

GENDER PAY GAP REPORT

2017

SELFRIDGES & CO

SELFRIDGES RETAIL LTD, 400 OXFORD STREET, LONDON W1A 1AB

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REDUCING THE GAP



INTRODUCTION FROM ANNE PITCHER, SELFRIDGES MANAGING DIRECTOR



In 1909, our founder Harry Gordon Selfridge said that

“AT THE HEART OF OUR BUSINESS PHILOSOPHY IS THE HUMAN ELEMENT.”

Today, people continue to be firmly at the centre of everything we do at Selfridges. Our community of team members, customers, partners and suppliers makes us who we are and it's the strength of this community that will keep us at the forefront.

Every day we strive to create a culture and environment that puts people first, that's inclusive, fair, and as our company purpose states, where 'everyone is welcome'. We know we are not perfect, however we are fully committed to supporting all our team members achieve their goals and ambitions.

It's important for us to challenge ourselves every day, and our gender pay gap results show that while we are below the UK average, there is more we can, should, and will be doing to encourage and enable opportunities for all our team members.

We also know we must continue to reflect the customers and communities that we serve, and in which we live and work. Building a diverse and inclusive workforce is also an essential part of this.

At Selfridges, team members from all areas of our business can join a host of different communities, from our Values Ambassadors who champion our values to our Buying Better Network and Green Warriors who drive our sustainability agenda. As well as being great development opportunities, these communities also allow our team members to come together, bring their passions to work and create positive change, whatever their role.

Personal and professional development continues to be a major focus for us and this year we will build on our existing programmes as well as create new opportunities to help our female team members achieve their ambitions.

It's an exciting time to be part of Selfridges and I am looking forward to us making further progress this year as we work together to address the gender pay gap and support the career paths of our people.

A handwritten signature in black ink, appearing to read "Anne Pitcher".

Anne Pitcher
Selfridges Managing Director

WHO WE ARE

Selfridges is part of Selfridges Group, one of the world's foremost department store groups providing leading luxury shopping experiences for our customers around the world. The Group comprises Selfridges in the UK, Holt Renfrew in Canada, de Bijenkorf in the Netherlands and both Brown Thomas and Arnotts in Ireland.

AT SELFRIDGES:

- We directly employ 3,000 – 3,500 team members across our sites
- We have four stores, including one on London's Oxford Street, two in Manchester in Exchange Square and the Trafford Centre, and another in Birmingham
- Our digital platforms include selfridges.com and the Selfridges App, and we ship to customers in 130 countries

The results in this pack are inclusive of all Selfridges team members and executives in the UK. They also include team members and executives based in London who work for Selfridges' parent company - Selfridges Group.



OUR VISION:

To be the destination for the most extraordinary customer experience.

OUR PURPOSE:

To surprise, amaze and amuse - and everyone is welcome.

OUR VALUES:

We own customer experience
We share our knowledge
We show respect
We take responsibility and deliver
We lead and inspire.

WHAT IS A GENDER PAY GAP?

The gender pay gap is a measure of the difference between men and women's average earnings across an organisation. Because different jobs have different levels of pay and the number of men and women in these jobs vary, it is common for a gender pay gap to exist.

This is not the same as '**equal pay**' which is the difference in pay between men and women who carry out the same or similar jobs.

There are two different ways the gender pay gap is reported:

THE MEDIAN DIFFERENCE

If all our team members were lined up in a female and male row, from lowest to highest paid, the median gender pay gap compares the pay of the female or male in the middle of their row.



THE MEAN DIFFERENCE

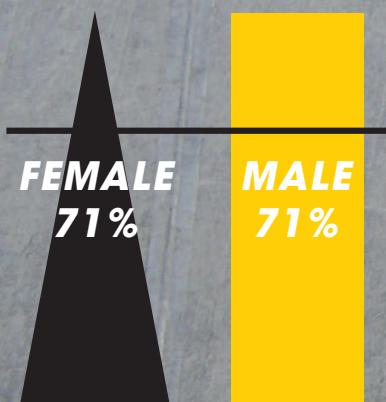
The mean gender pay gap is the difference in the average hourly rate of pay between men and women.

