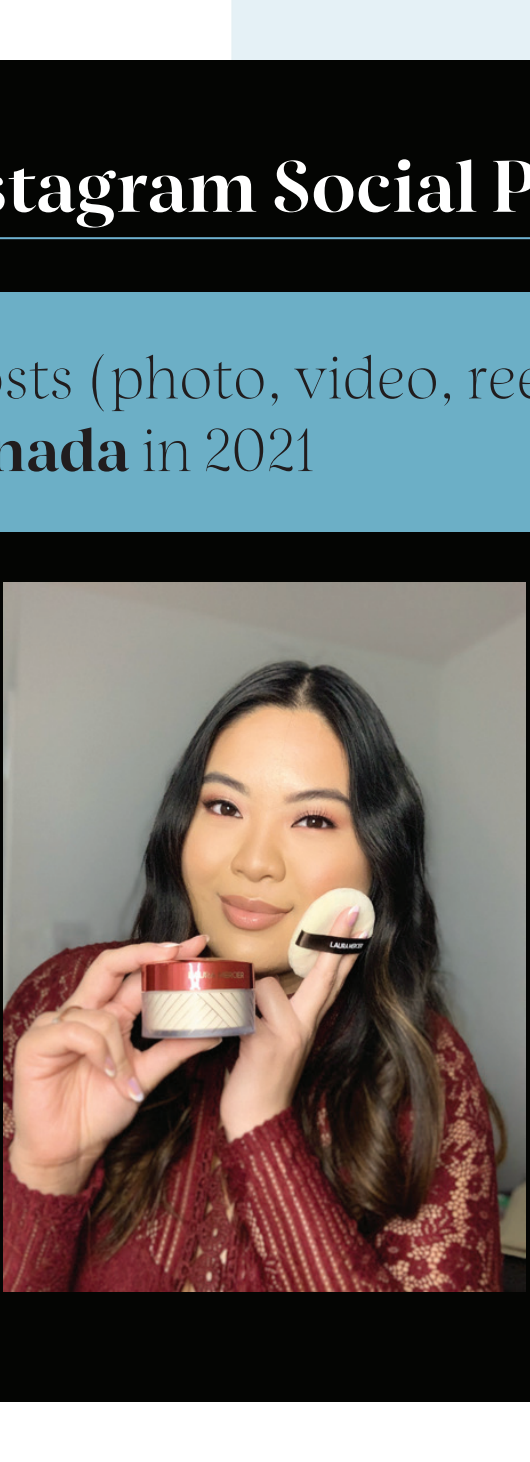
SEPHORA
Reignite the Light
Celebrate Diwali

Celebrate Lunar New Year

D&I Instagram Social Posts

52 D&I Instagram posts (photo, video, reel, carousel) on **@sephoracanada** in 2021

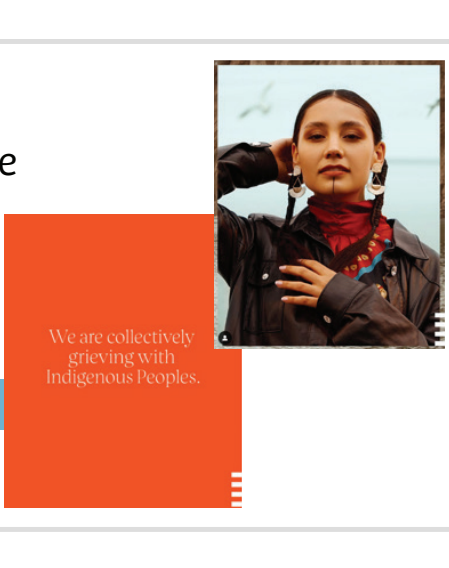
They included content such as:
- Sephora Accelerate program
- Diwali
- National Indigenous History Month
- National Truth and Reconciliation Day
- Lunar New Year
- BIPOC-Owned Brands Campaign
- Commitments and partnerships including Pink Attitude and Fifteen Percent Pledge
- Stop AsianHate
- Donation to Indian Residential School Survivors Society
- BIPOC-Owned Brand Launches