OUR RESULTS

Gender Pay Gap	Selfridges (including Selfridges Group ¹)	Retail (based on estimates from ASHE Survey 2017 ²)	UK (based on estimates from ASHE Survey 2017 ²)
MEDIAN (Middle)	8.2%	9.3%	18.4%
MEAN (Average)	14.2%	16.4%	17.4%

Gender Bonus Gap	Selfridges (including Selfridges Group ¹)	Pro-rating for part-time (excluding Selfridges Group ³)
MEDIAN (Middle)	15.3%	11.4%
MEAN (Average)	38.9%	0.5%

Team Members Receiving Bonus



1 - In addition to Selfridges team members and executives, the figures here are also inclusive of team members and executives based in London who work for Selfridges' parent company - Selfridges Group - who receive salaries and bonuses that reflect their global responsibilities.

2 - Annual Survey of Hours and Earnings (ASHE) 2017 - Office for National Statistics.

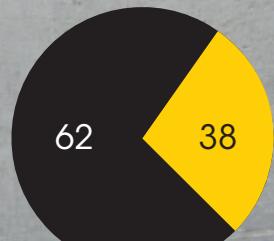
3 - As per the regulations, the bonus calculation is based on the actual hours worked by a team member and doesn't take into account pro-rating for part-time working. We have analysed the bonuses of full and part-time team members on an equivalent basis and the figures here reflect pro-rating for part-time team members. These figures are not inclusive of Selfridges Group team members and executives.

PAY QUARTILES

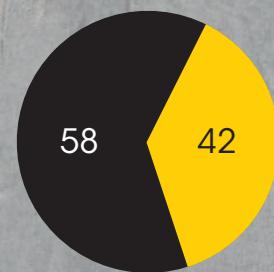
Pay Quartiles are created by listing the rates of pay for each team member from lowest to highest. The list is divided into four equal groups and the percentage of men and women is calculated in each quartile.



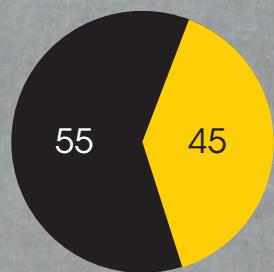
Quartile 1



Quartile 2



Quartile 3



Quartile 4

● Female ● Male

Across all pay quartiles we have more female than male team members, from lowest to highest paid roles.

We have more than double the amount of women to men in Quartile 1, which is predominantly our Sales Associates – our largest team member population.



THE SELFRIDGES GENDER PAY GAP STORY



Our gender balance at Selfridges

AT SELFRIDGES, WE WANT EVERYONE TO HAVE THE OPPORTUNITY TO REALISE THEIR AMBITIONS AND BE THE BEST THEY CAN BE. ALTHOUGH WE ARE ENCOURAGED THAT OUR GENDER PAY GAP IS BELOW THE UK AVERAGE, THERE IS STILL A GAP AND THIS IS SOMETHING WE ARE FULLY COMMITTED TO CLOSING.

We are proud of the significant role women play in our organisation and we know the biggest difference we can make to closing the gender pay gap at Selfridges is by creating even more opportunities for our female talent to progress and realise their full potential.

Across the business, our gender balance is weighted towards women with 62% of all team members at Selfridges being female. This is above the UK Retail average where nearly 60% are female. Our Sales Associate population makes up the largest proportion of roles at Selfridges, and this group of team members is overwhelmingly made up of women. Across our retail roles we have a mean gender pay gap of 4% with half of our stores having

no gender pay gap at all.

We also know we have more men in senior roles across our Digital and IT teams, and as part of our growth plans, we have invested in these areas. These roles typically require people with STEM (Science, Technology, Engineering and Mathematics) backgrounds. In 2016 the proportion of women working in these professions was estimated to be 21%* and this has contributed to our overall gender pay gap.

Although many of the reasons behind our gender pay gap reflect wider societal norms, we want to do everything we can in our business to understand what is driving this and how we can make a positive difference.

Key focuses for us will include supporting more of our female Sales Associates to progress into roles across our business and improving the number of women in STEM related roles. We believe this will make a significant difference to reducing our gender pay gap.

*WISE campaign for gender balance in science, technology and engineering 2016.

Image: Selfridges Lady Fire Brigade, 1914, Selfridges image archive. 7

AT EVERY STAGE OF THE TEAM MEMBER JOURNEY, WE NEED TO CONTINUE TO BREAK DOWN THE BARRIERS THAT GET IN THE WAY OF OUR PEOPLE TAKING THAT NEXT STEP. THIS YEAR WE ARE MAKING IT CLEARER, SIMPLER AND EASIER FOR TEAM MEMBERS TO FOLLOW THEIR CHOSEN CAREER PATHS, FROM THE LAUNCH OF A NEW INTERNAL CAREERS PORTAL AND RETAIL APPRENTICESHIP PROGRAMME TO THE ROLLOUT OF NEW COLLABORATION TOOLS AND AGILE WORKING APPROACHES.

We know that positive and visible role models in our business can make a big difference too. The positions of Managing Director, Finance Director and Operations Director (equivalent to Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of a listed company) are all held by women at Selfridges. At 60%, we far exceed the Government's target of 33% of Board roles being held by women by 2020.

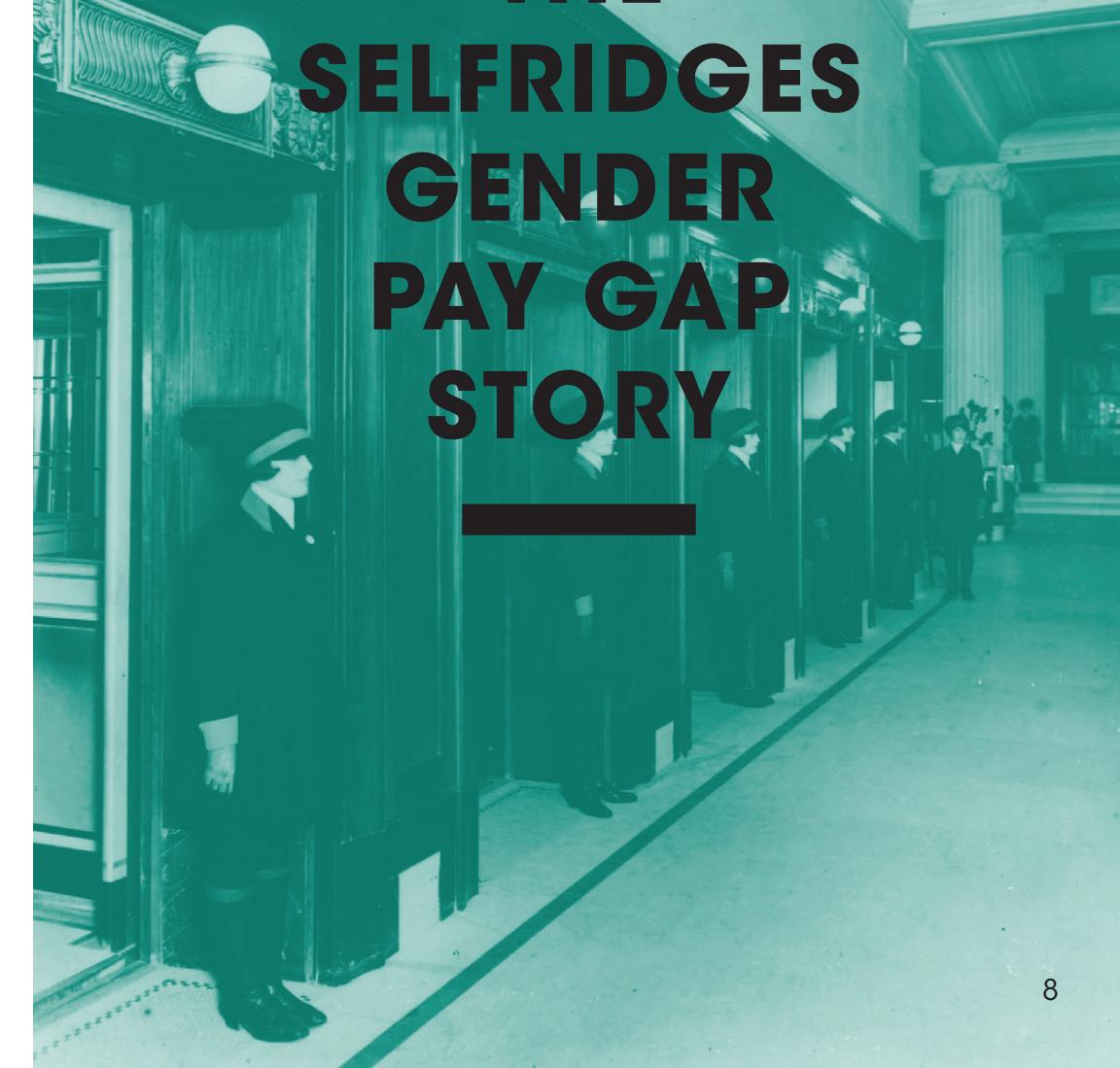
Three of our four stores are led by female General Managers (GM), and the GM of our Manchester Exchange store, Jane Sharrocks, is also the head of our team member communities, which includes our Values Ambassadors. We see this as hugely instrumental in encouraging more women in our business to participate in our development offer.