D&I Instagram photo and carousel posts

Viewers engaged with 33% more than Sephora average

Top performing **photos** were our Residential School Statement and National Indigenous People's Day Shina post:

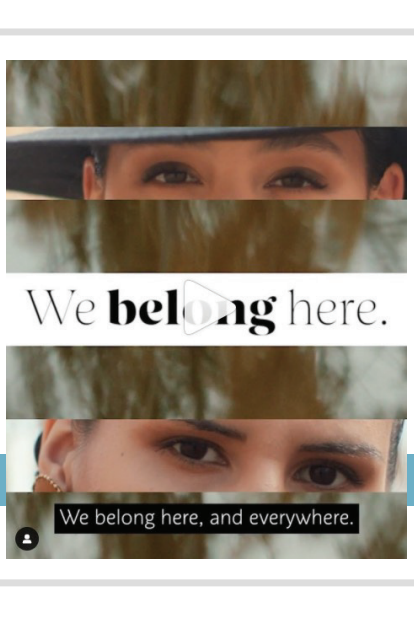

We are collectively grieving with Indigenous Peoples.

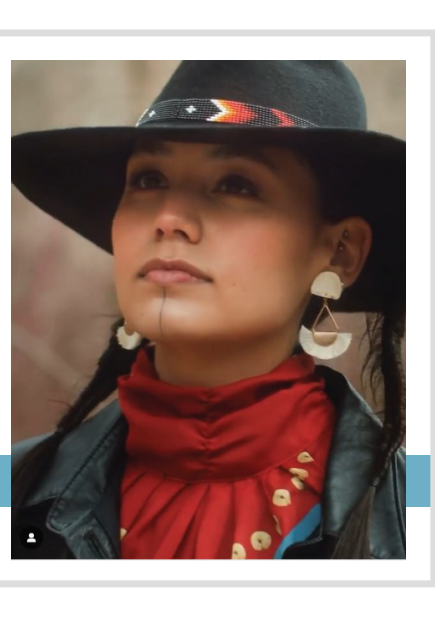
Top performing carousel was **Michelle Chubb's NIHM** videos:

D&I Instagram video posts

Viewers engaged with 20% more than Sephora average

The top performing video was the **National Indigenous History Month Launch** video

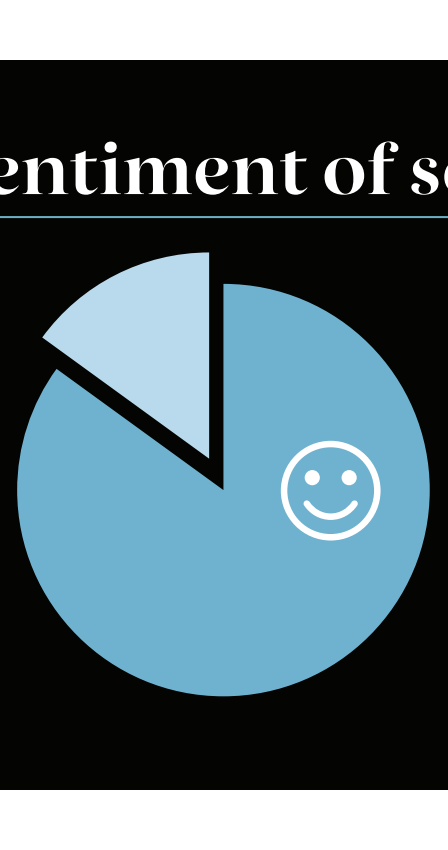

We belong here.
We belong here, and everywhere.



Lunar New Year Influencer Campaign: viewers engaged with **127%** more than Sephora average

NIHM Influencer Campaign: viewers engaged with **+253%** more than Sephora average

DEIB sentiment of social media commentary


85% of posts are positive or neutral

Three Marketing Awards

Sephora Canada won a silver award for Holiday/Seasonal Advertising at the **2021 Marketing Awards in the Multicultural Category**, for our "We Belong" submission tied to Diwali and Lunar New Year campaigns.

The Retail Council of Canada's Excellence in Retailing Awards in the category for Retail Marketing was presented to Sephora Canada for the We Belong campaign.

Sephora Canada also won an award at the **2021 Association of National Advertisers (ANA) Multicultural Excellence Awards**, in the Rising Multicultural Segment category.

Communities

fifteen percent pledge

Sephora Canada is committed to reaching **25% BIPOC-owned brands** by 2026.

We've taken the Canadian Fifteen Percent Pledge with an ambitious five-year goal of having **25 per cent of our brand offering dedicated to BIPOC-Owned brands by 2026**.

2021	2022	2023	2024	2025	2026
14%	17%				25%
Signed the pledge	Today				Goal

9 BIPOC brands added

FORVR mood, cheekbone, Bys Beauty, PATTERN by Tracee Ellis Ross, Fashion Fair, TULA Skincare, TOPICALS, 54 THRONES, adwoa beauty

Giving at Sephora

12 Charity Rewards partners

ACCES, Tropicana, Girls Action Foundation, Sheena's Place, PREVNet, 2-Spirited People of the First Nations, The 519, Rare Impact, Native Women's Association of Canada, Jack.org, Ability Online, and Pflag.

Our Charity Rewards Donations

$345,000
Donated since program started in August 2020

$13,642
Giving Tuesday Support - total donated to causes

Ad Hoc Donations

$80,837
2 Spirited People of the 1st Nations, Red Cross (flood relief) and Indian Residential Schools Survivors Society, Look Good Feel Better (LGFB) anniversary event

Product Donations

$274,300 Donations to Pink Pearl, Look Good Feel Better, Kits for a Cause

New partnership with Kits for a Cause for product donations ensuring end of cycle product is diverted from waste/landfills and goes to those in need.

Sephora matched donations through Benevity in 2021

$7,315
Employee donations

$7,012
Sephora matched

Classes for Confidence

3 Series	3 Partners	8 Classes
Bold Brave DiverseABILITY	AbilityOnline The 519 Pink Pearl	5 Bold, 2 Brave, 1 DiverseABILITY

Bold

Bold Beauty classes offer a safe, inclusive space for members of the Transgender & Non-Binary communities

Classes for Confidence
Bold Beauty
SEPHORA
The 519

11 BAs who supported

35 participants

100%	67%	100%
felt supported	felt improved levels of confidence	expressed intent on visiting Sephora online or in-store

> *I didn't tell [my son] about the makeup classes until Monday morning - wanted to keep it as a surprise. I wish that I had taped his reaction. He was speechless and overtaken with excitement that he was going to be attending. All-day he would do his little giggle and large grin when he thought about what he would be doing Monday afternoon. When I told him I had also signed him up for the [Femme Look] class and the [Androgynous/Gender Neutral Look] he started to cry. When the [Masculine Look] lesson ended he came running upstairs with his makeup done looking amazing. Thank you to [The 519] and Sephora for putting this together. You have made my son the happiest he has been in a very long time. Which in turn makes me smile knowing that he can use this outlet to express his authentic self. I can't wait to see what he does with his makeup with the [Femme look] class."*
>
> — Participant of a BOLD Beauty Class

Brave

Brave Beauty in the Face of Cancer addresses the visible effects of cancer treatments

33 participants

3 BAs who supported

64%	77%	100%
felt supported	felt improved levels of confidence	expressed intent on visiting Sephora online or in-store

DiverseABILITY

DiverseABILITY classes provide a safe and inclusive space for people with disabilities (visible or invisible) to explore beauty

13 participants

2 BAs who supported

100%	100%	83%
felt supported	felt improved levels of confidence	expressed intent on visiting Sephora online or in-store

We are committed to driving change - fearlessly leading and openly learning along the way. We will continue to drive greater equity and belonging in all parts of our business. To oversee governance and accountability we've established the DEIB Steering Committee, to help lead initiatives that deliver impact. We will continue to keep our beauty community updated on our journey.