In the past year, 75% of our recent promotions to Senior Management roles and 80% of our Leadership Development programme delegates were women, and we want to further accelerate this positive trend.

We are proud of the activity and the progress we are making but there is much more to do. We look forward to taking further steps to close our gender pay gap this year.

Image: Selfridges Lifts, 1922, Selfridges image archive.

THE SELFRIDGES GENDER PAY GAP STORY



60%

OF OUR BOARD AND OUR EXECUTIVE TEAMS ARE WOMEN

A study* of retailers listed in the FTSE 350 found that only 20% of Executive Teams, and just 10% of Executive Boards are women.



Alannah Weston
Selfridges Group
Deputy Chairman

Anne Pitcher
Selfridges Managing
Director

Katrina Nurse
Selfridges Finance
Director

Linda Hewson
Selfridges Creative
Director



Lynne Weedall
Selfridges Group
HR Director

Meave Wall
Selfridges Stores
Director

Sharon Warre-Dymond
Selfridges HR
Director

Sue West
Selfridges Operations
Director

Tania Foster-Brown
Selfridges
Communications
Director

*Study by Elixir referenced in the Economist and the Telegraph in 2016

OUR COMMITMENTS TO REDUCING THE GAP

3

We will develop clearer career pathways for roles in STEM areas, such as Digital and IT, and encourage more women into our Senior Management population.

4

We will continue to roll out new collaboration tools and technology to more areas of the business, supporting more agile working.

7

We are launching a week-long programme of careers events and workshops across all Selfridges locations, helping team members identify future career paths and development opportunities.

8

We will partner with our Resourcing team to educate managers on unconscious bias during the recruitment process with a target of educating 80% of senior managers by 2019.

1

We want to develop more of our female team members in our stores so we will be offering individuals the opportunity to join our first retail apprenticeship programme, helping to strengthen our internal talent pipeline for roles across our business.

2

We are doing more to actively promote our apprenticeship and management development programmes to our Sales Associate population through our internal communications and careers events.

5

We are reviewing the types of contract and working patterns we can offer our Sales Associates in our stores.

6

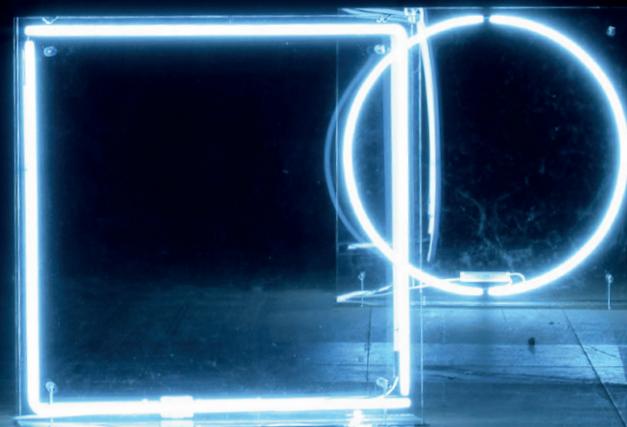
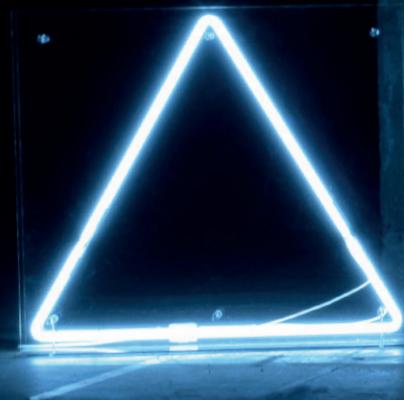
We are making it easier for team members to search and apply for opportunities with the launch of a new internal careers portal.

9

We will review our gender balance across all our talent processes and promotion activity.

10

We will continue to drive greater visibility of our female role models through our talent review processes and career pathways.



I confirm that the information contained in this report is accurate.

A handwritten signature in black ink, appearing to read "Anne Pitcher".

Anne Pitcher
Selfridges Managing Director

SELFRIDGES & CO